

## THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Wednesday, April 19, 1967

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions

Reading and Receiving Petitions

Presenting Reports by Standing and Special Committees

Notices of Motion

Introduction of Bills

HON. HARRY J. ENNS (Minister of Agriculture and Conservation)(Rockwood-Iberville) introduced Bill No. 117, an Act to amend The Natural Products Marketing Act.

MR. SPEAKER: I'd like to introduce the students to the members of the House. We have 25 students of Grade 5 standing on my right in the galleries from the Central School. These students are under the direction of Miss Young. This school is located in the constituency of the Honourable the Leader of the New Democratic Party. On behalf of the Honourable Members of the Legislative Assembly, I welcome you all here today.

MR. SPEAKER: Orders of the Day. The Honourable the Minister of Industry and Commerce.

HON. SIDNEY SPIVAK, Q. C. (Minister of Industry and Commerce)(River Heights): Mr. Speaker, before the Orders of the Day and with the leave of the House, I would like to make a statement - comments - and a few remarks in connection with the statement made before the Joint Committee of the Senate and the House of Commons yesterday by the Honourable Federal Minister of Manpower and Immigration. I have a copy of the statement that was made yesterday and this copy will be delivered to all the members.

This deals with proposed changes by the Minister of Manpower and Immigration in connection with the immigration procedures and criteria of selection. There were five main recommendations made by the Province of Manitoba and presented to the Joint Committee of the Senate and the House of Commons in January of this year. These five recommendations, and I would like to read them, for the benefit of the House, have been incorporated in the new selection policy proposed by the Minister of Manpower and Immigration and are directly in line and consistent with the representations made by the province.

The first recommendation proposed by the province was: A national immigration policy is not sufficiently flexible to meet the needs of each region and province and that programs should be specifically designed to help overcome regional disparities. This recommendation has been adopted.

Recommendation (2) - Critical labour shortages cannot be met because of existing immigration rules. Procedures should be established immediately which will permit prompt immigration action to overcome existing and future persistent labour shortage. This recommendation, we believe, has already also been adopted in these proposals by the Federal Minister.

Recommendation (3) - Proposed immigration policy will hamper frontier development. Special programs should be created to help encourage frontier development, and while there is no specific mention made of special programs, it would appear that it would be inherent in the new criteria of selection that there will be reference made to help encourage area development and this would include frontier development.

Recommendation (4) - Planning should examine special needs of particular industries and areas. Federal-provincial liaison on manpower and immigration problems should be continued and strengthened. Action should be initiated immediately on a detailed industry by industry analysis of long-term provincial as well as regional manpower needs, and again inherent in the criteria that are now to be established would be a recognition of this proposal.

And the fifth - and which we consider one of the basic recommendations of the Province Manitoba - Rigid admission standards based primarily on education are unrealistic and do not meet the needs of the economy. They are discriminatory rather than expansionistic. Education and skill admission standards should be revised to take account of the immigrant's aptitude and potential. I'm very happy to report, Mr. Speaker, that this proposal of the Province of Manitoba, along with others who have proposed the same recommendation before the Committee, would appear to have been adopted in the new criteria of selection which will give particular reference to aptitude, ability to adjust, and intelligence.

At this time, Mr. Speaker, in closing my few remarks, I would like to pay a particular

(MR. SPIVAK, cont'd) . . . . tribute to the Federal Minister of Manpower and Immigration for the foresight and leadership in changing the policy as a result of the representations that have been made by various groups before the joint sub-committee and for the wisdom and leadership he has now shown.

HON. DUFF ROBLIN (Premier)(Wolseley): Is the honourable gentleman wishing to pursue that topic? Because I have another one.

MR. GILDAS MOLGAT (Leader of the Opposition): I just want to say a very few words, Mr. Speaker, and thank the Minister for his statement. We do not have yet the Federal statement so we're not in a position to debate the matter. I am very happy to see that they have moved along on this line and that we have an enlightened Federal Government who is prepared to listen to the recommendations of provincial governments who have obviously some special points of view at times, and I think that this is a notable event, Mr. Speaker.

I would hope however, and while I agreed with the representations, these representations made by the Minister insofar as immigration, that this will in no way lessen the efforts of the Province of Manitoba in the retraining of our own people, because while a year ago we were discussing in this House, for example, the question of Bissett and the problems of that gold mine, one of the recommendations that I made at that time in the form of a resolution was that we ask the Federal Government to amend their immigration rules to allow us to bring in people with less than Grade 12, that we nevertheless had a responsibility here in the province with many of our unskilled and untrained to make sure that they were incorporated into our working force. It seems to me, particularly in the area of some of our Indian population and some of our Metis population, that we have a good deal of work to do yet to be able to incorporate them in the types of work that are today available. It is not that they don't have other training, but very frequently not the type of training for the jobs that we presently have open to us, and this is I think strictly true in the mining industry. We have to recognize that they are not always adapted to that type of work, and the life and the way in which they have been living are not always prepared to go in full time on underground work and it will be necessary to have special training and possibly periods where they would work in the mines and then go back to other occupations. But I think it's essential that we make a start in this direction.

So, much as I welcome the changes, I would hope that this will in no way lessen our own efforts at training and retraining and making our people adaptable to the type of jobs that we have available in the Province of Manitoba, and making sure that the people that we have here have every opportunity for gainful employment.

MR. ROBLIN: Mr. Speaker, I think I should not leave any misapprehension in the minds of the House that we are only making a start along the lines suggested by my honourable friend who has just spoken, because surely it is a matter of common record that there are anyway 2,000 people in the preliminary upgrading programs that are being run at very considerable expense in the province, and that there are countless programs and courses for training and retraining that are being pursued actively in the province. And while from time to time there is a little bunch - up in the number of entrants so that we cannot take everyone in on the exact date on which they wish to come, there is nevertheless a very substantial, and I believe reasonably successful, effort being made along these very lines and it has been the case for some time.

MR. SPEAKER: The Honourable Member for Kildonan.

MR. PETER FOX (Kildonan): Thank you, Mr. Speaker. I too would like to commend the Minister for making the statement on immigration, and since we have this Department of the Industry and Commerce, I wonder if the Minister could give us any definite statement on policy, whether we are also urging people to immigrate from other provinces or are we only interested in overseas people?

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, I, too, welcome the Minister's statement and thank him for making it. I think we could adopt some of the points that they have recommended to the Federal Government here in this Province of Manitoba ourselves. I think the last one in particular, where I think we could do a great deal to encourage the taking of, and acquiring of skills and so forth with a lower qualification. I don't think we need the higher qualification and this is exactly why the Minister wants the immigration of these people that have skills and so on, and I think we should adopt that point ourselves.

MR. ROBLIN: Mr. Speaker, I refer to Votes and Proceedings No. 65, Page 10, and in the very first line with reference to the withdrawal of a motion by the Honourable Member for Churchill the first words are "by leave." I believe this is a misprint because no leave is required

(MR. ROBLIN, cont'd) . . . . at that stage for the withdrawal of a motion as it has not in fact been moved, so perhaps you could have that point noted in the next Votes and Proceedings lest inadvertently we establish any rules of precedents.

MR. FROESE: What was the number?

MR. SPEAKER: I wonder if I might take a moment and acquaint the honourable members with a little procedure that they have seen changed today, and that is that Mr. Charles Tanner, one of the members of the protective staff, is taking over the duties of the Sergeant-at-Arms, Frank Skinner, who is leaving tomorrow for a trip abroad, so Mr. Tanner is carrying on that duty in the absence of Mr. Skinner. Thank you.

HON. GURNEY EVANS (Provincial Treasurer): Mr. Speaker, I table a Return to an Order of the House No. 63, and a Return to an Order of the House No. 22.

HON. MR. STERLING LYON Q. C. (Attorney-General): Mr. Speaker, some time ago the Honourable Member for Elmwood brought to our attention the question of a blocked railroad crossing in his constituency, or in his general area, and I would like to report to the House and to him upon the matters that have taken place since that complaint was made to us which we undertook to investigate.

Investigate was undertaken by the City of Winnipeg Police Department. Upon receipt of that investigation, the information which was contained therein was forwarded to the Board of Transport Commissioners of Canada who have jurisdiction in these matters of violations or prosecutions for the blockages of railroad level crossings. The information did indicate that the crossing had been blocked for a considerable period. Further information was that the crossing had been blocked because there were two trains reaching the same point at approximately the same time and they were apparently unable to clear the tracks due to limited visibility on account of heavy snow falling and blowing.

We brought these facts to the attention of the Board of Transport Commissioners. They reviewed the facts and reported back to us that in their discretion no prosecution should be taken. I repeat again that their fiat is required in order to initiate a prosecution. They also advised us, however, that if anyone else wished to prosecute that they would consider the question of granting a fiat.

I gave this matter again to the law officers of the Crown as to whether or not this should be pursued by the Attorney-General's Department, and the advice that I have received on the basis of the evidence and the report of the Board of Transport Commissioners is that the Crown should not pursue this matter any further.

MR. RUSSELL DOERN (Elmwood): Mr. Speaker, I would like to thank the Honourable Minister for that report, but I would like to ask him a question or so. Did he determine whether or not his department was the department which should initiate prosecutions and enforcement of The Railway Act? Do I understand that the Attorney-General's Department is the agency that would do the enforcing of the Act or is this not so?

MR. LYON: As I mentioned, Mr. Speaker, this is a matter under the jurisdiction of the Board of Transport Commissioners. They have under their statute the power to issue a fiat as to whether or not any prosecution shall be taken. Enforcement or a complaint can be made by any citizen or by any person at all, but the control of the prosecution lies in the hands of the Board of Transport Commissioners.

MR. DOERN: A supplementary question. Do I understand that the reasoning of the rejection was that this was a visual matter, that the railway trains operate on a basis of vision rather than communication?

MR. SPEAKER: The Honourable Member for Kildonan.

MR. FOX: Thank you, Mr. Speaker. I wonder if the Minister of Industry and Commerce would answer my question in respect to immigration from other provinces, whether there's a definite policy on this or just for overseas.

MR. SPIVAK: Mr. Speaker, our immigration policy is directed to overseas. However, in terms of job opportunities and job positions, the Canada Manpower has been set up on a regional basis, and in the event there is an opportunity for employment here in Manitoba, request is made in Manitoba. If not available in Manitoba, then Canada Manpower through its offices attempts to try and find whether that position can be filled by someone else elsewhere in Canada.

MR. FOX: Thank you for that, but my specific point is what is Manitoba doing to get people to come here, not the Federal Manpower program.

MR. SPIVAK: Mr. Speaker, we're using the Canada Manpower office.

MR. NELSON SHOEMAKER (Gladstone): Mr. Speaker, before the Orders of the Day are called, I would like to direct a question to my honourable friend the Minister of Highways and my honourable friend the Minister of Soil and Water Conservation. This morning's press points out a very serious situation that the Town of Gladstone finds itself in at the present time, and that is that the cemetery out there is completely inundated now, and if there is a funeral this afternoon or tomorrow afternoon, I suppose they will certainly have to postpone it because the cemetery is completely under water. I wonder if my honourable friend has taken any measures at all to alleviate the entire flooding problem that Gladstone finds itself faced with at the moment.

HON. WALTER WEIR (Minister of Highways)(Minnedosa): Mr. Speaker, the latest information I have is that the cemetery has been flooded and that there has been some damage done, but the situation has been considerably relieved, the water has reduced somewhat - well quite a bit today - and it's thought that the situation is in hand. There has been some damage, although it might be said I think that the damage hasn't been nearly as great as was done two years ago when we faced a much more difficult situation in the area, and it's hopeful that it's in hand now.

MR. SHOEMAKER: Mr. Speaker, a subsequent question and I want to thank my honourable friend for his comments, but I know that he's quite aware that the whole problem of flooding arises from the fact that there is no provision made on Highway No. 34 to get the water across or under the highway. I wonder if he might take into consideration the advisability of doing something to prevent a further occurrence next year.

And No. 2, is the department prepared to pay any small damage that there might be to the cemetery property as a result of the flooding since it is a No. 3 or 4 drain?

MR. WEIR: Mr. Speaker, in answer to question No. 1, we certainly take these considerations annually in programming. No. 2, I'm not aware of any compensation; that's something that could be considered when the extent of the damage is known.

MR. MOLGAT: Mr. Speaker, I'd like to address a question to the Minister of Industry and Commerce. Dealing with the matter of immigration, could the Minister inform the House as to what is the status of the population growth in the Province of Manitoba? Last year by this time we had the Manitoba Economic Consultative Board Report which indicated that we had an outflow of population - out migration. Could he indicate what the latest figures are for the province?

MR. SPIVAK: Mr. Speaker, I do not have those figures. I do have the figures on immigration but not the figures on population.

MR. FROESE: Mr. Speaker, I'd like to direct a question to the First Minister or the House Leader. Do the proposed increases of indemnity to the Leader of the Official Opposition and the Leader of the New Democratic Party require any change in legislation?

MR. ROBLIN: Mr. Speaker, that matter may be considered during the debate on the Bill.

MR. MOLGAT: I'd like to ask a subsequent question of the Minister of Industry and Commerce. The Economic Consultative Board presumably do keep figures of the out-flow of population and the inflow from other provinces because they certainly had them included last year in their annual report. These, it would seem to me, would be important figures for the province to have, and particularly for the Minister to have in his dealings with economic development in the province, and certainly when he's dealing with matters of immigration. Does he have those figures available and would he obtain them for the House from the Economic Consultative Board?

MR. SPIVAK: Mr. Speaker, I do not have those figures and I assume that they will be contained in the Manitoba Economic Consultative Board's report. The figures that I am concerned with are the immigration figures and this is the figure that was maintained in my office.

MR. MOLGAT: Mr. Speaker, I'd like to ask a question of the Minister of Industry and Commerce. The advertisement which appeared in the Financial Post on April 8th has, amongst other items, photograph of transmission lines and it says, "Breakthrough in Power - \$1 Billion Will Harness the Mighty Nelson River. One of Canada's most significant hydro projects, it will increase Manitoba's present electrical strength six times over". Now the matter that was laid before the House to date has been merely one phase of the Nelson development, and that is the Kettle Rapids. The \$1 billion project is the overall development of the Nelson. Is this advertisement an indication that the government has made a decision to proceed with the overall development of the Nelson?

MR. ROBLIN: I think it is not such an indication, Mr. Speaker, but it indicates the fact that we already have placed before the House on a number of occasions that we do visualize the complete exploitation of the Nelson River which will give us the amount of power that has been quoted in that advertisement. However, it will be appreciated that we do one phase of this project at a time and we are now engaged on phase 1.

MR. MOLGAT: Mr. Speaker, a subsequent question then. The ad then is not correct in its indication that the \$1 billion is going to proceed to be spent at this stage.

MR. ROBLIN: No, I wouldn't say that, Mr. Speaker. I think it is a very good indication of what is entirely probable.

MR. SHOEMAKER: Mr. Speaker, on the same subject matter - that is in regards to the ad that my Honourable Leader has just referred to - I referred yesterday to the schools that...

MR. SPEAKER: I wonder if we're not getting a little repetitious with that page. To my knowledge, it's been quoted some four or five times.

MR. SHOEMAKER: I will put a direct question right now to the Minister of Industry and Commerce. Can I expect a reply to the letter that I wrote to you on Thursday or Friday last?

MR. SPIVAK: Mr. Speaker, the answer is yes, the reply is being sent today.

MR. MOLGAT: Mr. Speaker, I'd like to address a question to the Minister of Agriculture. The Minister has moved for first reading today a Bill, an Act to amend The Natural Product Marketing Act. Would the Minister advise the House whether or not there is any possibility of getting the report on the Vegetable Marketing Board in time so that we can discuss this along with the Act?

MR. ROBLIN: Mr. Speaker, we are doing our best to see that these two matters may be considered together.

MR. MOLGAT: Mr. Speaker, I'd like to address a question to the Attorney-General. Has his department yet reported on any decision to launch an appeal against the decision of Magistrate Gyles with regard to The Natural Product Marketing Act.

MR. LYON: I imagine all of those matters will be reported upon when the Bill is before the House for second reading.

#### ORDERS OF THE DAY

MR. SPEAKER: Order for Return. The Honourable Member for Gladstone.

MR. SHOEMAKER: Mr. Speaker, I beg to move, seconded by the Honourable Member for Birtle Russell, that an Order of the House do issue for a Return showing, for each year since the beginning of the program, the following:

- (1) The number of cheques issued for School Tax Rebates for an amount less than \$10.00.
- (2) The number less than \$5.00.
- (3) The number less than \$2.00.

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

HON. OBIE BAIZLEY (Minister of Labour) (Osborne): Mr. Speaker, I beg to move, seconded by the Minister of Industry and Commerce, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee of the Whole to consider Bills standing in my name and in the name of the Honourable Member from Winnipeg Centre and the Honourable Member from Dufferin.

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

#### COMMITTEE OF THE WHOLE HOUSE

MR. CHAIRMAN: (Bill No. 6 was read section by section and passed.) Bill No. 29 --

MR. RUSSELL PAULLEY (Leader of the New Democratic Party) (Radisson): Mr. Chairman, I wonder if I may, before you consider the clause by clause adoption of Bill 29, make a comment or two, because I think this is a very important matter and it is a matter that I think hasn't received the consideration that it should have, particularly in respect of one or two of the clauses that are not being reported from the committee, and the one that I do have in mind is the section to do with fire alarm systems and the like.

I appreciate very much the fact, Mr. Chairman, that there were representations before the committee suggesting the deletion of the clauses dealing with fire protection, but it seemed to me that the committee justifiably deleted these clauses in the absence of any proper information

(MR. PAULLEY, cont'd) . . . . as to the type of installations or type of fire alarm devices or fire detection devices and also the costs thereof. And those sections, because of the absence of full information in respect of fire detection devices at the local level, that is the level of the City of Winnipeg Council, a majority of the members of the committee voted in favour of the deletion.

Now I think there is a responsibility on the Honourable the Minister of Labour, and possibly along with him the Honourable the Minister of Municipal Affairs, to take note of the representations that were made at the committee in respect of this very important matter and give us in this committee assurance that before we meet again that a thorough investigation will be made into two points.

I suggest one of the points - and this might be in the field of the Honourable the Minister of Municipal Affairs - again rests as to whether or not a municipal council that is concerned with the safety of individuals and property within the boundaries should have to come to this Legislature in respect of specific items such as fire protection of their inhabitants to have us give our opinions as to whether or not they should have the authority to enact by-laws. I think this is one aspect of the question and I respectfully suggest to the Minister of Municipal Affairs that she take this under advisement. We have of course as you know, Mr. Chairman, for a long time in this House considered whether or not the City of Winnipeg, our capital city, should in effect have home rule, so I say this is one aspect.

The other aspect of the matter, there seemed to be confusion on the Council of the City of Winnipeg as to whether or not there may be or may not be suitable fire-detection devices that should be used in dwellings of three storeys or more that are used other than for single family dwellings. I think there is an onus on the Honourable the Minister of Labour, who is charged also with the responsibility of fire protection and fire investigation in the Province of Manitoba, I suggest that there is an onus on my honourable friend in the interim to have a thorough investigation through the Fire Commissioner's Department to see whether or not fire-detecting apparatuses or devices - or whatever they are called - are suitable for the purposes for which the City of Winnipeg Council requested the legislation for the City of Winnipeg.

I think also, Mr. Chairman, if I may go even beyond the fact of Bill 29, this only being applicable to the City of Winnipeg, I think now that the matter has been raised by the Council of the City of Winnipeg, there is a further onus on the Minister of Labour and his department to see whether or not because of other municipalities being concerned, or should be concerned with fire protection, as to whether or not there should be some legislation applicable to the whole of the Province of Manitoba in the field of fire protection.

So I'll appreciate, Mr. Chairman, that we are not dealing specifically. I had thought at one stage that we might undertake or consider a referral motion back to the committee for reconsideration of these clauses, but I think that if I can have the assurance, as far as I am personally concerned, if I can have the assurances of the Minister of Municipal Affairs and the Minister of Labour in respect of this matter, such a motion will not be necessary at this time.

MR. BAIZLEY: Mr. Chairman, I am sure the Honourable Leader of the New Democratic Party and members of the committee will be pleased to know that the Fire Commissioner's office have been aware of this problem and they are making the necessary inquiries. I would hope to have information to lay before the committee at a later date.

HON. THELMA FORBES (Minister of Urban Development and Municipal Affairs)(Cypress): We certainly have had discussions concerning fire protection and this has brought it to light more so with the discussions we had in the committee. We certainly shall be continuing these and hopefully we will come up with something that will be in the best interests of all the people, not only of Winnipeg but all Manitobans.

MR. PAULLEY: Mr. Chairman, may I then say that I appreciate very much the remarks of the two Honourable Ministers who have just spoken, and let us all pray that in the interim there will be no loss of life as the result of fire in the meantime.

MR. CHAIRMAN: (Bill No. 29 was read section by section and passed.) Bill No. 33 --

MR. EDWARD I. DOW (Turtle Mountain): I rise on this Bill, Mr. Chairman, not in opposition to it, but in my opinion to show some of the weaknesses that have arisen in regards to a town having to come to this Legislature for special water rates. It would look to me - the Bill doesn't mention it, but I would have to assume that somewhere along the line either the Water Area Board is making a reduction to the Town of Winkler in regards to the water or else the town is subsidizing and that's their own business - but I wish to point out to this Chamber that

(MR. DOW, cont'd) . . . . if there is no power in The Water Area Board for reduction of commercial rates and we have to depend on the towns that are with the Water Area Board having to come to the Legislature for special legislation to establish rates of water for any of the wet industries that may want to establish, we could withhold the development of this industry for quite some time. I think somewhere along the line this Bill points out the fact that a look at the contracts of the Water Area Board should be taken a look at, to give certain powers to develop industries in these communities.

MR. MOLGAT: The Minister who is in charge of the Water Board could in fact inform the House at this point what is the situation in this regard, because I think my colleague has pointed out a very real problem here. In this particular case the Town of Winkler is dealing with an industry that is established and they are coming back to the House here to ask the House to give them permission to reduce the rates, but if the situation were otherwise, that it was for example for a proposed industry for a particular town - we have had the case very recently of one industry, the distillery that is going into Gimli - well let us assume that such an industry were interested in some other or two or three locations in Manitoba - and we know for example that some few years ago there was a distillery interested in the town of Minnedosa, and I mention this only to illustrate the problem that would arise by using these particular cases - let us say then that there was such an industry dealing with, say, three different towns, interested in locating in one of them and that the water and the rates of water were a major factor in the location, and say one of these towns was under the Water Board and the other two were independent and could settle their own rates. Well if it is so that the town must come back to this House to have the approval for change of rates, then quite obviously the one town under the Water Board would be in a virtually impossible position insofar as negotiating with the industry at hand.

Now I can't guarantee that this is the rule, but when I see such a Bill by the Town of Winkler asking us simply to make an exemption on special water rates for an existing industry, then I wonder what is the status. If it is so that they must come back to us for any such variation, then I think, Mr. Chairman, that we must look at this time at the entire Act and see if we can't find a better means of providing these towns with some independence on settling for themselves what they wish to have as their rate. Quite obviously, if it meant that there would be a different rate charged by the Water Board to the town, then this is another question because there it would be the funds of the province involved, but if it is merely a local decision, that they are going to subsidize themselves, then it seems to me that the safeguard then would be sufficient to say that they should refer this to the Public Utility Board or some body that sits all year round and not have to wait a full year until the House is in session to proceed with any changes.

So I would hope, Mr. Chairman, that we might hear now from the Minister responsible for the Water Board as to exactly what the status is. It is possible that the member who moved the resolution is in a position to give us further advice, or the Member for Rhineland who represents a part of this town, but it seems to me that on the face of it this Bill shows the need for a different procedure.

MR. CHAIRMAN: Section 1—

MR. FROESE: Mr. Chairman, before you proceed with the Bill, I would like to make a few comments. I spoke on second reading on this Bill and I asked for certain information and comments from the Minister concerned. He did not reply at all at that time and he is not in the House today either, so I think this is rather a bad occasion to have this Bill considered when he is not around. I think this is a very important matter and I question whether this is such a good Bill for the industry and for the town itself.

First of all, once this is passed by law and goes into the statutes, that cannot be changed unless they come back to the Legislature for a change, and this will prohibit the town from making any subsidies in addition to what is presently contained in this Bill. Then also we find that it is the people of the town, the ratepayers and the residents of the town that will have to make up for the reduction in water rates in this Bill, and I feel that this difference should be taken up by the Water Supply Board and not the residents of the town. So that I feel there is a lot to be desired in this Bill and that in my opinion the Bill could be improved immensely.

The last time I spoke on it, I did not bring into consideration the table on the last page, the schedule of rates. Apparently if a total of 16 million gallons or more are used, the average would come down to 33.35 cents per thousand, but this is still twice as high as the neighboring

(MR. FROESE, cont'd) . . . . town of Morden- what that industry has to pay there - and it's almost three times as much as the industry in Portage is paying. I feel that our rural industries should be able to go to different locations and be on a competitive basis. I think this is an area where we certainly could do a lot in helping industries in rural Manitoba, and I feel that the Minister responsible should at least do justice and give us some reply.

MR. LYON: In the absence of the Minister of Highways who has the Water Supply Board under Water Control and Conservation, and because of the interest of other departments, perhaps I might be allowed to say that this matter is receiving consideration as raised by the Leader of the Opposition and mentioned by the Member for Rhineland. It is under consideration. I can give no further information at the present time though.

MR. MOLGAT: Mr. Chairman, I wonder if I might ask some specific questions on this Bill. Is there any intention of reducing the rate that is charged by the Water Supply Board to the town of Winkler under this, or will the town of Winkler keep on paying the same rate to the Water Supply Board - No. 1. No. 2. If the town of Winkler is going to keep on paying the same price, then how does the town of Winkler propose to make up the difference between the price they will receive here, which is a reduction, and the price that they were receiving previously, because as I recall the establishment of rates under the Water Supply Board, they are established so as to return to the town involved the necessary monies to pay off the Water Supply Board over a period of years, and quite obviously if you in the course of this reduce the amount of revenue to the town by reducing the price of water, then either it has to be made up out of general funds or through a special levy or some such means. What is the proposal here?

MR. WILLIAM HOMER HAMILTON (Dufferin): Well, Mr. Chairman, the town of Winkler have decided among themselves - the council - the rates, and the deficit will be made up by the residents of the town. They are anxious to keep this industry in their town. The Water Supply Board have not changed their rates. They supply the water to the town of Carman and to all towns at a certain specified sum repayable over a period of years, and they are not making any concessions to the people. These people are willing to pay the deficit themselves out of their own revenue and they are perfectly in agreement with putting up this money to retain the industry in the town.

But I must say that I do agree with the Leader of the Opposition and the Member from Rhineland that this plan should be revised, because water, in my estimation, is going to be as important in the future as electricity and telephones.

MR. MOLGAT: Mr. Chairman, I thank the member for his explanation. I presume then that there has been a local vote taken in Winkler, that this has the approval of everyone in the area.

MR. HAMILTON: No, there has been no local vote but it was the unanimous opinion of the town people, and if a referendum was held yesterday I'm sure that it would go 100 percent in favour of the present Bill.

MR. MOLGAT: I wonder then if the Attorney-General could inform the House whether it is the intention to bring anything forward at this Session to relieve the towns and villages involved from any necessity of coming back to the House for approval. I would think that the Minister of Industry and Commerce in particular would be the one vitally concerned in this matter because it would be directly tied to any regional development and any industrial development outside of the City of Winnipeg.

MR. LYON: There is nothing that I am aware of this Session. The matter, so far as I know, is receiving consideration.

MR. CHAIRMAN: (Bill No. 33 was read section by section and passed.) Committee rise. Call in the Speaker.

Mr. Speaker, the Committee has adopted Bills Nos. 6, 29 and 33 without amendments and asks leave to sit again .

#### IN SESSION

MR. JAMES COWAN, Q. C. (Winnipeg Centre): Mr. Speaker, I move, seconded by the Honourable Member for Pembina, that the Report of the Committee be received.

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

BILLS NOS. 6, 29 and 33 were each read a third time and passed.

DEPUTY SERGEANT-AT-ARMS: His Honour the Lieutenant-Governor.

MR. SPEAKER: May it please Your Honour, the Legislative Assembly, at its present Session, passed several Bills, which, in the name of the Assembly, I beg to present to Your



(MR. SPEAKER, cont'd) . . . . Honour and to which Bills I respectfully request Your Honour's assent.

MR. DEPUTY CLERK:

Bill No. 6 - An Act to amend The Workmen's Compensation Act.

Bill No. 29 - An Act to amend The Winnipeg Charter, 1956 (1).

Bill No. 33 - An Act respecting the Sale of Water in and by the Town of Winkler to Co-op Prairie Cannors Ltd. of The Town of Winkler.

Bill No. 56 - An Act to provide for the imposition of a Tax on Purchasers of Tangible Personal Property and Certain Services.

Bill No. 69 - An Act to amend The Tobacco Tax Act.

Bill No. 82 - An Act to amend The Motive Fuel Tax Act.

Bill No. 83 - An Act to amend The Gasoline Tax Act.

Bill No. 94 - An Act to amend The Revenue Tax Act, 1964.

MR. CLERK: In Her Majesty's name, His Honour the Administrator of the Government of the Province of Manitoba doth assent to these Bills.

MR. LYON: Mr. Speaker, we have now come to second readings of Bills, and I wonder if I might ask you to call the following Bills before we revert to the regular order of the Order Paper: Bill No. 89, Bill No. 93, and Bill No. 96.

MR. SPEAKER: Adjourned debates on second readings of Bills. Bill No. 89. The Honourable Member for Seven Oaks.

MR. SAUL MILLER (Seven Oaks): Mr. Speaker, on Bill No. 89 we have the final of three Bills which pretty well presents to us the picture of what we may expect in the way of the administration of our school system. This particular Bill, although it has a number of items in there, I will confine myself to Part 23 which is dealing with the unitary divisions and the grant structures and the grants payable to them by authority of the Minister and the Public Finance Board.

Now the Board, as we know now, has been given extensive powers. They can determine pretty well what they will recognize and what they won't recognize, and they have as their yardstick the Bill and the Act which we have before us, but unfortunately, like many other Bills, too much is left to regulation. An example of that is that the Finance Board has the power to define "capital purposes" for the purpose of construing this part of the Act and the regulations thereto. Now that's a pretty wide term, "capital purposes", and I'm wondering why it couldn't be spelled out what we're really dealing with. I think that members of this House should know and school boards certainly should know what they have to contend with, not on an ad hoc basis but so that they can plan ahead to know that what they're planning is going to be acceptable and is recognized by the Finance Board and the Department of Education.

In the grant structure, for example, they refer to transportation of pupils and construction of schools or other improvements, but no mention is made for example of the capital costs which will be required for buses. Those divisions or unitary divisions that are now being formed will no doubt have to go into a fairly extensive program of acquiring buses, new buses. There is no mention in here of how they are to be treated. Will they be treated as a capital expenditure which will be paid for in that year? Will they be treated as a capital expenditure that has to be amortized, and if so, will the government approve them? If it's a matter of something that the government and Finance Board has to approve, I'm wondering this: a school board or a unitary division, particularly in the rural areas where it has the problem of distance, may prefer or may find that it makes more sense to have smaller buses picking up the children and bringing them to the school.

I think this is something that we should look at because it is conceivable that some people voted against the unitary divisions in the last referendum because they were concerned - and I've heard this expressed in this House and in newspapers - they were concerned that their children would have to travel 25 and 30 miles by bus and would therefore have to get up at 7:30 or perhaps earlier in the morning and not get home until 5:30 at night. I can sympathize with this fear because I know that if my child had to be put in that position, I, too, would be reluctant to have them travel for these hours and spend that much time away from home, especially the children in the lower elementary grades, grades 1 to 3 for example.

I'm wondering whether to overcome this problem some boards might not prefer to have smaller buses, more smaller buses picking up therefore less students per run and bring them in to school that way. Consequently, the children would be spending less time on the bus, they wouldn't have to make as long a run because they would only perhaps take 30 students at a time

(MR. MILLER, cont'd).... or maybe even 24, instead of these large buses that will hold as high as 60 students.

On the other hand, I can see the problem facing the Finance Board and saying, well it's uneconomical because the more buses you have - they may be smaller - but the more buses you have the more bus drivers you have, and so from the point of view of cost we can't approve it. We'd rather you bought one large bus rather than two or three small ones. So I think there is an area there which has to be studied and consideration has to be given to what not only is the most economical at the moment but which is the most feasible in the long run and has the greatest advantage to everyone concerned. In this area it's a matter which can be governed by regulations and which the Finance Board will have the final say. So I'm concerned that we are not too clear in this Bill and I would like to see some clarification.

I might point out, too, that if we hope to influence the other nineteen boards who have voted against the referendum to come in to the unitary division, something that I'm convinced they have to do for the sake of their children if for no other reason, then we have to try to make it as attractive as possible and to overcome the problems and the difficulties that these people have and that as parents they are concerned about. This may be one of the areas that could be looked at and maybe the problem might resolve itself.

Another matter that is in here in the grant structure is the whole matter of by-laws. The Minister has on occasion mentioned that by-laws will no longer be required. The Member for Emerson in his remarks asked why, if there are no by-laws going to be required - the trustees can't imagine they would be required - why is there any provision in here for by-laws. This is a very grey area. It's not clearly defined here and it is an area I think that is going to create problems. I know at the present time it is creating a great deal of questions in trustees' minds; they are not quite sure where they stand. I would like some clarification of that for the record and so that the school boards may know where they are going, because the way it stands now, the by-law is not needed, a vote is not needed if the project is approved by the Finance Board, but on the other hand the Finance Board will not approve it if it is not covered by the grants in the Foundation Program, or, on the other hand, if on appeal the Minister decides that he too won't approve it.

So that the school board is in a position where for example if it comes along with a plan for a structure which the Finance Board turns down, does this mean that they then have to go to the public for only that portion that is beyond the approved amount, or the authorized amount, or do they then have to go to the ratepayers for the total cost of the project? The way it reads here, frankly I'm not sure what the intention is and I think it should be clearly defined. In any case, this seems to me a very awkward way of doing things because again it leaves to the Finance Board a fantastic power. They can and will, obviously, determine what to them is considered a proper structure or adequate building. This may not be at all in line with what the school board not only feels it wants, but that is required by that community.

So I can see a situation where the Finance Board will simply say: Now we feel you can build a structure for \$12.00 a square foot - and I'm taking a figure that is completely outlandish today, although it wasn't that outlandish in that the old schedule didn't think in those terms. We want something that is going to cost more like \$22.00 a square foot. The Finance Board will say: Well no, in some communities they are able to get by on some middle figure and this is what we will approve. You can't have anything better than that. If you want it, go see the Minister. The Minister thinks it over and says: Well if I go along with this, I'm going to have to go along with other requests from other areas. I'm sorry we can't do it.

So the Board is then faced with this problem of where do they go from there. Do they accept the Minister's and the Public Finance Board ruling? Do they try to go to their public and say the Finance Board is asking us to build a structure that is completely inadequate for a modern educational system? Do they ask the ratepayers to just approve of the balance over and above the amount required or authorized by the grant structure, or do they have to then go to the public for the entire cost.

This whole method of doing it is fraught with danger, because I can see a situation where many people in a community will attack the school board for being frivolous, for being spend-thrifts, not concerned with the tax dollar, for all the charges one usually gets when one opposes anything, and we know the kind of charges can be brought up and the kind of criticism that can be made; we saw it in this last referendum. If you are against something you can find a reason to oppose it, and this may be giving them very good ammunition when in fact the school board has to have the facilities and the system would suffer if they didn't have the facilities.

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

Another point I would like to have cleared up is this: it relates to the announcement by the Minister that the divisions or the school districts who did not vote in favor of the referendum, the 19 who preferred to stay out, would be recognized and their need would be recognized by an increase in the old grant structure of \$300 in the elementary and \$400 in the secondary teacher grant schedule. I can see the Minister's reasoning and I can certainly sympathize with the problem that he has in dealing with this matter. The children cannot be left to fend for themselves. They are caught unfortunately in a circumstance which is beyond their control because certainly they didn't have a vote - they were not old enough to vote.

At the same time, I am sure the Minister will agree that we must be careful not to destroy the confidence in the educational system that he is trying to achieve and the educational policy that he is trying to develop within our province by in any way watering down the situation and encouraging, in a sense in a negative way, encouraging these 19 school divisions to stay out, because it is a sad fact but a true one, that there are numerous - I would venture to say hundreds - of school boards, school districts in Manitoba with one-room schools or two-room schools, who really have very little expenses today. They are not going into building programs; they can't. The expense pretty well consists of maintenance, of the caretaker - part-time, heating the building, light, power, and a few school supplies, so that 75 to 80 percent of their budget is the cost of the teachers.

Now the approach used by the government in selling - and I'll use that term - selling the school referendum was a carrot of dollars. It's an unfortunate, frankly, selling pitch. I'm not an advertising man but I wouldn't frankly have concentrated as much on the dollar incentive, because now that that dollar incentive has been rejected and they didn't go for it, what pitch do we use now? I think we have hurt ourselves in this way - I shouldn't say we - the government has hurt themselves in this way, that by now recognizing the needs of these children by increasing the grants to them, they may be taking away any incentive at all at any time for these school boards and these people who voted against the referendum to now come into the unitary division, because if their cost - as I say 75 to 80 percent of their cost is the cost of the teacher - and if this grant is now going to take the pressure off them financially, there is really no reason why this fall or next fall or any fall they should turn around and vote themselves into a unitary division.

In other words, we may be encouraging them to stay out. I'm not suggesting that nothing be done, but I'm trying to point out the lack of wisdom in gearing a selling campaign almost to the carrot of a dollar bill and the inducement to vote for something because of the financial benefit, and now they have to backtrack on this position. There is no question that with the defeat of the referendum in these areas the policy of upgrading education in Manitoba has suffered a severe setback, and I know the Minister is concerned about this as we all are.

I think we have to do everything possible to encourage these areas to come in, and I'm wondering therefore why the government in this Bill hasn't provided that those areas and school districts that voted against it should not be given an opportunity this fall to come in, vote themselves in in a fall election into a unitary division and still receive the benefits of the grants retroactive to January 1st. We are making it retroactive to all boards who did come in prior to April 2nd. I know that there is an administrative problem. I know that it's not one that is easily overcome but I'm convinced that the matter is too important to simply be sougled off because it creates an administrative problem either in the Department of Municipal Affairs or in the Department of Education.

Our school budget - municipal budgets are on a twelve-month basis. Perhaps those areas that vote themselves in any time in 1967, perhaps their budget will then have to be worked on a 24-month basis, and in some areas where they have overpaid taxes, they would get credit for their taxes on their 1968 tax bill; and in some areas where they have underpaid, they would have to pick up the difference. But certainly I think it is important enough, and I think if it was done this way it will encourage many of these areas that voted against it, particularly where the vote was very slow, it might encourage them to come in to the system and we could really get this thing going as we all would like to see it roll. So I hope the Minister might have some comments on that and see whether he can really come up with something constructive in this matter.

There is one aspect of this which I am not clear on and I would like clarification. It's the reference to the Finance Board notifying the foundation municipalities of how much they are

(MR. MILLER, cont'd) . . . . . to raise, and I assume from reading this, and I stand to be corrected, that the money will then have to be turned over from the foundation municipalities. Instead of being sent to the school boards as they have in the past, it will be sent to the Finance Board and the Finance Board will then pay it out in accordance with their Foundation Program.

This brings up the matter of how the grants have been paid up to now. We all are aware that hundreds of thousands of dollars are spent annually in interest payments to the various banks across this province - and I'm sure the banks don't object to this - but the amount of money paid in interest because the grants are so slow in coming to the school divisions. The grants for the January to June term are not paid until the fall. The fall term is not paid until March 31st of the next year, so the school boards are financing seven months of operation - because they can't tell their teachers to wait seven months for their cheques - they are financing the operation in many cases as long as seven months ahead of the period that they get their money from the Provincial Government. The municipalities certainly haven't got the funds because their tax bills have to go out some time in the spring, if they are lucky, and they haven't got the finances to cover it, so the school boards inevitably end up running to the banks for overdrafts or for loans and some of these run into hundreds of thousands of dollars, and as I say I am convinced that the interest has run as high as \$750,000 a year in Manitoba - that's the estimate.

Now, as I say, the banks don't mind this I'm sure, but three-quarters of a million dollars in interest is a very negative way of spending money because it doesn't do anything for the educational program; it doesn't do anything for the educational system; and it certainly doesn't do anything for the taxpayers' pocketbook. So I'm hoping that the Finance Board - and perhaps this can be spelled out in this Bill - that the Finance Board should do what other provinces are doing, make advance payments to school divisions. I'm not suggesting they pay the entire 100 percent, but certainly if a unitary division is in business, they are suddenly not going to close the doors, even if they get the money and somehow abscond, they are going to continue in process, so that certainly the moneys can be paid in advance. Perhaps as high as 80 percent can be paid with the balance held back until that March 31st day in the spring and October 31st in the fall.

This would certainly go a long way to taking the pressure off the school divisions and it would also go a long way to eliminating the need for something the Minister mentioned he was going to bring in for clarification on, the need for the large reserves that sometimes school boards try to create. I don't blame them, because the reserves they are trying to build up are for no other reason than to help finance their operations because the provincial grants are so late in coming, or because the municipal taxes are so late in coming because the Municipal Council wasn't able to finalize its budget, which brings me back into what I mentioned yesterday, let's change the fiscal year and maybe we will become a little more orderly in the date that our councils can strike the mill rate and the date that the school boards can have their budget finalized and notify the council of the amount to be levied. I think this is a matter which up to now has been pretty well ignored, but I think it is becoming too large an item, too costly to ignore from here in, and I would like the Minister to make some comment on this when and if he replies. I'm not sure he's going to, but I hope he does.

Now there are other items here which I will leave to Law Amendments and get some answers at that time, because they're much more technical and they have to do with straight administrative problems that deal with the administration of the Act itself.

MR. SPEAKER: Are you ready for the question?

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

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

MR. SPEAKER: Bill No. 93. The Honourable Leader of the Opposition.

MR. MOLGAT: Mr. Speaker, it is not my intention to oppose Bill 93 on second reading. I want to see it go to committee but there are a few comments that I have on the impact of the Bill and on some of the comments made by the Minister on introducing it for second reading.

I note that the Bill will in fact proceed to a very definite centralizing of the administration of schools in the province in my opinion. We had asked the Minister about this some months ago when we were discussing the White Paper on education as to what the effect would be, and I specifically asked him whether in the final analysis this would not end up by having the government, through the Finance Board, in fact making all of the decisions for the schools, and I seem to see in this Bill that that is the course that will in fact happen.

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

When I look at sections like 511 and I see that the board is going to review the estimates of each one of the unitary divisions and that they may send this back to the unitary division if they are not satisfied with it, I think that the distance between that and the control over the unitary divisions by the government is pretty slim indeed. However, it may be that the Minister is going to have some safeguards in this which will in fact retain the unitary boards in control, because if that is not the intention then we have been fooling the unitary boards and ourselves. If in fact we are going to end up by a complete centralization, that should have been said to the people at that time.

I want to touch, however, on some of the other matters here of general principles. The Minister said on the introduction of this Bill that the government had made a decision to exempt the apartment blocks under the term "commercial" and include them as residential. I want to say that I approve of that decision, Mr. Speaker, in fact I had specifically spoken on this very early on, pointing out the unfairness and the discrimination that was involved in the original rules laid down by the government, because while you can make a decision that commercial is one thing, surely shelter is the question, and if some people get shelter in apartment blocks rather than in individual homes, this should not end up by being discrimination against them. So I have no objections to the decision made by the government. On the contrary, I think that this was a proper decision to make.

I point out however, Mr. Speaker, this was major shift by the government, that there is a very substantial amount of money involved here for the government, because quite obviously saying that all of the apartment blocks in the Province of Manitoba are now going to be assessed on -- or that the taxation will be on the basis of 9 mills instead of 33 mills is going to mean a very substantial difference in the income that will be received by the school divisions where these apartment blocks are located from that source of revenue; and quite obviously the other side of it is the balance will be put up by the government. This, I assume, would mean a very large sum of money and I would hope that the Minister has some figures to give us as to what the actual change is going to be. When you consider the number of apartment blocks, particularly here in the City of Winnipeg and the suburbs, and the shift from 33 to 9, which is substantial indeed, then it must mean some thousands if not millions of dollars.

Now, Mr. Speaker, if the government could make a decision to make that shift of those very substantial sums of money, adding on presumably then to the provincial budget, why is it that the government has been equally reluctant to make other changes that were suggested by the opposition? And in particular, why is it that they are not prepared to give a better deal to some of those areas that are going to have the same education problems as the divisions that voted "yes," but who for reasons of their own voted "no" in the referendum, because the increase in fact is very small to them. So if the government can make this major shift, and recall that at the time of the referendum when we questioned the matter after the referendum as to what the government was going to do, the Premier at that time said the people knew the rules of the game and they voted on the basis of those rules. Mr. Speaker, similarly at that time, one of the rules of the game was that apartment blocks were going to be at 33 mills and not at 9 mills. That rule of the game has been shifted, shifted substantially, and I say properly so, but then the government can't take the position that other rules are immutable.

While we're on the subject of apartment blocks, Mr. Speaker, I would hope that this shift by the government will in fact work to the benefit of the apartment block residents because this was my concern when I first spoke about this, that any reduction given bringing the apartment blocks in line with straight individual residential housing should work to the advantage only of the apartment block residents and not to that of the apartment block owners, and I would hope that the decision made by the government and announced by the Minister will be followed up by some method of ensuring that this is the case.

I have recently had a complaint of one individual telling me that he has been charged a substantial increase in his rent recently. I am trying to verify the matter but have been unable as yet to get the full details and so I'm not going to make a case of it at this time, but, Mr. Speaker, if there are in fact going to be substantial increases or increases in rents, then I think that we have to have a review of this situation. This individual tells me that his own rent was increased by 11 percent. He feels that this was an increase that was based on the expectation that the mill rate was going to be higher. I want to be sure that the government, if it is making the adjustment, proceeding to treat all residential housing or all residents the same, then that there be a clear understanding that the beneficiaries will be those who live in the apartment blocks.

MR. MOLGAT cont'd)....

Mr. Speaker, I want to touch as well on a broader case here and I think a much more important one insofar as the overall effect of this Bill, and I would hope that the government will be prepared to make an amendment to the Bill because I think there is one area where there must be a change made. Mr. Speaker, I submit that the decision of the government to remove the \$50.00 tax rebate and go to the 9 mill assessment - or 9 mill for school books - would in fact work a hardship on the poor people of the province and mainly a benefit to the rich people of the province, that this method, unless the government is prepared to put in a further amendment in this Bill that no one is to pay any more than they were last year, will in fact give the benefit to the rich and not to the poor people of the province.

I think I can illustrate this, Mr. Speaker, by the actual figures. Last year in the City of Winnipeg the school mill rate was 34 mills; this year obviously the final figure has not yet been established but the indications were from the newspapers that the mill rate would be probably about 22 mills. This seems to be the accepted figure. Well, Mr. Speaker, if you take say a house of \$3,000 - an assessment of \$3,000 - on a 34 mill school basis for last year the tax payable would be \$102.00, but last year this individual was entitled to a \$50.00 rebate, so if you deduct the \$50.00 from the \$102.00 for school purposes, he paid a net school tax of \$52.00. Mr. Speaker, then go up the scale, go up to say a \$5,000 assessment. Well at 34 mills the school tax would have been \$170.00 less \$50.00, a net of \$120.00 payable by the individual after school tax rebate. Take the same figures this year. On the basis of 22 mills, you find that the individual on a \$3,000 assessment at 22 mills would pay \$66.00 against last year's \$52.00 after the school tax rebate. In other words, on a \$3,000 assessment the individual this year for school purposes in the City of Winnipeg will end up by paying \$14.00 more school taxes than he did last year, plus the fact, Mr. Speaker, that he will be paying a five percent sales tax. On the \$5,000 assessment at 22 mills, his tax this year would be \$110.00 as against \$120.00 last year, so he's going to be slightly better off. But anything below roughly \$4,500 of assessment will be paying more taxes this year for school purposes than last year.

But then go up the scale, Mr. Speaker, go up the scale to \$20,000 and \$40,000 and \$60,000 assessments, and what do you find then? You find, Mr. Speaker, there's a tremendous advantage for the people in those types of expensive homes. Let us take for example a \$60,000 home. Well last year in the City of Winnipeg a \$60,000 home on a 34 mill school tax basis would have paid a tax of \$2,040.00. Remove the \$50.00 rebate and you have a net school tax of \$1,990.00. This year on the basis of a 22 mill estimate, the same \$60,000 assessed house would pay \$1,320.00. In other words, a saving of \$670.00 over last year.

Well, Mr. Speaker, this figure of \$60,000 may seem high to some people. They say, well there aren't too many houses in that category. Well, Mr. Speaker, I can't tell you how many there are but I can assure you that there are such houses, because when I checked for example the assessment of the City of Winnipeg, I find that there are assessments of \$55,000, \$62,000; when you go to Tuxedo you find assessments at \$94,000, \$93,000, \$75,000, \$58,000; Charleswood at \$77,000, \$63,000. So those figures are not figures pulled out of the air, Mr. Speaker, they are realistic figures, and certainly when you come down below that into the \$20,000 and \$40,000 assessments the situation is the same, that there is a substantial saving for people in that type of home but there's another charge really on the people in the lower assessed homes.

And so, Mr. Speaker, I submit that the Bill somewhere along the line must have a provision in it that no individual is going to pay any more this year than he did last year in school taxes or else we will be discriminating against the poor, whilst at the same time imposing upon them this additional five percent tax burden, which is in fact heavier on them in consideration of their ability to pay than it is on the people living in the expensive homes. So I would hope that the Minister will be prepared to make a shift in this matter and give the protection where it is required.

MR. DOW: I move, seconded by the Honourable Member for Carillon, that the debate be adjourned.

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

MR. SPEAKER: Bill 96. The Honourable Member for Emerson.

MR. MOLGAT: Mr. Speaker, the Honourable Member for Emerson had to go to a Flood Control Board meeting this afternoon, speaking on behalf of his constituency, so he is away on

(MR. MOLGAT cont'd). . . . government business, but I'm sure he would have no objection to anyone else who wishes to speak. He will be back later on in the afternoon depending on the course of the debate of the board.

MR. FROESE: Mr. Speaker, I would like to speak briefly on Bill 96. I would have enjoyed hearing the Honourable Member for Emerson first to hear what he had to say in connection with Bill 96. Bill 96 is a Bill to set up the Public School Finance Board and is called The Public School Finance Board Act. Mr. Chairman, this is the long-awaited Bill about which so much talk has gone on, and in my opinion this Bill should have been presented way back in December when we first started our Session so that all the members of this House knew what would be coming forward. The Bill established this Committee, which in other words is a Crown agency, and it says so in a certain section of this Bill, and is also a body corporate and politic.

I certainly have a number of questions in connection with this Bill. For instance, this Public School Finance Board, it can be a board of five people; it may be less. The White Paper stated that it would be a five man committee. However, the Act does not say so; it says there may be five people on it and there could be less. I would like to know from the Minister are these going to be full-time jobs? Is this going to be a full-time job for these people? Will they be actively engaged in the work of this matter of financing the schools in Manitoba? Will they be employed as well as being directors or members of the Finance Board? I think this is something that members would like to know.

The term of appointment is indefinite, because under Section 5 we read that the members of the Board shall hold office for such term as may be fixed by the Lieutenant-Governor-in-Council, and unless his appointment is sooner revoked or he sooner resigns or dies, the member shall hold office during the term fixed by the Lieutenant-Governor-in-Council and thereafter until a successor is appointed. So the terms are indefinite and these people could serve for different lengths of time. As already mentioned, the Board need not necessarily be five people although it has been suggested that five will be appointed, and on that basis a quorum would be larger than what is required in the Act, as it says that the majority of the members constitute a quorum.

What I'm very much concerned with are the duties and powers of this particular Finance Board, and while we find that the responsibilities are spelled out in the White Paper much more closely than what's in the Act, I think the powers spelled out in the Act are very indefinite and it seems rather strange to me that we would have a Bill of this kind setting up this Finance Board and then not outlining the powers of it, because when we read the section you find it refers to other Acts and also to the regulations that will be set up.

Mr. Speaker, in my opinion the powers should have been spelled out in this particular Bill. Why are they not listed? Why should they not be spelled out? The section reads this way: "The Board shall have such duties, functions and powers as may be imposed on, or granted to it, under this Act or any other Act of this Legislature, or under regulations made under The Public Schools Act, or under The Education Department Act." So that we at this time do not know what the powers are going to be, and I think that as members of this House we should know what the powers of this Board will be. The powers will be given under various Acts but they also will be given power under regulations that will be drawn up some time in the future, if they're not drawn up yet. So that here is an unknown quantity, a Board that is set up and whose powers we do not know at the present time. I think this is wrong for a special Act to come in setting up a special Crown agency and not defining the powers of it.

I notice also that the Minister of Education may temporarily transfer employees in the Department of Education to the Board, so that I imagine they will be able to get experienced help from the department when need be. I certainly have no quarrel with this point, because sure this is a very valuable thing for any new board that is set up to have.

(MR. FROESE cont'd).....

Then we find in the next section dealing with the marketing of debentures, it says here, "The Board shall supervise the marketing of all debentures issued by a unitary division, and for that purpose may, with the consent of the appropriate Minister, utilize the services and facilities of the Department of Education, the Department of Urban Renewal and Municipal Affairs and the Treasury Department. It is understandable that they would call on the Department of Education and the Treasury Branch of the Treasury Department, but why bring in the Department of Urban Renewal and Municipal Affairs in this? I hope the Minister will enlarge on that particular aspect of it.

Then I wish to make some further comment on Section 9. I hope I'm excused for naming some of the sections but I think this is more readily done and because various principles are contained under different sections. We find, for instance, that there will be a fund set up which will not be a part of the Consolidated Fund, so that once the funds are transferred from the Treasury or the Consolidated Fund to this particular fund, that the Finance Board is in full charge of those moneys.

I was rather interested to hear the Honourable Member for Seven Oaks speak this afternoon when he inferred that the tax moneys that would be coming forward might go directly to the Finance Board. I'm not sure whether this is the case, I haven't studied Bill 93 that closely, so if the Minister could enlarge on this later on when he does reply I certainly would appreciate it. But it seems to me that we, as members of this House, are abdicating certain rights and certain authority once we transfer sums of money to an authority such as the Provincial Finance Committee that will be in charge of all the financial matters respecting the school affairs in unitary divisions. It seems to me that we're farming off certain responsibilities as members of this House to a government-appointed board and we will not be in such close control of matters as we presently are. It seems to me that once we deal with a commission or a Crown agency that it's always at arm's length and that we do not have as ready access to information and to having the direct say on the matters involved. For these reasons, I feel that this is not a good thing. I would rather have that the finances would have been kept as they presently are under the department rather than to have a Crown agency established for that purpose.

So, Mr. Speaker, there are other areas of this Bill, particularly Section 16 and 17, which I'm not quite clear of in my mind. Why do payments still have to be made to school districts or school divisions or school areas by the Finance Board, because as I understand, these boards of the districts and divisions or areas are no longer in effect, and why does the provision have to be made for the payments from this fund to these districts.

Then, too, a number of matters are referred under this Bill to the Lieutenant-Governor-in-Council for regulations. I feel, as already expressed by the Honourable Member for Seven Oaks, that we're leaving too much legislation to regulation. This is not only the case in this particular Bill, it's in so much of the legislation that's being passed these days and I for one do not approve of it. The fiscal year is not defined. This will also be a matter for the regulations to define. I don't know whether I should refer to any more of the sections that deal particularly with regulations.

But, Mr. Speaker, these are some of the points that I wish to raise at this particular time. I am not in accord with the Bill because I feel that we are giving too much authority to this government-appointed board. They will have large powers, as described under the White Paper, which are not necessarily contained in this Bill, as I pointed out, and I for one am not in accord with this.

MR. SPEAKER: One moment, please. We're dealing with the motion of the Honourable Member for Turtle Mountain, I believe, aren't we? Or did we clear that?

MR. LYON: Mr. Speaker, with Bill No. 96.

MR. SPEAKER: Yes, I see. The Honourable Member for Emerson. I'm sorry.

MR. TANCHAK: Mr. Speaker, I'm sorry that I was out. It was unavoidable. I had to attend a few minutes at the meeting. Didn't realize that we would make such good progress today. I'm not wishing to hold up the passage of this Bill because I know it's urgent that we have all these school bills passed. I'm going to make a few very, very brief remarks. I would say that the Honourable Member for Rhineland has stolen quite a bit of my thunder and I thank him for it because it will be that much easier on me. I do not have to repeat. I do not agree with everything the Honourable Member from Rhineland has said but there's certain pertinent questions that he asked; I had full intention of asking those questions and I'm sure



(MR. TANCHAK cont'd) . . . when the Minister answers the Honourable Member from Rhineland my questions will have been answered.

I, for one, believe that although there are some things we do not like about this bill that the public school finance board has to be established because our Foundation Program is based on this and that has been explained to us before and although we have repeatedly asked for the regulations that go along with this whole program, the government either refused or it wasn't possible for the government to submit all these regulations. I also would say that to me it seems that there is too much legislation by regulation here. In other words, it takes the power away, practically all the power away from the people, as far as financing is concerned anyway, and puts it in the hands of the Lieutenant-Governor-in-Council, also in the hands of this Public Finance Board. We'd like to have this explained by the Minister and I am sure he will when he gets to the reading of the different clauses in the bill.

I notice there are to be not more than five persons appointed to this board, all of them to be appointed by the Lieutenant-Governor-in-Council. It does mention that there will be two members -- I'm not too clear on that, whether these two members, the President, the Chairman and the Vice-Chairman, are they going to be permanent members, full-time members, the first two, or not? My understanding is that the balance probably will not be full-time members but these two may. I may be wrong in that. There are two members, the Chairman and the Vice-Chairman, according to the Act. It states that they are to be appointed by the Lieutenant-Governor-in-Council and neither one of them would qualify who is not -- he must be - this is the qualification - not a member of the board of trustees or a school district, or school division, school area, and who is not a member of the council of the municipality, who is not a teacher. That applies to both of them, the Chairman and the Vice-Chairman, I presume. Now we could also have that in here and I wonder - it might be advisable to do it, also add a little phrase in there: "not a defeated candidate," because we don't want to go through what we've done before. I am sure that I can trust the Minister that he will not appoint any more defeated candidates on this board because he may get into hot water again on this.

As I said, I am not going to dwell too long on this. I believe that we have to go further with these bills, and I await the answer of the Minister of Education.

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HON. GEORGE JOHNSON (Minister of Education)(Gimli): Mr. Speaker, in speaking on Bill 96 I would like to close the debate. This bill, as members know, is a companion bill to 89 and 93, wherein much of the functions and operation of the Finance Board are described, namely 89 defining the unitary division and Bill 93 laying down the tax provisions and the procedures, and I think maybe there's a tendency to read a lot into this bill that isn't there.

Certainly, I think that if one takes the white paper and reads what I said in the white paper as to the function of the Finance Board, it is clearly spelled out and nothing more is intended to be written into the legislation here other than was given in this paper which was the drafting orders for the Legislative Council, namely, that the Foundation Program itself is the function of the Finance Board, and certainly with 65 percent of the costs coming from the Consolidated Revenue through a vote of this Legislature, the people of Manitoba would expect us to be administering this in a judicious fashion. Also it's impossible -- that's why we have regulations in Acts, as I understand it, and I don't profess to be any legal whizz, but certainly in the field of transportation there are simply hundreds of combinations, Mr. Speaker, that we run into, have run into in the last few years as divisions and districts come in with transportation schemes, and the idea of leaving transportation -- many of the provisions to regulation is to provide for these many combinations. For example, the ridiculous could happen to the point where you would have 50 students transported to a one-room school and we'd be paying full grant. Then we'd be on the hook in this House and I wouldn't doubt that you would go after us on that.

Also, the regulations concerning the Foundation Program are left with the Lieutenant-Governor-in-Council, which amendment I will be making and proposing to Section 93, as the member has said, with the approval of the Lieutenant-Governor-in-Council. The Foundation Program's left with the Minister so the honourable members will be able to chew me up each year to their hearts' content.

I would also say we do hope to streamline the system of the Finance Board but I wouldn't say go along with the Member for Seven Oaks in that the thing -- I forget the words he used -- slow pokes at the present time, or the interest monies being paid now which, through more efficient payment by the Department and so on, we could have avoided. That has come up every year that I have been in the Legislature, both to the previous Minister and myself, and we have found on balance that the Public Schools Act will show in the finance report that, on balance, in the four borders of Manitoba, Manitobans are probably paying no more, or probably paying less under the present system, than if the province were to go and borrow all these monies to make sure that all school divisions in the province had enough working capital at all times to meet all accounts. Under the former system, if there are many districts who are well off and don't need this capital, on balance it has always worked out in my fuzzy bookkeeping and on the best advice I get from the Department that it isn't all that bad.

However, with respect to the Finance Board it is our intent to have a membership of five with the idea being that the Chairman will be a full-time person, that this instrument is required in order to collect the uniform differential levy across the province and pool this money, receive the money from the Provincial Treasurer and pay out. Also, there's provision there for this Finance Board to accept monies in advance from the Consolidated Revenue. The matter of timing, which has been in the Act for several years with respect to the time limits that we're under February 1st, March 1st, etc., are things that we are keenly aware of and it was felt to go ahead on this basis this year. As you know, for the current year, there is a provision in the Act respecting the Finance Board's operation which permit it to set by Order-in-Council the dates by which levies can be established, etc. --(Interjection)--and the point is that -- I have lost my train of thought here for a moment, Mr. Speaker. In the current year we are going to have to just see how we make out, but there is every opportunity to increase the efficiency of payment, possibly quarterly, under the Finance Board, making advances, lowering these very things he's talking about, and I do hope we get the understanding and support of the House in this structure because I do think it should work smoothly with such a board devoting itself to these specific matters in the way that we have set out.

But with respect to capital expenditures, as we have always said in the white paper and is the intent of the legislation before you, the Municipal Board has always been involved to date in helping the school boards with the issuing of debentures. As you know, after they cleared the School Building Projects Committee which body is still in existence within the department and will be strengthened, the idea is that realistic ceilings will be spelled out by regulation.

(MR. JOHNSON cont'd). . . . Again, if you were to put all these things in the Act, Lord Harry, we'd be here till the cows come home. It just isn't possible. We have to leave to discretion, common sense, this sort of thing and I'll have to publish these regulations under our signature and they'll have to be made available to you as soon as we pass this legislation, just as soon as possible. The idea is that realistic ceilings on capital will be set up. The school finance boards, the people would, the school board for example would pass a by-law on a capital budget, it would be approved by the Projects Committee, as it has in the past, the Finance Board, if necessary the Minister. If it falls a little bit short the concept is the Minister could okay it and take that responsibility. If it's something that we don't think is in the priority of things, something away out, or that we are not prepared to approve at this time, beyond the ambit of the Finance Board, it's a very costly thing, there is the right in this Act for the Minister to refer the thing back to the Board concerned. But the purpose, the object, the objective is to do what we can. As I pointed out to the House in the past year, many of our projects we've had to authorize substantial mill rates for one year to enable many of the projects to go forward, because no sooner do we lift the ceiling than things . . . to it and they're over the hill again.

With the kind of money we are putting into education today, we do want, through our School Building Projects Committee, the department, the Minister and this board, to bring about an efficient operation. I, too, would trust we can have the kind of people on this board that will lend it the credibility that it certainly must have in working closely with the unitary divisions across the province, and hopefully more and more will come in.

This is, I think, all I would like to say at this time concerning Bill No. 96 at this particular stage, and hopefully that we can deal with this clause by clause. If I can elucidate things further I'll be happy to do so.

MR. JOHN P. TANCHAK (Emerson): Mr. Speaker, would the Minister permit one question? I wonder if the Minister could provide us with the names of the possible candidates for this Finance Board or some of the people he has in mind. Would you like to do that at the present time?

MR. JOHNSON: I'm having enough debate at the moment. As soon as the Bill is passed, I'll try and oblige my honourable friend.

MR. MILLER: I wonder if the Minister would reply to a question. He did not answer the question I posed the other day when I spoke on this, the suggestion I threw out that the members of the Board be appointed by, or be members who are suggested by the Manitoba Urban Association, the Union of Municipalities, and the Manitoba Association of School Trustees, rather than be appointed by the Lieutenant-Governor-in-Council.

MR. JOHNSON: Mr. Speaker, my honourable friend made this speech last night. I have taken it under advisement.

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

HON. J.B. CARROLL (Minister of Welfare)(The Pas) presented Bill No. 84, an Act to amend The Department of Welfare Act, for second reading.

MR. SPEAKER presented the motion.

MR. CARROLL: Mr. Chairman, we had some discussion on this Bill at the resolution stage. It's very simple in principle. It's providing some new definitions of assistance which are identical to those under the Canada Assistance Plan, providing a definition of welfare services which indicate the emphasis of the work under our Welfare Services program which is the removal or prevention of the causes and effects of poverty, and including such services as rehabilitation services, adoption services, homemaker services, community development and things of that kind. It provides specific authority for the Minister to enter agreements with Ottawa, gives the Minister authority to provide assistance, welfare services, work activity projects, also enables us to designate other agencies to carry forward these kinds of programs and to be able to pay them for this sort of service. It also makes it possible for us to collect from individuals who have received payments to which they were not entitled, under one of the programs administered by the Department of Welfare enables us to establish a lien against his property or to file against his estate or against him for recovery of monies which have been paid out as a result of misrepresentation on the part of the individual or fraudulent statements to the department. I think this explains the principles very generally, Mr. Speaker.

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

MR. JOHNSON presented Bill No. 110, an Act to amend The Teachers' Pensions Act, for second reading.

MR. SPEAKER presented the motion.

MR. JOHNSON: Mr. Speaker, this bill on second reading, I point out has several different provisions. I don't like in the matter of principle to deal with them section by section, but each one deals with sort of a conglomeration of amendments. The first section in this particular Teachers' Pension Act thing deals with the calculation of teachers' pensions for those who, prior to the introduction of the TRAF Act and the amendments of 1963, because of the low salaries they had been paid during several years of service in Winnipeg and chose early retirement at 60, these people went on pensions based on the old formula of some \$40.00, I think, per year of service, plus the annuities they had with the TRAF. At the time they first came in, because of their low salaries, the pensions - they would be actuarially reduced pensions from 65 - would have been lower than that they were already receiving. At that time an adjustment was made from \$40.00 to \$46.50 per year of service to give them an increase in this pension, and this section increases this to \$50.00. Most of these people are quite elderly at the present time and this will provide pension increases of up to \$150.00 per year to these several elderly teachers.

Another section here permits teachers employed by the government under the Manitoba Development Authority, as well as those employed under the Minister of Education, to continue to be members of the TRAF fund. In order for us to have some flexibility in the department in acquiring the kind of people needed to lead in important positions in education in this province today, this has allowed us to, as it did a few years ago, amend the Act to permit people who were teachers by profession who had moved in as inspectors, for example, to retain their years of services as a teacher under the TRAF fund, and to transfer their civil service time back to the TRAF to get them to increase their pensions, because in nearly all cases it's absolutely necessary that these people have this teaching background before they're considered for the positions which we have in mind. And so this adds for the Manitoba Development Authority personnel, permits any of them going from our department to that body to retain their TRAF benefits.

Another section here is a similar provision which has been included in the Civil Service Superannuation Act. It differs somewhat in that --(Interjection)--yes, was brought under the civil service, the lowering of the age at which a person can receive a pension at age 60 being the earliest age now. That's being lowered to 55. The difference between the TRAF fund and the Civil Service Superannuation Fund is, however, that whereas you only need 15 years of service and retire at 60, under the TRAF you need 15 years of the last 20 to retire under this Act, and several provisions in that Act as spelled out deal with those provisions.

Another section; as the Act is presently worded a teacher who has elected a guaranteed pension form at least one year beforehand may retire and apply for the said pension between the ages of 60 and 65, providing certain specified length of service has been rendered. And a teacher who has met all these specifications, if he dies suddenly without having been able to sign an application for pension, the guarantee which he had selected therefore can't be put into effect, and the only benefit payable is the return of contribution to the estate. On the other hand, if a person had, after being injured, sufficient time to sign, or have a fatal disease and had time to sign his name to an application form, the guarantee elected would have taken effect. The proposed amendment simply removes the necessity to apply for a pension in the case of this type of situation developing, such as sudden death. It assumes that he's picked a guarantee.

Other clauses just simply replace the word "widow" with the words "surviving spouse" to make sure that the male beneficiaries are covered.

Another section allows a board to decide that a person who had been originally on total disability comes back into teaching, ...some number of years, then recovers. A person may have been teaching for x number of years ...this means disability pension for a number of years, with return to work. This is just a clarifying provision here to make sure he can -- the years he adds after retention with disability will be added to his previous service towards a larger pension.

Another pension here again, it seems to have come up the last two years since we made the amendment to the Act which provides that people that leave us to go to the University, or go from the TRAF fund to the University, were given a time limit by which they had to choose either the University pension fund or continue with the TRAF. As a general rule the younger people joined the University pension fund, the senior people preferred to remain and accumulate their services in the TRAF. There's been some difficulty in these people being notified

(MR. JOHNSON cont'd) . . . . and enrolled and this extends this date to June 30th of 1967.

Another section here provides for the transfer to the TRAF of a pensionable service of an employee who may be most urgently needed by the department to come in, such as the appointment of Dr. Lorimer. This provision is added to the Act, and at the end of the Act is just a recasting of the categories of personnel who are in the civil service who are eligible for TRAF, Teachers Pension Fund, inclusion - or inclusion in that fund rather than the TRAF at their own volition. These are the several sections in the Act.

MR. TANCHAK: Mr. Speaker, just a few words on this Bill. I commend the Minister for introducing this Bill at this time and I agree with him that it's a definite improvement. It seems to me that every year we deal with this matter - practically every year - and we keep improving the teachers' pensions year by year and probably it is impossible to do it all at once on this. I especially agree with the first part of it. The Minister has mentioned the basis for calculating allowances has been improved, and I'm sure that this is for the best because it removes the injustice due to our inflated dollar and changes in our living standards, and these people, the older teachers living on very low, low pensions, found it very difficult, so this does not make it much higher but it's a start in the right direction and it will help to relieve the hardship.

And then another provision that I agree with wholeheartedly is the provision made here for early retirement. This provision removes the existing inequities. Also, in this Bill we've got provisions which would permit pensions on the death of a teacher or a dependent. These pensions would go to the survivor and it specifies just exactly how it's going to go and I wholeheartedly agree with that.

Now that, so far I agree with it, but I regret that there's one omission here, and unless I missed it I regret that there is no mention made here as far as the portability of teachers' pensions is concerned. We know that the teachers have been asking for this; we know that this is desirable; but there's no mention of this being made in this Bill. I think it was an appropriate time, a very good time to make this change. I could stand here and give you specific examples of hardships but I do not think I should take the time to do that because the Minister is fully aware of -- he has examples, specific examples like I could tell him; therefore I have a few examples here but I decided not to bring them in at this time, just to bring this up and the point we should have had some legislation to permit the portability of teachers' pensions on this. I'm convinced that our province, the Province of Manitoba, by now could have incorporated it. Surely it should be possible for all people concerned to hold up the facts, to come to a meeting of the minds at this time and resolve this problem, because it definitely is a problem as far as the teachers are concerned. Maybe it is not even too late to implement this change; maybe we could make an amendment to this. I think that it would be highly desirable at this time.

MR. FROESE: Mr. Speaker, I too, wish to go on record as concurring in the Bill before us. It contains a number of provisions which will enlarge the scope and include more people entitled to come under the Pensions Act, and I take it that this is in accord with the wishes of the Teachers Society itself, that they have asked for this, and I certainly have no objection.

MR. SPEAKER: Are you ready for the question?

MR. BEN HANUSCHAK (Burrows): Mr. Speaker, I wish to move, seconded by the Honourable Member for Kildonan, that the debate be adjourned.

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

MRS. FORBES presented Bill No. 111, an Act to amend The Local Government Districts Act, for second reading.

MR. SPEAKER presented the motion.

MRS. FORBES: Mr. Speaker, one of the principles in the Bill deals with the rights and powers and privileges of the local government districts. In the present provision in the Act, the local government district has all the rights, powers and privileges provided in its letters patent or as provided in the Municipal Act, and this may be construed that under the Local Government Districts Act that other Acts are not applicable, and so this is to make it abundantly clear that the powers of the local government districts may be granted by other Acts of the Legislature in addition to the Municipal Act; that is, the Public Schools Act and the Library Act.

Another portion of the Bill deals with the payment to members of the Local Government District Advisory Committee. The present provision in the Bill states that they may be paid \$5.00 per month for their duties here. Now the local government districts are to be responsible

(MRS. FORBES cont'd)....for street lighting, local roads, drainage and so on, and it's quite possible that some of these people may have to travel a fair distance to attend meetings which will be held, and we are suggesting here in this Bill that their rate of payment be \$10.00 per month, and that in addition they be paid 10 cents a mile to cover the expenses that they may incur in travelling; and the last portion of the Bill here is required to bring the provisions under that section of the Bill - Section 11 - as it now exists, into conformity with the new Public Schools Act legislation which deals with school divisions and school areas and the Public School Finance Board. Actually, it is merely the addition of these words - school divisions or school areas and school finance board - in the appropriate places in subsection (1) of Section 11 of the present Act. I recommend these amendments to the members of the Legislature.

MR. SPEAKER: Are you ready for the question? The Honourable the Leader of the Opposition.

MR. MOLGAT: Mr. Speaker, I must say I was rather intrigued when I first read this Bill, and I see a section telling the local government districts that they can only spend money on the things on which they're authorized to spend money, which I thought was a little confusing. I would have assumed that this was in fact what did regulate their activities.

The part that I was interested in, though, Mr. Speaker, was the local committees, and I see that under this they will now be entitled to a monthly payment plus mileage. I would like to say that I'm very much in favour of local committees in the local government districts because I think that we should use all means possible to urge local government districts to, so far as they can within their powers and their areas, rule themselves, and the less that we do from the outside, the more encouragement we give them to local control, the better. But, Mr. Speaker, I believe that while the government moved some years ago to make local committees a possibility, I don't think that any have been set up - or at least very few. I would like to know from the Minister, for example, how many local committees are actually operating right now? How many of them actually have a live committee with a chairman and members, and had meetings in the past year? I represent an area with a very large local government district. We have set up local committees, Mr. Chairman, but not local committees under this regulation. There have been local committees established purely on a local basis with no reference at all to the Local Government Districts Act, and empowered really by the local people on a voluntary basis to deal with the unconditional government grant.

We found that the unconditional grant was being transmitted in the case of local government districts to the school districts. By and large, the school districts were under official trustees; a few had a local board; but the majority of them were under the official trustee. The official trustee was reluctant to use the money that came from the unconditional grant because very frequently he was not sure that he would have the general approval of the local people, and this being their money and the administrator really not being empowered under the Act to spend money on his own, it accumulated in the hands of the official trustee and was not being used in many cases for local purposes; it was simply being built up in a fund.

And so in the particular area I'm referring to we established local committees with the approval of the local people by means of a meeting, and annually this committee would organize a public works expenditure with this money. But these were not organized, Mr. Chairman, under the Local Government Districts Act; they were purely local affairs. They have functioned very well. I want to commend very much the people who have worked on these. They have been regional, on small regions, so that there would not be any great amount of travelling involved, and it has been a very successful local enterprise. So I'm in favour in principle, but I feel, Mr. Speaker, that we really haven't been moving along this line and I would like to urge the Minister to get these local committees established.

Now I would like to suggest as well, that when we're doing that, not to attempt in the larger local government districts to necessarily have one committee that covers all of the district, because I think what will happen then is that we will in fact lose that element of local interest which is necessary if this is to succeed. The very fact that these regions are local government districts is usually indicative of sparse population, scattered around, low assessment, and a fair amount of waste land. And I know that in the case of, for example in the Local Government District of Alonsa, that if we were to try there to have one committee operating for the whole of the district, it just wouldn't work. You could get the best people you would want on it, but the very problems of distance, of regions, it would not accomplish anything. So I would urge the Minister then to maybe consider having two or three or four local committees, as may be necessary according to the geography of the district concerned, and I think that she will obtain

(MR. MOLGAT cont'd)...by this a much greater degree of local interest and local participation. Later on it may be that these can be either attached to an existing municipality or they may be able to form a municipality of their own, but that if we try and impose upon them now one over-all committee for the whole of the district, that in a number of cases it just won't work.

MR. FROESE: Mr. Speaker, I was very much interested to hear the Leader of the Official Opposition giving us some information on the matter of the local government districts and the committees that are apparently functioning. I do hope that when committees are appointed and are being reimbursed that the present committees that are functioning will be recognized as such and that we have good co-operation from these various areas that are already in existence. So I hope when the Minister concludes the remarks that she will take this into consideration.

MR. SPEAKER: Are you ready for the question?

MR. MOLGAT: Mr. Speaker...another point, how many local government committees really have been established and are working.

MRS. FORBES: In replying to the Honourable the Leader of the Opposition, I thought I had that information with me but I do not have it. However, I will get this information for him as to the number that have been constituted already, and I think he brought out the point, of course, that because of the geography of the area and so on that it has been not possible to establish an advisory committee in every local government district. But the local interest must be maintained and I feel that we must do a great deal more work in here, and it is our hope that this year there will be a local advisory committee in every district and I hope next year I'll be able to give him a list of those that will include all the districts but there is attention being paid to this by the director or the supervisor there at this time.

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

MR. CARROLL presented Bill No. 113, an Act to amend The Social Allowances Act, for second reading.

MR. SPEAKER presented the motion.

MR. CARROLL: Mr. Speaker, this merely corrects and clarifies an amendment that was made last year, and also adds the welfare services to those things that may be shared by the Province of Manitoba, those kinds of services that will be shared as part of the Indigent Relief Bill of the municipalities. I've also asked the Department to look into this terminology of "indigent relief." We think it has implications for other statutes under The Municipal Act and so on; however, I hope to be able to report on that further possibly at the committee stage.

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

MR. HILLHOUSE: Mr. Speaker, before the question is put I wonder if the Honourable Minister could inform the House as to whether or no this matter has been further discussed with the various municipal corporations in Manitoba and what their reaction is to this Bill, or as to whether or no they're going to be notified about the time that this Bill will be considered in Law Amendments.

MR. SHOEMAKER: Mr. Chairman, it appears on observation of the Bill that it is one that is absolutely necessary and certainly broadens the definition of "welfare services," and as I understand it, it takes in rehabilitation services and even homemaking day care and similar services, so on and so on. But it would seem to me that inasmuch as the Minister -- that is, if a municipality wants to share, wants the government to share in the cost of any of the proposed programs that are outlined here, that they must first obtain the permission and the decision of the Minister. Now, Mr. Speaker, that is all very well, provided that the Minister doesn't take too long in making his decisions because quite frequently a municipality or a town must act very quickly on certain relief cases and indigent cases, and would not necessarily have time to get the approval of the Minister on some of the projects. So I was just wondering whether this would present a problem to the municipal men.

MR. MILLER: Mr. Speaker, in this Bill, provision, I gather, is made for the payment to municipalities who undertake certain parts of this program, and that would include the services of their members of the staff; in other words, the social workers if they have any on staff, who would then be recognized - something they're not done today - they'd be recognized if certain work projects or activity projects or welfare services are undertaken. Now am I reading this right in assuming that if an activity project is not undertaken in that municipality, then the fact that a social worker happens to be on staff as their social welfare officer, no recognition is given for that at all? In other words, it has to be tied to a specific work project

(MR. MILLER cont'd) . . . or activity being undertaken by the municipality. It isn't sufficient for that social worker simply to be in charge of the program and therefore doing a certain amount of case work - which is natural if that social worker is doing any sort of job at all; it isn't just an accounting job - a certain amount of case work, a certain amount of guidance, providing homemaker services, so that I'm wondering whether the fact that a recognized social worker is on staff in a municipality, whether that in itself wouldn't be acceptable to the Department as fulfilling the objects of this particular Bill. I wonder if the Minister could answer that question.

MR. CARROLL: If there are no further questions, Mr. Chairman, the present statute enables municipalities to provide assistance to people who are in need within their municipalities; and with respect to their staff, if they have added staff since the base year, which is 1964-65, then they can share the costs of that staff work. The kinds of welfare services that we're talking about here might be the kind of services that the City of Winnipeg might contract some private agency to do for them, possibly set up a sheltered workshop to handle certain kinds of recipients that might be the responsibility of the City of Winnipeg, and this would be the kind of thing that would have to get prior approval of the Minister of Welfare.

The municipalities haven't been specifically notified with respect to the Bill that's going through the House here. This is an additional service that becomes available to them when this Bill is passed. They then become eligible to share costs of these extra welfare services that have not been shareable heretofore. We don't think that there will be any objections on the part of municipalities. This is in line with the Canada Assistance Plan, under their definitions, pretty well, of welfare services. We don't anticipate there will be any difficulty with municipalities at all so that we haven't taken occasion to notify them, but we'll certainly be in touch with them after the Bill has been passed.

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

MR. LYON: Mr. Speaker, would you now call Bill No. 97, Page 2.

MR. SPEAKER: Bill No. 97. The Honourable Leader of the New Democratic Party.

MR. PAULLEY: Mr. Speaker, this is one of those types of pieces of legislation that it is sometimes rather difficult for a member of the House to debate, because it does affect whoever may be speaking in the debate, it does affect him personally. However, it is one of those times when members of the Legislature, in accordance with past tradition, must, I suggest, reach a conclusion in respect of the matter, and of course in this case, it's a question of indemnities to members, expense allowances and for the first time in the Province of Manitoba consideration for a pension scheme for members of the Legislature.

May I compliment the First Minister on his presentation and the introduction of this Bill No. 97 into the House. I think that his approach was most rational and one that could find acceptance by and large with all of the Members of the Assembly and with the citizens of Manitoba. Then, too, Mr. Speaker, I would like to compliment the Honourable Member for Lakeside for his contribution the other day. The Honourable Member for Lakeside pointed out the difficulties in arriving at decisions and conclusions respecting indemnities and pensions. I'd had the opportunity on past occasions of hearing the honourable member and I want to thank him, as just an individual member of this House, for his understanding approach to the problem that we have before us.

I want to say, Mr. Speaker, that I appreciate very, very much too, that there will be concern in many quarters in the Province of Manitoba as to whether or not members of this Legislative Assembly should receive any indemnity at all, or any increase in their indemnity, and whether or not additional allowances should be made for travel expenses and lodging expenses and the institution of a pension scheme, and I say to these people they are perfectly justified in many respects of giving the matter their earnest consideration. I want to say to this Assembly that the members of my caucus have given this matter deep and earnest consideration and there has been a wide divergence of views, at least to some degree. Some felt that there might have been some validity in referring the matter to a Commission, as indeed the Member for Lakeside suggested the other day. Personally I join with the conclusions that the Member for Lakeside arrived at, namely that eventually and basically the responsibility is ours in the House.

There are members of my group I confess, Mr. Speaker, that wondered whether or not there should not be further deductions from the taxable portion if an increase were granted. There were some who felt that maybe the amount arrived at was not the proper amount. These are the matters that were under consideration I say within my own particular group, Mr. Speaker,



(MR. PAULLEY cont'd)...but I think by and large it is agreed that this is a matter generally that should be approached on a purely non-political basis and I trust and I hope that this is the manner in which it will be considered by all members of the House.

When I adjourned the debate the other day, Mr. Speaker, I did so because I wanted to have the opportunity of re-reading the very objective speech, in my opinion, that was given by the Member for Lakeside, because I've had the honour of being in the House with him for some few years now. I appreciate his sentiments and his views in regard to this matter; and having read his speech, having had further deliberation with members of my group, I now say that as an individual, Mr. Speaker, this matter should be given second reading; the matter should be considered by Committee of the Whole House. I trust and I hope and I believe that I can say without any equivocation that the matter will not be approached insofar as those of us in the New Democratic Party on a political basis. So with these very few remarks, Mr. Speaker, I say to you and I say to the Assembly, that there are, and I think justifiably so, some differences on viewpoints in the members of my caucus. I'm sure however that the members of the House will appreciate that this is a matter on which there can be differences of opinion and our approach is in that nature. I personally, not speaking as Leader of the New Democratic Party, but rather in this particular instance as a Member for Radisson suggest that Bill 97 should pass second reading without too much debate, particularly debate of any nature of antagonism or on a basic political approach and let us consider the matter where we have full freedom in the Committee of the Whole House.

MR. SPEAKER: Are you ready for the question?

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

MR. SPEAKER presented the motion...

MR. HILLHOUSE: Do you want to speak? Just a minute, Mr. Speaker, I wonder - did the Honourable Member for Rhineland wish to speak?

MR. FROESE: Mr. Speaker, I want to thank the Honourable Member for Selkirk for allowing me to take part in debate this afternoon, on Bill 97. I also wish to comment very briefly on what the Member for Lakeside said the other night on this particular bill. I too feel that as far as the pensions are concerned, that it's much more palatable than the bill that we considered on a previous occasion. I believe that the conditions in connection with pensions are good and valid. For one they are voluntary. Secondly we as members will be contributing to this plan and as the Honourable First Minister has pointed out, that it will be largely self-supporting, so that I certainly have no quarrel on the matter of pensions. Then, too, we know that all the other legislatures in Canada, perhaps with the exception of one, do have a pension plan of one type or another and I certainly don't see anything wrong with having one here in the Province of Manitoba.

Then, too, the treatment will be alike to all members so that we will all be contributing on an equal basis. So that as far as the pension part of the Bill I do not object to. It's a different matter as far as the other part on the indemnities. Not that I feel that some of the members are not entitled to more money or to a larger indemnity, since, as has been pointed out, our sessions have become longer and more work is involved I think as the years go by. Certainly as far as I am concerned it seems to be the case because in the sessions that I have attended I certainly do not have any spare time or idle time. I use as much of my time as possible to further the work of the House and to do my homework and also participate in debates that do arise from day to day. I feel very handicapped on certain occasions because of not having ready access to research of any kind, the work falls on me alone, and therefore I have to do the work by myself with very little outside help.

I notice from the estimates that the Leader of the Official Opposition as well as the Leader of the New Democratic Party will be getting substantial increases in allowances as leaders of their particular parties. The Leader of the Official Opposition with a much larger increase, one of \$12,000, which would increase his indemnity to that of the Cabinet Ministers. If I am not correct I stand to be corrected. And that of the Leader of the New Democratic Party by a further amount of \$6,000 to what he has been receiving in the past, and this I think is...as far as I know. So that I don't begrudge these people their increases at all; I just feel that in my capacity of working as an only one from my party and my group, that I certainly could use some help too. And while I speak on this, and there is no one else to speak on my behalf, I have to do this on my own; it is not something that I particularly enjoy but I think I have to bring these matters to the attention of the House.

(MR. FROESE cont'd).....

Then as far as the indemnities are concerned, the increases, I feel that the people in this province would go along much more with these increases if we did produce legislation of such type that they would go along with and that would be of greater benefit to the people of this province. I feel that we are passing too much legislation that they are not in accord with. I don't know whether I should particularly mention any of it, but I for one do not go along with a number of the bills that come forward and the legislation that is being passed.

I might refer to the school legislation, the referendum, the sales tax, the medicare bill, the liquor act,...

MR. SPEAKER: I hesitate to interrupt the trend of the honourable gentleman's mind, but I am sure he'll agree with me that his present thoughts do not really fit into Bill 97. I wondered if he would keep his remarks to that particular bill.

MR. FROESE: Well I was going to conclude my remarks in a matter of a few minutes anyway. I feel that in order to have increases in indemnities we should also pass legislation that will be productive and to the benefit of all citizens, and I feel this is not the case and therefore I cannot go along with the increase in indemnities. While I support the pensions, I definitely do not go along with the other increase and as a result I would have to qualify my vote regardless, and therefore I will not vote for the Bill.

MR. HILLHOUSE: I have the adjournment then, Mr. Speaker?

MR. SPEAKER: Yes.

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

MR. LYON: Mr. Speaker, I wonder if you would now call Bill No. 59 and then Bill No. 62.

MR. SPEAKER: Bill No. 59. The Honourable Member for St. John's.

MR. SAUL CHERNIACK Q.C.(St. John's): Mr. Speaker, I'll try to deal with this matter within the 10 minutes that are left for this afternoon but if necessary I'll continue on this evening.

I have had occasion in the past to speak on this question and indeed on the entire question of the introduction of other languages into the curriculum of our schools and I remember that I made the statement, oh a few years ago, that language is but a means of communication and should not in itself be an essential and vital part of our lives. I think that that is a valid statement, that as a means of communication it is vital in our lives but that the principle of language alone ought not to be. A means of communication is necessary for people to understand each other in their day to day lives and in the exchange of their ideas, philosophies and principles. And I think that this Bill that is before us must be considered in the light of the national interest and not necessarily in the light of Manitoba's specific requirements. I think that this Bill has to be thought of as Manitoba's contribution to national solidarity and to understanding on a national basis. If it were considered as a Manitoba problem alone then I reject it as such; I don't believe that for Manitoba itself it is a proper problem or that it need necessarily be dealt with.

The 1961 census reveals that out of the then population of 922,000 people in this province, the people of French origin are shown at 84,000, the people of Ukrainian origin at 105,000, the people of German origin at 92,000, so that were it a question only of considering the origin - the national origin of the people of Manitoba, there are at least two that have a larger number and a larger percentage of the population of Manitoba. The same census reveals that insofar as language is spoken, that there are 826,000 out of the 922,000 that speak English only; there are only 8,000 that speak French only. But there are 68,000 that speak both English and French and there are 19,000 that speak neither English or French. So, if one looks at these figures one realizes that out of 922,000 people in Manitoba only 27,000 do not speak English. And that's really a very small percentage of the people of our province.

So I think that it can be clearly accepted that Manitoba is an English-speaking province; and if you refer back to the 1959 Royal Commission on education on Page 126, you will find a specific recommendation that French should not be used as a language of instruction. But even though I think I've presented the picture that Manitoba is an English-speaking province, we must recognize that Canada is not an English-speaking country; there's an estimated one-third of Canada which is bilingual or French-speaking alone. And this does not only apply to French Canadians. There are many peoples, and I know of many Jews in the Province of Quebec that consider that their other language is French not English, and I think we have to recognize that it's not a - I don't even like to use the word "racial" - but it's not a problem that deals only with

(MR. CHERNIACK cont'd)...the French Canadian or people of French origin, but rather a fact that in Canada there are about a third of the people that live their daily lives in the French language. I say that we in Manitoba must be Canadians first and Manitobans second and I think we have to recognize that.

Last Sunday we had an opportunity - at least I did - to watch television and hear a dialogue carried on between Patrick Watson and Laurier LaPierre, who of course has risen in my estimation because he has announced his candidature for the New Democratic Party; even for the Leadership of the Party. But I want to quote something said by Patrick Watson which I thought was not only catchy but had some considerable basis of truth behind it. He spoke of love and marriage and he spoke of the fact that very often deep and abiding love comes after marriage, after the first blush of marriage and after a couple have learned to adjust to the abrasions of married life. That then comes a time for understanding for affection, for appreciation one of the other and for love, and he spoke then of course of the French-speaking and the English-speaking components of the Canadian population. And I accept that. I think that in order to carry forward this concept of love in the marriage of the peoples of Canada, there has to be understanding, there has to be a field of communication, a medium of communication and conversation both cultural as well as day to day living, and that this must be not only in the English language but a two-way street and the French language also.

So that if we look at this Bill in the light of the national interest of Canada, then yes this Bill is a proper introduction in that field. If we look at it in the parochial interest of Manitobans then I don't see any justification for it; I don't accept it as being a Bill which should cater to the parochial interests of Manitobans. So that to carry this further I say that French as a language of instruction must be available to as many sectors of Manitoba as possible for the children who are able to absorb this additional language into their capacity; and that this then would be a positive contribution to national unity and to understanding. I want to make sure that this is the government's approach and the government's philosophy, and I say that because in a bulletin from the Information Service of March 23rd, there is already a forecast of the size of schools, the number of schools - 10 collegiates and 15 elementaries - and it seems already known by the department what schools will be taking advantage of this Bill. And if that is so I fear - I'm not afraid of it - but I fear the possibility that the government may not be looking at it on the over-all picture but rather on the question of appeasement to certain groups. This would be unfortunate.

I note further that in this Bill there is a provision for the teaching in other languages - other than English and French - in other than school hours, and it harkens me back to the occasion when I had the opportunity to speak back in 1964 when we were dealing with shared services and I'd like the indulgence of the House just to read briefly from what I said then. On Page 1810. "I would like to think that it were possible that our public school system would provide facilities after regular school hours for private ancillary schools to teach the students the languages of their own forefathers; and even more important than the languages, the history, the tradition and culture of their own people. And yet if the public school facilities are used in this way, all students are still members of the same public school and meet together during the school day in the common interest of furthering their education. This may be a dream but it is one for which I would like to feel that I would have company in attempting to make of it a reality". I feel that this portion of the Bill before us does have the germs of making it a reality and I would like to think that the Minister of Education will accept it as his responsibility to foster and further this additional opportunity to make available to peoples of all cultural background the use of the public school system for the introduction into it, in after school hours, optional to these people, the opportunity to learn more of their culture, of their background and indeed of the language, none of which should be lost to the people who make up this Province of Manitoba. So that I think that this Bill is looking forward and looking ahead both to the national interest, to the national security of a one-people concept recognizing as it must and as it should the backgrounds of the people that make up the country and as I say the cultural contribution which they can bring to our community life by bringing with them the knowledge of what their forebears brought to this country and to this province.

So that I for one, Mr. Speaker, am looking forward to the discussions that we will hear in Committee, assuming this Bill is passed on second reading, because there too we should have the opportunity to explore further the real intent and the real philosophy of this Bill and I hope that my forecast that it will be based on national and not parochial interests that we will have a great deal more to learn and to gain from the discussions that we have before us.

MR. SPEAKER: Are you ready for the question?

MR. SIDNEY GREEN (Inkster): Mr. Speaker, I move, seconded by the Honourable Member for Wellington that the debate be adjourned.

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

MR. LYON: Mr. Speaker, just before you leave the Chair, I wonder if I might remind honourable members of the meeting of Law Amendments tomorrow morning, 10:00 a.m. in room 254.

MR. SPEAKER: It is now 5:30 and the House is adjourned and will stand adjourned until 2:30 tomorrow afternoon.