

THE LEGISLATIVE ASSEMBLY OF MANITOBA
8:00 o'clock, Tuesday, April 18, 1967.

MR. LYON: Mr. Speaker, would you please call the adjourned debate on the third reading of Bill 56.

MR. SPEAKER: The adjourned debate on Bill 56 standing in my name. Having given consideration to the amendment put forward by the Honourable Member for Turtle Mountain in the matter of Bill 56 to do with this third reading, I would refer the honourable members to our rule 84 which reads in part as follows: 84 (2). "When the order of the day for the third reading of a Bill is read any member desiring to recommit the Bill shall move to discharge the order and to recommit the Bill; and upon such a motion being resolved in the affirmative, the member shall give notice of the instructions proposed to be given, but those instructions shall not be taken into consideration before the next sitting of the House. In the light of this the honourable member should have proceeded to move the discharge of the order for third reading and then remit the Bill. However, in dealing with the current problem, reference was made to Beauchesne, fourth edition. The honourable members in turn are referred to citation 415 (2) which states in part, "that bills may be recommitted a number of times with or without limitations." To go a point further in order to make it perfectly clear, I refer to Beauchesne's fourth edition citation 418, which states in part: "all amendments which may be moved on the second reading of a Bill may be moved on the third reading with the restriction that they cannot deal with any matter which is not contained in the Bill." It should be further recited that under the same citation in sub-paragraph 4 thereof it states "on third reading of a Bill an amendment to refer back to Committee of the Whole must not tend to change the principle approved on the second reading." I would suggest by analogy that the same principle as above stated would apply to the recommittal of a Bill to a standing committee of the House. In view of our rule 84 and the quoted authorities I must rule that the amendment proposed by the Honourable Member for Turtle Mountain is in order.

MR. SPEAKER: Are you ready for the question?

MR. MOLGAT: Mr. Speaker, if I may before the vote is taken, I thank you very much for your ruling on the matter. Sometimes these are rather difficult things to ascertain on reading Beauchesne; rather than clarifying the matter it sometimes confuses it. Our reason, Mr. Speaker, for moving this amendment at this time is that we really believe that this Bill is not as urgent as the government claims, that in fact the need for funds is not such as they claim it to be; that they are receiving substantially more sums from Ottawa than has been revealed to this House. We've asked on a number of occasions—for example in the field of education — what was really coming to Manitoba and we still do not have that exact figure. And that in fact the expenditures of the government will not be as high as they claim them to be — by virtue of the school referendum for one thing, and as they have shown in the past they frequently underestimate their revenues — at least in periods before elections — and that they do not need the money at this time. And that a further study of this Bill would in fact be in the interests of the people of Manitoba; that there are many aspects of this Bill which we do not believe will be fair. We disagree with the Bill totally but the government has obviously decided that we are going to have the Bill. If that is their decision then we want to see the Bill is with the least harmful effect on Manitoba possible; and there are many areas where the public would be assisted by further study.

I'm not going to go over all those matters again and refer for example to the field of trucking where the government has decided to levy the tax on trucks but not levy it for example on railroad equipment. A very short time ago there was a report to the Ottawa government on the whole field of transportation. This report recommended a substantial change in the whole transportation structure in Canada; the removal of some of the assistance that had previously been given to the railways in particular; to a return to free enterprise and competition as far as we can have it in the field of transportation; and now this Bill will turn around and impose a further charge on the trucking industry, which is in a sense going to go the very reverse of what the report on transportation to the Ottawa government has proposed.

This is only one example, Mr. Speaker; there are many others where I'm sure that a further study of the Bill would produce clear evidence that the long run effect of this Bill will be detrimental to the Province of Manitoba; that it will retard the development of our province; that it will slow up many of the projects which are important to the Province of Manitoba — important to its people, important to our development — and I submit that this further study would be to the full advantage of the people of the province.

MR. PAULLEY: Mr. Speaker, I appreciate very much the fact that you have given those of us who are in opposition to the sales tax in Manitoba an opportunity to say a word or two more before this Bill is passed and His Honour is asked to give his Royal Assent.

I appreciate very much the words of the Honourable Leader of the Opposition at this time, that he has come at last to the agreement that a sales tax for the Province of Manitoba will not aid in the progressive development of our province. I'm sure that he at last has come to the realization that the proposition of a three percent sales tax as suggested by his group is not a proposition that should be accepted by this assembly, and I am happy to know that now they agree with us in this Party that no sales tax should be enacted at this particular time. Because, I'm sure, Mr. Speaker, you recall that some little while ago there was a proposition from the Liberal Party in Manitoba that we should have a little less sin than that that's being imposed on Manitoba by the Conservative Government, namely a reduction from the five to the three percent sales tax in the Province of Manitoba.

But notwithstanding the change in attitude apparently of the Liberal Party in Manitoba I welcome the opportunity that has been given to us by the Honourable Member for Turtle Mountain in the amendment that he has proposed that this whole matter should be referred once again to a committee outside of the House, in this instance the Committee on Statutory Regulations and Orders, for study after the close of this session. I think that in all fairness, Mr. Speaker, that the House should accept now the stand that those of us in the New Democratic Party have taken ever since the introduction of this Bill by the Honourable Provincial Treasurer, that alternative methods of raising revenue for the Province should be considered. Also, we have suggested from this corner in the Legislature that the regulations that are a part of the Act or which will be introduced as a result of the Act, give to the government and give to the Provincial Treasurer too much power by way of definition - too much power insofar as the imposition of portions of the Sales Tax Act that could be detrimental to the well-being and the future development of the Province of Manitoba.

I realize, and I'm sure that all members of the House realize, Mr. Speaker, that there has been considerable debate on the imposition of the sales tax in the Province of Manitoba. And I'm sure that there are some in this House, and indeed I suppose that there are some outside of this House, wonder when debate is going to cease on this very vital and important matter for the Province of Manitoba. I can appreciate the fact that many of the vendors in the Province of Manitoba are concerned with the time element insofar as the imposition of this tax is concerned will affect them.

It seems to me that the government is determined that this tax will take effect on the 1st of June which is only some six weeks away from now and at that time all of the organization for the setting up of this tax will have to be gone into - all of the organization will have to be agreed upon or at least the vendors and the retailers in that time will have to set up their organization in conjunction with the organization demanded of them by the Government of Manitoba. But notwithstanding all of that, Mr. Speaker, I think that on a matter of principle that we in opposition in this House have a duty to perform, and that is to try and prevent the enactment of legislation in this our fair province which will be an imposition on the people of Manitoba.

So I say to the Honourable Member for Turtle Mountain, thank you for this additional opportunity to once again give vent to our feelings; to give us an opportunity to protest once again. As I indicated the other day on a motion proposed by the Honourable the Leader of the Opposition, which was a six months hoist, we appreciated that opportunity; we appreciate this very much. I'm sure, Mr. Speaker, that you recognize that in the normal tradition of the conduct of the Legislature of Manitoba as indeed it has been the tradition in other jurisdictions as well now that we have a three or four party system of government, we do give to the Official Opposition the first opportunity to propose such resolutions as we have before us and we are prepared to accept this. Were the tables the reverse I'm sure, as in other instances they have been in this House, we would be presenting resolutions attempting to get the government to change their ways, to reflect on the error of their ways, and therefore, Mr. Speaker, we join with the Leader of the Liberal Party and the Member from Turtle Mountain in suggesting to the government that they should take another look at this proposition.

May I deviate just one moment, Mr. Speaker, from the proposition that's before us to welcome back to this House the Honourable Deputy Speaker of this House, the Member from Arthur. Now that he is back I'm happy, as I'm sure all of the members of the House join with me in welcoming back, except what else can I say? - that this is another vote against the proposition I'm sure that has been introduced by the Honourable Member for Turtle Mountain.

MR. J. DOUGLAS WATT (Arthur): Mr. Speaker, ... -- (Interjection) --

MR. SPEAKER: Order please. Being my Deputy I'm sure the House would allow me to say how happy I am to see him back.

MR. WATT: Mr. Speaker, before the business proceeds in the House I would like to take this opportunity to thank the honourable members of the House for the very kind gestures afforded me while I was having a holiday, in the form of flowers and cards and books. Some of the books were pretty good. The message I got from the Honourable Member from Churchill here, I can't repeat in the House because it's not quite parliamentary but think he meant well. But I think, Mr. Speaker, that I should say to members of the House that in order that I might be afforded the treatment that my doctor says I should get I feel that I should just say to the House - or give the House the report that came as of several tests that I took while I was in the hospital. It seems that I have bedpan hands, so I think that with that, Mr. Speaker, I'll just say thanks again to all the members.

MR. FROESE: Mr. Speaker, I rise to make some concluding remarks, I hope, on this Bill, Bill 56, and also the amendment that we have before us which would refer it to the Committee on Statutory Regulations and Orders for further study.

We have had many people come in and make representation in connection with the liquor bill but I'm sure that if this Bill was referred to Committee that we would have many many more people appear before us and I wonder if a lot of these would not be warranted to appear before such a committee to make their views known. I intend to support the amendment that is before us because I feel that the people of Manitoba should have such an opportunity under our democratic system of making representation to the members of this House on such important legislation as we are about to pass in Bill 56.

But no doubt the opposition members will not be supporting the tax bill and I, for one, certainly have no intention of supporting it. I'm opposed to it because, as I've already mentioned so often, that our economy certainly isn't of the type at the present time that will stand the tax that we have and still be of such a nature that we can have a buoyant economy in this province. And now also that the Minister of Education has made known the grants that will be available to the multi-district divisions, which in my opinion are far, far too low, and that the least they could have done was give those divisions the same teacher grants that apply in the unitary divisions. If our government backbenchers here are going to support this tax bill on that condition, that they're satisfied with the teacher grants that these multi-district divisions will be getting now, I think they're doing the wrong thing and they should not be supporting this tax measure, because the constituents in their divisions, in their constituencies, will only be getting a very small portion of the money that they are being called on to pay through this five percent sales tax, in grants. And for this reason, if none other, they as well as we should not support this Bill but should support the amendment that is before us.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Carillon.

MR. LEONARD A. BARKMAN (Carillon): Mr. Speaker, I will be very short but I can't just stay quiet even if a lot of discussion has taken place. I don't know why not but somehow we have not been able to impress the government on certain points, and I think they're important points although we've heard them time and time again. When we think of some of the fairness that is not fair in this Bill; when you think of the double taxation that's going to take place on some of these projects, and especially when you take the role or the position of the municipalities that are now budgeting and trying to find a way of balancing their budgets, this five percent is going to play a very big role and it's going to ruin some of the programs in the water and sewer programs that have been planned during the winter and the last month. It's going to ruin a lot of the plans that many municipalities have hoped to fulfil. It's going to ruin some of our Centennial projects that have been planned, are supposed to take place during this next year. I think it's going to hurt our hospitals setup. The planning is there and although the government may pick up the excessive bills afterwards, they just aren't ready for this new five percent.

We could go on and on and talk of our transportation system; it's not ready for this five percent. Our elderly persons housing setup, so many of the additions that are supposed to take place this year. They're not ready for this five percent and I think this amendment is certainly very much in order when it asks only that it be referred to a standing committee because we can go over and over so many of the projects or hospital expansions and so many of the municipal projects and I doubt that this government has actually done their duty in alleviating or leaving out some of the projects, some of the things that should not have been involved in the five percent tax at all.

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

MR. MOLGAT: Yeas and Nays, Mr. Speaker, please.

MR. SPEAKER: Call in the members.

A STANDING VOTE was taken with the result being as follows:

YEAS: Messrs. Barkman, Campbell, Cherniack, Clement, Dawson, Desjardins, Dow, Doern, Froese, Green, Hanuschak, Harris, Hillhouse, Kawchuk, Miller, Molgat, Patrick, Pauley, Petursson, Shoemaker, Tanchak, and Uskiw.

NAYS: Messrs. Baizley, Beard, Bjornson, Carroll, Cowan, Craik, Einarson, Enns, Evans, Hamilton, Jeannotte, Johnson, Klym, Lissaman, Lyon, McGregor, McKellar, McKenzie, McLean, Masniuk, Roblin, Shewman, Spivak, Stanes, Steen, Watt, Weir, Witney, and Mesdames Forbes and Morrison.

MR. CLERK: Yeas, 22; Nays, 30.

MR. SPEAKER: I declare the motion lost.

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

MR. MOLGAT: Yeas and Nays, Mr. Speaker.

MR. SPEAKER: Call in the Members. Ring the bell please.

A STANDING VOTE was taken, the result being as follows:

YEAS: Messrs. Baizley, Beard, Bjornson, Carroll, Cowan, Craik, Einarson, Enns, Evans, Hamilton, Jeannotte, Johnson, Klym, Lissaman, Lyon, McGregor, McKellar, McKenzie, McLean, Masniuk, Roblin, Shewman, Spivak, Stanes, Steen, Watt, Weir, Witney and Mesdames Forbes and Morrison.

NAYS: Messrs. Barkman, Campbell, Cherniack, Clement, Dawson, Desjardins, Dow, Doern, Froese, Green, Hanuschak, Harris, Hillhouse, Kawchuk, Miller, Molgat, Patrick, Pauley, Petursson, Shoemaker, Tanchak and Uskiw.

MR. CLERK: Yeas, 30; Nays, 20.

MR. SPEAKER: I declare the motion carried.

MR. MOLGAT: ... time before. Were there some people who left the House?

MR. SPEAKER: The vote has been taken gentlemen; will we proceed with the ...

MR. CLERK: Yeas, 30; Nays, 22.

MR. SPEAKER: The error is regretted.

MR. MOLGAT: Mr. Speaker, maybe we ought to try again. -- (Interjection) --

MR. SPEAKER: I feel quite sure the Honourable Leader of the Opposition is content.

MR. LYON: Mr. Speaker, would you now refer to Page 20 of the Order Paper. We would like you to call first, Sir, Bill No. 96 and then thereafter Bill 89 and Bill 93 - the three public school matters.

HON. GEORGE JOHNSON (Minister of Education) (Gimli) presented Bill No. 96, The Public School Finances Board Act, for second reading.

MR. SPEAKER presented the motion.

MR. JOHNSON: Mr. Speaker, this Bill provides for the establishment of a public school finance board as outlined in the White Paper some time ago, consisting of five persons appointed by the Lieutenant-Governor-in-Council. It is provided that the Chairman shall be a person not a member of a school board nor a member of a council of a municipality, nor a teacher.

The Bill sets out the purposes and objectives of the Board as being primarily to facilitate the financing of the Foundation Program for unitary divisions and to assist boards in these divisions in the economic operation of the school system and for that purpose a Foundation Fund, as it is known, is established and described in the Act. The Bill provides specifically amongst other things that the Board shall supervise the marketing of debentures issued by the unitary divisions; that it shall continually review the operation and cost of the Foundation Program; that it shall honour all existing agreements with respect to school debentures; that it shall control the Fund to be known as we said the Foundation Fund which will be made up of the proceeds of the uniform standard levy and provincial grants; and generally it provides for the acquisition of staff and the power to make rules governing its own procedures.

As I indicated in introducing the second reading of Bill 89, under the section there dealing with the Finance Board and the regulations, I pointed out there would be amendments to Bill 89, one of them is important in that as the Bill presently reads the finance board in that bill, as written, approved the regulations, or submitted regulations with the approval of Lieutenant-Governor-in-Council. We are removing that reference to the Finance Board in that

(MR. JOHNSON cont'd.) last section of Bill 89 and making the provision as I indicated yesterday and will correct as we deal with the various sections of that Bill that the regulations shall be made by the Lieutenant-Governor-in-Council and given to the Finance Board. Also there is an appeal to the Board and both divisions can see the Board on their own volition or the Board can call to see the unitary divisions when they feel it necessary.

I might point out to the committee or to the House that after the passage of these bills of course, the regulations will have to be established. They are being written and many of them have been determined - not determined but they are ready to present as soon as the Bills are passed. It will likely be some time before the annual operating budgets can be prepared by the Finance Board on the basis of which they can make specific requisitions for the Consolidated Fund under the provisions of the Public School Act, and for this purpose the Board will have to have working capital as we pointed out on introducing the Bill in the money stage.

Also it will be a little while before the apportionments can be made between the municipalities, amongst the municipalities, for the raising of the Foundation levies and a little longer before the municipalities can impose the taxes required for them to make the necessary payments to the Finance Board from the monies raised by Foundation levies, and because of this it is essential in this Act that the Provincial Treasurer have authority to make advances to the Board so it can carry on its work until it receives these normal revenues, by payments from the Consolidated Fund based on requisitions under the Public Schools Act and from taxes raised from the municipalities by means of the Foundation levies.

This Bill is in part a companion measure of course to Bills 89 and 93. So between these three bills, 89, 93 and 96 I think we have translated into legislation the broad general policy and intent laid down in the White Paper.

MR. MOLGAT: Mr. Speaker, I wonder if I could ask a question of the Minister without exhausting my right to vote on this?

In which of these three bills is the mill rate, the structure of the nine mills on residential and 33 mills on commercial and the shift that was apparently made on apartment blocks from 33 back to nine - which one of the bills does it come in.

MR. JOHNSON: Bill 93 is the taxation - all the taxation provisions are in Bill 93. Bill 89 is a group of amendments plus the setting up of the unitary divisions. Bill 96 the School Finance Board Act and all the taxation provisions are in Bill 93.

MR. EDWARD I. DOW (Turtle Mountain): Mr. Speaker, in regard to the Public School Finance Board, has it any relationship with the divisions that did not vote into the unified program, the financing of these particular areas follow along in the method prior to the vote and the Public Finance Board is related to only the unified system?

MR. JOHNSON: That is correct.

MR. TANCHAK: Mr. Speaker, I move, seconded by the Honourable Member from Carillon that the debate be adjourned.

MR. MILLER: Mr. Speaker, if it's quite all right with the Member for Emerson, I would like to speak on this at this time.

MR. SPEAKER: . . . question, have you, or . . .

MR. MILLER: No. I would like to speak on this Bill; if it's all right with the Member for Emerson.

MR. TANCHAK: It's all right.

MR. MILLER: Mr. Speaker, I've been waiting for this Bill because I think this is the key bill to the entire new approach towards our educational financing in Manitoba and I wonder why it wasn't brought in first before Bills 89 and 93 which actually deal with matters which are based on Bill 96 and which refer to the Finance Board.

The questions I have about this deal really with the thought of why are we going to this problem of having a Finance Board? What are we going to achieve? How will it differ from what we've had before? And are we really coming up with something new or is this just simply a new way of doing the same old thing?

Now you may recollect when the White Paper was first introduced to this House we were told about a new Foundation Program, about a new approach to education and frankly were led to believe and a feeling was developed that Manitoba was facing up to its responsibilities in education. We heard a lot about the 65-35 ratios and so on and so forth. Now I'd like to refresh the memory of some of the members here on what the Minister had to say in the White Paper on this Public School Finance Board. And he said, "it will be charged with the responsibility of financing the expanded education programs, and it will be receiving and reviewing

(MR. MILLER cont'd.) budgets to determine the portions of the budget covered by the Foundation Program, and to encourage the economy of operation" - I like that phrase - "and the annual estimation of the total sums in order to meet the 35 percent." What we have facing us really is - what is predetermined is that 35 percent shall be paid for by the ratepayers - whether they be commercial or residential I won't go into at this time - 35 percent will be paid for by them initially. This is on the Foundation Program itself.

Now the Foundation Program starts off with an imaginary figure of \$95 million. And it's imaginary because I think it was pulled out of a hat. It was based on a 1966 figure of \$90 million and then an estimate of what they thought it might reach for 1967. Now we know today, we didn't know this two months ago, but we know today, that the salary increases which have been granted to teachers across Manitoba have made that \$95 million completely unrealistic and whereas the Minister in his remarks on the White Paper had thought that perhaps in the Greater Winnipeg area the special levy over and above the Foundation Program might, there might be a special levy required in Metropolitan Winnipeg is the way he put it - he didn't think it would really be of any consequence elsewhere.

Now I'm going to guess, just as he guessed, and I'm guessing, that there will be very, very few unitary divisions in Manitoba who don't have a special levy, because the \$95 million Foundation Program is an unrealistic figure. And I am concerned - and I'm going to try to limit myself to this Bill and I'll deal with 89 and 93 when we come to it - I'm concerned that this Public Finance Board is not going to help us face up to this problem, because as I look at this bill now and what is suggested here, I visualize a committee of five people, hard-nosed accountants, examining every document and every estimate sent into them by some unitary division board with the authority under the Act to refer it back to the school board if they don't like it, or feel that it's perhaps out of line, with the absolute powers to say no -- it's true that the appeal can be made to the Minister, but the Minister wouldn't be setting up a Board if he didn't feel that he wanted to use that Board as his guide - and so I am afraid, as I say, we are setting up a Board of five individuals who will be appointed by the Lieutenant-Governor-in-Council and therefore their approach will be that of protecting the government; and I am fearful that this is going to be their objective and this is going to be the reason for their being. When this was first brought up I thought, I was naive enough to think that we might finally have a board that really looked at the total problem, that they looked at the total cost of education in Manitoba, not just because the Minister said this is what we're going to spend this year, but what is the total cost in the light of the demands, the requirements - the requirements, incidentally, which the Department of Education has always stressed. The various directorates are forever urging school boards to adopt new policies, to go into new programs necessary programs. Now this board, I thought, could then view these things, look at them, and go back to the Minister of Education and say, "Now the Foundation Program just isn't realistic. We've got to come up with something that's more realistic because if we don't, and we stick with this \$95 million, we will soon be back where we were two years ago." At that time, I believe the Provincial Government felt it was covering 50 percent of the cost of education in Manitoba. Today they're saying they're going to be covering 65. In 1967, I doubt if they'll be covering 65 and if there is no drastic increase in the next fiscal year, they'll be back closer to the 50 percent than they are to the 65, because the special levies will just keep rising until they are as great almost as the initial nine mill would raise.

Now I would like to suggest to the Minister, and I can tell him now that in Law Amendments - this goes to Law Amendments I assume - I will be bringing in a motion or an amendment suggesting that the members of the board be appointed in a specific manner from a specific body, not the vague suggestion here that the Chairman shall not be - how is it put? The Chairman shall not be a member of any elected body - that is, from a school board or a council. He shall not be. But it doesn't say the other shall be, and this bothers me because I think the other people on that board should be people who are directly concerned on a day to day basis with what is going on in education now, at the very moment that they are sitting in office and that they're studying these things. And I'm going to suggest to the Minister that he bring in such an amendment and, as I say, if not, I will do so; that the four members of the board be drawn from the School Trustee Association and the Municipal Association; that the Manitoba Urban Association be asked to appoint one; the Union of Municipalities, one; and MAST, the Manitoba Association of School Trustees, two members, one rural, one urban; that these appointees be limited to sitting on this finance board to the period that they're actually serving in office in their elected position, because I would not like to see some go on it and stay

(MR. MILLER cont'd.) on almost in perpetuity and lose contact with the realities of the educational system. And I don't think it should simply be a list of names from these various organizations, but that these organizations be asked to actually name the appointees. Then and only then, Mr. Speaker, would I be satisfied and have confidence that this finance board might be a positive, a board that has a positive approach and isn't simply being created to act as a buffer between the government and the school division, because this is what we have today. We are creating a buffer, someone who will stand and in a sense protect the Minister and his department and the government generally, from the pressures of school trustees and aldermen and municipal people generally, and the taxpayer, because I can just see the Minister or the government saying, "Now the finance board says this is what it should be; this is what it is; we're not going to argue with them."

It reminds me of a number of years back when most of the suburban municipalities in Greater Winnipeg were under the old Municipal Utility Board. Some of you may recall those black days, and I recollect, too, going before a meeting of the Cabinet Council, the Member for Lakeside with a group of trustees and teachers requesting that the government use their influence to allow us to pay our teachers \$2,200.00 instead of \$1,800.00, and the reply we got was that after all this was a board, an independent board; it had been appointed to study the matters and if they saw fit to limit us to \$1,800.00 starting salary, the government was not going to intercede or was not going to do anything about it.

Now I'm afraid that this is what we're coming back to. We're coming back to a buffer. Now I don't believe that in a democratic society we need this sort of buffer. We do need a body who can study and will have enough -- because they're appointed by other than the government they will have enough interest here and enough desire and enough push to say to the government, "This is no longer adequate." But I'm not satisfied to simply let five men be appointed by the government who will then turn around and have the power to deny school boards certain things, will be able to rule on it, and perhaps more important, who will create a climate in Manitoba, or can create a climate in Manitoba that can be very injurious and it can be injurious in this way: They will determine, when a school board approaches them on a project, whether that project shall be allowed or not. In other words, they'll go to the Foundation Program and see whether indeed it's covered by the Foundation Program and they have the power to say, "Sorry, we can't recognize this." The implication when they do this is simply this, that this is an excess of a good Foundation; that "this is a frill that you're asking for and therefore we have to deny you." Now you can go to the Minister and if he wants to approve it, go ahead. And he has already said that he may approve small capital expenditures, but not large ones. So we go back again. We're back where we were up to now; the struggle that's constantly going on; the school boards trying to do a job and asking the government to recognize the realistic problem and the realistic needs of the educational system, and constantly being ignored.

Now the same thing is going to happen here, only now the government's hand is going to be strengthened; now they're going to have the public finance board do their dirty work for them; so that I think we're ending up with a watchdog board instead of a constructive board that can really help the school boards and help the educational system develop and grow. And this is my fear. -- (Interjection) -- The Member for Rhineland asks if this is what I was for. I am for a board that can function positively but I'm not for a board that might be used by the government to hide behind. As a matter of fact, the Member for Emerson the other day mentioned this and he points out what I think . . . trying to make clear. He questioned why there would be any need for any referendums or any by-laws, because read the White Paper and the implication one gets is that the day has dawned in Manitoba when all our needs are going to be met through capital grants. But the Minister is not -- he didn't correct this impression, but he's not deluding us in his bill. He's saying quite bluntly that there will be capital costs for which by-laws will have to be put before the people, because the Foundation Program, the grant structure in the Foundation Program, is not going to cover the kind of situation that developed in Greater Winnipeg, where the City of Winnipeg may want to come up with a building with gymnasium or in-service training facilities, rooms for in-service training, with decent guidance counselling facilities. These are costly buildings, I don't doubt.

Now I question whether they'll come into what is called the Foundation Program, so that we will have as we always had, I'm afraid, we'll have not a Foundation Program but a sub-basement program. Now this has always been the problem in Manitoba. In Greater Winnipeg, despite the handicaps of the grant structures, Winnipeg and the suburbs have made do by doing

(MR. MILLER cont'd.) it on their own, but by now implying that if the by-law you're requesting, or that you have to go to the public for a by-law which normally you wouldn't have to, the suggestion is that somehow you're asking for something that isn't really necessary, and I'm fearful that the school trustees of this province are going to be put in a very embarrassing and a difficult position when they have to go to their public and say, "Now we need, we have to come to you for an additional X thousand dollars because it isn't covered in the Foundation grant. It isn't covered in the Foundation grant so the Minister can't approve it, or the finance board can't approve it." Consequently, the public is going to say, "Well, is our school board asking for the moon? Are they just asking for frills for unnecessary features in their building or in their program?" And I think the Minister will be the first to admit, I'm sure he will be, that the schools that have been constructed and have exceeded the cost of the previous building grant, were not schools that he disagreed with. I'm sure he'd be the first to admit that these schools were necessary; that the larger gymnasiums are good; that the auditoriums that are put in there are good; that the in-service training rooms and the audio-visual rooms that are being built now are necessary; but will they be in the Foundation Program that he envisages? I have my doubts, and I'm concerned that the public finance board will not concern itself with this aspect of it but will simply look in dollars and cents, and if you look at Bills 89 and 93 I'm convinced that because of the timing, the reporting that they must do by February 1st, they must make a certain recommendation by March 1st and so on, that in reality the amounts would be set long before it gets into this Legislature, and when we get to Bill 93 I'll point that out. So that what we're dealing with here is the boards will be instructed by the Minister to adopt a certain attitude, and this will be the end of it. The school boards will be simply told what to do; they'll be limited in the appeals they have to the Minister, and I think in a sense the Legislature too will be by-passed, because it'll always be well, the finance board, an independent body, is going along with this.

And so I urge the Minister, if he's going to have this work, and I think it's essential that it work, because I think this House has gone on record, all of us, as supporting the unitary divisions; that if it's going to work and we're going to get education moving in Manitoba, that this public finance board be made into a constructive board, one to which the government can not only dictate, but from which the government can get guidance, and which can only be if the composition of the board is made up of people who are directly involved in education and municipal affairs on a day to day basis, and who will know what's going on within their areas, who have a direct contact with the various organizations involved and who will then reflect the needs and the thinking that is essential if Manitoba is going to move forward in this matter.

Now there are a number of items I'll take up in Law Amendments when we get there; as I say one of the amendments I'll be bringing in. There are other items that I'll question and perhaps even bring in amendments to, but these are some of the comments I wanted to make at this time.

MR. SPEAKER: I believe the Honourable Member for Emerson asked to adjourn the debate; I didn't get your seconder's name.

MR. TANCHAK: The seconder was the Member for Gladstone

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

MR. SPEAKER: Bill No. 89. The Honourable Member for Seven Oaks.

MR. MILLER: Mr. Speaker, I didn't expect I'd be also speaking on this one today, and frankly if anyone else wishes to speak at this time I would just as soon give them the floor. Otherwise I would ask to have this matter stand. I'll adjourn debate.

MR. SPEAKER: Does the Honourable Member have leave?

MR. LYON: . . . seek the co-operation of the honourable member. I realize he's only had one day but there is some urgency to move these school bills along as reasonably as possible without infringing upon the rights of members of the House. If there is any chance of him reconsidering, we would appreciate it; if not, we'll have no objection.

MR. SPEAKER: The Honourable Member would still have it stand, would he? Does anyone else wish to speak on the Bill? I take it it's agreed then.

(MR. SPEAKER cont'd)...

Bill No. 93. The Honourable Member for Emerson.

MR. JOHN P. TANCHAK (Emerson): Mr. Speaker, I'll try not to be very lengthy because I realize that trying to prolong the speeches here on these bills may create a hardship as far as some of our school districts are concerned. They're concerned about their budgets, and so on, and I think it would be in the interests of all to have these bills speedily assented to, but still I would say that it is our duty here to scrutinize them very very carefully before we agree to any of these bills.

I'm not going to touch too much on the taxation part of it or the 9 mills or the 33 mills or anything - I'll leave it to some other people, and I believe that that has been quite thoroughly discussed although there's still some concern, but I will not dwell on that. What I really want to talk about is about the reversal of the policy of this government as far as grants are concerned to multi-district divisions or to those 19 school districts who did not choose to accept the unitary school division. They voted them down and the Minister announced yesterday that he has reversed the policy, or the government has reversed its policy and that these districts will be entitled to a share, partial grant system.

Now it does not affect my constituency whatsoever. Emerson constituency is comprised of two divisions - the boundary and the Red River and a remote area. The two divisions have accepted the unitary school, the Foundation Program and the unitary school idea. Therefore, I actually have no axe to grind, but I would like to go back a few years - away back to 1959. One of my divisions at that time did choose to stay out of the secondary division. They did not accept it on the first vote, neither on the second. Eventually the division plan was accepted on the third, thanks to the present Minister who helped in that case. I have to give him credit. But I cannot thank the former Minister who did not think that the people of that area deserved to be helped, and I'll come to some of his quotations later on.

I will say at this time that to a certain extent I sympathize with the feelings of the present Minister because I have, along with my people in the boundary division experienced the hardships which go along with the withholding of grants to these school districts, and I will say that these school districts did suffer. They had a harder time to pay their teachers. It was very extremely difficult for them to get good qualified teachers because why would teachers want to go to a school district which was not in the secondary school division? They had a very difficult time. Therefore, I say, I sympathize to a certain extent with the present Minister, and I know the position he is in; I also know how he feels about all the children of Manitoba because he expressed himself why he feels that way and why he thinks these divisions should qualify - or these multi-school districts should qualify for the grants.

But - here's where I come to a "but;" - why was it that this same government and this same department but not the same Minister - I have to qualify that - under a different Minister discriminated against some divisions who were almost in a similar situation as this one, for five years at that time, and they were not being considered at all. This government discriminated against a minority at that time. This time this government is trying not to discriminate, and I say that you, the government, because it's still the same government, should not have discriminated then as you are trying to tell us that you're not going to do at the present time. And I would say that the government at that time was playing politics with education, and the government at that time was playing politics with the teaching of our children, playing politics within the educational system. In 1959 and on, until all of these divisions came in under the same umbrella, most of these divisions, all of these divisions who chose not to accept the plan, were represented by opposition members, and here is the difference. These areas were represented by opposition members. But now the shoe is on the other side; it's completely different. Most of the 19 divisions who chose to stay out of the single district concept, most of them, I say, are represented by members on the other side, by the Conservative back-benchers, and even represented by some of the Ministers. So I would venture to say that's where the difference comes. It's not only, which I'd like to -- and I believe the Minister himself when he says he's concerned about the children. But I'm talking about the government as a whole on that.

Between 1959 and 1965 I had absolutely no support when I got up here, by resolution, when I demanded and I asked, and the Honourable Member from Rhineland says "hear, hear" because I had help from him, and I'll have to say that the party to my left supported my stand. It was the opposition, the government who did not support the stand at that time. I had to speak to deaf ears because we were a minority group and we were all in the opposition, or represented

(MR. TANCHAK cont'd)....by members of the opposition. And I can quote some of the quotations that I have been given from the opposite side, quote the Premier at that time, and I can bring facts - I have this Hansard here. And the Premier at that time said, "The people of your constituency did not have the presence of mind or the understanding to accept this plan that we had, so now they can stay as they are as far as I am concerned." And the Minister of Education at that time, what did he say? "As far as I am concerned they can remain the way they are indefinitely." That's the attitude that I got at that time.

HON. STEWART E. McLEAN Q.C.(Provincial Secretary): On a point of privilege, I think the Honourable Member for Emerson would like to withdraw that statement. He knows very well that no such statement was ever made by me at any time.

MR. TANCHAK: That statement has been made by the former Minister of Education, maybe not the exact words, but until they decide to accept the division they can stay the way they are. That was the statement. You would not budge with the grants.

MR. McLEAN: Now Mr. Speaker, I think, in fairness, the Honourable member would not wish to attribute statements which he knows very well were never made.

MR. TANCHAK: Mr. Speaker, I could produce Hansard to that effect and those are the words that I got and the Minister can tell me himself, did he agree with me to give me those grants? No. Not until they accepted the plan. That was his answer. He never agreed at that time to what I had said.

But what is the government doing at the present time? The government now is acting on its own. There hasn't been too much pressure. True, there is a resolution from our side here asking that these people receive fair treatment, but that resolution hasn't been discussed. The government is not...and I'm not scolding the government for doing this. I said in the beginning that I sympathize with the Honourable Minister as far as his feelings are concerned and so on, but I say what is right now should have been right before in there. And we should not have considered where there's political expedience then, and we should not have considered political expedience now.

I'll just read a quotation from Hansard, and the Minister - I have it right before me - the present Minister, and I agree with him. Here is what he has to say: "Why the reversal of policy? The education of the children in these areas is of course a matter of concern to the government. It is a matter of education," and I agree with him. But I would ask the members across who did not support me in the past, what about the education of the children at that time? Wasn't it a matter of concern of the present government? It is the same government. So there is a reversal of policy, and that's what I say, that it is politically expedient to do so now and it may be right to do so now, but it's more political expedience and that's why the government is doing it.

And I'll read another one here: "Nevertheless there is concern that the current standard of education in those areas could be adversely affected." The present Minister says that. Didn't that apply in 1959; 1960, '61, '62, '65? Evidently the former Minister was not concerned about the standards of education at that time, and he was not concerned about the education of the children in certain areas at that time. The present Minister is concerned and I give him credit for that at that time, but evidently at that time he was not concerned. The government is acting on its own now, without any pressure. Not only is there no pressure but the government has been given advice, has been advised by groups, by the Teachers Society and so on, through the media, that these people should not qualify. The government or these divisions should not -- the government is acting on its own, and still I haven't said that the government was wrong in this case but I definitely say that the government was wrong in the five years when they withheld the grants from the people that I represent and from the people that the Honourable Member from Rhineland represented, and for awhile from the people that the Honourable Member for Carillon represented. They never received the grants.

The government is now accepting its responsibility to the taxpayer in this case and I say that this logic, if it is true now, it should be retroactive. The Ministers themselves and the government, from the Department of Education, the staff from the Department of Education, have speeches in the last referendum, not in the March 10th but two years ago, in my division. Went out there and told my people, "You people are losing \$100,000 a year by staying out of this secondary school division;" \$100,000 a year, and that was repeated practically at every meeting...

MR. SPEAKER: ...please. I wonder if the honourable gentleman is keeping within the meaning of Bill 93 in his present trend of debate. I don't wish to interfere but I hope he will.

MR. TANCHAK: I'm just comparing the two incidents. I'm still on the grants, talking about the grants, and I'm trying to compare...

MR. SPEAKER: I do notice that he's continually referring to what happened in 1959 and I wonder if that has got anything to do with today's discussion.

MR. TANCHAK: Mr. Speaker, I'll try to show you the relation in the next sentence or two, what I'm coming to.

At that time that's what was told the people, that they lost \$100,000 a year for five years. It amounts to \$500,000. Then, I'll say, in order to repair the damage and in order to follow this logic, reversal of the policy, this government owes my division a half a million dollars. Make this generosity retroactive. You owe Boundary Division a half a million dollars.

Now having said that - I had to say it because I feel that we were unjustly treated in those five years -- having said that and having also said that we went through this experience, we had experienced this hardship, I am not going to be a dog in the manger because I realize, as the Minister said, that we have to go ahead. We're concerned about the children in these areas. The government is concerned. I am concerned too and I am also concerned about the current standards of education in these areas that did not vote for it. Therefore, although my feeling is hurt, I'll not be a dog in the manger and I'll support this because I believe that we have no right to withhold grants from people which are rightfully theirs. They're all paying taxes. We did back in 1959 - 1960, and the government at that time did not do an honest job. The government of that time was discriminating. Now, as I said, for reasons mentioned, the government does not wish to discriminate, and I am not attacking the present Minister. I give him full credit for what he's doing and I agree with him that this is the right things to do.

MR. SPEAKER: Are you ready for the question?

MR. SHOEMAKER: Mr. Speaker, I wonder when the Honourable the Minister closes the debate on this Bill if he would make some comment about the vocational schools that are planned for the province. Now I'm not going to go into this whole subject matter again of the ten promised vocational schools, but I will say this, that every school budget in rural Manitoba will be affected, and the grants accordingly, by the establishment of the ten vocational schools because my honourable friend has said that with the construction of the ten promised vocational schools that it could siphon off forty percent of the high school population. I'm quoting him - using his figures and not mine. Therefore, therefore the budget could be affected and so on, and just recently, Mr. Speaker, I notice on page --(Interjection)--Pardon? My honourable friend the Attorney-General is going to fine me for reading papers. Well, this one is an ad that is put out by the Province of Manitoba, full page ad, April 8th issue of the Financial Post. True, there's not much reading on it but a lot of pictures, and my honourable friend the Member for Lakeside used it yesterday in his speech on the sales tax bill, but he did not mention this: and it's the one entitled "Manitoba Industrial Breakthrough". "Breakthrough in Skills", this one is entitled. "\$18 million already invested in existing technical schools; another \$32 million planned for the next five years." I hope that statement is correct. It must be, because it was authorized by the Minister of Industry and Commerce, announcing a five year program and the spending of \$32 million of the taxpayers' money on technical and vocational schools.

Now, I think that we are entitled to know where they are going to be and the extent to which every budget, every school budget in the rural areas of Manitoba will be affected when they propose to implement the program that is enunciated in the current issue of the Financial Post. So I hope that my honourable friend will make some comment on these technical schools. Everyone's in favour of them; my honourable friend is in favour of them. But let's find out where they're going to be and the extent to which they will affect the grants and the budgets.

MR. SPEAKER: Are you ready for the question?

MR. MILLER: Mr. Speaker.

MR. SPEAKER: The Honourable Member for Seven Oaks.

MR. MILLER: Thank you. Mr. Speaker, in Bill 93, this is the Bill we're ...yes, Bill 93 is the one we're dealing with here. Some of the points I raised earlier this evening come clear in dealing with this particular bill. I was referring to the powers of the Finance Board and the fact that I felt there was a danger that they were being used to arbitrarily establish things. Now in looking at this bill there are a number of dates established in the bill when certain things shall be done. On February 1st the unitary division shall submit its detailed estimates of their expenses, and March 1st the Finance Board shall determine the balance assessment, and so on. Now we come to this situation. Where March 15th - this is the date established in the Act, the statute, that on March 15th the Finance Board shall notify the Minister

(MR. MILLER cont'd).....the monies required for that year from the Consolidated Fund -- and remember the money required from the Consolidated Fund reflects the Foundation Program, the 65 percent of the \$95 million. Now I ask the question: if March 15th this House is still in Session and we have not yet passed the estimates, how can the Finance Board tell the government how much is required to fulfil its two thirds, or 65 percent? Obviously they're making an arbitrary decision. They must have some idea because the Minister may have told them, but certainly it wasn't through any action on the part of this Legislature and there's no way that this Legislature can stop it because it's established in the statute. "It shall be March 15th." And on the same March 15th the Finance Board will then also notify each municipality, each foundation municipality, the amount required from it for former residential property and the other assessments. In other words, the municipalities will also be notified that they are required to raise so much as their 35 percent towards the Foundation Program. March 15th. How does the Finance Board know how much this Legislature is going to approve? Maybe we're going to approve another \$10 million. We're still debating it. Although I'm new to this House, if memory serves me correctly this House has never risen before March 15th, and my experience has been that school boards and municipal councils have sat around twiddling their thumbs for weeks and months sometimes, waiting for this House to get through with their deliberations so they can strike a mill rate. So that if the statute calls for the Finance Board to make these rulings, or rather to make these pronouncements, and announce to the school boards, "This is what you're going to get," say to the municipalities, "This is what you are going to tax for," and say to the province, "This is your contribution," obviously they are either working on an old figure or they're privy to information which is not going to be known to this House. I suggest this is wrong in principle and it strengthens my fear that the Finance Board is simply a front and a buffer, something that I think would be dangerous in the extreme. Now this is not in this Bill and I would throw this out at the Minister and ask that he give this some consideration.

The problems annually before this House, the questions that are asked every year, and before every, as I say, council and school board, the problem of striking a municipal budget and sending out the tax bills on time. These problems are compounded because the House meets sometimes in February or January but doesn't get through its deliberations until April, or in this case we'll be lucky if we're out of here in May. And I predict - I have an awful fear - I predict that these Sessions are going to get longer and longer every year as the business of the government becomes more and more complex. So that I'm wondering whether the Minister would consider, or has he ever given it any thought, to try to get around this bind that apparently seizes us every winter, the bind of the councils not being able to send out tax bills or strike their mill rates, or the school boards not knowing how to finalize their budgets they don't know what the final figure is of what they're going to be getting from the government, and I'm wondering if the government has ever given consideration to changing the fiscal year for the school divisions from the present January 1st to, let us say, August 1st. For the schools this would be a natural. The present fiscal year is really an unnatural one in the sense that the school term runs from September to June, and to simply start the fiscal year January to December creates -- it's an artificial year as far as the school divisions are concerned, and I don't think it would mean that much to the municipal councils because I don't think it matters to them at all when the fiscal year starts or ends, but it will make a big difference this way, that once this House is through debating the estimates and they're through arguing the estimates, and the government has or has not increased its estimates, and the municipalities know where they stand, and we haven't got the problem constantly of members standing up here and saying, "Do you know you're holding up somebody's budget? Can we get going on it?" - it seems to me there will be an awful lot of aggravation annually that could be avoided if the municipal and school budgets were on another fiscal year than that of the province. By the end of May certainly all the information which these bodies wait for will be known; they can be evaluated; the impact of new regulations or new changes in the Act could be assessed, could be properly thought out; and the present situation where many school boards sit and cool their heels literally in the negotiations with teachers because they know that the Session is on and they might as well wait another two, three, four weeks and perhaps they'll know how much more money they're getting, they'll know how to settle with the teachers. I think this tends to create greater problems in negotiations than the matter merits, and I think, too, the teachers being human, very often drag their feet as well, knowing that perhaps an increase in grants is forthcoming. And there too, I'm not criticizing them. I would do the same

(MR. MILLER cont'd)...thing in their position. So you have an annual chaos almost; this has been going on since I've become aware of these matters, that's the last 12 years, that every winter the whole situation, the financial situation with the municipalities and school boards goes into a state of ferment, and everybody waits for the word from on high - that's this place - for something to come out. It's, as I say, it's not good planning. It creates problems which the municipalities and school boards could overcome and could do away with if another fiscal year were decided on. Now I realize this is not something that can be done this year and I realize that this is something that has to be studied, but I think it's something that the government should look at very closely and perhaps we could overcome, as I say, some of the many problems that the school trustees and the aldermen face annually.

Now there are a number of matters, and these are matters of detail really, which I would like to bring up in Law Amendments when we go through it section by section, but I would like the Minister to answer how the Public Finance Board is going to notify the school divisions of how much money they're going to be required to raise, and how they are going to notify the municipalities how much they're going to have to raise from their taxes, and how the same board is going to tell the government, or advise the government, how much the Consolidated Fund shall pay if this House is still in session March 15th, which I think it would be and has been every year for the last 10 years.

MR. GILDAS MOLGAT (Leader of the Opposition)(Ste. Rose): Mr. Speaker, I beg to move, seconded by the Honourable the Member from Gladstone, that the debate be adjourned.

MR. SPEAKER presented the motion.

MR. MOLGAT: Mr. Speaker, if anyone wishes to speak I have no objection whatever.

MR. SPEAKER: Are you ready for the question?

MR. CLEMENT: Mr. Speaker, I rise rather reluctantly to speak on this Bill No. 93. It is one that has caused me and the people of rural Manitoba a great deal of concern ever since the election of March 10th, one in where 19 out of the 33 divisions voted against it. I must say that I do thank the Minister of Education for the sort of help he has given to these 19 divisions. I would suggest that it is not large and I would suggest that it was only through certain political embarrassments that probably we got it. This may or may not be. However, on March 10th, 19 out of 33 divisions voted against it, and once again I'm very very reluctant to start quoting the Free Press because sometimes I apparently get mixed up, but it says here how they voted: "The black voted against the referendum, shaded voted for the referendum, and the white - no vote is necessary." Mr. Speaker, I ask you - and you can see this from where you're sitting - two-thirds of the populated area of Manitoba is black, and if you take in the white area, three-quarters of Manitoba didn't have an opportunity - the other quarter didn't have the opportunity to vote. Three-quarters of the populated area of Manitoba had no choice; they did not agree to this referendum and they voted against it or they didn't have the option to vote.

Now I suggest once again this is the question of the larger populated areas, Greater Winnipeg, Brandon, Portage la Prairie, Dauphin, where the people are consolidated into small centres, small areas, where they had -- there wasn't any reason for them to vote against this, because they were getting the schools, they were getting the teachers and they were getting the pupils. But this is democracy, it's supposed to be democracy, and I maintain that it was fantastically unfair to discriminate against the taxpayers and the voters. I suggest, Mr. Speaker, that voting against this, voting against their democratic right and the way people feel has caused them to be discriminated against; and I suggest, Mr. Speaker, that this government will live to repent the day that -- they probably won't have to repent quite so badly, because \$300 and \$400 for secondary teachers is a help, but when it comes down to the final point, the building of schools, the taxpayers will still have to pay 25% of it, transportation of pupils, the hiring of specialist teachers. In the town of Russell alone the elementary school board presented their budget to the Town Council, of which I am a member, and normally it's been going up from 2 to \$500 a year. This year, Mr. Speaker, it went up \$6,000 and speaking to the Superintendent of the School Division today, he says they're \$6,000 too low. I can't understand it he said, Mr. Speaker, this in itself will put the mill rate up in the town of Russell between 15 and 20 mills along with the school division when their budget comes in.

MR. SPEAKER: Order please. I'm just wondering whether the honourable gentleman is using this Bill to make the speech he had intended to make on this resolution.

MR. CLEMENT: I suggest, Mr. Speaker, that I have a right to do so.

MR. SPEAKER: You are taking, you are using this Bill to make the speech you intended to make this afternoon?

MR. CLEMENT: Some of the points are much the same. I didn't have this this afternoon and I think that this is - I think I'm with my rights and if I'm wrong, I'll sit down. It bothers me tremendously when I get reported wrongly in the press and I'm darned if I want to get in wrong with you so I'll sit down.

MR. SPEAKER: No, no, no - order please. That wasn't my intention at all. I just wanted to assure myself that that was what you were doing, that was all.

MR. MOLGAT: Well, Mr. Speaker, if I may on a point of order. I understand that the resolution that my colleague had introduced was ruled out of order this afternoon because this bill rules it out. Well then surely if this bill rules out his resolution, he is entitled to say everything that he wanted to say on the resolution on this bill. I might point out that the Minister himself when speaking on the bill on Page 2636 of Hansard, did refer to the assistance given to the divisions who voted no, so I would assume that any debate on that matter would be relevant on the bill.

MR. SPEAKER: I see no reason why the Honourable Member for Birtle-Russell can't continue. I never suggested that he shouldn't continue. I simply asked him a question.

MR. CLEMENT: Well, Mr. Speaker, thank you very much. Whenever I intend to make a speech in the future, I assure you they are going to be few and far between, I'll give you a draft so you can follow me.

Mr. Speaker, -- and to the press yes. Mr. Speaker, I have pointed out that in the town of Russell the mill rate is going to go up tremendously, the mill rate in the municipalities that voted against this are going to get the shock of their life when it comes through, and as I said before, I thank the Minister of Education for some little help in this regard and I also neglected to point out that the taxpayers will still get 50 percent of their tax rebate back again. Now I think in the town of Russell this alone will amount to - perhaps I have it and perhaps I haven't - it doesn't matter - it amounted to something like \$40,000, and I have no way of knowing but I guess that the amount would be equally as much when the 50 percent school rebate is returned. This is without a doubt a considerable help and this year I am sure that we will get by, we are not exactly hard up in Birtle-Russell but we don't like to pay any more than we have to. We like to be able to vote the way we think we should. Otherwise, Mr. Speaker, I suggest I wouldn't have been here today. The people of Birtle-Russell --(Interjection)--Mr. Attorney-General - let's just carry this after the next election and see when you're sitting where I'm sitting and I'm sitting where you're sitting, where we sit in this particular point of view.

Anyway, Mr. Speaker, I do not intend to carry on with this. I think that the government are the people to blame. We as members of this Legislature support it, the single school division, and if the government had not been in such a hurry to put this through, if they'd have taken their time, as well they may wish they'd taken a little more time with a sales tax, perhaps people would have accepted these things in the light in which they were meant to.

I simply want to say in conclusion that I do thank the Minister for the little help he has given. He's giving us 300 instead of 700, but every little bit helps. The school tax rebate, 50 percent, is a contribution, and without any further to do I do want to say that I think the government has acted too hastily. I think that we should have given this a little more consideration and I'm sure, Mr. Speaker, the government will live to see the day when they wished they had not been in such a hurry. Thank you.

MR. SPEAKER: Are there any others who wish to speak before I put the motion?

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

MR. LYON: Would you be good enough now, Sir, to call Bill No. 78, and then Bill 102 after that.

MR. SPEAKER: Second reading, Bill No. 78. The Honourable the Minister of Urban Development and Municipal Affairs.

HON. THELMA FORBES (Minister of Urban Development and Municipal Affairs)(Cypress) presented Bill No. 78, the Manitoba Housing and Renewal Corporation Act for second reading.

MR. SPEAKER presented the motion.

MRS. FORBES: Mr. Speaker, the proposed bill is divided into five parts. Part I of the Bill provides for the establishment of a housing and renewal corporation to be composed of not less than three and not more than nine persons appointed by the Lieutenant-Governor-in-Council. All the property acquired under the provisions of The Public Housing and Urban Renewal Act will be vested in this new housing and renewal corporation and the corporation will be empowered to acquire real and personal property in addition to that which is transferred to it under this Act. The corporation will also be empowered to acquire land, develop or redevelop the land so acquired, to subdivide the land and service it with municipal services and erect

(MRS. FORBES cont'd)...thereon any buildings or structures that the corporation deems necessary for its purposes.

The corporation will also be authorized with the approval of the Lieutenant-Governor-in-Council to borrow money for temporary purposes in such amounts as may be authorized by the Legislature and it may issue notes, bonds, debentures and other securities to secure the money borrowed. The securities of the corporation may be guaranteed as to principal, interest and premium, if any, in a manner approved by the government, and the corporation will be granted all powers, rights, functions, of a housing authority, a housing and renewal authority, and a limited dividend company.

The second part of this Act deals with public housing. Under this part the corporation will be empowered to acquire and develop land for a housing project, to construct public housing for rent or sale and to construct hostel or dormitory type housing accommodation for sale or rent. It may acquire, improve and rehabilitate existing buildings and convert them to public housing as single family units or of the hostel or dormitory type. With the approval of the Lieutenant-Governor-in-Council the corporation may enter into agreements with the Government of Manitoba, the Government of Canada, Central Mortgage and Housing and a municipality or a housing authority in order to carry out housing projects. The corporation may also lend money to any municipality or housing authority to acquire and service land and erect public housing thereon but the amount of the loan shall not exceed 10 percent of the cost of the acquisition and servicing of the land and erection of the buildings thereon. The remaining 90 percent may be borrowed from CMHC under The National Housing Act. As in the previous Act there is a provision in this Act for the incorporation of housing authorities at the request of municipalities.

Part III of the Act deals with limited dividends and the provisions under this part are basically the same as those provisions under the existing Public Housing and Urban Renewal Act.

Part IV of the Act deals with renewals and under this part the corporation is empowered, with the approval of the Lieutenant-Governor-in-Council, to enter into agreements with the Government of Manitoba, the Government of Canada, Central Mortgage and Housing, a municipality or housing authority, respecting renewal schemes and renewals projects. Now when an agreement is entered into in respect of the preparation of a renewal scheme in respect of a designated renewal area the Act prohibits the issuance of any permit for construction, reconstruction, addition to or repair of any building in a renewal area except to allow such repairs as are necessary to maintain standards of health and safety as required by the law for a period of one year after the date on which the agreement becomes fully executed.

There's a further provision for an extension of the period in which such building may be prohibited by a written order of the Minister at the request of the municipality in which the urban renewal scheme is being prepared. Now the Minister may extend the period beyond one year for such further time as the Minister deems necessary for the preparation and consideration of the urban renewal scheme. Mr. Speaker, in committee I intend to move an amendment here which would limit this extension of time beyond the one year. The Minister may also exclude any portion of an urban renewal area from such prohibition of construction, either generally or for such purposes as may be specified in the Order; and also the Minister may terminate, prior to the expiration of one year, or any further extension of that time, the prohibition against construction in any renewal area with respect to which the scheme is being prepared. During the period of one year and any extension approved by the Minister, no person having any interest or having an interest or estate in property has any claim for damage for injurious affection or loss arising out of the prohibition against construction for that period. The prohibition provided is applicable to all municipalities engaged in the preparation of an urban renewal scheme including all area municipalities as defined in the Metropolitan Winnipeg Act.

Where a municipality proposes to undertake an urban renewal project in a renewal area to implement a renewal scheme, the corporation may, with the approval of the Lieutenant-Governor-in-Council, enter into an agreement with the Government of Manitoba or the Government of Canada or CMHC, a municipality or a housing and renewal authority respecting the acquisition and clearance of land in slums and blighted areas and for the rebuilding of those areas for appropriate uses in accordance with an official plan, or for the rehabilitation of deteriorating areas not yet in need of redevelopment or for both of these purposes and they may share the cost of such projects in the manner set out in the agreement.

(MRS. FORBES cont'd)...

As in the public housing in the Urban Renewal Act there is provision for the incorporation of a housing and renewal authority where the incorporation of such an authority is requested by the municipality.

Part V of the Act provides for the Government of Manitoba or the corporation with the approval of the Lieutenant-Governor-in-Council to enter into an agreement with the Government of Canada, Central Mortgage and Housing, or municipality or housing authority, a housing or urban renewal authority or any one of them, respecting any matter under The National Housing Act where a municipality desires to enter into an agreement for any purpose in respect of which the province or the corporation does not make a contribution. The Act also provides for the Lieutenant-Governor-in-Council to make regulations respecting the report and returns to be made by the housing authority or the housing and renewal authorities or both; for prescribing the method of procedure by which such a housing authority, a housing and renewal authority or a municipality may apply for assistance under the Act; for prescribing the type of land that may be acquired or acquired and cleared and for prescribing the manner or the number of housing units for which commitments may be given in any project; for prescribing the type of housing units to be constructed and for prescribing the maximum cost or the schedule of maximum cost of the items that may be included in the approved capital costs of the project or the acquisition and clearance of the land. The Housing and Renewal Corporation Act is designed to provide more flexibility and enable the province to make a broader range of programs available to the municipalities and at the same time to permit the province to move independently in those areas where the lack of municipal government is hampering a much needed program of public housing.

In this short review of the proposed Act at second reading I hope I have outlined the main principle of the Act and I hope that the Honourable Members in the Assembly will permit it to go to Committee where we may examine it clause by clause.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I beg to move, seconded by the Honourable Member for Turtle Mountain that debate be adjourned.

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

HON. CHARLES H. WITNEY (Minister of Health)(Flin Flon) presented Bill No. 102, An Act to amend The Health Services Act for second reading.

MR. SPEAKER presented the motion.

MR. WITNEY: Mr. Speaker, in the Health Services Act at the present time there are a number of units that can be set up such as hospital districts, hospital areas, medical nursing units and nursing stations. In this amending act we are taking away the ability for hospital districts and municipalities to set up nursing stations and we are permitting them instead, hospital districts and municipalities, to set up medical service units which in effect will be doctors' clinics and doctors' offices in the same manner that they would be able to set up a hospital district or a medical nursing unit. The medical service units are being in the Act declared as not being hospitals for purposes of the Act, which mean that they will not benefit from grants from the Hospital Services and Diagnostic Insurance Act of the Federal Government and of the Provincial Government.

The Bill also provides a section whereby the interest rate in a scheme or a supplementary scheme of a hospital district may be altered if it is found to be unrealistic at the time that the hospital board issues the debentures, and the board may alter the interest rate but only with the approval of the Minister and the municipal board. The reason we're doing it is because at the time the debentures are issued the interest rate may be higher or have changed under the present market conditions and when the scheme or the supplementary scheme was first voted upon by the participating municipalities.

The Bill also provides for a more equitable and practical method of reapportioning existing capital debts of a hospital district when new territory is added to the district. Under the existing provisions where territory is added to a district the existing debt must be reapportioned to include the new territory and this reapportionment must be based on the same rate on equalized assessed value which was the basis of the original apportionment. We have found in some cases that it has been virtually impossible to determine what that original apportionment was and so when new territory is added the apportioning of the debt can be done by the amendments in this Bill on the basis of the current equalized assessment.

MR. SPEAKER: Are you ready for the question?

MR. SHOEMAKER: Mr. Speaker, in light of the time and the hour, I move, seconded by the Honourable Member for Birtle-Russell that debate be adjourned.

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

MR. LYON: Would you call Bill 105, please, Mr. Speaker.

MR. SPEAKER: Bill 105, The Honourable the Provincial Secretary.

MR. McLEAN presented Bill No. 105, An Act to amend The Civil Service Superannuation Act, for second reading.

MR. SPEAKER presented the motion.

MR. McLEAN: Mr. Speaker, there are three principles involved in this Bill, three changes which have come about as a result of the actuarial assessment of the Superannuation Fund indicating that there were funds available which could be used to improve the Superannuation Act and Superannuation Fund, and following some meetings held by representatives of the department and myself with representatives of the various employee groups who are concerned and participate in the Superannuation Fund.

The three proposals are first, that on the death of an employee who because he was over 60 years of age and had more than 15 years of employment could have retired before his death and selected an annuity which would be payable to a beneficiary, shall be deemed under those circumstances to have retired and to have selected an annuity; and it will be immediately observed that this provision is one which is of benefit to the widow, to the wife of an employee. This is one of the provisions that was asked by the employees concerned and which is part of this Bill.

The second provision is for the payment of an actuarially reduced pension at age 55 where the employee has more than 15 years of employment. At the present time that provision is available at age 60 and what this proposal does is to reduce the age at which it may be paid down to 55. Now the actuarial reduction continues down further - that is it is a greater reduction at age 55 than it is at age 60, and goes down by steps that are agreed to and part of the plan. This was another proposal that was asked for and which is part of this Bill.

The third principle is the provision for compulsory retirement at age 65 rather than 65-1/2 which is the present arrangement, to come into effect on January 1, 1970 which is the date upon which a person 65 years of age and over will be eligible for the Canada Pension Plan payments and the Old Age Security. And here again this was requested and is approved and part of this Bill in accordance with the request received.

All of these provisions can be supported financially. The actuary has reported to us and met with us in these meetings and they all can be supported from an actuarial point of view from the Fund as it presently stands and I recommend these changes to the House.

MR. SPEAKER: Are you ready for the question?

MR. HILLHOUSE: Mr. Speaker, I wish to move, seconded by the Honourable Member for Lakeside, that debate be adjourned.

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

MR. LYON: Mr. Speaker, I beg to move, seconded by the Honourable Provincial Treasurer that the House do now adjourn.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House adjourned until 2:30 o'clock Wednesday afternoon.