

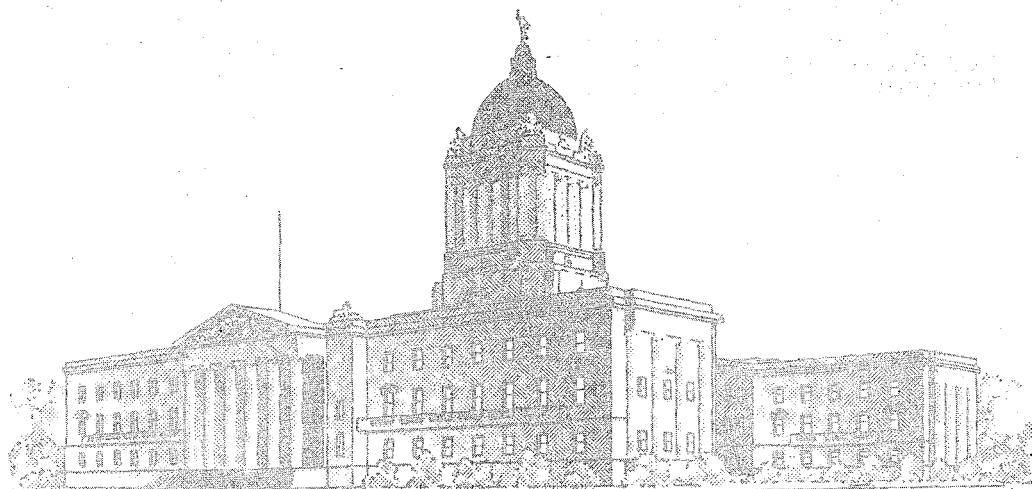


Legislative Assembly Of Manitoba

DEBATES and PROCEEDINGS

Speaker

The Honourable A. W. Harrison



Vol. VI No. 10

10:30 a.m. Fri. October 20, 1961.

4th Session, 26th Legislature

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THE LEGISLATIVE ASSEMBLY OF MANITOBA

10:30 o'clock, Friday, October 20th, 1961

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions  
Reading and Receiving Petitions  
Presenting Reports by Standing and Special Committees

HON. STERLING R. LYON (Attorney-General)(Fort Garry): Mr. Speaker, I beg to present the first report of the Special Committee of this House.

MR. CLERK: Your Special Committee composed of all the members of the House beg leave to present the following as their first report. Your Committee was appointed on the 18th of October, 1961, by the following resolution: "That a Special Committee of the House composed of all its members be appointed to consider bills referred to it and the Attorney-General be appointed Chairman of this Committee. Your Committee has considered Bills No. 2, an Act respecting Income Tax; No. 3, an Act to amend the Metropolitan Winnipeg Act and to make provisions respecting the final date for the making of the annual estimates in Metropolitan Winnipeg 1962, and has agreed to report the same with amendments, all of which is respectfully submitted.

MR. LYON: Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Public Works that the report of the Committee be received.

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

MR. SPEAKER: Introduction of Bills  
Orders of the Day  
Committee of the Whole House

HON. DUFF ROBLIN(Premier)(Wolseley): Mr. Speaker, I beg to move, seconded by the Honourable Minister of Industry and Commerce that by leave Mr. Speaker do now leave the Chair and the House resolve itself into Committee of the Whole to consider the following bills; No. 2, an Act respecting Income Tax; No. 3, an Act to amend the Metropolitan Winnipeg Act and to make provisions respecting the final date for the making of the annual estimates in Metropolitan Winnipeg 1962.

Mr. Speaker presented the motion and after a voice vote declared the motion carried and the House do now resolve itself into a Committee of the Whole House.

COMMITTEE OF THE WHOLE HOUSE

MR. CHAIRMAN: Bill No. 2, section 1, passed.

MR. ELMAN GUTTORMSON (St. George): Mr. Chairman, before we consider the bill section by section, I would like to have one point clarified for the satisfaction of all members of this House, and that is dealing with the retroactive statement made by the Premier dealing with the premiums. The Minister said, when dealing with this bill on second reading, that the premium would be retroactive to July 1, 1961. I think this statement is incorrect because the people of Manitoba will pay a full \$6.00 per month for the entire year of 1961 and there would be no reduction on the premium for this period. People have come to me and said they are expecting a rebate on the '61 premium; I've said "no, this is not correct". This is the understanding of the people of Manitoba that the rate effective July 1st is \$4.00--as a matter of fact the Member for Ethelbert made a speech and based his argument on the very impression that the premium had been reduced effective July 1st and no attempt was made by any member of the front bench to correct him.

HON. GEORGE JOHNSON (Minister of Health and Public Welfare)(Gimli): Mr. Chairman, everybody in the House seems to be satisfied except my honourable colleague from St. George. The rest of us understand this and the public seem to understand it, but the Honourable Member for St. George always takes further osmotic pressure than normal. If you read the First Minister's remarks, he said in Hansard, Page 23, "it will be retroactive until July of this year 1961 and any citizen who has paid premiums since July of this year at the high rate will be entitled to a refund of the payments that are in excess of the rate of \$4 and \$2". This means Sir, that while the reduction is retroactive until July of this year the new tax will not come into effect until January 1, 1962. Now through municipalities, those people paying for the current payment period will get the reduction in November; that is the period during which they pay for

(Mr. Johnson (Gimli), cont'd.) . . . the following six months, they will pay at the lowered rate, so they reap the benefit immediately. No. 2, those employers, those who have paid through the employer groups from June of '61 to November of this year will then receive their benefit through a refund which will mean no premiums will be paid by them in December, January and February that is ahead of us; they are getting this refund through this means. For the further clarification of the honourable member this credit system of reimbursing those who have paid by the monthly payroll deduction system is administratively much, much easier to put into effect than any other method.

Now I hope this will clarify the matter for my honourable friend, and if he still continues to read into the First Minister's explanation the meaning which he does, then, as I say, we would be willing to sit down with him and go over a chart which I have prepared which will help him follow this month by month. Thank you.

MR. GUTTORMSON: Mr. Chairman, is it not correct that the reduction that the people of Manitoba are going to get will be on the premium they have paid for the first six months of 1962, not for the last six months of '61? (Interjection) You're still avoiding the issue. I said the premium is not retroactive to July the first. That is the whole question. I'm not questioning they'll get a rebate on '62. I say that they will not get a rebate on their 1961 premium because those of us who have paid on the payroll plan have paid \$36--or after the next payment will have paid \$36 and will be covered until June 30, 1962, and it is for that period that you are giving us a rebate of \$12. We are not getting a rebate on the last six months of this year and in effect, the people of Manitoba are paying a full \$6, those married people, are paying the full \$6 for the entire year of '61. I don't question they'll get a rebate on the '62 premium; I say they will not be getting a rebate on the premiums they have paid for the year '61, and therefore it is not retroactive to July 1, 1961 as the people of this province believe.

MR. ROBLIN: Mr. Speaker, I'll just repeat what I said when I introduced the bill, and that is that people who have paid premiums since July 1, 1961 will get a rebate, and people who have not paid their premiums for that pay period and who come up to pay them directly in November will be paying \$24 instead of \$36. Now that's what is going to happen. My honourable friend can put whatever interpretation on it he likes.

MR. GUTTORMSON: I'm not trying to put any interpretation. The people who will be paying in November \$24--the reduced rate of \$24--is it not correct that that \$24 will cover them for the first six months of 1962?

MR. ROBLIN: The statement that I made in the House . . .

MR. GUTTORMSON: Answer the question and try to quit skating around it . . .

MR. ROBLIN: I'm not going to answer any question that my honourable friend chooses to frame. I'm going to say what I said in the House, namely that any citizen who has paid premiums since July of this year at the old high rate will get a refund. Now that's the fact. I said . . .

MR. GUTTORMSON: The people of this province who pay \$24 in November, what period are they being covered for? Would you answer that question?

MR. ROBLIN: I didn't say, Mr. Speaker, that the people who had paid premiums before July would get a refund. I never said that. They won't get a refund. It's the people who have paid premiums since July that will get a refund and it's the people who will be paying in the pay period who pay directly in November that will have it reduced to \$24. Now that's as far as I'm prepared to go.

MR. GUTTORMSON: Nobody's questioning that part of it. I said, I asked you a simple question. Will the \$24 that they were paying in November cover them for the first six months of '62? You can answer yes or no to the question.

MR. ROBLIN: You can answer it yourself.

MR. GUTTORMSON: Well why are you afraid? You gave the impression that the premiums are retroactive, that the people of Manitoba paid \$6 per month for the first six months of this year and \$4 thereafter, and this is not the case.

MR. ROBLIN: That's not what I said; that's what you say that I . . . that's your interpretation of it . . . (Interjection) . . . So it is. The premiums that are paid from July the first will be rebated. Now I can't say fairer than that.

MR. GUTTORMSON: You're creating the impression that the premiums are dropped from July 1st. They're not; the premiums that I have paid this year are for the first six months of

(Mr. Guttormson, cont'd.) . . . 1962 and I am getting a rebate on my '62 premium, not the 1961 premium.

MR. ROBLIN: My honourable friend is quite true that if he is expecting a rebate on anything he's paid in the first six months of this year he isn't going to get it. I never said he would (Interjection) . . . The second six months if he's paid anything he's going to get a rebate.

MR. GUTTORMSON: When did I pay for the last six months of this year. . . (Interjection) . . . Oh yes, you're skating around the issue. It's all too clear. I say the premiums are not retroactive to July 1st. The people of Manitoba are paying the same high premium for the entire 1961 year and that the reduction does not go into effect until 1962 because we all pay six months in advance. If it was retroactive to July 1st, people on the payroll plan would be getting \$24 back and not \$12, and the people who pay semi-annually would be getting \$12 back because they paid in June for the six months hence covering them until the end of this year. They are not getting a reduction, therefore they are paying the full premium and you are giving the impression to the people of Manitoba that the premiums are retroactive to July 1st which is not true; there is no retroactive clause at all in this thing. We start to pay the new premium of \$4, it goes into effect on January 1st.

MR. GILDAS MOLGAT (Leader of the Opposition)(Ste. Rose): On this point, we are getting involved in wording. I think the situation is simply this: Every Manitoban, regardless of how he pays the plan, whether by payroll deduction or by paying every six months, but every Manitoban will pay the high rate until the end of 1961. Everybody will have paid on the basis of \$6 and \$3 for the full year 1961; that I am sure is correct. So, when my honourable friend made the inference that the rates were going to be retroactive to the 1st of July, the fact is not such, and that inference was left and was picked up by the news media, and I think quite correctly from the statements that my honourable friend made in the House. I will admit that if you check his wording correctly, he protected himself by saying who paid during that period, but the fact still remains that he gave the inference that there would be a reduction to the lower premium rate back to July. Such is not the case; everybody in Manitoba, regardless of what plan they are on, are going to pay the full rate effectively until the end of this year. Starting in the new year, everybody will be on the new basis. Don't confuse it by when they paid or when they didn't pay; take the situation strictly on the amount that they paid through the course of the year '61 and they will have all paid the high rate; no one will get retroactive payments on anything they paid for the period '61.

MR. ROBLIN: . . . get's some \$2 million in rebates. (Interjection)

MR. MOLGAT: With reference to '62 my honourable friend, and if you insist on pursuing this point, you're adding more and more confusion to a very confused situation now. We have had trouble on this bill all the way through, because you--I'm not going to say deliberately, because I don't think you have deliberately done so--but you certainly have left everyone in a confused position as to what the rate of tax was going to be, and in this case as well.

MR. ROBLIN: I'll just repeat what I said at the very beginning Sir, that people who have paid their premiums since July at the old rate will get a refund; that's the literal truth.

MR. MOLGAT: But the fact is that everybody in 1961 in Manitoba, if they have been a family payer will have paid the full \$72; and everybody will have paid for the year '61 a full \$36 if they are a private individual. Is that not correct? (Interjection) No, oh no.

MR. ROBLIN: You check it. Everybody will have paid the full rate for '61.

MR. MOLGAT: That's right then, is it? (Interjection) Everybody will pay the full rate for '61. (Interjection) Did you agree?

MR. JOHNSON (Gimli): We started in June two years ago, or a year ago, when the 3 and 6 went up, paying for six months in advance. (Interjection) We're bringing this measure of relief now back to July 1st of this year. (Interjection) People paying for the next six months' benefit period are getting the lower premium now, so that the next six months ahead they will have all been brought up to date by the end of June of next year; everybody will then be on an even keel. But I think it will take a little more time to explain this to our friends. (Interjection)

MR. RUSSELL PAULLEY (Leader of the CCF Party)(Radisson): I think it would clarify the whole situation, Mr. Chairman, if the First Minister or the Minister of Health would agree to the contention raised on this side, that in respect of the amount that each individual has to pay in respect of the year '61, will be \$3 and \$6; the refunds will only apply in respect of

(Mr. Paulley, cont'd.) . . . any prepayment for the year 1962. Is that correct? (Interjection) It hasn't been specifically stated but I would like to hear either of the gentlemen opposite just simply say that, that is the correct statement.

MR. ROBLIN: I think, Mr. Speaker, that I'll just stick to what I said (Interjection) namely, if my honourable friends want to argue the point about prepayment, it's quite all right with me; let them do so. What I said in the House was, that it would be rebated from July 1st and that is the case, and it's going to cost us some \$2 million to do it.

MR. PAULLEY: All we want from the First Minister is that this is in respect of prepayments for the year 1962; if we just had that simple statement--forgetting about going back to July or June or wherever you go back. In the year '61--that these new rates become applicable the first of January, 1962 and any prepayment made in respect of that year, in excess of the premiums for 1962 will be repaid.

MR. ROBLIN: Mr. Speaker, I won't quarrel with that definition, but what I said in the first place in the House was that they would be reduced as of July, and that is correct, and people are trying to make me out a liar. (Interjection) Well, I don't think I'm a liar. (Interjection) I have tried (Interjection) my honourable friend the Member from St. George accused me of misleading or heaven knows what. I didn't attempt to mislead the House; I don't attempt to mislead them now. Everybody knows when they started paying their premiums, and that is, they start paying them for each six-month period; we intend to make this retroactive to the 1st of July so that anyone who has paid their premium--and admittedly it's a premium in advance--anyone that's paid their premiums will get a refund from the 1st of July. Now I hope that's clear. I don't want to deceive anybody; I know that's it's going to cost the treasury a couple of million dollars; I know that we are going to--well that's what the estimate we got from the hospital. . . (Interjection). . . Well, because we get a lot of money in from the payroll deductions on our hospital premiums. (Interjection) Well you may say what you like about it, but we're going to be paying this money back. (Interjection) Anyone who has paid a premium since July 1st will get it back, and people who are paying their premiums from now on, will pay them at the old rate. Now I hope that's clear; I hope everybody is satisfied and that we have the facts.

MR. MOLGAT: Mr. Speaker, I still say that the Honourable the First Minister left the inference, and this is the way the people of Manitoba took it, the same way as he left the inference that it was going to be. . . (Interjection) What's the trouble, Mr. Chairman?

MR. CHAIRMAN: We're trying to get in order. . .

MR. MOLGAT: Oh, thank you very much. I appreciate it. He left the inference to begin with that it was to be a 1% tax. Now we find out that it's not the inference he left in the first place. He left the inference here that there was to be a retroactive payment. There isn't everybody pays the full rate for '61, and as the Leader of the CCF said, if he'd just admit that, that would be fine; but the inference he left all along was that there was to be a change of rate for certain people at the 1st of July. There isn't; the change of rate comes on the 1st of January.

MR. ROBLIN: To get their refunds, they can make. . .

MR. MOLGAT: . . . their refund. Their refund is money they overpaid for '62; not money they paid for '61.

MR. ROBLIN: If we followed your plan they wouldn't get a nickel. (Interjection)

MR. MOLGAT: If you followed my plan they would go along very well. (Interjection) The fact is that all you're returning to them when you talk about \$2 million is \$2 million that they paid in advance in surplus for '62. You're not giving them back anything except what they paid in advance. Don't kid the public that you're giving a refund out of the treasury.

MR. ROBLIN: You talk to the man when he gets his refund.

HON. GEO. HUTTON (Minister of Agriculture and Conservation)(Rockwood-Iberville): Mr. Chairman, I wouldn't be surprised but that all this confusion goes back to 1958 when the then-administration thought up some gimmick to convince the people of Manitoba that they were getting six months' free hospitalization and the whole thing goes back to that date.

MR. D. L. CAMPBELL (Lakeside): . . . in that connection. I wasn't going to take any part in this debate but I can never resist the appeals that the Honourable the Minister of Agriculture makes to us folks on this side to make some statement. Is the Honourable the Minister of Agriculture aware I wonder that by putting the plan into effect at the time that we did, and admittedly it had to be done hurriedly, because the negotiations that were going on (Interjection)

(Mr. Campbell, cont'd.) . . . the negotiations that had been going on between Ottawa, and Ontario particularly, were dragging along for a very long time. I have said before and I still say that the conditions that were imposed on six--there must be six provinces representing a majority of the people of Canada, which meant in effect that either Quebec or Ontario had to be one of those six provinces--that kept this matter hanging fire for quite a long time. I must confess that it came along more quickly than we had anticipated. We put this plan in and I think the Minister has said, quite rightly, that he found that an almost insuperable task had been imposed upon the administration in trying to meet the conditions; but by putting it in on July 1st, we saved the premium payers or the taxpayers of Manitoba about \$3 million and if my honourable friend the Minister of Agriculture, who's so fond of telling how much money this government is spending, if he wants to say that we should have spent an extra \$3 million of the taxpayers' money then that's the statement he should make.

MR. PETER WAGNER (Fisher): Mr. Chairman, I will be able to settle this matter on the farmers' side now. For example, I paid \$36 in April at \$6 a month; now this comes retroactive, if he wants to use the word, to July; I do not qualify for a refund because I do not come after July. Now what will happen with me as a farmer? I am going to pay in November \$24, and no refund as far as the farmer is concerned. Correct? (Interjection) Thank you.

MR. NELSON SHOEMAKER (Gladstone): Mr. Chairman, I am not going to pursue this subject at all. My question is a brand new one. Just as a matter of interest, when will this government first receive any revenue at all from the new special tax?

MR. ROBLIN: It will start to be collected on our behalf on the 1st of January, at least on the 30th of January for those that are on the payroll deduction system, and we will be getting payments in the regular way that we do under the Tax Rentals Agreements at staggered periods throughout the year. I'm trying to recall whether it's on a quarterly basis or on a two monthly basis; I'm inclined to think it's on a quarterly basis, but I can't--my memory isn't positive on that point.

Sections 1 to 5 of Bill No. 2 were read section by section and passed.

MR. CHAIRMAN: . . . Section 6 - passed; section 7-

MR. MOLGAT: We didn't pass section 6. You never called section 6. You called section 5 not section 6; we have an amendment.

MR. ROBLIN: The Honourable Member for Selkirk was kind enough to give me a copy; his amendment is 7(a), but it covers both points that he mentioned so we can proceed and deal with that at 7(a).

MR. CHAIRMAN: Section 6 - passed; section 7(1) - passed; 2 - passed.

MR. T. P. HILLHOUSE, Q.C. (Selkirk): Mr. Chairman, I have an amendment to add a new section 7(a). The amendment--the marginal note to the amendment reads: "Use of excess revenue from special tax" and the new 7(a) would read: "Where the amount received by the Treasurer as proceeds of the taxes imposed under Section 6 and 7 together with all revenues received by the Commissioner of Hospitalization for the purposes of the Manitoba Hospital Services Plan in any year exceed the cost of operating the Manitoba Hospital Services Plan in that year, the excess shall be deposited in the trust and special division of the Consolidated Fund and shall be used solely for the purpose of reducing the premiums payable under the Hospital Services Insurance Act". I wish to move that amendment, Mr. Chairman, seconded by the Honourable Member for St. George.

MR. ROBLIN: The Honourable Member for St. George and other members of the House were good enough to explain what was in their mind when they moved this amendment so I suppose we pretty well understand the purport of it. But I don't think it would be acceptable to the government. I think as a matter of financial practice that it is not advisable to earmark revenues in this particular way. I imagine that the same goal or the same purpose that my honourable friend seeks can be obtained because we will be quite willing to give an accounting of what money came in in this respect and what was done with it--and that's what he wants so that he can hold us to account, or have a full explanation of what became of the money that was raised for this purpose. Now that course is open to him and I will certainly be expecting that when the estimates are up next year and the estimates of revenue and expenditure before us that we will be asked to give that information, and we will be prepared to do it. But we do think, Sir, that it would be wrong to accept the amendment at the present time because of the general constitutional principle that this business of earmarking is undesirable.

MR. HILLHOUSE: Mr. Chairman, I appreciate the remarks of the Honourable the First Minister and I further appreciate the fact that it is poor public finance to earmark any tax for any special fund, but my main point in raising this amendment is simply this: that under section 6(1) of the Act we are--at least the government is authorized to impose a tax of 1% on the individual incomes of Manitobans. Now section 6(2) is actually the governing section of that section, in which it is expressed that the tax will be a tax of 6% on the tax paid by Manitobans under the federal income tax. Now the point which I am making is this, and the reason why I brought in this amendment, is due to the fact that we cannot estimate now with any degree of absolute certainty what that 6% is going to raise. In the event of that 6% raising more than 1% of the taxable income of the people of Manitoba, I think that that excess should be placed in a special fund. Now the Honourable Minister of Health and Welfare when the increase in hospital premiums was made about a year ago, he submitted a report from the Manitoba Hospital Services Plan which clearly indicated that there was going to be rising costs in connection with the operation of that scheme and that the premiums would increase. Now I think now is the time for us, if we possibly can, in order to nullify or alleviate the impact upon the individuals of the Province of Manitoba, to build up some special reserve fund which we can use as a cushion. And that is my main object in submitting this amendment.

MR. PAULLEY: Mr. Chairman, the First Minister stated, I believe, a minute ago the question of earmarking taxes for specific purposes. Could he inform me as to whether or not, in respect of the 3% Social Security Tax at the federal level, this is not in a special fund for that purpose?

MR. ROBLIN: My impression is that it is, but I really do not know that as a fact. I'm afraid I'm not informed, but I must honestly say that my impression is that it is.

MR. PAULLEY: Well, so is mine, Mr. Chairman, although like the First Minister I'm not positive on this, but I can see no harm at all and only good can come from this amendment as proposed by the Honourable Member for Selkirk. If my information is right--sometimes we don't like to hear of Saskatchewan here--if my information is correct that in respect of 1% of their sales tax in the Province of Saskatchewan, it goes into a separate fund earmarked for hospitalization purposes as well, so that at all times you have readily available the amount of money that is collected for these specific purposes. I think it's true as far as Ottawa is concerned in the Social Security Act; I believe it to be true insofar as the 1% of the sales tax in Saskatchewan, is placed in a separate fund so that it's readily seen at all times what the state of the fund is. I would suggest to the First Minister that because he has been insistent that this will only be used for this, he should accept this amendment and then it would clarify the whole situation.

MR. MOLGAT: Mr. Chairman, it seems to us that the amendment that we offer is perfectly reasonable. I appreciate the position of the First Minister in this matter of earmarking of taxes and that this possibly as a general rule is not a wise course and that the policy in the past has been to operate mainly out of general revenue and to have most of our income come in to general revenue. But the fact is, Mr. Chairman, that my honourable friend purposely put in this bill references to hospital services. He is the one who put this in, not ourselves, but himself. He put it in the preamble and he puts it in then further on in a heading; but nowhere in the operative part of the bill is there anything said. Now surely if he wants to put it in as a general statement then he should put it in the operative part. I can't see any reason why not. In his speech he tied in the whole matter of the income tax with hospital services. Our contention is if this is so then put it in the bill; that's where it should be.

I'm sorry we haven't got Hansard as of last night as yet to check on the comments of my honourable friend. I'd like to add one further point at this stage because this is very important to us and those are his assurances with regard to the other grants that the Province of Manitoba make to the Hospital Services Plan. We, of course, are proceeding on the assurance--and this again I cannot check because I haven't got Hansard--but there will be absolutely no changes made in the grants of the province to the Hospital Services Plan or in the accounting procedures, or in costs charged to it, and so on. This is, I think, essential when considering this bill. But we still appeal to the First Minister in the light of his statements, in the light of what he says in the preamble, then it should be in the operative part of the bill. This amendment makes it clear.



MR. W. B. SCARTH, Q.C. (River Heights): Would the honourable gentleman permit one question, Mr. Chairman?

MR. MOLGAT: Certainly.

MR. SCARTH: Would not the effect of the proposed amendment of the Member for Selkirk have the effect of binding future legislation?

MR. MOLGAT: I see no objection to that but in any case any legislation that's proposed here can be changed at the next session. Nothing is ever final in the course of legislation; it's always subject to change so there would be no loss here.

MR. E. R. SCHREYER (Brokenhead): Mr. Chairman, since it is the intent of the special tax to be used for purposes of reducing the premium on hospital payable by the people of this province, since it is the intent, according to the Premier's own words, I say why not put it into the operative part of the Act. The other point which was made by the Member for Selkirk, and very valid, namely, what about any surplus that is accrued in the next fiscal year? I think that we are duty bound to support the amendment, unless the Premier can give us some indication as to what will be done with any surplus that might accrue. If he can satisfy us on that point perhaps the amendment isn't necessary. So far we have heard no indication on that point.

MR. MOLGAT: Mr. Chairman, I think that the point brought up by the Honourable Member for Selkirk and my honourable friend who just spoke is quite valid. What does the government intend to do with any surplus that will come in, supposing there is one over the 1%, which is quite conceivable in the light of the way that the rates have been set in advance? What is going to be done with it?

MR. ROBLIN: After reading the report last year of the hospital plan I think the first question would be first catch your surplus. My fear is it will require larger sums yet from other branches of the Consolidated Fund.

MR. MOLGAT: My honourable friend doesn't answer the question. If there is a surplus on this amount, what will he do with it?

MR. ROBLIN: . . . .be one.

MR. MOLGAT: No, no, no, no, that's exactly what we suspected you're trying to do. That's exactly the way your bill reads now. It reads for the general purposes of the province. Now if my honourable friend is going to claim that this is a hospital services tax, then let's not confuse it with the general purposes of the province. Let's make it clear to the people of Manitoba what they're paying for, and if you're going to charge them this extra tax for hospital services then pay it to the hospital services. And if you get a surplus on it, then it goes to the hospital services, not to the general fund of the province. But my honourable friend just says right now that's not what he intends to do.

MR. PAULLEY: Mr. Chairman, the First Minister mentioned the fact of deficits, likely deficits. Well all that's required there, and this would help achieve the same purpose as to knowing what the deficits were, if the estimate of 6% is incorrect and it's not sufficient, then simply the government will increase the percentage of tax payable through the legislation, but if the amendment is adopted or accepted it will also reveal deficits as well as excess and we will have both pictures before us when considering any changes in the tax rate in the future, or any changes in the premium rates. So I suggest to the Premier that he reconsider his first rejection of this, because it will achieve the purpose of giving to the members of this House useful and pertinent information as to the state of the amounts that are collected for this special tax, and as has been pointed out by the Honourable Member for Selkirk and others on this side, it does tie into the legislation by a proper section the fact that this is, that this section is for the purposes of hospitalization and nothing else.

MR. LAURENT DESJARDINS (St. Boniface): Mr. Chairman, as the Premier says that probably more money will be needed, I can't see why there is any hesitation of going for this amendment. There is no doubt that the people on the street are mixed up on this thing. I'm not saying that it is done purposely, but now we are trying to clarify that and it would be so simple to put this in and that this money would be used for this purpose. Now there was one point that needed to be answered--well more credit to the Premier; He answered this yesterday. He said that the three million grants now given by the government will stay. That is one thing that the people wanted to know; it is an important thing, and I congratulate the First Minister; nobody asked him that. He answered that himself. But I think it would be so simple, there is no

(Mr. Desjardins, cont'd.) . . . use arguing those things; if we are going to have more money why, if he has a reason why doesn't he tell us the reason why this won't be clarified? That's all we are asking here, Mr. Chairman.

MR. MOLGAT: Will the Honourable Minister give us any assurance that any surplus that comes in over the 1% will be turned over completely to the Hospital Services Plan?

MR. ROBLIN: Yes, Mr. Chairman, I don't think there is any doubt about that. My own fear is that it may not prove to be enough.

MR. CHAIRMAN: Are you ready for the question? The amendment to Section 7--we have moved by the Honourable Member for Selkirk 7(a) where the amount received by the Treasurer as proceeds on taxes imposed under section 6 and 7, together with all revenue received by the Commissioner of Hospitalization for the purposes of the Manitoba Hospital Services Plan in any year exceeds the cost of operating the Manitoba Hospital Services Plan in that year, the excess shall be deposited in the trust and special consolidated fund and shall be used solely for the purpose of reducing the premiums payable under the Hospital Insurance Act.

MR. MOLGAT: I want a recorded vote, Mr. Chairman.

A standing vote was taken, the result being: Yeas, 19; Nays, 32.

MR. CHAIRMAN: In my opinion, I declare the motion lost. Section 8(1).

MR. ROBLIN: Mr. Chairman, we again come, until we hit 55, to these duplicating sections, and if there is no objection in the committee I suggest that we do them a page at a time.

MR. PAULLEY: No objection from our corner.

Remainder of Bill No. 2 and Bill No. 3 were read page by page and passed.

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

MR. SPEAKER: The Committee of the Whole has considered Bills No. 2 and No. 3 and have passed the same without amendment and ask leave to sit again.

MR. W. G. MARTIN (St. Matthews): Mr. Speaker, I beg to move, seconded by the Honourable Member for Winnipeg Centre that the report of the committee be received.

Mr. Speaker put the question.

MR. MOLGAT: Before this vote is taken, it was our intention to move the report of the committee be not received, but referred back to the committee for the inclusion of this specific amendment that we made. We want to be on record of so doing; we will not delay the work of the House, but this we want on record. I will not ask; we will make our statement on third reading.

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

MR. ROBLIN: I beg to move, seconded by the Honourable Minister of Industry and Commerce that Bill No. 2, an Act respecting to income tax be now read a third time and passed.

Mr. Speaker put the question.

MR. MOLGAT: Mr. Speaker, before proceeding to third reading I would like to make a few comments on this bill. We have had a very full discussion and I think all the members who have had anything to say on the subject certainly had their say; I will not run over the whole matter again. I was in the unfortunate position of having exhausted my right to speak on both motions very early in the session and therefore could not make any further comments. I think the position of our party has been made clear in this whole discussion. We are completely opposed to the changes in equalization; we are completely opposed to the change from a tax rental to a tax collection; we are opposed to the imposition of a provincial income tax. This to us is a very serious change in the Canadian picture. We feel as the Honourable Member for Carillon said yesterday, that this is a black day in the history of this province and in the history of Canada. We are going backwards over the years to a situation that has developed to a very much improved position in the Canadian picture. I am sure my honourable friend, the First Minister agrees with this himself; I am sure he doesn't feel that this change that we are proceeding now to put through is in the interests of this Province or in the interests of Canada. We cannot proceed if we are going to build a strong Canadian nation to a balkanization of our system. A Simplification of our system is what is desired. I am not advocating the removal of the provinces, far from that; the provinces have a responsibility, and I think they have been discharging it well. In order to do that they must have the finances. The arrangement that existed before while we wanted more money, were certainly right in principle. These arrangements are not; they are wrong in principle. They are a serious backward step for Canada. We regret them because

(Mr. Molgat, cont'd). . . . it will take a long time, Mr. Speaker, to make up for this backward step now--a long, long time. It will be extremely difficult to go back in future years to the basis of equalization on the two top provinces which we had before, and on the top province which we requested and which my honourable friend requested. This is extremely serious.

When we suggested changes as we did in the matter of premiums on the hospital premium system, my honourable friend across the way, my honourable friend here and a few others ridiculed our proposition. Mr. Speaker, I would like to make the prediction that this change that we propose will be made, because it is the right method of doing it. It is wrong to try and collect this tax on a provincial basis. Now that everyone is in it, the right way to do it is on a national basis, because that is the only way that you can get the equalization feature into it. We are not asking for handouts from anyone; we are only asking for our fair share of the national revenues of Canada, and our proposal that the premiums be abolished and be replaced, either with more grants from Ottawa, or if need be, by a special income tax by Ottawa, not by ourselves, are perfectly sound--and they will come to pass. I am positive of that, because it's the right trend for Canada. This trend now is the wrong one. We are opposed completely to this whole matter.

MR. EDMOND PREFONTAINE (Carillon); Mr. Speaker, I feel I must add one word in support of what my Leader has just said. I was surprised in a sense this morning when I read in one newspaper that I said yesterday that today or yesterday was a black day for me. Well, that's what the paper said. I think it was a mistake. I think it was a sad day for all of Manitoba because we are going back to a system, or partly so, to a certain extent, that we had fought for years and years to get rid of. We had established a fact that there were provinces in Canada which were getting a larger share of revenues from the income of Canada than other provinces and we are withdrawing from that position. It has been a very interesting session. Something happened yesterday that surprised me very much. The members will recall that during this session the government has taken a strong stand. This was their bill, their leader, the Leader of the House, had done a marvelous job in Ottawa; the best that any man could have done. He fought for Manitoba better than anyone could have done. He was a hero. They were doing this; they were reducing premiums; they were introducing the principle of ability to pay (Interjection). . . . .

MR. ROBLIN: Mr. Speaker, I must correct my honourable friend on that. I am no hero and I want it clearly understood.

MR. PREFONTAINE: I don't say that you claim to be a hero, but your supporters claim that you are a hero.

MR. ROBLIN: I don't think they would do anything like that.

MR. PREFONTAINE: That's what they have said all along now for five days. It was very plain to the House, and we on this side were turned into ridicule and brainwashed by the strong henchmen of the Leader of the House. The Honourable the Minister of Health and Welfare, he's pretty apt at turning ridicule, he's got a good tongue; so has the Honourable the Minister of Agriculture and the Honourable the Attorney-General, and they did throw invectives and sarcasm at us. That's good; that's right; that's proper; that's our parliamentary system. We expect that on this side of the House. The First Minister himself when he came to bat yesterday, he carried on in the same way. He's pretty apt at throwing ridicules too. We expect that Mr. Speaker. We expect that under our system of government by political parties, one party being in power and being there to govern, and the other party being there to oppose. The present leader of the government has taken a strong stand along those lines. He believes in the strong opposition. He doesn't want in this province a coalition, of course unless it is absolutely necessary, but he was against the idea. He wants a strong opposition, but lo and behold Mr. Speaker, what did we listen to from this honourable gentleman at the end of his speech last night? He was appealing to all of us on this side to vote unanimously for his measure that he was introducing--unanimously support it. I couldn't believe my ears, Mr. Speaker, that this appeal would be made to us at this time. Of course, after claiming all the credit for having reduced the premium and all these things, knowing very well that there would be some blame because of the "New Deal", he wanted us to share the blame. Certainly he did not want to give us any credit for anything, but he wanted us to share the blame. That's not the way that our Premiers of this province have done in the past. They have, on a matter as important as

(Mr. Prefontaine, cont'd)... Federal-Provincial relations, taken the Opposition into their confidence before the fact, not after. We have seen Mr. Bracken making a coalition for the purpose of getting a better deal from Canada as a whole. We have seen Mr. Garson carrying on this coalition with Mr. Willis for the same purpose. We have seen Mr. Campbell, member for Lakeside, taking the Opposition into his confidence for that purpose also, not after the fact, not trying to get the credit for one political party and discredit for the other one--no.

Now we have the Leader of this House wanting us to approve this after the fact, after we have been turned into ridicule, making a strong appeal for unanimous vote on this. Mr. Speaker, we all know very well in this House that this was window-dressing. He was speaking to the Press Gallery, I believe, Mr. Speaker, in order that this might be reported--and it was reported--(Interjection)--Well, so definitely I approve of it; I am speaking to the people; that's why the Opposition is here. If we do not get reports in the paper, and we're not as good as the First Minister in appealing apparently, maybe we haven't got anything worthwhile to say. I enjoy looking at him when he speaks, apparently to us at times, but his eyes seem to be focused somewhere over the head of the Speaker. I don't know if he is speaking to the Speaker all the time, but at any rate it's creating a wrong impression in the minds of the people of Manitoba; in the minds of us over here that the Premier of this province should appeal, generous-hearted gentleman, he's willing to compromise, to co-operate, to work along with the Opposition, and he wants the Opposition to support him in his request. Now we're under the Party system and let's make it strong; let's make it operate; let's make the government assume its responsibility, not appeal to the Opposition.

Now the Opposition has a job to do and it has done it in this session to the best of its ability. It has been fairly reported, I should say all along, the job of the Opposition; and the Opposition deserves to have good reports in the press because that's the only way that we will keep Democracy really working in this province. But after the performance of the three strong henchmen and the Premier himself, then to listen to an appeal for unanimous support on a thing that we can't support, I repeat that this is a black, a black day for Manitoba. I say, Mr. Speaker, that the interests of Manitoba have been sacrificed on the altar of political expediency in Ottawa for the next federal general election. I believe, Mr. Speaker, that our Premier of this province was handicapped in his dealings with Mr. Diefenbaker; and you know why he was handicapped? He has many requests for millions and millions of money there and he was handicapped; and I say that this is a sad day for all of us. I say that as one, one in this House, I will not support the principle that we are asked to approve of at this time, and I certainly will not vote unanimously for this bill and I will oppose it with both hands.

..... continued on next page.

MR. PAULLEY: I too, like the others preceding me, am not going to go into any details. I think we all agree in this House that we have had a pretty thorough debate on this bill and in so far as the general principles involved in the departure from equalization in Canada. We have tried on this side to point out to the First Minister and to the people of this province that we think that this is a bum deal. I agree with my honourable friend the Member from Carillon when he says that this is a black day for Manitoba. It was certainly a black day for Canada when back in September, I just forget the date, when the House of Commons in Ottawa passed this bill. I am not going to go into any further debate with my honourable friend the Leader of the Opposition in respect of hospital premiums, etc. I think that was thoroughly aired the other night.

But I do, and another objection that I have to the bill apart from the agreements themselves, is the fact that the government has not accepted what I think was a very reasonable proposal, introduced by the Honourable Member for Selkirk, in having in this bill spelled out the purposes of the additional tax on income. I think in all fairness to the people of Manitoba the government should have accepted that amendment and had that incorporated into the bill. For what harm could it do? Why have our honourable friends across the road rejected it? If they have nothing to hide, then surely they could accept this, because this would be the revealer of the state of the collections of this fund. Can we take by inference that the rejection means that they do want to cover something up. What other alternative have we, than simply take that -- (Interjection) -- No it's not possible -- it's not possible -- and I think in the years to come we will find out as to whether it's possible or not. And if it's impossible to cover it up, why not spell it out so it's readily available to us. That's the point Mr. Chairman, and I think that the government is in error, and not being fair to the people for not accepting such a reasonable proposal.

I would like just to say once again, as I said last night after the completion of the First Minister's replies to the criticisms on this side, that we reject completely as almost nonsense his appeal to those of us on this side of the House to join unanimously in support of a measure such as this. To do that, Sir, would be to endorse what we consider something that is detrimental to the whole of Canada. I am positive in my mind that if the Honourable the First Minister were on this side of the House he would be carrying on and doing exactly the same job as we're doing here. I appreciate the fact, Mr. Speaker, that our First Minister is in a difficult position, but surely unanimous votes would not solve the situation we require. It's up to us in opposition to provide alternatives which we have attempted to do, and to act as the true spokesman for the Province of Manitoba. I think in this, Mr. Speaker, that in opposing this measure, we are acting as the true spokesmen for the people of the Province of Manitoba. In recording our opposition to this bill we are doing that, and I am sure that by doing that it will have, at least I hope have, some repercussions on the mighty "John" at Ottawa, that ere too long he sees the error of his ways and those of his Minister of Finance and that they may, before the expiration of this five-year agreement which coincides with a hundred years of Confederation that, ere too long he will see the error of his ways and the damage that he has done to we here in Western Canada, and introduce amendments at Ottawa that would make my Honourable friend the Premier of the Province of Manitoba, put him in a position where he could stand up in this House and say: "Well now boys, thanks to your opposition to this the matter has been given reconsideration. I can stand up now with a decent and a forward-looking proposal for Canada as a whole, and I appeal to you in this matter for unanimous consent". I suggest this, Mr. Speaker, if that transpires we would give unanimous consent to an improved measure. We certainly can't give it to the measure that is before us today.

MR. J. M. FROESE (Rhineland): Mr. Speaker, I was unable to be present last night when the First Minister spoke in the debate on Bill No. 2. However, I will read up on Hansard later on and get to know just what was said because of the references made to his speech last night. I am opposed to the bill as it presently stands; I am opposed to a Provincial Income Tax. I feel sorry that the amendment offered by the Member for Selkirk was not accepted, because I think it was a very valuable feature, would have been a very valuable feature in the bill, because of the accrual that might result from the one percent income tax, which I feel should be ear-marked for hospitalization.

I also feel that the former tax-rental agreement had some very good features such as the

(Mr. Froese, cont'd.) . . . stabilization and equalization part of it, and I am sure all the members of this House are agreed that we all would like the provinces of Canada to have some form of standard -- revenue and income for their people with which to render governments and their services. We find that the Atlantic provinces had help, some of this through their grants that they are going to receive, whereas some of the western provinces definitely will lose; and I think Manitoba is going to be one of the biggest losers because of this. So I just want to go on record as opposing the bill as it stands.

MR. CAMPBELL: Mr. Speaker, I, too, have a few closing words that I would like to say with regard to -- not the bill with which the third reading deals as much as to the policies and agreements that are behind this bill. I want to say, Mr. Speaker, that my real reason for speaking is because of the statements made by the Honourable the First Minister when he addressed the House yesterday. Now we haven't yesterday's Hansard and so I can't be positive of the statements that I make regarding what the Honourable the First Minister said. I can't be positive of my own wording because I was speaking largely without notes, and then very brief notes. But when it came time for the Premier to reply to what I had said, regardless of the fact that I had spoken at considerable length; that I had reviewed the negotiations that I had seen over a period of years; that I had tried to answer the questions that had been hurled at us by several members from the government benches that we didn't get a deal as good as this one; after I had spent a lot of time putting some facts and figures, as I saw them, on the record; when the First Minister replied, the only statement that I had made, according to him, which he decided to challenge was one where he said that I had used intemperate terms and exaggeration in saying that this was a negation of the principles of the Rowell-Sirois Report; that it was an abandonment of those principles; that it was a retreat from the policy established under the tax-sharing arrangements. His whole speech, as I understood it as far as a reply to me was concerned, was based on the fact that he said that I had applied that exaggerated language to the arrangement that the Federal Government is giving as a whole. He went on to point out that the principle of equalization was still in the arrangement that's made, and that it amounted to some \$12 million to the Province of Manitoba.

Now, Mr. Speaker, in the absence of what he said, in the absence of Hansard, I can't be positive about what he said and about what I said, but I want to say here that I think the record will prove, when it appears, that when I made those statements; when I used that language; that I had just finished saying that under this arrangement and I wasn't going to discuss all of its details, but under this program that it would be found that the Province of Ontario, by the Federal Government's own figures, not only from our figures, but by the Federal Government's own figures, was shown to be the big winner; that the Province of Ontario, the richest province in Canada, was the one that had gained in this deal, not only in fact but comparatively to all the rest of the provinces. That is what, as I recall it, that is what I said was a negation of the principles of the Rowell-Sirois Report and of the tax-sharing agreements up to this date. That's the point I was making and I make it again. That is the abandonment of the principle. That's getting away from the ability to pay principle. If that is not what I said, and if the language that I used in that connection was capable of the interpretation that my honourable friend put on it, then I'll have to admit that that was in error. But if that is what I said, as I believe it was, and if I based the use of those words of negation and retreat and abandonment in that connection, then I certainly re-affirm today what I said yesterday because that is the basic fact, that we depart from the fundamental principle when we change the concept and give the greatest amount to the wealthiest province. That's the connection in which I was speaking.

Like my honourable friends I do not intend to go over the arguments that have been used before, but I wanted to make this explanation because my honourable friend the Leader of this House said that I had spoiled an otherwise passable speech by exaggeration and intemperance, and by failing to give the credit that was due with regard to equalization. I had no such intention and I hope and believe that the records will prove that that is right. Well, Hansard will be out in due course and we'll see who is right in this connection. And so, much as I'd like to have it before me now, I guess I'll have to wait until the next session of the House to resume this debate. But I did want to put that correction on the record, Mr. Speaker, because for one thing I feel I have reason to be satisfied with in the House is that never intentionally have I either exaggerated or misinformed the House. Well I could have been wrong, people can

(Mr. Campbell, cont'd) . . . disagree with the conclusions that I arrive at, but I certainly did not intend to put a wrong interpretation on this deal. Mr. Speaker, it's bad enough; it doesn't need any exaggeration. The reason that my honourable friend the First Minister felt so heated up about this is because that he knows that he is forced to the position of having to defend a deal that is, in the last analysis, indefensible. The only point that he presumed to attack in my argument on this matter was one that I maintain was invalid, because that is not what I said.

Now, Mr. Speaker, I don't believe in talking about black days and bright days and all the rest because we've got to keep on going regardless of what the weather is, but this deal is about to be closed and I maintain, however, that in closing it that we have turned the clock back. The progress that has been made with much difficulty and after a great amount of work, work that's hard to do because it's not easy to get the ten provinces of Canada into even close agreement among themselves; and then it's not easy to get the Federal Government into agreement with all or many of them. There had been some accomplishments, and now that progress, in my opinion, is not only arrested, but the direction has been changed; we're going back, Mr. Speaker, and I don't like it. So what can we do? We've just got to start all over again right away, and I suggest to the Honourable the First Minister that even though he didn't take kindly or hasn't acted upon the proposal that I made to him of putting right before the people of this province in a formal resolution of this House that we still believe in the fundamental principles of the Rowell-Sirois Report; that we still believe in the principle of equalization insofar as these fields of taxation are concerned between all the provinces of Manitoba; that we still believe that a tax-sharing arrangement is to the advantage not only of this province, but to all of Canada; and that the feelings that are engendered among the provinces and their people, through having those arrangements, are so beneficial that we should have put that resolution before this House. Apparently it's not going to be done, so I do counsel the Honourable the First Minister to continue to press the Federal Government and the federal members to see that their outlook on these matters is changed, because in the interest of this province we must get back, in my opinion, to those principles of the Rowell-Sirois Report.

Mr. Speaker put the question and after a voice vote declared the motion carried.

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

MR. SPEAKER: Call in the members. The question before the House is the motion by the Honourable First Minister, seconded by the Honourable Minister of Industry and Commerce, that Bill No. 2, an Act respecting Income Tax, be now read a third time and passed.

A standing vote was taken, the result being:

YEAS: Messrs: Alexander, Bjornson, Carroll, Christianson, Corbett, Cowan, Evans, Groves, Hamilton, Hutton, Ingebrigtson, Jeannotte, Johnson (Assiniboia), Johnson (Gimli), Klym, Lissaman, Lyon, McKellar, McLean, Martin, Roblin, Scarth, Seaborn, Shewman, Smellie, Stanes, Strickland, Thompson, Watt, Weir, Witney, Mrs. Forbes and Mrs. Morrison.

NAYS: Messrs: Campbell, Desjardins, Dow, Froese, Gray, Guttormson, Harris, Hillhouse, Molgat, Orlikow, Paulley, Peters, Prefontaine, Reid, Roberts, Schreyer, Shoemaker, Tanchak, Wagner, Wright.

MR. CLERK: Yeas, 33; Nays, 20.

MR. SPEAKER: I declare the motion carried. Third reading of Bill No. 3.

Mr. Lyon presented Bill No. 3, an Act to amend the Metropolitan Winnipeg Act and make provision respecting the final date for the making of the annual estimates in Metropolitan Winnipeg in 1962, for third reading.

Mr. Speaker presented the motion.

MR. SCHREYER: Mr. Speaker, I feel at this time that I must rise to say just a few words referring back to my statement on this bill made here a couple of days ago. When I made that statement, Mr. Speaker, at no time did I make any reference or any imputation as regards personalities in this Chamber, and I think all members will appreciate that. Also, it seems to be the impression of some members of this House that I am a little bit of a mugwump, in that while I was in favor of Metro at the time of the passing of the bill, it seems to them that I am opposed to it now. This, of course, is a completely erroneous impression which reflects on my integrity and which I feel I should have a chance to deal with at this time. Certainly I am in favor of the concept of Metropolitan government, and I wish that to be abundantly clear.

(Mr. Schreyer, cont'd). . . I, when making that statement here the other night, was only referring to matters of a specifically and particularly local nature and, as such, has nothing to do with the concept involved of Metro.

Now the Attorney-General made some remarks which were highly derogatory, but his subsequent action in the matter leaves me satisfied that he didn't really mean what he said, and so I shall say nothing more about that--(Interjection)--You do mean then that I wasn't man enough to make charges directly. --(Interjection)--But I didn't intend to make any charges, Mr. Speaker, I was merely saying that I wasn't satisfied to let this situation pass without an attempt to get an explanation as to this amazing coincidence. There's nothing wrong with that, but I really didn't want to deal with the Attorney-General's statement. What I did want to refer to particularly was to the statement, the completely uncalled for statement made by the Honourable Member for LaVerendrye. Now I know that at times he seems particularly determined to make a nuisance of himself and on that particular occasion he may well have succeeded, because he questioned my integrity in the matter; he left the impression that I was laying aspersions at the door of Metro and its officials; and certainly this was quite far from the case. I think that when all is said and done I should have this opportunity to set the records straight, and this is the reason for my making this statement at this time.

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

MR. SPEAKER: May it please Your Honour: The Legislative Assembly at its present session passed several bills, which, in the name of this Assembly, I present to Your Honour, and to which bills I respectfully request Your Honour's Assent.

MR. CLERK: Bill No. 2, An Act respecting Income Tax; Bill No. 3, An Act to amend the Metropolitan Winnipeg Act and to make provision respecting the final date of the making of the annual estimates in Metropolitan Winnipeg in 1962.

In Her Majesty's name, His Honour the Lieutenant-Governor doth assent to these Bills.

MR. SPEAKER: We, Her Majesty's most dutiful and faithful subjects, the Legislative Assembly of Manitoba in session assembled, approach Your Honour with sentiments of unfeigned devotion and loyalty to Her Majesty's person and Government, and beg for Your Honour the acceptance of this Bill: No. 4, An Act for granting to Her Majesty further sums of Money for the Public Service of the Province for the Fiscal Year ending the 31st day of March, 1962.

MR. CLERK: His Honour the Lieutenant-Governor doth thank Her Majesty's dutiful and loyal subjects, accepts their benevolence and assents to this bill in Her Majesty's name.

HON. ERRICK F. WILLIS (Lieutenant-Governor): Mr. Speaker, and Members of the Legislative Assembly: You have now completed the work of the Fourth Session of the 26th Legislature. I wish to commend the members for their faithful attention to their duties which, on this occasion, were concerned with some particular matters I placed before you in opening the Session on Monday last. I thank you for providing the necessary sums of money for carrying on the business of the Session, and I convey to you my appreciation of the care you exercised in examining the measures which were laid before you for the general welfare of our province. In relieving you now of your present duties and declaring the Fourth Session of the 26th Legislature prorogued, I give you my best wishes and pray that under the guidance of Divine Providence our province may continue to assure to all its people the fullest possible measure of health, happiness and well-being.

MR. EVANS: Mr. Speaker, and Members of the Legislative Assembly: It is the will and pleasure of His Honour the Lieutenant-Governor that this Legislative Assembly be prorogued until it shall please His Honour to summon the same for the dispatch of business, and the Legislative Assembly is accordingly prorogued.