

THE LEGISLATIVE ASSEMBLY OF MANITOBA

8:00 o'clock, Wednesday, August 19, 1964.

Opening Prayer by Madam Speaker.

MADAM SPEAKER: Presenting Petitions

Reading and Receiving Petitions

Presenting Reports by Standing and Special Committees

Notices of Motion

Introduction of Bills

Orders of the Day

MR. DOUGLAS L. CAMPBELL, (Lakeside): Madam Speaker, before the Orders of the Day are proceeded with, I would like to direct a question to the First Minister or to any of the Ministers who would care to check on the matter. My question is, has some action been taken with regard to the matter that I raised last year in this House when the debate was proceeding on what we might call the other Leader's salary. I raised the point that I thought there was an error in our rule, there was an error in the printing of this rule, and on a subsequent occasion the First Minister said that it would be checked into. Too, I wouldn't expect my honourable friend to remember the occasion, but to refresh his memory or whatever Minister would be in charge of it, the matter is contained in Volume 9, No. 61, and this part of the discussion is on page 1636. I would ask someone to check on the matter to see what has been done in the meantime.

HONOURABLE DUFF ROBLIN, (Premier) (Wolseley): Madam Speaker, I recall the incident. I think that the matter was checked into by the Clerk of the House who was Secretary of the Committee when this rule was discussed, and if I recall correctly his researches do not bear out the construction put upon it by my honourable friend. Although I am inclined to think that my honourable friend's view might really be the right one, I can't find any record that the committee actually said so. So the matter is somewhat in limbo and it might be that at our regular session it might be advisable to give it some further consideration at that time.

MR. CAMPBELL: I would ask a further question, Madam Speaker. Would it not be better to give it that consideration in the interval so we could have the matter dealt with at the next session, for which purpose I would suggest that someone from the government and the Leaders of the other groups and the Clerk could look into the matter jointly. I've found very few questions on which I disagreed with the Clerk, but I would have to in this case if he gave that report.

MR. ROBLIN: I can offer no further light on the subject. I think perhaps if my honourable friend thinks there is an error in the rules it might be dealt with in the usual way by a substantive motion or some other form.

MR. CAMPBELL: Madam Speaker, this is not a question of an error in the rules, as such, but an error in the printing of the rules as the Committee reported them and as this House received them.

MADAM SPEAKER: The adjourned debate on the second reading of Bill No. 5. The Honourable the Member for St. John.

MR. S. PETERS, (Elmwood): Madam Speaker, in the absence of the honourable member, unless anyone else wishes to speak, I would ask the indulgence of the House to have this matter stand.

MR. GORDON E. JOHNSTON (Portage la Prairie): Madam Speaker, I am prepared to speak on this one.

MADAM SPEAKER: The Honourable the Member for Portage la Prairie.

MR. JOHNSTON: Madam Speaker, my reason for rising at this time to speak on Bill No. 5, An Act to provide Relief for Certain Unconscionable Transactions, while I think there is general agreement in the House that this is a good piece of legislation in that it's correcting certain wrongs that have gone on in the Province for the past period of time, I don't think it goes far enough in that it sets out any deterrent to stop or to discourage actions of this for the future. All it does is provide for people to appeal and, if the Court sees fit, then they are reimbursed or the loan is brought back to a reasonable figure. Now I believe that this should go a step further in that there should be some form of punishment for people that bring forward

Mr. Johnston, cont'd). . . transactions of the sort that we have read about in the papers in the past few months. I also believe that any agents that act for people who have taken excessive sums of money away from people should also be placed in the position where they should be punished for their actions.

Now I have before me here a transaction that took place in Portage la Prairie and it took place during and after the expose that came out in the Winnipeg Tribune, and I'm referring to the Ivison case in particular. The transaction that took place in Portage la Prairie was carried to completion after this wide publicity was given. Apparently it did not discourage the companies in question, the First Financial Federation being the main one, it didn't discourage them one bit that they were exposed to extreme publicity, and I would think adverse publicity from their standpoint, but they still carried on and completed this transaction in Portage which I would like to tell the House about for a moment.

Their agent went to this person's house in Portage, conducted several business talks in the house with the householder who was victimized, and this is what happened in the end result. In the beginning the householder owed a first mortgage at five percent of \$741.62. He owed \$249.00 for a purchase from a department store and it was presently or then owed to a finance company. He owed another department store \$769.00. Now in rough figures, Madam Speaker, this adds up to about \$1590 more or less.

When after he had discussed his needs with these people who said they were so willing to help him out of his financial difficulties and pay off all these debts, and then they themselves would take a first mortgage, this is what happened. He now owes a first mortgage made up of the following figures: \$100.00 for a brokerage fee that he was not told about; \$25.00 for an appraisal fee that he was not told about; a legal fee of \$100.00 that he was not told about; a surveyor's certificate, \$25.00, and no survey was made; a bonus to the holder of the mortgage, \$645.00. They paid the first mortgage, which is legitimate to my view; they paid the \$249.00 which was legitimate; they did not pay the \$769.00 although they had agreed to.

They then rung in the Home Improvement Plan on him and by the time I came upon the scene the work had all been done, so I had a reputable contractor in Portage price out the job, and allowing for a good margin of profit the first time he priced out the job he priced it out at \$581.00; but then I asked him to allow a really good margin of profit, allow everything as high as he could. He went back and itemized the job and priced them out at retail prices and allowed higher than going wages and he came up with a figure of \$710.00. This, by the way, should be added in with the first figures that I had said were \$1590.00, making a total of \$2300 that in our view was legitimate expense. The Allwyn Home Improvement Company charged this man \$1950 for this job that, as I say, a contractor said he would do and make a good profit at \$710.00.

They returned to him a cheque for \$515.00, but bearing in mind of course that over the next period of years they are going to be collecting good interest on this money that they had built into the mortgage, so he ended up with legitimate debts and legitimate work done on his house, allowing \$50.00 for a lawyer's fee, and this again was checked with a reputable firm in Portage who would make disbursements and draw up a mortgage for \$50.00, something like \$2350.00 was the money this man owed. He now holds a mortgage, first mortgage on his house for \$4310.00 at 12% compounded every six months. Now I won't tax the brains of the members to figure this out, but in rough estimating he was, by paying back \$60.00 a month which were the terms of the mortgage, he was paying in a year approximately \$100.00 to \$110.00 a year on the principal and the rest was going towards interest. So at the end of the five year period, which is the term of this mortgage that I have a copy of here, the man paid \$60.00 a month for 60 months, \$3600.00. At the end of that time the balance of principal and interest of the mortgage became due and payable. This would be in rough figures \$3600 still to be paid out on demand in five years time. So presuming this person could do this, he would have paid \$7200.00 over a five year term for what in our view he received \$2350 worth of benefits.

Now, Madam Speaker, the reason I explained this out in detail is that most of the business in this transaction was done in this man's kitchen, sitting at the kitchen table. What was said there really I'm not in a position to say, but on questioning the gentleman who was victimized by this racket, I find that he did not know he had signed a chattel mortgage on his

Mr. Johnston, cont'd). . . furniture; he did not realize the meaning of 12 percent interest compounded every six months; and the point I'm making is this, that he did not go out into the business world seeking a deal, he had this bill of goods sold to him right in his own home.

Now if I may describe the person that we are talking about, this man is 73 years old; he has a wife and a daughter about 16. He has a \$75.00 per month old age pension and he has \$118.00 per month burnt-out pension. He was a veteran. This person was the type of gentleman that would accept someone's word if they said something were so and this is what has happened to him. I believe a bill of this nature should have a deterrent to discourage people who are going out with the sole idea of making an exorbitant profit and I believe that the agent in this case, this particular deal was handled by a Winnipeg lawyer and he acted as agent for the First Financial Federation and for the holder of the mortgage, I believe that he should have to answer for his actions.

I was called in by the house owner, and he called me while the lawyer from Winnipeg had come to deliver the documents and needless to say that gentleman was rather taken aback to find that he had to explain his documents in the presence of a third party. When I asked him if he had explained the interest rate and the implications of the interest and the implications of having the whole sum coming due and payable in five years, he told me that he didn't think that was his concern, that he never explained these things to a client. For this reason, Madam Speaker, I think that the sponsors of this bill should go a step further and put in a form of punishment and some deterrent to stop future actions.

MADAM SPEAKER: . . . . . your motion to have it stand?

MR. PETERS: Yes, Madam Speaker I beg the indulgence --yes have it stand.

MADAM SPEAKER: Agreed. The adjourned debate on the Second Reading of Bill No. 3, and the proposed amendment thereto of the Honourable the Member for Lakeside. The Honourable the Member for Inkster.

MR. MORRIS A. GRAY (Inkster): Madam Speaker, I'd like to have the matter stand.

MADAM SPEAKER: The adjourned debate on the Second Reading of Bill No. 11. The Honourable the Member for Logan.

MR. LEMUEL HARRIS (Logan): Madam Speaker, it is with great regret I beg the indulgence of the House to let this matter stand.

MADAM SPEAKER: The adjourned debate on the Second Reading of Bill No. 2. The Honourable the Leader of the Opposition.

MR. GILDAS MOLGAT (Leader of the Opposition) (Ste. Rose): I would ask this to stand if I may, Madam Speaker.

MADAM SPEAKER: The adjourned debate on the Second Reading of Bill No. 9. The Honourable the Member for Emerson.

MR. JOHN P. TANCHAK (Emerson): I would ask the indulgence of the House to have the matter stand please.

MADAM SPEAKER: Agreed. The adjourned debate on the Second Reading of Bill No. 12. The Honourable the Member for Portage la Prairie.

MR. JOHNSTON: Madam Speaker, I only have a question I believe to ask of the Minister on this and, if he could give clarification, I would be happy to let him proceed.

Perhaps if I have misinterpreted the bill the Minister will correct me, but I have assumed from the contents that --and we are talking now about the assessed value and the tax derived from the assessed value of a municipality-- is the City of Winnipeg and the other cities or towns of Manitoba treated the same. It appears to me that the five percent of the tax raised, or that could be assessed on provincial lands and buildings, and I only know of the one case, that is Portage la Prairie, it appears that they are receiving considerably less than they would receive through a straight tax on the buildings or grant in lieu of tax on the buildings of the same amount. But in the case of Winnipeg, it appears that Winnipeg with the high assessment that they have and the high tax roll that they have, that the provincial buildings here are considerably less in total than five percent so it appears to me that there was an inequity here in that the buildings in Winnipeg are paying, with the exception of the Legislature, are paying the full tax and of course they are receiving full services in police and fire protection, but in smaller communities they are paying less than the full tax and are still receiving the full benefits. Could the Minister explain that.

MR. ELMAN GUTTORMSON, (St. George): Madam Speaker, I move, seconded by the Honourable Member for Emerson, that the debate be adjourned.

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

MADAM SPEAKER: The adjourned debate on the proposed motion of the Honourable the Member for Hamiota and the proposed motion in amendment thereto of the Honourable the Leader of the Opposition. The Honourable the Leader of the New Democratic Party.

MR. RUSSELL PAULLEY (Leader of the New Democratic Party), (Radisson): Madam Speaker, I realize that it is a time-honoured custom in this House when discussing the question of the motion of confidence in the government to first of all pay tribute to the Speaker, no matter who or whether or not it is he or she. Usually at a special session this has been omitted. It is not my purpose to omit that this evening and may I, Madam Speaker, extend to you my personal greetings and those of my party. It does seem to me that possibly from the tenor of debate thus far in this rather innocuous sort of a special session that you may have to use all of your charms and your capabilities in order to hold us frail humans, particularly the male sex, in tow.

Now, Madam Speaker, may I first of all express my regrets that I was not here yesterday evening to hear the contribution made to the debate in reply to the address by the Honourable the Leader of the Opposition. I like to hear the Honourable Member for Ste. Rose when he speaks in this Chamber. I have said in the past, and I repeat now, that he is a very capable, intelligent and qualified individual. Albeit may I say by qualification that infrequently he is on the wrong track, but nonetheless I do like to listen to my honourable friend. And having expressed my regrets for not having heard him, I also must express my regrets that I haven't had or taken the opportunity of reading Hansard which would reveal to me, were I to read it, exactly what my honourable friend had said, so I must rely for any comment which I might make in connection with the address of the Honourable the Leader of the Opposition on the fourth estate and their reports in today's newspaper.

I understand, Madam Speaker, that my honourable friend the Leader of the Opposition, among other things, yesterday evening objected to the calling of this special session of the Legislature because it constituted a waste of the taxpayers' money to consider the Michener report. May I say, Madam Speaker, that this appears to me, if it is true and my Honourable Friend the Leader can correct me or the newspaper reporters if I am wrong, this indicates to me an inconsistency of the Leader of the Liberal Party for apparently he objected to the calling of a session to give consideration to the possible reductions of the cost of administration at the local level to the taxpayer, and yet he joined with me not too long ago in berating the government of Manitoba because they did not call a special session to give effect to a \$5.00 reduction in respect of certain old age pensioners in the Province of Manitoba.

Now, Madam Speaker, this may sound like small peanuts, small potatoes coming from me as the Leader of the New Democratic Party, because certainly I berated the government too because it didn't call a session at that time, but I say to my honourable friend that the Liberal Party in Manitoba, unlike the New Democratic Party of Manitoba, is filled with inconsistency and this has been a trait of the Liberal Party over the last number of years.

I understand too that in his oration yesterday that the Leader of the Opposition here in Manitoba was critical of the First Minister because he had sought, that is the First Minister had sought advice from municipal and school trustees, municipal councillors and school trustees before he proceeded to call this special session, before the First Minister of this Province had made up his mind as to what he should do with the Michener Report. Madam Speaker, I agree -- I agree with the Leader of the Opposition and stated so publicly that I regretted very very much that the Premier of the Province of Manitoba could not make up his mind or the mind of his government in respect of the recommendations of the Michener Report as to what they, the government, should do. But, Madam Speaker, let not the Leader of the Opposition, let not the Leader of the Liberal Party in the Province of Manitoba retain unto himself the sanctimonious mantle of "I didn't do it too", for he too sent a letter to all of the municipal councillors or at least to a considerable number of them asking them to give him, the Leader of a so-called responsible party in Manitoba, give him guidance as to what he should do in respect to the Michener Report.

MR. MOLGAT: Madam Speaker, on a point of privilege, I really feel I must correct my honourable friend. I realize he didn't read my speech. On two counts now he has misinterpreted what I said. I don't intend to proceed to get up throughout his speech every occasion he does so, but I'd just like to caution him that better he should read the speech and find out what I said because really I was chiding the government for not having had complete consultation and not accusing them of having consulted. There was another count as well but I don't intend to interrupt the balance. I'll let him go through his speech. I think he's doing well and I should like to point out to him that better he read it if he's going to quote me.

MR. PAULLEY: Madam Speaker, I appreciate very much the interjection of my honourable friend the Leader of the Liberal Party on the matters that he has raised. I did say at the offset that I hadn't or hadn't taken the opportunity of reading his address, which I will in due course. I relied on the fourth estate. I got my impressions from them. But I have been asked, Madam Speaker, to read the letter that was sent out by the Leader of the so-called responsible party in Manitoba to municipal officials asking them to tell him what he should do, and it is my purpose, Madam Speaker, to read this letter when we are discussing Bill No. 2 --(interjection)--No, I'm sorry, Madam Speaker, but I can not give to the House, if they are not aware of it at the present time, the benefit of the lack of leadership in the Liberal ranks at this particular moment, but I certainly will do so before this session ends.

And so I say to you, Madam Speaker, that while I regret very much that I'm not able to swallow holus-bolus the remarks of the Honourable the Leader of the Liberal Opposition in Manitoba, I do say this, that neither the Conservative Government in Manitoba or the Liberal Opposition in Manitoba are giving to the citizens of Manitoba what they are deservant of, and that is responsible government, because both the Conservatives and the Liberals only formulate their policies after looking at what public opinion describes as to their course of action. --(Interjection)-- The Honourable Minister of Agriculture says that this is not a bad idea. I say, Madam Speaker, if your only objective in politics is retention of office without adherence to any principle, it's not a bad idea.

But I do say --I do say that if a political party has principles, and I sincerely trust that we in the New Democratic Party have, that we shall in this body and any other body that we happen to be members of, will continuously attempt to suggest the principles of our philosophy on the legislative body of this province or of any other jurisdiction. And if the illustration of the speech of the Honourable the Leader of the Opposition last night is not sufficient, if press releases of recent months which have been carried insofar as the manipulations, or negotiations if you want to use that term, of the First Minister with our municipal men are not sufficient, I suggest to you, Madam Speaker, that if you want any proof, further proof of the point that I am attempting to raise at this time, that you simply look at the Order Paper which we have before us at the present time and consider the proposed resolution of the Honourable the Leader of the Opposition in the Province of Manitoba wherein it is stated "that whereas in recent weeks press reports have indicated that there may be more information available with regard to water-hauling contracts", etc.

Is this responsibility? I ask you, Madam Speaker, I ask you men and women of this Assembly, is this responsible government when first of all it is necessary apparently for the government to find out what the municipal men want in an important matter such as the Michener Report? Then the second responsible party politically in Manitoba, in order of precedence, the Leader of the Liberal Party has to rely on press reports for the matters that they raise here in this Legislature. I say to you, Madam Speaker, and to members of this Assembly, it is an abdication of responsible government. It is indicative that neither the Liberals or the Conservatives have any basic philosophies or principles of their own but are content to run helter and skelter in and out the daily life of the people and ratepayers and citizens of the Province of Manitoba, to grope and to grasp at any popular appeal in order to enhance their reputation at the polls. Yes, my honourable friend to the right says "amen" which means "so mote it be". And I say, Madam Speaker, in all deference to the honourable person, whoever he may have been who said "amen", that this is not a firm foundation for democratic procedure in this what we call a democracy, and it's these amens in other jurisdictions that has led to the turmoil that is being found in all quarters of the globe.

Mr. Paulley, cont'd). . . .

So I say, Madam Speaker, that we as responsible members of this Legislature should stop worrying about political expediency. We should stop worrying about those facets of our daily life that's going to enhance our reputations and retain us in positions of trust that we're in and endeavour to do the job that should be done on behalf of humanity. I suggest, Madam Speaker, that it is time for us as members of this Legislature, it is time for all men and all women in legislative positions to start giving far more consideration to the benefits of our legislation to the community than it is to individual gain and to individual prestige.

Now what is the reason for this special session? The main reason we are present here is to give consideration to the Michener Report on local government and finance. Let me say that on reading of the Report it seems to me to be based on the preservation of the so-called free enterprise system. Or if one takes the trouble, Madam Speaker, to digest the Report and the propositions that have been placed before us for our consideration, one cannot help but see in this report, in all deference to the honourable individuals who comprise the commission, that their prime motive or their recommendations are based firmly on the preservation of the free enterprise system which in my opinion is neither enterprising nor free.

Well we find on page 213 of the Report, when dealing with the question of taxation and in particular individual income tax, the quotation: "carried to extremes, taxation to equalize wealth and income could be destructive to the free enterprise system." In many other areas in the report and pages in the report, Madam Speaker, we see a continual reference to the fact that if we increase corporate income tax, if we increase personal income tax, that we are going to destroy the free enterprise system of government. I use this, Madam Speaker, as an illustration of the type of report we have before us, a report that is based on the preservation of the free enterprise system which has failed to provide for the inhabitants and members of the community those things which they justly deserve.

As I understand again the press reports of the speech yesterday of the Leader of the Opposition, he said that in general he agreed with the basic philosophy of the Michener Report. I'm sure, Madam Speaker, in my --maybe not in those words, Madam Speaker, but the inference was there and I'm sure that this is the basis on which the Government of Manitoba will accept the report. It is not my intention, Madam Speaker, at this present time, to go into all of the recommendations of the Michener Report. It is not my intention at this particular time to attempt to give an analysis of the contents and recommendations of that report, but I assuredly hope to before this sitting is over.

However, I criticize the government for its deficiencies in other fields as well. I condemn the government for not protecting the consumers of the Province of Manitoba from questionable and possibly fraudulent advertisements in industry and commerce. I condemn the Government of Manitoba for not paying heed to what we of the New Democratic Party said to them at the last regular session of this House, that there should be set up a department of consumer affairs whereby any individual in the province could appear and lay complaints regarding any business transaction.

Oh I know, Madam Speaker, that at that particular time the Provincial Secretary, I believe, acting as the spokesman for the government, said to us in this group: we agree with you; we'll take it under consideration; we know these things are going on. I condemn the government because this is an opportunity. They have had six months or so to consider these matters. If they have had time enough to bring in The Unconscionable Transactions Act, if they have had time to bring in the new Companies Act, I say to the Government of Manitoba they have likewise had time to bring in a measure and to set up a department of government for consumer protection.

I say once again to the Government of Manitoba that while they are sleeping on this problem, consumers in the Province of Manitoba are being rooked out of millions and millions of dollars that they can ill afford, so I condemn the Government of Manitoba for giving lip service in this Legislature to the problems and propositions that we of the New Democratic Party have proposed and not taking any action upon them. So I say to the Minister responsible, tarry no longer. I doubt, Madam Speaker, whether it is even necessary

Mr. Paulley, cont'd). . . for legislative authority to be given to the government to set up a person or persons within a government agency to whom appeals could be made in respect of fraudulent advertising, ill use of gimmicks, etc.

I think notwithstanding and I recognize it, notwithstanding the fact that this government has set up an individual, and a very capable individual, of a commission of one to investigate certain matters and transactions dealing with the possible lynching of individuals as referred to by the Honourable Member for Portage. This is good but they haven't gone far enough, and I think that they should go into the other fields as well. I think if the department had of been on their toes and fulfilled what I thought might have been an undertaking to set up someone to advise borrowers as to the pitfalls that they might get into if they didn't receive proper advice.

I condemn this government, Madam Speaker, because at the last session of this Legislature when we were dealing with the question of increases in salaries to our civil servants, I was led to believe in response to a direct question that negotiations were being concluded or in the process of being concluded for reasonable increases or understanding with our civil servants that this was going to be done. It's my understanding, Madam Speaker, that there have been no increases of a general nature to the civil servants of the Province of Manitoba, notwithstanding as I recall one of the responsible ministers of the Crown saying to me, "I'm sure that the Honourable the Leader of the New Democratic Party will be satisfied at the result of negotiations which are going on." Notwithstanding this, Madam Speaker, particularly insofar as the employees of the Manitoba Liquor Commission are concerned, it is my understanding that while they were refused or were not granted an increase in wages, that this government, or its agency the Manitoba Liquor Commission, allowed increases to the distiller whose profits advanced faster over the last year than they had in any two year period previously. Now I say, Madam Speaker, the government stands condemned also on that point.

What about the field of hospitalization? No advancement has been made. We have before us in this House today a bill which will give to the Metropolitan Corporation the rights to levy on property 20 percent of the hospital construction costs, and because that bill is before us I only mention it in passing, but the Commission, the Hospital Commission, Madam Speaker, is continuously telling us who pay premiums for hospitalization that things are grave there, that due to the ever recurring costs of hospitalization that our premiums are going to go up, and this might well be. But where is the answer of the First Minister, the Provincial Treasurer and the Government of Manitoba? Reference has been made to a session which we had back in 1961, the Income Tax Session, where we authorized the government to impose an income tax of six percent for hospitalization purposes. But the present day proposition of the government is to reduce that six percent to five percent, at the same time as the Commissioner of Hospitals here in the Province of Manitoba is telling us to be wary because we are likely to have premium increases because of the increased costs of hospitalization. I want to hear from the government their reasoning, if any, on that particular score.

What about the field of Medicare here in the Province of Manitoba? What about Manitoba Medical Insurance, Medical Service Insurance? We haven't got Medicare here in the Province of Manitoba as you are well aware, Madam Speaker, but we do have Manitoba Medical Service which, as I understand it, some 50 or 60 percent of the people of Manitoba are covered by premium payments. And what is the situation? The premiums of the citizens of Manitoba are going to be increased substantially in respect of Medical Insurance on November 1st.

I want to ask the Minister of Health what steps has he taken to make an investigation into the justification of this increase? I remember, Madam Speaker, two or three years ago when there was an increase in Manitoba Medical Service, that the then Minister of Health was called to task and he promised at that particular time that something would be done about it and that no increase would be allowed until after due consultation was to take place between the Manitoba Medical Society or Manitoba Medical Service and the Department of Health. I want to know, Madam Speaker, from the present Minister of Health what consultation has taken place between the Manitoba Medical Service and the Department of Health. Has the

Mr. Paulley, cont'd). . . Department of Health agreed to the increase in the premiums which are to go into effect November 1st, 1964?

Just for the purpose of the record, Madam Speaker, maybe I should announce what some of those rates are. Under Plan H for a single person the old rate was \$1.50; the new rate \$1.65 --over 10 percent. Family Rate --old rate \$4.00; here it has gone down to \$3.70. HC Plan, old rate \$3.00 new rate \$3.45. Here again the family rate in HC Plan has gone down from \$8.75 to \$7.80. Under the conclusive all-embracing plan, however, the old rate was \$4.25 new rate \$5.65; Family Rate \$4.50 under the old rate, the new rate \$13.35. Now Madam Speaker, the rates for Manitoba Medical Service are established by the participant --that is, the receivers of the revenue themselves-- and it is claimed in the notice that went out that in 1963 doctor amounts amounted to \$19 million but at the same time the total income from subscribers amounted to \$14 million. Doctor accounts were reduced to 70 percent of the fee schedule. In view of the fact that there has been no rate increase for MMS since 1961 despite the increased demands for services there is to be an adjustment in MMS premium rates effective November 1st.

Now Madam Speaker, here we have a situation of the doctors, with all deference to them --and if it hadn't been for my own personal physician I wouldn't be here speaking to you tonight, and maybe you will go out and get rid of him after this-- but apart from that, here in all deference to the doctors, here they maintain and they control MMS and set the premiums. They maintain, first of all, there has been no increase since 1961; secondly, that they have only been obtaining 70 percent of their bills, which they set themselves, and I really feel sorry for them. It grieves me and I don't decry the fact that they are entitled to a fair return for their services, but Madam Speaker, in the same time that they are asking the premium payers of Manitoba Medical Service for an increase, because of the fact that they are only getting 70 percent of their bills, the DBS figure, the latest that I have available, indicates that the average income of doctors and surgeons 1961, the year they're talking of, to 1962, increased annually by the figure of \$1,140 or an increase of 6.7 percent. I think there is some significance in these figures, Madam Speaker, and I want to know, I want to hear from the Minister of Health, what steps he has taken to insure that the premium payers on MMS are only paying a reasonable rate.

Dealing with the question of medical care, Madam Speaker, over the years, we of the New Democratic Party have been derided in this Assembly and indeed in all assemblies, with the exception of the Province of Saskatchewan before it went backward. We have been derided because we have attempted to have established on the legislative books of the Dominion of Canada and all of its provinces, a proper medicare and health scheme. This document that I have before us, Madam Speaker, is the report of the Hall Commission on Health Services. I do not intend, Madam Speaker, to read it all but it does contain many recommendations that we of the New Democratic Party have advocated for the people of the Dominion of Canada --and I hear some rumblings to my right, Madam Speaker, from the Liberal Party. (Interjection)

I can well appreciate their rumblings, Madam Speaker, because even though it might be a minority party at Ottawa at the present time, I suggest that notwithstanding the recommendations of the Hall Report that this outfit either here in the Province of Manitoba or in Ottawa will delay action on this report as they have delayed the action on their recommendations and their program policy which they adopted in 1919, and if we wait for this outfit to bring into being the recommendations of the Hall Report we will surely wait a long, long, long time. But not only they, Madam Speaker, not only they, but my friends opposite of the Conservative Party here in Manitoba, because what is the situation of my honourable friend the Leader of the Liberal Party here in Manitoba --Conservative Party, excuse me! What is the position of the Leader of the Conservative Party here in Manitoba? To carry on continual letter writing and communications between the inactive government at Ottawa and the inactive government of Manitoba. He's wondering what priority should be given first and keeping his fingers crossed, lest somebody down at Ottawa make a mistake and say that we will give priority to this. He would well prefer and I'm sure that the government at Ottawa will, well, trust and hope that nobody makes a boo boo and says that we should give a priority



Mr. Paulley, cont'd). . . to a Canada Pension scheme. It has been on the books for a long time, only been amended that I know of about four times. Don't want that --can't afford it. We cannot afford, at least for a little while, the recommendations of the Hall Report. They don't tell us what they mean by "little while" --1919 to 1964 is a heck of a long time. I think we had better get rid of these outfits. So I say to you, Madam Speaker, that we have to face up to our responsibilities, and in all deference to --(interjection)-- I beg your pardon? Why are we keeping you in power in Ottawa? I'm not in Ottawa but certainly here in the Province of Manitoba, with the record of the Liberal Party here in Manitoba, that I will give every last ounce of blood that I possess to see that they never come back here into power in the Province of Manitoba. For, Madam Speaker, --and now that the honourable former premier of the province has asked this question, I might reply-- for never in the history of Manitoba did we have such a reactionary regressive government than we had prior to the government we've got at the present time, and I'm no supporter of theirs.

MR. D. L. CAMPBELL, (Lakeside): But what about Ottawa? Aren't we. . . .

MR. PAULLEY: So I say, Madam Speaker, that we have to give consideration to priority, despite the letter writing of my honourable friend the Leader of the House. But what is the trouble, the basic trouble, with the Province of Manitoba? Why is it that we are meeting here today to give consideration to nine or ten new tax policies? Why are we giving consideration to following the lead of the Liberals and the Conservatives in increasing the sales tax on tobacco? Did those men figure they were joint in this even though the Leader of the Liberal Party is now attempting to say to us that he's opposed to a sales tax. He's swung left and right on this so often that he is the champion jitterbugger in the Province of Manitoba. Why is it that we're here to consider whether we should pay five or ten cents on a package of cigarettes? Why are we here today to consider whether or not we have to increase the tax on gasoline by three cents, and so on? The basic fact of the matter is, Madam Speaker, that we're only here to consider these things because the economy of the Province of Manitoba has not kept in pace with the economy of the rest of the Dominion, as slow as it might be, and that is the trouble. My honourable friend from Selkirk laughs. I can understand him laughing because I understand my honourable friend from Selkirk, but I say to you, Madam Speaker, and to members of this Assembly, the reason that we're going to heap on additional taxes to the people of Manitoba in return for a sock, is because the economy of the Province of Manitoba is not advancing.

Three years ago or so, Madam Speaker, we conducted a survey here in Manitoba. We set up a Committee on Manitoba's Economic Future. With great gusto the Honourable the Minister of Industry and Commerce made a three-inch volume before us members of this Legislature. Contained in that volume was many statistics, many plans and many suggestions for the future of Manitoba. That if this happened and that happened and the other things happened, then Manitoba would advance. As a result of that report we set up a numerous number of boards, design boards, export boards, import boards, and other boards; but the proof of the pudding, I suggest, Madam Speaker, is still in the eating thereof, and I suggest that the reason that the Honourable the First Minister in his capacity as Provincial Treasurer has to announce as he has announced the tax increases that he has, can be found in the latest DBS statistics as it relates to personal income in the Dominion of Canada.

And what is the situation insofar as Manitoba is concerned? The net increase in personal income per capita, or the net increase in personal income in the Province of Manitoba was 1.2 percent increase in the year 1962 over '63. The national average, Madam Speaker, for the same period of time was 6.5 percent increase in personal income increase. Manitoba, Madam Speaker, at the bottom of the totem pole, notwithstanding \$125,000 of Economic Survey Report. What about the personal income on a per capita basis, Madam Speaker, so far as Canada is concerned and the Province of Manitoba? Madam Speaker, the only province in the whole of the Dominion of Canada who had a reduction in per capita personal income was what province? Manitoba. A per capita income reduction of .5 percent from \$1672 in 1962 down to \$1664 in 1963. My honourable friend behind me, the Member for Emerson, interjected and said the Province of Saskatchewan. Now, Madam Speaker, in the two years under review, the Province of Saskatchewan was governed by a CCF - New

Mr. Paulley, cont'd). . . Democratic Government and for the information of my friend I'd like to tell him what happened in Saskatchewan. The highest percentage personal per capita increase - 11.9 percent. But I want to say to my honourable friend, however, that if he is concerned with the destiny of Saskatchewan, and I am sure that he is -- and he should be, because the reactionary Grits have taken over and the trend will completely reverse itself I predict, in Saskatchewan.

But, Madam Speaker --oh, yes, my honourable friend the Member for Lakeside will say things will be better in Saskatchewan and I suggest to him that possibly Barry Goldwater down in the States would say likewise. But what is the situation, Madam Speaker? We're all concerned here in Manitoba with our farmers who are concerned because we're meeting here in the session when maybe some of us at least should be out garnering the crops. But what is the situation insofar as farm income is concerned in the two years in review? Manitoba's farm income went down by 31.8 percent in the year 1962-63, so Madam Speaker, I say, I say to this Assembly that I have no confidence at all in either the party to my right, the Liberal Party, who sometimes do act as an Opposition group, but I have also no confidence in the Government of Manitoba. On one hand I do not think that the Opposition Party is performing its function of prodding the government into action for the betterment of the people of the province. On the other hand I have no confidence in the government because it is not doing its job which I think is its constitutional responsibility.

Therefore, Madam Speaker, I beg to move, seconded by the Honourable Member for Inkster, that the amendment be amended by adding after the word "money" in the last line thereof, the following: "and has failed to plan the economic growth of the province to provide a more equitable tax base necessary to provide those services essential to the well-being of the citizens of Manitoba."

Madam Speaker presented the motion.

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

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

MADAM SPEAKER: The proposed resolution standing in the name of the Honourable the Leader of the Opposition.

MR. MOLGAT: Madam Speaker, I would ask that it be allowed to stand.

MADAM SPEAKER: Agreed? The adjourned debate on the proposed motion of the Honourable the Member for Ethelbert Plains. The Honourable the Member for Portage la Prairie.

MR. JOHNSTON: Madam Speaker, I beg the indulgence of the House to have this matter stand.

MADAM SPEAKER: Agreed? The proposed resolution standing in the name of the Honourable the Member for Selkirk.

MR. T. P. HILLHOUSE, Q.C. (Selkirk): Madam Speaker, I would ask that this matter be allowed to stand.

MADAM SPEAKER: Agreed? The proposed resolution standing in the name of the Honourable the Member for Burrows.

MR. MARK G. SMERCHANSKI, (Burrows): Madam Speaker, I beg the indulgence of the House to let this matter stand.

MR. E. R. SCHREYER, (Brokenhead): Madam Speaker, could I direct a question to the mover of the last motion?

MR. ROBLIN: . . . . . order, Madam Speaker, to do so because he is not making a speech and questions should be asked, I think, at the end of a speech. As he is not doing so I doubt that it is in order.

Madam Speaker, as we have reached the end of our Order Paper I move, seconded by the Honourable Minister of Industry and Commerce, that the House do now adjourn until 2:30 tomorrow afternoon.

Madam Speaker presented the motion and after a voice vote declared the motion carried and the House adjourned until 2:30 o'clock, Thursday afternoon.