

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
2:30 o'clock, Monday, March 11, 1968

Opening prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions  
Reading and Receiving Petitions

The Honourable Member for Winnipeg Centre.

MR. CLERK: The petition of Edward Gelhorn and Others praying for the passing of an Act to incorporate Lutheran Council in Canada.

The petition of Edward Hilderman and Others praying for the passing of an Act to incorporate Luther Home.

The petition of Congregation Shaarey Zedek, praying for the passing of an Act to amend and consolidate an Act to incorporate Congregation Shaarey Zedek.

The petition of Les Chanoinesses Regulieres des Cinq Plaies, praying for the passing of an Act to Amend an Act to incorporate Les Chanoinesses Regulieres des Cinq Plaies.

MR. SPEAKER: The Honourable Member for Churchill. -- (Interjection) -- Very Good.

MR. CLERK: The petition of Michael Joseph Babulic and Others, praying for the passing of an Act to incorporate Thompson Golf Club.

MR. SPEAKER: Presenting Reports by Standing and Special Committees.

HON. STERLING R. LYON, Q.C., (Attorney-General) (Fort Garry): Mr. Speaker, I beg to present the First Report of the Standing Committee on Statutory Regulations and Orders.

In view of the length of this report I wonder if it could be agreed that the report itself be included in Hansard and Votes and Proceedings?

MR. SPEAKER: Generally agreed? Agreed.

To the Honourable the Legislative Assembly of Manitoba:

Your Standing Committee on Statutory Regulations and Orders beg leave to present the following as their First Report:

Part I Dealing with Manitoba Regulations

Your Standing Committee on Statutory Regulations and Orders was appointed at the First Session of the Twenty-eighth Legislature on Monday the 30th day of January 1967, and on Thursday the 2nd day of February it was authorized to sit during the Session and recess after prorogation. At its first meeting Hon. Mr. LYON was elected Chairman and the quorum was set at seven members.

Your Committee met on Tuesday the 14th day of November, 1967, on Thursday and Friday the 14th and 15th days of December, 1967, on Monday and Tuesday the 8th and 9th days of January, 1968, on Tuesday and Wednesday the 23rd and 24th days of January, 1968, on Monday the 12th day of February, 1968, and on Monday the 4th day of March, 1968.

Manitoba Regulations 14/66 to Manitoba Regulations 131/66 both inclusive were considered by your Committee on Tuesday, the 14th day of November, 1967, on Wednesday, the 24th day of January, 1968 and on Monday, the 4th day of March, 1968 pursuant to Rule 68 of the Rules, Orders and Forms of Proceeding of the Legislative Assembly of Manitoba.

Your Committee makes the following comments on, and recommendations with respect to Regulations considered by it:

Your Committee considered the regulations referred to it, being Manitoba Regulation 14/66 to Manitoba Regulation 131/66, both inclusive. Your Committee makes the following comments on, and recommendations with respect to, regulations considered by it.

1. Manitoba Regulation 22/66. This regulation was made under certain provisions of The Department of Industry and Commerce Act which have since been repealed. Although other provisions similar in nature were substituted in The Department of Tourism and Recreation Act for the repealed provisions and the regulation is therefore still in force, the Committee recommends that that regulation be repealed and re-enacted under the new Act with the changes hereinafter mentioned.

Subsection (1) of section 3 of the regulation deals with the same subject matter as is dealt with by section 7 of The Department of Tourism and Recreation Act, and the section should be deleted from the regulation.

Subsection (1) of section 4 of the regulation deals, in part, with matters dealt with by section 7 of The Department of Tourism and Recreation Act, and should be redrafted so that

the duplication is removed.

Subsection (2) of section 11 of the regulation creates a new offence, that of charging more than is set out in a rate schedule card in transient accommodation. There is no authority for this type of regulation in the Act. The department should consider the advisability of seeking to have amendments introduced to The Department of Tourism and Recreation Act to authorize the making of this type of regulation or to include the offence in the Act itself.

2. Manitoba Regulation 47/66. Section 2 of this regulation purports to make the regulation come into force on a date prior to the day on which it was filed. There does not appear to be any provision in The Manitoba Crop Insurance Act authorizing retroactive regulations.

3. Manitoba Regulation 49/66. Appendix A of this regulation provides grade standards for Brussels sprouts. However, The Fruit and Vegetable Sales Act does not cover Brussels sprouts. There is no authority, therefore, for making regulations respecting the grading or packaging of Brussels sprouts. The Committee recommends that the regulation be amended by deleting all reference to Brussels sprouts.

Section 11 of the regulation and clause (i) of subsection (1) of section 17 of the regulation, both of which were enacted by Manitoba Regulation 84/66, require the packaging and labeling of certain foods to be in accordance with the regulations under the Canada Agricultural Standards Act. In so far as this might imply that the provisions of the Federal regulations will apply as they are amended from time to time after the date of the Manitoba regulation, this would be a delegation of regulatory authority. The Committee recommends that either the regulation be amended to make it clear that the reference is to the Federal regulations as they were on the date of enactment of the Manitoba regulations or that the department consider requesting amendments to the Act authorizing the adoption of Federal regulations as they may be amended from time to time in the future.

Section 14 of the regulation, which was enacted by Manitoba Regulation 84/66, authorizes the director to allow persons to use packages other than those specified in the regulation. This, in effect, delegates to the director the power to fix other standards than those fixed by the regulations. The Committee recommends that this section be repealed.

4. Manitoba Regulation 52/66. Section 9 of this regulation purports to make members of a party hunting on a party licence jointly and severally responsible for complying with the regulations. In so far as it affects a person who might be an accessory to the offence or who aids and abets a person committing an offence, it is unnecessary as this is already dealt with under The Summary Convictions Act. However, if the section is an attempt to go further than this, it constitutes a creation of a new offence. Your Committee recommends that the section be repealed.

The last few words of section 12 appear to create an offence. The Wildlife Act already contains a provision which makes a violation of any regulation made under the Act an offence. The Committee recommends that the words "and any person contravening this regulation is guilty of an offence" in the second and third lines of section 12 be struck out.

5. Manitoba Regulation 62/66. Section 9 of the regulation is not clear. As the matter is being looked after by the department, no further action is required.

6. Manitoba Regulation 76/66. This regulation sets out the rates of payment for hospitals from January 1st to December 31st, 1966. However, the regulation was not filed until July 14th, 1966. There is an implication in the Act that the hospital rates may be fixed by the Manitoba Hospital Commission during the year. However, the Committee does not feel that retroactive regulations should rely on implication. The Committee recommends that the Hospital Commission seek an amendment to their Act to allow this type of regulation to be made retroactively.

7. Manitoba Regulation 83/66. Your Committee comments on the fact that this regulation purports to become effective before the date on which it is filed. There does not appear to be any authority in The Civil Service Act for making retroactive regulations.

8. Manitoba Regulation 86/66. Section 7 of this regulation purports to make the regulation come into effect before the date on which it was filed. There does not appear to be any provision in The Licensed Practical Nurses Act authorizing retroactive regulations.

9. Manitoba Regulation 87/66. This regulation is made under the general authority of section 33 of The Manitoba Development Fund Act which provides that the Lieutenant-Governor-in-Council may make regulations and orders ancillary to the Act and not inconsistent with the Act.

Section 3 restricts the type of loans that the Development Fund can make. The Act in sections 4, 5, 6 and 7 gives the Fund broad objects and powers with respect to lending. Provisions of the Act also imply that the board of the Fund is to exercise its discretion in granting loans for various enterprises. Nothing in the Act indicates that any discretion is to be exercised by the Lieutenant-Governor-in-Council in controlling the type of loans granted by the Fund. Therefore, it appears that section 3 is not ancillary to the legislation, but imposes rules on the Fund with respect to matters which the Legislature anticipated would be decided in the discretion of the board.

Section 4 of the regulation purports to give the Development Fund authority to make certain loans. This is unnecessary as the Act, in particular section 7, grants broad powers to the Fund to make loans for broad general purposes which would include all specific purposes set out in section 4 of the regulation.

Section 5 of the regulation would be unnecessary if section 3 of the regulation was removed.

Sections 6 and 7 of the regulation deal with matters which it was anticipated by the legislation would be dealt with at the discretion of the board and not at the discretion of the Lieutenant-Governor-in-Council. These sections are not really ancillary to the Act.

Section 8 does not coincide with what is contemplated by the Legislature in the enactment of subsection (2) of section 15 of the Act.

Section 10 of the regulation, in so far as it deals with the position of assistant general-manager, is a matter which should be dealt with by the by-laws of the Fund under subsection (2) of section 14 of the Act. In so far as it deals with the manager, it is something which could easily be dealt with by the by-laws of the Fund, although it might be considered ancillary to the Act.

Section 14 of the regulation deals with the same subject matter as section 10 of the Act.

Section 15 of the regulation should be amended to refer to Part II of the Act rather than section 2.

Section 16 of the regulation is unnecessary.

Manitoba Regulation 87/66 has been repealed and the provisions commented on above are not in the new regulation enacted to replace Manitoba Regulation 87/66. Therefore, no further action is required.

10. Manitoba Regulation 89/66. Section 6 of this regulation purports to make the regulation effective prior to the date on which it was filed. There does not appear to be any authority in The Civil Service Act to make retroactive regulations.

11. Manitoba Regulation 99/66. Section 1 of this regulation made an amendment to Manitoba Regulation 30/60 which purported to provide a new rule whereby an employer might change the working hours of a person. The Employment Standards Act already established certain rules by which an employer may establish a change in working hours. The Committee feel that this provision was objectionable inasmuch as it attempted to provide an alternative procedure by which something could be achieved where the Legislature had already determined the procedure. However, as the subsection has been repealed, no further action need be taken.

12. Manitoba Regulation 108/66. Section 10 of this regulation purports to create a lien out of an obligation set out in subsection (1) of section 4 of The Mineral Exploration Assistance Act. The Committee feel that this is objectionable as it affects proprietary rights on mineral claims, and thereby might affect the rights and liabilities of other persons. The Committee recommends that the provision be repealed. If the department feel that the provision is advisable, they should seek an amendment to the Act whereby the lien would be created by statutory authority rather than regulation.

13. Manitoba Regulation 131/66. Section 4 of this regulation purports to give the Trade Advisory Committee authority to establish ratios of apprentices to journeymen. Subsection (1) of section 11 of the regulation purports to give authority to the Apprenticeship Board to establish certain wage rates. These provisions appear to be delegation of regulatory authority. Your Committee recommends that the provisions be repealed. The department might consider the possibility of seeking amendments to The Apprenticeship Act to authorize the delegation of this type of regulatory authority.

Part II Dealing with:

1. Proposed draft respecting the Protection of Consumers
2. Proposed draft Expropriation Act
3. Legal assistance to indigents
4. Compensation to victims of crime
5. Legislative Commissioner for administration
6. Orderly payment of debts

Your Standing Committee on Statutory Regulations and Orders was appointed at the First Session of the Twenty-eighth Legislature, on Monday the 30th day of January 1967, and on Thursday the 2nd day of February, 1967 it was authorized to sit during the Session and recess after prorogation.

The Honourable the Provincial Secretary at the last Session of the Legislature presented a White Paper - Citizens Remedies Code, and referred to this Committee a proposed draft respecting the Protection of Consumers. The House by resolution dated February 2, 1967 appointed your Committee to study and report on a proposed draft Expropriation Act.

Your Committee met on Tuesday the 14th day of November, 1967, on Thursday and Friday the 14th and 15th days of December, 1967, on Monday and Tuesday the 8th and 9th days of January, 1968, on Tuesday and Wednesday the 23rd and 24th days of January, 1968, on Monday the 12th day of February, 1968, and on Monday the 4th day of March, 1968.

The Committee held public hearings and briefs were presented with respect to the draft respecting the Protection of Consumers by:

Retail Council of Canada

The Educational Reference Book Publishers Association

The Winnipeg Homemakers Protest Committee

Consumers Association of Canada

The Family Bureau of Greater Winnipeg

The Credit Grantors Association

The Better Business Bureau of Metropolitan Winnipeg

The Winnipeg Motor Dealers Association

Federated Council of Sales Finance Companies

The Manitoba Motor Dealers Association

The Manitoba Bar Association

The Mortgage Loan Association of Manitoba

Canadian Consumer Loan Association

Supplement by Federated Council Sales Committee

Professor Jacob S. Ziegel and Assistant Professor W. A. W. Neilson

Briefs were also presented with respect to the draft Expropriation Act by:

Appraisal Institute of Canada

The Association of Manitoba Land Surveyors

William Ronald

Manitoba Farm Bureau

W. E. Norton, Q. C.

S. L. Davies, Q. C.

D. C. Lennox, Q. C.

Harold McKay, Registrar General

Archie Micay, Q. C.

R. A. L. Nugent

Y. M. Henteleff

Aubrey McCleary

Clukery

Lloyd Henderson

The Manitoba Bar Association presented briefs dealing with:

1. Legal aid to indigents
2. Compensation to victims of crime
3. Legislative Commissioner for Administration

With respect to the Proposed Draft Respecting the Protection of Consumers, your Committee after hearing all of the submissions requested Messrs. Harold Buchwald, Q.C., R.B. Cantlie and G.B. Snider to prepare a detailed report thereon for study by the Committee. The said report, dated March 4th, 1968, was received and partially considered by your Committee. Inasmuch as the Committee has not had an opportunity of fully considering the said memorandum and the points and recommendations made therein, your Committee recommends that the Standing Committee on Statutory Regulations and Orders, to be appointed pursuant to the Standing Rules at the Second Session of the 28th Legislature, be requested to further review the said memorandum, together with such other information as may be available, with a view to making recommendations to the Legislative Assembly for enactment at this Session if feasible of a bill for the Protection of Consumers.

With respect to the proposed draft Expropriation Act, your Committee heard representations dealing with the said draft bill, which it has not as yet had an opportunity of fully considering. Your Committee therefore recommends that the Standing Committee on Statutory Regulations and Orders, to be appointed pursuant to the Standing Rules, at the Second Session of the 28th Legislature, be requested to review the said representations, together with such information as may be available, with a view to making recommendations to the Legislative Assembly.

With respect to the proposal in the said White Paper dealing with the appointment of a Legislative Commissioner for Administration, your Committee heard representations thereon, but has not had an opportunity of considering the matter in detail.

Your Committee while affirming the general principle of a Legislative Commissioner for Administration recommends that the Standing Committee on Statutory Regulations and Orders, to be appointed pursuant to the Standing Rules at the Second Session of the 28th Legislature, be requested to further review the said subject matter.

Your Committee while not having had the opportunity to consider all aspects of legal aid recommends:

(a) that legislation be introduced to authorize the provision of legal aid to persons charged with indictable offences under the Criminal Code of Canada, including such indictable offences that are tried summarily, and including appeals in connection with proceedings on such matters and applications for prerogative writs connected with such proceedings.

(b) that legal aid should be given to persons who are unable to afford to pay for their own legal counsel.

(c) that there should be authority for the Government to enter into agreements with The Law Society of Manitoba, The Manitoba Bar Association, and any other organization that might assist in providing legal aid.

(d) that detailed procedures and the tariff of fees to be paid should be fixed by regulation.

Your Committee also recommends that other aspects of legal aid not yet reviewed by the Committee be further considered by the Standing Committee on Statutory Regulations and Orders to be appointed pursuant to the Standing Rules at the Second Session of the 28th Legislature.

Your Committee recommends that legislation be introduced to authorize compensation to be paid to persons injured while assisting police officers, and to the dependents of persons killed while assisting police officers. The question of whether or not a person is eligible to receive such compensation and the question of the amount of compensation in any instance should be referred to the Courts. There should be provision for paying certain accounts in full, for example, hospital, medical, nursing and pharmaceutical accounts. There should also be provision for paying sums for loss of wages and general damages up to a fixed maximum. The costs of making an application for compensation should be borne by the Government and the administration of the program should be under the Attorney-General's Department.

Your Committee recommends that the remaining questions of compensation to victims of crime or to those injured while attempting to prevent crime be further reviewed by the Standing Committee on Statutory Regulations and Orders, to be appointed pursuant to the Standing Rules at the Second Session of the 28th Legislature.

MR. LYON: Mr. Speaker, before moving that the report be received I should advise the House that it will be the intention of the Government very shortly to be moving concurrence of this report, merely receive it today and we'll be moving concurrence shortly.

(MR. LYON cont'd.)

I would like to move, seconded by the Honourable Provincial Treasurer that the Report of the Committee be received.

MR. SPEAKER presented the motion.

MR. GILDAS MOLGAT (Leader of the Opposition) (Ste. Rose): Mr. Speaker, before the question is put I wonder if I might -- on a point of order. It had been my original intention to move the adjournment of this debate. If there is going to be any delay in the concurrence -- now I realize there are matters in the report we should move forward and I in no way want to delay it. Could the Minister indicate when he says, "fairly soon" or "soon" on concurrence, when that might be, because we're still waiting for a report from the Minister of Health on the matter of dental services which was to come "soon" three years ago and I just want to verify the definition in this case.

MR. LYON: Mr. Speaker, we're dealing with the Rules of the House on Wednesday next and we could move concurrence if this was satisfactory on Thursday next if that would be agreeable.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, I hadn't intended to get up but I hope they don't rush it too much because I want to have a look at them -- at the rules too before they are being considered in Committee, so I hope they're not rushing it too much.

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

MR. SPEAKER: Notices of Motion

Introduction of Bills

MR. LYON introduced Bill No. 6, an Act to amend The Unsatisfied Judgment Fund Act; and Bill No. 8, an Act to amend The Jury Act.

HON. STEWART E. McLEAN (Provincial Secretary) (Dauphin) introduced Bill No. 5, an Act to amend The Coat of Arms, Floral Emblem and Tartan Act.

HON. OBIE BAIZLEY (Minister of Labour) (Osborne) introduced Bill No. 31, an Act to amend The Employment Standards Act.

HON. GURNEY EVANS (Provincial Treasurer) (Fort Rouge) introduced Bill No. 2, an Act to amend The Insurance Act (1); and Bill No. 3, an Act to amend The Insurance Act (2).

HON. DONALD W. CRAIK (Minister of Mines and Natural Resources) (St. Vital) introduced Bill No. 17, an Act to amend The Wildlife Act; and Bill No. 21, an Act to amend The Forest Act.

HON. J. ENNS (Minister of Agriculture) (Rockwood-Iberville) introduced Bill No. 27, an Act to amend The Horned Cattle Purchases Act.

MR. SPEAKER: Committee of the Whole House.

MR. McLEAN: Mr. Speaker, I move, seconded by the Honourable the Minister of Education, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee of the Whole to consider the proposed resolutions standing in the Order Paper in my name.

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

COMMITTEE OF THE WHOLE HOUSE

MR. McLEAN: Mr. Chairman, His Honour the Lieutenant-Governor, having been informed of the subject matter of the proposed resolution recommends it to the House.

MR. CHAIRMAN: Committee proceed. The resolution before the Committee: Resolved that it is expedient to bring in a measure respecting the issue and sale of securities and the prevention of certain practices in connection therewith and to provide, among other matters, for the appointment and remuneration of a commission responsible for the administration of the Act and staff therefor.

Are you ready for the question?

MR. McLEAN: Mr. Chairman, this matter comes forward by resolution because of the financial implications involved. What is coming forward is a new Securities Act to replace our present securities legislation and the financial implications have to do with the commission for which provision is made in the Bill and of course the necessary staff. In actual fact this is not entirely new because the commission, assuming the Bill receives the approval of the House, will be performing the function which is now performed by the Public Utilities

(MR. McLEAN cont'd.) . . . Board and the staff that is associated with it, and to that extent it will not be a new operation. While reference is made to a commission and indeed it might at some time be that new commission members would be appointed, that matter has not been decided and I would think that our present inclination would be to ask members of the Public Utility Board to carry on the functions under the Securities Act, although for that purpose they would be designated as commissioners because of the terminology of the Act.

We do contemplate some additional staff which would be necessary because the supervision of securities under the proposal in the bill will be more extensive than perhaps is the case at the present time, so that to that extent there are expenditures contemplated which are additional to those presently carried on by the Public Utilities Board. Those are the only financial implications that are involved in this bill.

MR. CHAIRMAN: Resolution be adopted?

MR. RUSSELL PAULLEY (Leader of the New Democratic Party) (Radisson): Just before we proceed -- I do not wish to delay the proceedings of the Committee and the explanation that the Honourable the Provincial Secretary has given us is acceptable in that it applies to the proposition that we have before us at the present time, the money expenditure for the setting up of the commission. I would like to make one observation however, that -- and I trust that the observation that I make will result in either further consideration to proposed legislation or that when we do receive the legislation contemplated by this resolution that the point which I briefly refer to now will be covered. That is: I note that in the resolution that it is proposed to bring in a measure respecting the sale and issue of securities and the prevention of certain practices in connection therewith. I haven't seen of course, not being a member of the Committee, the recommendations that will be coming forth from the Statutory Rules and Regulations Committee. I do, however, have in my possession, my office, a news story referring to some of the items apparently that have been under consideration by the Rules Committee that are not coming forth, at least at the present time, as matters dealing with the question of consumer protection in other fields apart from that that we have, and I trust and hope, Mr. Chairman, that when the legislation referred to in this item under consideration at the present time is before the Committee that there will be not only protection insofar as the issue and sale of securities but also that well-known and needed protection of the consumer dollar today and I look forward in anticipation to the legislation.

MR. FROESE: Mr. Chairman, just one question. Will this commission also have jurisdiction over securities offered by government and municipal bodies and so on or is it just primarily corporations and private companies?

MR. NELSON SHOEMAKER (Gladstone): Mr. Chairman, I was wondering whether the commission will have the authority to deal with all of the trust companies who presently issue debentures. I am sure that the public by and large will be somewhat concerned by the advertisements that appear in nearly every issue of the daily papers advertising debentures at what seems to me to be a very high rate of interest. In fact if you go back two or three months the interest rates on many of the debentures and bonds offered by the trust companies have gone from five percent up to some of them I think as high as eight percent today and I am sure the public will be concerned as to whether or not these debentures issued by the trust companies are in fact safe investments for their hard-earned dollars. So I wonder if the honourable Minister might explain the extent to which the commission will have authority in this regard.

MR. McLEAN: Mr. Chairman, if I might just deal with points in reverse order. Generally -- where trust companies are selling securities, certainly the commission would supervise that. I would have to confess to being just a little uncertain as to what category debentures fall into but I'll be prepared to answer that specifically when we come to second reading. I would remind the Honourable Member for Gladstone however, that of course large areas of trust company offerings are now covered by the deposit insurance of the Federal Government and to that extent of course there is, I suppose, one might say security. To the Honourable Member for Rhineland, this securities act will not apply to government issues, that is either provincial, federal or municipal governments, but rather only to offerings of privately incorporated companies.

I regret to have to advise the Honourable the Leader of the New Democratic Party that consumer protection will not be a part of this bill; that comes in the consumer protection bill which was before the Committee on Statutory Regulations and Orders and all of the protection

(MR. McLEAN cont'd.) . . . . with respect to what the general area of consumer protection would be in that measure, not in this one at the present time.

The Honourable the Attorney-General has reminded me, Mr. Chairman, that I omitted to point out in my earlier statement that of course there will be fees charged as there are at the present time with respect to the services that are performed and so there is both not only expenditure involved by this contemplated bill but of course it also provides for the charging of fees as is the present custom at this time.

MR. PAULLEY: Mr. Chairman, if I may I want to thank the Honourable Secretary for his reply. He mentioned the question of consumer protection legislation. I wonder if my honourable friend can indicate as to whether or not we will be dealing with such legislation at this session?

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

Mr. Speaker, the Committee of the Whole has considered certain resolutions and directed me to report the same.

#### IN SESSION

MR. J. DOUGLAS WATT (Arthur): 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. McLEAN introduced Bill No. 10, the Securities Act (1968).

MR. SPEAKER: Orders of the Day.

MR. EVANS: Mr. Speaker, before you proceed with the Orders of the Day, I would like to lay on the table of the House a return under Section 111 (2) of the Insurance Act, under the administrator of the Estates of the Mentally Disordered Persons a report on annual examination of accounts as required by the Mental Health Act for the year ended March 31st, 1967; statements prepared pursuant to Section 20 of the Public Officers Act as amended by Chapter 56 of the Statutes of Manitoba 1955 as at February 15th, 1968; the public accounts of the province for the last fiscal year; a detailed statement of all remissions made under the authority of Section 50 of Chapter 272 of the Revised Statutes of Manitoba 1954 since the last similar statement was submitted to the legislature; a report of any overdrafts or lines of credit arranged since the last report of the Legislature; a report of the Treasury Board on the statement of public accounts for the Province of Manitoba for the fiscal year ending the 31st of March, 1967.

MR. McLEAN: Mr. Speaker, I have a number of reports I should like to place on the table. First, the 16th Annual Report of the Manitoba Hydro Electric Board for the year ended March 31st, 1967. Copies of this report were forwarded to members earlier and there are some additional copies here. I have to confess there are not enough here today for all members of the House but if there's any shortage we'll see that that's looked after. The Annual Report of the Manitoba Telephone System for the year ending March 31st, 1967. Copies were forwarded to all members earlier and additional copies are here now. The 28th Annual Report of the Manitoba Civil Service Superannuation Fund for the year ended December 31st, 1966. Copies are here for all members. The Annual Report of the Legislative Library of the Province of Manitoba for 1967 and copies are available for all members. The Annual Report of the Department of Public Works for the fiscal year 1966-1967 and copies are available for all members. A report of the Department of Provincial Secretary which includes the report of the Queen's Printer for the fiscal year that ended on December 31st, 1967, and a full report of the Public Utilities Board under the provisions of the Greater Winnipeg Gas Distribution Act. And, Mr. Speaker, if I may while I have the floor, I would like to just say to the members that the Board of Manitoba Hydro has extended an invitation to all members to visit the Kettle Rapids construction site at Gillam on the Nelson River on Saturday, March 30th, 1968. This will be a one day trip. A plane will be provided by Hydro to transport the members up in the morning and back in the late afternoon of the same day. It is hoped that all members will be able to attend and I will be giving a personal invitation to each member within the next few days but I wanted to ask all members to mark the date of Saturday, March 30th, for a trip to Gillam.

MR. LAURENT DESJARDINS (St. Boniface): Mr. Speaker, before the Orders of the Day I'd like to ask a question of the Honourable the Minister of Labour. Is it his intention to bring in more adequate protection measure in the installation of natural gas or must we wait

(MR. DESJARDINS cont'd.) . . . for a fatal accident -- I'm referring now to the pipes that bring in the natural gas in buildings. Two of them has been sheared by cars, last year and this year with a power toboggan. We've repeated this many times last year and I wonder if anything will be done this year.

MR. BAZILEY: Mr. Speaker, it is not the intention to introduce any further legislation pertaining to the subject of the honourable member. It is regrettable that skidoos can't read and there are some contingencies that you can't possibly protect the public from.

MR. SHOEMAKER: Mr. Speaker, before the Orders of the Day are proceeded with, has the legislation in respect to the skidoos changed? I didn't expect they could read, the skidoos, but the drivers can, but has the legislation changed or is it the intent of the government to introduce legislation at this session that will effectively deal with skidoo operators?

MR. McLEAN: Mr. Speaker, there's been no change in the legislation since we last met.

MR. SPEAKER: The Honourable Member for Seven Oaks.

MR. SAMUEL USKIW (Brokenhead): Mr. Speaker, before the Orders of the Day I wish to ask a question in two parts of the Honourable the Minister of Highways, and that is for what reason is truck traffic restricted on the Lockport Bridge and what provision is being undertaken to facilitate truck traffic across the Red River in view of the fact that the approaches to the Selkirk Bridge are flooded usually every spring breakup season?

MR. ENNS: I will take that question as notice.

MR. SPEAKER: The Honourable Member for Elmwood.

MR. RUSSELL DOERN (Elmwood): Mr. Speaker, I'd like to direct a question to the Minister of Education. Does the Government of Manitoba inspect or regulate the private commercial educational institutes in the province?

HON. GEORGE JOHNSON (Minister of Education) (Gimli): Mr. Speaker, the other day when this question of trade schools came up I promised the House I would inquire and make a statement to the House concerning this matter. I would like to take this opportunity then to do so.

As we said the other day our department and the Department of the Attorney-General under his auspices are carrying out an investigation into the particular operation which closed suddenly the other day with respect to any possibility of fraud, etc., but I would like to point out to the House that the private trade school has been, as we all know, in operation for some years and this province historically has operated in certain areas in the educational field and have developed gradually over the years in conjunction with the increased need for more specialized training in Manitoba, and the Trade School Regulation Act was set up to regulate the operations of such schools by providing reasonable terms of reference both for the operators and the students enrolled. Since 1940 when the Act was first passed, the private schools have operated largely within the spirit of the Act. As training offered in the private sector became more diversified the need to review the Act has become increasingly apparent and three years ago the Department of Education appointed a full time supervisor of the trade and what is called commercial schools, to administer the Act and to make recommendations for any revisions in the Act and regulations. The administration of the Act today therefore involves continuous surveyance of terms and conditions of registration of the schools and the control of courses, and the continuous surveillance of the advertising practices and contractual and registration procedures for students in the handling of complaints regarding the refunding of fees for students who don't complete their courses. During the past two years an intensive study of our existing Act and regulations in this regard has been carried out and I have legislation to propose to the House to further strengthen the Act in certain areas where we have found difficulties.

I should say the department tell me that the private trade schools generally provided a degree of service within the provisions of the Act; however, we still feel that there's need to tighten it up. I would say in connection with the particular institute which closed its doors, the Department, and as a matter of fact the Better Business Bureau, have been discussing it with our Deputy Minister; they were concerned for some little while with the contractual arrangements that were being made with students and that particular exercise -- in particular the work done with that firm -- and in this area showed the very real need for the type of legislation which will be coming forward. The Act will be probably a short Act but the regulations are quite detailed with respect to the many points we want to cover.

I point out that in this particular case the fees charged, the type of course, the

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(MR. JOHNSON cont'd.) ... excellence or otherwise of the courses were intensively reviewed by our department -- as a matter of fact this particular institute that has declared bankruptcy was operating in two areas, the key punch operator type where I think they sold a course for around a couple of hundred dollars and the computer course which was a longer course at about twice that fee. As a matter of fact we offered the key punch operation course in connection with the operation of our Institute of Technology and of course the computer types of courses that are being offered here is the thing that is planned for our Institute of Applied Arts. However, our department is working under the administrator of that Act with any of the pupils or students who were enrolled in this particular course to see whether we can accommodate them or if they would like to take advantage of the facilities we have and so on. I would say that we do have to tighten up the Act; I think the finest of acts and regulations - sometimes people find ways and means of skating around them and it's not the easiest area to operate in. But generally the department have had very excellent co-operation they advise me in the area and we'll have to wait and see the results of further investigation in this area.

We also find that possibly some of these students might have qualified for Manpower training which is another area where we as a private enterprise can't always direct too close. I think generally students feel that when they pay a lot of money for a course that they're getting a guarantee of a job at the end of it. This is not necessarily the case.

Further, Mr. Speaker, while I'm on my feet, and I don't want to delay the proceedings today because of the nature of them, but I would also like to take this opportunity before the Orders of the Day to inform the House that as the Public School Finance Board must process the school budgets and return them to the school boards by the 15th of March, which is the end of this week, and we want the boards to know of any increased grants or revenues which may be forthcoming. I should announce to the House that while the departmental estimates are not before us you will find a substantial increase in the expenditures again this year. The increases in the Foundation Program in the area of maintenance and supplies, where costs have been rising, is being recommended and foundation grant for unitary divisions will be enhanced by increasing the grant towards instructional supplies from 400 to 450 dollars per authorized teacher and similarly an increased grant toward maintenance from \$1, 200 to 1, 250 per authorized teacher. I bring this to your attention at this time because it will be necessary to inform the boards and divisions so they may complete their budgets and strike their rates in the near future.

I thank the House for listening to these two statements and I will close, Mr. Speaker, by carrying out one more function which was asked of me. I inquired from the Boundaries Commission as to the availability of copies of their provisional plan for the education system of the Interlake region in the province. I was advised they only had a few on hand; however they have made these available to me which I will now table; I trust one for each party leader and a few extra - I think there's 12 altogether; they can be distributed proportionately. I've been assured by the Chairman that within a few days he will try and make copies available to each member of the House.

MR. DOERN: Mr. Speaker, I would like to ask a supplementary question -- if I can maintain my train of thought. Is the Minister aware that there was an advertisement in the Winnipeg Free Press on Friday, March 8th and Saturday, March 9th respecting a franchise for a new computer program and key punch training centre, the same kind of operation which went bankrupt last week?

MR. JOHNSON: No, I was not.

HON. SIDNEY SPIVAK, Q.C. (Minister of Industry and Commerce) (River Heights): Mr. Speaker, before the Orders of the Day, I would like to lay on the table of the House the Annual Report of the Manitoba Development Fund for the year 1966-1967; the Annual Report of the activities of the Manitoba Development Fund under Part II of The Manitoba Development Fund Act; together with the certificate of the accountants and the certificate of the solicitors of the Fund. Copies will be made available to all the members of the House.

While I'm on my feet, I'd like to make an announcement of an unusual honour that has been bestowed upon Manitoba, one in which I believe all the honourable members of the House will no doubt be deeply interested and from which they will derive much satisfaction. We have just been informed this weekend that Manitoba has been declared runner-up for the Professional Trophy award which is given by the Society of Industrial Realtors of Washington, D.C., for the most effective industrial development program of any state or province in the United States, Canada or Mexico. This is a trophy that has been referred to as the highest

(MR. SPIVAK cont'd.) . . . . award that can be bestowed upon a state or province in recognition of its industrial development program. This is a singular honour when one considers the tremendous competition for such an award, and it may be considered doubly significant when one recalls that in 1962 Manitoba was awarded the trophy itself for first place. The wire we received from the Society this weekend reads in part: "Congratulations. An independent board of judges today voted Manitoba runner-up for the 1967 Professional Trophy award. Presentation luncheon scheduled Saturday, May 4th, at Le Chateau Champlain in Montreal. Kentucky voted first place, Massachusetts third."

The criteria for the award is the scope and the balance of the industrial development program; progress achieved compared with previous years; the number and kind of practical productive program innovations; relations with existing industry as well as concern for newly imported industry; contributions of the stature of industrial development and the efficiency of effort in relation to budget resources. It is especially gratifying, Mr. Speaker, to receive this recognition knowing that particular emphasis of our government brief was concerned with the total involvement of the community in the province's program, highlighting the Manitoba Business Development Mission, the Business Summit Conference and the Commission on Targets for Economic Development to 1980 referred to as the TED program; the involvement in the Spirit of '70 campaign; the steps taken to involve all sectors of our economy - agriculture, business, industry, university, labour and government and the TED program - were the matters which we stressed in our proposal. I am sure that all members of the House will be gratified with this international recognition achieved by our province.

There's one item which I think is of particular interest to us, with our concern for the status of women and recognizing the fierce competition which exists between states and provinces on the North American continent, the Industrial Commissioner for the State of Kentucky happens to be a woman. Her name is Kathleen Graham Peden. She was a member of the President's Committee on Civil Disorder that recently presented its report in the United States. She is a woman who obviously is very competent and has proven her outstanding ability in a variety of fields and I think that particular recognition could be made to this, particularly when I sit next to a woman Cabinet Minister in this government.

HON. CHARLES H. WITNEY (Minister of Health) (Flin Flon): Mr. Speaker, I would like to lay on the table of the House the Annual Report of the Department of Health. Copies will be distributed to the members.

MR. DOUGLAS L. CAMPBELL (Lakeside): Mr. Speaker, before the Orders of the Day are proceeded with, I would like to direct a question to the Honourable the Minister of Industry and Commerce. Is it not a fact that when my honourable friend the present Provincial Treasurer was heading the Department of Industry and Commerce that Manitoba ranked first in that competition?

MR. SPIVAK: Mr. Speaker, I believe I've already referred to that in my earlier remarks.

MR. CAMPBELL: May I ask a supplementary question then, Mr. Speaker. Is this a demotion that we might . . . . .

MR. SPIVAK: Mr. Speaker, if I'm correct, one of the matters that was stressed, one of the matters that was judged as a reason for the choice of Manitoba in 1962 was the COMEF report. I may say that in stressing our involvement of government and the private sector the TED Commission was referred to, and I have no doubt that this was one of the other considerations that brought us into focus again and was considered worthy of being the runner-up this year.

MR. T.P. HILLHOUSE, Q.C. (Selkirk): Mr. Speaker, with the leave of the House, may I revert to the statement just made by the Honourable Minister of Education regarding the tabling of the Boundaries Commission report on the Interlake area. I wonder if the Honourable Minister, in view of the fact that there are only a limited number of copies, whether he would give priority to the members from the Interlake district in the handing out of these copies.

MR. JOHNSON: I'm absolutely certain, Mr. Speaker, that his leader will give the Honourable Member from Selkirk one of the prime copies.

MR. EARL DAWSON (Hamiota): Mr. Speaker, I'd like to direct my question to the Honourable Minister of Agriculture. Are grants in the amount of \$30,000 each to be made available this session to the proposed seed plant at Shoal Lake and the already existing seed plant at Rivers?

**MR. ENNS:** Mr. Speaker, this is a matter of government policy yet to be announced.

ORDERS OF THE DAY

**MR. SPEAKER:** The proposed motion -- does the Honourable Member for Elmwood have a question?

**MR. DOERN:** No, Sir.

**MR. SPEAKER:** The proposed motion of the Honourable Member for Elmwood.

**MR. DOERN:** Mr. Speaker, I move, seconded by the Honourable Member for Wellington, that an Order of the House do issue for a return showing:

1. The cost of the Manitoba Business Summit Conference under the following headings:
  - (a) rentals (Marlborough, Metropolitan, Auditorium)
  - (b) dinner at the Auditorium
  - (c) luncheons for: rural delegates, newsmen, VIP's
  - (d) 26-minute color movie
  - (e) bus transportation and air transportation
  - (f) promotion materials given to delegates (kits, etc.)
  - (g) promotion materials used to decorate the hotel, theatre and auditorium
  - (h) mailings
  - (i) stagehands and staff
  - (j) entertainment (Orchestra, etc.)
  - (k) subsidies on hotels and transportation or other expense allowances
  - (l) miscellaneous or other costs
  - (m) total cost
2. What was the total registered attendance?
3. What was the revenue received?
4. How many participants were from:
  - (a) Metro Winnipeg
  - (b) Manitoba
  - (c) out of province
5. How many newsmen attended from:
  - (a) Metro Winnipeg
  - (b) Manitoba
  - (c) out of province
6. How many trade union members attended?
7. Were any of the expenses of participants outside of Metro Winnipeg paid? On what basis? How much was spent?
8. How many free tickets were distributed? To whom?

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

**MR. SPEAKER:** The proposed motion of the Honourable Member for Hamiota.

**MR. DAWSON:** Mr. Speaker, I move, seconded by the Honourable Member for La Verendrye, that an Order of the House do issue for a Return showing the following:

1. How many licensed revenue (5 percent Sales Tax) collectors are registered in Manitoba;
2. How many revenue tax licensees have been fined in the months of December 1967 and January, 1968;
3. What was the total amount of fines in each month.

**MR. SPEAKER** presented the motion.

**MR. DAWSON:** Mr. Speaker, I believe that the government has found another way to increase the revenue at the expense of the already over-burdened taxpayer. From the information that I have, and I would like to give you an example of one of the many cases that have occurred in the months of December and January. This person had written out and prepared his statement and written out a cheque to send in to the Provincial Treasurer on a Saturday afternoon. He forgot to mail it. By the time it arrived in Winnipeg and was processed it was declared two days' late, and without any warning he was fined his month's commission, which was December, plus a \$5.00 penalty.

Now I think that this is very unfair, because the proper way -- everyone gives some type of warning, and in this particular case if this gentleman had received a letter telling him that you have been late in this instance and should it occur again you will be fined, now he would be quite happy with that type of reception. I understand, when I went to the office of

(MR. DAWSON cont'd) . . . . the Provincial Treasurer and was finally directed to the revenue office and asked why this process wasn't followed that people were given warnings for the first time being late, I was informed that this is exactly what we're doing, everybody receives one warning. But I have two instances and I know that members in our caucus have instances too where the people were deliberately fined without any warning.

Now I'm sure that when the answers to the questions that I have asked are finally given to me, if they are given to me before the end of this session, that we will find that the government has definitely found another way of increasing their sales tax, and in particular to the small businessman because this is the person that is caught in a box. He has to do his own bookkeeping in all probability, and to prepare this statement - if any of you that have been involved with any one of these statements - it takes a considerable amount of time so in all probability it's being done in the evenings, and if you want to relax one evening and you forget to do it, it looks very much like you're stuck anywhere from 17 to \$100.00 for that month.

Now I think this is very unfair and the government should set some policy where there should be at least three days of grace; if not three days of grace, that they should firmly adhere to this policy that they are preaching but not practising by giving one warning to the person. I'm sure that this would satisfy the majority of people.

MR. EVANS: I took it when my honourable friend's Order for Return appeared on the Order Paper that the word "fined" referred to the penalties imposed under the penalties section in which it is provided that there is a fine in certain circumstances, and I think my honourable friend perhaps has been referring to the class of case where a penalty is imposed for late filing. Now in those circumstances, Mr. Speaker, I think I should say now, and agree with my honourable friend across there, that we should interpret his Order for Return to mean the penalties imposed for late filing, etc., and not confine it to the word "fining." I am sure that if he will look up the statute he will find that the only reference in the Revenue Tax Act in which the term "fine" is used does refer to the kind of penalty imposed by the court, not by the department, and I'll ask my honourable friend later if he will confirm to me now that it should be interpreted as meaning the penalties imposed by the department rather than the fines imposed by the court.

I would like to assure him and the House, Mr. Speaker, that we have endeavoured and will continue to endeavour to be as reasonable and considerate as we possibly can in the administration of this Act. This, I presume, is now the tenth or eleventh month in which returns have been expected and it is not until the last two months that any attempt has been made to impose the penalties, and we have during all that time been drawing to the attention of all the vendors who are required to make returns under the Act that they have this responsibility, that the due date is the 20th and that in fact sooner or later we were going to impose the penalties. I think any fair examination of the way this has been administered will reveal that we have been extremely considerate of the position of the vendors in the administration of the Act.

I think if my honourable friend will go farther he will find that in many cases when the matter did require the penalty to be applied in the first instance that many of those cases have been remitted since under the powers that are given to the Minister under the Act, and in those cases where illness intervened or in some cases where bookkeepers were absent or where it could be shown that there had been some delay in the mail or for any reasonable excuse, we have endeavoured to remit the penalty in the first instance in every case. If my honourable friend feels that he has a particular case in which some harshness has been exerted, if he will provide me with the name I will look into the matter specially.

But now I think, Mr. Speaker, I would ask the honourable member for the record to confirm that his Order for the Return refers to the penalties imposed by the department and not to the fines imposed under the Act.

MR. DAWSON: That's correct, Mr. Speaker, the way . . .

MR. HARRY P. SHEWMAN (Morris): I have a supplementary question. Is it a fact that a notice is sent out to everyone that has a licence under the sales tax at the first of the month and they have to the 20th of the month to complete that notice and mail it back? Is that a fact?

MR. EVANS: Yes, I think the notice, the form is returned to the vendors somewhat earlier than the end of the month. He is required to compile his sales up to the end of the month and then he has until the 20th of the following month to make the remittance and have

(MR. EVANS cont'd)...it received in the Provincial Treasurer's office.

MR. SPEAKER: In accordance with the suggestion of the Honourable Provincial Treasurer which has been accepted by the mover, are you ready for the question?

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

MR. SPEAKER: The proposed motion of the Honourable Leader of the New Democratic Party.

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

MR. SPEAKER: The adjourned debate of the Honourable the First Minister. The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I want to thank the honourable members for allowing this matter to stand on Friday last when I was unable to be here at the time, but I adjourned the motion on opening day when members were assembled here to hear the Throne Speech and I felt at that time that it would probably be inopportune to debate the motion at that particular time. However, it probably wouldn't have hurt to do it though.

In adjourning the motion it wasn't my intention to object to the committee as such that was being named, but rather to bring in a matter so that we would have an understanding of what was happening. I was not consulted in connection with this particular committee prior to the opening of the House. No doubt the other parties were, and I feel that we should have an understanding as to what is happening. I have since contacted some of the opposition leaders and the Premier himself, so that at this particular time I do not have any objection of letting the motion pass. But I feel that if prior consultation is made we can avoid misunderstandings and certainly avoid unnecessary debate in the House. I find that in previous years reports have come in by a committee and then we'd like to amend them in the House, but this under our rules is impossible. We have to refer the report back to committee in order to change it, and therefore I feel it is far better to object in the first instance and have a clear understanding and bring in a report that will be satisfactory to all. I personally had no intention of obstructing, rather I had intended to help in this case; so that I now have the understanding that whatever committees will be named that I will be consulted as to what committees I will be serving on and so I have no objection to the motion as being put.

HON. WALTER WEIR (Premier) (Minnedosa): Mr. Speaker, if nobody else wishes to speak, I might just say a word or two here. I think it's impossible for any one person to speak on behalf of a committee that is being set up, but I think what would make it easier is if the Honourable Member for Rhineland would supply me with a list of the committees that he would like to be a member of, then I can certainly make sure that his wishes are carried to the committee so that they can be considered in that light. Rather than having seven people approach the Member for Rhineland, if the Member for Rhineland would consider giving me a list of the committees that he would like to sit on I think it might ease the work of the committee somewhat.

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

. . . . . continued on next page

MR. SPEAKER: The adjourned debate. The Honourable the Leader of the Opposition.

MR. MOLGAT: Mr. Speaker, since we last met in this House there have been a number of changes in the make-up of our Legislature here, and I hasten first of all in offering my sincere congratulations to our new Premier. He has undertaken a major responsibility in Manitoba and I think I can speak for all of us on this side of the House when I say that we've always considered the honourable member a most courteous and affable and pleasant man, and that quite obviously we will all wish him well in his big challenge. That is, -- well, until the next election of course. But in the meantime I'm sure that he will have the pleasant wishes of all members on this side. We may not always agree with his policies but these will not be differences of personalities, but differences of issues.

My second congratulations must go to the new Minister, the Member for St. Vital. If my memory serves me right, a certain colleague of mine at the last Session had predicted the elevation of the honourable member. I don't know if quite under the same circumstances as did occur, but I would like to congratulate him and wish him well in his major undertaking. I can add from personal knowledge as well, Mr. Speaker, that I know that the member comes from an excellent background and I know that he will know what I mean by that particular comment.

I was also going to greet on this occasion the newest backbencher in the House, Mr. Speaker, but he was here for a fleeting moment only, and seeing that he has left his seat I must in his absence welcome him to his new position here in the Legislature.

I'd also like to take this opportunity of complimenting one other individual who cannot be here in the Chamber today, and that is my previous and my newly re-elected colleague, the Honourable Member from Turtle Mountain constituency. Now, both the First Minister and I can attest to the hard-fought contest in that by-election. I am pleased that my colleague, Ed. Dow, MLA elect, will be able to continue his excellent representation and work on behalf of the good people of Turtle Mountain, and I thank the people of Turtle Mountain for their support. I'd only add that I was pleased to hear the Honourable Member for St. Matthews in his able address in reply to the Throne Speech on Friday last, when he stated that he was sure that the Member for Turtle Mountain "will soon resume his seat," and knowing the responsible position that the Honourable Member for St. Matthews holds in the councils of his Party, I assume that this means that on this occasion his Party will not proceed with legal action to contest this by-election.

There are, however, Mr. Speaker, some unfortunate legal residues from the legal action taken by the Conservative Party of Manitoba at the time of the last election, and that is the unfair position in which the previous Returning Officer for Turtle Mountain constituency finds himself. He has been found to be guilty of corrupt practices by the Court of Queen's Bench. Now, the Liberal Party has consistently maintained that this was an unfair charge by the petitioners and we still believe that action should be taken by the Government to remove this stigma against a highly respected citizen. Now arising out of the whole affair, over and above the circumstances of this one man, is the obvious need for a complete review of the controverted Elections Act and of all the other Acts connected with the actual conduct of elections. Anyone who followed the court case, Mr. Speaker, can only come to the conclusion that those Acts are completely out-of-date and they must be revised.

Prior to the opening of the Session, Mr. Speaker, there appeared to be a good deal of speculation about whether we were to have a long Session or a short Session, and whether we on the Opposition side would be soft on the new Premier or hard on the new Premier, and judging from the comments of many of the backbenchers on the government side there appeared to be a very evident desire for a mini-session. Now judging from the lack of content in the Throne Speech, we could probably do the whole of the government legislative program, I would admit, by the end of this month. But, Mr. Speaker, we in the Liberal Party do not intend to have either a long or a short Session, a soft or a hard Session. We don't believe that these are the criteria for a Session. We intend to deal with the problems of Manitoba, to analyze carefully the proposed spending estimates of the government and to propose positive action where the government is failing, and it is for this reason that prior to the opening of this Session we introduced some eight resolutions in areas where we believe government action is necessary.

Now these are only a part of our legislative program; we'll have more resolutions as the Session progresses. Some of these eight resolutions have been introduced in previous

(MR. MOLGAT cont'd) . . . . . years and in a number of cases they've been refused by the government. Two have been opposed by the government in the past and now find themselves part of government policy announced at this Session. We're happy to have these added to the long list of legislative achievements from the Liberal side of the House. Now I'm referring, of course, to the proposed legislation regarding condominium ownership of home and property to assist in alleviating the housing shortage. Now this was first introduced last year by my colleague, the Honourable Member for Assiniboia constituency, and was at that time opposed by the government; opposed by shunting it off by amendment out of the House for study by a committee. Now the lack of decision by the government has cost a year. How many more new homes could have been built no one can say, but if the Ontario experience is a measure, Mr. Speaker, it has been a sad delay for many prospective home owners in Manitoba. No money was required from the government, just decision. That's all it needed — decision and action.

The second proposal is the start on the connection of the highway north from Grand Rapids to Thompson. Now the Liberal Party in its overall program of opening the north has long recommended this road. My colleague, the Honourable Member for St. George constituency, has introduced resolutions in two previous Sessions calling for this construction. On both occasions the government opposed the resolution. In fact, if my memory serves me right, on both occasions the present Premier in his capacity as Minister of Highways -- or at least on one occasion -- amended it to oblivion, made sure that no action was taken on it. However, Mr. Speaker, I compliment them now for their change of heart and for following our advice.

Now we in the Liberal Party believe that a major key to Manitoba's future lies in that three-fifths of our province which is the Pre-Cambrian shield. This great area is still virtually untouched, and while mineral production has been climbing and new shafts have been developed as off-shoots of the four key centers, no really new strike similar to the dynamic Thompson development has occurred in the past ten years under this government. Now this government, and the Minister of Industry and Commerce in particular, constantly refer to Thompson as if it were one of their accomplishments. I am quite pleased to see the recognition of this remarkably successful project and we want to see all possible future development there, but, in fairness, any government credit for the Thompson development can only go to my colleague the Honourable Member for Lakeside, the Premier of Manitoba in 1956, and his government colleagues of that day. They negotiated and signed the agreement that made Thompson possible. The project was well under way long before this government took office.

Now, Manitoba needs several more Thompsons. I am convinced that they are there in our great north and it is for this reason that at this Session we have introduced a resolution asking for incentives for exploration, prospecting and development of mines, similar to that which has been used in Saskatchewan for some time and has been used more recently by the Federal Government in the Northwest Territories, because constant and vigorous prospecting are the necessary base of an expanding mineral production.

There is another essential in northern development and that, of course, is population. In order to attract people to the north and to hold them, communications and access are crucial. The provision of adequate radio, television and telephone communications to all of the northern centers are not a frill. They are necessary development tools. They are part of the things that are needed to attract people to the north and to hold them in the north, and a planned highway construction program connecting the northern centers with each other and in turn connecting them with the balance of the province is vital if we are to achieve our development potential in that area. The time has passed when we can depend on rail and air connections alone. Today, access to the north means roads to the north, and I recognize that not all the roads can be built in the one year. They can't all be built at once, but there must be a long-range planned and announced program. The people of the north are entitled to know what the long-range plans are and this will instill confidence in them, hold many who are there now, and attract others to go there. If we leave them in isolation we will not be developing that region.

The Throne Speech will be a disappointment, Mr. Speaker, to most Manitobans because it falls in most fields to deal with the major areas of concern in Manitoba. Some years ago this government proposed that it was going to take positive action to deal with the cost-price

(MR. MOLGAT cont'd)... squeeze in agriculture. In the Throne Speech, which we consider to be a major document of government policy, we now find the government including amendments to the Horned Cattle Purchases Act suspending the penalty fee on horned cattle as serious and important government policy, worthy of inclusion apparently in as important a document as the Throne Speech. This, Mr. Speaker, would be laughable if it were not a shocking reflection of the obvious lack of recognition of the basic overall problems of agriculture. Yesterday on TV when asked what his government proposes to do about the cost-price squeeze, which it admits is agriculture's number one problem, the Premier said he didn't know what could be done about it. This is the answer the farmers of Manitoba now receive on this vital question after ten years of this government.

The first action, Mr. Speaker, of a government of Manitoba, where agriculture is still a prime, basic industry, surely the first action must be to appoint a full-time knowledgeable Minister of Agriculture. Now this government has been operating for several months with a part-time Minister. He's had to share his time between the major portfolio of Agriculture and that of Highways, a position which previously took the full time of the now newly-elevated Premier. The inescapable conclusion is either that the government rates agriculture very low in its priorities or that the previous Minister of Highways didn't have very much to do.

One of the major items in the cost-price squeeze in agriculture is the ever-increasing load of taxes. The five percent sales tax imposed last year did not, as was expected, exempt all of the items included in production costs on farms. It added to the burden. But the most serious tax is the tax on land, and throughout Manitoba there is a real concern about the new assessment established by the government and the tremendous increases that have taken place. Because some government grants, for education in particular, are tied to assessment it is obvious that a doubling of assessment values means a substantial decrease in the government grants for education and a corresponding increase in the costs borne at the local level. It appears that the government decision to change the basis of assessment is a subtle, pre-meditated way of reducing provincial grants. Where assessment valuation previously took into consideration such factors as productivity and access to roads and market, the basis of assessment for the past two or three years has been changed to market value and market value based on a search of actual sales of land made in the area. The result is that speculative deals, industrial sales, or special sales that may occur for any variety of reasons such as, for example, when a Hutterite Colony decides to move into an area, all of these can force assessments far beyond the actual productivity value from an agricultural standpoint. The taxes on the land go up as the assessment goes up, but the value of the produce from the land does not. Now the Farm Credit Corporation finds it possible to place a productivity evaluation on land. This is the basis on which it makes its loans, based on productivity. Now if we can have that as a basis for one of the government departments to give loans, why can't we have the same in assessments?

Now this increase in assessments - and in reality in taxes - is not confined to the agriculture areas alone. The same has happened in the urban areas. The recent protest meetings before the City Council of Winnipeg are indications of this general concern about the land and realty taxes across Manitoba.

One of the areas covered in the Throne Speech which concerns me deeply is the reference to changes in the Electoral Divisions Act. Now my comments on this subject will take some time and I will therefore wait for another occasion in the House to speak at greater length. For the time being, however, I want to make it very clear that the Liberal Party will fight any attempt by the government to change the existing impartial, non-political, non-partisan structure of the redistribution commission.

There's no doubt that one of the major concerns of Manitobans today is the high cost of government and the ever-increasing taxes. Now the new Premier is talking in terms of reversing the spending policies of his predecessor. In fairness to his predecessor as well as to the people of Manitoba, it must be pointed out that the new Premier, as a Cabinet Minister in the previous government, participated and shared in all of the decisions of that government. To pretend now that this was done by someone else altogether, some other fellow who's long departed, and that no responsibility falls on the present Premier can only be termed fooling the public. The facts are that the present Premier and most of his present Cabinet must take their full share of the responsibility for the Roblin Government's 10 years of high, wide and handsome spending. Most of the same faces occupy the Cabinet

(MR. MOLGAT cont'd) . . . . benches across from me today as have been there for the past ten years, and the same advisors inhabit the same offices in these government buildings. It's the same old gang, Mr. Speaker, just the tune has changed, that's all.

Mr. Weir in company with Mr. Roblin and the rest pursued a policy of recklessly increasing taxes. They proved the old adage that Tories and taxes go hand in hand. Now Mr. Weir says that there must be a halt in taxation; there must be a pause in government spending. The people of this province who are still faced with sales tax on school books and other essentials are dubious and unbelieving; they anxiously await some concrete evidence of the Premier's determination to call a halt to Roblin's tax program. But let me give the new Premier some advice, if I may. He will no doubt be tempted, in order to establish a new image, to cut down on essential services to show a balanced budget; and to enable tax cuts to take place there'll be a temptation to trim the budgets for the mentally ill, to postpone hospital building plans, to cut back on education developments, to cut those areas where there may be no vocal forces to come forward and complain. We've already had suggestions along these lines from the first government speaker who spoke after the Throne Speech. The mover of the address in reply to the Throne Speech, the Honourable Member for Virden, speaking on Friday last suggested that education expenditures should be cut.

Now it may well be that we are not spending our education dollars as wisely as we should. I'm convinced that we can and that we must do better with our education system and our education dollars. It's for this reason that the Liberal Party has introduced once again at this session a resolution calling for a standing committee of this house on education, a committee which would be able to hear the representations of Manitobans, all those who are interested in education, and to determine whether or not we're doing the right job in education here. But to suggest, as the Honourable Member for Virden now does that the answer to education problems is simply cut the expenditures is surely the wrong approach, and I want to warn the Premier that any such course of action, any action on his part to cut essential services, will be a short-sighted policy indeed. The people of this province want a high level of public service and they're prepared to pay for it. What they don't want is waste and extravagance in government. What they are resolved to oppose is letting money go down the drain. Now let the Premier carefully check the money that his Minister of Industry and Commerce is likely to spend on jaunts and trips all over the world. Let the Premier scrutinize the money that goes to Dalton Camp's advertising companies and the other myriad public relations projects of his government. Let the Premier watch out how money is thrown out in over-priced land acquisitions as we've had in past years. Let the Premier keep count on money spent needlessly in duplication of services. It's in these areas of extravagance and careless spending that the people of this province expect responsibility and stewardship. We in the Liberal opposition will be watching for some signs of government policy with great interest.

There is no proposal for cutting out needless expenditure that we will not support, but we will be vigilant to see that the public service is maintained at as high a level as possible consistent with the resources of this province, and in maintaining that high level of services we recognize, as no doubt the government does, the need for what Mr. Roblin was so fond of calling priorities. The only way that public money can be spent wisely and effectively is by paying attention to priorities. But let the Premier beware of following the path of his predecessor who was forever mouthing lip-service to priorities but who was always falling short. Let the new Premier beware that top priority does not go to pensions for members of this Legislature instead of assistance to old age pensioners; and let the Premier be wary of preferring advertising over medical needs for the people of the province.

The Premier of Manitoba has recently stated outside this House that the Manitoba Government will not proceed with the Medicare plan on July 1st, 1968. Understanding the policy of this government on the Medicare question is a difficult undertaking. During the 1966 provincial election the Conservative Party of this province, who was then the government of this Province, promised that even if Ottawa didn't proceed with their Medicare plan the Manitoba Conservatives would go it alone and they'd introduce a provincial plan on their own. They weren't going to worry about a federal plan; they could handle a provincial plan on their own. That was in the '66 election. Last session this same government introduced legislation recommending to this House that Manitoba proceed with the plan in conjunction with the federal program on July 1st, 1968. Every government member, including the new Premier,

(MR. MOLGAT cont'd). . . . voted in favour. As late as October of 1967 the newspaper headlines read - and it was the Premier of the day speaking - the quote was: "Manitoba will go along with Medicare Plan - Duff", Winnipeg Tribune, 13th of October. In January of 1968, barely three months later, a shift occurs. We have a new newspaper headline, this one reads, as compared with the other, "Roblin against Medicare plan". That's three months later, and then finally on the Friday, 2nd of February, 1968, Premier Weir announces that Manitoba will not proceed. No explanation, however, was ever given to the people of Manitoba about the effect of Medicare on Manitoba taxpayers. No statement was made to the people of this province by any government Minister as to why this should be done, with the exception they said that it was compulsion and they were opposed to compulsion. There hasn't been one iota of change in the federal program. In the last session when it was recommended to us the same compulsion was there then as is there today.

Now, Mr. Speaker, I want to make my position very clear, and I have frequently stated in the past that I am not fully satisfied with the federal plan. I would prefer to see a voluntary plan. I would prefer -- (Interjection) -- glad to have your support. I would prefer to see it passed in such a way -- or phased in in such a way that Manitoba could adjust and move into the plan by covering those most in need. I recognize the problems of the federal government at the moment, Mr. Speaker, and their financial difficulties, but, Mr. Speaker, I don't make the decisions for Ottawa. They make their decisions and Ottawa has stated that it is proceeding. My responsibility is to the people of Manitoba, to the people of Manitoba faced with this decision taken by Ottawa, and I want to know from the Manitoba government what will be the effect of its refusal to proceed on Medicare.

The Manitoba government says that it's concerned about those who cannot afford voluntary medical coverage and they want a plan to cover these people first. This is what they wanted, and when I had the echos of approval a few moments ago from my friends opposite, they were approving my statement that it should be voluntary and we should cover those in need first. But what is the Manitoba government doing about this? Is there anything in the Throne Speech indicating they're going to move? Not a thing. They say "no" to the federal program because it doesn't do what we want, but they're not prepared to do anything on their own. There is no plan of action in the Throne Speech to do the very things they claim they want.

According to the various sources, between 60 and 80 percent of Manitobans are presently covered by various voluntary plans. Now how much is being paid in premiums by these people at this time? What in fact would be the financial effect of proceeding with the Ottawa plan? My research indicates that Manitobans are presently paying in premiums alone more than would be required to cover the Manitoba share of the Ottawa plan. When the government states -- that is the Manitoba government states that it will not proceed with Medicare on July 1st, 1968, is it not in fact saying to Manitobans you will pay your share of federal taxes to provide medical services for Saskatchewan and British Columbia residents where the governments are proceeding with the plan, but you in Manitoba will get no benefit. Mr. Speaker, I cannot see this as sound action designed either to protect the taxpayers of this province or to provide efficient service to those in need, and I have seen no alternative proposed by this government.

There are many other opportunities to protect the Manitoba taxpayers and to provide more efficient service, and nowhere is this more evident than in the metropolitan area of Winnipeg. Two years ago this government, after having originally established metro, established a so-called boundaries commission to look at school division and municipal boundaries, and in particular to study the reorganization of municipalities in Metro Winnipeg - two years ago during the session of the Legislature. Two years later the Minister of Urban Development and Municipal Affairs states, as reported in the newspapers, that she has no idea when the metro study will even be started let alone be finished, Mr. Speaker. She has no idea when it will be started. The Chairman of the Boundaries Commission - or some suggest the part-time chairman of the boundaries commission on a full-time salary - at the same time states, and I'm quoting directly from newspaper comments, "We are not devoting much, if any, time to metro Winnipeg."

Now meanwhile, Mr. Speaker, the problems of this large metropolitan area containing one-half of the population of this province, these problems are compounding. Municipal men in desperation are looking at a series of partial amalgamations. We hear about St. James and

(MR. MOLGAT Cont'd). . . . Assinibola joining and Fort Garry and Tuxedo, and then someone else talks about Winnipeg and the Kildonans. A hodge podge unplanned unco-ordinated development because the government won't make a decision. The public in this area are fed up. They want action. They are not satisfied to see continuing dissension and duplication; they want value for their tax dollar. Meanwhile, the government sits idly by and the Minister responsible says she doesn't know when they might start their study. They're presumably waiting for the report of a commission which doesn't know itself when it will get to work.

Now there's no solution to the metro problems that will satisfy everyone. We must recognize that, but doing nothing, Mr. Speaker, is worse still because the problems are increasing not decreasing. My recommendation, as I have stated before outside of this House, Mr. Speaker, for this area, is to proceed to total amalgamation, one greater Winnipeg municipal government for the metro area. This is the best way to provide the most efficient and economical services to our citizens.

Nor is the boundaries commission, Mr. Speaker, apparently doing much work in the rural areas. Today we received this one report - this is the result of presumably two years of work - a provisional plan for the educational system of the Interlake region. Mr. Speaker, when this boundaries commission was established the government decided at that time that the Interlake area was going to be one big school division basically. They didn't give them the vote like they gave the rest of the province; they laid down the terms of reference. What really were the functions of the boundaries commission in this regard? They were basically the functions that we asked every division board to undertake. The division boards are making their plans for their school divisions; the boundaries commission acted in the same position here but it takes them a year and a half to produce something.

What about the municipal boundaries? On at least two occasions now the municipal men of Manitoba have assembled expecting to hear a report from the chairman of the commission. On both occasions, Mr. Speaker, not only they didn't get a report but the chairman failed to even appear. The most recent one was at Brandon of last week. Tuesday of last week there was a course there. It was the Municipal Officials Course, Agricultural Extension Centre. This is one presumably operated by one of the government departments, assembling all the municipal men from a good deal of Manitoba. The headline - the theme of the conference is: "Municipal Planning - Why and How." This is why the government set up a boundaries commission, to have municipal planning. So they put on the agenda, quite properly, Municipal Planning, the following: The relationship of size and quality of the land base to provision of adequate administrative services; some considerations of the boundaries commission; and the speaker is the chairman of the Manitoba Boundaries Commission. But Mr. Speaker, he doesn't even show. Not only he has no report but he doesn't even show at municipal conventions to tell them what he is doing. I say to the Premier, Mr. Speaker, if you're serious about cutting expenditures here's a good place to start. Fire that commission and let's get one that will get to work.

There are many other areas, Mr. Speaker, of waste and extravagance in this government. For five years we've done everything on this side of the House, everything we could to expose the shocking situation at Vaughan Street. I've spoken in every session the past five years about that area; I've been over personally to inspect it; I've told the government how the offices of the Attorney-General - his office and his anteroom - are bigger than the space in which we keep some 35 to 50 boys over in Vaughan Street. What answer did we get? It usually was we haven't got the money. A year ago they brought out a new one. They had the money but they spent it on the flood, was the answer. But, Mr. Speaker, the government has enough money to hire new high-priced well-heeled propaganda departments. There's money for that. But there isn't money for Vaughan Street. I say to the Premier: if you're serious about cutting expenditures here's a second place to go. Fire your propaganda machines. There are better places to spend the taxpayers' money. In any case, the main effect of the whole propaganda program - and we heard some more of it today - the main effect to date seems to be the personal publicity of the Minister of Industry and Commerce. Some people are starting to ask in the Province of Manitoba, "Who is the Premier anyway? Is it Weir or is it Spivak?" And it seems to be a pretty fair question.

What about our whole industrial development program, Mr. Speaker? In spite of the statement we heard today from the Minister, - and I'm glad to see he's now awake and turned around, because he's got something to listen to - in spite of the glowing statement today about

(MR. MOLGAT Cont'd)...the award from Kentucky, let's have a look at the facts. When you consider the cost of operating the department itself, Mr. Speaker, and you add to it COMEF, a million dollar effort, the Manitoba Development Authority, the Manitoba Development Fund, the Economic Consultative Board, summit conferences, junkets to Europe, to New York, to Chicago, and now you have a new commission, TED, the new one; and the purpose of TED? It's to study the reports of an old commission, COMEF.

Mr. Speaker, do the results justify the expenditures? Exactly what has been produced apart from propaganda? Why do we need a TED commission when we have a continuing board, the Manitoba Economic Consultative Board charged with these responsibilities? Why do we need a TED commission when we have a Manitoba Development Authority as a continuing body charged with economic development? Is this not duplication, or is it triplification, Mr. Speaker? I say to the Premier, if you want to cut expenditures, isn't it time that you had a shakedown in this area? I'm all for development in Manitoba. I believe that bodies like the Economic Consultative Board do a good job. I look forward to their report annually. But, Mr. Speaker, have we got the right structure in this department? Are we getting value for our tax dollars? I have grave doubts.

The Premier has stated that he favours paced progress. I couldn't agree more. The problem is that there's been no pacing on the part of the government. There's been an inability to plan or to program. There were ten years of unplanned expenditure for which the government members across the way must accept collective responsibility. Now there's a reversal. Retrenchment and do nothing is to be the order of the day. These, Mr. Speaker, are not sound policies for Manitoba. We may not at this time appear to be the most fortunate of the Canadian provinces, but I believe that we have many assets and many strengths which spell a bright future for us. We have to build on our strengths; our agriculture with its solid base - and the first start there would be a full-time Minister of Agriculture dealing with those problems; our resource industries, much of which are still untapped; our manufacturing, which can always stand further expansion. Our geographic location, Mr. Speaker, must not frighten us. It can be an element of strength. Here we are, located at the very centre of the continent, located to the north of a very wealthy and populated area, astride the major world airlines. We have our own seaport at Churchill, even though the Manitoba Government does very little to assist it or to bring merchandise through it.

What we need, Mr. Speaker, is paced progress in Manitoba. We must follow priorities, not just talk about them. We can't afford to waste a dollar by government inefficiency, waste and extravagance, but neither can we afford to stand still, nor can we afford to neglect the needs of our people. The actions of the past and the Throne Speech presented to us now by this government show its failure to understand and plan and act in the best interests of the province.

Mr. Speaker, I move, seconded by the Honourable Member for Lakeside, that the motion be amended by adding thereto the following words: "But that this House regrets that this government:

- (1) after almost ten years in office has failed to produce a long-range program to deal with the growing problems of urban areas and in particular (a) total amalgamation in Greater Winnipeg; (b) leadership and legislation in water and air pollution control;
- (2) after almost ten years in office, has failed to alleviate the cost-price squeeze in agriculture in spite of its promise to do so;
- (3) while imposing a five percent sales tax on goods and services, has continued to place an unfair share of taxes upon the businesses and farms of Manitoba;
- (4) will, by its decision not to proceed with the joint federal-provincial medical plan force Manitoba taxpayers to pay their share of taxes to provide medical services to residents of other provinces while obtaining no benefits for themselves;
- (5) while preaching priorities to the federal and municipal governments, has failed to eliminate waste and extravagance in its own spending, has failed to follow any sound priorities in its own operation, in fact has proceeded to increase expenditures and add staff in areas like the so-called Information Services Branch or Propaganda Department."

MR. SPEAKER presented the motion.

MR. PAULLEY: Mr. Speaker, I beg to move, seconded by the Honourable Member for St. John's, that the debate be adjourned.

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

March 11, 1968

MR. LYON: Mr. Speaker, I understand that it's generally agreed on all sides of the House that we should not proceed into Private Members' resolutions this afternoon, and not hearing any voice of complaint I would therefore move, seconded by the Honourable Provincial Treasurer, that the House do now adjourn.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried, and the House adjourned until 2:30 Tuesday afternoon.