

THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Monday, March 22nd, 1965

Opening Prayer by Madam Speaker.

MADAM SPEAKER: Presenting Petitions.

MR. FRED T.KLYM (Springfield): Madam Speaker, in the absence of the Honourable Member for Dufferin, I beg to present the petition of the Reverend Jacob F. Pauls and others, praying for the passing of an Act to incorporate the Bergthaler Mennonite Church of Manitoba.

MADAM SPEAKER: Reading and Receiving Petitions

Presenting Reports by Standing and Special Committees

Notices of Motion

Introduction of Bills

MR. KLYM introduced Bill No. 42, an Act to amend The Metropolitan Winnipeg Act (2).

MR. JAMES COWAN, Q. C. (Winnipeg Centre) introduced Bill No. 89, An Act to amend An Act to amend and consolidate the Acts incorporating "The Fidelity Trust Company".

MADAM SPEAKER: Before the Orders of the Day, I would like to attract your attention to the gallery where there are some 100 Grade 11 students from Sisler School under the direction of Mr. J. Smyth and Mrs. M. Stern. This school is in the constituency of the Honourable the Member for Inkster. There are some 26 Grade 7 and 8 students from Killarney School under the direction of their teacher, Mr. McBride. This school is in the constituency of the Honourable the Member for Turtle Mountain. On behalf of all members of the Legislative Assembly, I welcome you.

HON. GEORGE HUTTON (Minister of Agriculture) (Rockwood-Iberville): Madam Speaker, before the Orders of the Day, I'd like to present the Second Report of the Flood Forecasting Committee. It held its second meeting on March 19th. The committee met to review the situation concerning flood prospects on the Red and Assiniboine Rivers. The committee's conclusions are that there will be no flooding along the Red and Assiniboine Rivers in Manitoba this spring. The river stages in Winnipeg will be well below the first flood stage of 18 feet city datum. On the Assiniboine River, spring peak flows will be confined to the channel along most of its course and well below the tops of the dikes at Brandon and east of Portage la Prairie. The situation on both the Red and Assiniboine Rivers will be under constant surveillance by the committee up to and through the break-up on these rivers, and should unusual conditions develop causing a marked change in the above forecast, further reports will be issued.

The following information was available to the committee for its appraisal of the situation: the results of a Snow Survey made by the Water Control and Conservation Branch during the period March 8th to 10th in the basins of the Red and Assiniboine Rivers in Manitoba and Saskatchewan; a Soil Moisture Survey made by the same branch at freeze-up last fall; records of fall and early winter flow in both streams as recorded by the Federal Water Resources Branch; and meteorological information on fall and winter precipitation obtained by the Meteorological Service of Canada at stations in the watersheds of these rivers in Manitoba and Saskatchewan.

ORDERS OF THE DAY

MADAM SPEAKER: Address for Papers standing in the name of the Honourable the Leader of the Opposition.

MR. GILDAS MOLGAT (Leader of the Opposition) (Ste. Rose): Madam Speaker, I have been asked to hold this request until today. Is it in order to proceed now? I beg to move then, Madam Speaker, seconded by the Honourable Member for Lakeside, that an humble address be voted to His Honour the Lieutenant-Governor praying for copies of all correspondence since January 1, 1963, between (1) The Manitoba Government or any of its departments and the Manitoba Telephone System; (2) The Manitoba Government and the Government of Canada or any of its boards, agencies or commissions; (3) The Manitoba Telephone System and the Government of Canada or any of its boards, agencies or commissions; with regard to the extension of national television and radio service to areas in Northern Manitoba not yet adequately served.

MADAM SPEAKER presented the motion.

HON. MAITLAND B. STEINKOPF, Q. C. (Minister of Public Utilities) (River Heights): We would be happy to accept Questions 2 and 3, but Question 1 is of a confidential internal nature. We've checked this out very carefully and on that basis we'd like not to answer Question No. 1.

MR. MOLGAT: I'm prepared to proceed with the order on the basis of 2 and 3, Madam Speaker.

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

MADAM SPEAKER: Address for Papers standing in the name of the Honourable the Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Madam Speaker, I beg to move, seconded by the Honourable Member for Portage la Prairie, that an humble address be voted to His Honour the Lieutenant-Governor praying for copies of all correspondence since March, 1960, between the Manitoba Government and (1) the Government of Canada; and (2) TCA-Air Canada, with regard to staff transfers from the Winnipeg Overhaul Base.

MADAM SPEAKER presented the motion.

HON. GURNEY EVANS (Minister of Industry and Commerce) (Fort Rouge): I'm pleased to accept this Order, to vote for it, on the understanding that it's subject to the usual reservation of carrying the consent of the Government of Canada for the tabling of their portion of the correspondence.

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

MADAM SPEAKER: Order for Return standing in the name of the Honourable the Leader of the Opposition.

MR. MOLGAT: Madam Speaker, I've been asked by the Minister of Mines and Natural Resources -- I see he's not there, but I presume it's in order to proceed. I beg to move, seconded by the Honourable Member for Selkirk, that an Order of the House do issue for a Return showing the details of all land and building appraisals made by, or on behalf of, the Government of Manitoba, of the properties known as the Bain Estate, since 1960, showing in particular: (a) the date on which the appraisals were made; (b) by whom the appraisals were made; (c) the qualifications of the appraisers at the time the appraisals were made; (d) whether in all cases, the appraisers were accredited appraisers; (e) what the basis of payment was (fee, per diem, or what); (f) how much was paid for the work; (g) the description of the property appraised; and (h) what appraisal values were indicated for the various parcels of land and buildings appraised.

MADAM SPEAKER presented the motion.

HON. DUFF ROBLIN (Premier) (Wolseley): Madam Speaker, I thank my honourable friend for having allowed this matter to stand over. Unfortunately my colleague is in the hospital today so I am having to act in his place here. We would be glad to accept the Order subject to the usual reservations about items that are confidential in their character; those that are inter-departmental or intra-departmental; and also respecting any matters under negotiation. I don't think there are any in the last category with respect to this question.

MR. MOLGAT: I thank the First Minister for his statement. I presume that most of what I'm asking for here is actually public information, but if he has some that is not then he could so appraise us later. I'm sorry to hear that the minister in charge is ill; I hope it's not serious.

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

MADAM SPEAKER: Order for Return standing in the name of the Honourable the Leader of the Opposition.

MR. MOLGAT: Madam Speaker, I beg to move, seconded by the Honourable Member for Ethelbert-Plains, that an Order of the House to issue for a Return showing details of all offers to purchase made to owners of property in the Arts Centre area and in the redevelopment area south of the CPR line and east of Main St., by the Government of Manitoba or any of its agents, showing in particular: (a) the date the offer was made; (b) the amount offered; (c) the description of the property; (d) the person or persons to whom the offer was made; and (e) whether the offer was verbal or written.

MADAM SPEAKER presented the motion.

MR. ROBLIN: We would be glad to accept this question, Madam Speaker, although of course it will be restricted to accepted offers.

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

MADAM SPEAKER: Order for Return standing in the name of the Honourable the Leader of the Opposition.

MR. MOLGAT: Madam Speaker, I beg to move, seconded by the Honourable the Member for Lakeside, that an Order of the House do issue for a Return showing: (1) The details of all land and building appraisals made by or on behalf of the Government of Manitoba, of properties in the Arts Centre area and in the redevelopment area south of the CPR line and east of Main St., showing in particular: (a) the date on which the appraisals were made; (b) by whom the

(MR. MOLGAT cont'd.) appraisals were made; (c) the qualifications of the appraisers at the time the appraisals were made; (d) whether in all cases, the appraisers were accredited appraisers; (e) what the basis of payment was (fee, per diem, or what); (f) how much was paid for the work; (g) the description of the property appraised; and (h) what appraisal values were indicated for the various parcels of land and buildings appraised. (2) Whether any appraisals are presently being carried on, and (a) by whom the appraisals are being made; (b) what the basis of payment is (fee, per diem, or what); and (c) how much is being paid for the work.

MADAM SPEAKER presented the motion.

MR. ROBLIN: We would be glad to accept the Order, Madam Speaker, subject to the same reservations given for the Bain estate question, namely, with respect to appraisals that are confidential and those that are inter or intra-departmental, or those that are still under negotiation. My honourable friend will realize that question 2 will still be matters under negotiation. We do not think we should report those at the present time.

MR. MOLGAT: Well, Madam Speaker, insofar as No. 2, I'm not asking for any of the details of the appraisals, that is how much are being appraised, I'm just curious to know if there are appraisals going on; who is making them; and what the arrangements are with them; not for details of what they have appraised.

MR. ROBLIN: We consider those still under negotiation.

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

MADAM SPEAKER: Order for Return standing in the name of the Honourable the Leader of the Opposition.

MR. MOLGAT: I beg to move, seconded by the Member for Selkirk, that an Order of the House do issue for a Return showing copies of all reports prepared by, or on behalf of, the Government of Manitoba, since 1959, regarding: (a) redevelopment of the area east of Main St. and south of the CPR Line; (b) the Arts Centre location, planning and development; and (c) arterial route, parking, transit studies in these areas.

MADAM SPEAKER presented the motion.

MR. ROBLIN: Madam Speaker, we would be glad to accept this Order with the usual reservations about confidential matters, matters of inter-departmental or intra-departmental nature, or matters presently under negotiation.

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

MADAM SPEAKER: Order for Return standing in the name of the Honourable the Member for Rhineland.

MR. J. M. FROESE (Rhineland): Madam Speaker, I beg to move, seconded by the Honourable Member for Fisher, that an Order of the House do issue for a Return showing: (1) the number of students accredited in each year, for the last five years in Grade IX, Grade X, Grade XI and Grade XII, in Manitoba; (2) the percentage of students accredited to the total number enrolled in those classes in each of the Grade IX, X, XI and XII; and (3) names of the schools so qualified and accredited.

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

MADAM SPEAKER: Order for Return standing in the name of the Honourable Member for Brokenhead.

MR. EVANS: I would ask, in the absence of the honourable member, whether this item could be allowed to stand as I have a point of clarification.

MADAM SPEAKER: Order for Return standing in the name of the Honourable the Member for LaVerendrye.

MR. ELMAN GUTTORMSON (St. George): Madam Speaker, in the absence of my colleague from LaVerendrye, I move, seconded by the Honourable Member for Ethelbert-Plains, that an Order of the House do issue for a Return showing: (1) The number of miles of approved main market roads in each municipality at March 31, 1964; (2) the number of miles of such roads taken over by the province in each municipality under the new plan announced at the summer session of 1964; (3) the amount of all grants awarded to each municipality each year over the past 5 years, showing the purpose of the grant; and (4) the cost sharing arrangements on each of these special grants.

MADAM SPEAKER presented the motion.

HON. WALTER WEIR (Minister of Public Works) (Minnedosa): Madam Speaker, I would be quite happy to accept questions 1, 2 and 4. As far as question No. 3 is concerned, the full breakdown is contained within each of the year's annual reports by municipalities and I think

(MR. WEIR cont'd.) the honourable members will find the information there that they are seeking. I would be happy to accept questions 1, 2 and 4.

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

MADAM SPEAKER: Order for Return standing in the name of the Honourable the Leader of the New Democratic Party.

MR. RUSSELL PAULLEY (Leader of the New Democratic Party) (Radisson): Madam Speaker, I beg to move, seconded by the Honourable Member for Inkster, that the House do issue an Order for Return showing: (1) copies of agreements between the Government of Manitoba and International Nickel Company of Canada and/or its affiliates respecting the nickel development in Moak and Mystery Lake areas, including the Town of Thompson; (2) copies of all correspondence between the Government of Manitoba relating to the agreements; and (3) copies of all correspondence between the Government of Manitoba and the International Nickel Company respecting the governing of the Town of Thompson for the period of the last three years.

I may say, Madam Speaker, in presenting that period of the last three years, it's the correspondence over the last three years regarding Thompson.

MADAM SPEAKER presented the motion.

MR. ROBLIN: Madam Speaker, we will be glad to accept this question. I interpret the "last three years" to mean the last three calendar years plus the portion of the present calendar year, and I would ask to be excused from reporting on anything that is under negotiation at the present time.

MR. PAULLEY: I accept that, Madam Speaker. May I join in the expression of the Leader of the Opposition in trusting and hoping that the Honourable Minister of Mines and Natural Resources will not be long delayed in returning to his place in this House.

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

MADAM SPEAKER: Adjourned debate on second reading of Bill No. 41. Before we have this second reading of Bill No. 41, I would like to say to the honourable members that I believe that in this Session we have been overlooking the basic principle regarding the second reading of Bills, and I would like to quote to you from Beauchesne's 4th Edition, 1958, citation 381, where it says, "The second reading of a bill is that stage when it is proper to enter into a discussion and propose a motion relative to the principle of the measure. On the motion for second reading, it is out of order to discuss the clauses of the Bill."

Now I realize it is quite difficult, especially when you are amending a bill, when there is more than one principle involved to do this. However, I believe that it is possible in an abstract manner to talk about the principle rather than to take each section individually. Now I am seeking the co-operation of the members in trying to observe this basic principle on second reading. I don't believe it will deprive any of the members of speaking or discussing the sections because you will have this opportunity in and at committee stage.

So with this in mind and seeking your co-operation, I'd like to call for the adjourned debate on the second reading of Bill No. 41. The Honourable the Member for Gladstone.

MR. NELSON SHOEMAKER (Gladstone): Madam Speaker, I will try and conform with your ruling and wishes, but I must say that I'm at a loss to know whether the principle of this bill is one of uniformity or the complete opposite, and therefore it places me in a, to use the words of my honourable friend the Minister of Agriculture, it kind of places me in a "strait jacket".

Now the reason the Honourable Member the Minister of Agriculture -- his reasons for doing away with uniformity was that it made the people unhappy, and I refer you to Page 702 and 703 of Hansard. It was a very very brief statement for my honourable friend. I hope that I can limit myself to the same length but say more, because the whole theme in his debate was that uniformity is all right in its place but it's out of place in this Bill, for the simple reason that the people are unhappy about it. That's what he says right there.

Now I don't know from that what the principle of the Bill is I'm sure, but my honourable friend the First Minister in speaking to a very distinguished gathering in Neepawa on September 23rd last -- I was at the head table and it was an honour, Madam Speaker, to be there but my honourable friend the First Minister was speaking to the Manitoba Urban Association, and I don't recall whether it was the annual or the semi-annual meeting but it doesn't matter -- and I have before me the speech that was made at that time, ending up -- ending up, my honourable friend says and I quote, "There is one final subject upon which I would like to touch tonight, one that is rather different from what I have been discussing so far because it has absolutely nothing

(MR. SHOEMAKER cont'd.) to do with the municipal problem we have been touching upon up to the present, a rather different area, but I do want to say a word in conclusion about one of the old perennials of Manitoba public affairs -- daylight saving time.

Now a few years ago the Provincial Government was bombarded -- I think that's the right word -- bombarded from all sides about not daylight time, not saving time, not standard time, but uniform time. People came to us and they said, "We don't care what you do, but for goodness sake give us uniform time." Some said uniform daylight time and others said uniform standard time and so one, but what they were saying was for goodness sake let's have uniform time.

Now here we have the First Minister who agrees with me in this regard because -- (Interjection) -- the rest of the paragraph? -- (Interjection) -- I'll read to the end of the paragraph if you wish. Madam Speaker, if I do, I will have to be longer than my honourable friend was then. Quoting again, "But when we had winnowed out all the expressions of opinion as best we could, we came to the conclusion that uniform daylight time would perhaps be acceptable as a basis by which to proceed. As a result, for the past couple of years we have had a system of daylight saving time all over this province which began at the end of April and which ended one week after Labour Day. I betray no secrets if I say that it is quite apparent that the system is not entirely satisfactory." Shall I read farther? I think that that pretty well completes the story on daylight saving time.

Now, Madam Speaker, now that I have read to the end of the paragraph re daylight time. -- (Interjection) -- I think, Madam Speaker, that the other paragraph does not refer to daylight saving time. It's right at the end of his speech and I don't mind reading the rest of his speech if he would like me to read it.

MR. ROBLIN: Madam Speaker, if my honourable friend would allow me just to make a statement on it seeing he's brought me into it. I'll just simply say that the purpose of the speech was to warn the public that we were not going to continue with the present system. It's as simple as that, a change was coming.

MR. LAURENT DESJARDINS (St. Boniface): forget the principle.

MR. SHOEMAKER: Well, Madam Speaker,

MR. DESJARDINS: What about the principle?

MR. SHOEMAKER: What I want to say, Madam Speaker, is this. I want to ask the question: Who brought in the bill two years ago and the press played the bill up at that time as being the most important part of the entire Throne Speech of 1963? Here is a clipping from the Free Press, March 1, 1963: "Throne Speech proposes" -- this was the front page -- "Uniform Time in Manitoba." That was singled out as the number one bit of legislation, or proposed legislation two years ago.

Now every time that we on this side of the House get up and suggest that we think the government has made an error in some of its legislation or some of its program, they are quick to jump to their defence and say "nothing of the kind." What they are saying now and what they have said in the last two or three minutes suggests to me, while we brought in a bill, we now found out that we were in error. You can't carry on with it, the people are unhappy, as my honourable friend the Minister of Agriculture says, and so in order to make the people happy we are going to amend the bill.

Well this government has introduced all kinds of legislation, and in particular all kinds of taxes that has not contributed to the happiness or the welfare of a lot of people in the province, and perhaps in consideration of their change in respect to keeping the people happy they will rescind a lot of the taxes that were recently imposed, and I hope that this will be their motto from now on, henceforth and forevermore, to keep the people in mind and at all expense make them happy.

Now, Madam Speaker, the other day when we met with the Farm Union group -- and no doubt my honourable friends did as well, I think they met with the government prior to meeting with us -- they said many things. One thing they did say in regard to this uniform time, while agreeing on the one hand that they were opposed to Daylight Saving Time and always have been opposed to it, the Chairman and the President said in effect, "We more or less got used to the time that we have had to live with the last couple of years. We have reconciled to that way of life; don't like it too well, but we certainly like it a whole of a lot better than the present proposed legislation where we're not going to have uniform time." And here they have changed it and they don't like it. It's worse than ever.

I'm one of the business men living in the country who has always maintained that there is

(MR. SHOEMAKER cont'd.) nothing on earth to stop business men collectively from putting a notice in the papers saying, "As of May 1st" -- or whatever date they elect with uniformity -- "our office hours for the next three or four months shall be 8:00 o'clock in the morning till 4:00 o'clock in the afternoon", or whatever it happens to be -- 7:30 in the morning -- I like getting up in the morning -- make it 7:30 in the morning till 4:00 o'clock if they like, but establish some kind of uniformity this way -- uniformity of business hours and leave the hands of the clock alone. Leave the hands of the clock alone.

This was supposed to have been settled, down in Washington I think it was, some 90 years ago. They had a large conference there to settle this whole question of time. They settled it, or they thought they had. They no sooner got it settled than certain individuals apparently the world over, and in particular Manitoba became very unhappy with it and now they are trying to devise other means and ways of confusing it in every way, shape and fashion that they can.

And so, Madam Speaker, I know that there is no point of us talking here for the rest of the afternoon on this subject matter because we're probably going to be voted down on this side anyway, but I say that we should have uniform time in the province. If there's a principle involved, then I say the principle should be uniform time; but if as my honourable friends opposite want to disregard completely the principle of uniformity in time, then I do hope that they will continue to use the same tactics in dealing with all other proposed legislation, and that is, let's keep the people happy at all expense.

MADAM SPEAKER: Are you ready for the question? The Honourable the Member for St. James.

MR. D. M. STANES (St. James): Madam Speaker, in speaking before the amendment, I state the case that I firmly believe in and I think supports the majority wish of the people of Greater Winnipeg. However, I would agree with the Honourable Member for Ethelbert-Plains that this is a difficult question, and being such a difficult question and a question that has been before this House on numerous occasions over the many years, I think it's very interesting on this side of the House to see the views of the Opposition. Particularly I think the Liberal Opposition, the official opposition, because in the NDP Party most of them come from Greater Winnipeg and represent Greater Winnipeg and therefore, although I respect their opinions, I don't think their opinions are so interesting as that of the Liberal Party.

It seems to me in listening here, Madam Speaker, the Liberal Party who consist of three urban members, yet out of that 13 members seven of them live permanently in Greater Winnipeg, it makes the verdict particularly interesting. Their verdict appears to me to be that the principle of uniform time should be adhered to at all costs, that the present situation is a hodge podge, and the government is guilty of pleasing the people. Uniform time, I don't think can be a principle in the same way that I feel pleasing the people is the greatest compliment that one can pay to any government. The people of the Greater Winnipeg area who consist of more than half the majority of this province, the majority of those find it inconvenient and costly to have a different time to that which exists in the other major centres.

Honourable members have mentioned time and time again, and again this afternoon, why change the clock? Why not just start an hour earlier and finish an hour earlier? I would like to know how the honourable members would like to arrange this with Quebec, with Toronto and with Vancouver. Also, as one knows, people are people and you are not going away from your office at 4:00 o'clock with the telephone ringing, so it just does not work.

In looking again to see what the Liberal Party's view is, which I respect, I notice they want uniform time, and two members stated that uniform time should be six month. I would suggest that this is exactly what this bill does. It allows the people outside Greater Winnipeg to make the choice and to allow uniform time if they so wish, which will be the same as those of Greater Winnipeg. It has already been stated that the experiment of two years ago has been reasonably successful in that the majority or a large number of the rural areas do like, although they may not altogether admit it, Daylight Time. Therefore I would suggest, Madam Speaker, that this is good legislation and the greatest compliment that can be paid the government and this legislation is that it pleases the majority of the people of this province.

MR. SHOEMAKER: Madam Speaker, would my honourable friend permit a question? Did I understand him to say that the bill would provide uniformity of time? There would be six months in Manitoba, that the bill provided for six months of uniform time in Manitoba?

MR. STANES: Madam Speaker, I'm sure the honourable member is not asking that question seriously. Of course it does, if the people wish it.

MR. T. P. HILLHOUSE, Q. C. (Selkirk): Would the honourable member permit a question?

(MR. HILLHOUSE cont'd.) I understood you to say that this bill would allow the people of Manitoba to make their own choice. Would you be kind enough to inform the House in what way the people have a choice?

MR. STANES: Madam Speaker, the people have a choice as to whether they want to stay with the present situation or extend their time to conform with Greater Winnipeg.

MADAM SPEAKER: The Honourable the Member for Rhineland.

MR. FROESE: Madam Speaker, before the bill passes second reading, I wonder whether the government has given serious consideration to the matter that the Honourable Member for Gladstone raised. Why couldn't the people of Winnipeg open shop an hour earlier if they so desired? Why do we have to change the clock? I've stated this on previous occasions. I am not in favour of the bill because it extends the Daylight Saving Time for too long a period and this will involve confusion as far as school divisions are concerned which are in close proximity to the city. We've had objections to this very thing expressed and beefs from the School Trustees Associations. Why do we come in with this proposal now again when I think last year we had decided on a principle and that is what we were told at that time. Now we are abandoning it and starting something else. I certainly cannot support the bill as it stands.

MADAM SPEAKER: Are you ready for the question?

MR. DOUGLAS L. CAMPBELL (Lakeside): Madam Speaker, I move, seconded by the Honourable Member for Selkirk, that the debate be adjourned.

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

MR. EVANS presented Bill No. 6, An Act to amend the Department of Industry and Commerce Act, for second reading.

MADAM SPEAKER presented the motion.

MR. EVANS: Madam Speaker, the principle of the bill is to minimize duplication of effort between various departments which now have responsibility for licensing and inspecting accommodation such as hotels, motels and resorts. There are three or four fields in which duplication now exists between the Department of Industry and Commerce, the Liquor Control Commission, the Department of Health, and to a minor extent, the Department of Mines and Natural Resources.

The purpose now is to have inspections carried out and licensing done with respect to outlets that have liquor facilities -- liquor outlets or liquor licences -- done by the Government Liquor Control Commission; and inspections carried out by the Department of Health in connection with accommodation that does not have, or are not intending to apply for liquor licences.

There is a licensing authority which reviews all applications for either new accommodation or for extensions or changes in the actual physical plant itself. The legislation provides for including the Liquor Control Commission on this licensing authority so that the outlets which come under their jurisdiction will be reviewed by the same licensing authority as those which do not.

So the simple principle is that this is an endeavour to sort out the responsibilities between the various departments so as to avoid some duplication which now exists in these functions.

MADAM SPEAKER: Are you ready for the question?

MR. MARK G. SMERCHANSKI (Burrows): Madam Speaker, there is one phase of this bill that might require some clarification, and that is in the matter of hotels being included in the definition of this bill, and then it would appear that the tourist camps and hunting or fishing lodges are all removed from that distinctive classification and more or less grouped under the transient accommodation facilities. Do I understand then that this transient accommodation facilities will also include hotels and motels?

MR. EVANS: Yes, Madam Speaker, that is the case. Transient accommodation does include all of those types of transient accommodation, and then they are sorted out into two groups, those that serve liquor and those that do not. Those that serve liquor will be inspected and licensed through the Liquor Control Commission; those that do not will be licensed in that way through the Department of Health. Both of those licenses will be granted or reviewed by the licensing authority which now exists in my department.

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

HON. GEORGE JOHNSON (Minister of Education) (Gimli) presented Bill No. 28, An Act to amend The University Act, for second reading.

MADAM SPEAKER presented the motion.

MR. JOHNSON: Madam Speaker, the principle of this bill is to broaden the investment powers of the university and brings the investment powers in line with powers enjoyed by insurance companies, in that it allows them to invest in shares of mutual companies. They've always had the right to invest in mortgages such as the National Housing Act and so on, but the principle in this bill is

The other principle here, it makes it possible for the university, with the approval of the Lieutenant-Governor-in-Council, to make agreements for supplying staff outside Canada. This refers specifically -- it is required at this time as the university has been asked by External Affairs to staff a college in Thailand, and whereas the money in this instance will be coming from the federal authorities, they will require these powers to make it possible for them to enter into agreements with the Federal Government to supply this service.

MR. SMERCHANSKI: Madam Speaker, I am a little perturbed in the principle of this bill in that there is a provision whereby the university will be permitted to take part and make an investment in real estate and leaseholders for the production of income. I think that this is rather a dangerous precedent in that there should be some control placed as to the extent of interest that the university investment should take in terms of a leasehold that they may own. For instance, we could have an oil lease, and I don't think that it would be recommended that the university undertake to be a party to the exploration of oil under some of the oil leases that they own. And yet by the same token, Madam Speaker, I am not questioning the confidence that I have in our university board in being able to make this decision, but I am somewhat disturbed that we are permitting this clause to appear on this bill.

Now I appreciate the fact that the university has been restricted in terms to its investment and that the principle of this bill will give them a better opportunity to get a higher interest rate on their investment, and I think that extending it to the principle of the insurance companies or The Companies Act, these are very commendable and it will enable the university to get a higher rate of interest on their investment. But I seriously question the permission of investing in their own development, and likewise, the principle of shares of any corporation incorporated under the laws of Canada.

Here again it's a very delicate area of investment, and I think that this again should be reviewed in the light of being able to give the university a wider scope for a higher percentage in terms of return under investment by giving them the right to invest into common shares, preferred shares, bonds, or mortgages under the Housing Act set-up, but I question the related classification of common shares in a company that would be part and parcel of undertaking a development in which the university has got a vested interest, because it is possible that they may get carried away with the results of any development on property or leasehold that they themselves have a vested interest in.

I think that we would like to have more explanation of course in committee on this. But I question this phase of it very seriously because I do think we are placing at the disposal of the university an area that -- it might be just as well to remove it from their field of investment in view of the fact that we are broadening considerably their scope of investment as compared to what they have been allowed to do up to the present time. And with that, Madam Speaker, we are prepared to vote for the Second Reading of this Bill.

MR. E. R. SCHREYER (Brokenhead): Madam Speaker, I move, seconded by the Honourable Member for Elmwood, that the debate be adjourned.

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

MR. JOHNSON presented Bill No. 39, An Act to amend The Public Schools Act (1), for second reading.

MADAM SPEAKER presented the motion.

MR. JOHNSON: Madam Speaker, this bill of course is, as we know, the one referred to the other evening in which I made a statement as to the policy. One of the recommendations of the Michener Commission, as we know, was that fiscal authority for the affairs of districts in a division should be turned over to the boards of the division and that the power of local boards should be limited and restricted to the handling of purely local affairs.

After consultation with interested organizations and groups, the government has concluded that authority should be established for this type of transfer of responsibility and this bill does make such a provision. It had also been concluded that the transfer should occur only after a favourable vote of the resident electors of the division, and this provision is included in this bill. It is a bill therefore which gives to a divisional board the powers now held by an

(MR. JOHNSON con t'd.) area board, substituting the powers of the boards of school districts in a school area for the powers now enjoyed by the school district in a division.

Specifically, it provides first where the Minister receives a petition from at least 50 percent of the school boards in a division, representing not less than 50 percent of the pupils in the division. He may direct a referendum be submitted on the question and giving to the board of the division the powers and duties mentioned above. That is, the powers of an area board, and changing the powers and duties of the local district boards also, as I have mentioned.

Now if the vote of the referendum is favourable, an Order-in-Council may be passed giving the division board the powers of an area board and limiting the powers of the local boards. Where these changes occur, the property of the various districts is vested in the school division, which also takes over the responsibilities for the liabilities of the district, and the Minister under this bill may make an award adjusting the assets and liabilities.

Provision is made in the bill for the continuance of teachers' contracts and safeguarding the rights they've accumulated as employees of the constituent districts. Certain other parts of The Schools Act which apply to area boards are made to apply to divisional boards, as I pointed out the other day. So this, in short, is the principle behind Bill No. 39.

MR. JOHN P. TANCHAK (Emerson): Madam Speaker, I suppose the Honourable Minister knows my feelings as far as the aims of this bill are, and I presume that some time in the near future there'll be a tendency to enlarge these schools or consolidate these schools, the smaller schools, because once they are under the jurisdiction of the divisional boards there will be a tendency to educate them and so on, and I'm not against this, whatsoever.

We know that in general we accept the principles that our children must receive an education through compulsory attendance and I think that we should strive to make it possible for all children to compete in this rapidly-changing environment. Once the financial power goes into the hands of the school division, I think it will have a tendency to do just this, and I would say now that this would require some bold government leadership which was lacking in the past, but I am sure that in the person of the new Minister I can see -- I hope that I can see this ability of leadership. I hope that the new Minister inspires all Manitoba to rise above local prejudices and jealousies, because that's what is holding most of the small areas away from achievement -- out of achievement. I hope that when the government intends to sell this new plan that the government stress not only money that is saved on it as in the past but under the improvement of the calibre of Manitoba education.

MR. SCHREYER: We naturally support the intent of this bill and have no wish to indulge in prolonged debate at this time since I presume at committee we shall have a chance to deal with the details of analysis, but I would tell the Minister that when the bill before us refers to the powers and duties of the district boards after -- after the reorganization, it leaves us in a position of ignorance in the matter. The bill talks about the powers of the district boards after the reorganization as being similar to the powers of the district boards in the school area, but what are those powers and specifically what about transportation? I feel that this is a particularly important aspect of the reorganization and I'm not sure just how or under whose jurisdiction transportation would then come for example.

MR. DESJARDINS: Madam Speaker, I wish to state first of all I'm sure that the Honourable Minister and the members of Cabinet are certainly well-intentioned in bringing this bill. I think that probably it will do a lot of good generally speaking, but nevertheless, Madam Speaker, I will vote against second reading because I consider this bill premature. I say premature as far as I'm concerned, because until the people of Manitoba know the policy, what the government intends to do to rectify some injustice of some minority groups, I think that this bill could subject the same people to more injustice. I say could -- I think that with certain guarantees this bill certainly could only improve matters in the education field all over Manitoba and I certainly want to repeat that I think the Minister is well-intentioned, but I think that he will see my point that until there are certain guarantees, certain reforms, certain injustices being, shall I say being changed, being remedied, I cannot see my way clear to vote for second reading of this bill.

MR. SHOEMAKER: Madam Speaker, before the Minister rises to answer the questions that have been put on the bill before us, I wonder if he could explain briefly the difference between the provisions of the referendum under Powers of School Area Board 446A -- the differences set out there to the provisions that have been in the Act for many many years, 40 - 50 years in regard to consolidation of schools. I understand that 50 years ago there was provisions

(MR. SHOEMAKER cont'd.) for schools to consolidate if they so wished, and I wonder if they really differ much to the provisions that are set out in the Act before us.

MR. FROESE: Madam Speaker, I beg to move, seconded by the Honourable Member for Fisher, that debate be adjourned.

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

MR. JOHNSON presented Bill No. 47, an Act to amend The Public Schools Act (2), for second reading.

MADAM SPEAKER presented the motion.

MR. JOHNSON: Madam Speaker, Bill No. 47 deals with the establishment of a Northern School Division. The concept of the bill is to establish a new school division with one authority responsible for both elementary and secondary education in the division. The division will not be a big contiguous territory at this stage. It will be made up of school districts and neighborhoods where there are special schools North of Township 22 -- in that far-flung area. It is to serve these people -- there will be elementary schools maintained in the districts and neighborhoods, and for the high schools the children will go to Cranberry Portage where we intend at that site, as we have recited previously, to develop a residential secondary high school.

There is authority in the bill to add other places in the division as time goes on, and these can be added by agreement from time to time with the Federal Government where Indian Affairs is involved or by provincial action in non-Indian settlements. We must recognize that in that vast area that I'm speaking of in Northern Manitoba there will probably be large tracts that will never be in any division.

The idea in the bill is that the official trustee appointed by the government will act as trustee for that division, and there is provision for the setting up of advisory local committees to involve the local people in this capacity. Where a general levy and a special school levy are now imposed in a district they will continue, but at a uniform and reasonable level throughout the area. Where there is insufficient assessment to make taxation practical, which is the case in many of these special school districts at the moment, we will continue for the time being to seek support as we do now on a voluntary basis.

When we come to the committee stage, Madam Speaker, I will have a map which I think will clarify the area we are considering, and showing the various large number of special remote school districts that are now in this wide territory and the large number of special schools.

MADAM SPEAKER: Are you ready for the question?

MR. M. N. HRYHORCZUK, Q. C. (Ethelbert-Plains): I move, seconded by the Honourable Member from Lakeside, that debate be adjourned.

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

MR. HUTTON presented Bill No. 62, an Act to amend The Agricultural Credit Act, for second reading.

MADAM SPEAKER presented the motion.

MR. HUTTON: Madam Speaker, I think that the explanations in the bill as printed state pretty well what we are doing in revising the Act. I think however they do not inform the members of the philosophy or the general objective that we are trying to achieve in doing this.

Looking back to 1958 when The Agricultural Credit Act was first passed, one might think that it was a relatively short period of time and that such a revision in policy and agricultural credit might not be justified. However, there have been rather amazing and dramatic changes in agriculture even in such a short period of time. I think that one thing we have come to recognize in the past few years is that the availability to the farmer of capital is extremely important, growing more and more important as each year goes by, and so we are attempting here to make more capital available to him.

In the past, we required at least a 35 percent equity in the enterprise on the part of the farmer or borrower. This meant that roughly speaking the Agricultural Credit Corporation would put up \$2.00 for every \$1.00 of equity the farmer could raise. Under the new provisions of the Act, it will mean that the Credit Corporation can put up approximately \$4.00 for every \$1.00 that the borrower would have to raise or provide in equity. I think this will go some distance to helping the young farmer especially in getting established.

Now it's obvious in the amendments that we are reducing the extent of subsidy in respect to interest rates. The subsidized interest rate will be extended to young farmers for a period of five years. From that period on in respect to the life of the loan, they will be required to

(MR. HUTTON cont'd.) pay the rate of interest set by regulation for all loans. This is related specifically I think to the provision which reduces the equity requirement, because as I say the amount of capital that is available to the young farmer -- or put it another way, the availability of capital to the young farmer is more important than the cost of that money, provided the cost of the money is reasonable. During the lifetime of the loan, it is in the early years when he is trying to get his feet under him that interest rates are an important factor in making ends meet, and so there is provision for a subsidized or a more favourable rate of interest for the young farmer in the early years.

We are increasing the maximum amount of money that any one borrower can get from the corporation because the facts are that it takes more money to farm today, or to get established in farming today than it did a relatively few years ago.

We are providing for the deferment of principal in the repayment schedule which will enable the credit corporation to establish as favourable a repayment schedule as possible, taking into account the difficulties that borrowers may have during the early years that the loan is in force.

Another important change of course is that we are extending the definition of a young farmer from 31 years to 35 years. This will enable us to give more favourable consideration to the young farmers that we want to encourage in the establishment of economic farm enterprises.

I think that deals pretty well with the principles involved in the bill. Undoubtedly members will want to offer their comments on it and I would be happy to hear what they have to say about these changes.

MADAM SPEAKER: Are you ready for the question?

MR. CAMPBELL: Madam Speaker, I move, seconded by the Honourable the Member for Selkirk, that the debate be adjourned.

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

MR. STEINKOPF presented Bill No. 64, an Act to amend The Civil Service Act, for second reading.

MADAM SPEAKER presented the motion.

MR. STEINKOPF: Madam Speaker, the Joint Council met regularly for a period of a year and a half and this amendment to the bill is a direct result of those deliberations. The bill recognizes the Manitoba Government Employees Association as the sole bargaining agents for the civil service as long as they retain the majority of 51 percent of the membership of the total civil service. The bill provides that negotiations can be conducted on matters respecting compensation, the establishment and the adjustment of pay ranges, and other matters respecting working conditions. It provides for a mediation process in the event of disagreement and it provides for an appeal from the mediation to the Lieutenant-Governor-in-Council, and members will note that there is no provision for strike which was agreed upon between the civil service and all members of the Joint Council. I think the bill is rather straightforward. I think all members have had a copy before them and I'd be prepared to try and answer any questions that there may be.

MADAM SPEAKER: The Honourable the Member for St. John's.

MR. SAUL CHERNIACK, Q. C. (St. John's): Madam Speaker, I didn't realize that representatives from both sides of this bargaining unit have met for, I think a year and a half, to come up with this molehill which I think this bill is. As a matter of fact, Madam Speaker, I must admit that I had no knowledge of the bargaining position of civil servants until I had an opportunity to read this bill and then read the Act. I don't suppose that members of this body need apologize for not knowing everything that comes before us, but I was rather shocked at the lack of bargaining position that the civil servants have; and when I heard the Honourable Minister use the word that this Act recognizes the Association of Manitoba Government Employees as bargaining agents, I must say that I did not think that the use of the term "bargaining agents" was really an appropriate one, because I now realize that the association really has no bargaining power in the sense that I am accustomed to the term "bargaining" where you negotiate and you bargain with a sense of being able to give and take and to have certain rights to object and to reject.

Now it's true the Honourable Minister said that this bill will enable the civil servants to negotiate or bargain -- his word was bargain -- on compensation, on pay, on working conditions, but the conclusion to which I come, Madam Speaker, is that they may discuss these

(MR. CHERNIACK cont'd.) factors and in the event that they don't agree they may ask for the appointment of a mediation board. The manner of setting up the board seems to be relatively fair, and when I say relatively, it's the Minister who decides which of the agreed-upon persons shall sit on the Board rather than have the bodies decide together who shall sit. I'd better spell that out. The Minister may appoint a person authorized; the association may submit a list of one or more persons to be on the board and then apparently the Minister appoints the Chairman of the board from a list which he had been previously agreed upon; so that in the end the ultimate decision is that of the Minister from a list which at one time was agreed upon as being objective.

Now I would like to ask the Minister more directly, just who is affected in this bill? Whom are we trying to protect, if that's the correct term to use. Is it the employees in essential services or is it only non-essential services? Is it hospital employees, or is it caretakers, or gardeners who are really people who can not be considered in an essential industry? I raise that question specifically because the Minister mentioned that there's no strike power here, and I can understand refusal to give strike power to those in essential services -- and I use hospitals only as an example, there are many more in the civil service -- but I also wonder if persons who are in the field which is not that essential are also denied the power. I also ask the Honourable Minister whether employees of the utilities are covered here? I think not but I'd like to get it clarified -- the Telephones, the Hydro.

I also would like to ask the Honourable Minister whether there is security of any kind here for what I have learned are called temporary employees and who may have been employed by this province for I think 14 - 15 years. I'm sure the Honourable Minister will recall a story that appeared -- was it the latter part of the summer, where a number of employees working for the Public Works Department on highways were given, I think it was one day's notice, if you can call that notice, that they were no longer required on the job. I wondered then, as I do now, how they could be called temporary employees when in effect they appeared to have been employed for fairly lengthy periods of time in each year for 15 to 16 or thereabouts years, and who apparently had their major sources of income in the government employ.

Now as I read the Act and as the Honourable Minister informed us, the association is recognized as the "bargaining agent" -- and I must use those words in quotes, Madam Speaker -- as long as it forms or makes up the majority of the civil servants. If it loses that then apparently whatever body the Minister recognizes to be the "bargaining agent" shall be the bargaining agent. In other words, in this case the employer decides whom he will recognize to bargain on behalf of the employees. No question here of a vote as between the employees to decide what other body shall represent them; no question here of certification or of the application of those procedures outlined in The Labour Relations Act that protects employees; but just a sort of paternalistic approach -- we will decide for you what is best for you -- and I don't think that is really too harsh a phrase to use or a sentence to use in describing the situation.

I find also that the general import of the Act itself, I mean The Civil Service Act, gives the Civil Service Commission tremendous powers: powers of classification, powers of deciding who shall be engaged. I don't really understand that there is much for negotiation here unless the powers of the Civil Service Commission are lessened, because if the Civil Service Commission has the right to decide on wages, and there not being any right to strike or any power to arbitrate, there being only mediation proceedings, then we find the Civil Service Commission will make a decision and if the employees association does not accept it then it will be mediated, and when the mediation board comes up with a report then the employees or the government have the right to appeal, to whom? To the government, to the employer and that to me -- well to me it's rather unusual but of course I have not been involved in civil service negotiations in the past. I have participated to some extent in the problem of municipal employees and they are certainly not in this position. I have been involved in the problem of other negotiations between labour and management but I never did see a one-sided power as I find here.

I might also suggest that since there is no right to strike since the organization itself does not have tremendous power, yet I think it is true that the Manitoba Government Employees Association has made a tremendous contribution in the interests of the employees and I do know that the employers, the government has been a good employer -- and I'm not in any way decrying the attitude of government to the civil service and its negotiations -- and since the government here, by law, recognizes the Manitoba Government Employees Association I would like to suggest that having barred them from the right to strike that at least this association be given the power to a check-off to see that it is maintained, to see that it can operate on behalf of all the

(MR. CHERNIACK, cont'd). civil servants; and if there is no check-off, then I would suggest that the Rand formula might properly apply in some way to help the employees work together for a common good. Now this is not an unfair suggestion because I think that the body which represents the employees not being given any power other than to argue, to mediate and then to appeal to the employer to decide what the employer shall pay, should at least have the security of being able to work on behalf of the members.

Finally, Madam Speaker, I don't see any provision in this bill for a grievance procedure, and having leaped through the act itself --and I admit in a very cursory fashion-- I did not see that the act provides for grievance procedure. Now I may have overlooked it, but I am sure that the Honourable Minister will tell me what rights an individual employee has to grieve on a certain issue and how comparable are those rights to the rights given by the government, by this employer, under The Labour Relations Act to other employees in other industries, where section 19 of The Labour Relations Act sets out a form of arbitration to protect the employees during the term of an agreement to be able to arbitrate on grievances and thus acquire a right which they have a right to acquire, because during the term of the agreement they have given up the right to strike.

Now arbitration of grievances is provided so that there shall not be any let-up in a work program, and that is fair that therefore there shall be arbitration. Here I find no power to strike; no power to stop work; I cannot find a grievance procedure which will end up in a form of arbitration which will be objective and representative of people who want to protect both sides; and I wonder whether I did not overlook something. I hope that the Honourable Minister will be able to indicate to me that there are rights here which I haven't seen.

And having said that, Madam Speaker, I still say that I believe that our civil service is doing an excellent job for the province and I believe that the province has been comparatively fair --well I mean quite fair in its dealings with the civil service except in the terms of giving powers to the civil service to bargain. And finally, I should say to this Honourable Minister that I have the impression --and it's not just a general one, but one acquired from conversations I have had with various people -- that he deserves tremendous credit for having been able to bring a bill such as this into the House, and if that's the case I certainly give him credit and I honour him and I congratulate him, but I marvel at the fact that it took so much ability on his part to be able to be allowed to bring a bill of this nature into this House. And having said that, certainly the bill is obviously a step, but a little baby step, if I can refer to words used in previous years, in recognition of the rights of employees to bargain together for their common good.

MR. STEINKOPF: Madam Speaker, there is very little in principle that I can disagree with the honourable member with, but I think that he has overlooked one salient feature of this act and that is the fact that the bill only gives the government and the civil service the right to enter into a collective agreement, and it is my thought that the agreement itself would have the rights and the powers to spell out such things as grievances and check-offs and Rand formulas and matters of this type. I don't think, and I could be legally corrected on this, that these things are absolutely necessary to put into the bill itself.

This is a departure from the practice that has been going on over these many years, and although I haven't had too much experience with it, it is my feeling that there has been a type of constant negotiation between the Manitoba Government Employees Association on a rather informal basis over the years in order to arrive at pay and pay classifications and grievances and pay ranges. I certainly have heard of --well really no complaints of where an individual has had a grievance against working conditions and he hasn't been able to bring that to the attention of the Civil Service Commission, and if he didn't receive satisfaction there, direct to the Cabinet through his Minister.

The matter of the question that was brought up about the members of the utilities, these employees of course are not covered by this bill. They have their separate unions and they are not members of the Manitoba Government Employees Association. So far as the bill is concerned, it is interested in only those civil servants that are members of the Manitoba Government Employees Association and that part of the civil service that we now recognize as being the main part of the civil service without the Hydro and the Telephones being included.

The association has in fact now, if this bill is approved, gained stature and has a very strong bargaining position. The bill and the procedure is not unlike the present procedure established, and rather successfully, in the Province of Saskatchewan a few years ago whereby the civil servants in Saskatchewan have the right to bargain with the government. They also

(MR. STEINKOPF, cont'd). have there one thing that we haven't given them here and that is the power to strike, although I understand there is not any likelihood that it would ever be used because they go through the same type of mediation process that is recommended in this bill.

The matter of temporary employees, I would think that they would receive the benefit of this act without having to be a member of the Manitoba Government Employees Association and that they usually fall in classes, and this bill will be dealing with classes of people rather than with individuals, and of course the pay range that will be set up for them would be the same whether they were a temporary employee or a permanent employee. In other words, the job would be paid at such a rate and that would be the job. If the temporary employee is there long enough that he becomes a part of the civil service, then of course he would be automatically included in any agreement on a rather direct basis.

There has been no attempt to differentiate between an essential worker and a non-essential worker. This I think is a little bit too difficult at this stage although this might eventually come. All employees have been treated alike in that respect in this bill which means that the non-essential worker will not have the right to strike any more than the essential one has. I think I covered most of the points that were brought up.

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

MADAM SPEAKER: The adjourned debate on the proposed motion of the Honourable the Attorney-General and the proposed amendment thereto by the Honourable the Leader of the Opposition. The Honourable the Member for Emerson.

MR. TANCHAK: Madam Speaker, I would like the indulgence of the House to have this adjournment stand please.

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MR. ROBLIN: Madam Speaker, I understand that the Honourable the Leader of the Opposition is ready to proceed with the budget debate, so if you would call the motion on ways and means, we'd give him that opportunity.

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

COMMITTEE OF WAYS AND MEANS

MR. MOLGAT: Madam Speaker, I would first like to thank the Members of the House for the indulgence in allowing this matter to stand for some time since the original motion was proposed by the First Minister. I appreciate that this was done and I appreciate the time that was given to me.

Madam Speaker, the budget speech that we heard this year was without doubt the most defensive document yet produced by the Roblin government, and well it should be. After years of breast beating and self congratulations, the government has now been forced to admit that all is not as it should be in Manitoba. In fact, all is not as the government pretended it has been for some years. After attempting to fool the taxpayers since 1958, the Roblin government has been caught in its own propaganda. It's always tempting to describe a budget by a short phrase. In view of some of the recent actions of this government, no more descriptive phrase could be found for this budget than "the goose egg budget." Because it's nothing but a big goose egg, Madam Speaker. It's barren of promise for the future of the people of Manitoba and is nothing more than a recital of comparisons to 1958. One would think, when you listen to that budget, that world creation started in 1958. In the first 20 pages of the Budget Speech, before reaching the section entitled "Financial Review," the Provincial Treasurer uses the term "since 1958-59" or similar terms and variations of them, no less than 53 times. Fifty-three references to "since 1958-59." This government is still vainly fighting 1958-59.

Now the people of Manitoba want to know about 1965 and 1966 and 1970. They're not interested in defensive arguments which are found in the Budget Speech. They want to know "where is Manitoba going?" Unfortunately the Budget Speech says very little about this. It never gets down to the basic problem. The Budget Speech is so busy reciting how much more money the government is spending, that it fails to say what is being accomplished with the money spent. This is not surprising because in fact not enough is being accomplished for the amount of money spent, because we have a government which operates on the basis that spending money is a measure of success; that the more you spend the better job you are doing. Now as long as this government could accomplish this by using up the surplus funds which it inherited from the previous administration, or by getting more money from Ottawa, or by loading on more debt, the effect on Manitobans was not too easily seen. But now we have reached the end of the road. In spite of using up all the past reserves, in spite of building up our provincial debt structure to the point where every family carries a provincial debt of over \$3,000, this government's insatiable demands has now forced on Manitobans the tax bill presented last summer at a special session -- a session called for the sole purpose of imposing between twenty and thirty million dollars of new and increased taxes.

Before going into the detailed discussion of the financial statement presented to us in the budget, however, I would like to make some specific proposals regarding the form and the presentation of the budget and the finances of the province. First, I would like to recommend a speed-up in the publication and the issue of the public accounts. These accounts, which we now have before us, are for the year ending March 31, 1964. They were submitted, according to the note in the front, to the Provincial Treasurer by the Comptroller-General on the 30th of November, 1964. A further note indicates that they were submitted by the Acting Provincial Treasurer to His Honour the Lieutenant-Governor on the 3rd of December, 1964. Our own copies for the members arrived the week before the session; my own on the 16th of February, 1965. I understand that in other provinces this procedure is speeded up. I believe that in the Province of Ontario the public accounts are given to members in the month of November. I understand that in Alberta they are presented in the month of August. Now it seems to me, Madam Speaker, that with the use of computers, with the use of machines that are available to us, with the data processing equipment that the government has, it should be possible to speed up the production of the public accounts without any harm to the accuracy. I think it would make it very much easier for the members if they were to receive their copies earlier. It's extremely difficult to make a proper analysis of the accounts when they arrive just at session time.

(MR. MOLGAT cont'd)

The second recommendation I should like to make, Madam Speaker, is for further additions in the budget tables, and I would like to say in passing that there is one addition which I think I have noted for the first time this year, which I commend the First Minister for, and that is the Capital Authority Requirements for the year 1965-66. I'm not sure, but I think it's the first time that this has been done and I think that this is entirely proper. I would like to suggest, however, that we might have very good use in the budget for tables such as now appear in the financial statements statistics. These are Estimated Current Revenue and Estimated Expenditure figures for, for example '64-65 and '65-66. I realize that we don't have the actuals for those yet, but if we could have in this same form the estimated for '63-64 and then the actual for '63-64, it would make a comparison very much easier. As it turns out now, each year in the budget we simply get the estimated figures and we have to go elsewhere to obtain the actuals.

Much more important than this, however, Madam Speaker, is my third recommendation, and this is for a clear and definite and constant description or definition of "Current" and "Capital." I believe that we should establish this and use it consistently in all of the financial statements, such as the Estimates, the Public Accounts, the Budget, and any formal announcements made by the government. This, I believe, is an absolute necessity if there is to be any public understanding of government finance. Under the present basis, by juggling from one to the other, that is from Current to Capital or vice versa, government can show surpluses or deficits at their choice and can vary the amounts so that the figures really are meaningless. As I indicated last year, in spite of the declarations of the Provincial Treasurer of Manitoba that he had had surpluses every year, the Canadian Tax Foundation declared that in every year from 1960 to 1963 there had been very large deficits in Manitoba, ranging from a low of 20 million to a high of 33 million per year. During that same time the government here was stating that it had a surplus every year. Now this year in its report the Canadian Tax Foundation says, and I quote: "Only two provinces are expected to end the 1964 fiscal year in the black, each with a surplus of just over a million dollars. The above data have been derived from the Dominion Bureau of Statistics' recent compilation of provincial estimates for '63-64." And further on: "Under the DBS method of reporting, it is anticipated that only two provinces, B. C. and Saskatchewan, will show surpluses for the '63-64 fiscal year, whereas in the 1963 budget speeches, four provincial treasurers -- of B. C., Alberta, Manitoba and P. E. I. -- predict that their government would have small surpluses for this period." Now for comparison's sake, the Provincial Treasurer of Manitoba reported to this House in his budget -- it was also contained in the Public Accounts -- that we ended up last year with a surplus of approximately \$11.2 million for the fiscal year. This is in contradiction to the facts as produced by the Canadian Tax Foundation. And I suggest, Madam Speaker, that this juggling should cease, and that the public be given the straight facts as to where they stand and that there be a clear definition of "Capital" and "Current", and that it be followed consistently.

But now, Madam Speaker, I want to turn to the critical analysis of the figures given to us in the budget, which is the purpose of this budget debate. In my budget reply last year I showed, again from the report of the Canadian Tax Foundation for 1963, that the per capita total debt figures -- now this includes direct and indirect debt after deducting sinking funds in all cases -- that the total debt figures for all provinces indicated that Manitoba had the highest per capita debt in Canada. And the figures then, which were the latest available at that time from the Canadian Tax Foundation, showed Manitoba with a per capita debt of \$530.00, followed by Ontario with \$526.00. Those figures were as at March 31, 1961.

The latest report of the Canadian Tax Foundation -- and this is entitled "Tax Memo No. 36 Provincial Finances 1963-64" -- calculated on the same comparable basis for all provinces -- and this is a very important point, Madam Speaker, that the comparison must be the same for all provinces -- this same calculation for the following year, that is as at March 31, 1962, as calculated by the Canadian Tax Foundation, indicates that at the very top of the list this year is British Columbia with \$830.00 per person, but that Manitoba follows next with \$585.00 per person. In the course of that one year, therefore, an increase in Manitoba from \$526.00 to \$585.00. Now it's true that Manitoba has lost the rather dubious honour of being first. We are, as at the end of March 1962, the province with the second highest per person provincial debt in Canada. B. C. has outdistanced us substantially for this year. But we have moved even further ahead of the other provinces. Where a year before Ontario was only \$4.00

(MR. MOLGAT cont'd).....per person lower than ourselves, in this year the gap is almost \$40.00.

Well now, the Canadian Tax Foundation figures are not available beyond March '62, so a comparison with other provinces is not possible, but an analysis of the Public Accounts of Manitoba at the 31st of March 1964 -- that is, about a year ago -- shows the following figures: Our total direct debt was 363 million, the sinking funds against this was some 60 or 61 million, giving a net direct debt of 302 million. The total indirect debt was 332 million, the sinking funds against that was about 9 million, for a net indirect debt of 323 million. When you total those two, Madam Speaker, you get a total net direct and indirect debt, after deduction of sinking funds, a total of 625 million. Now these are the figures given to us by the Comptroller-General of the province at last Friday morning's Public Accounts Committee Meeting. On the basis of the total population of Manitoba being somewhat less than a million people at this time, each man, woman and child in this province was responsible at the 31st of March '64 for over \$625.00 of provincial debt. This, of course, is in addition to any federal, municipal or personal debt that they may have. Now, making the same calculation nine months later, that is at the 31st of December 1964 -- and this is according to the figures given by the Provincial Treasurer in this budget statement -- we find the following results: that the per capita provincial debt in Manitoba at the 31st of December 1964, was approximately \$675.00. Now this calculation, Madam Speaker, is from the figures submitted by the Provincial Treasurer. Now it's impossible to give an absolutely accurate figure because the Budget Speech does not appear to give the amount of sinking funds applicable to the indirect debt. It gives the other sinking funds but not those, so the figure must be an approximation.

Nevertheless, in the period of some nine months from the end of March, 1964 until Christmas of the same year, our total debt has climbed some \$50 million, or about \$50.00 per person. The total provincial debt, using the same calculations as the Tax Foundation does, on the figures supplied by the Provincial Treasurer at the end of '64, was approximately \$675 million. Now the Provincial Treasurer, of course, will argue that this is not the proper definition of debt. He will say that that's not the right way to calculate the debts. Nevertheless, Madam Speaker, this is the definition made by The Canadian Tax Foundation, which is a completely independent, non-profit research organization, established by the Canadian Bar Association and the Canadian Institute of Chartered Accountants, and its sole purpose is to independently study, assess and discuss tax laws and public finance, and this is their definition of debt. This is also presumably the definition of debt which the Premier and the Provincial Treasurer of this province accepted when he was in the Opposition. Let me remind him again that in his own speech in the Budget Speech debate in 1952 he was raising this very point of self-sustaining debt, and I know he doesn't like this quotation, Madam Speaker, but I must make it to him again because I think he made an accurate statement, and what he said was, and I quote: "There is a funny thing about debt, Mr. Speaker. No matter what you call it, you still have to pay it back, and I say that we should regard this steady increase in the gross total debt of this province with some concern." There are many other interesting quotations in his speech, Madam Speaker. I won't give them all to you but that is the Honourable the Provincial Treasurer, the present Provincial Treasurer, the present Premier, speaking in this very debate on the 25th of March, 1952, highly concerned about debt and saying that regardless of what you call it, you must pay it back.

Madam Speaker, do you realize what the debt was at that time? According to his own figures in his statements of the time, the provincial debt was \$135 million. Look at the figures today: \$675 million. Is my honourable friend concerned? He doesn't seem as concerned as he was then. Now in defence the government will say a great deal about investment in Manitoba, and it'll talk about self-supporting debt and so on, but the facts remain. This is the debt of the province regardless of the purpose to which it has been put. The citizens of this province are responsible for this amount of debt. The money for the payment of interest and repayment of principal must still come out of the pockets of the people of this province. Even the so-called self-supporting debt is still supported by Manitobans. We pay for the self-supporting debt in our telephone bills, in our hydro bills and so on. The rates for the utilities are set out so as to cover these costs. But we are the ones who pay these rates so we are the ones who are supporting the self-supporting debt. No one else. To say that it should not be counted in the total debt is simply an attempt at fooling ourselves.

Well, while this massive build-up in provincial debt was going on, expenditures in Manitoba skyrocketed. Now here again Manitoba surpassed all provinces. While the average

(MR. MOLGAT cont'd). Canadian increase for provincial expenditures was 195 percent in the 10-year period to 1964, Manitoba showed the largest expenditure increase; costs in this province rose by 241 percent. One might have thought that in view of the tremendous debt build-up that possibly Manitoba was holding the tax line and was simply mortgaging the future. Until the tax session, the summer of 1964, some people actually thought that Manitoba had held the tax line. Many didn't realize the slow but steady increase in all types of taxes and fees. That illusion is now gone. Anyone who is paying a heat tax through this winter has no illusions about taxation in Manitoba.

But it's interesting to note, Madam Speaker, and to look in detail at what has happened. The Provincial Treasurer was very anxious to make comparisons to 1958-59 up to the present, and there are some interesting ones that it seems to me he omitted. If you go over and analyze the revenues of this province during that period you find some most interesting facts. The period from 1958 to the Estimates of 1966, an eight year range, the total revenues of the province moved from \$80.1 million in 1958 to \$185.5 million in 1966, an increase of \$105.4 million, or 131 percent up. The average increase for each year was \$13 million or 16.3 percent. The interesting question is "Has Manitoba growth kept pace? Have incomes gone up accordingly in order to pay the additional costs?"

Now in fairness to the government I must say that not all of this \$105 million has come directly from provincial taxes. It is true that there are two sources of revenue which are outside of this province -- we pay part of it but it's not directly ours -- that's the Canada-Provincial Tax Agreement; the other one is the Canada Unemployment Agreement. Both of these figures have moved up very substantially. In 1958 the Canada-Provincial Agreement provided \$32.7 million; it's estimated in '66 to provide \$71.2 million so it's more than double. It's gone up \$38.5 million, 117 percent. The Unemployment Agreement moved from \$2.2 million to \$5.8 million, for a net increase of 3.6 or 166 percent.

But most of the balance, Madam Speaker, apart from this odd \$40 million, most of the balance is in new or additional levies on our people. The gas tax, for example; from \$13.5 million in '58 to \$35.5 million in 1966, \$22 million up, 162 percent. Motor vehicle licenses, \$6.6 million 1958, in 1966 \$12.9, almost doubled, 95 percent up. The liquor tax, from \$10.5 million in '58 to \$19.7 in '66, up 9.2 million, total of 88 percent. The Land Titles Fees, in itself not a large amount but a surprising percentage increase, went from approximately one-half million dollars in '58 to one and a quarter million dollars in '66, an increase of almost three-quarters of a million dollars, or 122 percent up. There's one that shows a very substantial increase for which I think all Manitobans will be thankful, and that's the Mining Royalty Tax. It went up from some \$303,000 in '58 to \$1.8 million in 1966, or an increase of \$1.5 million for the remarkable percentage increase of 500 percent. But, Madam Speaker, I must point out here that the government on the far side should be extremely thankful for this one to my colleague who sits next to me here, the Member for Lakeside, because the largest part of that increase as I can calculate it comes from the development of the International Nickel at Thompson, and this whole development was arranged, planned, under the previous government which was at that time under the leadership of my colleague. The present government was fortunate enough to inherit this whole development, to open it officially and to benefit substantially from the tax increase.

Well, Madam Speaker, it goes on down the line the same way. All the way through, amusement tax, county court fees up 188 percent; tobacco tax -- well it's a new one, \$7 million revenue; parks and recreation -- it's a new one, a half a million revenue; surtax on fuel, estimate \$4 million revenue and so on all the way through.

I would like to single out two specific taxes, Madam Speaker; that's the gasoline and motor vehicle or motor user's tax, and the motor vehicle and drivers' licenses, because in these two fields there have been a number of conflicting statements in the past and I think that this should be made very clear to the people of Manitoba. Now in order to ensure that my figures are correct and impartial, I again went to the Canadian Tax Foundation for this. They have made a comparison between 1957 and 1963 and they get the following results. Madam Speaker, the reason for their comparison is that point that I brought up earlier in my speech, the confusion between capital and current. The position that they took was that provincial governments, particularly in the field of highway construction, were sometimes putting items in current, sometimes in capital, and that in order to get the proper figures you had to make a thorough analysis. And they made such a thorough analysis for Manitoba and they found some surprising facts. The expenditures on highways and public works in Manitoba, when you take

(MR. MOLGAT cont'd) current and capital together as has the Tax Foundation and as they have done for every other province, in March, that is for the year ending March 31st, 1957, the two combined showed expenditures of \$39.1 million. Some six years later, March 31st, 1963, the same figures, current and capital, expenditures \$31.9 million. They had dropped, Madam Speaker, in that six-year period, those two comparable years. There was a drop of about \$8 million in expenditures.

What about the other side of the coin now, the revenue end? Well, it's another story. The 31st of March, 1957, the gasoline tax and the motor vehicle licenses in that year together brought in \$17½ million. Six years later, the 31st of March, 1963, these two taxes combined brought in \$29½ million, an increase of about \$12 million in the revenue collected. So we have on the one side, Madam Speaker, a drop in expenditures of \$8 million, and an increase in revenue of about \$12 million. When you see this comparison it is obvious that the government is milking the car and truck owners of this province. It's increasing taxes upon them but it's reducing expenditures connected with that particular revenue. Since 1963, of course, the revenue has been increased a further tremendous amount, largely because of further increases in fees which came in this year, and the new increased gasoline tax, so that at the end of this year those two taxes combined will bring in almost \$50 million -- an increase since '63 of another \$18.8 million.

Madam Speaker, have the expenditures kept pace? Not at all! The government says in defense for all these taxes, Madam Speaker, that the people are prepared to pay taxes in order to have the economy grow and have services. Madam Speaker, I believe that that is so, but because of waste and extravagance and mismanagement, this government has not produced value for the money spent. The economy has not grown in any proportion to the government expenditures, so that today, instead of being a factor for growth, the government by its massive taxation is retarding growth in Manitoba. Even the government now appears to have found this out, but it's floundering and it doesn't know what to do about it.

Let's review, Madam Speaker, some of the statements that have been made from time to time in recent years to see what the government was saying. Well, in December of 1960, in a year-end review as put out by the Information Services, the Honourable Gurney Evans stated, and I quote: "Manitoba in 1960 experienced one of the most important years in its history from the point of industrial expansion and general balanced growth." He said that new firms were established at the rate of one a week and that 30 percent were in rural Manitoba. Mr. Evans also stated that the decentralization of industry deserved special mention. The entire release gave a glowing picture with a rather subtle indication that the government should receive due credit for the great things that were happening.

In November of '62, again in one of the releases entitled "Manitoba records peak activity in past year," this time it's the Premier speaking, and he says, "Manitoba in 1962 will establish its greatest level of production in business activity in her history, and will achieve this through a high and increasing degree of economic diversity that has been such a striking feature of the province's development." Things were really booming in 1962 and once again the Premier's statement indicated that the policies of the government had played a very important part.

Well now we come to November of 1963, the next release, and this one November 29th, 1963 the headline is "Good '63 growth gives high start for 1964," and it's the Premier speaking again and he says, "New levels of growth and development, based on a buoyant economy, will be achieved in Manitoba during 1963 and provide a high start for 1964." Mr. Roblin said new measures are being taken to stimulate further growth and that these should help assure the province of higher rate of development in the years ahead." Now these are the actual publicity releases of the honourable gentlemen across the way, Madam Speaker. Their own statements, produced by themselves.

Oh, there was little doubt about it then, Madam Speaker, there were great things in store for Manitoba and the golden days that we dream about were just around the corner. Now the year 1964, however, has seen some startling changes. The government began to shift ground in '64. There was less talk about the boom in Manitoba's economy. The Premier moved from a position of self-reliance and go-it-alone to a new policy of suggesting that if Manitoba was to move forward that there was the need for the Government of Canada to place more emphasis on regional development. In a speech in January of '65, fairly recently, he stated that we must have assistance if this province is to develop. Then, Madam Speaker, came the final admission from the Premier himself when on the 10th of February, 1965, during

(MR. MOLGAT cont'd). the enquiry by the Thompson Commission on TCA, and speaking on economic growth he stated, and I quote: "Our gains in the last few years have been distressingly small; only in 1964 have we shown any advance at all. Our problem has been to run like mad to stay in the same place." The Premier stated that Manitoba had, and I use his own words "deplorable growth rate for industrial employment."

Now what an amazing statement, Madam Speaker, in view of all that had been said in the past years, and unfortunately for Manitoba the Premier's statement, this last statement, is the statement of fact. The people of this province are not sharing as they should in the buoyant Canadian economy. The rate of population growth in this province in the past year has been slower than in any other province in Canada except Nova Scotia. Latest figures available show that the rate of population growth for Canada in 1964 was 1.8 percent. In Manitoba it was .4 percent -- less than one-quarter of the national growth. Personal income per capita has not been keeping up to the rest of Canada. The average weekly wage for Canadians is \$83.41 per week; for the people of Manitoba it is \$77.56 per week. I have said before in other speeches, Madam Speaker, that one-third of our people in this province earn less than \$3,000 per year taxable income. There is another figure that is extremely interesting, Madam Speaker, and it's a most damaging figure, and it's proof of our failure to grow. It's the Premier's own statement regarding the corporation income tax figures. This surely should be an excellent index of growth. If the province was moving ahead economically our corporation income tax should be growing. It is not, according to the Premier's own figures. We are virtually standing still. His own estimates indicate that in 1962-63 we expected to get from corporation income tax 16.2 million. Four years later in '65-66 what estimates do we get now, Madam Speaker? We have barely moved ahead -- 16.9 million; almost no growth in a period of four years. These are the figures that the First Minister provided to this House.

Madam Speaker, I ask you, why has this government tried to misrepresent the facts to the people? Why, if we are running like mad to stand still and need assistance in our development, has the government failed, up until very recently, to be concerned and to ask for help? In 1963 when the Government of Canada established the Department of Industry, this government was still arrogant about any assistance, and the Premier at that time, on the 19th of October 1963, likened the establishment of the department to the pension muddle, and the Minister of Industry and Commerce said that the present course, and I quote from his statement, "seemed to be one of building two competing empires," and "What does a federal man know about provincial problems?"

Madam Speaker, there was a department established to assist in regional development. That's its purpose, as I understand it. This government, rather than co-operating with it, was knocking it from the very beginning. Assistance is needed now and it has been needed ever since this government took office, but the facts clearly show not only that they have failed to give economic direction to this province, but by their narrow parochial approach they have also failed to reach out for any help that was offered to them. The people of Manitoba realize that we are not a wealthy province, and they were prepared to give this government a chance to prove that they could create economic expansion. The government has failed and we are left, instead of an industrial boom, a massive legacy of taxation and debt -- the direct failure of this government's actions in both economic and fiscal policies.

Madam Speaker, before I propose the motion that I have, expressing want of confidence in the government, I would like to touch on one other subject. I think it would be appropriate for me to make a few remarks concerning the Tritschler Commission and to deal briefly with some of the matters which Commissioner Tritschler has ruled are outside the scope of his enquiry into the Grand Rapids power project.

MR. ROBLIN: May I interrupt my honourable friend to ask whether he has got the rule in his mind about comment on matters under judicial review? I think that if it is a matter that's under judicial review it would be wise not to make the statement.

MR. MOLGAT: Madam Speaker, I think there is some doubt as to whether the matter is before court as interpreted in our rules. In any case, the matters about which I am going to speak have been ruled officially by the Commissioner as being outside the scope of his enquiry, so having made an official statement that they are outside the scope of his enquiry, I cannot see how my reference to them could be interpreted in any way as interference.

MR. ROBLIN: quite sure that he said they're outside the scope of enquiry or merely that no foundation has been laid to bring it within the scope of his enquiry. I think there's a difference here.

MR. MOLGAT: No I believe, Madam Speaker, that the statement was that he would not consider these aspects as they did not form part of the enquiry. If they don't form part of the enquiry, then I cannot see why I should be prevented from proceeding with them here.

MR. ROBLIN: suggest that we should listen to our honourable friend, but if they definitely transgress the rules he should give some thought to that matter, because for the sake of scoring a point today it would not be a good thing to create a precedent here which none of us would ultimately agree would be satisfactory.

MR. MOLGAT: I'm not seeking to score any points --

MADAM SPEAKER: Is it the wish of the members that the honourable member should proceed?

MR. ROBLIN: transgresses the rule about discussing matters which are under judicial review, Madam Speaker, and of course that's a matter for you to decide.

MADAM SPEAKER: Well in my opinion anything before the courts should not be discussed in the House.

MR. MOLGAT: But, Madam Speaker, this matter is not before the courts to begin with. This is not a court, and I think that under the rules in any case we are allowed to discuss the subject, but in addition to that the matters that I'm going to discuss have been ruled as not being before that commission.

MR. ROBLIN: say I'm just guessing what my honourable friend will say, but if he's going to deal with the matter that I think he is I do urge him to carefully reflect on whether or not truly this is a matter which he should permit himself to discuss at the present time.

MR. MOLGAT: Well Madam Speaker, I think that the matters that I have to discuss need to be presented. I think it's the proper time and place. If they are not going to come out elsewhere I think they should come out here, and I believe, Madam Speaker, that I am entirely within the rules in proposing to proceed as I am. May I have your permission?

MADAM SPEAKER: I am seeking the assistance of the Clerk of the House, too. This is a judicial inquiry. I believe it is still sitting, and if what the honourable member is going to discuss is still within the jurisdiction of this judicial inquiry, then I believe in my opinion he should not discuss it here.

MR. MOLGAT: But, Madam Speaker, the Commissioner has officially stated that these matters are not before his inquiry, that he will not consider them. Now surely if he has stated that they are not before him, then this House has no grounds on which to prevent me from discussing matters that are not before him. This was his decision.

MR. ROBLIN: Madam Speaker, the point that my honourable friend is making makes it perfectly clear that we should not proceed with what he's saying, because we have no information here as to what the Commissioner has said, and furthermore we know perfectly well that he may refuse to consider matters which could legitimately be brought before him under certain conditions, but if the conditions are not complied with he may decide not to hear it, and in that case the matter is still a matter that is subject to the review of his commission, and until he's reported I think we ought not to give ourselves the luxury of debating it.

MR. CAMPBELL: Madam Speaker, if I might speak to the point of order. I recall most clearly when the question of -- in 1956, I believe it was, when the question came before the House here, as to whether certain matters dealing with an inquiry by the Public Utilities Board could be debated in this House or could not, and arising out of the discussion that took place at that time, we, if I remember correctly, amended our rule in the matter and we made it very plain because the argument hinged upon whether this was a court or a judicial hearing, or anything that would prevent it from being discussed in this House, and so my recollection is that we amended our rules and made it very plain that the one subject that was not allowed for discussion in this House was a matter that was being heard before a Court of Record. I distinctly remember those words being inserted by resolution of the House here -- a Court of Record. Now my submission is that the present inquiry is not a Court of Record, and that was the one and only body, as I recall it, that we prevented discussion on. Now if someone can find that rule I'm sure that that's what it says, and that was the purpose, because we spent a long time debating the matter here, and finally some of the gentlemen who were legally trained and experts on the rules and the law got together and I think you'll find in the Journals of the House -- my guess is it would be the session in either 1956 or 1957 -- that a committee sat on this matter and brought in the report which was accepted by the House that this rule would apply only to matters before a Court of Record.

MR. ROBLIN:to the point of order, I recall that the matter was raised previously at this session and we agreed not to discuss it if it entrenched on the Tritschler Commission, which surely is a judicial review.

MR. MOLGAT: Madam Speaker, before you rule on this, I'd like to point out that a week ago, or some 10 days ago, I made a speech here in the House on this subject. I spoke about the Commission; I spoke about the Grand Rapids power project, and I recommended to the government that they extend the terms of reference, and this was acceptable, Madam Speaker. There was no objection at all to my speaking about that because these were matters that were not directly before the Commission. The Commissioner has now ruled certain matters are not before him. Here's his statement, Madam Speaker, and I quote from his statement: "The profit or loss of the contractor is not of concern to this Commission. What the contractor spends on public relations or entertainment or expense items, whether in giving hospitality or for the pleasure of the contractor's own personnel, in the absence of any evidence of corrupting hydro staff, are matters which concern only the shareholders of the contracting company and the tax official who rules upon the deductibility of the expense claimed." He specifically said, Madam Speaker, that those are matters of no concern to that Commission. Well surely, if they're of no concern to the Commission, then I'm entitled to discuss them in this House.

MR. ROBLIN: My honourable friend knows that he is not giving the whole story. My honourable friend knows perfectly well that the Commissioner decided that he could hear these things if a foundation were laid, if there was any charge of impropriety. Then he could and would hear them. My honourable friend knows that. These items were before the Commissioner if he felt that there was sufficient grounds to have them heard, but to say that they're not before him is to my mind completely wrong.

MR. MOLGAT:the Commissioner himself.

MR. ROBLIN: I'm not saying anything about.

MADAM SPEAKER: Order.

MR. MOLGAT: I'm only interested in discussing the points, Madam Speaker, before you make the ruling, then I wish to lay on the table this document.

MR. ROBLIN: Well I think you'd better tell us what it is before you lay it on the table.

MR. MOLGAT: Well, you don't want to hear what it is so I'll lay it on the table and it's now public information.

MR. ROBLIN: It'll be made public information after the House rises anyway. My honourable friend need have no qualms. He can get his point across.

MADAM SPEAKER: In my opinion, this matter could still be brought before the judicial inquiry and therefore I will not allow it to be discussed on the floor at this time.

MR. CAMPBELL: Madam Speaker, are you also ruling that this Commission that is sitting now is within the terms of our rules?

MR. ROBLIN:

MR. CAMPBELL: I didn't ask my honourable friend the First Minister.

MADAM SPEAKER: Order, please. Would you repeat your question for me?

MR. CAMPBELL: Are you also ruling that the Commission that is sitting, called the Tritschler Commission, comes within the terms of our rule? Does not our rule say "a Court of Record"? Is this a Court of Record?

MADAM SPEAKER: I cannot find that. If the Honourable Member from Lakeside will point it out to me in our rules.

MR. MOLGAT: Could Madam Speaker indicate which rule she is ruling?

MR. T. P. HILLHOUSE, Q. C. (Selkirk): Perhaps if I may make a suggestion. I don't think that anyone from this side of the House wishes to transgress any of the rules of this House, and I am quite satisfied that you, Madam, do not want to make a ruling unless the House can live with it, and I would suggest in the interest of harmony that this matter be held until 8:00 o'clock and that you allow the House to adjourn until that hour, and during the intervening two hours we might have an opportunity of looking into this matter and making a proper decision.

MR. ROBLIN: Speaking to the point of order, I think Beauséne is fairly clear at paragraph 149 (c) "refer to any matter in which a judicial decision is pending." I think that covers this case. But if we're going to look into matters that are permissible here, I would also suggest that decision should be reserved on the tabling of a document that has neither been identified nor read.

MR. PAULLEY: Madam Speaker, on the last point suggested by the Honourable the First Minister, I've been trying to peruse through Beauséne to establish any precedence

(MR. PAULLEY cont'd).....where such a document or any document has been tabled without reference. The Honourable the First Minister may know what it is, the Honourable Leader of the Opposition, but the Leader of the CCF or the New Democratic Party is not aware of the significance or the import of the tabling of a red envelope, a red bound document, and I think that we should be informed as to what it is at the time of tabling. It's my understanding generally when a matter is tabled it's at the request of a member of the Assembly.

MR. ROBLIN: Madam Speaker, if it helps you at all in dealing with this matter to reserve decision on it and deal with it at 8:00 o'clock, I myself have no objection whatsoever and would be glad to have you call it 5:30 which would be, I think, the proper way of getting ourselves out of this situation.

MR. HRYHORCZUK: Madam Speaker, before you do that will you please give me an opportunity just to make one statement. I understand that there's some question as to whether the document has been properly tabled because there was no request for such tabling. May I make that request formally now, Madam Speaker?

MR. PAULLEY: Madam Speaker, on that particular point may I suggest that the document should be identified before request is made, because I'm sure that my honourable friend here, because of his peculiar position in their caucus, may be aware of what it is. We're not.

MR. MOLGAT:identify the statement, Madam Speaker. It's the financial statement of -- the document which I have tabled is a financial statement of the firm of Drake, Pearson as at the 11th of January, 1963, prepared by Deloitte, Plender, Haskins and Sells, Auditors. It indicates the financial operations for the year ending December 31, 1962 of that corporation; indicates net earnings for the year of \$1,004,959.36 on contract revenue of \$1,617,958.03, and is an accurate version. I have the original and I will be prepared to have anyone compare it.

MR. ROBLIN:at issue is whether any member has the right to table a document under these circumstances. My honourable friend can give all the publicity in the world that he likes to this statement; he knows full well it's not the whole fact.

MR. SCHREYER: Madam Speaker, there's one point of order that I'm not clear on --

MADAM SPEAKER: Order, Please. The Honourable the Member for Brokenhead.

MR. SCHREYER: Thank you, Madam Speaker. I was saying that there's one point of order that I'm not clear on and I rise on a point of order. The question is whether the Tritschler Inquiry is in fact a judicial inquiry or whether it is quasi-judicial. Now I suggest to Madam Speaker that something can be sub judice and if it is it's beyond mention here in this House, but if it's sub quasi-judice I'm not sure whether we are banned from dealing with it.

MADAM SPEAKER: I will call it 5:30 and leave the Chair until 8:00 o'clock.

FRENCH

Page 787 - Hansard No. 32, March 19, 1965.

MR. E. SCHREYER (Brokenhead): Madame je voudrais suggérer à mes amis à ma droite que la question du drapeau n'est pas importante maintenant.

Madam, I would like to suggest to my friends on the right that the question of the flag is not important now.