

THE LEGISLATIVE ASSEMBLY OF MANITOBA
2:30 o'clock, Monday, March 20, 1967

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions
Reading and Receiving Petitions
Presenting Reports by Standing and Special Committees

MR. DOUGLAS J. WATT (Arthur): Mr. Speaker, I beg to submit the First Report of the Standing Committee of Municipal Affairs.

MR. CLERK: Your Standing Committee on Municipal Affairs begs leave to present the following as their First Report:

Your Committee met for organization and appointed Mr. Watt as Chairman. Your Committee recommends that, for the remainder of this Session, the Quorum of this Committee shall consist of seven (7) members.

Your Committee has considered Bills:

No. 32 - An Act respecting The City of Portage la Prairie and the purchase of certain lands from the Government of Manitoba.

No. 35 - An Act to validate By-law No. 30-1966 of The Town of Killarney and By-law No. 11-1966 of The Rural Municipality of Turtle Mountain, and to add a portion of the South East Quarter of Section Three in Township Three and Range Seventeen West of the Principal Meridian in the Province of Manitoba to The Town of Killarney.

No. 49 - An Act to amend an Act to incorporate the Sinking Fund Trustees of The Winnipeg School Division No. 1.

No. 55 - An Act to validate By-law No. 371 of The Village of Teulon and By-law No. 2233 of The Rural Municipality of Rockwood.

No. 66 - An Act to amend The Brandon Charter.

And has agreed to report the same without amendment.

Your Committee has also considered:

Bill No. 37 - An Act to validate By-law No. 770 of The Village of Deloraine; and

Bill No. 31 - An Act to amend The St. James Charter; and has agreed to report the same with certain amendments; all of which is respectfully submitted.

MR. WATT: Mr. Speaker, I beg to move, seconded by the Honourable Member for Springfield, that the Report of the Committee be received.

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

MR. SPEAKER: Notices of Motion

Introduction of Bills

MR. R. O. LISSAMAN (Brandon) introduced Bill No. 90, an Act to incorporate the Diocese of Rupert's Land Development Foundation.

MR. SPEAKER: Before we proceed, may I direct the attention of the honourable members to the gallery on my right where we have 53 students of Grade 6 standing, from the Sherwood School. These students are under the direction of Mr. Enns and Mr. Kroeker. The school is located in the constituency of the Honourable Member for Kildonan. On my left, we have 22 Girl Guides from Rousseau, Minnesota, U. S. A., under the direction of Mrs. Steckman. On behalf of all the honourable members of the Legislative Assembly, I welcome you all here today.

Orders of the Day.

HON. STEWART E. McLEAN, Q. C. (Provincial Secretary): Mr. Speaker, before the Orders of the Day I should like to place on the table an Order of the House -- a Reply to an Order of the House No. 60 on the motion of the Honourable the Member for Elmwood made the 16th of March, 1967.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, before the Orders of the Day are proceeded with I would like to direct a question to the Honourable the Minister of Education. Could the Honourable Minister tell us what is the situation at the present time? Are the applications for consolidation of schools proceeded with at the present time or are they -- is the situation still frozen and no actions are being taken?

HON. GEORGE JOHNSON (Minister of Education) (Gimli): Mr. Speaker, the proceedings are going forward with respect to the election of trustees in the unitary divisions. Legislation will be brought down this week, I believe, outlining the details of that plan, and statements will be made during the course of this week.

MR. FROESE: Mr. Speaker, I was not referring to the referendum or the districts that voted for it; I'm referring to those districts and the divisions that did not opt themselves in, where applications are presently pending for action that several school districts have applied to consolidate, and apparently the situation was frozen before and I would like to know what's happening at the present time. Will action be taken now?

MR. JOHNSON: Yes, Mr. Speaker, these applications will be made to the Boundaries Commission as they are received and we sent one over this morning, as a matter of fact.

MR. RUSSELL DOERN (Elmwood): Mr. Speaker, about ten days ago I asked the Attorney-General a question concerning a suicide at the Vaughan Street Detention Home, and the Coroner's report is now in, and it said on this report, if I might expand for just a second here, that both RCMP officers said they knew that Thorkalson, who is the man who committed suicide, had been committed to the mental hospital in December but they thought the only thing wrong with him this time was that he was drunk. Now I would like to know whether the RCMP, having knowledge of a previous record of mental illness, notified the guards and the people in charge of the Vaughan Street Detention Home; and if not, why not?

MR. T. P. HILLHOUSE, Q.C. (Selkirk): Mr. Speaker, why don't we let the dead rest?

HON. STERLING R. LYON, Q.C. (Attorney-General) (Fort Garry): All I can say in that regard is that that matter -- there was a public inquest with sworn evidence given on the matter. I have not seen a transcript of that evidence. My information, however, is what the honourable member says; namely, that the information was known to the RCMP and was conveyed to the Vaughan Street people.

MR. DOERN: Mr. Speaker, a supplementary question. It says nothing of that. Is the Minister calling on some extra information that this information was conveyed to Vaughan Street, that they were informed - the guards were informed that this man had a mental illness record?

MR. LYON: I'm not familiar with all of the detail at all, Mr. Speaker, because I have not gone into the transcript. I understand that the information was conveyed to the guards and that regular fifteen minute checks were made on the unfortunate person.

MR. GILDAS MOLGAT (Leader of the Opposition)(Ste. Rose): Mr. Speaker, I'd like to address a question to the Honourable the Provincial Treasurer. Is it correct that the government has employed a firm of public relations or advertising people to sell the sales tax to the people of Manitoba?

HON. GURNEY EVANS (Minister of Agriculture and Conservation)(Rockwood-Iberville): Mr. Speaker, we're receiving assistance from an advertising agency in preparing our advertising.

MR. PHILIP PETURSSON (Wellington): Being the nearest thing to a Scotchman that our group has to offer, I wondered whether Manitoba, enjoying the bitter winter climate that it does, and feeling that a little more of the lighter side of winter life could be indulged in by the House, I wondered whether there were never any challenges across the floor for a curling match or something of that sort; whether the Liberals would not challenge the Government and we be permitted to challenge the winners of that kind of a

MR. SPEAKER: I wonder if the honourable gentleman would take that up with the Whips. I'm sure they'd co-operate.

MR. MOLGAT: Mr. Speaker, a subsequent question to the Provincial Treasurer. In his reply to me he said that an advertising agency had been employed to help with the advertising. Could he inform the House which advertising agency and what is the purpose of the advertising?

MR. EVANS: I think if my honourable friend wants extended information he submit an Order.

MR. RUSSELL PAULLEY (Leader of the New Democratic Party) (Radisson): Mr. Speaker, on the same may I ask a supplemental question? Will this firm be paying the sales tax on their receipts insofar as the advertising is concerned?

ORDERS OF THE DAY

MR. SPEAKER: Orders for Return. The Honourable Member for Selkirk.

MR. HILLHOUSE: Mr. Speaker, I beg to move, seconded by the Honourable Member for Lakeside, that an Order of the House do issue for a Return showing and producing:

1. A copy of the Form of Tender, with accompanying specifications, used in connection with the production, printing and distribution of the brochure or publication entitled "Faces of Manitoba".

(MR. HILLHOUSE, cont'd)

2. To whom and when were Forms of Tender and specifications mailed, giving individual or corporate names and addresses of each.
3. Copies of all tenders submitted.
4. The name and address of the successful tenderer, the amount thereof, and if more than one the foregoing particulars in respect of each.
5. If no written form of tender and specifications were used, by what means and to whom did you convey your request to submit prices.

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

MR. JOHN P. TANCHAK (Emerson): Mr. Speaker, I move, seconded by the Honourable Member from Portage, that an Order of the House do issue for a Return showing:

1. What surveys of saw timber available in the area granted to Churchill Forest Industries were undertaken by the Manitoba Government or any of its agencies or by anybody on its behalf.
 2. What type of surveys they were.
 3. When they were made.
 4. Who made them.
 5. What quantity of merchantable saw timber these surveys showed to be available
 - a) within 50 miles of The Pas.
 - b) within 100 miles of The Pas.

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

MR. SPEAKER: Adjourned debates on second reading of Bills. Bill No. 38. The Honourable Member for Churchill.

MR. GORDON W. BEARD (Churchill): I'm sorry, Mr. Speaker, we on the Liquor Bill -- I was listening to the words of the Honourable Minister of Municipal Affairs. Well I suppose, in rising to speak on this, you've got to decide whether you're on the side of the angels or not. I don't know whether the angels will be with me by the time I'm finished but I hope they stick around for awhile.

Some members were concerned about the making of wine at home and how much they could make at home. I think we all realize that this has been done for a long time. We have a law that everybody is breaking so I think that the only thing we can do is stop shutting our eyes to it and do something about it constructively. They wonder whether you should make two bottles of wine at home or be allowed to make a bathtubful. Well, really, what is the difference? I suppose if you made two bottles at once well then you'd be making it continuously. I don't really see the difference. It's something that you consume and when you've consumed enough of it you stop. Whether you have enough to drown the Attorney-General in I can't see where there's much difference except that it would be a nice way to pass along. But for comparison purposes I think we've got to decide what we're comparing it to. Are we comparing it to the unrestricted drinking of years ago where you strode manfully up to the bar and put your foot on the brass rail, used the spittoon and called for a bottle and stood there and drink it until you couldn't drink any more, or whether it's the prohibition times when you just weren't supposed to drink but you had to contend with many other things that prohibition produced? Or maybe we should compare it to the restricted drinking that legislators brought in, where it was a sin to drink but you were allowed to legally drink in sin in a dark, dingy beer parlour and leave by the back door and keep the children away from those hotel doors because that was where sin was conceived. Or perhaps we should compare it to the Bracken Report of what? -- some 10 years ago? where we brought it to light and faced it, and said at that time that we should continue to face this and as times changed and as we saw what the results were, then we could decide. And I am of the feeling that we have come to the hour of decision again.

Is it wrong to drink socially? Is it a sin any more? We're going to live with it. My honourable friend called for the good Lord's help, that you can't get drunk by 11:00 o'clock at night. Well, do we all drink to get drunk? I don't think so. I don't think so. The average person drinks because it's the social thing to do in many cases, and there aren't all things bad that come out of drinking. A lot of good things. Is it any more of a sin to drink at 12:00 o'clock at noon than 12:00 o'clock at night, or 1:00 o'clock, because if it is a sin then I think most of us have sinned. I think this is a case of many of the lawmakers saying, "You do what I say, but don't necessarily do what I do."

I don't think really, Mr. Speaker, that the wisdom of Solomon could bring a solution to this problem. I think that we have got to decide for ourselves when we stop drinking or when

(MR. BEARD, cont'd) we start drinking. I think it's hard for a politician to be politically right. He's got to have courage to rise and speak on this, and I think that all of us should stand up and tell our people why we're voting. I think that a politician's got to decide whether he's on the side of the thinker or the side of the minority. I think that probably one real answer would be, though, if we went back to the original intent in this Bill in itself. As I understand it, the architect had a bar in the Legislative Building, and I would suggest, Mr. Speaker, you give some consideration to having this brought in at this time and we could maybe make the 57 members of the House the guinea pigs for Manitoba, and if you could just conceal it we would use it for liquor experiments. If the Commission wanted to introduce a new brand into the province, then we would have to experiment with it and see whether it was any good. We could test Brand A against Brand B or Brand C. We could test drinking at different hours of the day - have it on a 24-hour basis. We could test Sunday drinking. We could test the physical and mental retardation of people that drink continuously. We could have an extensive test on the new Gimli industry and make sure that this is good for the people of Manitoba, and I think that we could even be forced to test the moonshine that our competent policemen bring in from time to time. We could possibly test the reaction to our go-go girls in respect to drinking. We could -- (Interjection)-- maybe the Member for Souris-Lansdowne would be a good man to test that. We could test whether it was right to stand up and drink or sit down and drink. We could have breath-o-lyzer tests. We could have records of personal consumption and the physical reaction to overindulgence. I think the Press, TV and Radio should be given a document such as they have now, and be allowed to report on a sober, reliable basis. They could watch us but it wouldn't be good to have them indulge because they may not have a fair basis to report on. Possibly, since politicians are the only ones that live in glass house, maybe we should have a space for the public to come and watch and just see what the politicians are doing, because certainly at times they tell us we don't give a very good impression in the House here where we have to be sitting on the floor talking to each other.

But anyway, Mr. Speaker, should this experiment not be carried through, I would go back to the point of restricted hours; not necessarily promoting restricted drinking, because we all know what happens - comes the hour of decision, which is 11:00 o'clock or 10:00 or 12:00 or 6:00 o'clock closing, then you stop ordering your singles and you order doubles or triples and - at least my friends do anyway - and they carry that through as far as possible, and really you could sit there perhaps for two or three hours of a night, drinking slowly and enjoying yourself and having a good time, and then all at the end you have two or three quick drinks and you're on the road. Restriction and prohibition, of course, are two of the same things and when you get at this point then you always want to take that last drink or that last chance at it because you're now being rationed.

But has restricted drinking really looked after underage drinking, drinking-driving, people getting drunk, young people finding out about drinking, anything else? It seems everything can be blamed on drinking somewhere along the line. But if we look at the other side and say, "If people refuse to accept drinking as an evil, and we cannot shame them into stopping, then possibly we should look to other measures to make it socially acceptable and that people can adjust to drinking."

It is a known fact that in the change, if we change just for the sake of changing, then it really doesn't help, but if we change to bring our laws more in adjustment with what is being done, then I think this is the purpose that we should follow. Legislating hours in drinking places could possibly cause a place to be open really longer than it wanted, because if you look at, perhaps restaurants, where there may be two or three in a row. One decides they want to stay open, say, until 9:00; maybe one stays open till 10:00; maybe one's open till 6:00 in the morning. These people get along and they're catering to the particular group of people that accommodate their restaurants, and so they've ironed this out and I think in all probability that if we consider perhaps a number of hours that our drinking establishments could stay open, perhaps say a 12-hour day, and let them decide what hours their customers want. Now I'll agree that one could wander from one to the other and possibly drink on a 24-hour basis, but I don't think this would happen too often. They know if they can drink they can continue to drink and then go home, and whether they get up at 7:30 in the morning or 9:00 o'clock in the morning, or 6:00, shouldn't really be a consideration as far as we're concerned because that's the problem they have to deal with, and usually you'll find, in many cases, that as you get a little older you realize your limitations and you become a little educated towards going home at nights when you're supposed to. I think perhaps we should consider the number of hours that a business

(MR. BEARD, cont'd) requires to operate during a 24-hour period, so that it can make money, it can stay open and be of service to the public and still stay within the realms of what we feel is decently right.

I think that members who have been talking about advertising have conveniently forgotten the principle behind this. It is brand advertising, and it is easy to stand up and say advertising is for one purpose only and that is to promote the sale, but they don't go far enough. It's to promote the sale of their product, not particularly the product, the drinking itself. Now maybe this is a fine line but one brewery we have enough drinkers in the province, we have enough drinkers in the province; so it is up to them to compete for that drinking dollar, that dollar product; and it may be putting it harshly but it is the drinking dollar, and if they can get more than their share then they're very happy, and I don't think that the type of brand advertising that is being suggested will do very much to promote the extra consumption of liquor that would not be normally consumed anyway. All it does is try to create the beaten path to the door of those who advertise the best, and it is with this thought in mind that I feel that the dollar which is going to be spent on advertising anyway should be as much as possible spent in Manitoba so that our private industry, our press, our news media can take advantage of it, and what is really the difference of having a periodical which is printed twice a month being allowed to advertise over and above those who would advertise on a daily basis if possible, because it doesn't necessarily follow that all advertising is going to be done on a daily basis. They couldn't afford that. The weeklies, we all know, come out once a week so it's only four times a month, whereas we say that periodicals can do it maybe twice a month. So I don't go along with that suggestion. I think that guidance, regulations would cover the type of advertising so that it wouldn't appeal to those to drink more, but more to those who do drink, to drink the type or the brand that the advertiser is trying to put in front of the public. But as I say, this is a very fine line that you have to consider very carefully, and I'm not very strong either one way or the other. The only thing, I think that we're subjected to it daily in any magazine that comes into the province, any paper that comes into the province, and I think that we should allow those who are operating in the province to at least operate on the same basis as those other industries that are outside of the province in which we may lose our revenue too.

If we are going to relate the sale of liquor to our education problem I think we are going to be in a terrible position, because there really is no way that you can relate the adjustments of people who can't handle liquor to the amount that is consumed in the province any more than you can relate the sale of cars to the number of accidents that happen to be in the province. I think it's an education program. They seem to be doing a good job. I've run into not only AA, but the other associations that help them in this field. They're doing a good job. If we listen to them we will know when we're on the brink of disaster and that they will do something about it, but they're there to help and the government is helping them to help us, so I think that we will just have to carry on the way we are and hope that the adjustment comes through people being able to cope with drinking and being able to assess it themselves. We're a pretty normal, thinking group of people in Manitoba, and this is something that we've had to cope with for many years and the whole world is doing it; we're not isolated. And it seems to me that we're advancing, because the number of drinkers - alcoholics - may be increasing but certainly not in proportion to the number that are drinking and if we can take the sin out of it so that people don't drink in the corners, to bring it out into the open, possibly there'll be less problems than we have had to deal with in the past. Thank you, Mr. Speaker.

MR. LEONARD A. BARKMAN (Carillon): Mr. Speaker, I'm sure that I would be expected to say something on this subject, and I must say that the honourable member who just sat down must have possibly found it a rough subject to discuss right after a busy weekend, but I appreciate his sincerity and at least he wasn't one of those that said that he was also a teetotaler, that's why he was going to vote for it. It seemed to me the other day, when we were listening to these different speeches, that so many of the members that got up claimed that they were teetotalers and it practically seemed to suggest that possibly those that were going to vote for the bill would more than likely be the teetotalers and those that possibly would be voting against the bill could maybe, or probably, be the more heavier drinkers. Now I'm not going to say that possibly those that have been, there may be some that are drinking heavy, I wouldn't wish to make any suggestions on that, but I would admit that possibly those that have been drinking heavier might understand this problem a little bit more than possibly some of the complete teetotalers, and I think they could maybe assess this problem from a more deliberate and experienced angle, and I am sure this could be the case in some of the persons that are against this bill.

(MR. BARKMAN, cont'd)

The bill, of course, has the four principles in mind, and I don't intend to dwell on all four. I thought that possibly the encouraging of longer drinking hours and the Sunday drinking and basically the liquor advertising, I think much could be said against these. I have very little objection in talking about the fourth point because my colleague here from LaVerendrye, who has labelled himself now as one of these dandelion wine-sippers - or diggers, pardon me - and I realize that when I check some of my history way back to some of the ancestors, I understand that some of them at certain times were called "chokecherry slobbers", and I don't know just to what extent they went but I do understand that they did not do this on Sunday and they went home on Saturday night before 12:00 o'clock and very often, I also understand, that they didn't have the time to really let this juice ferment right, and it was so good it was too often drank before it ever came to that point.

I can heartily agree, Mr. Speaker, with the thought that Saturday night should stretch into all hours of Sunday and that Sunday, possibly Sunday a.m., should be called Saturday night because it's suitable to certain people, and I must admit that this is not only suitable to some people that have spoken on it, I would have to include myself on it, but I think a long time ago a higher hand created the Sabbath day and I don't believe that any of us will ever be able to do anything about that except change it ourselves, but the Sabbath itself, I think we might as well forget about that; it will not change. We can change our plans on the next day but I wished to bring that on the record because it seemed that there might be a resolution or something coming up in the near future that possibly we would have to change our Sabbath day.

Now, I've chosen today to say a few words on a book that I picked up just last Saturday night, and I don't know just how I happened to see it; in fact, I read about half a chapter of it and I found it very interesting, and I would propose to the members of this Legislature that whenever you have a chance, do read this book. It's not only a very notable character that's taken into consideration in this book, it was a living character. It was the former editor of the Calgary Eye Opener, Mr. Bob Edwards, and I wish to say a few things about this man because I thought it very interesting that while he was one of, possibly one of the great boozers of the time, I wish to say a few things about this story and I thought some of the things that he said were very interesting and I shall read a few.

MR. WATT: What page are you on?

MR. BARKMAN: Page 152, for your records. Have you got the same book? It's good reading, I assure you, and I hope you will take this into consideration. The author, by the way, is a man still living today, a very famous man by now that used to I believe teach economics at the University of Manitoba and also later became the Mayor of Calgary and today is the Lieutenant-Governor of Alberta, Mr. Grant McEwen, so I found this very interesting. But going back to some of the sayings that Mr. Edwards had and some of you may take note that they're quite popular by now: In 1920, he made one statement and he says, "Yes, we agree. Whiskey floats more troubles than it drowns." In 1906, and this is a long time ago, but I thought it was a very interesting topic he chose; "The water wagon is certainly a more dangerous vehicle than the automobile. At least, more people fall off it."

Then in 1916: "Booze acts on the human character as developer on a photographic negative. It brings out the light and the shadows; it shows up the black spots." And so it goes, on and on. But the character that I wish to just relate to you for a few minutes, Mr. Bob Edwards -- of course whiskey was his big enemy, and of course this -- I take for granted by now that you are going to read this book and I don't have to go into detail of it too much, but when the crucial battle of the Wets and the Drys appeared in 1915 in Alberta, Mr. Bob Edwards, then the editor of the Calgary Eye Opener, of course was right in the midst of it, and him being one of these people that attended the bars quite often and the like, it was expected that he would be fighting with the Wets, and his influence and his power was very great at that time because -- as you're going to read the book you will find out yourself. But the crucial test actually came in this man's life in 1915 when there was to be a decision made between the Wets and the Drys, and it seemed this matter went on and the Wets of course expected him to fight with them, and finally Mr. Edwards decided that he was not going to go with the Wets, and I'm sure it wasn't because he didn't love his liquor. In fact, I found it rather amusing when the temperance and the different societies learned of his intentions that they went over to see him. I believe it was "The Moral Reform League", the other group, went over to see him. The first thing he asked them, he says, "Well, you're after my support. How much is it worth to you?" And of course the answer he got was this, "We're sorry, Mr. Edwards, we have no money and we

(MR. BARKMAN, cont'd)cannot pay you," but he responded by saying, "That's fine. I'm still going to be with you and I'm going to prove this to you in my next issue," and that evening, or the next I believe it was, the paper was usually set on Thursday, and a vote was to take place on Saturday, this man was dedicated that he was going to do something in trying to hold back this referendum and keep Alberta dry.

I do not wish to burden you any longer with this story. It was rather unfortunate that, with the good intentions and the power that this man had, the Wets were defeated and of course he was very famous with the Drys for taking this action, but I thought that basically we could derive many points out of this but at least two important points, and I think one of them is this; that I believe that the intention of Bill 38 that is before us now, I believe that the intention may be good of this bill, but I fear the results of this bill will not be as good as the intention, and also we see that a man of great understanding of liquor, as you may follow up the story, and he really seemed to understand liquor except he didn't understand to leave it, he realized the pitfalls and the dangers of drinking. So, even if some of you have now and then taken a drink, do not feel guilty to vote against this Bill 38 because there is a possibility that the good in you will overtake the evil in you, so I wish to encourage you from that standpoint.

The other point that I thought maybe could be derived from this story was this; that actually it proved how effective and how powerful advertising can be. He being the editor of this Calgary Eye Opener, he being able to swing this vote across Alberta, I thought it was something that we can take as a lesson when we start thinking of our advertising that might take place once our liquor advertising does come into effect.

Well, Mr. Speaker, the other day the Member for Brokenhead said that he had switches on his television, on his radio and so on, and he has the right to turn them off whenever he wishes. I certainly agree with him on that and I am proud that he has his family in that kind of what have you. I appreciate that fact, but I think he'd also have to agree with me that he or I are not always present, or any other responsible person cannot always be present when some of this unfavorable advertising is taking place, and while I agree with my colleague for La Verendrye that spoke last Friday, that not too many adults really started drinking or smoking, whatever it might be, because of an ad, possibly changed brands or the like, but not really started drinking, I think this is a little bit different in the case of our younger generation. I think we have to look at it from a different viewpoint because somehow I can still see that one certain huge billboard in my mind when I was still pretty young, and sometimes afterward I wished that I hadn't seen that one; it would have saved me a lot of money in regards to smoking.

So, Mr. Speaker, I thought possibly I'd like to bring up a point concerning our distillers and brewers advertising. I doubt very much that when you see some of the smaller magazines and the smaller papers possibly asking or bothering you people or members that you should encourage the advertising of liquor and the like, I doubt very much, from what I've heard from some of the smaller editors, if they're actually going to get any advertising out of it, other than the big, large national papers. I doubt very much, and I think if they would honestly answer this I think their belief is they are not going to get that much or maybe no advertising out of it. But I wanted to try and look at it from a practical angle. I think we have to admit that a lot of communities have benefitted, benefitted by grants and donations from certain distillers and by certain breweries, and they've shown great benevolence in this respect and I think this has helped many a service club, many a community, but I am questioning, I am doubtful, that if advertising were allowed I'm very doubtful if this same money would not then be used for advertising instead of given to certain service clubs or charitable institutions. And I doubt very much, once this advertising started, that if the bigger companies, the bigger distillers, if perhaps we must agree today they already are big, but I doubt very much if the bigger or the rich wouldn't get richer and the poor wouldn't get poorer with having the bigger companies always having this advantage over the smaller companies, and thereby even might be a practical reason for that reason alone.

I realize that back of my mind somehow I can hear some of the speakers that mentioned the fact: "Well, how can you make statements like this when you see that Channel 12 is beaming advertising over this way; eastern magazines are pushing their magazines into Manitoba?" and so on and so on. And I may be a bit naive on this subject, I don't know, but is there absolutely no way, no way I say, in stopping this type of advertising or keeping it out of Manitoba? If we spent as much effort and time as we already have in this House and possibly will for some time to come, if we spent as much effort and time to stop these certain news media, whichever media they may be, from being able to do this, surely there must be some kind of legislation if we

(MR. BARKMAN, cont'd) . . . really want it stopped, and that to me is not a big enough reason that we should allow advertising because others of the time are advertising.

As I've said before, there are really four principles involved and I do not wish to say very much more but I do want to go on record and congratulate the Member of Pembina, who I thought brought forth many reasons, very concrete and solid reasons, and I think that if any of you members are in doubt of some of the things, I think you should read her speech over and over again until it sinks in because I believe her effort was superb.

Another practical point, Mr. Speaker, that I wish to bring up - and I don't know if you rural members have heard about it so much - but I think it should be brought up when you take in consideration the extension of hours of beer parlours (and sometimes I practically wish to call them "male beer parlours" and I would have to admit that I believe the change from male to mixed drinking is for the better of these beer parlours) but we still have quite a few of these beer parlours existing, and it doesn't seem to sound correct, or it doesn't seem to be the right thing to do to extend those type of beer parlours by another hour when they'd so much rather have an hour earlier in the morning when possibly a farmer or a businessman or somebody in town wishes to have a beer before he goes home, and it's bad enough that he wishes to have his beer but I think it's better that he has it in the morning than have it at 12:00 o'clock at night.

So, Mr. Speaker, I wish to say this: I have received approximately 1,500 signatures wishing me to oppose and I have taken these signatures serious. I am serious about these and I am also serious about the problems that more extensive drinking may entail. I believe that danger is there, and I'm as serious as the book that I hope you will read, as Bob Edwards was when he sided with the Drys: even if you take a drink don't feel ashamed to vote against this resolution.

MR. PHILIP PETURSSON (Wellington): Mr. Speaker, on just a point of privilege, I have already spoken on this resolution, or on this Bill. I do not propose now to enter into the debate but I had to clarify a very small point. It's a personal point. The Free Press reported on two occasions that I had spoken on this Bill, and in each instance referred to me as not only being a Unitarian Minister but also as a teetotaler. The Member from Carillon was making quite a point of that fact, that the teetotalers were against and non-teetotalers were for the Bill. But I have to explain, in all conscience. I don't want to make this anything more than it deserves. I have never pretended to be and I do not now pretend to be a teetotaler.

MR. SPEAKER: Are you ready for the question?

MR. WATT: Mr. Speaker, I'd like to say just a few words on this Bill to clarify my position. I am like the rest of you in the House. I have a sheaf of letters and petitions from my constituents and I must say that none of them are urging me to support the Bill. But I also would like to say that the petitions that I have received and letters from individuals are very inconsistent because they seem to be putting the emphasis on particular aspects of the Bill. Some are against the advertising; some against the Sunday drinking aspects; and some - many - are against the extended hours. I must also say that I was interested in the speech delivered by my honourable colleague down here from Pembina and I quite appreciate her feeling in this matter. With her, and I should not only attribute this to the Member from Pembina, but indeed with her it is a matter of principle and the dictates of her conscience.

We have had exactly opposite views. We have had exactly opposite extremes, actually. Where I believe the Member for Elmwood here, I believe that he considered that probably we should go further than the proposals in the Bill, that is, in relation to extended hours in any case. And we have had representation by the - or opinions by the Member for Emerson where he, in effect, said that if he had the power to do it he would restrict all drinking in the Province of Manitoba. And of course we know, Mr. Speaker, what happened in the days of prohibition, what happened in the days when we had Al Capone's racketeers, where we had the rum runners and where we had the illegal production of liquor, and where we had it coupled with brothels, prostitutes, and I have to say while the Member for Emerson pointed out the young lives that we lose, and the older lives, on the highways every day, there is no question about it and I think that those of you here who have read, and no doubt you all have, of what went on in some parts of the world where they had prohibition, that many many young lives were lost, particularly in the case of young girls, where they were taken off the streets and disappeared, and we are all aware of where they went. And I say that this was a direct result of what we know as "Prohibition."

There are other opinions expressed here and I was most interested in the remarks of my

(MR. WATT, cont'd).... friend over here from LaVerendrye. I might say that if we sent him around the Province of Manitoba he might charm the most of our people into saying, "We support the Bill in full." I was also interested in his remarks about the good wine that I believe his old mother was making, and about the years he spent out picking dandelions. And I don't know what my mother would say, my old mother, if she was in the balcony listening to me today, when I say to the Honourable Member from LaVerendrye that while I never picked dandelions, that about the time that he was out picking dandelions I was sent quite often to the rhubarb patch. I would like to try some of his mother's dandelion wine some time to see how it compared. I haven't too much to say on the part of the Bill which will legalize the making of beer or wine in homes, because this has been going on for years and years. We all know it has. It's been done illegally. We simply legalize the right of the people to make their own beer or brew their own wines.

The matter of advertising. I would like to make just a few remarks, Mr. Speaker. I have had considerable representation from my people out in Arthur constituency urging me to vote against this portion of the Bill, and I can't say that -- well, I understand their feeling on this. We know that the Province of Manitoba is now polluted with advertising of liquor. It pours in through TV channel service and through many, many of our magazines which are found in almost every home in the province. Should this Legislative Assembly take the position that while we condone advertising of whiskey and beer and wine, spirits in any form, coming over our borders into almost every home in the province, should we take the 'holier than thou' attitude: "Don't blame us for this. We don't do this sort of thing. This is our terrible neighbours to the east or to the west or to the south."

And so, Mr. Speaker, in spite of the representation that I have had from my constituents, I intend to support the Bill in respect of advertising. I do not agree with the Honourable Member for Birtle-Russell when he says that advertising is done for no other purpose but to promote a product and that the advertising of liquor will increase the consumption. I really don't believe, Mr. Speaker, that when we see the advertisements of detergents, for instance, dozens of different products, that this means that the housewife is buying more detergent. I don't really believe this. I don't believe that when the John Deere Tractor Company, the International people, the Cockshutt, the Massey-Harris, who spend thousands upon thousands of dollars in advertising their product, I don't believe that they collectively sell more tractors but I believe that they are vying for a market. I may be wrong, but it is not my opinion that advertising will materially increase the consumption of alcohol.

And the part of the Bill which introduces the use -- the drinking of cocktails in bars -- pardon me, not in bars but in licenced dining rooms, I have no strong feeling on this. Again, I am getting considerable representation from the people to vote against this part of the Bill but I think that in time to come people will see that it has no demoralizing effect on the people of our province to be able to go into a licenced dining room on a Sunday afternoon or Sunday evening and have a cocktail with a meal.

Extended hours. I have a different opinion on this than my honourable friend for LaVerendrye. I think that we have two distinct different situations between urban and rural Manitoba. And here again I have some misgivings about whether I should oppose this part of the Bill completely because I am quite aware that in the City of Winnipeg where people work on shifts, where, in what I would like to term as this great service station, there is a very large working class of people who keep the wheels going twenty-four hours a day, and I feel that I would be wrong if I stood up and voted against this measure, that I would not be being fair with the City of Winnipeg which, as we're all aware, comprises half the population of the Province of Manitoba.

Extended hours will do no good to anybody out in rural Manitoba. I spoke to one hotel-keeper yesterday who also operates a licenced beverage room; he expressed the opinion to me that we should, as far as rural Manitoba is concerned, throw this part of the Bill out. So I have reservations. I am going to support this Bill to go through second reading, that it may go to Law Amendments where I will have something to say in respect of the extended hours.

I think that's all I have to say now, Mr. Speaker, but I thought that I should clarify my position as far as the people of Arthur constituency were concerned.

MR. SAUL MILLER (Seven Oaks): Mr. Speaker, I beg to move, seconded by the Honourable Member for Brokenhead, that the debate be adjourned.

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

MR. SPEAKER: The adjourned debates, second readings. Bill No. 56; and the proposed

(MR. MILLER, cont'd) motion of the Honourable Leader of the Opposition in amendment thereto. The Honourable Member for Rhineland.

MR. SIDNEY GREEN (Inkster): Mr. Speaker, as the honourable member is not in his seat, I would ask that in his absence the matter stand, but in view of the Honourable Minister's remarks I would hope that anybody who wants to speak will take the opportunity of doing so. I know that the Honourable Member for Rhineland did wish to speak. I think he's got his papers out in front of him.

MR. LYON: Mr. Speaker, perhaps the Honourable Member for Rhineland will have occasion to show up before I make a few remarks, because I will take this opportunity, if I have permission of the House because the Order stands in his name, to speak at this time, perhaps giving one of his seat-mates the opportunity of finding if he is in the halls and can be brought back into the Chamber.

MR. SPEAKER: Does the Honourable Minister have leave to proceed? (Agreed)

MR. LYON: Mr. Speaker, I thought it would be appropriate to make a few remarks at this time on the subject of the amendment which is before us rather than on the whole Bill. because when the amendment is disposed of by a vote of the House we will then have occasion to revert back to the main subject matter of the Bill and to discuss in more detail, perhaps, some of the provisions of the Bill which have caught the attention of honourable members, so I say it is not my purpose to discuss the whole of the Bill, the philosophy of the sales tax or the ramifications of the sales tax at this particular time, but rather to observe, I think, from the preamble up to the amendment that is before us, that Manitoba is the ninth province in Canada, indeed the tenth province - if everyone has their own - to have a sales tax because in the early years Alberta did have a sales tax, I believe in the 1930s, which tax was subsequently repealed and they have not reverted back to that form of taxation, so you may have it either way; we're either the ninth province to go into a full-time sales tax at the present time, or we are in fact the tenth province to enact sales tax legislation in Canada. Ten out of ten makes 100 percent, according to my basic mathematics, who have either put it in at one time or who have it now, 90 percent of them having it after this Bill passes the House - as I expect it will.

It is very interesting to hear again, within the context of the preamble to the Leader of the Opposition's amendment, all of the dire predictions of economic prejudice and social prejudice and all of the various ills that are going to result to the Province of Manitoba from this tax. We have heard many of them detailed to members of the House by some of the speakers from the Opposition. This is regarded, by some at least, if we can take them at their word, as I feel we can, that this is going to be a terribly retrogressive step for the Province of Manitoba. I've had occasion, as I'm sure many members of the House have, to read the - not all of it but parts of the Canadian Tax Foundation's excellent booklet which they have turned out on Sales Tax in Canada, and if my memory serves me from a reading of that dissertation upon sales tax in Canada, we will find - I won't say totally, but we will find almost totally, all of the arguments that have been used in this Legislature during this session with respect to a sales tax, all of those arguments have been voiced by every opposition party in Canada to the government of the day when they brought in sales tax legislation in their particular province, and I don't care whether the opposition party was Liberal or NDP or Conservative - they've all used the same arguments, the arguments of dire straits that were going to fall upon the province because the sales tax was going to be imposed. And I'm not finding fault with that at all; I merely point out that as we are now the ninth province to ask for the current enactment of sales tax legislation in Canada, it is rather interesting to look back over the arguments that have been used in the past to find out whether or not opposition parties generally are still haring after the same arguments that have been hared after in other provinces, and by and large I think that is the case. As I say, I find no fault with that at all because I think we have to have this exchange of opinion and there has to be some of the legitimate and objective arguments brought forward against the sales tax that have been brought forward in other jurisdictions. I would only hope, though, that members opposite would perhaps find it within their hearts to agree with me that few, if any, of the dire predictions that have been made in other provinces, and some of which are being made here in this Legislative Assembly, have ever come to pass. We find that the Province of Ontario, which is now enjoying a five percent sales tax and has had one now for some three or four years, is still by far the wealthiest, the strongest economically, and all the other superlatives that you want to attach to the economic condition of Ontario, all these things still attach, notwithstanding a sales tax.

MR. DOERN: How about Alberta? Alberta has no sales tax.

MR. LYON: Yes, Alberta has no sales tax and we find that because they have another source of revenue, namely, natural resources revenue, which if we had we would be quite happy to use, but we find that the sales tax does not result in the dire economic straits that members have predicted will fall upon the poor Province of Manitoba when this tax is imposed in our province.

I listened with a great deal of interest to my friends from the New Democratic Party talking about the impact of taxation on Manitoba, of this kind of a revenue tax or sales tax on Manitoba, when we know from our reading of history, and we know from our own observations and from our discussions with our fellow citizens in the Province of Saskatchewan that they have had this tax for how long? Well, I believe it was 1942 or thereabouts it was imposed by the then Liberal Government and then --(Interjection)-- perhaps the Conservatives before - I forget. It's almost ageless; it's been in Saskatchewan for so long. But the New Democratic Party came into office in Saskatchewan in 1944. I remember the day quite well. And we didn't hang crepe in our home but there were voices around that said we should have. But I remember that day quite well and I remember, as well -- was there not some discussion at the time that the New Democratic Party was going to do its best to rid the Province of Saskatchewan of the sales tax? That's all history in any case because it's 23 years old. But I point out to my honourable friends that in the Province of Saskatchewan, which has been regarded, I think, over the past as being somewhat akin to us in terms of its economic situation, but over that long period of twenty- what was it, 22 years the New Democratic Party was in office? Or CCF party, pardon me -- that that party, that blood relative party of our honourable friends opposite, maintained the sales tax in the Province of Saskatchewan. Of course they did; for a period of well in excess of 20 years; and yet their blood brothers in this Legislature stand up and would have us believe that if a Conservative Government imposes or let alone maintains such a tax in the Province of Manitoba, all kinds of ruination is going to be forced upon the people of our province because of this regressive - what are some of the other epithets? - reprehensible, odious tax that Manitobans are now going to be asked to bear which their people in Saskatchewan - that I know they didn't put in but maintained on the people of Saskatchewan for a period in excess of 20 years.

Now I merely ask them, in the light of that experience, have they been in touch with Mr. Douglas, who was the premier during most of that time? Perhaps he could tell them that it wasn't quite as reprehensible, regressive, as odious or any of the other epithets that they have chosen to apply to the tax in the Province of Manitoba. And I think that any fair person looking at the imposition of a sales tax in whatever province, would find that when it becomes necessary, as it has become necessary in nine out of ten provinces, Manitoba has held out very well, I think, very very well; because if we had had the income of a sales tax for the last 20 years as our Socialist friends had in the Province of Saskatchewan, my heavens! Think of the progress that the Member for Lakeside could have made as Premier of this province; think of the progress that we could have made with all of this extra money that was brought in. My heavens, there would be absolutely limitless bounds to what could be done by a province with this kind of a treasure trove being added to its regular sources of revenue. I'm smiling because I find the arguments really inconsistent, coming from the Socialist side, to say that a sales tax is going to bring all of this rack and ruin to the Province of Manitoba when they, as a matter of decided party policy, in their own Province of Saskatchewan when they had responsibility for authority there, maintained and raised the same kind of a tax on the people of Saskatchewan during a period of 22 years when no such tax was necessary in the Province of Manitoba; and yet, notwithstanding it all, both provinces have managed, as I have mentioned, in general terms to remain very much abreast of one another. Perhaps Manitoba climbed a bit ahead in population in the last few years. Recently Saskatchewan's had potash to help them along; but by and large, as regional prairie provinces, we've gotten along pretty well within the economic confines of Canada, and it just hasn't led to the kind of dire prediction that they are saying will occur in Manitoba. Because, if this is to occur in Manitoba, I say to them, let them point the finger at the other provinces of Canada where it has occurred where this taxation has been imposed; let them point the finger. I don't know of a province. But in any case this makes an interesting side argument and I think that's all it is, a side argument.

I think there is a certain ritual that has to be followed, certain words that have to be spoken by opposition parties of whatever political stripe in whatever province they find themselves,

(MR. LYON, cont'd)and we are going through that ritual at the present time. The dogma is being advanced against the sales tax and we are listening to it with a great deal of interest, and all of it, even though old, still becomes at times refreshing to the ears, depending on who is voicing the dogma, but I hope you realize that it is ritualistic dogma that we are hearing and that all of the dire predictions that are being made just do not and will not come to pass.

MR. MOLGAT: Send it to the committee, Red, and find out.

MR. LYON: I'm coming to my honourable friend's point because this is a subject upon which I wish to speak today. We have this ample precedent from all of the other provinces. This is a familiar field of taxation. There's nothing new or dramatic about a sales tax whether it be in Manitoba or in the Province of Quebec - Quebec with a sales tax of eight percent announced in the budget the other day. Nothing very new about this. What they have done is to raise the rate there for the very same reason that we have had to impose a sales tax in Manitoba, because of the failure of federal provincial relations - about which I'll speak in a moment - to provide that kind of fiscal flexibility which the Province of Manitoba, indeed all provinces in Canada, require at the present time to meet their over-riding commitments in the fields of education and of health. So I say we have amply precedence for this kind of taxation. It's a familiar tax; we're cutting no new constitutional ground; we're not blazing any new tax trails in the Province of Manitoba with this tax. We're no happier, as the First Minister and the Provincial Treasurer have said. We're no happier to be in the situation of asking the Legislature to approve this tax than anybody else in the House, but it is a fiscal necessity in the Province of Manitoba and we're doing our duty as we see it as responsible members of government, bringing forward a taxation that we feel now is inevitable for the people of Manitoba. And we do have the benefit of the experience of all of the other jurisdictions where this taxation has been imposed, to guide us in the bringing in of the legislation, the bringing in of administrative regulations that are necessary to see that it is enforced.

Well then, with this general philosophical background available to us, let us look at the two amendments that are suggested by the Leader of the Opposition. The first of these is that the regulations pursuant to the new Revenue Tax Act be made available to the House and to the public at once; and the second of these is that the Bill after second reading go out of the House to the Law Amendments Committee for the purpose of enabling full opportunity to the public to voice their opinions, recommendations, etc., upon the Bill.

Now let me deal first, if I may, Mr. Speaker, with the question of the making public immediately of the regulations pursuant to this Act. The first thing that occurs, I am sure, to all members of the House, is the axiomatic fact that regulations are essentially the administrative machinery of the Act. They're nothing more, they're nothing less. Regulations, the power to make regulations is conferred in practically every piece of legislation that is passed by this Legislature regardless of the time that it was introduced, whether by this government, by the previous government or whatever. It's an integral part of the procedure of making an Act work. You must give to the Civil Service, to the staff who are responsible for taking a piece of legislation after it leaves this House and making it work, making it have application to people, you must give them certain machinery with which to work, and by and large this machinery is provided through the aegis of regulations, the well-established principle in our parliamentary form of government, the well-established principle in terms of the legislative process entirely. As much as possible you join with this thought that regulations are a necessary part of the legislative process and, as much as possible, legislatures or parliaments - and we are a parliament in the broadest sense of that word - must confine themselves because of the pressure of our responsibilities and the pressure of our duties as individual members within a legislature, we must confine ourselves as much as possible to broad principles, and to discuss these principles, particularly at second reading as we are attempting to do at the present time, in order that we may voice back and forth the feelings that we have, how this type of legislation commends itself to us in terms of how we see it affecting the public interest and so on. There is nothing new about this. I am sure all honourable members will accept this, that we are a debating, a deliberative society, a deliberative forum, and we must as much as possible confine ourselves to the discussion of principles. We are not an administrative forum. I repeat, we are not an administrative forum; we are not like a rural council of a municipality. We do not have administrative responsibility as 57 legislators. Certainly it is true that a number of this Legislature who are of the Executive Council, in turn have additional responsibilities as members of that council to oversee administration of legislation after it leaves this House, but that in no way reflects upon our fundamental duty,

(MR. LYON, cont'd) as members of a legislature, to debate and to discuss principles, which is what the Act contains and is what we are here to deliberate upon at the present time.

We must ensure, of course, at all times whether in this legislation or in any other legislation that comes before the House - and I know all honourable members take this responsibility with deep conviction - we must ensure that the Executive do not infringe upon the fundamental rules which guide the drafting of regulations. We must ensure that the regulations that are drawn by the staff and subsequently approved by the Executive Council do not go beyond the powers that are conferred within the enabling Act itself, and here in Manitoba, as in few other parliaments or legislatures in Canada, we have the unique machinery to make that test yearly and continuously in the form of the Standing Committee of Statutory Orders and Regulations, a committee which has been operating now in the Province of Manitoba for some six or seven years and which has given to it its broad principles by which all legislative regulations should be tested to ensure that they do not go beyond the authority of the enabling Act and to ensure that an annual review is made of all of these regulations. Not from the standpoint of policy, but from the standpoint of ensuring that the doctrine of delegated legislation is being properly carried out by the executive into whose hands it is transferred by the enabling statute.

So here, as in few other provinces - I think perhaps now Saskatchewan has a similar committee because they came here to watch the working of our committee, and perhaps one or two other provinces; I know certainly one or two others have talked about it and have indicated interest in our Regulations Committee - but here certainly in Manitoba we do have, as a standing committee of this Assembly, a unique committee which looks into the drafting of regulations in terms of the powers that are conferred by these regulations to ensure that the executive does not go beyond the authority conferred in the enabling statute.

Well, having said all of that I'm still dealing with what I consider to be very axiomatic matters when I say thirdly, that all of us in the House realize that the passage of regulations depends first of all upon the passage of an Act which enables them. Now that is perhaps simplicity carried to the nth degree, but that is the case. A regulation has no authority until the Act which permits the making of the regulation has been passed, and I am sure that at the present time -- I'm confident that at the present time the staff of the Department of the Provincial Treasury are working apace on regulations which will be brought into force after the Act is passed, and I am sure that my colleague the Provincial Treasurer is waiting almost, it could be said today, with bated breath, to give the honourable members of the House the advantage of the answers to the very many questions, the very many legitimate questions that have been asked about the substance of the Act, the principles of the Act, and how, if in any way at all, the regulations will provide for machinery for exemptions and other items that will be required to be administered under the regulations, and I am sure that he will endeavour, when he speaks on the closing of the debate on second reading of this Bill, he will endeavour to the best of his ability - which is considerable - to give all honourable members a reasoned answer to the questions that they have been putting forward with respect to the principles in the Bill and his concept as to how the regulation will work under the Act. But I repeat again, the regulations must await the passage of the Act because they have no force until the Act is passed.

Broadly speaking, as another point, fourth point, the Act will and does establish the principles, but it cannot and it will not spell out all of the administrative technicality, because that is what regulations are for, and I come back actually to my first point. Regulations are there for a specific purpose. They are there to provide the kind of flexibility in the operation of an Act, particularly a complex piece of legislation such as this is, regulations are an absolute sine qua non if you're going to have the Act operate with any degree of smoothness, and I'm not saying by that that this Act is going to be without bugs, even with regulations, because it has been the experience in all other provinces when they have introduced this kind of taxation into their provinces, that there have been situations arise which have not been contemplated when the Act was first passed, and some flexibility has to be given through the medium of regulations in order to ensure that wrong is not done or that hardship is not unnecessarily inflicted in areas where it was not intended to be inflicted and so on. That is what regulations are for; that is why we must have them to set up the administrative machinery in this Act.

But, complex as it may be, Mr. Speaker, surely no-one in the Legislature of Manitoba in 1967, having the benefit of all of the experience of all of the eight other provinces in Canada

(MR. LYON, cont'd) which has a sales tax legislation, surely no-one is going to argue that this kind of legislation and regulation is so complex in the Province of Manitoba that we must adopt extraordinary procedures here in Manitoba in order to ensure that regulations are looked at in great detail by the Legislative Assembly. Surely we are not going to say that our Legislature, this Legislature, so far as I know practically alone is the only one which must look into the administrative machinery of operating a sales tax Act. Surely no-one here agrees that our position is so unique in the Province of Manitoba that we must give as a legislative body that kind of minute consideration to regulations, to grasp the principles of what is being sought to be done within the legislation itself. I for one don't believe that, because it would insult the intelligence, I think, of every member of this House. In the Act before us the principles are clear, as I've said before. They have been stated in the budget and they're re-stated in the Bill in very clear form. Perhaps some of the drafting can be cleared up. Surely. But the principles are clear and they're up for further debate now, and when the Minister is permitted to close the debate and to elucidate upon the questions that have been asked, I am sure the picture will be even more clear to all the members of the House.

Some have said - I believe it was the Leader of the Opposition - that in the recent report on taxation that was handed into the Federal Government, commonly known as the Carter Report, that Carter found some form of fault with our present mode of making regulations and our present mode of consultations, vis-a-vis taxing legislation, but from my cursory reading - and I underline the word "cursory" because I am the first to admit I have not read all of the Carter Report - but from my cursory reading of that report and of reviews that have been made of that report, I don't find anything within that report that finds fault essentially with the basic system under which provinces and the Federal Parliament now make regulations through the aegis of the Executive Council or of the Privy Council to carry out the administrative procedures of various Acts, whether they be tax Acts or whether they be ordinary Acts. He specifically says, as a matter of fact, Mr. Speaker, at one stage in his report, he specifically makes mention of the fact that legislation should be drafted in general terms with the detail being left to regulation, and I believe that that quotation can be found in or around Page 114 of the report. I don't have the exact words in front of me; I don't have the report in front of me. So I suggest that, in terms of the regulations being presented to this Legislature at the present time, really we are asking, we would be asking, if we acquiesced in that procedure, we would be asking the Legislature to start assuming the responsibilities of the executive, and that we would be asking the Legislature to be doing in effect, in terms of whether or not the regulations are within the powers of the Act or the powers of the Executive Council, to undertake a job which we have already committed to the Standing Committee of Statutory Orders and Regulations in Manitoba. That does not mean that my colleague the Provincial Treasurer will not give some substantive idea of what he expects will be in the regulation; but to wait, to stall, to ask that the regulation itself be left aborning in the Legislature in Manitoba while the staff are busy making up regulations which would be handed over to the Legislature for consideration, would be a kind of inverse logic and a kind of affront to the parliamentary system such as I have never heard advanced in any other legislature before. So that is Point No. 1. It's a point I really don't think deserves support by members of the House. It's a point that I do not feel that this side of the House can give support to.

Now we come to Point No. 2; that is, the reference of the Bill to the Law Amendments Committee. Well, lawyers I suppose are captives of the system of precedents. We look to find out, first of all, when some ideas are passed to us, what is the precedent for it. Has anybody ever done this before? Is this the kind of thing that should be done? And so on. Well, when we look to the recent past - and I say only the recent past - of the works of this Legislature, I may say particularly of this government, we find that it has not been the practice, it has not been the policy of this government to refer taxing measures to outside committees of the House. That's number one precedent. Let us look to what we may consider to be, in Canada at least, the Mother of Parliaments in Canada, the Federal Parliament. What is their practice in the Federal Parliament, after a hundred years of experience dealing with tax measures which go above and beyond anything that the provinces can contemplate constitutionally and so on? Has their experience been that they should refer these matters to outside committees of the House in order that they could have the benefit, I think the term is, of the public sitting in on the making of tax legislation? What has been their experience?

I think you will find if you examine that proposition, Mr. Speaker, you will find that never since 1867, since Confederation, has a federal tax bill been consigned by the Parliament

(MR. LYON cont'd)....of Canada to a committee which is sitting outside of the Parliament of Canada. In other words, according to the information we have, all of the federal tax bills go to a Committee of the Whole House, as indeed does 99 percent of the legislation in the Federal Parliament, as indeed does most of it, as indeed does most of the legislation in most of the provinces in Canada go into Committee of the Whole; as indeed I think we will find we will have to do in the interests of time, as years go by, to keep our legislative machinery in this province up-to-date. But in any case we don't find any precedent in the Federal Government's handling of matters, in the Federal Parliament's handling of tax matters, to show that we should now invoke a procedure in Manitoba which I admit would be against policy established in recent years. Why should we re-establish that policy with respect to one taxation?

My honourable friend the Member for Lakeside made an interesting speech the other day, when he pointed out the two kinds of taxation, I think, that had been altered by his government while he was the First Minister in this House, and in both cases they were gas taxes; in both cases, as he demonstrated, they went to an outside committee of the House. But, Mr. Speaker, I suggest with the greatest of deference, that that precedent does not bind anybody, and it is not in accordance with the precedents established in any other, certainly in the Federal Parliament, nor is it in accordance with any precedent established in any other Legislature that I'm familiar with. That's a unique procedure that was followed in those cases that has not been followed in recent years by this government.

I think another thing that can be said about the reference of this Bill to Law Amendments Committee, is that even more fundamental an objection that can be made to this proposition is that basically the job of Government is to govern. Now we can argue about that proposition for a long time but I think the job of Government is to govern. The timing of tax measures is a responsibility of the government. It is not something that can be left to a will-o'-the-wisp to determine when a committee is going to hear a matter and report back. If Mr. Sharp, with his recent mini-budget, had had to wait for a committee of the House of Commons to sit outside of the House of Commons, or perhaps tour across Canada before he found whether he could impose certain taxation in Canada, what state would the financial condition of our country be in? Taxation is an important matter. Very often in taxation, timing, the imposition of taxes, is of the essence and the responsibility of Government is to ensure, through its budget speech and through the measures that it brings before the House, that there will be some certainty to the time for the imposition of a tax. Our whole budgeting procedure would fall apart if this were not the case.

My honourable friend will point out to you, when he has an opportunity to close this debate, that the budget of Manitoba is drawn on the basis of this tax coming into force in the Province of Manitoba on the first of June. Not the first of September, not the first of October, the first of November, but the first of June. And upon that date depends the financial picture that he has laid before the Legislative Assembly in his budget address. Now it may be all well and good to say, "Well you should be more democratic, chaps;" or you should say, "Your budget should be made up so that you can have alternative dates." But that's not the way the system works. My colleague has the responsibility for bringing down a budget and for saying on what time a tax is to be imposed, and he must pay some attention to these time limits that are imposed upon imposition of taxes, as indeed must the Minister of Finance at Ottawa, as indeed must every provincial treasurer across Canada. These are not political playthings that we are talking about; these are matters of hard, serious budgeting, that have to go on, and while members may say, "Well of course that's being very dictatorial," I suggest that it's not being dictatorial so much as it is being responsible to the proposition that the job of Government is to govern, because if we don't make up a budget I don't know who else is going to make it up. If we don't set a date I don't know who else is going to set the date so long as we have the responsibility for executive government in this province. So it's quite a simple proposition, and I say this is fundamental to the concept of what a parliament should or should not be doing.

Public participation in evolving tax measures. Some argument is made along that line. I'm not going to try to recapitulate all the speeches that have been made but I suggest that in terms of a sales tax in Manitoba there has been great public participation in considering the whole concept of sales tax over the last eight years, and I give the first and primary credit to the members of the Opposition opposite because every year, as certain as night follows day and as certain as spring follows summer -- or winter, I should say - they've even got me confused - as certain as spring follows winter, there has been a prediction from, I think most

(MR. LYON cont'd). . . . often the Liberal Party of Manitoba, occasionally maybe from the New Democratic Party when they had the odd aberration, but most often from the Liberal Party of Manitoba, that Manitoba this year was going to enjoy a sales tax. I think we fought something like three elections with that being touted as the theme. It's been a matter of great public debate across the Province of Manitoba, a great public debate right across the whole Province of Manitoba, for a good number of years, and I give my honourable friends the credit that they today deserve. They've made it a matter of public discussion in the best arena of all, the political arena, among the people of Manitoba. Why if the people of Manitoba had believed them we would have had a sales tax nine years ago. We've heard it in every election campaign; we've heard it in every Session. So of course it's been a matter of public discussion. The public have been participating in it. My honourable friend, the Leader of the Opposition, invited the public to support him in more than one election on the basis that he wouldn't impose a sales tax in Manitoba. What greater participation can you ask for than that? Although I'm afraid that the goal at the end of the game wasn't the one that the public necessarily desired - that is, in having him as the First Minister. Nonetheless this has been a matter of public discussion. No public discussion and no public participation in this? That is the first area where we've had it for eight-odd years, or nine years.

Secondly, we've been able to draw from the experience of the eight other provinces, every one of them, whether by travelling, whether by reading publications, whether by reading tax experts and so on. Notwithstanding what everybody says about the sales tax in Manitoba we all know that the tax experts today say it is not regressive. Not regressive. And my honourable friend from Inkster or anybody else can make speeches from here to kingdom come, but every tax expert of any note says it is not a regressive tax. That subject has been debated to death. Name one in the sales tax field that hasn't been debated to death. If there's ever been an over-debated subject in Canada I suggest it's sales tax legislation. It's been debated unto death in every legislature in Canada. Sales tax, all of the arguments that I've mentioned before, pro and con, we've heard them all. It's the sounding of a familiar gong. We've heard them all. That doesn't mean they can't be repeated, they shouldn't be repeated, but this has been a matter of great public discussion in all provinces and in Manitoba as well.

We had in the Province of Manitoba a Royal Commission that looked into the question of local government financing in the Province of Manitoba, and during the course of that Michener Commission they heard evidence from government experts, from experts from the public, from municipal officials, from people, all walks of people and from all sectors of opinion in Manitoba, about how we might better reorganize the system of local taxation. And what was their recommendation to us after two years? Great public discussions throughout the length and breadth of this province; what was the recommendation? Number one, that we have a sales tax in Manitoba. No public discussion? A Royal Commission going out, having public hearings, coming back with that recommendation which is not being acted on until three years after. There, again, I cite that as but another example of what's been happening. Protracted public hearings across the Province of Manitoba.

We've heard some talk here about the need for a tax as if that particular area hasn't been thoroughly elucidated and thoroughly explored by the legislators of Manitoba. I really wonder, though, if the need for a taxation is the kind of a field upon which you're going to get the kind of elucidation that we apparently are looking for in that field for those who are still not satisfied that there is no need. I've been in government long enough to know that there is a need for the tax in Manitoba and that's why it's here, and if it remains a question of convincing my honourable friends I suggest that no outside committee of the House is going to convince them if they can't be convinced in here because they will firmly remain unconvinced. And I am not going to detail to honourable members now the oft-told story - and it's going to have to be told again - of the Tax Structure Committee meeting for the last two years, of the Plenary Conference of the tax, Federal-Provincial Fiscal Relations Committee meeting this year deciding, the Federal Government deciding to turn its back on the recommendations of the Tax Structure Committee, and the Province of Manitoba finding then the kind of fiscal need that it was faced with, not only five years from now, but immediately in 1967, because that deliberation did not give to the Province of Manitoba, did not give to any province in Canada the kind of fiscal flexibility that provinces were looking for in order to carry out their primary responsibilities in education and in health.

Taxation need, of course. The need has been demonstrated in the budget speech; the need has been demonstrated in the legislation, in the discussions of my honourable friend the

(MR. LYON cont'd)....Treasurer when he introduced the Bill. This is all part of the budget-making process. Great public debate has surrounded all of these aspects of the coming into being of this Bill which is presently before us for consideration as members of the Legislature.

Well there has been some attempt - and I'm not going to worry this point - there has been some attempt to invoke the Carter Report, as I mentioned, to support the demand for a committee, and I'm probably going to do what I'm just about to say nobody else should do, but we're all going to do it in any case, is to pick out, select the pieces of the Carter Report and say, "Here's something you can hang your hat on and here's something you can hang your hat on," to support a particular argument one way or the other. I'm afraid that in the fiscal field the Carter Report is going to be something like the King James Version of the Bible. I think you'll be able to find a quotation in the Carter Report to support any argument on either side of the question sooner or later if you look at it carefully enough. But I do say this: that from my very cursory reading, very cursory reading of the Carter Report, and from the benefit of discussions with others who have had more time to read the Carter Report, I don't find anything in the Carter Report to support the position that is being taken on this amendment to the Bill that is before us. I suggest, with the greatest of deference, that those quotations refer not to the position of a government vis-a-vis a particular taxing statute, but the position that Carter suggests should be taken by the Government of Canada as it considers the re-structuring of the whole tax system of Canada. That is what Carter is talking about, and that is where he says there should be extensive public consideration. Of what? Of things like his report, of course. No urgency connected to the report in terms of weeks or months, although we are hopeful that parts of it will be brought into force as soon as it's reasonable to have full thought given to them, but here he is talking about not a particular tax measure but a general re-structuring of the whole tax system of Canada. Carter, I suggest, clearly has in his mind in his report, the complex involvements of new concepts of taxation rather than the introduction of a familiar piece of tax legislation such as a sales tax, which falls within a well-trodden and a well-known constitutional field which is within the area of jurisdiction of the provinces alone. I do not feel - and I'm subject to contradiction because I again stress I haven't read all of Carter - but I do not feel that Carter makes a case at all for the specific reference of a financial bill of this nature, involving no constitutional change, and in fact for that matter no radical change in terms of the kind of taxation, to an outside committee of the House, because to do so would be, I'm sure, to him and to the people who worked with him on this committee, as revolutionary an idea indeed, as can be seen from the earlier precedents that I have cited from the Federal Parliament, because it does involve and would involve in that sphere, as I suggest it does here, a forfeit of ministerial responsibility to present and to implement a budget. You always come back to that basic point. That is the responsibility of the Ministry, whether the Ministry likes it or not, whether the House likes it or not, that is our responsibility and this is the responsibility we are trying to carry out. We're advancing a straightforward tax measure within the present tax structure, within the present constitutional powers of the Province of Manitoba, and any suggestion that this is an occasion for the elaborate revision in procedure that is suggested by this amendment, I am sure is one that is not supported by the Carter Royal Commission.

I happen to have found a quote that will back me up, and I'm convinced I'm not taking it too much out of context, but I do refer honourable members to Page 120 of Chapter 32 of Volume V of The Carter Report, and here is the quotation that can be found in this report: "On the whole" - and I'm quoting now - "On the whole, we are skeptical of the possibility of much deeper public participation in the budget-making process than has been traditional. In our system the government and its ministers have primary responsibility for decision-making and this process can hardly be conducted with the public sitting in, as it were." This is Carter speaking. There is a further quotation on Page 119 of the same volume with reference to public hearings on tax bills which says: "This would be a slow process and could hardly be carried on as part of the regular budget-making procedure," - what we've been talking about here today - "in which time is frequently of the essence."

Well now, I don't know if it does any good for one side to pick out certain quotations, the other side to pick out other quotations from Carter's Report, their particular point of view. I do suggest however, Mr. Speaker, that my honourable friends have not made a case for either point of the amendment that has been moved by the Leader of the Opposition, and while I commend him for the vigor with which he has moved it and I commend him for the public

(MR. LYON cont'd).....spirit which I am sure motivates him, I'm sure that he would agree after this brief resume that I've tried to give today that it would represent a fundamental change in our manner of doing things, tax-wise in the Province of Manitoba, and it certainly has no precedent to commend it in the Federal Parliament or anywhere else that I'm aware of and I suggest that the amendment should be defeated.

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MR. SIDNEY GREEN (Inkster): Mr. Speaker, I understand the Honourable Member for Rhineland is requesting again that this matter stand, but I understand that other members would wish to speak so perhaps they could go ahead.

MR. SPEAKER: The Honourable Member for Inkster, on behalf of the Honourable Member for Rhineland -- do you wish to speak?

MR. DOERN: Yes, I do.

MR. SPEAKER: The Honourable Member for Elmwood.

MR. DOERN: Mr. Speaker, I did not intend to speak at this time since I intended to - in my spare time - read through the Carter Commission Report, but I'm afraid that I won't have that opportunity so I will simply collect those notes and comments that I had written down, and also inspired by the attack on the New Democratic Party and other sagacious comments by the Minister, I will attempt to reply.

I think there is considerable merit in the amendment that is before us for a very simple reason: the suggestion has been made that this Bill go to the Law Amendments Committee, and I think that it should because we are involved in a little exercise known as exemptions. If the sales tax were imposed and there were no exemptions, then one might argue that it shouldn't go to committee, but once you start getting involved in exemptions, I think you have a right to ask that it be sent to committee so that various groups may present their views as to why something they are interested in may be exempted. It is for that reason, and that reason in particular, that I support that amendment.

Now the Honourable Minister has talked about doom and gloom and has suggested that this was the line of the New Democratic Party, but I suggest that he isn't reading his mail very carefully or he isn't looking at some of the submissions made to him. He seems to think this is a socialist plot without the support of anybody else but I would remind him that we have had briefs from the Winnipeg Chamber of Commerce, and they also had the support of other groups in our area like the Canadian Manufacturers Association, who identified themselves with the brief, Downtown Business Association, the Industrial Development Board, the Manitoba Real Estate Association, the Manitoba Mortgage Loan Association, the Manitoba Builders Exchange, the Winnipeg Real Estate Board and so on, in addition to the other parties of the opposition.

He raises a point that the CCF and New Democratic government in Saskatchewan - which had a considerable length of governing - maintained a sales tax and they did, because the problem is, they took over a sales tax; they maintained a sales tax; and the present government, which happens to be a Liberal government, shows no signs of removing it, because once you implement a sales tax you set up a certain machinery and a certain bureaucracy which is very difficult to get around. And we see what's happened in Quebec where they went up to six percent and now they're going up to eight percent, so once it's implemented it's not likely to come off. But let us also keep in mind in regard to Saskatchewan that they had more progressive legislation than anybody else in North America. They had to finance a Medicare Plan long before anyone else got into it and they financed a hospitalization plan and so on.

Now one of the problems connected with a sales tax is if you attempt to avoid what I consider to be a regressive feature, namely, that the lower income groups have to pay a tax on all their purchases whereas the higher income groups are able to avoid payment on it or are able to invest and get around it, once you start dealing with exemptions you open a can of worms' So the government has made some interesting suggestions about -- some sort of motherhood suggestions about exempting children's clothing, etc., and of course this is a temptation on the part of all of us, and they have attempted to lessen the regressive features by exemptions and I think that this is good. But then they get involved in this game of exemptions and one or two that they feature and a few that they leave out puzzle me.

For instance, they appear in an appendix to suggest that textbooks will be exempt - school textbooks will be exempt. They appear to suggest that Bibles, hymnals and prayer books will be exempt and they also say that magazines will be exempt, but I'd like to know why all books aren't exempt. I'd like to know why magazines are exempt and most books are not, because when you come into the question of education and the question of what is essential to an education, I contend that you cannot make a rule saying that these books are essential to a person's education and these are not, especially when you get into advanced levels. Teachers spend a great deal of time quoting from textbooks and attempting to break the habit of getting students to think outside of textbooks. They develop a textbook mentality. When you get to University you walk in and your professor gives you a list of 40 or 100 books of readings.

(MR. DOERN cont'd). . . . Now I suggest to you that those all might be considered textbooks or that you shouldn't consider anything a textbook, because if you talk to any top students - I know a lot of students who are really tops in their field, like in history, who read one to 200 books a year and they would buy hundreds of books. Now what are you to say to them. You're supposed to say, this book and this book alone would be your textbook and the other 99 you will have to pay a tax on. That doesn't make sense. Or if you're exempting Bibles, why don't you exempt the books of other religions? I don't know how many Mohammedans there are in Winnipeg, but why specify Bibles and hymnals, etc. What about encyclopedias? Are they to be exempted? And why are magazines exempted? Are they educational? Certainly they're not all 15 to 20 cents apiece; some are 75 cents, some \$1.00 and I think Fortune Magazine probably goes up to \$1.50 or so. The same with music. Is music exempt - Sheet Music, correspondence materials, etc. ?

And why not exempt laundry and dry cleaning? We've all heard there are 75,000 petitions or statements sent in. I think there's a very large support on services. Well if you're going to exempt certain services like haircuts, why not exempt others like laundry and dry cleaning? There's no consistency in that policy. Or shoe repairs? Why aren't shoe repairs being exempted? They're a service and we've heard briefs from the cobblers - as one of the newspapers referred to them - from their association. I'd like to know, and we've asked the Provincial Treasurer repeatedly to give us some explanation. He refuses. He's refused for weeks to give us any indication. Finally, we're going to get a Bill and it's going to try to be rammed through and it'll all be over. I think this is the intention of the government, to get this thing fast, get it through as fast as possible so that the public won't be able to get more upset than it is. I think that's the obvious aim.

MR. LYON: Would the honourable member permit a question?

MR. DOERN: Certainly.

MR. LYON: Is my honourable friend aware of the fact that the Minister has the right to close the second reading of the debate and at that time will have the opportunity, as I mentioned in my remarks, to give full answer, but he can't speak in between. Are you aware of that?

MR. DOERN: I guess I wasn't, but I will ponder those comments.

Another point is that there are a lot of charitable stores in Manitoba like the Salvation Army and Goodwill and so on. Are these stores to be exempted on purchases? For instance, they sell very low cost items to people who normally don't have the funds, although some wealthier types go there and buy antiques, etc., but are they going to be exempted?

And another question is, what about wholesale purchases? Some people buy from wholesalers; they buy appliances, etc. Are they going to get caught? Or how are you going to charge a tax on them?

I think there's another problem here that the government will have to consider and that is whether or not the cash register companies and the accounting systems can be ready by June 1st. I don't know how many hundred or dozen people are engaged in going around servicing cash registers but I would assume that they are prepared for a normal trade, and all of a sudden they are going to get flooded with thousands of requests to alter cash registers. To put an additional key apparently costs several hundred dollars, and I suppose the great game will be to sell new cash registers and these can run anywhere from up to \$1,500 up to \$3,000 or \$4,000 apiece. That's a considerable expense.

To me, one of the silliest features of this entire Bill, and completely unenforceable is the idea that we will have to ask people who are buying in other provinces to declare that they have purchased something and then to pay a Manitoba sales tax. I think this is absolutely ridiculous. Are we prepared to set up a Customs Union at the border - our own provincial customs collectors - because I think that people are going to be tempted to get around this. They are going to lie, if you like; they are going to conceal, if you like; they are going to avoid paying the sales tax; and I think that unless the government is prepared to put some teeth into that law they may as well, on practical grounds, just forget it.

And then of course the question is what if you pay a sales tax in Ontario and then you pay a sales tax on the sales tax and on the goods in Manitoba. You know what happened with cigarettes, with raising the price of cigarettes, people starting to buy them in Ontario. The game was to smuggle them in then. What about now? Now you're asking them to declare again.

Of course the Minister says a sales tax has been thrashed around for several years in Manitoba and it has, and let's face it, it's hardly a surprise to this side of the House that the tax is put in now. I would hardly think that the tax would be put in before June. I could

(MR. DOERN cont'd). . . . imagine the electoral results if you had imposed this tax, say, last June or a couple of months before the election, I could very well imagine that there might not be very many members of the Conservative Party in this entire Chamber. So we're not surprised that you're putting it in now; we're surprised that you didn't put it in before.

So, in short, the Conservative Party appears to argue that the sales tax is the only kind of tax that they can see in Manitoba. I think the New Democratic Party has attempted to make some suggestions; we have attempted to argue that there were alternate methods of taxation. I think the Member for Inkster made a very good defence - he had said or some of our people had said that perhaps this should have been done through personal income tax and some of the members on the other side 'poooh pooohed' that; they said this would cause exorbitant increases in personal income tax. So when we figure out their effect on income tax in certain groups it turns out theirs is as great or greater, in some cases increases of 50 or 60 percent. We proposed a capital gains as a possibility and then the Carter Commission comes out with a recommendation that there be a capital gains tax. We proposed more taxes on natural resources, or at least an examination of that. Now our natural resources - our northern development is almost a waste of time. We take in enough money to pay for the department. We're hardly showing a return or profit.

Then our friends to the right, the Liberal Party, they talk about sales tax too, and they say they'll get the money; they never tell us where. They're against the sales tax; they propose no alternates. The best I've heard from them is their Leader says he is going to get it out of greater economy, they're going to keep economizing in every department wherever, never raise the taxes, always be more efficient.

So I think, Mr. Chairman, in short, this Bill should go to a committee. I think it's not going to go to a committee because the government is afraid of the submissions that will be made in that committee; I think they're afraid that it'll never get out of committee, and they have good grounds for those fears, but they're simply going to try and ram it through this House. We have heard from the public; we know what the public think of this sales tax. I think this got entangled, unfortunately, but it did get entangled in that school referendum. You've seen the 70,000 submissions on the part of dry cleaning; you've seen these briefs from the retail merchants, the Chamber of Commerce, the Association of Launderers and cleaners and so on. We've had phone calls; we've heard personal comments and so on. There's tremendous opposition to the tax, but I say that it boils down to this one point, once you make an exemption, once you make a single exemption, people have the right to come before the Legislature and argue in favour of exemptions for their group, and I think this can only fairly be done through the Law Amendments Committee.

MR. SPEAKER: In the absence of the Honourable Member for Rhineland, does the House give leave to have this stand in his name?

MR. LYON: Mr. Speaker, we have no objection to that, and perhaps if I might just again voice the words that have been used by my colleague the Provincial Treasurer before, and myself before, that we do hope that honourable members will co-operate as much as possible to get the debate under way so that we can come to the question on this matter and get the Bill under way. As I mentioned before, there are certain deadlines to be met and we're hoping that we will have that kind of co-operation from the members of the House. So on that basis we're prepared to agree to the matter standing today but we would hope that in the future that it would be not necessary to have the matter stand any longer.

MR. SPEAKER: Bill 65. The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, this is a bill relating to The Metropolitan Winnipeg Act, and as I understand it, members are permitted to speak on the principle of the Act in talking to the Bill on second reading, and it's with that in mind, Mr. Speaker, that I wish to make some comments on what I feel is one of the most important purposes of The Metropolitan Winnipeg Act, that being the area of planning.

When The Metropolitan Winnipeg Act came into being it was thought, Mr. Speaker, that this would enable the orderly development of what we know as urban Metropolitan Winnipeg. Prior to the coming into force of the Act we were governed by approximately 19 zoning or planning statutes, and each of the metropolitan municipalities could pass its own zoning regulations so that you could have a boundary say, as between the City of Winnipeg and the City of - let's take West Kildonan, and the northerly extreme of the City of Winnipeg could be zoned for R1 residential development and the southerly limits of the Municipality of West Kildonan could be - and I'm not saying this was so, I'm trying to throw out a hypothesis - could be zoned industrial,

(MR. GREEN cont'd)... and this would interfere with the planning of both the City of Winnipeg and the City of West Kildonan, in that the people in the City of Winnipeg would be adversely affected by the fact that there was an industrial development zoning just to the north of them and the City of West Kildonan of course, if they didn't have this industrial zoning available to them, would be penalized from the point of view of taxation revenues.

So that one of the most important features of The Metropolitan Corporation of Greater Winnipeg was that it would bring some order into the future development of urban Winnipeg as a metropolitan unit without regard to the municipal boundaries, and for that purpose the corporation was given the power to enact a metropolitan development plan and a concurrent zoning by-law which would cover the whole of the area.

Now I think, Mr. Speaker, that some years ago when I was a member of Metro Council they introduced a by-law in this regard and they called it By-law 707, and for some years the Corporation was having meetings discussing By-law 707. I don't know whether they have finished holding those meetings regarding By-Law 707 and I don't know whether they remembered it. What I do know is that when I departed from the Corporation a little over a year ago, the by-law was rather amusingly referred to as By-law No. 1984 which was the predicted year when one could expect that this type of development plan would actually come into being, and it has not come into being at the present time. I'm sure when the members of this Legislature in 1960 enacted The Metropolitan Winnipeg Act they would have expected and would have had the right to expect that within a very short period of time there would be a development plan for Greater Winnipeg, and I hope, Mr. Speaker, that we won't have to look forward too much longer for the enactment of such a plan.

My particular interest with regard to the enactment of the development plan, however, doesn't really center on the enactment of a by-law itself but rather on the efficacy of such a plan, because I know, Mr. Speaker, that in the years that I sat on Metro Council, one of the most perplexing duties that we had to perform as a council was that of dealing with rezoning applications, applications for the rezoning of property. That is, in the plans which then did exist certain property was zoned as either residential or industrial and people were seeking for one purpose or another to have that property rezoned to permit another use than that which was specified in the plan, and I suggest, Mr. Speaker, that as long as these type of applications are not deterred, are not in some way avoided, any metropolitan development plan will not fulfill the purpose which both this Legislature and the members of Metro Council seek to achieve. And the reason for this is that once the plan has been laid down, once it has been enacted, if there are continual applications to have that plan changed and these applications have some hope of success - and I regret to say, Mr. Speaker, that very often they have hope of success and often do achieve success - that it is nigh impossible, it is nearly impossible to have that plan developed in accordance with the opinions both of the elected representatives on the municipal level, the elected representatives on the provincial level, and the experts who are hired and who cost thousands and thousands of dollars in planning expertise, that none of these people will have their views as to the planning actually carried out.

I think that one of the biggest reasons for this, Mr. Speaker, is that there now exists a bonus, a bonus or a prize or a reward for that developer who can rezone a piece of property rather than building on a piece of property which is actually zoned for the use which he required. And I put it to you, Mr. Speaker, that the person who is interested in developing an apartment block looks at the development plan, and if he sees property which is zoned for the purpose of building an apartment block, that quite often that's the property that he avoids, because if it is zoned for his use then it's quite likely that that is a very expensive piece of property because it is zoned with the idea in mind that it will be used for the construction of multiple dwellings which have a high rate of income, or have had in the past - and I don't know how these will be affected by the 33 percent levy - but nevertheless they have had in the past a high rate of income for the people who are building them and therefore that high rate of income reflects itself in the value of the land, and the developer who looks at a piece of land of that kind says that he would like to build on a piece of land which will not cost that kind of money, and immediately the developer's eyes roll to different parts of the map and he finds a piece of property that is presently zoned R1 and he says, "If I can get that property rezoned from R1 to R3, I can make a bonanza immediately merely by the fact of the rezoning. The rezoning of the land will immediately result in an increase in value which will accrue to me as a developer for which I will pay nothing, and which will make my margin or my rate much higher than if I choose a piece of land which is scheduled for the development of high-rise apartment building or any other type of multiple dwellings."

MR. GREEN cont'd)....

Mr. Speaker, I suggest to you and to the members of this House that the person who does that and who gets a rezoning on that basis and who plugs away - and I've seen this happen - a developer will come to the council and plug, plug, plug until eventually the property changes from R1 to R3. The person who does that is given a prize, is given a bonus as against every other person who has developed property on its normal zoning, that is who has bought a piece of property with R3 zoning and has built on that property. He has done nothing whatsoever to deserve this bonanza, as a matter of fact, he has performed a negative service in that he has detracted from or resulted in the -- or has the effect of causing the failure of the implementation of the development scheme.

Now I suggest, Mr. Speaker, that as long as this type of practice continues, that even the enactment of a development plan such as is now sought for by the Metropolitan Council will not have the desired effect. What I suggest, Mr. Speaker, is that the person who seeks a rezoning or any property that is rezoned - let us say that it is rezoned by the municipality - the increase in wealth or increase in value which accrues to that particular piece of property has not in any way been caused by the actions of an individual. That is, I could own a parcel of land today which is worth let us say \$30.00 a front foot. Tomorrow, rezoning could take place which will cause the property to be worth \$60.00 a square foot or double the value. Let us say without application, or with application, the same result takes place. I, as an individual, have done nothing to justify the increase in the value of that property accruing to myself. The only reason for that increase, the only reason that the value of that property has gone up is that the community around the property has been so developed as to make that piece of property more valuable.

What I am suggesting here, Mr. Speaker, for the consideration of the Minister and with the objective of fulfilling the desires of orderly development of Greater Winnipeg, is that where a piece of land increases in value by virtue of a rezoning of the property, that that increase in value, no matter what it may be, accrues to the community and not to the owner of the piece of land. Now to take a specific example, Mr. Speaker, if a piece of land was worth, prior to the rezoning, \$3,000; after the rezoning \$6,000; and the owner did nothing which merited the increase, that that \$3,000 be paid by the owner to the community. I'm not suggesting that it be paid in a lump sum; it could be paid by adding it to the taxes just as a local improvement is added to the taxes and paid out over a period of years. As to the amount which it is considered the land has increased in value, I suggest that that could be determined in the same way as the compensation for land is determined in expropriation proceedings, that if it can't be agreed to, that it be arbitrated upon.

Now this, Mr. Speaker, I suggest would have two beneficial effects from the point of view of the community as a whole. (1) It would result in the increase in land by virtue of community development accruing to the community and not to a particular individual. And I think that's very important, Mr. Speaker. I don't see why an individual who has done nothing, who has not in any way been responsible for the increase in value, I don't see why he becomes the beneficiary of that increase in value. That increase in value has taken place because of the community around him and therefore the increase in value should accrue to the community. He loses nothing. The value of the land as it stood before the day of the zoning change is exactly the same. His position remains unaltered. He does not then have a privileged position as against somebody who bought the same parcel of land without getting the rezoning.

But thirdly, and most important, Mr. Speaker, other than the revenue aspects of what I'm talking about, is that it will discourage people from running around trying to interfere with, destroy and inhibit the proper implementation of a development plan by seeking to rezone property, because it will take the incentive out of rezoning property. If I as the owner of a piece of land see no value in getting the property rezoned, see no prize or pot of gold at the end of the zoning application so to speak, then I am discouraged from making that application. And I don't refer to myself, I refer to anybody who is in the line of property development. So it doesn't hurt anybody and it would result, Mr. Speaker, firstly, in a great deal of compliance with The Development Act; and secondly, where these development Acts do have to be altered in order to be consistent with good orderly development of the community, that the increase in value, increase in wealth which results from that rezoning, would accrue to the community.

So I would suggest, Mr. Speaker, that the Minister give strong consideration to making the possibility of an orderly development plan for urban Winnipeg a reality, and a reality not merely for the enactment of the plan but for the perpetuation of the plan, and I suggest that the

(MR. GREEN cont'd). . . . way of doing it is to take away the prize which is now offered to those who can successfully avoid the development plan.

The other comments that I would like to make on The Metropolitan Winnipeg Act follow the comments that were made by my honourable friend the Member for Selkirk, and that is with regard to the distribution of industrial revenue within the Metropolitan area as a whole. Mr. Speaker, I would like to say, first of all, that I associate myself with the remarks made by the Honourable Member for Selkirk that the industrial revenue which accrues to this community accrues by virtue of the existence of all the municipalities and not the municipality where the industrial plant happens to be. But in adopting that reasoning, and I do adopt it, I would ask that those people who are aware of the difficulties of municipalities within Greater Winnipeg, I would ask those people to adopt that reasoning with regard to all of Greater Winnipeg and to all of the aspects of the development of Greater Winnipeg. I would ask them to adopt that reasoning, Mr. Speaker, with respect to the fact that there should be in Greater Winnipeg one policing agency, because crime within urban Winnipeg does not know a boundary as between West Kildonan and Winnipeg or as between Winnipeg and St. Boniface, that just as the industrial revenue has no boundary, crime has no boundary. I would suggest that the people who adopt that reasoning, adopt that reasoning with respect to the fact that there should be one Fire Department to service Greater Winnipeg, that fire knows no boundary and that just as industrial revenue knows no boundary, fire knows no boundary.

Now, Mr. Speaker, in making these remarks I wish to make it perfectly clear that I speak for myself and not for my Party, but in speaking for myself I would like to say that once this is followed through to its logical conclusion that industrial revenues know no boundary; that fire knows no boundary; that crime knows no boundary; that one can carry this forward to the nth degree, and we in urban Winnipeg have to realize that we are one social and economic unit and that we should be governed by one government, and there's no use attacking it from the point of view of industrial revenues, thereby asking those areas that are now being surrounded by municipalities which grew up on their boundaries to bear the greatest brunt of municipal costs without at the same time recognizing that we are all part of the same urban complex.

So I would suggest, Mr. Speaker, that the type of argument that has been advanced by the Honourable Member for Selkirk is a good one, that it leads to the type of approach that I would like to see with regard to urban planning, and that it should commend itself to the Minister and I hope to the Boundaries Commission.

MR. SPEAKER: Are you ready for the question?

HON. THELMA FORBES (Minister of Urban Development and Municipal Affairs)

(Cypress): Mr. Speaker, I move, seconded by the Honourable the Attorney-General, that the debate be adjourned.

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

MR. SPEAKER: Bill No. 68. The Honourable Leader of the New Democratic Party.

MR. PAULLEY: I wonder, Mr. Speaker, if I may have the indulgence of the House to have this matter stand.

MR. SPEAKER: Second reading of Bill No. 53. The Honourable the Provincial Treasurer -- or Secretary.

MR. McLEAN: I wish I was, Mr. Chairman.

MR. McLEAN presented Bill No. 53, an Act to amend The Land Acquisition Act, for second reading.

MR. SPEAKER presented the motion.

MR. McLEAN: Mr. Speaker, there are really only two matters in this Bill. One is to correct an error that was made in the wording of the original Bill, and so to that extent it's only a printing correction.

The second matter - the second principle has more substance to it. Previously, as the Act stands at the present time, the Land Value Commission is limited to determining the value of land, which means land and buildings. They have been unable, that is they have had no statutory authority to really determine what is much more important and that is what would be the proper due compensation to be paid to a person from whom land is being acquired, because that takes into account matters such as severance, diminution of the value of the property for the purpose for which it is being used by the owner; all of which is important and indeed essential factors to take into account but which don't form part of the value of the land.

So the principle of this amendment would allow the Commission to determine and report upon what they consider to be due compensation to be paid to the person from whom land is being

(MR. McLEAN cont'd). . . . acquired as distinct from simply limiting them to the value of the land which is the expression in the present statute, and I recommend it to the members as being not only proper but indeed equitable for the people concerned.

MR. DOUGLAS CAMPBELL (Lakeside): Mr. Speaker, I would like to ask the Honourable the Minister -- in the latter principle on which he was speaking, that the Board or the Commission shall certify an amount which in its opinion represents due compensation, to whom do they certify it?

MR. McLEAN: That's a good question, Mr. Speaker. Oh, I'd better not speak in case there are some other questions. If there are no other questions, it is my understanding that they certify to the Department or the Minister concerned, or alternatively, if they're doing this for one of the Crown Agencies or corporations, they certify it to them, and also in one sense one can say that they always certify it to the Land Acquisition Branch of the Department of Public Works since it is the function of that branch to actually carry out the acquisition of the land.

MR. CAMPBELL: Mr. Speaker, might I ask a subsequent question, to ask if the owner of the land, the one from whom it is being acquired, gets a copy of this certificate.

MR. McLEAN: Mr. Speaker, if I may be permitted, yes.

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

MR. SPEAKER: Bill 59. The Honourable the Minister of Education.

MR. JOHNSON presented Bill No. 59, an Act to amend The Public Schools Act (2), for second reading.

MR. SPEAKER presented the motion.

MR. JOHNSON: Mr. Speaker, the purpose of this Bill 59 is to make provision for the use of French as a language of instruction in the Manitoba Public Schools. It is most fitting, I believe, for this centennial year that the French language, one of the two languages to which reference is made in The British North America Act of 1867, should be re-introduced as a language of instruction in our public schools. I say re-introduced for the sake of historical accuracy because, as all members are aware I'm sure, French did have this stature in our schools at an earlier period in our history.

The provision of this Bill, if voted into legislation, will come as a further and logical step in the pattern of curriculum revision which in recent years has made it possible for French and Française to be made available in every grade in our public school system from kindergarten to Grade 12. The honourable members will already have noticed that this Bill does not in any way change the provisions that already exist for the use of a language other than English during a period authorized for religious teaching or during a period authorized by the Minister for teaching a language other than English, or before and after school hours where authorized by the appropriate Board of Trustees. In other words, in Bill 59 those first three provisions, (a), (b) and (c) which are in 240, Section 2, are lifted from the present Act.

Basically, what the Bill does provide for is the use of the French language for instruction in social studies and for such other subjects as the Minister may by regulation stipulate. To avail themselves of this opportunity, the board of a district or a division must submit a proposal to the Minister in a prescribed form detailing amongst other things the total amount of time during which the French language will be used for all purposes mentioned in this section of the Act. This total time may not exceed one-half of the instructional time in any day. On receipt of the proposal the Minister may reject it or approve it in whole or under certain conditions, such as the subject or parts of subjects which may be taught in French, the grades in which French may be used as a language of instruction, and the qualification of teachers. It has also provided that pupils may be excused from such instruction on written objection from their parents or guardians. In addition, the Minister may require the board to make satisfactory arrangements for the instruction of pupils so excused before giving any proposal his approval.

The Bill also provides for the Minister to establish a committee to advise him on any matter arising under this particular section as well as providing for the passing of regulations and prescribing of the courses of study and textbooks required to carry into effect any of the proposals approved under this section.

This, in brief, outlines the basic provisions in this Bill as a preliminary to its consideration by the House. There are a few aspects which I might mention for the purpose of clarification, and possibly put them in sort of a question and answer form in this second reading because they elaborate on the principle of importance. For example, at what grade or grades might it

(MR. JOHNSON cont'd).... be permissible, or would it be permissible to teach social studies in French, and the answer of course is in Grades 1 to 12.

When would they be available in the schools? It is expected that it will be implemented in Grades 1 and 2 beginning in September of 1967, and the program for Grades 3 and 4 ready for the September of 1968, and the course prescriptions for succeeding grades should normally follow progressively year after year until a continuous program is established through the grades.

Would it be possible for example for a pupil to transfer from French social studies to English social studies? I am advised this should present no problem. The two courses will parallel each other throughout the grades and indeed in the high school grades particularly they will be almost identical.

Now specifically what is the - and when we say French social studies, for whom is it designed? It is essentially for pupils who are able to cope with the oral French, the other exigencies of the social studies course taught in the French language. To put it otherwise, this course is meant for pupils who have the skills and the aptitudes required to benefit from the course in social studies given in French.

You might ask what will happen to a minority group in a school where most pupils are French-speaking or have a superior knowledge of French and who should therefore elect to take social studies in French. Under subsection (9) (b) of the Act, the Minister may require trustees to provide social studies in English for those pupils who can not take social studies in French or whose parents do not wish them to take it in French.

You might ask, will the social studies in French be available to any school wishing to introduce it? I would point out that regulations will certainly have to stipulate the conditions a particular school will have to satisfy in order to qualify for social studies in French, two important considerations being the size of the school and the availability of suitably qualified teachers.

How many schools and pupils are likely to be involved? We feel it's difficult to say. It is estimated that some ten collegiates and 15 elementary schools, comprising about 2,100 is and 8, 100 pupils respectively, for a total of 25 schools and 10, 200 pupils might be possible centres for such instruction.

You might ask, will these pupils be short-changed in English - in terms of English? Not really, they will be required to take the regular English course and achieve acceptable standards. What is of greater importance is the greater mastery of French that they will acquire, and one must not overlook the advantages to these pupils of cultivating equal facility in both French and English.

You might ask, has consideration been given to other subjects in addition to social studies which might subsequently be included in these provisions? All we can say at this time is it's possible that at some future date consideration may be given to subjects such as guidance and health. However, the restrictions on the amount of the time which may be devoted to the use of French for all purposes will be a very definite factor here.

So really in principle, this Bill is extending the use of prescribed subjects, in addition to the Français which is now in Grades 1 to 12, to enable students to acquire a better and greater mastery in the language within these school districts and divisions who may so choose to add this into their curriculum. I might point out that in the elementary grades, social studies is a combination of geography and French; in the high school grades geography is separated into geography and history, and there are options there that sometimes geography is a required subject in one grade and an option in another. You can understand that in developing of the curricula it might be useful to have the advice of an advisory group as to the phasing in of these subjects at that level. So it's meant to -- and of course it may take up more than half the instructional day.

In doing some background work in developing this Bill, these are the subject areas that are in use in Ontario, in the Province of Ontario, where the subject matter is limited within the French language. I think French educators generally feel that the social studies would probably give the greater opportunity of the use of the French language after taking Français within their schools, and that to get beyond half the instructional day would not be in the best interest of the child because after all he has to compete in a largely English-speaking world, and we feel this will be a satisfactory start in this area.

I'd be pleased to answer any questions during the second reading stage, Mr. Speaker, or

(MR. JOHNSON cont'd) when we come to Law Amendments in this matter.

MR. TANCHAK: Mr. Speaker, I wish to adjourn the debate, seconded by the Honourable Member for St. George.

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

MR. SPEAKER: Bill No. 70. The Honourable the Attorney-General.

MR. LYON presented Bill No. 70, an Act to amend The Electoral Divisions Act, for second reading.

MR. SPEAKER presented the motion.

MR. LYON: Mr. Speaker, the effect of this amendment very simply stated is to defer from 1967, this year, until 1968, the statutory obligation of the Electoral Boundaries Commission to undertake the redistribution of provincial constituencies in Manitoba. The government's purpose in bringing forward this Bill is to permit further study to be given to the rules that the Act lays down for the use of the commission in setting constituency boundaries, particularly the formulae under which population for a constituency is determined while at the same time taking into full consideration all aspects of geography and distance which must continue to play a very important part in the make-up of our provincial constituencies.

It is felt desirable that this further study be given, particularly since the basic rules laid down in the Act are now ten years old and they do deserve some reconsideration before the commission undertakes its work. We feel that it is desirable to examine the rules before the commission begins its work rather than after and we suggest that this is the most appropriate way, without rushing in to make changes this session. The delay of one year should not be construed - and I repeat that - should not be construed as representing a desire on the part of the government for a fundamental change in the manner in which redistribution takes place, that is by means of an independent commission. Rather, I reiterate that it is the general rules and procedures under which the commission operates, having regard to population, geography and distance, which we consider deserving further consideration, along of course with any other improvements which might be suggested from the experience at the last provincial redistribution and from the federal redistribution which was just completed.

MR. SPEAKER: Are you ready for the question?

MR. MOLGAT: Mr. Speaker, I'd like to move, seconded by the Honourable Member for Lakeside, that the debate be adjourned.

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

MR. SPEAKER: Bill No. 88. The Honourable the Minister of Education.

MR. JOHNSON presented Bill No. 88, an Act to amend The Public Schools Act (3), for second reading.

MR. SPEAKER presented the motion.

MR. JOHNSON: Mr. Speaker, as I explained at the time of the money resolution, this provides for the vote in the Interlake. It was thought that this was covered under Bill 4 by the law officers and my officials. However, you can see that in view of the fact that the single-district divisions were declared on the 15th of February, that anticipatory legislation was not provided and I would ask the House to approve this at this time. It simply says that all the provisions with respect to those divisions who voted themselves in apply to the Interlake divisions insofar as the vote is concerned.

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

MR. SPEAKER: The motion that the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

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

MR. SPEAKER presented the motion and after a voice vote declared the motion carried, and the House resolved itself into a Committee of Supply with the Honourable Member for Arthur in the Chair.

COMMITTEE OF SUPPLY

MR. CHAIRMAN: Department No. VII - Highways. Resolution No. 38.

MR. CAMPBELL: Mr. Chairman, the Honourable the Leader of our Party asked some questions the other day that I think will serve my purpose as far as putting on record the figures with regard to the program and how much is carried over from last year and what the expected

(MR. CAMPBELL cont'd)... carry-over this year will be, but I wanted to ask in addition to those questions, the further information as to how much of the various programs has been received from the Government of Canada. I think that information has not yet been given, has it? I find it difficult to dig out of the Annual Report of last year.

Mr. Chairman, the members will recognize, I'm sure, that we have in effect a three-year program before us at this time because the report that I hold in my hand now for fiscal 1966 deals with matters that are now practically one-year old. The other program that we have before us now is the one that is just about ending or will end in another couple of weeks, and then the estimates that we have before us are those that are dealing with the program that will start -- or the fiscal year that will start at the 1st of next month, just less than two weeks away.

Now I would like to get from the Minister, if it has not already been given, the amount of money that has been received from the Federal Government for each of these three years. I have been unable to dig it out of this Annual Report that we have before us although I certainly can't say that it isn't contained there. For instance on Page 7, where the Highway Department expenditures are given, we have 15 million-odd in capital account and then we have 4 million, construction of Trans Canada Highway - also capital account - and in that particular item, in parenthesis, the word "gross" appears, which I assume means the federal contribution as well. Then in the very next item, construction of atomic energy road, again the word "gross" appears; and the same under the next item of approximately half a million dollars and the next one again of a little more than half a million dollars. Now if this could be furnished without too much trouble, I would be interested in having the amount that is appropriated, that is received in each one of those three years from the Federal Government.

Similarly, I understood the Minister to say in making a reply to my leader a few days ago, that this year the amounts that we have before us in these estimates is all from the current account, and that appears to total 42 million-odd. I assume that the capital assistance from the Federal Government will apply in just the same way regardless whether it's from current or capital account, and that is the main question that I would like to get answered at the present time.

So far as the second department or branch of this department is concerned, I will not make my remarks on the Water Control and Conservation until we reach that item, Mr. Chairman.

MR. ALBERT VIELFAURE (La Verendrye): Just one question at this time, Mr. Chairman. Are there any plans for a truck scale at Falcon Lake? This has been discussed many times before. --(Interjection)-- Are there any plans for a truck weighing scale at Falcon Lake on No. 1 East?

HON. WALTER WEIR (Minister of Highways) (Minnedosa): Mr. Chairman, if I can attempt to answer a couple of these questions just briefly, I'll get the actual information for the Honourable Member for Lakeside in detail. I don't recall the 1965 year, which is the one he's looking at in the Annual Report. In the 1966, the one we're just concluding now, we anticipated that the Government of Canada's share would be approximately \$2 million, but I'll check that and confirm it, and what we anticipate for 1967 year is 1.1 million.

Oh, and the Honourable Member for La Verendrye, no, we have nothing definite for the weigh scale there. It's still one of the things that is under consideration but I have nothing definite to report.

MR. MOLGAT: Mr. Chairman, the other day I was speaking on the matter of the tendering system and I was referring to one specific case, and I said to the Minister then that I also wanted to discuss the general case as to the question of policy, because I really think that we have to substantially speed up the methods by which a bond either becomes operational or the people who have money coming to them and who are employees or bona fide sub-contractors get some protection. We've been referring to some cases some years ago and I checked back into my files and I found the case that we were originally referring to had started on the 8th of April, 1958, and the final submission by the Canadian Credit Men's Association to the creditors - this wasn't the final payment - but the submission finally came on the 28th day of January, 1965, so it wasn't a question of four years, it was a question of seven years.

Now I know he has taken some steps to speed this up but it seems to me that still we're not in the position under our present bonding where we can make the bond company come through and put up the payments. Now what steps have been taken to ensure that the bid bond to begin with is in fact valid, it could be acted upon. The question arose the other day again in the

(MR. MOLGAT contn'd). . . . committee where we were discussing the Nelson River project that there was some doubt in Hydro's mind whether or not they could act upon the bid bond and whether they could have recovered under it. I'd like to know from the Minister what steps does the department here take to ensure that we can; and secondly, on the performance bond, what assurances have we that the performance bond can in fact be acted upon.

I think the Minister said the other day there was a question of 120 days for all of the claims to come in. Now at the end of the 120 days, is it settled then? Do they pay? Or does it then involve a long involved court case, because if it does mean a long court case, Mr. Chairman, then a number of creditors who in many cases are small independent operators - they have only one truck and they run it themselves and take on the sub-contract with some other people - can end up by losing their equipment; all the time they've put into it; and not having the resources to conduct a court case. I realize the Minister said that if one undertakes, then he's acting for all, but you still have to get someone to undertake it. So I'd like to know from the Minister what steps were taken to ensure that the bid bond in fact is valid and that the performance bond can be acted upon.

MR. WEIR: Well, Mr. Chairman, I think all I can do is repeat what I said the other day. As far as I can recall, this is the first occasion which we have had since the introduction of the legislation that we had on labour and material bonds, at the time the Honourable Leader of the Opposition was talking about, in which we have had to test it. The 120 days are nicely up and action is being taken by one creditor on the bonding company. At the end of 120 days there is nothing, and I think I expressed the other day that there is some concern on my part over the fact that it seemed to be open as far as the bonding company was concerned and that maybe there should be some means of making the bonding company declare, either by paying for the service or denying liability, within a period of time after the 120 days. There is nothing at the moment. There is a 12-month period at the end of which limitation of liability ceases. In other words, it is the period in which a suit can go forward against the bond, and as far as I know we've never had this difficulty before. We're watching this case with particular interest and the legal officers of the Attorney-General's Department have been giving scrutiny to the bonding legislation to see if there is some way that we can tighten it up. They haven't been successful in coming forward with any recommendations to me, and, hopefully, the results of this case that we're in now may provide us with some direction as far as bonding is concerned.

As far as the performance bond is concerned, I have no reason to believe that it isn't effective. I think that the performance bond, over the years, has been relatively effective. The difficulty that we had was covering labour and materials under the performance bond and we've attempted to sort that out. Many other jurisdictions have attempted to sort this same area of concern out. Ontario, for instance, has what they call pre-qualification, which I really don't like the idea of, of a government sitting down with a committee of people and saying you're qualified to bid on a job of a certain size. I don't see how the little fellow ever gets started under terms and conditions like that. I have, at this stage of my career, stood firmly on the fact that the bid bond was Manitoba's pre-qualification, and we were having pre-qualification by private enterprise rather than pre-qualification by some experts within either the Treasury Department or the Highways Department. I've been trying my darndest to make this term of pre-qualification stick and it's one of the things that concerns me the most about the bid bond being a responsible action and the performance bond in the same light.

So about all I can say at this stage of the game is -- well, being uneasy about the situation that we have, I hope that we're in the process right now of attempting to develop what is covered under a labour and material bond. We never have got that set up. It took us a long period of time to get that set up under some of the law suits that many cases pended on and prior to turning them over to the Canadian Credit Men's Association by legislation, and we think that if the results of the steps that are being taken here show us some direction in what we should go -- in the direction we should go, that this is probably the best approach we can take at the moment.

MR. CHAIRMAN: It is now 5:30. I leave the Chair until 8:00 o'clock tonight.