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ASSINIBOIA	Steve Patrick	189 Harris Blvd., Winnipeg 12
BIRTLE-RUSSELL	Hon. Robert G. Smellie, Q. C.	Legislative Bldg., Winnipeg 1
BRANDON	R. O. Lissaman	832 Eleventh St., Brandon, Man.
BROKENHEAD	E. R. Schreyer	2 - 1177 Henderson Hwy., Winnipeg 16
BURROWS	Mark G. Smerchanski	102 Handsart Blvd., Winnipeg 29
CARILLON	Leonard A. Barkman	Steinbach, Man.
CHURCHILL	Gordon W. Beard	Thompson, Man.
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DUFFERIN	William Homer Hamilton	Sperling, Man.
ELMWOOD	S. Peters	225 Kimberly St., Winnipeg 15
EMERSON	John P. Tanchak	Ridgeville, Man.
ETHELBERT-PLAINS	M. N. Hryhorczuk, Q. C.	Ethelbert, Man.
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HAMIOTA	B. P. Strickland	Hamiota, Man.
INKSTER	Morris A. Gray	406 - 365 Hargrave St., Winnipeg 2
KILDONAN	James T. Mills	142 Larchdale Crescent, Winnipeg 15
LAC DU BONNET	Oscar F. Bjornson	Lac du Bonnet, Man.
LAKESIDE	D. L. Campbell	326 Kelvin Blvd., Winnipeg 29
LA VERENDRYE	Albert Vielfaure	La Broquerie, Man.
LOGAN	Lemuel Harris	1109 Alexander Ave., Winnipeg 3
MINNEDOSA	Hon. Walter Weir	Legislative Bldg., Winnipeg 1
MORRIS	Harry P. Shewman	Morris, Man.
OSBORNE	Hon. Obie Baizley	Legislative Bldg., Winnipeg 1
PEMBINA	Mrs. Carolyne Morrison	Manitou, Man.
PORTAGE LA PRAIRIE	Gordon E. Johnston	7 Massey Drive, Portage la Prairie
RADISSON	Russell Paulley	435 Yale Ave. W., Transcona 25, Man.
RHINELAND	J. M. Froese	Winkler, Man.
RIVER HEIGHTS	Hon. Maitland B. Steinkopf, Q. C.	Legislative Bldg., Winnipeg 1
ROBLIN	Keith Alexander	Roblin, Man.
ROCK LAKE	Hon. Abram W. Harrison	Legislative Bldg., Winnipeg 1
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RUPERTSLAND	J. E. Jeannotte	Meadow Portage, Man.
ST. BONIFACE	Laurent Desjardins	138 Dollard Blvd., St. Boniface 6, Man.
ST. GEORGE	Elman Guttormson	Lundar, Man.
ST. JAMES	D. M. Stanes	381 Guildford St., St. James, Winnipeg 12
ST. JOHN'S	Saul Cherniack, Q. C.	333 St. John's Ave., Winnipeg 4
ST. MATTHEWS	W. G. Martin	924 Palmerston Ave., Winnipeg 10
ST. VITAL	Fred Groves	3 Kingston Row, St. Vital, Winnipeg 8
STE. ROSE	Gildas Molgat	Room 250, Legislative Bldg., Winnipeg 1
SELKIRK	T. P. Hillhouse, Q. C.	Dominion Bank Bldg., Selkirk, Man.
SEVEN OAKS	Arthur E. Wright	168 Burrin Ave., Winnipeg 17
SOURIS-LANSDOWNE	M. E. McKellar	Nesbitt, Man.
SPRINGFIELD	Fred T. Klym	Beausejour, Man.
SWAN RIVER	James H. Bilton	Swan River, Man.
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VIRDEN	Donald Morris McGregor	Kenton, Man.
WELLINGTON	Richard Seaborn	594 Arlington St., Winnipeg 10
WINNIPEG CENTRE	James Cowan, Q. C.	412 Paris Bldg., Winnipeg 2
WOLSELEY	Hon. Duff Roblin	Legislative Bldg., Winnipeg 1

THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock Monday, April 6, 1964

Opening Prayer by Madam Speaker.

MADAM SPEAKER: Presenting Petitions

Reading and Receiving Petitions

Presenting Reports by Standing and Special Committees

MR. JAMES COWAN, Q.C. (Winnipeg Centre): Madam Speaker, I beg to present the second report of the Standing Committee on Private Bills, Standing Orders, Printing and Library.

MR. CLERK: Your Standing Committee on Private Bills, Standing Orders, Printing and Library, beg leave to present the following as their second report. Your Committee recommends that the time for receiving reports of the Standing Committee on Private Bills, Standing Orders, Printing and Library, be extended to the 27th day of April, 1964.

Your Committee has considered Bill No. 74, an Act to incorporate the Jewish Foundation of Manitoba, and has agreed to report the same with certain amendments.

Your Committee recommends that Rule 73 of the Rules, Orders and Forms of Proceedings of the Legislative Assembly of Manitoba be deleted and the following substituted: "73 -- A report from a Standing or Special Committee shall not be amended by the House but it may be referred back to the Committee."

Your Committee also recommends that the fees paid in connection with the following bills be refunded, less the costs of printing: No. 25, an Act to amend an Act to incorporate "Winnipeg Bible Institute and College of Theology;" No. 33, an Act to incorporate Canadian Nazarene College; No. 52, an Act to incorporate The Catholic Foundation of Manitoba or La Fondation Catholique du Manitoba; No. 65, an Act to incorporate Association d'Education des Canadiens-Francais du Manitoba; No. 74, an Act to incorporate The Jewish Foundation of Manitoba; No. 82, an Act to incorporate The Wasagaming Foundation; all of which is respectfully submitted.

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

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

MR. COWAN: Madam Speaker, I move, seconded by the Honourable Member for Pembina, that the time for receiving the report of the Committee on Private Bills, Standing Orders, Printing and Library, be extended to the 27th day of April, 1964.

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

MR. COWAN: Madam Speaker, I beg to move, seconded by the Honourable Member for Pembina, Resolved that Rule 73 of the Rules, Orders and Forms of Proceedings of the Legislative Assembly of Manitoba, be deleted and the following substituted: "73. A report from a Standing or Special Committee shall not be amended by the House but it may be referred back to the Committee."

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

MR. COWAN: Madam Speaker, I beg to move, seconded by the Honourable Member for Pembina, that the fees paid in connection with the following bills be refunded, less the costs of printing: No. 25, an Act to amend an Act to incorporate "Winnipeg Bible Institute and College of Theology;" No. 33, an Act to incorporate Canadian Nazarene College; No. 52, an Act to incorporate The Catholic Foundation of Manitoba or La Fondation Catholique du Manitoba; No. 65, an Act to incorporate Association d'Education des Canadiens-Francais du Manitoba; No. 74, an Act to incorporate The Jewish Foundation of Manitoba; No. 82, an Act to incorporate The Wasagaming Foundation.

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

MADAM SPEAKER: Introduction of Bills.

HON. MAITLAND B. STEINKOPF, Q.C. (Provincial Secretary and Minister of Public Utilities)(River Heights) introduced Bill No. 113, an Act requiring the registration of mortgage brokers.

HON. STEWART E. McLEAN, Q.C. (Attorney-General)(Dauphin): Madam Speaker, I move, seconded by the Honourable Minister of Education, that Madam Speaker do now leave the Chair and the House resolve itself into a Committee of the Whole to consider the proposed resolution standing on the Order Paper in my name.

Madam Speaker presented the motion and after a voice vote declared the motion carried and the House resolved itself into a Committee of the Whole with the Honourable Member from St. Matthews in the Chair.

MR. McLEAN: Mr. Chairman, His Honour, the Lieutenant-Governor, having been informed of the subject matter of the proposed resolution, recommends it to the House.

MR. CHAIRMAN: Resolved that it is expedient to bring in a measure respecting the disbursement from and out of the Consolidated Fund of certain moneys held back under certain contracts entered into by the government and to provide for the payment of certain costs arising in connection therewith.

MR. McLEAN: Mr. Chairman, members will recall that on previous occasions we have had drawn to our attention the problem involved in certain contracts relating to road-building in which third parties were unable to collect their accounts although moneys were held back under the contract by the Province of Manitoba. The bill which is now beginning its consideration is a scheme devised to bring a speedy and, I would hope, an effective solution to that problem.

MR. CHAIRMAN: Resolution be adopted?

MR. GILDAS MOLGAT (Leader of the Opposition)(Ste. Rose): Mr. Chairman, under this, because this problem has been with us for some time and I think that the few cases that came to court were unsatisfactory insofar as the creditors were concerned. It seemed that the bonding situation was not satisfactory and that those people who had accounts outstanding to contractors were unable to collect. I have brought up in the House here on a number of occasions in the past the situation of some of the creditors of contractors who had been employed by the Government of Manitoba on road construction. Some of them go back to the year 1956 and 1957, and to the best of my knowledge have not yet been resolved, so I certainly look forward to this bill and trust that it will put people who deal with contractors who are employed by the government, where the government has hold-back arrangements and bonding arrangements, in a secure position where they can go ahead and be covered for any losses that they sustain as a result of these contracts.

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

MR. W. G. MARTIN (St. Matthews): Madam Speaker, the Committee of the Whole House has adopted a certain resolution, directed me to report the same and ask leave to sit again.

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

MR. McLEAN introduced Bill No. 117, an Act to provide for the disbursement of moneys held back under certain contracts respecting road building.

MADAM SPEAKER: Before the Orders of the Day, I would like to attract your attention to the gallery where there are some 60 Grade 5 students from the Princess Margaret School, under the direction of their teacher, Mrs. McCarthy. This school is situated in the constituency of the Honourable the Member for Kildonan. We welcome you here this afternoon. We hope that all that you see and hear in this Legislative Assembly will be of help to you in your studies. May this visit be an inspiration to you and stimulate your interest in provincial affairs. Come back and visit us again.

You will note that there has been appointed an assistant to the Clerk of the Legislative Assembly. Mr. Reeves has served with the staff for the past three years. He will now be assisting the Clerk in carrying out his duties in this Legislative Chamber.

Orders of the Day.

MR. M. A. GRAY (Inkster): Madam Speaker, before the Orders of the Day, may I direct a question to the First Minister as to whether the province has given consideration to rendering any assistance to the victims of the recent earthquake in Alaska and British Columbia?

HON. DUFF ROBLIN (Premier)(Wolseley): Madam Speaker, I want to thank my honourable friend for raising this matter, and I can tell the House that, as we are all aware, the fund that was left over from the flood disaster in Manitoba was placed in the hands of trustees for use in other parts of the world in the case of disaster. I have accordingly written to Mr. H. W. Manning, who is the representative from this part of the country, on the board of trustees with respect to who controls this money, and suggested to him that if he has not already done so -- and I should imagine he has -- that his Fund should give consideration to coming to the

(Mr. Roblin, Cont'd.) . . . assistance of those who need help, particularly in the Province of British Columbia. I also suggested that he should take under consideration the problem in Alaska, although I'm not really certain that he has authority to spend money in that area. Nevertheless we have brought this matter to the attention of the Fund and I trust they'll be able to deal with it.

MR. MOLGAT: Madam Speaker, before the Orders of the Day I'd like to direct a question to the Minister of Public Utilities. It was reported in the newspapers that, speaking in Brandon last week the Minister indicated that the government would give consideration to assisting Brandon in a 2-1/2 million dollar complex to house the Manitoba Winter Fair and this might be considered for a Manitoba Centennial project in 1970. The Minister apparently indicated the province would be prepared to help. I wonder if he could give more details to the House at this time as to the extent of the help that he had in mind, the cost sharing arrangements, and exactly what he has in mind for this project.

MR. STEINKOPF: Madam Speaker, I haven't seen the press report. I'd like to take a look at it, but from what was just said by the Honourable Leader of the Opposition, I certainly was misquoted. I didn't make any speech in Brandon or talk to anyone there. I'd like to take a look at the report.

MR. MOLGAT: Madam Speaker, this report is dated -- well it is from Brandon, special to the Tribune. The heading says "Brandon May Get New Fair" and it says Fair officials met with Manitoba Utilities Minister Maitland Steinkopf Friday, and he is reported to have told them that chances are slim for federal-provincial grants to help to build the new Winter Fair as part of the Centennial program for '67, but then he went on and indicated that help could be expected for 1970.

MR. STEINKOPF: I'd like to take a look at the report which I

HON. STERLING R. LYON, Q.C. (Minister of Mines and Natural Resources)(Fort Garry): Madam Speaker, before the Orders of the Day, I should like to lay on the table of the House Return to an Order of the House, No. 41, on the motion of the Honourable Member for Brokenhead.

MR. ROBLIN: Madam Speaker, I would like to table a Return to Order of the House No. 21, on the motion of the Honourable Member for Rhineland.

MR. MOLGAT: Madam Speaker, before the Orders of the Day, I wonder if it is the intention of the First Minister to give the House a report on the conference that he attended last week in Quebec City.

MR. ROBLIN: Madam Speaker, I'll be glad to give the House some information on that point. I don't think there is much I can add to the statement that I have already made on this subject, but I'll be glad to go over that ground again so that the members may have it from me if that is their desire. I must, first of all, say that anything I have to mention in connection with this matter is in the nature of a progress report on Dominion-Provincial relations rather than any definitive statement of anything very much being accomplished at this particular meeting. That's not to say that the meeting was not valuable, as I will go on to indicate later on, but it is a matter of regret to us that we have not been able to come to any conclusions in respect of a number of specific matters which are of concern to this House and the province. I think the House is very familiar with the points I have in mind here, because we have on a number of occasions made public our views on the improvement of the equalization of formula as indicated as being part of the policy of the present federal administration, and we repeated our position in respect of that matter. We also asked for improvements in the cost-sharing formula in certain of the joint programs that are being carried on now between the Federal government and this province, and a number among those particular programs of course was the question of the hospital plan division of responsibilities and costs, implementation of the Fautoux report, increased federal assistance to our university, a national highway policy, improvements in welfare cost-sharing plans and also in the general concept of ARDA. Those were the most important of these joint programs in which the province had specific proposals to make to the federal government. We had an opportunity just to touch on these very lightly indeed, I must say, in the course of the discussions, and it was indicated to us they would be noted, and I think that's about as far as we can say that we got in connection with those matters at the present time.

(Mr. Roblin, Cont'd.)

One of the points that the province made, however, without prejudice to the specific requests that we have, was that it was probably appropriate that the province and the Federal government should give joint consideration to the question of national priorities. In other words, we each had our own system of priorities and our own specific appeals of responsibility, and yet we were both trying to get a larger share of the same tax field, and it seemed to us that it would be valuable to give consideration to whether or not we could have some understanding in connection with national priorities -- that is, federal and provincial priorities considered together, rather than consider them in separate compartments as we do now. I'm very conscious of the difficulties, the extreme difficulties of reaching agreement on this particular approach to the questions of Dominion-Provincial finance, but I also hold strong views as to the desirability of making an effort. It may be too much to expect that we can re-organize our present system of priorities, but I really think that we can do better when we are devising new programs in the future if we have some mutual understanding insofar as may be possible on this point. This is not a new position. This is one taken by Manitoba at the time of our last meeting, re-emphasized today, and I think it now has wider support than it had originally.

One of the other important items discussed at the conference -- in fact, perhaps the most important item from the point of view of the federal government and some other provinces -- was the question of contracting out. As everyone knows, there are a variety of joint programs between the provinces and the Dominion, and some provinces feel that these trespass upon their constitutional field, and they want to contract out of programs that we have at the present time. The position taken by the Province of Manitoba was that while we did not in principle wish to oppose contracting out, we did feel that it is a question that had to be approached with the greatest caution. It seemed to us that each particular program would have to have its own separate formula for contracting out, if we were going to allow that to take place without harm to the national fabric, with justice to the provinces that stayed in the program as well as fair play to the provinces that decide to contract out. It can easily be seen that there are some rather minor programs in which contracting out is simple, and the party that contracts out could probably spend the extra money they get on anything they like, but there are also other and more important programs in which contracting out is not nearly so simple, and the hospital plan is certainly one of these. It would be our view that on contracting out the party that contracts out would have to consider carefully their obligation to continue with the particular program in question, particularly with a view to its relationship to the nation as a whole.

Our view is that the shared cost programs came in for at least two very good reasons. First of all, they are at least in part an effort to complement the tax equalization formulas that we use. They were brought in in order to strengthen the position of provinces that were not so well off in connection with certain desirable programs, but I think they were also brought in with a view to establishing certain national minimums -- national minimum standards of services in important fields, fields important to Canadian social and economic and national policy. Those reasons are still very good reasons for joint programs, and underlined our concern that we should approach them with the greatest caution. Our view is that generally speaking we can improve the present shared grant arrangements without cancelling them and without contracting out. I think that if we had wider and deeper consultations on policy in connection with new programs that were developed before they were adopted, that we would probably eliminate much of our present problem. We also feel that once a program is adopted that if we have recourse to a more practical method of implementation it would also save us from some of our present difficulties. By that I mean, once a policy is generally accepted in respect to a particular shared program, and once the Federal administration has decided how much money it wishes to contribute and on what terms -- and in general the main points of policy to be sought in the program are clearly laid down -- then it can be safely left to the various provinces to administer the program within the terms of reference and within the financial stipulations laid down, using its own initiative and its own special knowledge of the circumstances in its own area, and that way we can get a program which has national application, it's true, but which is administered on a local basis with full regard to the special ability that should be sought in the provincial administration to adapt a policy to the needs of that particular province, and those positions were made clear at that conference.

(Mr. Roblin, Cont'd.)

Now, when all the talk was over, it appeared that our most important resolution was to meet again and to continue our discussions at another date. That should not surprise anybody because none of these matters are going to yield to any miraculous solution, in my opinion, so that we are going to meet again, I expect some time in the early autumn, and which I hope we can perhaps come a little closer to definition in our province.

Two other propositions were put forward: -- first, that there should be an immediate effort to discover an appropriate contracting out formula with particular reference to the hospital plan, and it was agreed that the technical experts would get busy to devise such a system; and secondly, it was suggested that we should begin this study in depth, this examination of priorities for the nation as a whole, that had been mentioned by myself and discussed at the conference now and on a previous occasion. There seems to be some doubt at the present as to whether that will actually take place because the Province of Quebec has reserved its position, but my hope is that we would be able to start discussions in this most important field. This I think would be valuable, but I say to this House what I said at the conference, that I think we would regret it if the mere fact that we had undertaken such a study would have the effect of placing our current problems in the deep freeze. I don't think that can be done. I think we must approach some solution to them at least as an interim basis for progress within the Confederation.

My impression of the conference is that it was on the whole valuable, and that we have now a better understanding -- and it improves with each meeting -- of the views of the various provinces with respect to their constitutional position within the Confederation, and to be specific, a better grasp of what the Province of Quebec feels it needs in order to underline its position within our Confederation. And the closer we get to understanding exactly what they're talking about, the sooner, I trust, we'll be able to come to some agreement as to how far we can go to meet their wishes. And I am very sure that we want to go as far as we can in that direction. As far as we can that is consistent with a federal government that has the strength, the ability and the power to carry out its undertakings of the national government of the country. There's a lot of good will at that meeting. The thing that impressed me particularly was that in spite of some of the rather alarmist stories we read from time to time in the newspapers about the personal position that might be taken by one premier or another, or the the Prime Minister of Canada, that there is a tremendous fund of good will and a tremendous feeling of Canadianism around that table. Others who have sat around it before will know something of what I speak when I mention that. So that while we have our problems, and they are far from solved, they are by no means insoluble, and I think the basis is there for solution in the fairly near future of these important problems.

And I am impressed -- I think I may say this -- that in spite of what might be called the "provincial rights attitude" of some provinces, which is understandable, indeed constitutional, there is on the other hand a very firm feeling, in my opinion, about the desirability of a strong federal government able to carry out its constitutional responsibilities for the benefit of the nation as a whole. So that, Madam Speaker, is a bit of a progress report -- I think that's not a bad description of what took place -- and I am hopeful that at our next meeting, or before this year is out, we will have some further understanding about the immediate financial problems which are always basic to this kind of a meeting.

MR. MOLGAT: Madam Speaker, in connection with the First Minister's report, this progress report as he calls it, we can only conclude then that the final solution will have to wait until a later date. I wonder if there were any indications at this time of additional financial assistance insofar as the Province of Manitoba is concerned.

MR. ROBLIN: Madam Speaker, I doubt that we ever will reach final solutions in a matter like this. We'll be continuing to feel our way forward into the future, and when these problems are solved, believe me, new ones will arise. As regards specific financial alterations between the relationship, I must report that none were agreed to by the federal government and that is something that is still on the negotiating table.

MR. ELMAN GUTTORMSON (St. George): Madam Speaker, I'd like to address a question to the Minister of Public Utilities. Could he let me know now when I am going to get that Order for Return in regard to the Arts Centre?

MR. STEINKOPF: Madam Speaker, I am still awaiting some information which should be available very shortly.

MR. GUTTORMSON: Well the House should rise pretty shortly, and I still won't have it by the looks of things. I mean, this thing was tabled roughly a month ago and surely the information should be available now. The information should be available through the Land Titles Office. I don't see why we have to wait so long for it.

MR. RUSSELL PAULLEY (Leader of the New Democratic Party)(Radisson): Madam Speaker, before the Orders of the Day I should like to direct a question to the Honourable the Minister of Municipal Affairs. We note with great interest that the Province of Manitoba and the City of Winnipeg are considering a document presumably compiled by the Province of Manitoba respecting the cost of total amalgamation in the Greater Winnipeg area. I note that there is a report, Madam Speaker, referred to in the press. I wonder if the Minister of Municipal Affairs would make available a copy to myself and I presume any other interested member of the House.

HON. ROBERT G. SMELLIE, Q. C. (Minister of Municipal Affairs)(Birtle-Russell): Madam Speaker, this report was delivered to Mayor Juba of the City of Winnipeg and to no other person, but I assume as it is now public information that Mayor Juba would have no qualms about us giving it to members of this House who want to see it, so I will get a copy for my honourable friend and if there are any other members of this House who would like to receive copies of the report if they would let me know I will try and get them for them.

MR. STEINKOPF: Madam Speaker, before the Orders of the Day I would like to lay on the table of the House, Return to an Order of the House No. 27 on the motion of the Honourable Member from Radisson.

MR. MOLGAT: Madam Speaker, before the Orders of the Day I would like to direct a question to the Attorney-General. Referring to the plane crash at Thompson, Manitoba, last week, when four men were killed, is it the intention or has an inquest been called into this crash by the government?

MR. McLEAN: Madam Speaker, I would assume that an inquest would perhaps be held in the ordinary course.

MR. MOLGAT: Madam Speaker, I understand that an inquest was to be called and then that a change occurred and that no inquest was going to be held, and I wondered if the Minister could indicate whether this is so or not.

MR. McLEAN: I can make inquiries. I am not familiar with the

HON. OBIE BAIZLEY (Minister of Labour)(Osborne): Madam Speaker, I beg to move, seconded by the Honourable Minister of Public Works, that Madam Speaker do now leave the Chair and the House resolved itself into a Committee of the Whole to consider the following bill: Bill No. 58 - An Act to amend The Workmen's Compensation Act.

Madam Speaker presented the motion and after a voice vote declared the motion carried and the House resolved itself into a Committee of the Whole with the Honourable Member for St. Matthews in the Chair.

Bill No. 58 was read section by section and passed.

MR. PAULLEY: Mr. Chairman, before the Committee rises I wish to make a comment at this stage -- I think it would be in order for me to do so -- respecting the bill that is under consideration, namely the question of The Workmen's Compensation Act.

Members of the Industrial Relations Committee who were in attendance at the meeting will recall that the Honourable Member for Assiniboia, aided and supported by myself, attempted to insert into the bill a clause which would increase the amount of the ceiling under which compensation is applicable; namely, an endeavour was made to increase the ceiling from \$5,000 to \$6,000 for the basis of computing workmen's compensation and the 75 percent thereof. I felt that this would be a quite proper and logical step for myself, as a member of the committee, to bring to the attention of the committee. However, the Chairman of the committee on advice of the legal experts that he had with him, and unfortunately at that particular time I had none, ruled that this was a money bill and that the legislation could only be changed by a resolution from His Honour, because of the fact that the contributions of the employers into the compensation fund was domiciled in the Consolidated Fund of the Province of Manitoba. I argued at that time, Mr. Chairman, that while this might be so, that the monies in the fund

(Mr. Paulley, Cont'd.) . . . were not the property of the Crown per se; that the compensation, the consolidated revenue fund was only used as a vehicle into which to place the assessments on the employers in industry almost, we may say, as a matter of convenience. I since have found that one of the reasons that this is done is because the Workmen's Compensation Board itself is not a corporate entity, and that the assessments that are made on the employer in respect of compensation cannot be handled directly by them in effect, except through I believe authorization of the Provincial Treasurer or the Compensation Board in effect, acting as an agent of the Provincial Treasurer and through the general guidance of the Comptroller-General of the province.

Now I maintain, Mr. Chairman, that despite the legality which apparently has been established, that this would require a resolution from His Honour, I respectfully ask that the government give consideration to making the Workmen's Compensation Board a legal entity, if this is the proper phraseology, in order that this fund or the amount of the assessments made on employers is not in the position that it is at the present time. Because I don't think that the Consolidated Fund itself should be used for the purpose for which it is being used in respect of Workmen's Compensation.

Now I can't argue, I can't argue, Mr. Chairman, and do not intend to argue, as to whether or not the ruling of the Chair aided and abetted as he was by the legal fraternity was absolutely proper, but I think I can argue, and I think my argument is basically sound, that if this is a contribution, as indeed it is, from the employers in industry in Manitoba into a fund for the purposes of compensation in industry, it should not be part and parcel of the Consolidated Fund, and that I, as a member of this House, should be entitled to introduce a resolution, not necessarily an abstract resolution as I must under the present ruling, to have increased the amount of compensation which is not a tax levy insofar as the taxpayer of the province is concerned, or to choose the medium or basis on which compensation is paid. I suggest, Mr. Chairman, that this should be my right as a member of this Legislature, and that if I have sufficient support for my contention, then it should be adopted, or at least -- or at least, referred to the Compensation Board for joint consultations between management and labour and others. I raise this question now, Mr. Chairman, because I think it's the only opportunity that I will have of doing this. It could be done on third reading I presume. I choose to do it now because if the Minister or possibly the Provincial Treasurer has any comment regarding the point that I raise at this time, I would then have an opportunity of further explanation if I haven't been clear enough in what I've been trying to draw to the attention of the committee this afternoon.

MR. ROBLIN: Mr. Chairman, I'd like to make a brief comment on my honourable friend's observations, because I think if he will reflect upon it he will see that there are some advantages in dealing with this matter as we do, because the view of the government is that the Workmen's Compensation Fund is much more than merely an insurance arrangement. If it were an insurance arrangement only, then I think probably that my honourable friend's suggestion might have some merit for consideration at the present. I regard it as much more than that. I regard it as an important piece of social policy and, as such, from time to time we wish to make propositions which have a retroactive effect for the benefit of those who are recipients of pensions from this fund, and that is the argument which we use when dealing with those who contribute to it when they say, "You can't do this; this is an insurance fund," we say, "We don't think it is; we regard it as a piece of social policy just as much as it is a piece of insurance policy," and thus we feel that operating this through the medium of the Consolidated Fund gives some indication of the way in which we treat this particular operation, and our view that it should be considered in this light rather than strictly an insurance fund to be dealt with on insurance principles. So it is for that reason that we would be rather reluctant, and I think if he looked at it in that light one can see the advantages of having it come through the Consolidated Fund.

Now as regards my honourable friend's right to propose changes, I think that he is protected there. It is true that he can't do what he wanted to do in the committee, but if he wishes to introduce a substantive motion there is the formula, as he is aware, in which he can set his view before the House and in which we can have a discussion and a decision as to what policy should be adopted. So, while not wishing to under-emphasize the point he makes, I do suggest

(Mr. Roblin, Cont'd.) . . . that there are advantages in doing it the way we do, and that it would be better to leave it that way and let any discussion of the proposition that he has in mind come forward in the other way, which is provided for in our rules.

MR. PAULLEY: I appreciate, Mr. Chairman, the remarks of the First Minister. I don't agree with him insofar as the fund being a question of a social fund for social purposes, using that, not in the terms of sociability but the context in which my honourable friend used it. The main objection that I have though, Mr. Chairman, is that at the present -- and I appreciate and I agree of course that I have this right by abstract resolution -- but having introduced it by an abstract resolution I then have to have the agreement of the government of the day in order to have this achieved. It then becomes, Mr. Chairman, it then becomes necessary to have the political forces, namely the government of the day, agree with the contention. Now I suggest, Mr. Chairman, that in an insurance like this, when the fund is not created by the government, despite the contention of my honourable friend, that it shouldn't be only allowed to have its regulations or its benefit withdrawn with the acquiescence of the government on a political basis. When I use the term "political" I'm using it, of course, Mr. Chairman in the sense that the government has the majority and can accept or reject, as a matter of confidence, propositions that are raised in this regard. So I do suggest, Mr. Chairman, in all deference to my friend, that there is a difference. I can, as he says, bring a matter in by abstract resolution but then, having done that, I still have to have the acceptance by the government which is politically elected. I would far rather, Mr. Chairman, have the right to bring it into this House, for this House and not the government to take the matter under consideration. There I think is the basic difference between the First Minister and myself. I don't regard, as he does, as funds to be used by the government for social purposes retroactivity only, but that representatives in this House as individuals should have the right, without the necessity of abstract resolutions, appeals, cajoling or whatever you have, to have changes made in this Act which is not in any way, shape or form dealing with a levy on the taxpayer of Manitoba.

MR. ROBLIN: I don't really understand my honourable friend's argument at all, because if he wishes to amend the Act in any particular, whether in connection with a financial matter or not, he still must secure the support of the majority of the House.

MR. PAULLEY: Ah, there's a difference though.

MR. ROBLIN: Well, if it's a difference I'm content to leave the difference with my honourable friend.

MR. PAULLEY: Well I suggest, Mr. Chairman, there is a difference. There's a difference between a majority of this House and a resolution that is introduced by His Honour. Now a majority of the members of this House cannot levy a charge against the Consolidated Fund in any case unless it's preceded first of all by a message from His Honour, the prerogative of which is only the government. I say this is the difference.

MR. ROBLIN: But my honourable friend can introduce a substantive resolution couched in the usual terms and get exactly the same result.

MR. PAULLEY: No.

MR. ROBLIN: Because he's seeking -- well, if he's seeking to say that he wants to run the government he'll have to get on this side of the House to do it, but if he's seeking to say that he wants to introduce a proposal then the opportunity is wide open to him.

MR. PAULLEY: No, Mr. Chairman, my honourable friend is missing the boat entirely. I don't know -- maybe my explanations aren't concise enough to penetrate the head of my honourable friend, but what I am trying to say -- I agree with you that I can bring in an abstract resolution, but you can accept or reject it, and under the present arrangement -- my friend laughs but it is true -- and if a resolution is introduced by a resolution from His Honour and it is defeated in this House then it means the defeat of the government. Now I say that I am precluded from introducing an expenditure of public funds on the Treasury. Traditionally we accept and agree with this but we're not dealing with public funds in the normal sense. We're dealing with funds that have been created as the result of levies made on industry -- actually created by labour applied to material in order to get the wealth to put into the fund. We recognize that. But, before changes can be made it must be on the basis at the present time by resolution which only the government can introduce, and if it doesn't receive the support of the government it cannot be enacted. Now I don't think that this shouldn't be clear to my friend,

(Mr. Paulley, Cont'd.) . . . and I can't see at all why he suggests that I'm out on a limb because I'm raising the matter which I am.

MR. CHAIRMAN: Committee rise and report. Call in the Speaker. Madam Speaker, the Committee of the Whole has considered Bill No. 58, has directed me to report the same without amendments and ask leave to sit again.

MR. MARTIN: Madam Speaker, I move, seconded by the Honourable Member for Brandon, that the report of the Committee be received.

Madam Speaker presented the motion and after a voice vote declared the motion carried. Bill No. 58, an Act to amend The Workmen's Compensation Act, was read a third time and passed.

MADAM SPEAKER: The adjourned debate on the second reading of the proposed motion of the Honourable the Minister of Agriculture and Conservation. The Honourable the Member for Lakeside.

MR. D. L. CAMPBELL (Lakeside): Madam Speaker, I have read this bill and I have listened to the debate that has taken place on it with more than usual interest because of the fact that a long time ago I decided that the question of marketing, to which so little attention had been paid in the old days, had become just as important to the farm people that I represented as was the question of production. As a matter of fact, I think that it is literally true that the progress that has been made, agriculturally speaking, in production, has far outstripped the progress that has been made in marketing; and so, during the years that I was an active farmer and during the years that I have been in public life I have paid close attention to the questions and discussions that arose with regard to the marketing of the farmers' products. And I agree with the Honourable the Minister who introduced this bill when he called the attention of the House to the fact that it was introduced just at the end of the great depression and he, I think quite properly, indicated that that depression and the difficult times that agriculture faced in it had at least something to do with this type of marketing legislation. However, my honourable friend made one mistake that wouldn't ordinarily be significant but that I think is very significant in this case. He gave the date of the introduction of this bill, or the passing of this legislation, as 1940. Actually, it was 1939.

Now, that year's difference in most years wouldn't make a great deal of difference, but I think it did in this case because it was passed half a year or more before World War II started. Had it been passed in 1940 the war with at least some of its implications would already have been before us, and I think that the fact that it was made into legislation in 1939 is one of the reasons -- not the fact that it came into being in 1939 but rather the other fact, that in late 1939 the World War No. II began -- is one of the great reasons that not more action was taken with regard to this legislation, because as the course of the war unfolded it was found necessary in Canada to introduce, so far as agriculture and a lot of other industries were concerned, a great deal of regulation and regimentation, and to some extent the need for this type of legislation, which the depression years had impressed upon the farmer, was obliterated or at least held in abeyance during those years of the war when there had to be so much regulation, and then in the later years of the war when prices started to pick up a little bit, because it's a fact that they didn't during the early years of the war, and then in the post-war period when prices were considerably better for some time. And I think that those facts rather than the ones that the Honourable Minister mentioned, or the Honourable the Member for Brokenhead mentioned, are really the reasons for the fact that this legislation has not resulted in more than one board. It is a fact that some other votes have been held regarding it; it's a fact that at least one and perhaps more schemes have been turned down. Maybe the very wide powers that were given in that Act had something to do with the fact that those proposals were rejected.

Just to review very briefly this case of the encouragement for this type of marketing Act, let me remind the House that the first legislation so far as I know of in this field and along these lines was by the federal government, not by a province, and at that time it was felt by the farm organizations that because we were an exporting country, agriculturally, and wanted to remain so, that it was best to get this type of legislation enacted by the federal people. And it was in the later years of the Bennett government back in 1934 that the first marketing Act along these lines, so far as I am aware, was introduced and put into legislation. That Act was

(Mr. Campbell, Cont'd.) . . . amended in 1935, and if honourable members will take the trouble to look at the 1934-35 Act, also called The Natural Products Marketing Act, Canada, they will find that in a good many respects that legislation was very similar to the 1939 Act that was enacted by this Legislature. And I think that there was a good bit to be said for the position that the farm organizations took at that time in wanting a federal Act, because they recognized that not only was this an exporting country, agriculturally, but that there was a good deal of interprovincial movement and trade as well, and if they could get those two areas of interprovincial trade and export trade covered at the same time, and at the same time get a uniform Act, it would be of considerable advantage. But there were grave doubts expressed as to the validity of the 1934 Act as amended in 1935, and those grave doubts resulted in the Act being referred, if my recollection is correct, by the government of the day -- and I'm not being cynical when I mention the fact that the government had changed in the meantime, but it had changed. I think perhaps the legislation would have gone to the courts anyway. That can never be proven. The fact is that by the time they were referred to the courts, the government had changed. Well, now, I'm not even certain of that. By the time the decision was handed down the government had changed, but this Act went to the Supreme Court of Canada and also to the Privy Council, because at that time we were still having the Privy Council as a last appeal Court, and the Privy Council held that a good many of the sections of that Act were ultra vires. They found that some sections were within the jurisdiction of the federal parliament too, but because of the attempts that had been made by the federal government at that time to deal with some local matters, namely the setting up of local boards, the members of the judicial committee of the Privy Council decided that it was ultra vires.

Now, I want to say as one who went through that period, and as one who went through the period of the thirties while I was actually farming myself, that while that period of depression perhaps had a good deal to do with the actual pressure, if you like to use that term, in connection with getting legislation of this kind, it did not have all to do with it. There was a basic philosophy in those days, and I believe the basic philosophy exists still, that the farmer -- the producer -- in general, should have more control than he had previously had over the marketing of his products, and this philosophy, this conviction, was strengthened by the tough years of the depression, perhaps, because of the ruinously low prices of those times and the scarcity of markets in general, but that was not the whole question. The farmers believed then, and I think they believe now, that they should have more control of the marketing of their own products than has even yet been available to them, because they recognize, as I mentioned a moment ago, that marketing is just as important as production. I have said many times in this House, I'm most convinced of the merit of the statement that the farmer can accept all the hazards that he traditionally has to operate under, as far as growing his different crops of grain and of livestock, of disease of one kind and another, of too much rain or too little rain, of grasshoppers, of insect pests, of rust, of hail, of all these things. He can accept them all and generally speaking come through with a pretty good result if he has that one thing at the end, and that's a good market, a sure market at a reasonable price; and generally speaking, in my opinion, the farmer's difficulty has arisen from the question of the market rather than the questions arising from production.

Well, after the federal Act was declared ultra vires, there was of course considerable letdown in the advocate of this kind of legislation, but not for long. As a matter of fact, the Province of British Columbia was very quick to begin a study of a provincial Act, and even before the federal Act had been declared ultra vires, The Natural Products Marketing Act of British Columbia had been passed. British Columbia had several products that they wanted to deal with, but I think the tree fruit business was the one that they were most anxious about, and I believe that their tree fruit local board began about that time and has continued right up to the present time, and I haven't had the opportunity to check the record as far as this is concerned, but my recollection is that that Act also was questioned as far as constitutionality was concerned, and argued right to the judicial committee of the Privy Council and was held to be intra vires.

Now if you will go back to the statutes of 1939 and notice the form in which this legislation was enacted, you will find something that is rather unusual, I think, in our statutes, and after giving the short title the sources of this Act are listed and the sources are: The Natural

(Mr. Campbell, Cont'd.) . . . Products Marketing Act, 1934 -- because there was a conscious endeavour made to pick out from the judgments of the Supreme Court and the Judicial Committee of the Privy Council the sections that those authoritative bodies said belonged in the provincial jurisdiction and incorporate them into this Act. Another source is The Natural Products Marketing Act of British Columbia, the one I mentioned just a moment ago, in 1936; The Farm Products Control Act of Ontario, in 1937, the very year that the decision came back from the Privy Council; The Natural Products Control Act of New Brunswick, same year, 1937; and Bill No. 64, because it was not yet fully enacted, but Bill No. 64 of the Legislative Assembly of Alberta in 1939, which was going on concurrently with the discussion of this Act in this House, and Madam Speaker, we had at that time as an assistant counsel with our Legislative Counsel, a Mr. W. E. Haskins, K.C., as the title was in those days, who had been one of the learned counsel who had been present to argue the validity of the British Columbia Act right up as far as the Supreme Court or the Privy Council whichever it was that it ended with, and this Act I might say was drawn very carefully in view of the judgments of those two courts and also with the view of making it not only *intra vires* but to give it the authority and the powers that the British Columbia people at least had found from experience was necessary, and which the people of Ontario and New Brunswick who had pre-dated this by a couple of years, had also recommended. And Madam Speaker, this is my greatest main complaint against the action of the Honourable the Minister of Agriculture and Conservation in bringing in this bill, is that he has admitted to the House that he did not discuss the bill with the other provincial governments and bodies who are interested in this legislation. Madam Speaker, I consider that to be a most serious oversight because this is admittedly difficult legislation. It is difficult constitutionally, as the cases have shown. It is admittedly difficult to get people to agree on a question that involves as great a degree of compulsion as this one does, and in my opinion this is all the more reason why the provinces should act together just as fully as possible.

Now some folks may think, and I believe I have heard it suggested from the other side of the House and maybe from this side of the House, that I appear to be a slave to uniformity. I don't think that in all cases that uniformity is so necessary, but I think that in this case uniformity is extremely important because we should have similar Acts in the different provinces because of the question of inter-provincial trade, and we should have our Act enmeshed just as closely as possible with the federal legislation because of the inter-provincial and extra-provincial and the export trade, and I was indeed disappointed when my honourable friend, the Minister told me that no direct discussions had been held with the other provinces in this regard.

Now, to complete a very brief review and an altogether too incomplete one, the federal government spent some little time in consideration of their position before they decided to again introduce a marketing Act, but they have done so now -- I believe the year was 1951 -- and it was later amended with a very important amendment in the year 1957, and I think that we should have an Act that is just as closely as possible on all fours with those enactments of the other provinces. Now it's possible, of course, that my honourable friend the Minister with his advisors could get a better Act than the other people have, but we have to work together on these matters and I think that it would be much the greater part of wisdom to try and have Acts as uniform as possible. My honourable friend the Minister was, I thought, almost unnecessarily unkind in his references to this Act, just as I think my honourable friend the Member for Brokenhead was almost unnecessarily unkind in his references to my honourable friend's Act, so this is just the way it goes -- you say something about me, I'm apt to say something about you; and I think that nothing in this Act that we have before us -- I'm referring to the Act of 1939 -- quite deserved the appellations that the Minister of Agriculture gave to them. He said that "the existing Act and the powers it provides in producers' marketing boards I believe is repugnant and offensive, not only to people other than producers. I believe it's repugnant and offensive to the producers themselves." I don't believe that. I don't believe it for a moment. I think that perhaps the power that was given -- and here I'm agreeing with my honourable friend from Brokenhead -- I think that the power that was given for a marketing board to control the product at the retail level was unnecessary, but in those days, and again I go back to the period that we are speaking of, in those days it was thought by the people who were very interested in this kind of legislation that that might be necessary, and if my

(Mr. Campbell, Cont'd.) . . . honourable friend thinks that that kind of legislation is repugnant and offensive, I would remind him that this House, back some years ago, passed a piece of legislation that -- I believe it was called the Lost Leader Act or something of that kind -- that made it an offense to sell any product at a lesser amount than a price that was fixed. There was a lot of feeling in those days that the very ultimate in control was necessary, and as my honourable friend himself has mentioned, this authority was never invoked and I would not argue that it is necessary. Perhaps it was not necessary then, but certainly it was asked for by the people who were anxious to get this kind of legislation, and I think my honourable friend will find that that provision also occurs in the Act of some, if not all, of the other provinces.

Well, Madam Speaker, the Honourable the Minister admits that he is well pleased with this bill that we have before us. Quoting from his remarks on the second reading, page 130 of Hansard, he said: "Madam Speaker, I take some satisfaction in recommending this bill to the House and the principles involved in the new Act." Well, I don't think I would take quite so much satisfaction as that. I think that the authority should stay with the local board. Perhaps not all the authority that was given to them years ago. We learn by experience, and it's been found that those very wide-ranging powers of regulation that they were given were unnecessary. They haven't been used; and I would agree that they should now be taken out. But, on the other hand, I think my honourable friend makes a great mistake when he attempts to transfer the powers of the local board to a government-appointed board.

I do not intend to develop this argument at length at this time, because I intend to have a few remarks to make on the other motion that's before the House, dealing with the report of the Livestock Committee, and I think that the discussion that I would like to engage in concerning such matters as compulsion and plebiscites and other very important considerations in this type of legislation would be more appropriate then, and I'll be looking forward to dealing with them then. But in the meantime, Madam Speaker, I have had a great length and variety of experience with both governments and farmers, and speaking from that experience I would rather, in setting up boards that are, of necessity, going to be given such wide powers as I think are necessary in order to make them work fully effectively, I would rather put those powers in the hands of a producer-controlled board than in the hands of a government-controlled board, and I think it's only right that they should be. The Honourable the Minister said that the Manitoba Marketing Board now would be a strong board and it would have certain over-riding and supervisory policing responsibility. I think he's weakening the local board by doing this. I think that the local board should have these responsibilities rather than the government-appointed board, and I feel that there will be a weakening of the whole philosophy of this type of marketing board if we implement this Act as it stands. The Honourable the Minister says that it's an entirely new concept. I think it is a new concept as far as marketing boards are concerned, because it takes away from the marketing boards the power that they feel they need, and I know there's this question of compulsion. I know my honourable friend says that he wants to avoid compulsion until it's necessary, but these boards, by their very form are compulsory boards, but only, only after a vote, only after a vote of the people concerned, and my honourable friends the government have the opportunity to set the qualifications of that vote good and high, and quite frankly I would set them high. I said that all the time with regard to the bill of 1939, that I would set the qualifications very high, because when you're going in for compulsion you need to be sure that the people understand what they're doing, but having set them high -- and I wouldn't let everybody who has just one sow vote on this question, because it's not a matter of his livelihood. True, he's a producer, but it's not a major part of his agricultural endeavour. I would set it fairly high, the amount of production that they have and the number of hogs that they sell before they get a vote, and I would set the number who have to approve of it high too, and then I would say to these folks, "Look, you've got to go out and educate the people and sell this proposition to them," but if that is done, and when that's done, and after all that, if the people decide that they want that kind of a system, then I think they're entitled to have it, and at that stage it's got to be compulsory.

I asked my friend the other day if in his remarks with regard to compulsion he would include the Canadian Wheat Board and he was quick to say that he approved of the Canadian Wheat Board, and it's compulsory. It's got to be compulsory. It was found out that it was

(Mr. Campbell, Cont'd.) . . . compulsory and the farmers were not given a vote on the Wheat Board as such. There wasn't a plebiscite taken. Then, years later when it came to the question of whether coarse grains should be included or not, they weren't given a vote at that time either. We took the responsibility here in this House of putting the farmers under it, compulsorily, then afterwards, a couple of years afterwards we gave them the opportunity to say whether they wanted that continued or not, because a lot of people had been saying that they'd get out if they had the opportunity. I know there were some questions raised as to whether the question that was asked was clear enough, and lots of people pretended that they didn't understand the question that was asked, but the farmers understood it. They voted about 89 percent in favour of continuing; and compulsion, when it's done for the benefit of the group as a whole, is in my opinion perfectly meritorious and in some cases is the only form to make a worthwhile, a workable marketing system.

Now my honourable friend will say that -- and I'm not allowed to discuss the other debate at this time -- my honourable friend will say perhaps that this is something of the idea of what he has proposed. I think not. I think what you should do is hold this bill up for a while. Let's do what we're doing with some other bills here -- and I'm not the first to make this suggestion; it's already been made. Let's delay this bill; let's have some more discussion regarding it and let's put it before this committee that's going to consider the other bill, the one on Statutory Regulations and Orders. If the Honourable Minister and the government would agree to do that I think it would perform a useful service, because we would give the people who hold differing points of view on this question -- and I'm the first to admit that there are those differing points of view -- would give them the opportunity to come before the Committee and to argue their case, and then at the same time the press and the other forms of communication could be advertising the sittings of that committee and the representations that are made to the province as a whole and then the organizations that are present, both farm organizations that are at present pressing for a marketing Act could continue with their campaign in the country, and then my honourable friend, after having given every opportunity for the people to inform themselves could then arrange to have a vote on this question. I'm not in favour of a vote on this question until the people have been given every opportunity to become well acquainted with it. I think it's too serious a matter for a snap judgment to be made on it, but I'm equally in favour of the people getting the opportunity to make that judgment.

One of the speakers on one of the debates -- and I mix the two up a little bit. I think it was the Honourable Member for Souris-Lansdowne, who is usually so courteous and considerate of all the other members, used some such language as saying that he was appalled at the thought that members -- on this side of the House would advocate compulsion when they had another method open to them. Well, I must say, Madam Speaker, that I am appalled by the fact that the government would choose, in a case of this kind, with the serious implications that it had, that they would choose to make the decision rather than allowing the producers themselves to make it. It seems so logical to me, and so sensible, so democratic that they should make all the arrangements possible for the very best educational campaign to be carried on, and having given that opportunity and having then set the qualifications of the voters high and the percentage of those who must vote in favour high also, let the people decide.

So, Madam Speaker, my proposal is one to the Honourable the Minister, that he hold this bill for this committee that is going to be considering some other of the government legislation. If he will do that, I for one will vote for it going to that committee. If that is done I think that a very useful service will be performed, and that the public education that is so urgently needed on this important question will be greatly advanced thereby, and that if followed by a campaign for the farm organizations, with the other organizations who oppose this type of marketing board carrying on a campaign for the other point of view, that that having been fully discussed and considered, that then the right thing to do is have a vote. So that's my proposition to the Honourable the Minister. I'll vote for this bill going to committee if he will agree to send it to the committee that's already going to be considering some other government legislation. If he's not prepared to do that then I simply could not, in view of the experience that I have had in this matter, in view of the hopes that I hope for some amelioration of the farmers' marketing position being forthcoming soon, I could not support this legislation. As mentioned a moment ago, Madam Speaker, I'll have something further to say on this question of compulsion and plebiscite

(Mr. Campbell, Cont'd.) . . . and kindred matters when we come to the motion regarding the Livestock Committee Report.

MR. E. R. SCHREYER (Brokenhead): . . . one question which raises a very interesting point. The member referred to the fact that a couple of votes had been held in this province re the establishment of one or another kind of marketing board -- for example, of vegetables. Did he mean by that that perhaps the reason they were defeated was because the powers in the old Act were excessive? I'm not sure and that's why I'm asking.

MR. CAMPBELL: Madam Speaker, this is a controversial question and when you have any controversial question then naturally the opponents of the proposal are going to do their very best to raise the arguments against it, and it is my opinion that the arguments that were raised against the vegetable marketing board at that time were hinged to a considerable extent on the very great powers that were given to a board under the present Natural Products Marketing Act. It always sounds so ominous to read from one of the Acts as to what a board can do. As a matter of fact if you read from a good many of our statutes as to what action can be taken it sounds very ominous, and when those wide powers which are admittedly in this Act were argued pretty effectively in front of the public, I would think that that had a great deal to do with the defeat of that particular proposal.

MR. S. PETERS (Elmwood): Madam Speaker, I beg to move, seconded by the Honourable Member for Seven Oaks that the debate be adjourned.

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

MR. LYON presented Bill No. 100, an Act respecting the Administration and Conservation of Forests in the Province, for second reading.

Madam Speaker presented the motion.

MR. LYON: Madam Speaker, this is a new Forestry Act for the Province of Manitoba. During the first few years following World War II a number of provincial governments throughout Canada including British Columbia, Alberta, Saskatchewan, Ontario and later, Newfoundland, revised and rewrote or otherwise brought up-to-date their forestry legislation in order to deal more properly with the conditions then prevailing. No such step has been taken in Manitoba. The present Act which is before the House for consideration, the present Act under which we operate, I should say, Madam Speaker, with only minor amendments to take care of particular situations as they arose from time to time, was brought into effect at the time of the transfer of Natural Resources to the province in 1930. The Act at that time was largely copied from the federal legislation that was then in force. A study, however, was made recently, a study in depth of the forestry situation in Manitoba by the Committee on Manitoba's Economic Future. The report of that committee states in effect that while the forests of Manitoba are not as productive as some of the major timber producing provinces, they nevertheless have great potential for development and utilization. The report cites many present impediments to better over-all utilization of our forest resource. Many of these impediments relate to long standing policies of government relative to tenure, to allocation, to pricing and to inducements.

Madam Speaker, the forestry officials of the department agreed in general with the over-all observations and recommendations of the COMEF Report. Following a close study of that report, as well as a study of our own forest legislation and the forest legislation of other provinces by a committee of senior forestry officials set up for that purpose, it was decided that while certain parts of our present legislation needed only minor amendments, much of it did not meet the present day situation, and that a new Act should be written, and it is that new Act that we are presently considering.

The legislation now presented is designed generally to stabilize the forest industry within the province on a continuing basis, to facilitate its expansion, particularly in the northern part of the province and, in general, to make for better over-all use of our forest resources.

I will now proceed, Madam Speaker, to outline the principal changes in the new Act, and I don't intend this outline to be exhaustive by any means but I hope it will highlight the principal changes that we will find in this legislation and to include, as well, some of the reasons for the changes that are found.

The first of all, provision for the issuance of an option licence in order to safeguard or make more reasonably possible the expenditure of private capital considered necessary on survey and investigation to determine whether or not the establishment of a new industry such as a

(Mr. Lyon, Cont'd.) . . . pulp mill in northern Manitoba, say, is a practical proposition. Under the present legislation, without any protection for expenditure on a feasibility study, a pulpwood permit can be obtained only by open competition. It is limited to 40 years wood supply which would hardly justify the expenditure of \$40 or \$50 millions or more, and having made the necessary expenditure for feasibility study and having competed successfully for a berth by open competition, the applicant must then await ratification by the Legislature. It is suggested that this is altogether too uncertain and cumbersome a procedure to encourage the establishment of an industry involving such a large capital expenditure. The new Act is designed to correct this difficulty.

Under the new Act and under certain terms, conditions and safeguards, which will be spelled out more specifically in the regulations, an option licence could be first obtained and a forest management licence issued in lieu thereof should the person or company decide to go ahead with the development. This arrangement could also apply to other wood-using industries where large capital investment is involved.

A second point that I would like to bring to the attention of the House, Madam Speaker, is that the new Act provides for greater security of tenure for established industry, large or small, by not necessarily accepting the highest bid or tender as must be done under the present Act, subject always of course to the right of appeal or settlement by arbitration if need be, where the highest bid or tender is not accepted and where this non-acceptance is contested. And in this connection, Madam Speaker, there is a period of appeal mentioned in the Act of one week. This can be looked at with a view to extension insofar as the government is concerned. I would like specifically, however, to mention that point at this stage, and if the general consensus is that a longer period would be more realistic why then that can be done.

Under the new Act competition may also be restricted to timber operators already established in an area in which timber to be offered for sale is located, thus minimizing the chance that more mills become established in an area than the volume of timber available seems to justify or warrant. This development is altogether too common under the present legislation. This arrangement would also permit the elimination of fly-by-night operators, namely persons who bid in timber only for the purpose of getting winter work for construction equipment or personnel and with no intention whatever of staying in the timber business, and whose activities in the past have disrupted very seriously and made more uncertain some parts of the timber industry.

A third point, the new Act provides for regulating the number and size of timber sales in any area and allows for the establishment of a minimum standard for saw-mills. This legislation is designed for the granting of long-term and more economic operating units, which should enable operators to acquire better equipment, maintain better camps, hopefully to pay better wages, and develop a more efficient and more permanently employed labour force.

A fourth point, under the new legislation it is expected that integrated operations will be encouraged permitting the removal of all trees from an area which, from a forestry point of view, should be taken; for the conversion of the trees cut into the product for which they are best suited or the product which has the greatest economic value, thereby reducing waste and allowing for the production of a good quality product through having properly experienced personnel and proper manufacturing machinery. Larger operating units and better quality products should result in reduced overhead, thus placing the operator in a better competitive position and, as well, should permit of better and more marketing arrangements. The maintenance of stock on hand to take advantage of markets as they develop from time to time should also be another benefit. All too often producers in Manitoba have been in the embarrassing situation of not being able to take advantage of attractive orders from time to time because he has not got the stock on hand or because he is unable to produce it within a certain date and sometimes even because of poor manufacture which doesn't meet specifications. Madam Speaker, it is not suggested by any means that this new legislation is going to cure all of the ills or problems which plague the forest industry today, but in this respect, at least, it should encourage some considerably more initiative on the part of the industry itself.

The next point I wish to mention is that of settlers' permits. One of the features of the new Act is that no specific provision is made for the issuance of what has been termed settlers' permits, that is the special right of owners of farm lands of 40 acres or more to cut timber for

(Mr. Lyon, Cont'd.) . . . use on land owned and occupied by them; and if honourable members who are interested in this topic will look at the report of the Committee on Manitoba's Economic Future they will see a long dissertation on the role of settlers' permits and some suggestions there as to what provision should be made to replace them. Let me say at the outset, while not adopting their recommendations completely because their recommendations have to do with the complete abolition of them, the term "settler's permit" does disappear from the Act and other types of permit are made available by referring to Section 12 under Section 12 (c) and Section 12 (d) which we will come to in a moment, which will be alternative to your present settler's permit situation. But dealing with settlers' permits, this special right was inaugurated by the Government of Canada during the early days of settlement in the West to encourage and aid settlement in a new country and to foster homesteading. It is submitted that this purpose has been achieved, and is recommended in the COMEF Report the issuance of such permits has become, to an extent, an anachronism which, according to COMEF, should be ended, but, as you will see by the legislation, will result more in a modification than an ending. While in the past, and particularly during the early days of settlement, the issuance of such permits served a very worthwhile and useful purpose, at the same time the practice is considered today to be wasteful of forest resources both in the woods and at the mill. The permittee normally requires lumber of a certain length and dimension so that in the first place only those trees are cut which, in the opinion of the permittee, will make the length and the dimension required. The trees then must be sawn into logs of the required length with no regard to utilization insofar as crooks and general suitability is concerned resulting again sometimes in excessive waste. When the logs reach the mill, in order to meet the permittee's requirements, they must be sawn into certain products with the result that quite often timber suitable for higher quality use is made into two by fours or some lower grade product. In our more accessible areas particularly, where it has been necessary to limit and regulate the annual cut, it is important that the best utilization be made of the forest resources available.

What I have said, Madam Speaker, does not mean that locally produced timber will not be available for farm use. It can still be purchased from a local sawmill just the same as persons engaged in other occupations, in occupations other than farming, have had to do in the past; or it can be obtained, as I have mentioned at the outset, under other portions of Section 12 where timber may be removed under permit for silvicultural reasons and so on.

I now go on, Madam Speaker, to deal with these other new permits that are contemplated within the legislation. These are alternatives to the settlers' permits. These are the sections that are meant to deal with the small cutters and small operators, a large number of whom have operated under the settlers' permit provisions heretofore. The section relating to the granting of timber rights, Section 12 (c) provides that where, because of silvicultural requirements, location, quantity or quality of timber, or for the purpose of salvage or for municipal use, it is in the opinion of the Minister impracticable to grant cutting rights by competition, a permit may be issued. It is anticipated that as our silvicultural program just recently implemented gets underway, more and more timber under this provision will be available. Under this section permits will also be available for use by commercial fishermen, miners, prospectors and trappers in connection with their operations in remote areas and for municipal use. Provision is made under sub-section (b) of the same section for the granting of cutting rights without competition for an organized operation in a low employment area or community recommended by the Minister of Welfare and subject to the approval of the Lieutenant-Governor-in-Council. I would point out that section particularly to members of the House, Madam Speaker, because it is important in the context of our present day development in Manitoba for those areas where some special assistance or some special requirements should be made in order to take account of special circumstances in which these communities find themselves.

Under sub-section (d) of Section 12, provision is made for permits to cut pulpwood, box wood or fuel wood for the permittee's own use or for sale subject to the limitations and conditions set out in regulations under the Act. This again is another alternative to the settlers' permit. These two provisions, (c) and (d), as I have mentioned before, are designed to assist the small permittee. Under (d) I think it is fair to point out -- it should be pointed out at this time that pursuant to the regulations there will be a gradual phasing out -- a gradual phasing out over the next 10 to 15 years of this type of operation because of the lack of the resource,

(Mr. Lyon, Cont'd.) . . . particularly in southern Manitoba, to meet this type of permit as years go ahead. But we remember as well, Madam Speaker, and we must remember at all times, that The Forestry Act or The Natural Products Marketing Act or whatever Act we are dealing with, must take account first of all, of people before it takes account of the product that it's dealing with, and it is for this reason that the phasing out is suggested in the present legislation rather than the complete cut-off as was recommended by COMEF, because this would not take account, we do not feel, properly, of the legitimate needs of small operators, small cutters, who have depended, if only in part, on this type of operation for some portion of their livelihood in years gone by.

Another point, Madam Speaker, the new Forest Act provides for continuance of the number of forest reserves under a new name, "Provincial Forest" which is felt to be a more appropriate name. Too often the term "Forest Reserve" in the past has been construed to mean that the timber was reserved for cutting, whereas actually the land was reserved for forest production. The Act will permit of the multiple use concept, that is, the use of land for purposes other than forestry where undue conflict does not arise between the two uses. The primary purpose of provincial forests, however, as at present, will be for forest production and for watershed protection on the higher elevations such as the Duck, Porcupine, Turtle Mountain and other areas where regulation of run-off is vital or important to prevent erosion on the slopes and flooding of land lower down.

Another valuable use of provincial forests and other forest areas is, of course, outdoor recreation, the demand for which continues to spiral upward with little appearance of tapering off.

Madam Speaker, that, in short, is a summary of the new Act. It is designed to more readily permit proper management and utilization of our forest resources and our forest land. I commend the act to the consideration of the House. I say most sincerely that we would welcome any constructive criticisms from any corner of the House as to how we might improve this legislation and we look forward to hearing any comments or criticisms which, in the end, can be incorporated or made useful in the consideration of this legislation which is presented for the benefit of all of the people of our province.

Continued on next page

MR. H. M. HRYHORCZUK, Q. C. (Ethelbert Plains): Madam Speaker, having spent all my life in an area that was dependent upon our forests, almost entirely for the first generation and pretty well in the second generation, and even today a great many of the people that reside in my constituency are still dependent on the forests for at least a supplementary source of revenue for a livelihood, I am very deeply interested in this Bill. I certainly do believe that one of our responsibilities and duties are to see that our forests are preserved and managed in the manner that'll give us a sustained yield into perpetuity, which simply means, Madam Speaker, that there will never come a day when our forests will not be able to produce what they are producing this year, but will always be able to produce at least what we are producing in any given year.

I do not entirely agree with the Honourable Minister that some of the provisions of this Act are the type of provisions that are going to be in the best interests of the people, as he put it. He figures that by phasing out is going to hurt a little less than if they cut him off clearly, and at the moment I disagree with him. I think that the interest of the people will be with us whether it's a year, ten years, or twenty-five years from now. Our forests to us have been very important and will remain important, I believe, for ever and a day after, because there's so much that depends upon the forests themselves. They're not only a source for employment, but I believe that the forests and the industries that they produce employs as many Manitobans as any other industry in the province; I believe that the revenues received from the forests and their by-products are about as high as that obtained from any other industry in the province. And because of that, Madam Speaker, I think we should take very great care in formulating a program or a policy to govern our forests.

It is only necessary for me, Madam Speaker, to remind the members of the House that upon our forests depend our wild life; the forests are a source of conservation of water, recreation, and many other things that are important to the right kind of living for the people of this province; and I do believe that with the proper program there's no reason why these forests should not forever be a source of revenue, employment, and recreation for the people of this province.

I do not believe that anything that is big must of necessity be good, and this government has been going in that direction in all of its departments. I believe that we could just as efficiently maintain the production of our forests under the present system with probably some minor alterations. We could do as well as we will if we get operators into the business that'll work on a large scale. In fact, I think that with proper supervision working on a smaller scale would be far more efficient than on the large scale, simply because it's the work of men instead of the work of a machine. You have considerable destruction when you have large machines operating in any forest. I know it might take a little more effort in the way of supervising, but I think it will be well worth it.

I do not like to see the idea of the competitive part of our present system being done away with. I do not think that we should give out our natural resources, especially one as important as this one, a renewable resource, given out for many many years without some competition before it is given to any particular person or corporation. I'm glad to hear that there are provisions in the Bill that will allow people, some people, to obtain permits, because we have in most of our accessible areas little pockets of timber that could still be salvaged. They do not amount to much. It may be 50 or 100 cords of pulpwood; it may be 50 or 100 or half a million feet of lumber; but there are many of them that should be cleaned out for good efficient management, and they'll never be done by a big operator because it would never pay him to go in and take these out, so I'm glad to see there is a provision in the Act that retains this possibility, and I do hope that the Minister and the staff of the department will use it to its fullest possible means without hurting what the Act has in mind.

Now insofar as the Act itself is concerned, I see certain provisions in here that I dislike very much. If my interpretation of the Bill is correct, then it would seem to me that the government is ready to encroach on the rights and liberties of the individual. I hope that I'm wrong in interpreting some of these sections, and if I am I stand to be corrected, but in Section 3 of the Act, Madam Speaker -- I'll have to take some of these sections individually because there's no possible means of talking on these points if we're only to consider the principle of the Bill, and I may say that they are part and parcel of the principle. Under Section 3 (d) -- I think

(Mr. Hryhorczuk, cont'd)... I'd better read Section 3 to make it clear what I'm trying to refer to here. "Section 3. The department on behalf of the Crown shall regulate and administer all matters relating to or in any way connected with forestry and without restricting the generality of the foregoing shall regulate and administer; Subsection (d), afforestation, reforestation, tree prevention and tree improvement."

Now you will note, Madam Speaker, that this subsection does not refer to Crown lands. It could very easily, and in my opinion does, include privately owned lands. In other words, if I owned a piece of land on which there is some trees, I'd be unable to do anything that I thought was good for my own business without having the government tell me how to do it; when to do it. The other subsection is section (f). This particular subsection may deal only with the export, but I don't think it's clear enough, and it reads as follows: "Cutting, classifying, measuring, manufacturing, marketing, branding, inspecting, and clearing for export of trees, timber and products of the forest." That may also refer to privately owned lands upon which there are trees suitable for the manufacture of by-products. And again this reference is not restricted to Crown lands. The same goes for subsection (g) -- enforcements of statute rules and regulations relating to forestry and provincial forests." Forestry covers all forests, immaterial of whether they're on privately owned land or on Crown land.

Now if it is the intention of the government to begin to regulate the cutting or the reforestation or the preservation of trees grown on privately owned lands, I say to the Honourable Minister, "Hands off." I think that we still should have the freedom, the liberty, to do what we want to with lands that we own upon which forests are grown. Now it could be conceivable that I might have a plot of 10 or 15 acres of land that I've never brought under improvement and I'd want to clear the land and break it and put it under cultivation, and this government could step in and tell me "No dice, you're not allowed to do that. We'll allow you to take out the dead trees and you can do what you please with them but the rest have to stand there." I think this is wrong.

I do not like Section 7, subsection (2) which reads as follows: "In the discharge of his duties an officer or any person by him accompanied or authorized for that purpose may enter upon and pass through or over private property without being liable for trespass." Now I know of this up in my country where conservation officers have gone through privately owned lands, opened gates and didn't stop to close them, and I do not think that they need this right, not with the type of work they're doing. I think that there should be the courtesy extended to the owner of having his permission to cross.

Now there are a couple here that are worse than those by a long way, and these I think go far too far, and I'll refer to Section 38, Madam Speaker, and here's how this section reads: "A conservation officer or any peace officer or constable may, without warning, arrest and bring before a police magistrate or justice of the peace to be dealt with according to law any person found violating any provision of this act." Now no matter, Madam Speaker, how important our forests may be to us in the future of our people, surely we don't want to give the conservation officer the right to arrest any man, immaterial of how minor the violation may be. If a farmer's cow happens to stray on some Crown lands the conservation officer has the full right to go to the farmer and pick him up and arrest him and take him to a justice of the peace or a police magistrate and deal with him. I'm sure that that's not what the members of this House want. I think that we're going too far. It's unnecessary; it's too dictatorial.

And then let's take a look at Section 39. "Every person who contravenes or violates any provision of this act or the regulations is guilty of an offence and is liable, upon summary conviction, where the accused is an individual, to a fine not exceeding \$500, or to imprisonment for a term of not less than two weeks or more than three months, and where the accused is a corporation, to a fine not exceeding \$1,000.00." This is the only section in the act that provides for penalties. In other words, no matter how minor the violation may be, a person is liable to spend two weeks in one of our common jails, and this in spite of the fact, Madam Speaker, that for the past several years we've been trying to get away from this type of legislation, where we leave it to the presiding judge to use his discretion. Here he is given no discretion. If the accused person is not able to pay his fine, the least that the judge or the presiding justice of the peace can mete out is two weeks imprisonment. Now I'm sure the Honourable the Minister, who was a former Attorney-General of this province, does not himself agree

(Mr. Hryhorczuk, cont'd)... with that particular provision. He couldn't possibly agree with either section, 38 or 39, especially if he considers the fact that our conservation officers have no training as peace officers or law enforcement officers. We are going far, far too far.

Then we have the Dominion Timber Berths. These are the holdings that were obtained by people and corporations from the Dominion Government prior to the provincial government taking over the natural resources. I do not think there are too many of these in existence in the Province of Manitoba. I know of one, there may be one or two others, but I don't know of any. But it looks to me as if these sections are put in here for one purpose and one purpose only, and that is to see that they are discontinued, because the way the section reads, the holder of these Timber Berths is at the mercy of the Minister. If we read them we can see why, and I shall read them for the record. Section 22 (1) - "A licence or permit for Timber Berths sold prior to the 15th day of July, 1930, shall be renewable from year to year while the timber of the kind and dimensions described in the licence or permit remains in sufficient quantity to make it commercially valuable." -- Remains in sufficient quantity to make it commercially valuable. Who makes the decision whether it is commercially valuable? The Minister.

If we go to subsection (2), - "The Minister shall be the full judge as to whether the terms and conditions of a licence or permit or the provisions of this Act or the regulations respecting Timber Berths have been fulfilled." In other words, if he wants to dispose of these holdings, all the Minister has to do is to say I do not find that this is commercially valuable and cancel the outstanding Timber Berths. I don't know, but I don't think that under the type of laws and our way of life, should countenance any of these provisions that I've referred to. This Section 22 may only refer to one or two holdings, but even if it is only one, why should we jeopardize the rights of the people, the rights that were given to them by the federal government prior to the transfer of the natural resources over to the Province of Manitoba?

There are other sections in here that I do not go along with, Madam Speaker. I think that I can raise those at the committee. I do not want to take up too much time on this and I think I've covered the salient parts of it. As I say, there are others which I intend to raise in committee. In conclusion, I might say that I go along with the general principle of the Act. I think we need an act to cover the management of our forestry. There are some provisions in here that I'm glad to see because I think it will make towards efficient management, but there are others that I think that we should all take a very good second look at.

MR. GRAY: Madam Speaker, I have no intention of discussing 48 sections -- 46 sections of the Bill. They are all very important and we could object to some or improve. The Bill in general in my opinion is a very good one, and on general principle, I'll confine myself to ask only two or three questions on the general principle of the bill, reserving my right the same as any other honourable member of discussing it more fully in committee, as I consider the bill is very very important. It's not dealing with the wealth of the province; it's dealing with the wealth given to us by Providence for exploitation in the interest of the people of the province, and not in the interest of some or in the interest of a few. My question No. 1, is whether by passing the bill, with amendments or otherwise, will do away with the present bill on forestry. In other words, will the other Acts now in existence be scrapped by adopting this Bill, or this is another patch job on the old Bill?

Question No. 2 is whether the Bill, or the intention of the government is to maintain enough forestry, by either reforestation or other means not to reduce at least the amount of forestry or trees or anything else that the forestry department handles, to maintain for the generations to come. In other words, not to deplete one tree unless we have another one to replace it immediately. Is that clear, Mr. Minister? That's No. 2.

And No. 3 is about the permits for settlers. I strongly believe those who want to make subsistence, and not millions of dollars, and are anxious to go on a farm, on a mixed farm, could have his chattels, he could have his home, he could raise poultry and so on rather than gamble in the millions of acres of wheat land, I would not have put anything in their way to do it. I realize it's a hardship. I realize it's -- I don't know your mimics but I'll accept it -- I realize it may be a hardship on them but at the same time we have our natural resources and if human beings under circumstances in which they cannot have subsistence in the cities or anywhere else wants to settle on the better acreage of the Crown lands, they should be given every encouragement and every assistance possible. I confine myself with these few remarks, and

(Mr. Gray, cont'd)... study the Bill again although I read it before, made notes, and in committee will try to clear up other matters.

MR. ARTHUR E. WRIGHT (Seven Oaks): Madam Speaker, I'd like to speak briefly on Bill 100. The Honourable Member for Ethelbert Plains very ably presented some of my views in regard to this bill, but I did spend two or three days during the Easter recess up in the north and listened to quite a few people talking about this very interesting thing, and I think that Bill 100 is a very good thing. I think it's time we brought our legislation up to date along this line, but I'm just wondering if we haven't forgotten the little man again. In talking to people way up north of Swan River, I find that there are people who'll take a packsack, put in some grub and do a week's tramping in the north to find the deposits of timber such as mentioned by the Honourable Member for Ethelbert Plains. I take it that we haven't got to the point yet where we know exactly what our timber resource for the province is, and people will go in and find a stand of black spruce and so on and will make a bid on this and they'll fail to get it. They'll fail to get the tender for it and they have spent a considerable amount of money and effort in locating it. It is felt by many in the north that there should be some compensation for people who have the initiative and will go out and find these various stands.

I think that the big operators -- when we draw these bills up sometimes we think mainly about the big operator and I know that with modern equipment we can't neglect to do this altogether, but I do think that when people have the initiative and the know-how to go into the huge forests that we do have and find these stands that are peculiar unto themselves and are valuable, I think that perhaps we should consider some small remuneration for these people who do this sort of work. That's all I want to say now, Madam Speaker.

MR. JOHN P. TANCHAK (Emerson): Madam Speaker, I move, seconded by the Honourable Member for Carillon, that the debate be adjourned.

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

HON. J. B. CARROLL (Minister of Welfare) (The Pas) presented Bill No. 105, an Act respecting Assistance in providing Elderly and Infirm Persons' Housing Accommodation, for second reading.

Madam Speaker presented the motion.

MR. CARROLL: Madam Speaker, this Bill provides for an extension of The Elderly Persons' Housing Act to include personal care homes. There are many people now in the non-profit charitable or religious field who are providing services for people for personal care and hitherto they have been unable to either expand these facilities or to replace these facilities, and this Act will enable us as a province to support these organizations in helping them to provide new or up-to-date facilities. It will help these organizations in the gray area - the Minister of Health frequently refers to this particular term in referring to people who are between the Elderly Persons' Housing kind of project and those who end up in extended treatment hospitals. It defines the term of "infirm person" and defines the personal care home.

It also makes provision for municipalities either individually or jointly, to enter into housing projects, hostels or personal care homes. It provides the procedure for this purpose and provides for a sharing of costs. In past, hostels and personal care homes have only been provided in those areas where they have adequate medical or hospital facilities and we perceive that this same procedure will be followed in terms of municipalities joining together to provide for these kind of facilities. We perceive them using the regionalization principle similar to that which is in effect in the various hospital districts at the present time.

We're also providing for increased grants taking into account the increased cost of construction since 1959, and we're writing the grants for equivalent, what we call bed equivalent space into the per unit grants for hostels and housing units. We believe that this new act will enable us to work in co-operation with the various sponsoring organizations in continuing to meet the needs for the elderly and infirm for satisfactory accommodation and services.

MR. NELSON SHOEMAKER (Gladstone): Madam Speaker, I take it that the Bill 105 completely replaces the previous Elderly Persons' Housing Act that we passed back in March, I think it was 1959, and the one that was enclosed with the brochure that was sent out in subsequent years. I wonder if he would tell us, too, how the grants differ in the present one to what they were set out in The Elderly Persons' Housing Act. I would like, too, to know if the grants as outlined in Bill 105 are limited to corporations such as municipal

(Mr. Shoemaker, cont'd)... corporations, or will they be made available to individuals. I'm thinking, Madam Speaker, in particular of the home at Carberry, the Margaret Nursing Home, whether or not grants will be made to homes of that nature. I take it that the minimum type of unit that can qualify is one that will accommodate three persons, and I believe there presently is one such that is licensed in Neepawa. And then I judge that there is no maximum limit but that for instance if a town or corporation or individual wanted to build say a 40 bed unit, that 16 beds in that particular case could be for infirm persons and the remainder for elderly persons, that is one-third of the total beds can be used for infirm persons and no more. There is a limit I believe on it here. Perhaps the Minister could answer those questions.

MR. PAULLEY: Madam Speaker, I have a comment or two in respect of the Bill before us. It's rather difficult to generalize because we've had so many discussions here in the House on various types of elderly housing accommodation in the past. It would be just repetition if I went over some of the grounds that were covered previously and I have no desire to do that this afternoon. However, I would like to make one or two comments for the consideration of the Minister.

I regret very much that in the Bill the age is still 65 years of age in respect of obtaining the accommodation referred to in the Bill. I think in many quarters other than the government of Manitoba it has been recognized, particularly in respect of widows, that the age of 60 is becoming more and more generally recognized as the age at which consideration should be given to the opportunity of entering into elderly citizens housing. I do not mean by this, Madam Speaker, in deference to the fair sex, that a woman of 60 is of necessity an elderly person, but I do say, Madam Speaker, that we must recognize as a fact of life that women of a younger age are very frequently left to look after themselves than men. There generally is that age differential in marriage between the male partner and the female with the net result that the female is left more or less on their own at a lesser age and the age is generally conceived now as being of 60 years. So I would like to suggest to the Minister and to the government that when we're considering building elderly persons accommodation that due allowance be made of this factor, that women of the age of 60 have to be considered as being eligible for the accommodation.

Now I realize, Madam Speaker, that at the present time we haven't done this insofar as old age security pension is concerned, but I suggest that this will be a factor or a fact before too long and I suggest that even in this Bill that the Minister may take this under consideration that a widow of 60 be considered, or her financial resources be taken under consideration to make her eligible for the accommodation.

One other feature in the bill that I note, Madam Speaker, is that a vote of the municipality will be taken again at the ratepayer level. Surely to goodness, Madam Speaker, we should have come to the degree of forward-lookingness now in Manitoba where we recognize that electors are ratepayers, and electors are just as concerned, I suggest, with elderly housing as are ratepayers, and in this particular section I suggest to the Minister that where the word "ratepayer" appears, it should be substituted for the word "elector" because they are all concerned and all pay the bills insofar as housing is concerned. That, Madam Speaker, is just a brief comment that I make for the consideration of the Minister at this time. When the Bill is being given close scrutiny in committee, we may have further comments at that particular time.

MR. SCHREYER: Madam Speaker, in addition to the remarks made by my leader and the member for Gladstone, I would like to point out to the Minister one other area of the Bill that could stand some further analysis and certainly requires some justification and defence on his part. I'm referring here to that section of the Bill, that part of the Bill that sets out the grant levels, grant schedules that are to be provided or paid to the organizations that construct elderly persons' housing and elderly persons' housing requiring personal care facilities. Now it is my understanding of the matter that, in Manitoba at least, while there is a great need for both types of accommodation for elderly people, nevertheless if it is possible to draw a distinction or a priority, it would seem that there is a greater need for more provision, more housing construction of the convalescent and chronic care type. Well if that is true, and I believe it to be true, how then can you justify a grant schedule that does not differentiate as between the two? If there is a more acute need for personal care type of elderly persons' housing, then we should be increasing and providing a higher level of grants than obtain with

(Mr. Schreyer, cont'd)... regard to elderly persons' housing itself.

It seems to me that there are quite a few organizations who are taking it upon themselves to construct elderly persons' housing units and they are apparently quite satisfied with the grant levels, but it's obvious that on the other hand there aren't very many organizations that are prepared to construct the kind of facilities that will provide for personal care of the ill and the convalescent and so on, and so therefore we should be providing higher grants, special grants in this area. I would like to hear from the Minister of some justification, some defence of their practice which they have outlined here that they will not in effect be giving any higher grants to those who are willing to construct housing in the more acute need area.

MR. WRIGHT: Madam Speaker, before the Minister answers, I should like to draw to the attention of the House that in my constituency of Seven Oaks is the only privately owned senior citizen development in the whole of Canada. This is a limited dividend arrangement and thereby it doesn't qualify under The Elderly Persons' Housing Act. Now we're very proud of this development, but we have seen over the last few years that the rents have been steadily rising and they are now \$52.50 per month where formerly they were \$45.00. The person who promoted and built this venture is quite distressed by the fact that he has to raise these rents because of paving and various other municipal charges, and he did offer at one time that if he could qualify under The Elderly Persons' Housing Act in some way he would agree to use whatever money that he would receive under the act to reduce the rent. In other words, he sincerely wants to keep these rents down.

Now it all proves that even with such initiative -- and it certainly proves that free enterprise doesn't enter into this business of elderly persons' housing -- and while we're proud of the development in West Kildonan, it's very sad that we have to see year by year the rents rising. I was hoping that the day might come when there would be some grant made to this project with the sole view of keeping down the rents, because after all why should our elderly people in West Kildonan have to pay a higher rent than those in St. James? I know the Minister will say, "Well in St. James we have a Kiwanis Club sponsoring it, which is a non-profit organization," and he will be right, but at the same time I'm not too interested in who is running it, the thing is that it is a fact that the rents in the Seven Oaks area are much higher than anywhere else.

MR. MOLGAT: Madam Speaker, under the previous Bill I believe that the federal government, through Central Mortgage and Housing, participated in the project and that there are also matching grants to the provincial grants. I wonder if the Minister could indicate whether this situation will continue? As I recall, under the previous legislation, provided the local group could raise the 10 percent required for the initial development, that the balance could be obtained either by grant or by loans, partly from the province, partly from the federal government, and that the whole project could be financed in that way. I just want the assurance that with the extension of the Act this will still exist.

MR. CARROLL: Madam Speaker, if there are no further questions, perhaps I should just comment on some of the questions that have been raised. Starting with the Leader of the Opposition, I believe there has never been any contribution by way of grant from any federal government department, including Central Mortgage and Housing Corporation. They do however provide loans, as is their business, to housing units and they have a proposal whereby they will grant on a one-for-one basis, a hostel unit together with a housing unit. There have been some representations made by this government to try to get them to expand the sections of The National Housing Act to enable them to get more fully into the financing of hostels and things of that kind. However, the same arrangements will continue, as have continued in the past, through The National Housing Act.

The Member for Seven Oaks raised the interesting question of somehow or other making a retroactive grant to a project that was constructed some time in the past under, I suppose, The National Housing Act Limited Dividend Accommodation, and I would think that likely the only costs in that project that will be varying are probably within the control of the municipality, and that is the costs with respect to taxes and things of that kind. The other costs are pretty well fixed although there may be something here that I don't know about. We don't, in any case, provide a continuing grant to the various housing units. It's only the one shot capital construction grants that we make to the units themselves, and I know of no way in which we

(Mr. Carroll, cont'd)... could go back and make a retroactive grant to take care of the particular situation that he draws to the attention of the House this afternoon.

The member for Brokenhead comments on the fact that we have grants under The Elderly Persons' and Infirm Housing Act being proposed which do not take into account convalescent hospitals or things of that kind, the heavier care kind of institution, probably getting into the field of hospitals themselves, and of course we are only now contemplating a movement into this grey area by the inclusion at the present time of personal care homes. Any further consideration of this matter I believe should more properly come up under discussion perhaps of Health estimates -- discussions at least with the Department of Health who are involved in the administration of hospitals and things of that kind.

With respect to the elderly persons, it is a new Act; it does replace the old Act and the grants differ only with respect to the increased cost of construction plus the fact that we're incorporating the bed equivalent grant into the per unit grants. Previously, we allowed 10 percent for activity space in housing units, 20 percent activity space or recreation area or common-room space for hostel units. We're just incorporating this now as part of the grants on a per unit basis. The grants that are being provided now only go to non-profit homes. There'll be no grants available to what we have called the proprietary type of nursing home which I think is the kind of home that he was asking about.

He also asked about the licensing, I believe, of homes of three beds or more. The licensing provision comes under the Department of Health and may not properly be considered under The Elderly Persons' and Infirm Housing Act.

The Member for Gladstone also raised the point about one-third of a hostel accommodation being used as an infirmary. Is that what you had in mind? Well this Act here doesn't contemplate any changes with respect to the administration of a hostel. I rather doubt that we will be having any combination of personal care homes and hostel facilities although that could be contemplated at some time in the future, but with respect to the present arrangements for hostels, there will be no change in that respect.

As far as the age limit that was raised by the Leader of the NDP, I think that he will agree that most women at age 60 are still active and participating members of society and would likely want to remain independent. However, there are cases where there are exceptions and there is provision under this Act where some people can get in below the age of 65 under certain conditions. This of course is something we would want to look at fairly carefully. Our experience is that there aren't too many people falling in this category who are coming forward requesting accommodation in our elderly persons' housing units.

As far as electors versus ratepayers, I think that we've been very fortunate, up to the present time at least, that the municipalities have been supporting these projects very well in spite of the fact that the ratepayers only have the right to vote on them. We're very happy with the kind of response that we've been getting, not only from municipalities but from other sponsoring organizations as well, and we hope that this good support will continue in the future.

MR. MARK G. SMERCHANSKI (Burrows): Madam Speaker, did I understand the Honourable Minister to say that the matter of personal care homes comes under the jurisdiction of the Health Department?

MR. CARROLL: The question of licensing homes of this kind come under the Department of Health, health regulations. There'll be no change in any of the provisions for licensing.

MR. SMERCHANSKI: But it will mean that the establishment of any of these homes or an enlargement of these homes will be handled by your Department? Is that the understanding?

MR. CARROLL: For any homes that qualify for a grant or that approach us for a financial contribution on the part of the province, we will be handling the applications and the approvals and will be making these financial arrangements. With respect to the licensing, that still remains under the Department of Health.

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

MR. ROBLIN presented Bill No. 107, an Act respecting the Vesting and Portability of Pension Benefits under Pension Plans and respecting the Solvency of Pension Plans, for second reading.

Madam Speaker presented the motion.

MR. ROBLIN: Madam Speaker, the first point that I would like to make in introducing

(Mr. Roblin, cont'd)... the second reading of this Bill is the fact that this has nothing whatsoever to do with the so-called Canada Pension Plan. Members will know that the Canada Pension Plan is the one that has been proposed to the provinces and to Parliament by the Federal Government and has been the subject of many discussions between people who are interested in it. This Bill has nothing to do with that whatsoever and I'd like to make that perfectly clear.

What this Bill does try to do, it does try to lay the foundation for introducing portability of the regular private pension plans, both those now in existence and those yet to come. So as far as these private pension plans are concerned, which up to now have had nothing to do with the government whatsoever, we will be seeking by means of this Bill to introduce a means by which they may be made portable between themselves, not only within this province, which is desirable in itself, but we hope at least with the Province of Ontario who has a piece of legislation before it now much similar to the one that we have here. So what we are trying to do is to start the ball rolling, so to speak, in connection with portability of private pension plans in this province, within our boundaries, and also between this province and the Province of Ontario, and hopefully in due course with other provinces, because I learned at the Conference last week that other provinces have legislation much similar to this in their minds, either ready for their Legislatures or soon to come forward.

Now with respect to this particular piece of legislation, the first step that we are suggesting is that we set up a controlling authority who will have charge of the operation of pension plans as covered by this bill. That's the first thing we do, is set up a Pension Board. This will be a regular sort of government board which will administer the Act.

The second thing is that we look upon the pensions, the private pensions that are contemplated here, under two heads. First, those that exist now; and secondly, those that will come into existence in the future. With respect to those that exist now, we are approaching the matter very cautiously. We are simply saying that those that exist now have to register with the Pension Board, and if the people who are running those plans want to make any changes in them in the future, they'll have to get the consent of the Pension Board to that change. The idea behind that is that we want to improve the possibilities of portability so we don't want any changes made in present pension plans that would make them less subject to portability than they are at the present time. So we want to put that particular recommendation forward.

Secondly, in connection with present pension plans, the Bill gives the Board the right, in the course of time, to assimilate those pension plans and to bring them up to standards required for portability. I expect that a great many of these plans already meet such a test. What we contemplate, the necessity of looking at them one by one and deciding whether or not it is fair and equitable to ask that the existing plans be brought up to the standards we have in mind for portability. That means they have to meet certain tests as to solvency; they have to meet certain tests as to vesting; and they have to meet other requirements that are set out in the Act.

Now we are conscious that if we were to come in and make such a move mandatory right now for all the pension plans that exist in Manitoba today, we might cause some serious hardship. So we're approaching this cautiously and the idea is that we will find out, in the course of our investigation of this matter in the next little while, just what kind of a problem this is and whether we can quickly bring all these pensions up to snuff, so to speak, with respect to portability. This is what we would like to do, but we are conscious of the need to explore this very complex -- extremely complex and difficult field, with care. So we are taking that approach to present pension plans, but the aim that we have in mind is to bring all the pension plans in due course, if possible, without unfairness or undue hardship to those concerned, up to standards of portability.

With respect to new pension plans that may be brought in after this Act comes into force, then from the beginning they will be expected to meet these standards of portability and of solvency and the other requirements as set out in the Act. So our ultimate goal will be to have all the private pension plans in this province meet a minimum standard and be portable as between themselves and ultimately, as I have said, portable with respect to other provinces.

Now that, in a nutshell, are the policies that are to be implemented by this piece of legislation. But as I have said, the whole pension field today is pretty well mixed up. Nobody has very much idea as yet about what the Canada Pension Plan is going to mean with respect to

(Mr. Roblin, cont'd)... private pensions, and the complementary legislation to this that I've referred to as being before the people of Ontario will not come into force until 1965 at the earliest and the same applies to other provinces. So there is really not much point in rushing into this thing at the present time in view of that situation. When one considers that and the complex nature of this whole matter, it's been thought advisable for us to move second reading, and if that is agreed to, to have this Bill referred to the committee on Statutory Orders and Regulations so that it may be discussed there and so that representations of the industry, of pensioners, people who have reason to be heard in this matter, may be thoroughly ventilated. In view of the fact that it would be rather pointless to bring in the Act at the present time with this uncertainty in the field and with the Province of Ontario Act being held up, also for the same reasons, we think that this delay will not work any harm. So it is our proposal that we should give it second reading, refer it to this committee that I've mentioned, and see how the matter can be best dealt with in the future.

MR. MOLGAT: Madam Speaker, I thank the Minister for his statement on this Bill. We certainly agree with the principle of the bill and I'm pleased to see that the Minister intends to refer this to the committee that will be sitting between sessions. I think this is one of those types of bills that affects upon everyone in the province, or at least could affect all of them; we should give all of them an opportunity to appear before the members of the House. The whole matter of national pensions and pensions of various types has been engaging the interests of a lot of people in Canada for the past few months and I think it's desirable that before we pass any legislation here we do have the recommendations of the various parties interested. So we will certainly support the bill at least to see it going to the Standing Committee that will examine it between sessions. Then we'll be in a position the next time we meet, to discuss it more fully.

MR. PAULLEY: Madam Speaker, I just make a brief comment or two in connection with this bill. The more I read it, the more confused I get. I've been one of the advocates in this House, as a matter fact, I think I can take some pride in the fact that I've been one of the leading spokesmen in this House for a pension, a portable pension in industry and other fields of human endeavour, and I welcome this bill if only because of the fact that it does appear to me to be a step toward achieving portable pensions. The First Minister in introducing for second reading this bill, has made reference to the Province of Ontario and its proposed legislation. I don't know if the Minister has all of the details as to the controversy that has been raging in Ontario, insofar as the bill that has been introduced by the Government of Ontario, but it certainly has not met, if news reports are correct, with any favourable comment by the ranks of labour. Labour itself in Ontario is keenly disappointed with the feeble endeavours of the Robarts administration in Ontario and if it is as my honourable friend the First Minister says, that the bill that we have before us is patterned after that of Ontario, then I suppose we're in for some difficulties here in the Province of Manitoba as well.

I do agree with him, however, that this is a matter of a complex nature, a field that is going to have to have a considerable amount of investigation, and representations being made to the committee. Now I ask my honourable friend, in view of what he has just said in respect of this bill, whether he is being fair to a committee of this House in referring it to the Committee on Statutory Regulations and Orders? I ask him to reflect on the bills that have already been referred to this committee. They are going to have to deal with the question of real estate agents, of other bills as well, that have been referred to it. I suggest Madam Speaker, that that committee is going to be a full-time committee of the House in order to consider all of the measures that have been referred to it. The Minister mentions the fact that representations are going to be heard in respect of this Bill 107 from authorities on pensions, labour representatives, management representatives and the like, and I think that in this bill itself is a task worthy of consideration by a separate committee. However, apart from that, it seems to me that the government this year is treading lightly, little teensy-weensy steps, as I said once before in this House. I think I can also use another adjective now, very cautious teensy-weensy steps; but as I said at the offset of my remarks as one studies the bill that is before us, one becomes more confused than ever and if -- if, as a result of the deliberations, many changes are made, then we are going to have to have a re-written bill to consider before we adopt legislation in any case. So I say to my friend, I do welcome, however, the fact that

(Mr. Paulley, cont'd)... at least the matter is now going to be looked into so far as the portability of pensions is concerned, and I welcome it and trust and hope that they will be able to have a welding of pension schemes in Manitoba, together with those of the other provinces, that will be to the advantage of labour and management alike.

MR. J. M. FROESE (Rhineland): Madam Speaker, I'm not prepared to speak on the bill at this time. However, I'd like to know from the Minister whether this bill is going to be re-introduced at a later session because I feel that the members of this House should have a right to sit in on committee and to discuss the Bill when it's being re-introduced.

MR. ROBLIN: Madam Speaker, if I may close the debate I'll do so very briefly. I rather thought I'd get more encouragement from the Honourable the Leader of the New Democratic Party than he gave us this afternoon because, after all, this is an extremely practical step to deal with an extremely difficult matter. If he finds himself more and more confused as he reads the bill, then I would suggest to him that perhaps he might attend the meetings of the committee. He's not a member of it I know, but two very able members of his Party are, and two very able members of the Liberal Party are, to say nothing of whatever help the government may give. I think that if he attends the meeting of the committee he will probably find his time well spent and very enlightening. But I do think that it would be a mistake for us to proceed with this matter in any other way.

In reply to my honourable friend the Member from Rhineland, may I say that he too will be welcome to attend meetings of the committee and take part in discussions if he wishes. He doesn't have the privilege of voting but he has every other privilege and, in addition to that, if the committee reports and the government proceeds with the bill at the next session of the Legislature, then of course it will go through the regular procedure of going to the Law Amendments Committee where we'll have another go at the particular matter. And I wouldn't be at all upset if, in the course of the hearings of the committee, improvements are suggested; that's what committee meetings are for, and I hope that there will be improvements suggested.

So I tell the Leader of the New Democratic Party to cheer up; we're really getting ahead much faster than he has any right to expect in view of the contributions he makes toward our progress on this side of the House and we'll eventually reach the goal that we all desire.

MADAM SPEAKER: Are you ready for the question?

MR. SCHREYER: Madam Speaker, I believe it's in order to ask questions. Does this bill reach out and have any effect on those pension equities that are lying in limbo, in abeyance?

MR. ROBLIN: I'm not quite clear about my honourable friend's question. I think he'll have a chance to examine it in committee.

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

MR. ROBLIN: Madam Speaker, I have a resolution on my desk here in connection with what's commonly called the "speed-up" resolution and I have it in mind to inquire of the House, if I may do so in this way, as to whether they'd be willing to have me present it now. My point in doing so is that I think we should consider whether we would be willing to meet Wednesday night. We need this motion in order to do it. I think that, generally speaking, we're not ready for it because we've lots to do in Supply and we've got lots of committee meetings going. On the other hand, the committees have a tendency to peter out rather early and we might wish to take that into account. But basically I'm asking if the House is prepared to sit Wednesday night, because that would be the first time we would think of making use of this proposal. But if there's any disposition to do that I'm prepared to move it. If, on the other hand, there's a strong feeling that it's premature, I don't wish to press the point but I solicit the opinions of the House.

MR. MOLGAT: Madam Speaker, speaking for our group, I believe that we have accepted a commitment for Wednesday night on the understanding that we would be having normal sittings, so we would prefer not to have the speed-up motion at this time if it is going to mean that we will be sitting on Wednesday.

MR. PAULLEY: I'm very accommodating today, Madam Speaker. I agree with the Leader of the Opposition that the resolution is a little premature at this time.

MR. ROBLIN: Perhaps, Madam Speaker, you will call it 5:30 and we will proceed with our session tonight.

MADAM SPEAKER: I call it 5:30 and leave the Chair until 8:00 o'clock.