

THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock Wednesday, March 10th, 1965

Opening Prayer by Madam Speaker.

MADAM SPEAKER: Presenting Petitions

Reading and Receiving Petitions

Presenting Reports by Standing and Special Committees

HON. STEWART E. McLEAN, Q. C. (Attorney-General) (Dauphin): Madam Speaker, I wish to present the first report of the special committee appointed to prepare a list of members to compose the Standing Committees ordered by the House. Madam Speaker, this is a fairly lengthy report and perhaps it would be your wish to dispense with the reading. The report of course will be printed in Votes and Proceedings.

MADAM SPEAKER: Agreed?

MR. McLEAN: I move, seconded by the Honourable the Minister of Education, that the report of the Committee be received.

MADAM SPEAKER presented the motion.

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

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

MADAM SPEAKER: Notices of Motion

Introduction of Bills

HON. DUFF ROBLIN (Premier and Provincial Treasurer) (Wolseley): Madam Speaker, I beg to move, seconded by the Honourable Minister of Industry and Commerce, that leave be given to introduce a bill, an Act to amend The Insurance Act, and that the same be now received and read a first time.

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

HON. GEORGE JOHNSON (Minister of Education) (Gimli), in the absence of the Minister of Health, introduced Bill No. 61, an Act to amend The Health Services Act.

MR. ROBLIN: Madam Speaker, I beg to move, seconded by the Honourable the Attorney-General, that Madam Speaker do now leave the Chair and the House resolve itself into a Committee of the Whole, to consider the proposed resolutions standing in my name and in the name of the Honourable the Attorney-General.

MADAM 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 Winnipeg Centre in the Chair.

COMMITTEE OF THE WHOLE HOUSE

MR. ROBLIN: Mr. Chairman, the Lieutenant-Governor, having been informed of the subject matter of the proposed resolutions, recommends them to the House.

MR. CHAIRMAN: The first resolution for consideration by the Committee is: Resolved that it is expedient to bring in a measure to amend The Insurance Corporations Tax Act by providing (a) that the premiums paid by an insurance company under contracts of re-insurance cannot be deducted from the total premiums received by it; and (b) that the insurance accepted by an insurance company under a re-insurance contract is not part of the business transacted by the insurance company; as a consequence of which the incidence of taxation on insurance companies in Manitoba may be varied.

MR. ROBLIN: Mr. Chairman, this is in reality a technical amendment that has been agreed upon by the Superintendent of Insurance. It does not increase the amount of revenue to the province, but it does make a change in which that revenue is collected under The Insurance Tax Act. At the present time, if a primary company re-insures with a secondary company, then you collect pro rata from each. Under this arrangement, you will collect in the first place from the primary company only and not from the secondary company, and so to that extent there's a change in the of taxation. However, the amount of the total tax remains the same. This has been asked for by the insurance industry and the Superintendent of Insurance as being a tidier way of collecting the tax than we now do. It will not come into force, however, until proclamation, because until other provinces adopt the same legislation we will adhere to our own system that we have now. We believe, however, that other provinces will adopt it so the legislation is recommended.

MR. GILDAS MOLGAT (Leader of the Opposition) (Ste. Rose): Mr. Chairman, I thank the Minister for his explanation. I wonder if he could tell the House which companies are covered by that. I don't mean the names, but is this only companies that have their head offices here in Manitoba, and what type of insurance does it cover? Does it cover all types of insurance? And if it is only companies who have their head offices here, what happens then when a company like Sovereign Life decides to move out of the province? What effect will this have on our revenues?

MR. ROBLIN: If I understand the matter correctly, it's the question of the insurance written in the province -- it has nothing to do with the location of the head office. It's a question of the insurance written in the province, and that's reported for every company no matter where their headquarters is, and the same results apply.

MR. MOLGAT: This covers all types of insurance?

MR. ROBLIN: Yes.

MR. SAUL CHERNIACK, Q. C. (St. John's): I didn't hear the last question, Mr. Chairman. I did not understand this to read in terms of life insurance. Is it correct that it includes life insurance?

MR. ROBLIN: I hope I'm correct in saying this, but I believe it covers all types of insurance.

MR. CHERNIACK: I don't know much about the insurance business; I didn't know that life insurance was re-written or re-insured with other life companies, but.....

MR. ROBLIN: In that case it wouldn't be affected but just a question of how you collect the tax. It has nothing to do with the principle of taxing.....

MR. CHERNIACK: What I wanted to make sure about, Mr. Chairman, is that from what has been said, I assume therefore that there is a tax on the volume of insurance written, not on the income earned as a result, and not being familiar with The Insurance Corporations Tax Act, I would have expected that it had to do with income earned by the company.

MR. ROBLIN: It has to do with the volume of insurance written.

MR. CHAIRMAN: passed. The second resolution is: Resolved that it is expedient to bring in a measure to amend The Liquor Control Act by providing, among other matters, that the commission shall make grants to municipalities in which lands or property of the commission are situated, or in which the commission carries on business, towards the cost of municipal and school services.

MR. McLEAN: Mr. Chairman, at the present time and for some time..... a matter of practice, the Liquor Control Commission has been paying grants in lieu of taxes to municipal corporations. It was thought that no legislative authority for these grants was contained in specific terms in the present Liquor Control Act, and as indicated in this resolution legislation to cover this point is being brought forward. This doesn't make any change insofar as the actual practice is concerned, and will simply make it quite clear and beyond doubt the authority to make these payments.

MR. MORRIS A. GRAY (Inkster): Mr. Chairman, on what basis will the tax or the assessment be placed? On the profits of the business or on the rental of the place? Am I clear?

MR. McLEAN: These are grants which are paid in respect to properties that are held in the name of and by the Liquor Control Commission, and the basis of the grants is that they are equivalent to the ordinary real property taxes for general municipal and school purposes as would be paid by any other owner of the land if such were the case.

MR. MOLGAT: Mr. Chairman, I take it from what the Minister says that the assessment then will be exactly the same as for private property and then the amount would be paid. I'd like to ask two further questions: One, what about business tax? Is there any intention at all of paying business tax the same way as other businesses do? And secondly, are there any other government boards or commissions who have not got in their legislative provisions the right to do so?

MR. CHERNIACK: Well, my question was somewhat similar on the question of business tax. I note the last phrase of this resolution refers to municipalities in which the Commission carries on business. Now this would seem to indicate that it is tax payable not only where it owns land but also where it carries on business, and I assume therefore that it ought to include business tax. That's the only explanation I can read out of this resolution. Now while we're on that, Mr. Chairman, I would be interested to know whether in the cases where land and buildings are rented by the Commission, whether there is any arrangement in

(MR. CHERNIACK cont'd). regard to taxes being paid by the lessee, and if that is the case whether the taxes are collectible on this type of leasehold arrangement.

MR. FROESE: My questions were very similar to -- in connection with business tax, whether business tax would apply even whether the premises were rented or not?

MR. McLEAN: This does not apply to business tax. As far as I am aware business tax has never been paid -- that is, a grant has never been paid in lieu of business tax-- (interjection)--I have now been corrected, Mr. Chairman. This then would continue whatever the practice has been. I cannot answer the question about other boards. This legislation only deals with the Liquor Control Commission. With regard to rental arrangements, of course, if the store premises or the premises are rented, naturally the owner of the premises pays the taxes and I presume takes that into account in establishing the rent that's paid.

MR. MOLGAT: Mr. Chairman, it seems to me that we should have here consideration of the business tax situation. Normally the government is not involved in any business ventures, and the properties which it owns in the various municipalities are service institutions, buildings that the government has put up there for the purpose of giving service to the public, service which is paid for out of general funds and is not in any sense a business. However, when we come to the Liquor Control Commission this is obviously a business operation. In fact it is an extremely important business operation for the province -- it represents a very substantial amount of the provincial budget. In these sort of circumstances where the government has taken over what in other jurisdictions, in a number of cases, are really private enterprises -- not so much in Canada it is true, but certainly in the United States where in many of the states the matter of selling business is one that is left up to private enterprise, under government control but nevertheless under private enterprise -- here, the government has decided that all of it will be handled by a government board and has gone into this specific business. If, then, we accept the philosophy which I presume is behind the idea of giving grants in lieu of taxes and making the grants the equivalent of what a regular assessment would be for the realty tax, then surely that same philosophy should apply to the business tax. But where the government is involved in a business operation, buying and selling for profit, then it should be subject to the same rules as any other business and pay the business tax.

MR. McLEAN: Mr. Chairman, I don't think it's necessary for the Honourable the Leader of the Opposition to make a speech. I started to say that it did not include business tax, I was corrected and I said that business tax was included. There's nothing further that needs to be said about it.

MR. MOLGAT: No, Mr. Chairman, that's not what the Minister said. He said he stood corrected and that there were some other arrangements and he wasn't sure what they were. He didn't say that it clearly included business tax. If it does, fine.

MR. GRAY: Mr. Chairman, I want the Minister to believe me that I'm not going to make a political speech. If I do I'll probably pick a better subject. My question is that supposing that this place was rented last week to sell hot potatoes, and then the liquor store took over the same location, will the assessment or the tax be the same or if because it's a liquor store will it be raised? That's all I want to know.

MR. McLEAN: the assessment is a matter that's carried on under the municipality and one couldn't speculate as to what the assessment would be other than to say that the premises, land and premises would be assessed in the regular way by the municipality under the rules which pertain to assessment.

MR. CHAIRMAN: Resolution adopted? The third resolution is: Resolved that it is expedient to bring in a measure respecting The Unsatisfied Judgment Fund and providing, among other matters, for the payment from and out of the fund of certain claims under judgments arising out of automobile accidents and for certain costs incurred in proceedings connected with the fund.

MR. McLEAN: Mr. Chairman, at the present time the provisions respecting the Unsatisfied Judgment Fund are all contained in The Highway Traffic Act. It is proposed to present to the Legislature a bill to set up, under a separate statute, all of the provisions respecting The Unsatisfied Judgment Fund, and so they are being extracted from The Highway Traffic Act and placed in a bill all by themselves. And since, of course, obviously the administration of the fund involves the payment out of moneys, it is necessary that this bill be introduced by way of resolution.

MR. RUSSELL PAULLEY (Leader of the New Democratic Party) (Radisson): Mr. Chairman, I appreciate the remarks of the Honourable the Attorney-General. Now, are we to

(MR. PAULLEY cont'd).....gather conclusively from his remarks that it's only those portions in The Highway Traffic Act going into this new piece of legislation, the consolidation of references to The Unsatisfied Judgment Fund, or will the Act that the Minister is making provision for include new departures in respect of The Unsatisfied Judgment Fund? There was some speculation through the media of the press some time back that now that the provincial authority has increased the contribution to The Unsatisfied Judgment Fund to that of \$25.00 in the absence of proof of coverage by an insurance company, that the fund itself may undertake a broadening of its jurisdiction to take care of other aspects other than direct public liability and property damage. I wonder if the Minister might indicate, or I guess he would be proper to say, well, you just sit down and wait until the bill gets here, but I ask him this despite the fact that I know what his answer could be insofar as the strict regulations of this committee are concerned.

MR. McLEAN: Mr. Chairman, there is one new matter and that is the addition of property damage claims which may, under the provisions of the bill as it will be presented, will be covered or included in the payments that may be made from the Unsatisfied Judgment Fund. This does not involve any increase in the total amount that may be paid in respect of any one accident. The total limits will still apply, but property damage is proposed to be added.

MR. PAULLEY:Mr. Chairman, I would be correct then in suggesting that the government is edging its way into a field of greater coverage under its Unsatisfied Judgment Fund and yet hasn't got the heart or the courage to go into a proper system of automobile insurance. However, I believe that there is a resolution standing on Votes and Proceedings which will give the opportunity, providing it is deemed to be in order for discussion, to declare its policy insofar as the broad aspects of automobile insurance are concerned, and I await with anticipation the introduction of the resolution calling for compulsory automobile insurance by my colleague from Elmwood. I trust and hope that we do not violate any rules of Beauchesne or May or anybody else simply because, as it were, property damage is now mentioned in this resolution dealing with The Unsatisfied Judgment Fund. My colleague from Brokenhead says, "Don't be a pessimist," but sometimes, Mr. Chairman, it's..... -- you have to take this sort of an attitude and speak it on an occasion when you might have the opportunity of being in order. However, Mr. Chairman, we will watch this with great anticipation, and I again warn my honourable friends opposite that if this is just the way of attempting to cover up for their sins of omission they'll hear from us in this New Democratic group in this House.

MR. JOHN P. TANCHAK (Emerson): Mr. Chairman, there's one thing I'm not clear -- probably I didn't pay too close attention. Does this cover all expenses incurred by the claimant, such as legal advice and other expenses in connection with the claim, or it doesn't cover the expenses of the claimant who claims part of that.

MR. McLEAN: Mr. Chairman, The Unsatisfied Judgment Fund only comes into operation when some person who alleges to have been injured as the result of a motor vehicle accident has brought an action in the court and obtained a judgment of the court and satisfies The Unsatisfied Judgment Fund that the person against whom the judgment has been made does not have funds with which to pay it. At that point, then the injured person who holds the judgment may be paid -- subject to the limits of our statute may be paid the amount of that judgment from the fund. This then means that the matter of what is included in the amount, which is the amount of the judgment, has been settled by the court before the matter comes to the fund. That may or may not include items of legal advice, or assistance or costs related to the action. That is a matter which is dealt with in the regular way by the court before it comes to the fund.

MR. FROESE: Just one further question. Who decides what claims will be paid?

MR. McLEAN: Well, as I say, Mr. Chairman, assuming the judgment has been given by the court, then there is a procedure under which the claimant can establish that the judgment cannot or will not be paid by the person against whom it has been rendered, and that is the point at which the fund then pays and it pays that on the order of the court; that is, the court directs that the payment, as I say subject to the limitations of the Act, the court directs that the fund pay the amount of the judgment that has been rendered.

MR. CHAIRMAN: Resolution adopted? Committee rise and report.

MR. ROBLIN: Mr. Chairman, before the committee rises, may I expand on the answer I gave the Honourable Member for St. John's, who asked if all insurance companies were covered by this Insurance Corporation Taxation Act. The Act provides that they do,

(MR. ROBLIN cont'd). generally speaking. It excepts fraternal societies, friendly societies, mutual benefit societies, companies transacting life insurance on amounts received as consideration for an annuity contract, or by a mutual insurance company transacting fire insurance or hail insurance or both, and. respect. premiums received under contract of marine insurance.

MR. TANCHAK: Mr. Chairman, since the Premier is back on the first resolution -- I wanted to ask a question but I didn't get up in time. May I ask it?

MR. CHAIRMAN: You will have to wait until the bill. second reading.

MR. TANCHAK: I thought maybe I'd get permission from the Premier to answer that. If not, I'll wait.

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

IN SESSION

MR. COWAN: Madam Speaker, I move, seconded by the Honourable Member for Pembina, that the report of the committee be received.

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

MR. ROBLIN introduced Bill No. 50, an Act to amend The Insurance Corporation Tax Act.

MR. McLEAN introduced Bill No. 65, an Act to amend The Liquor Control Act.

MR. McLEAN introduced Bill No. 67, an Act respecting The Unsatisfied Judgment Fund and the Administration Thereof.

MADAM SPEAKER: Before the Orders of the Day I would like to attract your attention to the gallery where there are some 75 students, 4th year university students, from St. John's College under the direction of Professor Fox-Decent, and some 20 Indian Upgrading School students under the direction of their teacher, Mr. Albert Kelner. On behalf of all members of this Legislature I welcome you. Orders of the Day.

HON. GEORGE HUTTON (Minister of Agriculture) (Rockwood-Iberville): Madam Speaker, before the Orders of the Day I'd like to point out to the members of the House and to apologize to them for inadvertently misinforming them with respect to Bill 35, an Act to amend The Natural Products Marketing Act. In explaining the bill I said that the reference on orders and directives of the boards and commissions would be made to the Manitoba Marketing Board henceforth, rather than the Lieutenant-Governor-in-Council. This only applies to fees and charges imposed by the boards and commissions.

MR. DOUGLAS L. CAMPBELL (Lakeside): Madam Speaker, before the Orders of the Day are proceeded with, I would like to place on record a correction in Hansard. It was called to my attention that one portion of the remarks that I made in connection with the Horse Racing Regulations Act was lacking in that great clarity that always distinguishes my observation in this House, so I had occasion to take a look at the offending passage, and I would like to read it in the connection that it shows in Hansard. Page 357, the last sentence on the page: "Once again we come down to the prescribing of fees and all these other powers. Well horse fees are completely nominal. It may be all to the good -- probably it's necessary," etcetera.

Well, I must confess that I couldn't get the connection myself, and I point out that it's fees, not fleas, that I mentioned. Some people think I'm a bit of an authority on the latter and that I don't object to them as much as to the former, but whatever the implication it still doesn't make much sense. Therefore, I would like to report, because before I made the correction in Hansard I wanted to be sure that I had the word correctly that I did use, and I asked the operator of the machine to do me the courtesy of checking on it, and the word instead of "horse" is "where", so just how I happened to pronounce "where" that it sounded like "horse", I don't know, but apparently that's what I did, so that I would like to read it as I gave it in the House and as it should appear in Hansard: "Once again we come down to the prescribing of fees and all these other powers. Well, where fees are nominal, it may be all to the good -- probably it's necessary to have the Lieutenant-Governor-in-Council or somebody" etcetera. I make that correction, Madam Speaker, because I wouldn't want it to be thought that I was so unclear in the statement I was trying to make.

MR. E. R. SCHREYER (Brokenhead): Madam Speaker, I would like to direct a question to the Attorney-General. I didn't give him notice but I think it's the kind of question that he could answer without notice. I would ask him if he intends to introduce legislation at this session -- to introduce a bill at this session, to provide for some reconstitution of the Eastern

(MR. SCHREYER cont'd). County Court District.

MR. McLEAN: Madam Speaker, no legislation would be required for that purpose if such a purpose were contemplated.

MR. ELMAN GUTTORMSON (St. George): Madam Speaker, I'd like to direct a question to the Attorney-General. In Tuesday's edition of the Tribune there was quite a detailed story on the case of one Wilton Edwin Morris, who I understand has been confined in Headingley at the pleasure of the Lieutenant-Governor. Is the Attorney-General looking into this case? It looks like it certainly needs looking into.

MR. McLEAN: Madam Speaker, I looked into that case some time ago, or a short time ago, and made my recommendations to the Executive Council.

MR. GUTTORMSON: There's not going to be an investigation then?

MR. McLEAN: My recommendations I believe are confidential recommendations.

MR. NELSON SHOEMAKER (Gladstone): Madam Speaker, before the Orders of the Day are proceeded with, I would like to direct a question to my honourable friend the Minister of Industry and Commerce. Inasmuch as this government has recently purchased the McDonald Airport for a reported figure of a quarter of a million dollars, what disposition is being made of the buildings there? Can I make application to purchase a building, or a number of buildings?

HON. WALTER WEIR (Minister of Public Works) (Minnedosa): Madam Speaker, I think probably I could answer the honourable member's question. There are some of the buildings which I think will be disposed of very shortly, and if the honourable member wanted to, as they come up, I expect that for the most part they will be tendered with the exception of one or two areas where they are being used for community projects of a community nature. The buildings I'm talking of now are the old H huts which are of relatively little value in the area and will need to be moved away. There is nothing definite that can be said about the better structures, the housing accommodation, etc., at the present time.

MR. SHOEMAKER: Madam Speaker, a subsequent question. The article that I have before me reports that negotiations were underway that could lead to the creation of a multi-million dollar industrial park. Has the government anything further to report in this regard as to the negotiations that are referred to here?

HON. GURNEY EVANS (Minister of Industry and Commerce) (Fort Rouge): No, Madam Speaker, I have nothing to report. A further discussion of this can be held at the time of my Estimates, but at the moment I have nothing to report.

ORDERS OF THE DAY

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

MR. SCHREYER: Madam Speaker, I move, seconded by the Member for Seven Oaks, that an Order by the House do issue for a Return showing: 1. the number of complaints received regarding depletion of water supply in those districts in near proximity to the Floodway; 2. the number of complaints investigated; 3. the number of complaints accepted as verified in the affirmative; 4. the names of those receiving due compensation and the amounts paid and the extent of the work done in each case.

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

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

MR. SCHREYER: Madam Speaker, I move, seconded by the Member for St. John's, that an Order of the House do issue for a return showing a copy of the profiles taken in 1943, 1944 on that land described as the North-west quarter of 6-14-4E.

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

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

MR. SCHREYER: Madam Speaker, I move, seconded by the Member from Seven Oaks, that an Order of the House do issue for a return showing a copy of the letter or letters written by Barry Hughes, Barrister, to the Minister of Agriculture relative to one Mr. Michael Faryna.

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

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

MR. GUTTORMSON: Madam Speaker, I move, seconded by the Honourable Member for Ethelbert Plains, that an humble address be voted to His Honour the Lieutenant-Governor praying for copies of all the correspondence between the Manitoba Department of Labour and Stall Lake Mines Limited, with regard to Mr. Albert Stoltz and Mr. Sven Lofven.

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

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

MR. GUTTORMSON: Madam Speaker, I move, seconded by the Honourable Member for Gladstone, that an humble address be voted to His Honour the Lieutenant-Governor praying for copies of all correspondence between the Province of Manitoba and Stall Lake Mines Limited, with regard to the road between the Stall Lake Mines site and the Snow Lake-Osborne Lake road.

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

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

MR. GUTTORMSON: Madam Speaker, I move, seconded by the Honourable Member for Gladstone, that an humble address be voted to His Honour the Lieutenant-Governor praying for copies of all correspondence between the government of the Province of Manitoba, and of its boards, commissions and agencies and Canada Cement Company Limited and/or any agent thereof; Inland Cement Company Limited and/or any agent thereof; and B. A. Cement Company and/or any agent thereof.

MADAM SPEAKER presented the motion.

MR. EVANS: Madam Speaker, I would like to enquire of the honourable member moving the motion if he could set a time limit or a period within which this correspondence should be gathered. Some of these corporations, at least, have been in business for many years, and if he would care to either outline the subject in which he is interested or the period of time in which he is interested, I think we should have that.

MR. GUTTORMSON: Madam Speaker, since July 1st, 1958.

MR. EVANS: If you will allow me just, Madam Speaker, I'll -- July 31st, 1958. I have examined the correspondence in this connection. I have reason to believe there is no confidential information or information proprietary to these companies, and we are prepared to accept the order.

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

MADAM SPEAKER: The adjourned debate on the second reading of Bill No. 52. The Honourable the Member for St. George.

MR. GUTTORMSON: Madam Speaker, I rise to support this bill which is designed after that of the Ontario Racing Commission. In Ontario, in about the early '50's, there was no racing commission in Ontario and horsemen and other interested parties felt that such action should be taken. Those in the racing industry, from small horse owners to great industrialist, Mr. E. P. Taylor, all approved of this action and they have found that it has been most successful for the racing and breeding industry in Ontario. Prior to the implementing of a racing commission in Ontario they had a great deal of trouble and there were a number of horsemen's strikes, and since the forming of a commission in Ontario they have not had any difficulties in that direction at all. To the best of my knowledge they have had no horsemen's strikes and they have only had one Standard Bred strike and this is really as a result of the difficulties that exist between the Ontario Racing Commission and the Canadian Trotters Association. The commission in Ontario, they have Magistrate Tupper Biglow who chairs this commission, and I know that management and the horsemen frequently complain of his decisions, but by and large they agree that this commission is doing an excellent job and as a result racing has flourished to a much greater level than it ever did before the establishment of the commission.

One thing I would like to point out to the Minister who is introducing this bill about a booby trap he should try to avoid, and that is the difficulties that have arisen in Ontario between the Ontario Racing Commission and the Canadian Trotting Association. There have been difficulties between these two groups over who should have the authority over racing, and I would

(MR. GUTTORMSON cont'd). suggest to the Minister that he take all steps to avoid this problem arising in Manitoba.

I have an excerpt of an article which I think I'd like to read to the House. It's of a speech that was taken from The Thoroughbred Record and was delivered by Mr. E. P. Taylor at a dinner in the United States. I'll only read a portion of it which I think pertains to this bill. He says: "About eight years ago a few of us sensed that the breeding and racing of thoroughbreds in Ontario was at the crossroads because racing plants were completely inadequate, outmoded, and there were too many of them. Taxation was altogether too heavy; purses were low, and the quality of the horses being raced was deteriorating rapidly. Very few new owners of the right kind were being attracted to the sport. There was no racing commission and the only regulatory body was made up entirely of the race track executive and did not command the respect of the public, the owners or the trainers. The first and prerequisite step to our forward march for better days was appointment of a racing commission which from the outset has commanded the respect of the public and the horsemen. The next essential development was the agreement by the Ontario Government to progressively cut the rate of taxation in half."

He also goes on to say that racing and those connected with it now command public approval, and he says that many new owners continue to become attracted to the sport. He says, "Harmony, respect and understanding exist between the different segments associated within racing."

Arguments have been put forward in this debate that the powers were too great for the commission. I would just like to point out that at the present time in Manitoba, where there is no commission at all, these authorities are now in effect. If stewards appointed by the race track wish to set down a jockey, or a trainer or an owner, they can do so, and their decision is binding all over North America. I think the benefit of having a commission, you'll have an independent body. Today the racing officials are appointed by the race track whereas with a commission the officials can only be appointed with the approval of the racing commission. Now as I understand it, if the stewards in their wisdom decide to suspend a trainer or owner or jockey or some other person connected with the sport, they will have the right of appeal to this commission. Some feel that maybe there should be a further appeal but I'd like to point out that in Ontario this is how it's done. In Alberta and B. C. the same procedure's followed, and in most of the states in the United States where racing commissions are in operation,

This isn't peculiar to racing either. Those of us, members of the House, who follow sport at all will recall that about a year ago the Commissioner of the N. F. L., suspended Alex Karras and Paul Hornung for a year, and they had no appeal. This Commissioner suspended these two men. because he felt that it was detrimental to the game of football, and there were no outcries from anyone. As has been pointed out before, the horsemen themselves, the members of the HPBA have been anxious that this commission be formed. I was disappointed in the attitude that the Member for St. John's took when he was dealing with the HPBA -- he felt this was rather a laughable name. I'd like to point out to him this is a national organization made up of horsemen, and this organization was formed to fight management for better purses and better racing conditions, and some of the most outstanding men in America belong to the HPBA.

Some concern has been expressed over the cost of this commission. I'd just like to bring to the attention of the House that the late Ashley Cole who chaired the New York Racing Commission for some 20-odd years held this position without remuneration during that time, and he was held in high esteem by all those connected with the sport. But I think, Mr. Chairman, that the success of this commission will depend entirely on the men that the government appoints to this commission. I know right at this moment there are a number of people lobbying government members for jobs on the commission, and I hope the government will have the fortitude to reject those that are not qualified for this job, and appoint men with integrity and firmness so that they can do the job that's required of them. So I would suggest that the members give this consideration and support the second reading of this bill.

MR. EVANS: Madam Speaker, if there are no other members who would care to take part in this debate, I would like to close the debate now. I thank my honourable friend from St. George for his contribution to the debate which contributed a good deal of information, and I think took much the same point of view that I have had throughout.

I would like to compliment my honourable friends on the other side, both those who have joined in wanting to see this bill passed and those who have not, in raising some quite impor-

(MR. EVANS cont'd).tant points that I think were very properly raised for discussion at this stage or when this subject is before us.

I would like to emphasize, as simply and directly as I can, that there is only one principle put forward in this bill. Now I recognize that the Member for Lakeside will say that it is a matter of principle with him that arbitrary powers should be granted to a board, and I won't quarrel with him on that point, but the new principle put forward in this bill is that there shall be an independent commission to oversee the conduct of the actual races themselves and to be responsible for ensuring the very highest standard of honesty and integrity in the actual conduct of the races. No other main principle is put forward. Honourable members will recall that I, when making a first presentation of this bill on second reading, raised the points before this House, that there was in fact an error in the bill which would be corrected by way of amendments at the committee stage. I thank my honourable friend from Lakeside for accepting my assurance in that regard. I'm surprised indeed that the Leader of the NDP Party would neither accept my assurance personally or on my responsibility as a member of the government.

MR. PAULLEY: Madam Speaker, on a point of privilege. I took great pains -- if they didn't penetrate the cranium of my honourable friend I'm not to be faulted because of that -- but I did take great pains to encourage my friend to believe me when I said that I did not direct this toward him personally, but due to the fact of former debates on the question of horseracing there was not any unanimity among parties on this question. It was on that basis, and that basis alone, and I resent very much my honourable friend standing up and speaking as he is this afternoon.

MR. EVANS: I don't wish to pursue that by way of a quarrel at the moment except to say that as on my responsibility as a Minister I assured him then, I assure him now, that what was a genuine mistake in the printing of the bill will be corrected at the committee stage. Because that mistake occurred, there was brought into question as whether this bill did in fact contain further principles, namely, the question of the 42-day limit on racing would be altered, and that 16-year olds would have some opportunity to attend the racing that they don't have now. Because that provision of the bill will be changed in committee those further principles do not arise, and there is only one principle put forward to which I have heard no objection in any quarter of the House, that there shall be a strong independent racing commission to conduct the actual races themselves.

A further point was raised with respect to a report to the Assembly. Provision is made in the bill that a report shall be made to the Minister. I am quite prepared in committee to accept or to propose an amendment that that report be tabled in the Assembly.

With regard to financing, the statement I believe was along this line, that while it may not be intended to pay the expenses of the commission, it could easily happen that the commission might lose money on its operations, and where would that come from and what would be done in that case? Well, the commission is required by law to make its expenses, in the very bill itself. If they don't do so, if that particular set of commissioners doesn't do so, I suggest the remedy is to get a new set and have them conduct their affairs according to their terms of reference.

We come now to the one principle that you think concerns my honourable friend from Lakeside, and I join with him in concern over this matter. And I think it right that a parliament should take the closest look and a very close scrutiny of measures which will deprive citizens, or would make them more subject to what may be described as pretty complete powers of a board, rather than being subject to the due process of law. And in dealing with this matter, we would have to see some pretty strong justification for allowing the commission the very complete powers -- one could say arbitrary powers -- that are placed in their hands or will be placed in their hands by this bill if the House passes it eventually. I can only say -- I cite two things in this connection: First, that it's the universal experience of the racing business, if that's the right term, that commissions must have these powers. These powers are just as complete in British Columbia and Ontario as they are here, and they are virtually as complete in Alberta. There is some appearance of an appeal in Alberta but it isn't really much of an appeal because the person affected may have an appeal to the very commission that made the decision in the first place. That, in effect, is scarcely an appeal at all. It isn't appeal away from the authority that made the decision, and so I say that the authority in that connection is absolute in the other provinces where racing is extensively followed and practised in the way it is here. But that may not be a complete justification. It isn't always a complete justification to say to

(MR. EVANS cont'd). anyone, well, somebody else does it, therefore we should. I think there's a better justification, and about as follows. That it's a matter of practical necessity to have powers of this kind. And I am sure I couldn't put the point more clearly than to say, how would it be possible to subject the decision of a baseball umpire as to whether it's a ball or a strike, to a process of appeal? There is no documentary evidence. There are no witnesses that can be summoned to give qualified approval. And when a steward is watching a race, and to his practised and experienced eye -- and here my honourable friend from St. George raises a very good point -- I think that the success of this commission will in fact depend upon not only the skill and experience of those who are appointed, but as well upon their integrity and their standing. And I agree with that point, and the government will have that very prominently in mind as the appointments are made. But where a steward appointed by a commission of this kind, in his judgment sees, shall we say, a jockey foul another jockey during a race, it is not a subject that can be investigated by due process of law. It simply does not have the body of documentary evidence nor the number of witnesses that can be summoned to prove one side of the case to be right or another side. I think, as my honourable friend from St. George points out, this has been the experience in all sports, and he calls attention to a very dramatic case where a man making a very large income indeed, a national figure, was set down by the Commissioner in his case, and from which there was no appeal. And we see this, I think, in every sport of its type in Canada, sports where judgment must be made by those responsible for the proper conduct of racing and other sports.

I would like to make sure that I have covered the points raised by my honourable friend from St. George. With respect to a possible conflict between trotting and flat racing, this has been drawn to our attention, as I am sure my honourable friend knows, by those concerned with trotting, and we will try to see that the trotting race fraternity -- if that is the right term to use -- are given every consideration, because this commission will be responsible for the proper conduct of their meets, just as they would be the meets in which flat racing occurs.

He cites the experience in Ontario where some difficulties had existed because there were too many meets and the taxes were too high. Those matters are not covered in this bill, nor will those matters be under the control of the commissioners. I have been discussing the point as to whether the authority is too great, and I appreciated the compliment that he made to the HPBA, as people of standing who are interested in the proper conduct of racing in Manitoba.

And so, acknowledging a different point of view between myself and the Member from Lakeside, I nevertheless thank him for raising the point for discussion. It is valid, and other members on this side have raised the point about the absolute powers as well, and the New Democratic Party. It's a valid point for discussion. It has been very carefully considered, and I assure the honourable members of the House of this point, that this very point of the absolute powers which were being intended in this bill had been drawn specifically to the attention of the HPBA, and we have their approval to include them. They have been drawn to the attention of those who own and operate Assiniboia Race Track, and we have their specific approval of these absolute powers. It has been drawn to the attention of others knowledgeable in the racing business both here and in other provinces, and asked for their best advice as to whether these powers were necessary because they are indeed repugnant in many respects. No opinion was furnished to me that they could be dropped; everyone else assured me that they were absolutely necessary for the proper conduct of racing, and to ensure its conduct in a proper fashion. And so I thank my honourable friends for their contribution to the debate, and after considering all the points, I propose to vote for second reading.

MR. GUTTORMSON: if the Minister permits two questions before the vote is taken? It says in the bill that the commission shall report to the Minister. Are you the Minister in this particular case?

MR. EVANS: I assume that when a Minister is designated, it will likely be myself. The Minister will be designated I believe by order-in-council, if I remember the bill correctly. That decision has not been made so that is the only answer I can give you.

MR. GUTTORMSON: A second question. I believe he said that the commission shall be self-supporting financially. Does that include their salaries, if there are any?

MR. EVANS: Yes, Madam Speaker.

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

MR. PAULLEY: Yeas and nays, please, Madam Speaker.

MADAM SPEAKER: Call in the members. The question before the House, the second

(MADAM SPEAKER cont'd).....reading of Bill No. 52.

A standing vote was taken, with the following result:

YEAS: Messrs. Alexander, Baizley, Beard, Bilton, Campbell, Carroll, Cowan, Desjardins, Evans, Groves, Guttormson, Hamilton, Harrison, Hillhouse, Hutton, Jeannotte, Johnson, Johnston, Lissaman, Lyon, McDonald, McGregor, McKellar, McLean, Martin, Mills, Moeller, Molgat, Patrick, Roblin, Seaborn, Shewman, Shoemaker, Smellie, Stanes, Steinkopf, Strickland, Tanchak, Vielfaure, Weir, and Mrs. Morrison.

NAYS: Messrs. Barkman, Cherniack, Froese, Gray, Harris, Hryhorczuk, Paulley, Schreyer, and Wright.

MR. CLERK: Yeas 41, Nays 9.

MADAM SPEAKER: I declare the motion carried.

The second reading of Bill No. 41. The Honourable the Member for St. Boniface.

MR. LAURENT DESJARDINS, (St. Boniface): Madam Speaker, I would beg leave of the House to have this matter stand. I don't object if anybody else wants to speak on that. I'm not quite ready.

MADAM SPEAKER: The second reading of Bill No. 8. The Honourable the Member for Selkirk.

MR. T. P. HILLHOUSE, Q. C. (Selkirk): Madam, if I were to follow the example set by the Honourable Leader of the NDP in this House, I would support this bill simply on the grounds that he opposes it, because the Honourable Member's attitude of opposition, is opposition to the opposition and not opposition to the government. However, in this particular case, Madam --and strange as it may seem, the honourable gentleman is right, and for that reason we do intend to oppose this bill. In our opinion this bill perpetuates a principle which is wrong, namely the principle that the right to vote on a money bylaw should be restricted to a ratepayer. Even if we did not feel strongly on this particular point, this bill applies to local government districts. It applies to outlying areas of Manitoba, outlying towns of Manitoba, where one is likely to find many company-owned homes, and many homes that are not owned by the actual occupants, and if we allowed this bill to go through in this particular form it would mean that the residents of these outlying towns may be deprived of some of the amenities of life, simply because they did not have the right to vote for them. For these reasons, Madam, we oppose the bill.

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

MR. PAULLEY: Yeas and Nays please, Madam Speaker.

MADAM SPEAKER: Call in the Members. The question before the House is the second reading of Bill No. 8.

A standing vote was taken, the result being as follows:

YEAS: Messrs: Alexander, Baizley, Beard, Bilton, Bjornson, Carroll, Cowan, Evans, Froese, Groves, Hamilton, Harrison, Hutton, Jeannotte, Johnson, Lissaman, Lyon, McDonald, McGregor, McKellar, McLean, Martin, Mills, Moeller, Roblin, Seaborn, Shewman, Smellie, Stanes, Steinkopf, Strickland, Weir, and Mrs. Morrison.

NAYS: Messrs: Barkman, Campbell, Cherniack, Desjardins, Gray, Guttormson, Harris, Hillhouse, Hryhorczuk, Johnston, Molgat, Patrick, Paulley, Schreyer, Shoemaker, Tanchak, Vielfaure and Wright.

MR. CLERK: Yeas, 33; Nays, 18.

MADAM SPEAKER: I declare the motion carried. The adjourned debate on the proposed reading of Bill No. 14. The Honourable the Member for Selkirk.

MR. HILLHOUSE: Madam, this Bill comprises a number of amendments to The Municipal Act and the only way that it can be debated on principle is in respect of the various sections that are being amended, because each section that is being amended constitutes a single principle. There are however a number of sections that I do not intend to make any comment on, but there are some which I think are worthy of comment.

The first amendment with which I wish to deal is that amending section 430 (a) of the Act by substituting the Minister of Welfare for the Minister of Education. The comment that I have to make there, Madam, is that I wish that this substitution would cure all the defects as they exist in this section at the present time but quite frankly they will not.

Section 430 (a) of The Municipal Act gives the council of a municipality the power to establish by bylaw a public recreation commission and for acquiring such land either within or outside the municipality, and erecting thereon, if required, such buildings as may be necessary in order to enable the commission to discharge its duties in an adequate manner. Under the Act

(MR. HILLHOUSE, cont'd). as it is just now, the Minister of Education must approve any such bylaw passed by a municipality, and that bylaw should contain such provisions respecting the powers and duties of the commission as the Minister of Education may approve.

Now to my mind, this Act should spell out in greater certainty the criteria to be used by the Minister, now the Minister of Welfare, in determining the powers and duties of such a commission. I think these powers and duties should be specifically set out so that the Minister will have some guide in determining the adequacy of any bylaw that is submitted to him for approval.

Another point that I would like to make in respect of this section, Madam, is that since the commission has been given the power to enforce all regulations respecting the operation of a public recreation commission, I think too, even if we assume that in the giving of these powers by implication it has the power to enforce its regulations, but in that respect the section is completely silent. I think that that section should be further amended so as to spell out in specific terms what that commission can do and what powers it has to enforce by sanction, or otherwise, the rules and regulations that it has set up for the guidance of a recreation commission within its area.

At the present moment, the municipality under this section has divested itself of the powers of regulating or controlling a recreation commission the minute this section is invoked and put into effect, so therefore the municipality in my opinion would have no power under the section of The Municipal Act which gives it the right to enforce its bylaws since it has delegated to this commission the right to make rules and regulations respecting that particular project. Now I think, and I think the Minister will realize, that that is something that we should look into when this bill gets into Committee.

And while I'm on the subject, Madam, there is a suggestion that I would like to make to the Minister, and I notice today the Attorney-General gave notice that a special act of the Legislature was going to be brought in to deal with the Unsatisfied Judgment Fund. I think it is time that since you are redrafting your Municipal Act that you take out of that act and put into a separate act matters dealing with parks, recreation commissions, and all amenities, leaving to your Municipal Act those matters which are strictly municipal, but have a general act applying to parks and recreation commissions, etc., and even include your libraries in there, so that you would have the one procedure set out in that act.

Now the next section that I would like to deal with, Madam, is the amendment to section 436 (a) of the Act which gave a municipal corporation the right to levy in respect of the centenary celebration, and there is one question that I would like to ask the Minister and that is this. Under the present section 436 (a) "a municipality has the right during the years '63 to '70, both inclusive, to levy a special levy not exceeding one mill on the dollar on the assessed value of all property in the municipality to provide funds for the purposes therein set out."

Now your amendment -- subsection (2) -- the present section 436 (a) becomes subsection (1) and you have a new subsection (2) in there, and this subsection (2) says "that no tax shall be levied under subsection (1) if a tax has been levied under subsection (1) of the new section 436 (b)." The point that I would want to know is this, if a municipality has already levied under section 436 (b) and has not made a levy under section 436 (a), is it now, or the minute this Act becomes law, is it now precluded from making a levy under section 436 (a), because not all municipalities have levied under section 436 (a). But on the other hand, if a municipality has levied under section 436 (a), subsection (3) of 436 (b) makes it clear that the amount of that levy is reduced proportionately, but there's no corresponding counterpart. So I would like the Minister to look into that and see whether or no that was his intention. He may have a good reason for it if that was his intention, but I'd like to hear what his reason is.

Now there are other amendments included in this bill, Madam, to which I will not refer because in my opinion they are only corrections to the act and they are purely administrative matters. I notice though in section 10 that you are giving a municipality the right to make temporary borrowings in respect of certain public works awaiting the issue of debentures, and I think that's a good section.

Now coming to the amendments to section 984 of The Municipal Act, that is the exemptions, I think that the clarification made by this amendment is long overdue. I think too that the fact that as school districts are now going to be taxed in respect of local improvements is something which is just and equitable in view of the fact that we no longer have the smaller districts but we have large areas where the schools may be situated in one town in that area,

(MR. HILLHOUSE, cont'd). and under this amendment it spreads out the cost of that local improvement insofar as that particular school building is concerned over the whole area rather than imposing that cost on the particular area or town or village in which that school is situated. I think that's a good amendment.

There is another matter in respect of which I would like to make a comment and that is in respect to the amendment to section 1191 of The Municipal Act dealing with the tax certificates, where you have stricken out the word "shall" and substituted the word "may". Now I don't know what thinking is behind this change, but to me it would seem that the "shall" should remain in there by reason of the fact that if you are a lawyer acting for a purchaser of property, or even if the purchaser of property is acting for himself and he wants to find out about the tax situation, the only safe way to do it is to get a tax certificate from the municipality. Now if the municipality is going to have a discretion in whether or no they shall grant you a tax certificate, I think it's putting that purchaser in a very unfavourable position, because after all the only source of information regarding that particular land as to taxes, etcetera, outside of the Land Titles Office, is the municipality itself and I think that the "shall" should still remain in the act.

With these few comments, Madam, I would certainly support this bill for second reading and hope that when it comes before committee that we'll have a full discussion on some of the questions that I've raised, and they'll either be clarified or the necessary amendments brought in.

MR. FROESE: Madam Speaker, I too rise to support the bill. I think it will clear up a number of matters. I heartily support the section which will clear up the matter as far as any doubts in exempting private schools from taxation. I would like to know though from the Minister concerned whether the municipality has to pay --or allowed to pay-- the whole cost of the retarded school such as is set up, and we could have more than one school in a given municipality. Then when we get to committee I want to question certain sections, especially section 17, which refers to section 702: That has to do with bylaws. So at this time I just want to say that I approve of the bill and will question certain sections when we get to committee.

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

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

..... Continued on next page

MADAM SPEAKER: The adjourned debate on the second reading of Bill No. 21. The Honourable the Member for Portage la Prairie.

MR. GORDON E. JOHNSTON (Portage la Prairie): Madam Speaker, I rise to make a few comments on this Bill. At the outset I will say that we on this side have for many years been long-time supporters of urban renewal and slum clearance and we are very happy to support a bill such as this. We know the price of substandard housing is paid with substandard living; but what about the economic cost? What about the cost to the community in supporting slums? An average home in Winnipeg housing one family yields between \$250.00 and \$400.00 a year in taxes to the city. The people in such a home do not normally require any special services. The cost to the city of services to the normal home is relatively low. Tax revenue from slum homes however, is usually much lower. These buildings are in poor repair, usually they're older and less valuable physically. But the city's costs in servicing slums are enormous. A huge proportion of city fire, health and police protection services are needed here. Costly inspection programs are needed continually. Welfare costs are enormous. To be blunt, slums are a luxury Manitoba taxpayers cannot afford and certainly the provincial government should give leadership in clearing slums and replacing substandard homes. While the provincial government has been somewhat slow in the past, I understand that there are one or two developments that they have assisted in, namely in Winnipeg, the Selkirk Park Development and the Burrows-Keewatin Development. Other provinces, Ontario in particular, has been taking a part with C. M. H. C. for many years in urban renewal.

I have been told by a local architect that until the first approval here the province merely provided a road block rather than assistance, therefore the passing of this Act in itself is not going to produce new housing unless the government accepts its responsibilities to initiate projects and to move them along rapidly without red tape and other delays. Also I would add that where the province is in a position to assist by giving of land if they should happen to have land, I think that this should also be done by the province. Urban renewal gives a province and municipalities an opportunity to do some long-range planning. The trend which exists in Manitoba, as elsewhere, for movement into urban centres has not been given enough consideration in the past that it deserves. The trend creates a tremendous number of new problems involving the amenities such as basic matters as provision for water, transportation, streets, sewers, power, etcetera. Unless some long-range planning is done, the province will not have the kind of environment to which its residents are entitled. Part of the trend to urbanization creates a high degree of centralization; although a certain amount of centralization is inevitable an effort should be made by proper planning to avoid excessive concentration.

In the matter to the Bill 21, there are certain specific questions that I would raise -- in Section 2 (j) dealing with the definition of a Minister, it does not stipulate which Minister will be in charge. Perhaps we should find out whether there will be a Minister in charge of housing or whether this will be one of the functions of another department presumably in Municipal Affairs.

Section 2 (r) 7 is an official community plan. Does this refer to a plan under The Town Planning Act or is it a plan for one of the municipalities, for instance of Metropolitan Winnipeg or Metro; or what does it mean exactly?

In Section 2, paragraph (o), in defining public housing it refers to providing accommodation to persons or families of low income or to other persons as the Housing Corporation under agreement with the owner designates. Who is the owner referred to? Is there any restriction other than the opinion of the Housing Corporation and the owner?

Then there are three types of housing contemplated under the Act. First is public housing; second, limited dividend housing; third is urban renewal. In each case the Housing Commission to be set up under the Act by the province exercises control over whether or not a project is to proceed. It is important, although this provincial control is necessary, that there be no delays in processing. It is also important that the Housing Commission take the responsibility to initiate projects rather than wait for municipalities to do so. Also some explanation should be obtained as to why municipalities will enter limited dividend projects instead of other organizations, or both, and in whichever may be the most desirable plan for that particular area. The formula for contributing by the province to public housing is set out in section 4(b). "The Province and the Municipality will share 25% and the Federal Government 75% of the cost." How will the 25% be divided between the province and the municipality? Section 16(b)(ii) and (iii) set out the divisions of cost between the province and the municipality. "The province will pay not more than 25%; the municipality not less than 25%." This phrasing seems overly

(MR. JOHNSTON cont'd) protective of the Provincial Treasury I suggest.

The Act also provides that any part of the capital cost which is not approved must be borne by the municipality. Why? What is the relationship between the Metro Corporation and the Area Municipalities? There seems to be an element of divided authority as far as Metro and its constituent municipalities.

Section 6, paragraph 3, provides for the method of acquiring land by a municipality in accordance with The Municipal Act or other Act of the Legislature. Does this mean expropriation or does this mean negotiation; and if so, I believe it should be spelled out more clearly.

Section 7 provides for the raising of money in compliance with any Act of the Legislature. Presumably this will require a vote of the ratepayers. Now is this desirable? For instance, in the Centennial projects, city council or a rural council has the power to levy one mill or \$1.00 per capita and surely if they are trusted with a Centennial project they can be trusted with some more power as far as fund raising for slum clearance and urban renewal.

Section 8, paragraph 3, provides that a housing authority will act as the agent for the municipality. Section 8, paragraph 4, provides that the housing authority make reports presumably to the Housing Commission. To whom will the housing authority in fact be responsible then? Under the law of principal and agent, the principal can bind the principal. What restrictions will there be on the housing authority to bind the municipality?

The Act contemplates the incorporation of a housing authority under Part 1 and the incorporation of an urban renewal authority under Part 3, as well as a limited dividend company under Part 2. There might be a proliferation of housing authorities and urban renewal authorities. Would it not be preferable for one body in the municipality to handle all three types of housing?

The qualifications of the members of the Provincial Housing Commission are set out in the Act. Presumably the Commission should be composed of people who are experienced in town planning and should include some lay people who are interested in their area, and in their subject.

Urban Renewal Area under section 2(p) is an area designated as such. This might create a problem of definition. It perhaps would be more desirable to have that spelled out in clearer terms.

Section 4(c) provides for repayment to the Province of Manitoba. Should not there be some coverage there to provide for repayment to the municipality, should not the municipality have equal treatment, under the legislation? I have other questions that I will pose at the time that this is in Committee but I thought I would give these questions now to give the Minister a chance to bring some of his answers to the Committee.

MADAM SPEAKER: Are you ready for the question?

HON. ROBERT G. SMELLIE, Q. C. (Minister of Municipal Affairs)(Birtle-Russell): Madam Speaker, I think that possibly I should say a word or two on this before the question is put. The honourable member says that he supports the Bill but then he goes on to say that the government has not been taking leadership in this matter and that at one point I believe he actually accused the government of delaying projects. I want to assure the House and the public of Manitoba that this is not the case in no case has the Province of Manitoba delayed any project of urban renewal or slum clearance or public housing where there had been a clear and well defined project proposed.

When the honourable member suggests that we have not been taking leadership in this matter, I wonder if he has stopped to consider two things: - first of all, how much leadership was shown by his party when they had the opportunity to do so in this matter, and if he can point out to me any project of slum clearance or public housing that was undertaken during their tenure of office, I'd like to know what it was.

Secondly, I would like to point out to him that this is not the case and that at the present time suggestions have been made to the City of Winnipeg that a further project of urban renewal should be considered at this time and we expect that the City of Winnipeg have accepted the proposal, in fact they have enlarged upon the proposal that the province has made and that there will be a new proposal forthcoming from them shortly.

I wonder if the honourable member has not stopped to consider what the government has already done in the matter of urban renewal in that area east of Main Street where by itself -- well I shouldn't say by itself, but with the co-operation of the City of Winnipeg and indeed many of the other area municipalities of Metropolitan Winnipeg, but with certainly the initiative of this government, undertaken the project of the Arts Centre and other related projects in that

(MR. SMELLIE cont'd) area which will be one of the largest urban renewal projects ever undertaken in the City of Winnipeg up until this time.

The honourable member suggests that long-range planning is necessary and certainly this is a matter which I have been preaching to this House since I have had the opportunity to have some responsibility for planning. The planning services branch of the Department of Municipal Affairs has been doing an excellent job in selling the idea of planning to the people of Manitoba, and at this time I can report to my honourable friend that we have more municipalities in the Province of Manitoba taking advantage of the provincial planning service than at any time before. As a matter of fact, we are now at the point where we are unable to hire staff, qualified staff, in the planning section, sufficient to handle all of the requests that we have for planning assistance and we are searching not only in this province or in this country, but around the world for people with proper qualifications to come and assist in the planning branch.

Then my honourable friend raises some particular questions. He suggests that the Act doesn't stipulate which Minister shall be the Minister responsible. The reason for this is simply that occasionally responsibilities are transferred from one department to another and if the Act specifies that a particular Minister is to be responsible, then it requires an amendment in legislation, sometimes in more than one place, to change the responsibility from one Minister to another. Surely it's simpler if in the Act the Minister is described as the Minister charged with the responsibility from time to time by the Executive Council.

When he refers to an official plan, this of course is a plan registered under The Planning Act or under The Metropolitan Winnipeg Act whichever is the case. The Act is purposely divided into three divisions: A division dealing with Public Housing which in most cases is dealing with housing which is subsidized by the partnership of three levels of government. A second section is Limited Dividend Housing which in most cases stands on its own feet but which is intended to be housing which can be provided at reasonable rentals for those people of limited incomes. And lastly, the third part of the Act deals with urban renewal, and certainly it is true that in urban renewal one may also need to find public housing to assist those people who are moved out of housing which is in a blighted condition. Surely you can't just go in with a bulldozer to remove the blighted housing without first providing some place for those people to go. I think if my honourable friend will take the time to go through the Act or to examine some of the schemes which are already in operation in this province he would understand it a little bit better.

When he asks what is the relationship between Metro and the area municipalities, certainly here there is a relationship, because Metro is charged with the responsibility for planning and land use control, but Metro has no responsibility for urban renewal and in this area there must be co-operation between the municipality concerned and Metro so that the plans made by the two levels of government can correspond.

When you come to the acquisition of property for the purposes of public housing, the Act refers of course to other Acts of this Legislature and among them would be included The Expropriation Act because in some instances it would be impossible to proceed with a scheme of public housing if this power were not granted to the municipality concerned.

Then my honourable friend asks the question, which has been raised before by the Honourable Member for St. John's, as to whether or not, because certain powers were granted to municipalities to raise funds for Centennial purposes without a ratepayer vote, this principle should not be extended to other things. But surely my honourable friend understands that with Centennial this is a one-time only operation. The amount is limited to a maximum of 8 mills on the 1963 assessment or to an annual levy for eight years of one mill during the years 1963 to 1967 inclusive. This is a different proposition than public housing or than urban renewal. When we now contemplate some of the urban renewal schemes that some would advocate, the costs involved in any one municipality could be staggering, far, far more than is contemplated for any centennial project, and surely this should be a matter with which the municipal corporation takes along the thinking of the people in the community.

And lastly he talks about the Housing Commission and suggests that this should be lay people. I haven't at my finger tips the full complement of the people who serve on the Housing Commission at the present time, but they are senior civil servants in several of the departments of the province, and they try to correlate the needs of departments such as Treasury, Welfare and Municipal Affairs; and to examine in detail the projects which are sent before us for approval from the point of view of all departments of government. I think that the role that

(MR. SMELLIE cont'd) has been given to the Housing Commission is not really one for lay people, in this instance, although certainly lay people have served to great advantage on boards which operate projects of public housing such as the Burrows-Keewatin project, or on urban renewal such as the project presently being undertaken in Lord Selkirk Park. I appreciate the fact that my honourable friend approves in principle this Bill, and we look forward to his support. I hope I have answered some of his questions and if not, that he will give me a further opportunity to answer questions for him when we are in Committee.

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

MADAM SPEAKER: The adjourned debate on the Second Reading of Bill No. 34. The Honourable the Member for Emerson.

MR. TANCHAK: Madam Speaker, this Bill bears the same number as one previous, Bill No. 34, not so long ago, The Pharmaceutical Bill. There were certain livestock and poultry groups who wanted time to study this a little further and hear the explanations that the Minister had to offer. Now, since the Minister has made the explanations these groups are convinced that the bill is both beneficial to the producer and also to the consumer. We have no objection to this Bill.

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

MADAM SPEAKER: The adjourned debate on the Second Reading of Bill No. 7. The Honourable the Member for St. George.

MR. GUTTORMSON: Madam Speaker, I adjourned the debate for the Member for Selkirk.

MADAM SPEAKER: The Honourable Member for Selkirk.

MR. HILLHOUSE: Madam, I crave the indulgence of the House and ask this matter to be allowed to stand.

MADAM SPEAKER: The adjourned debate on the Second Reading of Bill No. 35. The Honourable the Member for Lakeside.

MR. CAMPBELL: Madam Speaker, even though this is a short Bill, I think that two distinct principles are involved, and what position is a member to take when he is heartily in favour of one principle and unalterably opposed to the other? And that is the position that I am in as far as this Bill is concerned. With the first principle of extending the power to appeal, I'm completely in agreement. With the second one -- and incidently the two clauses, (2) and (3), are identical in principle although they refer to different sections, as I understand them -- I simply cannot agree, and I shall have to take the position that I did with regard to another Bill, of not opposing the Bill going to the Committee, but being prepared to argue the case there once again.

Perhaps I should -- especially after the appearance of this Bill -- perhaps I should cease my objections to this principle and say that evidently the government has decided to make use of it and not very much point in an individual or even an opposition group in opposing it. Because if the government has determined to push through legislation containing these principles then all we can do is voice our protest and let it go. But I wouldn't want this Bill to go through without that protest, because I repeat that I think it is a mistake for our Legislative Assembly to be continuing to delegate its authority on more and more occasions. I have spoken against the prevailing growth in the practice of delegating to the Lieutenant-Governor-in-Council. That is one thing. And I recognize that sometimes it's necessary. I think it should be held to the minimum -- and I was encouraged by the fact that today the Honourable the Minister of Industry and Commerce seemed to give me some credit as having a basis for that argument. I think it should be held to the strict minimum. But in the Bill that we were discussing, was it yesterday, the day before -- we had a different principle, one which I disagree with much more emphatically, of delegating powers and authority to a body other than the Lieutenant-Governor-in-Council. And in this Bill, Madam Chairman, in this Bill -- I said the other day that I thought we had struck a new high or a new low -- in this one, we at least tie the record or maybe break it again, because here, we take authority to delegate from one board to another board. Not the Lieutenant-Governor-in-Council, the legislation already did that, allowed the Lieutenant-Governor-in-Council to delegate authority again, which I think should be used sparingly, if at all. But now my honourable friend's legislation would take out the Lieutenant-Governor-in-Council and substitute another board. And here we would be, setting up one board with authority to delegate to another board. Now, Madam Speaker, to put it plainly, I think this is going too far. As a matter of fact, I think that some of these days we will find that legislation of this kind is challenged, and should be challenged. In my opinion, would be successfully challenged because

(MR. CAMPBELL cont'd)of the fact that I believe that if pressed to the ultimate conclusion that it would be properly declared unconstitutional.

MR. SCHREYER: Would the member permit a question?

MR. CAMPBELL: Yes.

MR. SCHREYER: When the member -- the honourable member refers to

MR. CAMPBELL: Thank you.

MR. SCHREYER: delegation from one board to another, specifically what two boards is he referring to?

MR. CAMPBELL: Well, one is the Marketing Board that is established under the Act and then after that Marketing Board has been established by the Lieutenant-Governor-in-Council, then that Marketing Board -- and I think that is the correct name of it -- but anyway, the senior Marketing Board, after it has been established, then it has the power -- or I should say the Lieutenant-Governor-in-Council, I believe it is, has the power to establish either Producer Boards or Marketing Commissions, either one. And after those that for the purposes of differentiation we will call junior boards as compared to the Marketing Board of the province, then when either one of those gets into operation, up to date it has been a case of the Lieutenant-Governor-in-Council, could give certain authority to these marketing producer boards or marketing commissions, including the fixing of fees. As a matter of fact, that's what this particular legislation deals with, the fixing of fees. But now, instead of it being the Lieutenant-Governor-in-Council who will delegate the authority to one of the, let us say junior boards, it's now going to be, according to the terms of this Act, transferred to the Marketing Board to delegate that authority. And I say, Madam Speaker, I really believe this is unconstitutional, because of the fact that the powers of delegation of the legislature are not as wide as the powers of delegation of the Parliament of Canada. Was my honourable friend going to ask me a question?

MR. SCHREYER: No.

MR. CAMPBELL: The place that they differ is that The British North America Act is most specific in saying that there's one place that the Legislative Assembly cannot affect, and that's the Lieutenant-Governor, and I think it could be successfully argued that when you delegate authority to people outside of the Legislative Assembly, to actually extend the law or to make law, then you are taking away from the Lieutenant-Governor the power, the right that he has to assent the bill. And I think it actually is verging on the unconstitutional. But even if it is not unconstitutional, I say it's a very bad practice and one that this Legislative Assembly should look at very carefully. As a matter of fact, I understood the Minister of Industry and Commerce to say that he agreed that the delegation of authority to the Lieutenant-Governor-in-Council should be looked at very carefully. Well surely, the delegation to another board, and then from that board to another board, is really going too far.

So, Madam Speaker, I don't suppose there's any practical advantage in opposing the Bill on second reading anyway, and the one principle I do agree with, so I would want to voice the most vigorous protest of which I am able to the second principle of this Bill, and say that once again I'll be prepared to pursue that one in the Committee stage.

MR. SCHREYER: Madam Speaker, it's very interesting to hear the Honourable Member from Lakeside talk about the perils and dangers of delegated legislative power. In fact, I would tell him something which I am sure he is well aware of in any case, and that is that this is a topic that is arresting the attention of more and more people interested in constitutional law and democratic processes in government. And what is ironic about it, is that while it's receiving more and more attention, the consensus of opinion among these people who are studying the problem does not seem to be coming down on anything specific or concrete, because of the nature of the problem of modern government and the positive state, and so on.

I would also like to hazard the opinion that the Honourable Member from Lakeside is correct when he suggests that it is unconstitutional for a board which has itself received a delegation of power, to in turn delegate it to a lesser board. -- (Interjection) -- Right. That's the Latin phrase, Madam Speaker, that was rolling around on the tip of my tongue. I was going to ask for help from the Minister of Mines who likes to use Latin phrases in this Assembly but

So Madam Speaker, in addition to what I have said I would like to make one very specific criticism of this proposed legislation and that is in addition to questioning the double delegation here, or triple delegation, I would want to ask the Minister of Agriculture why is this necessary? Why are sections 2 and 3 of Bill 35 being put before us? Is it because the present

(MR. SCHREYER cont'd) provision makes for inefficiency or cumbersomeness? Why is he asking for this power here to give to the Crown or senior marketing board the power to approve of the fee schedule? I would like to suggest to the Honourable Minister that he can't have it both ways. Last year when he introduced this Bill 76 before the Assembly he was making the point that there has been in the past too much power delegated to producer control marketing boards. We must get away from this and have more control exercised by the Crown, by the people's representatives. Well, at the time I objected to it for several reasons which really isn't much point dwelling over now; but the Minister having done this last year, why is he coming back to us now and asking for something that in effect is a bit of a reversal of what he was asking for last year? I suspect it's because the setting of fees, etcetera, will be in some ways politically embarrassing and he would rather not have to concern himself or have the Cabinet concern itself with this, so they are going to shove it off on to the Crown marketing board -- the senior marketing board as the Honourable Member for Lakeside referred to it as.

Well, Madam Speaker, I'm asking for an explanation from the Minister as to why he found this necessary at this time.

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

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

MR. SMELLIE presented Bill No. 38, an Act to amend The Metropolitan Winnipeg Act (1) for second reading.

MADAM SPEAKER presented the motion.

MR. SMELLIE: Madam Speaker, this is another one of those amending bills which has not one principle but several. There are two municipalities, Ritchot and Rosser, which have small areas of land still within the area of Metropolitan Winnipeg, at least they lie within the outer boundaries, and the Act is being amended to make it clear that these municipalities are not area municipalities within the meaning of the Act so that other provisions of the Metropolitan Winnipeg Act will not affect the other areas of those municipalities.

The Metropolitan Corporation has requested authority to guarantee the bonds of the Red River Exhibition. This was an authority previously granted by the Legislature to the City of Winnipeg in the case of Winnipeg Enterprises. It doesn't mean that the Metropolitan Corporation is going to put up money, capital moneys for the Red River Exhibition, but it does mean that they would guarantee the bonds that were put up by that organization to provide a permanent home for the exhibition.

In the present Act there is a clause which gives the council power to expend a limited sum of money in each year for purposes of entertainment of one kind or another, putting on luncheons on different occasions and this sort of thing. In the opinion of counsel for the Metropolitan Corporation, the words were very restrictive and the definition on those words is being changed now so that Council can provide such a dinner for any purpose that they believe in the interests of or to the advantage of the Corporation or its inhabitants. There's no change in the amount of money that they will be able to spend.

Also in the original Act the usual clause in such a Bill was omitted which would make it clear that although a council may change at the time of an election, the Council of the Corporation is deemed to be a continuing body and that any Acts commenced by the first council could be continued by another council subsequently elected. So this omission will be corrected.

Most of this Bill is taken up with amendments which will remove from The Metropolitan Corporation Act the mandatory provisions that provide for certain senior officers on the staff of the Metropolitan Corporation and will make it permissible for the Metropolitan Corporation Council to determine what senior staff and what directors they need and to establish the positions, give them the titles that they think appropriate for those jobs and we believe that this can lead to some economy in the operation of Metro. Recently a study was done by Plunkett & Associates on the operation of Metro and they made some recommendations as to how certain positions might be combined and in other cases where other economies could be made. This amendment is intended to give Metro the freedom to make those organizational changes they deem necessary and advisable.

Some confusion apparently arose out of the previous legislation as to which assessment was to be used for business tax and this amendment will make it clear that in the business tax levied in 1965 they will use the assessment that was in effect on the last revised assessment

(MR. SMELLIE cont'd) roll of the area municipality for the previous year. In other words the assessment roll that was revised in 1964 will be the roll used for determining the assessment by Metro on the area municipality for business tax.

There is a provision in the Act now which allows Metro to make accountable advances to certain of its services of \$100,000.00. This is used mainly for providing change for example to the operators of Transit System vehicles and they find that \$100,000 is not sufficient to have the amount of change necessary and other things that they need these accountable advances for. They have requested an increase to \$125,000 and this amendment will make this possible.

There was some variation in the provisions concerning penalties for infractions of planning schemes or zoning bylaws in The Metropolitan Winnipeg Act and in The Planning Act that dealt with the rest of the province. Metro suggested that these should be made uniform and by this amendment they will be made subject to The Planning Act for these purposes. They will be just the same as any other municipality in planning.

When Metro first took over the water supply system it was necessary to take over certain municipal mains which served temporarily the purpose of a trunk main for the Metropolitan purposes. Now that Metro has completed construction of major trunk mains they wish to return to the municipality those mains that were at one time considered to be trunk mains because they now form a part of the municipalities' distribution system and it provides that the mains will be returned to the municipality, that no compensation will be paid to the Corporation but that the municipality may become liable for the debenture payments that are still outstanding for that particular main, with the provision that if the Corporation feels that this is placing an unjust burden on the municipality, that the main actually provided something of an extra-municipal purpose when the debentures were first approved, then the Corporation may agree to assume part of the cost of those debentures. And if in any case there is no agreement between the area municipality and the Metropolitan Corporation there may be an appeal to The Municipal Board.

In general, Madam Speaker, these are the principles that are involved in this amending Bill. No doubt honourable members will have some questions to ask.

MR. DESJARDINS: Madam Speaker, I wonder if the Honourable Minister would permit a question here? I don't know if I missed this or if it was missed either conveniently or by accident, but what about Clause No. 5 that deals with the discretion as to what matters of certain expenses are in the interests of the Corporation?

MR. PAULLEY. comment Madam Speaker. I am interested in that too. I imagine this is where the Minister was making reference to such things as dinners and the likes of that with a limited amount of expenditure. I trust that this isn't an expansion of the privileges of Metro under coverage of verbiage, that if they haven't got the present authority to bypass the area municipalities say in respect of the Pan-Am Games that this might be used as a section in the Act which would give give them this permission. I suggest that we watch very closely as to whether this may be able to be interpreted by the legal fraternity on the side of Metro that gives them this opinion, or gives them this right, because as we well know, Madam Speaker, that when legal personnel get together, there can be such vastly conflicting interpretations that's placed on the legislation that we enact here that sometimes we common folk don't know what it all means until we wake up some morning and we find that figuratively speaking we've put our neck in the noose and then the lawyers just tell us well, you should have watched this more closely when you were enacting the legislation.

I'm particularly concerned, although the way the legislation reads seems to provide ample protection, particularly concerned with the last item that was covered by the Minister, namely, giving back to the area municipality jurisdictions with the accompanying bill for extensions in local services, such as water mains, that Metro has built. I'm glad to note that (Interjection) Oh I see. Then I've misinterpreted. I thought that this was mains that had been built by Metro in a municipality that were now going to be transferred to the municipality and that municipality would have to pick up the tab. Because I know insofar as my own city is concerned, of Transcona, a main was built by Metro of considerable proportions -- as a matter of fact, I was informed the other day that it might carry the municipality until the year 2025 -- and quite a cost, and that they may be saddled with the debentures for that. The Minister nods his head. I'm glad to hear him say that. So this generally, Madam Speaker, is the only comment that I have on this bill at the present time. Naturally we will be watching the details of the various sections as we get into Committee.

MR. SCHREYER: Madam Speaker, I assume that the Minister has spoken. (Interjection) The Minister has not spoken in reply? I'm sorry. In which case, Madam Speaker, I would

(MR. SCHREYER cont'd). . . . like to put to the Minister one question, and that has to do with the very first paragraph of the Bill, the first section, where reference is made to the exclusion of the municipalities of Ritchot and Rosser. I would like him to elaborate just a bit as to the significance of their exclusion and how does this relate to say for example, the municipality of East St. Paul?

MR. DESJARDINS: Madam Speaker I would move, seconded by the Honourable Member from Gladstone-Neepawa 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 Attorney-General, and the proposed amendment thereto by the Honourable the Leader of the Opposition. The Honourable the Leader of the New Democratic Party.

MR. PAULLEY: Madam Speaker, I hate to do this but I ask the indulgence of the House to have this stand but if there is any other member who wishes to speak on this, I'll be perfectly glad to yield at this time to them.

MR. ROBLIN: Madam Speaker, I take it the Leader of the Opposition does not wish to proceed with the Committee on Ways and Means, so I move, seconded by the Honourable Provincial Secretary that Madam Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MADAM SPEAKER presented the motion and after a voice vote declared the motion carried and the House resolved itself into a Committee of Supply, with the Honourable Member from Winnipeg Centre in the Chair.

COMMITTEE OF SUPPLY

MR. CHAIRMAN: Resolution No. 25.

MR. MOLGAT: Mr. Chairman, while we are on the item of Civil Defence I asked the Minister last night regarding the use of the emergency headquarters at Shilo and I was surprised to hear from the Minister that there have been no attempts during the course of the year to either test the efficiency of the new headquarters or to have any exercises involving the provincial government and that particular area. It seems to me that after all, with the investment that has been placed into this particular building and if the government is serious about its interest in Civil Defence, that the very least that should have been done is an exercise during the course of the year to find out if it can work or not. How can the government know if it will operate if it hasn't made any trials with the new headquarters and apparently has paid no attention to it at all. I realize it is too late now to cancel the construction. It's done. It's there. Well now if it is, then we should make sure that either it's operational or that if there's changes to be made, that they be made now.

HON. MAITLAND B. STEINKOPF, Q. C. (Provincial Secretary and Minister of Public Utilities)(River Heights): Mr. Chairman, there was an exercise at Shilo, but that was the year before last. During the year I attended out at Shilo and am pleased to report that it's in good shape and I think very operational and will be maintained that way. I presume that this year, that very shortly there will be an exercise at Shilo.

MR. PAULLEY: Mr. Chairman, yesterday evening on this particular appropriation, I raised the question of the expenditure, and of course Mr. Chairman, while we are only dealing with a relatively small expenditure of \$71,000 in the Estimates, we are in effect however, dealing with in excess of a third of a million dollars. I asked the Minister if he would kindly give us a breakdown of this 366 odd thousands of dollars and I thank the Minister very much for giving me a copy of the breakdown as I had requested.

It's quite interesting to take a look at this breakdown of the Estimates Mr. Chairman. However, one cannot garner from it very much by way of concrete information. According to the staff count, in our estimate, of 18 I believe it is for the ensuing year, in the Department of Emergency Measures, with the estimate that the Provincial Secretary has supplied me with -- and I am going to ask him to detail this, if he will -- and also in addition to that, to inform the committee as to the various components or parts of this breakdown. May I start at the first one Mr. Chairman? The project is called Provincial Project No. 1. Personal services, \$96,580.00. I ask my honourable friend what is meant by Provincial Project No. 1. I ask him to give me a breakdown of personal services to the amount of \$96,580.00. In connection with this project I note that there's an item No. 2 called Travel, of \$19,000.00. I likewise would like to know what travelling is done to this degree. Item No. 3 deals with equipment of

(MR. PAULLEY cont'd) \$7,100-odd, Material & Supply \$20,000; Rent, Utility Services \$13,600 and other; with a total of \$164,974 in Provincial Project No. 1.

I request my honourable friend to tell me and this committee what this is all about and a further breakdown insofar as the project is concerned. This is the major one expenditurewise, but I now would like to just refer to Project Number 8 for Metropolitan Winnipeg. Personal services of \$43,772; travel \$800; equipment \$6,800; Material & Supplies \$7,800; Rent \$8,900; Other \$4,670.00. A sum total in the Metropolitan area of \$72,843.00. It is also my understanding Mr. Chairman that in addition to the expenditures that are listed here, that Metropolitan Corporation of Winnipeg also carry within their budget a certain amount for expenditures as well, which become part of the levy on -- the Minister shakes his head and says "No". There is no -- Metro Corporation do not carry any expenditures at all?

MR. STEINKOPF: There is, but it's part of the \$366,000.00.

MR. PAULLEY: Oh, well then I have to accept, or will accept, not because I have to, but because the Minister said it. I will accept this from my honourable friend. But it does seem to me Mr. Chairman, that the information that my friend has given to us does not reveal sufficient information to indicate the worthwhileness or otherwise, of these expenditures -- and I frankly admit that last night I questioned the worthwhileness of the expenditures -- when I find personal services of \$96,500 for Provincial Project, or a sum total of \$187,300 for personal services within the Province of Manitoba, I think we are entitled to receive more information as to what this all means. I wonder if the Minister would be so kind.

. Continued on next page

MR. STEINKOPF: Mr. Chairman, I at this time can give a general statement as to what the personal services and the breakdown of these groups are, but it will take me a little time to give you the exact amounts of each one. Let me start and try and give you what, for instance, the items under this Provincial Project No. 1 is, and what is the Provincial Project -- which is the Provincial Headquarters. The word project I guess is used sort of in a military sense for all of these breakdowns here, but the project really refers to the head office, the headquarters that are here in the City of Winnipeg, and from the head office all of the organization for Metro Winnipeg and the rest of the Province are conducted.

Personal services include the co-ordinator, that's both one for Metro Winnipeg area and one for the town or the rest of Manitoba, the co-ordinator who is the chief man and a deputy, two deputies --(Interjection)-- yes, two deputies. And then in addition to that there would be what they refer to as staff officers--I haven't got the number of them-- the clerks, the stenographers, the janitors or the detail services which include communications, engineer, fire, health, police, radiological defence, rescue, wardens. Each one is a department in its own with someone in charge. And then there are instructors, some full-time instructors and some part-time instructors. There are courses as you can appreciate going on all the time in all of these branches. There is casual assistance in labour, so pretty well a general cross-section in personal services is represented, I would say, by paid personnel, and that is all.

The amount of travel includes travelling within the province. The staff is on the move all the time between the various detail in their projects, but there is an office in Portage la Prairie, one at Dauphin, and one in Brandon, and of course the main base at Shilo. This is a cost for that, for the travel within the province, and also for bringing people to courses within the province, and it provides a certain amount of funds for candidates to go to courses at Pembroke and places such as that that are on a national scale and where it's up to our province here to share the cost in sending them.

The equipment --there is quite a long list of equipment from everything to uniforms for police to training aids, furniture, equipment, rescue equipment, and oh there must be a hundred different items that we generalize on. But I could give you a breakdown of what the \$7,144 represents in detail for 1965, but generally it covers all types of equipment. You'll note the item below that, \$41,325, that's for two pieces of fire-fighting equipment, one for Minnedosa and the other for Brandon. It's a joint project and both of them costing --one I think around \$24,000 and the other about \$17,000-- two major pieces of equipment. The one under the (3) is minor.

Material and Supply: our publication of books, stationery, training supplies and repairs to ordinary accommodation, rent, utilities and services, speaks for itself. The other is general miscellaneous items.

MR. PAULLEY: Mr. Chairman, I thank the Minister for the information. It is rather sketchy however. I must say in all due respect for my honourable friend he starts out by saying that we have two co-ordinators, then we have two deputies, and we have some staff officers but apparently we haven't got the information about how many. We've got some --(Interjection) -- this is what I'm leading up to.

MR. STEINKOPF: It's quite a detailed list. Would you like to have all this?

MR. PAULLEY: Oh yes, Mr. Chairman. This is what I want. I am not going to ask for it at the moment, Mr. Minister, but I do ask this question, whether it is possible for us to receive a detailed report of the activities, the personnel, and the expenditure that we're dealing with --and it is listed here on the sheet that the Minister has so kindly provided us with. I noticed in his remarks that the Minister mentions such an item as uniform for police as part of the expenditure in equipment. I think it would be interesting to the committee, it certainly would be to me, to know what police and the extent of the number of uniforms that were purchased and come into the total expense for equipment. We have the opportunity during Public Accounts to hear of these expenditures within the normal departments of government, Mr. Chairman, but I don't think we have the same opportunity in Public Accounts Committee as we have in respect of Civil Defence.

I wonder if the Minister is in a position --I don't know whether this would require assent from Ottawa or not-- but I wonder whether he is in the position to give us a detailed accounting of the full expenditure of \$366,000 in far broader detail than we have at the present time, because while we end up with an expenditure of \$71,000 that we're dealing with in this committee, the taxpayers somewhere along the line are paying out \$366,000 and I am interested in the taxpayers, whether they are at the municipal, provincial or federal level.

MR. CHERNIACK: I have not lately had an opportunity to telephone the Metropolitan Corporation telephone number and ask them what I ought to do to assume the proper responsibility for the care of my family under certain circumstances. I recall the time when I was told to build an air raid shelter; and then I recall the time when I was told to prepare a fall-out shelter in the basement of my home, far from windows and properly equipped with water and groceries, and I think a battery radio. I don't know currently what I would be told and since this province spends more money on the Metro program than Metro spends on this program, I would be very interested in knowing what response I would get to that phone call, and just what it is that is currently being advocated as measures to be taken by the individual in the emergency measures program.

MR. STEINKOPF: Well I think if you were to call the Metropolitan Emergency Measures Organization right now and ask them what their views were on shelters, they would tell you not to be too concerned about building your own and not stocking it up with groceries and so on, and not having a battery radio; but they probably would suggest that you find out where the closest location was for you and your family insofar as a building that was large enough, that had a good solid basement, or was of a type that could look after you close to your home. Without going into too much detail, they probably would suggest that if you were that interested that you might attend one of the many lectures that they are giving all over the Metro Winnipeg area on this subject in pretty nearly every one of the schools over the course of the year. The program of course changes with the changing nature of warfare and world conditions, and I think they are kept pretty well abreast of the time. This whole program, as you know, is dictated by the Department of National Defence in Ottawa. I said yesterday that I don't presume to be an expert on military matters. All I can do is attend as many of their courses --I think they're most interesting and worthwhile keeping abreast of. But to suggest, maybe even facetiously that they were wrong in recommending a fall-out shelter in the past, I don't think is quite fair, because at that time this was the proper and the popular concept of how to look after oneself in the event of radiation fall-out.

MR. CHERNIACK: Well, Mr. Chairman, the Honourable Minister may not want to say even facetiously they were wrong, but I had occasion to say seriously that they were wrong and they didn't listen to me, so it didn't matter much. But I fully endorse the value to having a well-organized administration and the possibility to take hold of problems that arise in emergencies, but I have very grave doubts about the value of the propaganda directed to the individual house-owner or head of a family because it never did attract the attention of the individual except to the extent that it might frighten him or her without giving either of them a feeling of security.

Now to the extent that we have a good organization, and I'm sure that we have, and to the extent that these plans are kept up to date, I think that that is a feeling of reassurance and security which the citizen is entitled to and should have. But I do wonder at the advisability of spending any time or any money on this general approach to the individual's responsibility as an individual rather than as a member of the group. Not knowing just how much money is spent on that particular phase of the program I can't point a particular finger at it, but I do suggest that if even the Department of National Defence thinks it advisable, my respect does not necessarily go to the extent where I have to endorse all their program.

MR. STEINKOPF: The amount of money that was spent on the personal attitude, or personal part of it, is practically just the cost of answering the telephone call should you call. The sort of program --the national program to have householders build and finance their own fall-out shelters has certainly not proven too successful. That may be the understatement of the year, but that's what has happened.

In the past year the Federal Government has conducted a survey of all communal shelters in the Province of Alberta. They were very pleased with this and have just recently written us asking us if they may conduct the same survey here in Manitoba at no cost to the Province of Manitoba. Of course I said that the sooner they got on with the job the better it would be.

More and more the time of the Emergency Measures Organization staff is being devoted to training people for natural disasters, more of a fire, flood, hurricane, air and traffic accidents, and things of this nature. The federal policy on this facet of the Emergency Measures Organization is --I think the bulk of the emphasis is being placed on this part of it now, and this in conjunction with local police and fire and also in conjunction with the Army, the Militia, that is stationed here in the Province.

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

We have a big program. I could give you some of the highlights of it, and I don't know whether you're that interested, but I'll just read off the various headings that I have here in front of me. Emergency fire pumps --three mobile emergency fire pumps and equipment were purchased last year and placed under the control of the Provincial Fire Commissioner. These units can be conveyed by station wagon and, if necessary, taken to almost any place where there are roads in the province in quite a hurry. There's a natural disaster mobile headquarters-- a mobile one. There are seven mobile feeding units, each capable of feeding 200 simple meals per hour and they are located within the province under control of the Department of Welfare. There are municipal emergency plans, municipalities are now being instructed and assisted in the preparation of emergency plans for use in either peace time or war time disasters. A pilot course attended by staff members was just conducted in Neepawa in January and 20 municipalities were represented. Assistance by local civil defence organizations was given at St. Vital, Steinbach, St. Pierre, Morris and Altona during the year; emergency communications; first-aid home nursing training, and quite a bit of co-operation and support with the St. John Ambulance and Canadian Red Cross; fire-fighting schools; and these fire pumps I mentioned for Minnedosa and Brandon. It's quite a long and I think rather imposing list.

MR. CHERNIACK: It would seem so, Mr. Chairman, and it is an imposing list. I didn't hear very much about ambulance services being available for emergency and this is an emergency which occurs daily in this metropolitan area. I recall that there have been complaints every so often and fairly recent as to the availability of a good organized ambulance service. I'm wondering whether the mechanism provided by this organization could not be used to make sure that ambulance services are available for such as highway traffic accidents and other emergencies of that nature.

MR. STEINKOPF: It could be if it was a natural disaster of the scope that would call in the services of the Emergency Measures Organization. They have that. They have quite an inventory of stretchers and pharmaceutical deposit in the province --it runs into hundreds of thousands of dollars that would be available in the event of an emergency. That is stock that has to be looked after. That's part of the personnel that I was talking to the Honourable Member for Radisson about, and these are all parts of the program. They haven't changed materially in the past year and that's why I didn't refer to them. They are a continuing thing and these supplies must be kept up to date, checked, and this is part of the personnel. But if there was an emergency, it would be nice to have these ambulances and the stretchers and everything that goes with it and people well trained to run them and to look after them.

MR. GRAY: Mr. Chairman, speaking as a member of Inkster constituency, I feel that there's a certain amount of security for each and every one that we have this year the defence program on alert, same thing that you feel security when you see that you have sufficient oil in the furnace and not worry about what'll happen next morning when there is a frost, below zero weather. If the governments of the world would have thought about it years ago when the Fascists invaded Ethiopia and then came in the Hitlerism and then came in all the Nazism, I think that if we would have thought about it earlier, perhaps we wouldn't have all this trouble.

I think that this year in the budget of \$180 million, this budget here for --I would call it self-defence-- is worthwhile having even if nothing happens. It is security and I go to sleep at night and I feel that if there's anything wrong in this world, if there's anything wrong in this world I'll be notified and try to save my life. Don't forget it's only now the desire of one individual, whether in Soviet Russia or whether in China or whether in the United States, it's the will of one single individual to push a button and then we're all going to hell, or probably to heaven, I don't know. So I think that a criticism of this here --questions, yes -- but to criticize and make a big issue out of it in my humble opinion, and I said I'm speaking for myself, is not justified.

MR. BARKMAN: Mr. Chairman, asking a question from the Minister possibly in a little different direction, the matter of the Federal Government calling it the Civil Defence Department and the provincial the Emergency Measures Organization. I think the Act, The Civil Defence Act was passed in 1954 or so, and this seems to create quite a bit of confusion. I just had the opportunity of attending quite a few graduating classes the last couple of months and this seems to be one of the pertinent questions asked: why the difference? Possibly the act itself describes it well enough but it does seem to confuse people and I'm just wondering if it's a matter of possibly this government getting together with Ottawa, or possibly it needs a bill or an act from this Legislature. I wonder if this confusion could not be cleared up?

MR. SCHREYER: Mr. Chairman, I've sat here for nine or ten sessions now and I've never spoken about civil defence, and I think perhaps a few minutes at this time would be warranted. Insofar as Civil defence is concerned I suppose our group is a very lukewarm supporter, but insofar as it is emergency measures that we are talking about I for one, and I would think this group, is a fervent supporter of the concept of a society taking the trouble and the pains to provide a defence, if you want to call it that, a defence-capability. I think that it is a mark of a sophisticated mature society that it takes some steps to see that in the event of disaster of any kind that at least the best possible salvaging is made of the situation.

Now the Honourable Member for Lakeside said the other evening that he found this particular task, being Minister responsible for civil defence, a most frustrating one and I can see why. I think any honourable member can see why. It is because the very nature of civil defence is a conundrum. On the one hand you can never hope to cope with the holocaust that might come about --you can never hope to cope with it completely and so you're always burdened with the sense of not doing enough; and, on the other hand, to do nothing would seem to me to be an abrogation of responsibility.

One reason why I was never a supporter of the concept of civil defence in the complete sense of the term was because it seemed to me, at least in the 1950's to be something that gave comfort to the war hawks in our society, and I think we must admit that we did have and do have a few war hawks. But insofar as we are being asked here to vote monies to provide at least a minimum of an organization that will be able to provide the logistics for dealing with natural disaster, it seems to me, Mr. Chairman, beyond question that we are doing the only prudent thing possible, and after having listened to the Honourable the Provincial Secretary who is in charge, after listening to his explanations and so on, I am satisfied that we are doing the best possible in the situation.

Now as my leader pointed out yesterday, we must ever be on guard that we do not allow this particular branch of government, this amount of money appropriated, we must not allow it to become sort of institutionalized, to perpetuate it there and not have it perform the kind of function it was intended for. But I would say once again, Mr. Chairman, before I take my place, that I consider it normal in the order of things that this is a very frustrating kind of work that has to be undertaken, but because it is frustrating does not mean that we must abandon it because that would be to my way of thinking an abrogation of responsibility.

However, I want to make one point clear and that is that it seems to me, as indeed as the Honourable Member for Carillon pointed out, that perhaps it is time to define more clearly just what do we mean here by emergency measures. Are we thinking in terms of organization for dealing with natural disasters, etcetera, or are we still thinking in terms of fall-out shelters and measures that might be taken to give us a greater defence capability in the event of war, so that we are in a position to come back to the attack against some hostile --some enemy. Perhaps both, Mr. Chairman, but it seems to me in the past that civil defence has been used by the few war hawks we have had in North American society. It has been used by them to lull the people into a false sense of security, and this in my opinion was an abominable way to treat the men and women of our country and that of the country to the south.

MR. EVANS: Mr. Chairman, I move the committee rise.

MR. CHAIRMAN: Committee rise and report. Call in the Speaker. Madam Speaker, the Committee of Supply has considered a certain resolution and asks leave to sit again.

MR. COWAN: Madam Speaker, I move, seconded by the Honourable the Member for Turtle Mountain, that the report of the committee be received.

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

MADAM SPEAKER: It is now 5:30. The House will now adjourn and stand adjourned until 2:30 tomorrow afternoon.