

THE LEGISLATIVE ASSEMBLY OF MANITOBA
8:00 o'clock, Friday, April 2nd, 1965.

MR. ROBLIN: Madam Speaker, we have arrived at government business and I believe the Honourable Member for Rhineland is ready to proceed with the budget debate tonight, so I would ask you to be kind enough to call the amended motion on Ways and Means.

MADAM SPEAKER: Before I proceed with the request of the Honourable the First Minister, I would like to say that in respect to the point of order raised by the Honourable Member for Lakeside, the point of order was well taken and the Honourable Leader of the New Democratic Party should have been allowed to proceed without the 40 minute limitation.

The adjourned debate on the proposed motion of the Honourable the First Minister and the proposed motion in amendment thereto by the Honourable the Leader of the Opposition and the proposed amendment to the amendment by the Honourable the Member for Brokenhead. The Honourable the Member for Rhineland.

MR. FROESE: Madam Speaker, I hope I can do justice to this applause. First of all, we know that this is the largest estimate ever to come before the Manitoba Legislature that we have before us this year, and likewise the largest budget in the history of this province, so I think the budget therefore should receive particular care and warrants a close scrutiny and a close look at what is transpiring and what is happening in Manitoba; what is the outlook; and are we justified in spending as much as we are today.

The Honourable the Leader of the Official Opposition has spoken on the budget and he made reference to our provincial debt picture and he used as his basis the Canadian Tax Foundation booklet as a reference. However, I don't know whether it is particularly necessary to burden the committee with further statistics, but I have before me a statement of the Canadian Government and Municipal Financial Statistics as put out by Wood Gundy and Company and they give a record too of what is happening in Manitoba as far as the debt picture is concerned.

On Page 13 of that booklet they give the figures of the growth debenture debt over the years from 1955 to '64. The figure stated for 1955 is listed as \$172 million and that same figure for 1964 stands at \$301,609,900. Then we go over to the contingent liabilities and guarantees and there the figure for 1955 stands at \$27,327,061 compared to the 1964 figure of \$332,419,490. The two combined amount to some \$633 million. This is quite a heavy debt load.

On the previous page we find that new borrowings have been made during the past year and they list \$18 million of new money under savings bonds which were sold -- one group ran for 4-3/4 percent, another at 5, and another at 5-1/2. Then they also show the Manitoba Hydro Electric Board as borrowing \$25 million at 4-1/2 percent. This is also new money and payable in U.S. funds. Then further on they list the Manitoba Telephone System and there the borrowings stand at \$12 million, also at 5-1/4 percent, and payable in Canadian Funds and listed as new money.

So we find that borrowings have continued during the past year and that our debt is increasing. We know that the direct debt will have to be paid from current revenues over the years as we go on. We also know that the contingent liabilities such as the Hydro and Telephone is being paid by the users of those utilities and is included and incorporated in the charges that are handed out each month in connection with Hydro bills and Telephone bills, so that the cost of the utilities has to be paid and is being paid in that way.

Now I was quite interested the other day in a press report and I have a clipping here of the Winnipeg Tribune dated April 1, and the caption reads, "Premier Roblin Blames the Liberals for the Debt." I'd like to quote a few paragraphs of this particular item, and I quote: "The only portion of the province's debt which is not actively working for Manitobans is a charge inherited from the previous Liberal government, Premier Duff Roblin said Wednesday night. In a speech to about 1,000 people attending the Conservative Party's annual fund raising dinner, Mr. Roblin said 98 cents out of every dollar borrowed from the public is revenue-producing. 'Only two cents of this dollar is borrowed for other non-asset, non-productive debts' -- probably that should be debts -- 'debts which we indeed inherited when we came into office,' he said. So when they worry about the public debt, remember in Manitoba it is a public investment."

Now, Madam Speaker, if you look at the dictionary and look at the definition for debt, it says "an obligation or a liability". Further, "that which is due from one person to another".

(MR. FROESE cont'd).....Then I also took the trouble to look at the definition of investment, and I quote the definition. "The investment of money or capital in some species of property for income or profit. The sum invested or the property purchased." Those were the definitions.

Now, Madam Speaker, I think that there's a vast difference between debt and investment in my opinion, and I'm sure you'd find out very rapidly that there is a vast difference if you should try and give it away. Who would accept debts? On the other hand, who would not accept an investment? I'm not too sure whether this is correct here when it says that they haven't heard of this from the Liberal government, because the other day in the House it was said that had they had the present bookkeeping in force or in practice that they use now when the former Liberal government was in office, that there would be no public debt -- there would have been no public debt -- so how can we have a statement before us that this wasn't heard and that we had a large debt.

I also ran across a very interesting little story here and I'd like to quote from it. It's in the "Canada Month" of the March issue of 1965, and on Page 23 we have the article captioned, "How to Cope with the Debt". I'd like to read parts of it and I quote: "We read a crystalline discussion of the National Debt by the New York Times' Edwin L. Dale, Jr. recently, and perhaps you did too. 'Indeed', said Dale smoothly and soothingly at a certain point, 'if the national debt were to disappear, something would have to be invented to replace it.' (In Canada, he'd have to invent a \$12 billion something.) The national debt is the monies that the government has borrowed, spent, but not yet paid back. Dale says it provides a useful place for individuals to invest their savings, and also a medium for the investments of insurance companies and pensions funds."

I will have some remarks to make on that portion later on. I quote further: "'What about the burden on future generations? The fallacy behind this question is its implicit assumption that the debt will have to be paid off. But the fact is that the debt never will be paid off. There is no reason why it should be.' Dale goes on to compare the government's situation with that of an expanding electrical utility, and adds: 'As long as the government's credit remains good -- which it will continue to be -- there is no reason to pay off the debt.' (As long as the government is expanding?) In fact Dale only finds one little thing wrong with that old national debt -- the interest payments. (In Canada, these amount to an annual \$750 million, or roughly 37 cents in every dollar of income tax you pay.)"

I might add here that this figure is well over a billion annually. "While protesting that these interest payments by the government go straight back to the private sector, to the institutions and individuals holding government securities, Dale has to admit that these payments are a burden. 'But', he goes on bravely, 'it is a burden that should be kept in perspective. As incomes grow, the amount of tax that each citizen pays declines relative to incomes or at worst remains stable. And the same will be true for tomorrow's citizens, who probably will be less burdened than today's.' (It's clear that Dale hasn't been watching the Liberals plan ways to add to the national debt, as if they had to get it up by a few billion before they leave Town.)" He's naturally referring to the Federal Government. "'So much then, for the National Debt,' concludes Dale comfortably. Miss Gallard, take a memo: Dear Mr. Gordon: Here is the deal. We're still a little worried about tomorrow's citizens, Dale or no Dale, and we offer this handy Instant Incentive Plan to get you repaying the National Debt. We'll promise not to pay income tax if you promise not to pay interest. Yours, etcetera."

Madam Speaker, I'm sometimes worried whether we're not getting on this same track here in Manitoba, that we are getting into the habit of perpetual borrowing and that we will fall in the same lines and habits of the Federal Government, where our debts are never paid off. They always re-borrow in order to refinance their debt holdings. We saw this when Mr. Diefenbaker was still in power in 1957. We had that large conversion loan and we borrowed new funds in order to pay the old ones. I hope that this practice does not continue indefinitely here in Manitoba, but that we do repay our debts. Are we trying to persuade the people of Manitoba that debt is not debt, or are we going to follow the Federal Government of perpetual borrowing with no intention of paying our borrowings, but just always continue to borrow.

I think that paying our debts is a blessing, and I'd like to refer to both the two Social Credit governments of B.C. and Alberta. Both these provinces pay their debts and are debt-free as far as the direct debt is concerned, and look what they can do today. B.C. has increased its pensions to \$105. They've upped it at this present session which has just prorogued recently. They are now paying their pensioners, combined with the Federal grant, \$105 a month.

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

They give their homeowners a grant of \$100 to help pay for their taxes, and this applies to all homeowners. They receive a credit at their municipal office of \$100 and they have to pay \$1.00, so that if the bill is \$101, they'll receive \$100; if it's less than \$100, they'll receive everything except the \$1.00; so they're giving their homeowners a \$100 grant this year. They have set up in operation a number of vocational schools and junior colleges throughout B.C. They are doing a terrific job of re-training and do not have to have the fear of -- oh, it just escapes my mind.

Then they have funds to spare. They recently made a loan of 100 million to Quebec. They are also spending this year 100 million on their roads program out of current revenue. Mind you, this is not borrowed money. They're taking this out of current revenue and paying for it.

Mr. Bennett is a very sharp bargainer. He sold hydro power to the U.S. and received payment, cash in advance -- ten years in advance. Sure enough, if we could make a deal like that, I would be all in favour of expanding and up-grading our hydro electric facilities here in Manitoba. Then an expansion would definitely be warranted. So that here you see some of the things happening in B.C. where they do pay their debts and where they do not continually borrow.

I mentioned roads a few minutes ago and I would like to refer briefly to an article in the Financial Post of March 27, 1965. They gave a graph here, and also figures stating what the provinces collect and spend on road use. They've got Manitoba listed, and it says here: Revenue from motor vehicle charges -- this is in 1964 -- Manitoba received 35.6 million. Estimated road expenditure in that same year, 26.3 million; grants to local governments for roads, 3,810,000. This is Manitoba's program of the past year. Then they give the figures for the coming year, and they state here: Estimated road expenditures for 1965, 27 million; and grants to local governments for roads, 3,820,000 -- \$10,000 up from last year. Then they also give the gasoline tax per gallon for 1965, and the figure is 17 cents. It's the highest of the western provinces. Only Quebec and the Maritime provinces have a higher gas tax than Manitoba.

Now if we compare this with British Columbia, they had revenue from motor vehicles of 67.8 million. Their estimated road expenditures, 67.1; and the grants to local governments, 630,000. So that their revenues and expenditures equalled, whereas in the case of Manitoba we received much more than we spent on the highways -- almost 10 million difference. When we compare this for the current year, they list here estimated road expenditures of 71.7 million, and their gasoline tax is 13 cents. They evidently did not include the bridges and other costs in connection with the road program in B.C. They also list this year's grants to local governments for roads in B.C. as 650,000. But there the government has taken over a large part and most of the road building.

Then we compare the amount of paved roads. Manitoba's 1962 urban street mileage was 2,383, of which 56 percent was paved. Comparing that to B.C., of British Columbia's 1962 urban street mileage of 6,313, 58 percent was paved. So they have many more miles, and even at that they have more of their mileage in paved roads. This is just a brief glance at what is going on there.

I made a further calculation that if our total revenues that we expect in Manitoba from motor vehicles and licenses and so on, our total is 48,381,000, yet we are only going to spend 34 million out of the 48. Twelve million is all that we included in the estimates of this figure; another 18 million is going to be borrowed again and come from capital, so that there is a vast difference between the operations of the two governments in connection with their road program.

I should probably have referred to the Manitoba Budget and Economic Review on this matter of the capital requirements because we find them listed in the review book. It says here, "Highways and related projects, \$18 million as a requirement for the year 1965-66." We also find other items listed here on this same sheet. We find the University of Manitoba guarantee, 3 million; we find agricultural research, 600,000; and these, Madam Speaker -- I've pointed out continually year after year -- these are items that I feel should come out of current revenue. We should not be borrowing for this purpose because we have nothing to show for the research. After the money is spent, it's gone. The same for the grants, the monies that we give away. How can we capitalize things when we have nothing left after it is given away. Then in

(MR. FROESE cont'd).....connection with the roads, I feel that we will continue building roads and that we should not be capitalizing the funds for building roads. This should come out of current revenue. This is an ever-recurring item year after year.

Madam Speaker, this afternoon I spoke in connection with the two-price system on wheat and I mentioned several items which I did not want to repeat here tonight, but I feel that wheat is a very important item in the province's economy and that certainly we should, as a government, have some say in the matter of the disposal of our wheat crop. Our carry-over from the last year is up five percent -- this is dating back to July 31st, 1964. We had at that time 772 million in storage. This means that the farmers have that much wheat tied up and I could quote you the figures in the booklet as to how much we have in farm storage and also in country elevators. On Page 11 of the Wheat Review of August '64 we find that we have stocks of Canadian grain at July 31st, 1964 in Canada on farms, 120 million bushels; in country elevators, 196 million bushels. So that here we have a large inventory of wheat stocks on hand. The total of all grains -- or the total of all wheat in all the various ports and in transit amounted to 461 million.

Then going down a little further, we have another graph here and we show the Manitoba picture, and we have here estimated farm stocks in the Prairie Provinces July 31st, 1964 and also for 1963. The amount of wheat in store here on July 31st, 1964 was 118 million for Manitoba, and in the year previous to that it was 63 million, so that the Manitoba farmer had much more grain tied up in stocks than he had the previous year.

Madam Speaker, what happens in a business if they have a major portion of their capital tied up in stocks which they apparently can't move? This holds true for the farmer. He has his capital tied up in his wheat and it might be sitting in the bins and he can't do a thing about it. The farmer is forced to carry that burden of storing it. He is unable to use the revenue that he would get from it and he probably has to pay interest on that very money that he would get if he was able to sell it. This definitely is slowing the economy of the province, and as a result you will find that there is less machinery purchased and this in turn gives less employment. It goes all along the line and you have a whole cycle, and as a result there is less earning power. So, Madam Speaker, I feel that -- and I mentioned it this afternoon, that we have the Canadian Wheat Board who looks after all sales. This is a government monopoly but certainly we as a province should have some say that these stocks do not sit there indefinitely but that we have more sales completed and that credit be provided so that the wheat will move more readily.

It seems to me, the way the situation is now, we are completely at the mercy of the Canadian Wheat Board. They can decide how much money the farmer is going to get; how much revenue the province will get from wheat sales. As I mentioned, I feel that the wheat board should be more responsible. I think we should have a commission set up where the government would be responsible to the farmers that their wheat would be sold, and if it wasn't sold, that they could be able to still get revenues; and if they had to store it, why not pay the farmer storage? We're paying the elevator companies storage. Why couldn't we pay the farmers' storage? This whole matter I think needs a close look at.

As already mentioned this afternoon, if things go well, if sales go well, everyone wants to take credit as far as the governments are concerned, but as soon as the situation is reversed, it seems as though no one is responsible for the situation. Certainly the western provinces here that are so dependent on the wheat economy, we should have some say, and I feel that this government should definitely look into this matter and see whether the thing could not be improved on.

As I already mentioned, this affects employment, and we just received the other day this booklet from the Manitoba Economic Consultative Board I think it's called, and they are very concerned with employment and with creating new jobs, so here is one avenue that could be further explored. Then also we find that so many farm workers are leaving for the urban areas, for the cities. Some of them would be willing to remain on the farms, but we find that since they are unable to get unemployment insurance, they feel that they would rather go to the city or to some other employment where they can get this insurance, so if winter comes and they are unable to get employment, at least they'll have something to fall back on.

So here is an area that could definitely be improved on. We could provide the farm workers with unemployment insurance. We are doing it for fishermen and we are doing it for the construction worker. The farm worker is about the only one that is excluded, and here is an area that we could definitely improve on. I notice that we have a resolution on the Order

(MR. FROESE cont'd). Paper in this connection, but so far it has not been moved. It is being sponsored by a government member. I hope that the government is also prepared then to back it and to make representation to the federal authorities to get unemployment insurance for farm workers.

Madam Speaker, there are one or two other items that I should touch on. I happened to be in contact with one of my friends who -- I'm not sure whether he personally is part of the civil service -- no I don't think so -- but at any rate one of his friends is and he supplied him with some information. They had just received a three percent raise in pay. This fellow received \$450 a month salary, so this meant some \$130 that he was going to benefit by. That's \$13 a month -- it would be a little more than that. So then he figured out our Estimates last year amounted to \$151,000,000; this year they are \$185,000,000. This is roughly a \$33,000,000 increase so that, divide that by -- even if you take a round sum of 1,000,000 people in Manitoba this would -- it's not quite that high -- but this would mean that the increase would be \$33 that he would have to supply. Then if he had a family of four, this would mean that it would be that much more, and if you figure also the federal increase in their budget from 6.7 billion to 8.3 billion which leaves 1.69 of an increase, this also amounts to some \$80 per capita which would be another \$7 per month. If you add the two you find out that he's no further ahead even with this increase, just because of the increase in the expenditures of the two governments, the Manitoba and the Federal, so he's no further ahead with this increase in salary.

Then if you add on the Canada Pension Plan which will be going into effect before another session of this House will convene next year, regular session, that he is actually short in purchasing power even with the increase in salary. So here we can see that the economy on this basis will not be thriving. In fact, I feel that we are going backwards as a province in this way and certainly the future doesn't look too bright in my opinion.

MADAM SPEAKER: The honourable member has four minutes of his time left.

MR. FROESE: I've just lost my train of thought here. I had one or two other things I thought I should be mentioning. Oh yes, in connection with this deficit financing the way we are, spending increased amounts of money every year in our budget, and then at the same time borrowing large amounts every year in addition to that, we have to change our course. We have to stop borrowing. We have to go on a pay-as-you-go policy, otherwise we will never improve this situation.

We find that some of the national companies are moving out their head offices to other provinces. This is not an isolated case; we have seen more than one. A number of them do this, and I could give some very good examples of that. However, I don't have the time tonight and I'll have to do it some other time, but certainly this does not augur well for this province. I feel that this government is remiss in a lot of its duties in this connection and should mend its ways, and for one, go on a pay-as-you-go policy and spend less and not have to increase the taxes. Look at the number of taxes that had to be imposed last August. People find it hard to pay those taxes. As we saw a minute ago, even with the increase in salary, that doesn't help any, and if they now have to pay increased taxes on top of that, it will just reduce their purchasing power that much more and they will be less able to buy the goods and the services they need.

MR. MOLGAT: Madam Speaker, on a point of order, is the Honourable Member for Rhineland not considered as the Leader of his Party and would he not then be entitled to the extension of time?

MADAM SPEAKER: The honourable member does not represent -- the honourable member's Party is not recognized as -- or he's not recognized as the Leader of an organized Party in the House. He has not the number of members to constitute a Party.

MR. FROESE: Madam Speaker, could I ask the reason for not being recognized as a Leader?

MR. ROBLIN: Madam Speaker, on the point of order, I think we've discussed this on several occasions before and I'm sure the Leader of the Opposition is aware that the rule is that a Party has to get five percent of the vote cast in a general election to be considered a Party here. I think that is the definition that we've been going by.

MR. FROESE: regulation, Madam Speaker?

MADAM SPEAKER: I didn't hear the honourable member.

MR. FROESE: Where do we find this regulation of five percent? I have not seen it to date.

MADAM SPEAKER: The Clerk of the House informs me that this is in The Election Act.

MR. CAMPBELL: Madam Speaker, on the point of order, there is no question that that is in The Election Act, but with all respect, The Election Act has nothing to do with what we adopt as rules of this House. The fact is that we've never had it set -- never in this House -- by the number of votes or the percentage of votes that a Party gets in the elections. What we did have, as the Honourable the First Minister mentioned, at another time when this same point came up in the House, what we did have years ago was the number of supporters in the House that attached to any Party, but that rule was dropped some years ago, and since then I submit to you, Madam Speaker, that we have continued to recognize the Honourable Member for Rhineland -- well, by his very place in the debate at the moment shows the recognition that he's given. He frequently on motions of condolence and other matters of that kind, he speaks after the Leader of the New Democratic Party, and I'm sure there's no rule -- no rule that says what the situation is, and it's simply a case of being recognized by you as the Leader of a Party.

MR. ROBLIN: Madam Speaker, I'm sure the House would be willing to extend every courtesy to my honourable friend the Member for Rhineland, but we have not in fact recognized him as a Party Leader in terms of rules in respect of speaking and matters like that, nor in my view should we.

MR. CAMPBELL: Can my honourable friend quote to me the rule that he's talking about?

MR. MOLGAT: Madam Speaker, in any case I would be quite willing, and I'm sure I'm speaking for members of our group, to give the member more time if he has further matters that he wants to bring up.

MR. ROBLIN: I think, Madam, that we should stick to our practice of 40 minutes for private members.

MADAM SPEAKER: Are you ready for the question?

HON. GEORGE JOHNSON (Minister of Education) (Gimli): Madam Speaker, could I ask the Leader--(Interjection)--the Member for Rhineland a few questions? Just three quick questions. Is it true that his esteemed colleagues in British Columbia tax the people \$90 million with a five percent sales tax? Secondly, is it true that the Social Credit movement recommends a sales tax as part of their fiscal policy today? Is there no such thing as legitimate debt in Social Credit fiscal philosophy?

MR. FROESE: How much time am I allowed? Because it would take considerable time to answer some of those questions, I can assure you.

MADAM SPEAKER: Are you ready for the question?

MR. PAULLEY: Madam Speaker, if there are no further questions to the Member for Rhineland, possibly I might be permitted to take part in this very important debate, for I'm sure that all members of this Assembly realize that the budget debate is one of the most important that we are faced with each year.

At the offset may I say, Madam Speaker, I appreciate the very valuable contribution to this debate that was made by my colleague from Brokenhead; and in his general criticism of the government there was much food for thought for the administration of this province. It might be said that even if the trend in Manitoba, being a down trend in the economy of our province continues, Manitoba will be in the throes of a recession while at the same time the rest of Canada will be enjoying unparalleled economic activity.

May I first of all, Madam Speaker, refer to the figures that the First Minister used in his budget address in the field of manufacturing. The growth in our province between 1962-63 was \$47 million, but for the year 1963-64 it was only \$42 million, or \$5 million less. In construction activity, between 1962-63 it increased in the amount of \$69 million, but the increase in the year 1963-64 show an actual decline of \$6 million. In the field of mining, which I'm sure that you will agree with me, Madam Speaker, is becoming one of the more important fields of activity in our province, as indeed it is across Canada, the increase for the year 1962-63 was \$11 million, but only \$5 million between 1963-64. The rate of expansion was reduced by over 50 percent.

Only two areas showed an increase in productivity, and I frankly admit, Madam Speaker, sizable in both cases. The first however is agriculture, with an increase of some \$43 million. This increase however, Madam Speaker, may I suggest had nothing whatsoever to do with provincial governmental activity, nor can we rely on a similar increase this year to buoy up an otherwise sick economy, for agricultural production is dependent upon the weather and agricultural sales are dependent upon the Wheat Board and world market conditions.

(MR. PAULLEY cont'd).....

The other area that showed an increase was that of the retail trades. Between 1962-63 retail sales increased by some \$33 million, whereas 1963-64 the increase was \$64 million. This increase, may I suggest, Madam Speaker, can be explained largely in terms of the increase in the agricultural economy over the past year, for had it not been for a successful crop and excellent world conditions, I venture to say that the retail picture would not have been as bright as it is and would have approximated that in Manitoba of manufacturing or mining.

I repeat these figures, Madam Speaker, for emphasis and to justify my contention in the Press that this budget of my honourable friend the First Minister is but a twilight budget, the dusk that precedes the darkness. The question naturally arises then, Madam Speaker, what would we of the New Democratic Party do to forestall the trend towards declining prosperity? We believe that it can only be combatted by massive infusions of social capital into the economy of the province. I will not dwell on this aspect of my criticism of the government because I believe these were fully covered by my colleague from Brokenhead last Friday evening. It is no longer sufficient for government to view the manipulation of fiscal and financial policies as being justified only in times of crisis, such as periods of inflation or at periods of recession.

It is interesting, Madam Speaker, to note that only 20 percent of the increased economic activity in the United States last year was directly due to the private sector of the economy. It was the public sector and public funds that inspired 80 percent of the economic growth of the United States, and I say, Madam Speaker, rather than retrenchment in any degree, public involvement in the economy of our province is now a more absolute necessity than ever, and I suggest that just as soon as this Conservative Government in Manitoba realizes it, it will be better for all.

The Manitoba Economic Consultative Board in its report tabled just on Wednesday, Madam Speaker, noted that Manitoba's productive capacity would seem to have increased less during the year under review than for Canada as a whole, for the report stated, "While new levels of achievement by the economy in Manitoba in 1964 might be recorded, there is little ground for complacency." I agree, Madam Speaker, that there is little ground for complacency, but it's been my observation, Madam Speaker, that since we started this session at the end of February, there has been many indications of complacency on the part of the administration.

This report I refer to also stated that the trend of investment in Manitoba is contrary to that in other parts of Canada where investment in the business sector of the economy has grown more strongly. The report also indicated that business investment on a grand scale was unlikely here in Manitoba on a large scale in the near future. Therefore, I suggest that it is only possible to conclude that greater efforts by the government are necessary, more necessary than the indicator we have had thus far.

I and my colleagues on several occasions mentioned numerous projects which we feel the government should undertake in order to expand the social capital of what I am speaking. These are well known to the government. May I refer to my speech in reply to the Speech from the Throne and my colleague from Brokenhead's speech the other day in reply to the Premier's Budget Speech. Our call for greater government expenditures is not an irresponsible attempt to bribe the people with their own money, such as we claim the school tax rebate is. Our contentions are founded on sound economic principles confirmed by recent reports to the American Senate in the Parliament of Canada. My colleague from Brokenhead expanded on these the other day. I simply mention them to indicate that my criticism of the government's stewardship is not merely criticism for the sake of criticism, but it is a criticism which offers real alternatives. It is, Madam Speaker, a criticism which has the support of some of the foremost economists in the Western World.

But lest my honourable friend the Provincial Treasurer feels that I may be unfair in my criticism on this point, may I say to him that we recognize that this government is taking some steps in attempting to give lie to my contention that the immediate economic future of this province is pretty bleak and that they are doing nothing, or relatively little to change it. Under the heading "Stimulus for Growth" in his Budget address, the Premier indicated that he was proposing a large increase in the budget of the Department of Industry and Commerce for the year 1965-66. The Research Council, the Design Institute, the Export Corporation and the Product Development Fund, he said, would account for increased allocations of funds. These I take it are the first tentative steps toward the economic planning advocated in the COMEF report, but I say, Madam Speaker, if the government is relying on these measures alone, and

(MR. PAULLEY cont'd), it appears that it is, to supply the necessary incentives for continued economic growth, then I submit that if they expect results merely because of the establishment of these organizations, they are going to be terribly disappointed and the people of Manitoba will be incensed at being left behind in the advancement of Canada.

The Manitoba Economic Consultative Committee in its report has already recommended that these bodies be strengthened. It is significant to note that once again our Party anticipated expert opinion. The Consultative Committee recommended the extension of the Department of Industry and Commerce research facilities in order to retain trained technologists in Manitoba. This, Madam Speaker, is substantially the same suggestion I made earlier in my reply to the Speech from the Throne, when I argued that a Manitoba Research Council should be established.

Madam Speaker, the measures suggested by the Premier in his Budget Speech are completely passive. The organizations to which he refers, such as the Research Council, are designed simply to react to the demands of industry. They have no power to actually assist in the guidance of industrial development. They will not direct, they will simply assist in the guidance of industrial direction. There is no over-all plan for development, and under the proposal of this government there is no mechanism through which such an over-all plan can be developed.

I suggest to you, Madam Speaker, that unless these committees have the potential of being extremely worthwhile and are given some actual powers to co-ordinate and to direct, they will in all likelihood become simple exercises in frustration. They will create -- and I suggest this is typical of the Department of Industry thus far -- they will create worthwhile reports which will be followed by no action. I warn the First Minister of this province that these committees of which he is so proud will only turn out reports in large numbers indicating the government -- tactfully no doubt -- but indicting it nonetheless for its failure to plan.

I suggest, Madam Speaker, that these committee reports will become but catalogues of the sins of omission of this Conservative Government. Need I remind members of the House who have been here since the government took over the administration of the innumerable reports, committees, groups and bodies that have been set up to assist -- well if you don't know it you should, you've been here as long as I have -- but surely, Madam Speaker, the government has set up all of these multitudes of boards to assist in the development. We have some of their reports but very little as the results of the reports.

I wish at this stage, Madam Speaker, to move on to the taxation policy of the present administration and I do so, and I confess at the risk of playing a broken record, but I want to repeat what I have said and members of my group have said, that the taxes imposed by the present Manitoba government are inequitable, ill-considered and designed to tax, not wealth, but those least able to protest. These taxes bear heaviest upon our lowest income groups, the very people, Madam Speaker, who must be buoyed up if our economy is to expand and to develop at an adequate rate.

I feel justified in my remarks in this regard, Madam Speaker, because the government itself is beginning to realize what a mess they have made with their taxation policy. To illustrate this, may I just simply refer to the changes that the Minister of Welfare had to make in the social allowances payments as the result of the increased utility tax. He had to change the allowances for social welfare. Why? Because that government imposed inequitable taxes on those least able to pay.

Need I refer too to the tax policies of the government any more than to say that while we met here last October we received a proposition from the government for a land transfer tax, ill conceived, ill considered. What happened to it? The government had to eventually, Madam Speaker, recognize the mess that it got itself into and declare that it would not proceed with the proclamation of that tax.

Am I not justified, Madam Speaker, in saying that the government is nothing but a confused group of individuals who know not what direction they should go, and even after having made some semblance of decision in the direction to go, on many occasions have had to change that direction as a result of criticisms from this side of the House. So I say I am justified in continuing to harp on the government's taxation policy, because even with the changes they have made, the situation remains inequitable and inconsistent.

Let us look at another aspect of the policy of this government in the field of taxation or costs to the citizens of this province. Let me refer, Madam Speaker, for a moment to the question of liquor profits. May I say at the offset that I realize that those of us who are pur-

(MR. PAULLEY cont'd), chasers of liquor should pay our fair share to our welfare recipients and others in the province. But, Madam Speaker, have you considered what preceded the increases in the price of liquor in the Province of Manitoba? Before the people who purchase liquor were called upon to pay higher prices, the Liquor Commission negotiated with the distillers for an increase in the price to be paid by the Province of Manitoba for the liquor. And I say, Madam Speaker, is this justified?--(Interjection)--I'm not wrong. I'm not wrong. Whether the timing was out or not, Madam Speaker, the point is that an increase was granted to the distillers at the same time or about the same time or prior to the increase to the purchasers here in the Province of Manitoba.

Is the distilling industry a poor industry? I refer my friends to the commercial letter of the Canadian Imperial Bank of Commerce of December, 1964, where it lists under a caption "Capital at Work" the ratio of percentage profit on net worth and other aspects of profits. And what do we find in the food products division in manufacturing? Almost at the top of the heap in regard to percentage of profit on net worth, we find alcoholic beverages at 12.4 percent, whereas the average in that field was 9.8. We find the percentage return on invested capital, alcoholic beverages, 11.9; the average, 9.4. Madam Speaker, the percentage of profit on sales insofar as the alcoholic beverages are concerned shows a net return of 8.9, whereas the average for this field is 3.1 -- almost 3 to 1.

If this is not sufficient -- if this is not sufficient, Madam Speaker, may I refer to excerpts from the Financial Post of June, 1964 which gives us comparisons for a few selected years, namely, 1947, 1948, 1952, 1953, 1962 and 1963 in respect of various industries. But let me just refer to beverages -- distilleries -- and I'll only use the last two years, 1962 and 1963. Canadian brewers increased their net profit in 1963 over 1962 by about 1.4 million. Seagram's increased theirs from 31.6 to 34.2, about \$3.6 million. Hiram Walker, a well known brand, almost an increase over the two-year period of \$2 million.

And yet, Madam Speaker, this government agency, the Manitoba Liquor Control Commission, felt that they weren't making enough and awarded them an increase. My honourable friend the Provincial Treasurer shakes his head. I challenge him to disprove that there was an increase--(Interjection)--I don't give a continental, Madam Speaker, my honourable friend says that the increase was on a national basis. I say to my honourable friend the Manitoba Liquor Control Commission is the outlet that buys the liquor for our consumption and sale here in the Province of Manitoba. I'm sure -- I'm sure my honourable friend would use a different tactic on other national tendencies if it suited his purpose. I still insist, Madam Speaker, that while the price of liquor was going up to Manitoba purchasers, these huge profits were being increased. I say to the First Minister that I have no objection to the price of liquor in the Province of Manitoba if the money is needed for the purpose of extending our work in the Province of Manitoba, but I object, Madam Speaker, to the citizens being called upon to absorb a greater share of the cost when additional revenues from this commission are lining the pockets of the distillers, who by any measuring stick are not poor.

May I go on. I refer to the tax on power and telephones, the new 5 percent tax. In his opening remarks under the heading "Power and Telephones", the Provincial Treasurer in his Budget Speech says, and I quote, "Power and telephone facilities are basic supports of domestic, commercial and industrial activities in this province." Having said that these are basic supports of domestic, commercial and industrial activities of the province, what does my honourable friend do, Madam Speaker? He proceeded to increase the cost of these vital services to everyone in the province. I say to my honourable friend, how inconsistent can you be?

What about the field of education? We have already passed the education estimates, and of course we're all well aware of the fact that the crown of the longest period of time taken to pass estimates now rests on the head of the Minister of Education, about 23 hours of consideration. Let me say here too, in the field of education most of my Party's criticisms of the government's current plans were mentioned at the time and we mentioned a number of alternatives which the government might consider, alternatives, I might add, which might well have been received by the public.

There is one area, however, that I feel I must refer to again, and that is the question of aid to university students. The government is very proud of the fact that students of Manitoba pay only 19 percent of the operating cost of the universities through their tuition fees. I suggest, Madam Speaker, far from being proud, this is cause for chagrin. What possible justification, Madam Speaker, is there for making students at the university level pay for the

(MR. PAULLEY cont'd). cost of their education, even one-fifth of the cost as they do now? What justification is there for the arbitrary cut-off on free education at the first year university level? Why should it be the first year at university? Why not at Grade 2, or Grade 9, or Grade 7? I submit that secondary education and elementary education are free to children because we realize the necessity for our population to achieve at least these levels of education if our society is to advance. However, if nothing else was demonstrated during our lengthy considerations of the estimates of the Department of Education, the fact that there is an increasing need for graduates of vocational, technical and university instructions was demonstrated.

May I refer to some figures I have, Madam Speaker, which indicate that at the university level the government's figure of 19 percent of the university cost being supplied by students is not an adequate measure of the financial burden that tuition fees impose. I want to point out to the Honourable the Minister of Education that while student fees may represent 19 percent of the costs of operation at the university level, it is indicated that the fees our students are paying in respect of a student who is living at home represents 34.6 percent of the total cost that he must bear in order to go to university; and that for single students away from home, the university's fees represent 25 percent of the cost that he must bear to go to university.

May I also refer to a couple of other charts that I have dealing with income insofar as students are concerned. It shows that a student whose family income is less than \$3,000, that 30.4 percent has an interrupted education. As we go up the scale, we find that as the income of the individual student's parents increase, so is there less interruption in education, ranging from 30.4 percent with those with less than \$3,000, and when we get up into the nine and ten thousand dollar class, parent media, only 2.3 percent.

It is clearly demonstrated, Madam Speaker, that with the present method of assessing the costs of education, that those young men and those young women who have the fortunate circumstance of coming from people or homes on the higher income media are more likely to pursue an education, and I would suggest that this applies also insofar as technical and vocational training is concerned. How can the government's continued resistance to free education for all be limited only by a person's ability to absorb knowledge. How can this be justified in the light of these facts? Madam Speaker, I suggest it can not. I say that this province is in desperate economic circumstances and the purely economic solution, the criticisms of the government's taxation policy which I have thus far mentioned, are only a part of the answer to the problem, for we must produce people with the talent necessary to develop the economic potential of Manitoba. If this province is ever to have a truly buoyant economy we must vastly increase our trained personnel, and to do so we must remove all artificial obstacles to the acquiring of knowledge, and the first and easiest obstacle to remove is the economic obstacle and I charge the government with irresponsibility for not doing this.

I say that this government is lacking sadly in many fields, and it is not my intention to cover them all at this particular time. I say in the field of medicine, provision of Medicare, this government failed, has failed -- miserably failed. I say to this government that as an indicator of this one only has to recall the position of the government last year in December when MMS attempted to bring about a new scheme of premium payments. Do you recall the first statements of the First Minister? He knew that the medical association, the medical service group were going to do it. The government has no power. But after public opinion started to interest my honourable friend, he said that he would use his good offices to try and bring about a reconciliation or to change the approach, but to no avail.

MADAM SPEAKER: The Honourable the Leader of the New Democratic Party has used up 40 minutes of time. The Honourable Member from Brokenhead speaking on the budget debate spoke over the 40 minute limit. Was he designated by the Honourable Leader to do so? We allowed him to speak because it was our contention that he was.

MR. PAULLEY: He was, because he at that time was proposing a motion of non-confidence. I am not proposing a motion of non-confidence. I am speaking in a debate and I respectfully suggest that you consider this, as to whether or not because of that I'm limited to 40 minutes. I can appreciate the fact, Madam Speaker, because of what I am saying may not be very tenable on some ears, I will abide by your ruling if you feel that I should now stop, but I respectfully suggest to you that while the Honourable Member for Brokenhead was proposing a motion of non-confidence and thereby entitled to over 40 minutes, I am taking part in a debate and not proposing a motion of non-confidence. I ask you to consider that.

MR. ROBLIN: Madam Speaker, I don't know whether I can be of any help in this question here. I must confess that I was under the impression my honourable friend was limited by the 40 minute rule, and I think a reading of the rule in question might justify that opinion. Rule 33, subsection (1) says: Subject to sub-rule (2)" -- this is important -- "subject to sub-rule (2), no member except a Leader of the government or the Leader of a recognized opposition party of the House, or a Minister moving a government order, or a member making a motion of no-confidence or a Minister replying thereto, should speak for more than 40 minutes in any debate." Then subsection (2), "The Leader of the government and the Leader of the Opposition may each designate some member" -- it says Leader of the Opposition in this instance -- "may designate some member of his Party to speak in any such debate" -- any such debate referring to the ones in Rule 1 -- "for such time as he desires, but in that case the Leader, if he speaks in the debate" -- that is referred to in paragraph 1 -- "should be allowed to speak for 40 minutes only." Now that would be my interpretation of the rule, that my honourable friend from Brokenhead has exercised the right of speaking more than 40 minutes as the spokesman for his Party, but that would bar the Leader from speaking over 40 minutes in that same debate. However, I feel too it's a matter for the Speaker to decide, not me. I just offer my opinion for what it's worth.

MR. PAULLEY: Just on this point -- dealing a little bit with technicalities -- may I also, Madam Speaker, refer to subsection (2) of Rule 33. We've had some considerable discussion -- if I may have the liberty to say this, Madam Speaker -- we have had some consideration as the recognition of a Leader of a recognized Party which is contained, may I respectfully suggest, in clause (1). However, when we're dealing in clause (2), which may be a moot technicality, but reference there is only made to the Leader of the government and the Leader of the Opposition designating a member of a Party, in which case the Leader, if he speaks in the debate, shall be allowed to speak for 40 minutes only.

MR. MOLGAT: Madam Speaker, on the point of order, I believe I must agree with the Leader of the NDP in this case. I think that sub-clause (2) really does not apply to him at all because it refers specifically to the Leader of the government and to myself. We are the only two who may designate another member of our Party. He doesn't have that, but under (1), any member of the House moving a no-confidence motion has the right to go for 40 minutes or more, and that is what the Member for Brokenhead did. He was moving a non-confidence motion. Similarly under clause (1) the Leader of a recognized opposition party may speak for 40 minutes or more, and that applies to my honourable friend, so I think both of them are covered.

MR. CAMPBELL: Madam Speaker, I would appreciate the opportunity of giving my view on this matter because I would like to just point out that subsection (2) is there because of the fact that the rule that really should be in our books refers only to the Premier and the Leader of the Opposition having the right to exceed the 40 minutes, and when the mistake was made of not carrying the rule that we put in there into this book through some error, then subsection (2) does appear to be a little bit out of context. It's out of context only because the rule that really is the rule of this House refers only to the Premier and the Leader of the Opposition, and that will be abundantly established if someone will just read the report of the committee that sat at that time.

MADAM SPEAKER: Subsection (2) of Rule 33 does seem to be out of context here in my opinion. However, when I am in doubt, I am going to leave the matter up to the House and I'll ask the House if it is the wish of the House that the Honourable Member the Leader of the New Democratic Party should exceed the 40 minutes. All those in favour?

MR. MOLGAT: Madam Speaker, really I don't believe this is the procedure that we can follow in this House, Madam Speaker, because in that case then our rule book becomes an impossible thing to deal with if the House decides each time what the rules are. With due respect to you, Madam Speaker, I suggest that I think this is a matter on which -- if you want to take some time I'm quite willing to give you the time -- but on which a ruling must be given.

MR. ROBLIN: I think that the honourable gentleman is trying to have it both ways. Now the rule of the House that we have been following is the one which recognizes Leaders of opposition Parties. Now whether that's right or wrong I won't argue because there's room for two different opinions as to what we had intended the rule to be at the time, but the way we've been operating is that we recognize the Leader of opposition Parties and that the rules applied mutatis mutandis as much to the -- that's a lovely phrase -- as much to the Leader of the New Democratic Party as they do to the Leader of the Opposition, and if that's the case then he

(MR. ROBLIN cont'd).....shouldn't speak more than 40 minutes, but I think it's a matter for the Speaker to rule on. If the rule is ambiguous she'll have to make up her mind which side of the coin, which way the coin is going to fall.

MR. MOLGAT: Madam Speaker, if I may just again -- I really think if you look at the rule, simply sub-clause (1) which is the only one in order, that you will agree that the Member for Brokenhead had the right to speak for more than 40 minutes because he was making a motion of no-confidence and that specifically comes under (1). Similarly, the Leader of the NDP has the right to speak for more than 40 minutes because under sub-clause (1) he is the Leader of a recognized opposition Party and that there's no matter here of designation -- he didn't designate anyone. He hasn't got the right to designate anyone. He didn't do so, but in any case both he and his colleague fall into clause (1) and are entitled.

MR. ROBLIN: Well by that basis of reasoning the Honourable Leader of the New Democratic Party is in a preferred position to the Leader of the Opposition, which doesn't seem to make any sense to me.

MR. MOLGAT: Madam Speaker, that's exactly the point that my colleague the Member for Lakeside has been making in this debate for some days. This is the reason that he brought the resolution that is before the House and which in the minds of a number of people is an insignificant resolution. It's not, because it reveals exactly this evening the problem which arises, and I suggest that for the moment that all that you can do, Madam Speaker, is rule on the basis of the rule that is here, and that we then have to proceed with the suggestion made by the Attorney-General to have a further look at this and phrase it out so that this situation doesn't arise again.

MADAM SPEAKER: I have been of the opinion since I have been here that the Leader of the Opposition, if he designated a member to speak, that he would not speak over the 40 minute limit. I realize too that by Rule 31, section (1) as it now reads, he does have the right to speak, and so long as this rule is in our book and until we meet, I believe that I will have to allow the Honourable Leader of the New Democratic Party to proceed. The Honourable the Leader of the New Democratic Party.

MR. PAULLEY: Thank you, Madam Speaker. May I assure the House that I'll be very very brief. As a matter of fact, if we hadn't had the argument as to whether I should have been able to speak or not, I would have been finished about five minutes ago.

MR. MOLGAT: Madam Speaker, on a point of order, I would like to say by living up the Honourable Member's rights, it's not necessarily because I want to hear him; it's because I want to have his rights held up.

MR. PAULLEY: Madam Speaker, I appreciate that very much coming from the Leader of the Opposition. May I respectfully suggest to him he would be well advised to listen to the wisdom that emanates from the lips of the Leader of the New Democratic Party. It might be in good stead for him because I am sure the utterances from my lips are more acceptable and more necessary for the future well-being of the Province of Manitoba than those we hear from him.

However, Madam Speaker, it is not my intention to attempt to cover all areas of government activity in these remarks. I think that I have demonstrated quite clearly that this government which started out with such promise in 1958 has now adopted a typical Liberal-Conservative approach regarding the future of the province. While the First Minister is very capable in extolling the virtues of his administration, a close analysis of his statements reveal a complete lack of comprehension of what is desired for the future of Manitoba.

Madam Speaker, in listening to him the other evening when he addressed the fund raising banquet of the Conservative Party, one would gather from him that all was well in the province. However, even a cursory analysis of what he said reveals many shortcomings. One cannot have too much quarrel with his comparisons between 1958 when the present administration took over the reins of government from the Liberals and the present time. It is true that on a percentage basis expenditures have increased to a considerable degree. I agree that there are many areas where Manitoba lagged previously. On the other hand, however, I am at a loss to understand the psychology of the Premier when he states that on a comparative basis Manitoba taxpayers still are paying less than average in taxes. It seems to me that this is the self-same approach to political action that was held by the former Liberal administration here.

The criticisms which were levelled against the former low tax of the Liberal administration are in my opinion just as valid today against the present administration. The First

(MR. PAULLEY cont'd)..... Minister admits low taxation in Manitoba and yet rejects our contention that essential services must be improved. Moreover, he compares our tax load to that of other provinces on a dollar to dollar basis. Let us look at our tax load on the basis of percentage of per capita income. In Manitoba, taxation accounts for 11-1/2 percent of the per capita income, while in Saskatchewan under the previous CCF government the taxation equalled 12 percent of the per capita income, and Saskatchewan provided such additional services as Medicare for all, automobile insurance for all, and lower university tuition.

We of the New Democratic Party contend that service to our citizens is of paramount importance. While we do not accept the premise that taxation in Manitoba is among the lowest, we do contend that services provided as a result of these taxes are insufficient. Madam Speaker, we are frank to admit in this Party that services do cost money, and we feel that if providing taxes and other sources of revenue are raised on an equitable basis, our citizens would not object to raising further funds to obtain essential services. Moreover, if the per capita income of our province was to be increased, more money would be available for governmental purposes without additional taxes.

I think, Madam Speaker, that it can be truthfully said that this government has now become a government that only takes action when it is under public pressure or when it is politically expedient to do so. Madam Speaker, it appears to me that this government has now become a government full of action during legislative sessions, goes dormant between sessions and then awakens when pressure is placed upon it to take action in respect of fields of government.

For example, I point out that for over a year there was no Director of Corrections in the Province of Manitoba, a position which anyone concerned with the destiny of our young men and women know is of supreme importance.

I point out, Madam Speaker, that for almost a year the position of chairman of the committee on economic development was vacant. This chairmanship and this committee two years ago was considered to be the most important field for the future well-being of the province.

I point out that it was not until this session the government gave recognition to the problem of attempting to integrate the Indian and the Metis into our provincial society. It is well known that we of the New Democratic Party for years have raised the question and that the government has for a long time had reports such as the Legasse report indicating the need for activity in this important field.

I point out to you, Madam Speaker, that it was only after we had raised the question of possible evasions in the tobacco tax payments that the government changed its regulations to attempt to close up this possible loophole for the evasion of taxes.

I have already mentioned that this government did not increase social allowance payments to offset the ill effects of its utility taxes until after we had protested. I have also pointed out that in regard to MMS premiums it was only under pressure that this matter was given any consideration by the government.

I think from the statements of the Premier regarding the staying in or the opting out on shared services with Ottawa, that this is another indication that this government is no longer a progressive, aggressive, or the forward-looking organization it appeared to be in 1958. In conclusion, Madam Speaker, may I say without equivocation or reservation, that this government no longer deserves the confidence of this House or of the citizens of Manitoba.

MADAM SPEAKER: Are you ready for the question?

MR. ELMAN GUTTORMSON (St. George): If no one else wishes to speak, I move, seconded by the Honourable Member for Lakeside, that the debate be adjourned.

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

MR. ROBLIN: Madam Speaker, I beg to move, seconded by the Honourable Attorney-General that Madam Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the supply to be granted to Her Majesty.

MADAM SPEAKER presented the motion.

MR. SCHREYER: There is a matter which I would like to debate at this time. I believe that the motion to go into Supply is one which offers itself as an opportunity for raising or discussing a matter which is considered to be a grievance or at least of general public interest and I believe it important enough to discuss at this time, that being the situation which obtains in some of our towns in this province which effectively denied to the residents of these towns any kind of local self government or self rule.

I think honourable members who have a sense of history must surely realize that the struggle or the request that is being made by some of the people, many of the people out at Thompson today is in fact an identical request to the request that was made by our ancestors, by people seven and eight hundred years ago. It is of course, easy to over-dramatize and to exaggerate but if honourable members will just take the time to read in any of the basic history works, and the development of government in Britain, in England, in Western Europe, France and any of the Western European countries, they will find that essentially what the people were struggling for in the 1200's is what the people in Thompson today are asking for.

MADAM SPEAKER: The Honourable Member from Brokenhead has already spoken on a grievance motion.

MR. SCHREYER: Could Madam Speaker give me the date please.

MADAM SPEAKER: He spoke on March 8th on a grievance motion concerning the county court at Beausejour.

MR. SCHREYER: I beg Madam Speaker's pardon.

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

COMMITTEE OF SUPPLY

MR. CHAIRMAN: 5 (a) (1)

HON. STEWART E. McLEAN, Q.C. (Attorney-General) (Dauphin): Mr. Chairman, just before we adjourned last evening there were two matters raised on which I would like to report to the members of the Committee. The Honourable the Member for St. George raised a question about a case at Ashern which he indicated had been delayed in having being dealt with and while he did not mention any names, I have endeavoured today -- we have endeavoured today to identify the case on the basis of the information which the Honourable the Member gave to the House last night and I think I have this situation in mind and will be glad to inform the honourable member and members of this Committee.

The case we believe is one of a number which arose out of a -- perhaps fracas would be the right word, although it was quite a serious one that took place on the Fort Alexander Indian Reserve on the 10th of November 1964 and in which -- (interjection) -- I'm sorry on an Indian Reserve -- (Interjection) -- on the Indian Reserve of Lake St. Martin on November 10, 1964, and which involved a number of persons, many of whom were related to each other and in which there was an altercation, a serious altercation with two or more police officers, members of the RCMP. As a result, the background of this incident was somewhat complicated but in any event this incident occurred. As a result of this charges were laid against a number of people. A number of charges were laid against a number of people; some of the charges under The Wildlife Act and other charges under the Criminal Code. The Criminal Code charges being assault charges or related charges. As I said, the incident occurred on the 10th of November. Now the Court at Ashern sits once each month on a date toward the end of the month, a regular date, and the first Court following the 10th of November was held on the 27th of November. The cases and charges of which I speak could not be heard on the 27th of November because there were other matters which had to be dealt with by the Court on that day. Unfortunately the next Court day fell on the day of Boxing Day, following Christmas, and no Court was held. On the Court day in January, which would be the 25th or 27th of January, whatever the date was, the regular day, a number of the charges related to this incident were heard and dealt with, roughly speaking they were the charges under The Wildlife Act, leaving the Criminal Code charges still to be dealt with. And this division as it were was agreed upon between counsel for the defence and Crown counsel.

(MR. McLEAN cont'd)

Later, or in the month of January the magistrate offered to have a special sitting at Ashern because there were this number of charges to be dealt with, and said that he would be prepared to spend two days to dispose of these charges, and the Crown attorney was available and agreed to attend, but counsel for the defence declined -- I'm sure for very proper reasons, but declined and said that he didn't wish to go. The February Court fell on the 22nd of February, as the honourable the member has informed us last evening, and while he referred to it as being a windy day, he will recall, I am certain, that there was a very serious storm on the Saturday and Sunday preceding the 27th of February. And the magistrate was prepared to go to the Court on the Sunday in order to be there, but was strongly advised by RCMP detachments and others who were familiar with the situation, that he should not leave home because of the grave possibility that the trip could not be made. And as a result and for the same reasons, counsel for the defence were fully informed and agreed that the case should not be resumed on the 22nd, and the counsel for the Crown was advised and as a result no one proceeded to Ashern on the 22nd of February and no Court was held. The next Court was on the 22nd, I believe, of March, the regular day in March, at which time the accused -- speaking of those charges which were left to be dealt with -- the accused pleaded guilty and as a result all the matters were cleaned up and disposed of by the Court. Now, it would appear throughout, and it is perfectly true that a number of the accused, if not all, related to this particular incident were on bail, although I am informed that none of them were inconvenienced in any way, except for the fact that their cases were not heard and I would, of course -- my attention was directed to the fact that there was the offer of the magistrate to hold a special sitting for the purpose of hearing the cases in January.

I would advise the Committee, Mr. Chairman, that it is only during the last year, and I believe as the result of the views that were expressed by the Honourable the Member for St. George at the time of our estimate consideration a year ago, that we have had a regular Court sitting -- true only once each month -- at Ashern since that time. And it would appear on the basis of the regular amount of work to be dealt with that one day of the month is ample for that purpose.

I am informed for example that at the present time and in respect of the next Court sitting of that Court for the month of April, that there are only three what one might refer to as relatively minor matters to be disposed of, and I don't say that in any unkind sense, because of course everything is important to those particularly concerned, but they are not serious charges. And that is about standard for the amount of work that is to be done by the Court at Ashern.

The one matter which gave rise to the situation complained of was an unusual event and as far as we are aware in recent times, is the only time that anything of this nature has occurred where there was a particular incident giving rise to a number of charges against a number of people, all really related to the one incident.

I must say that I appreciate the matter having been brought to my attention. I am sorry that there was that delay and now that I know of it certainly I would -- and if I had known of it earlier I would have insisted on it being disposed of at a special sitting and almost made it mandatory for the defence to be ready to have their cases heard. However, as I say, that's something that's past and done, and I think in unusual situations of that sort we will endeavour to deal with them properly in the future.

Now, Mr. Chairman, the Honourable the Leader of the Official Opposition directed my attention to a matter of some beer at Brandon, and he in effect asked me to explain the situation under two heads, first of all with regard to law enforcement and secondly with regard to my duties and responsibilities insofar as the Liquor Commission and The Liquor Act is concerned. I'm glad to do so and have found a rather interesting series of events which I'll be glad to inform the members of the Committee.

The matter concerned of relates to a juvenile, and for that reason and because the law doesn't really permit it I will not use the name of the juvenile but will use the initials XY which will certainly not give any indication of who the person is that is concerned. The Brandon Police Force, this is the city police, arrested XY, a girl under the age of 18 years, big and mature, and who could easily pass for 22 or 23. She had purchased and had in her possession at the time a case of beer bought from a licensed beer vendor in the City of Brandon. It quickly appeared that XY was a juvenile and as a result two charges were laid against her in juvenile court -- and it's most important, Mr. Chairman, for the members to remember that there were two charges laid against this juvenile under The Juvenile Delinquent's Act, but these were the

(MR. McLEAN cont'd) charges. Charge No. 1 was that of purchasing beer being under the age of 21 years. Charge No. 2 was that of having beer in her possession. And I might just mention that the purchase had been made by XY in the name of her sister, who I presume was an adult person but she had falsified the documents or whatever it is that are signed when a person purchases beer.

The first charge came on for hearing before W. Sturdy who is the Juvenile Court Judge at Brandon, and the Crown was represented by W. J. the Crown Attorney at Brandon. Prior to this first charge, the Crown attorney did not have the bottle of beer analyzed but simply produced the unopened case of beer as evidence and relied on Section 214 of The Liquor Control Act, and that section says that all purchases made from the Commission -- and remember that this purchase was made from a licensed beer vendor -- that all purchases made shall be deemed to be liquor within the meaning of this Act. In other words, the Crown attorney was going to rely on Section 214 of The Liquor Act to prove the fact that this was beer -- and I should point out that the XY had been apprehended within a few moments after making the purchase, so that the case of beer had never been opened. The sealed case was that which was produced as evidence on the hearing of the first charge. The learned judge of the Juvenile Court stated that he was not prepared to accept the unopened case of beer as proof that the contents was actually beer, and he dismissed the charge, and gave a written decision to support it. Briefly what he said in his written decision was that it was quite true that if a person was charged under the provisions of The Liquor Control Act the Crown attorney could rely on Section 214 of The Liquor Act, which says that it shall be deemed to be liquor within the meaning of the Act. But the Juvenile Court Judge, and I think properly so, said, "We're not proceeding against XY under The Liquor Act, we're proceeding against her under the provisions of The Juvenile Delinquent's Act." And for that reason he was not prepared to accept the reasoning, or the submission that Section 214 was applicable and therefore he dismissed that charge. Now remember that was Charge No. 1.

Well, then the Crown attorney very properly decided that he should proceed on the second charge, but that in order to prepare for the case he took one of the bottles out of the sealed case and had it submitted to a pathologist -- and I'm sure the committee members will perhaps believe it satisfactory if I do not name the doctor, the pathologist, at the Brandon Mental Hospital -- requesting that the contents be analyzed. And this was done and the doctor gave an analyst's certificate showing that the contents were 2.278 percent proof spirits. Well immediately that he received that certificate the Crown attorney realized that he was out of Court because for it to be beer it would have had to be 7 percent. And therefore he recognized that if he went to the Court with this certificate which was the only certificate he had that the case charge would be, and properly so, it would be dismissed because the evidence would be that it was not beer. Well that then exhausted the second charge, or perhaps I should say fixed with that information he asked the Court to enter a stay of proceedings on the second charge and he did so for the reason that on the basis of the certificate which he had received.

Then, being very diligent and thinking to check the matter and make sure that there was nothing amiss here, the Crown attorney then submitted a second bottle of beer from this case, and in this case he sent it to the RCMP Laboratory in Regina for analysis and the analysis came back showing it to be 8.8 percent proof spirits and this of course established that it was beer all right but of course it wasn't of any assistance in the charges against the juvenile XY because those two charges had already been dealt with by the Juvenile Court.

The explanation that is given to me is that while this is not a frequent occurrence, it has happened before that in the method that is followed by some pathologists in testing that there are on occasions an error in the reports that are obtained in the analysis and it is our opinion that the report received from the doctor, the pathologist at the Brandon Mental Hospital was in error. We believe without any question that the second certificate of the RCMP was correct and indeed if the first bottle had been submitted to the RCMP, that that would have been the report. Now that's of course speculation, or at least that's our assumption on the basis of the experience that we've had.

And I think I should say, Mr. Chairman, that we have also checked with regard to the matter of the purchases because the matter now having explained the situation with regard to the juvenile XY, I'm now dealing with the question of the purchases that are made by the Liquor Commission and I am myself satisfied that there is no problem or no question that the Liquor Commission is obtaining and is purchasing in its purchase a product which meets the required standards. The industry, that is the brewing industry maintains a very, I find, quite

(MR. McLEAN cont'd) scientific quality controls and every precaution is taken to ensure that the product meets the required standards both of the Federal regulations and the provincial regulations and I am, on the basis of the information I have been able to secure today, am prepared to accept that situation without any question and to say that the unfortunate situation in this particular incident arose as a result of an erroneous analyst's certificate given in the first instance.

And I suppose that one might say, if I might go beyond the simple answer to this question, that the juvenile XY, or her friends who have taken to writing letters about it, probably ought to consider themselves rather fortunate under the circumstances because if that first bottle had gone to the RCMP Laboratory in Regina, Mademoiselle XY would have found herself convicted of an offence under The Juvenile Delinquents Act. As it turned out she wasn't and I must say also, and it indicates the problem of law enforcement, that here was a young person almost 18 years of age who deliberately falsified, gave a false name, that is a name not her own, falsified the purchase of this product and put a large number of people to a great deal of trouble and has given me this opportunity of making this explanation to the members of the Committee.

MR. ELMAN GUTTORMSON (St. George): Mr. Chairman, I listened with interest to the Minister's explanation of the situation in the Interlake. He's quite right about the situation that took place and this fracas involving a number of people on the Indian Reserve, but that wasn't the case that I was referring to, although it was another case. However I just wanted to point out to him that the case that I referred to had nothing to do with the fracas on November 10th that he referred to.

The point I'm concerned with though is he says there may be only a few cases. Well what concerns me is that if an individual is charged with an offence and he wishes to plead not guilty to the offence and is unable to raise bail, he may be compelled to spend up to one or two months in confinement under the present set-up. Now the Minister said to me last night that had I brought this matter to his attention he would have done something about it and I don't doubt that. In the past I've had occasions to bring matters to his attention and I must say in all fairness he's co-operated with me, but sometimes there are going to be cases that are not brought to our attention; an individual doesn't know his rights and he's just going to be confined to jail because he doesn't realize that he might have an opportunity to have this thing brought forward. This is the matter that concerns me. Now the Minister says there are only a few cases -- well this may be true at some times of the year. The information I have from the people in the area who are attending the Courts tell me by and large the docket is pretty well filled and I say what concerns me is that individuals who can't express themselves, and don't know the procedure may not be represented by counsel, may find themselves spending up to at least two months in jail. For example if a man is arrested say the day after the court sits and then he appears in court at the following sitting and he elects to plead not guilty to the offence, the Crown may not be in a position to proceed because they may not have their witnesses, he may have to wait another month.

It's this type of thing that concerns me and I think that some steps should be taken to try to have more frequent cases. I don't fault the magistrate on this because he has a certain number of cases to deal with, he has to appear in various parts of the province and the area designated by the Attorney-General's Department, he can't be there any oftener. But I would like to suggest that the department explore ways he can sit in the area oftener so that this situation won't happen again.

MR. McLEAN: Mr. Chairman, if I may make one observation. I have noted what the honourable member has said. In the case of a person who is in custody and has been unable to arrange bail, of course we follow the practice of trying to bring the matter to trial by some method or other, even transfer to another Court if that's convenient, more quickly. I wouldn't want to let the impression go by that we just allow people who are in custody to remain necessarily as long because we recognize that those types of cases require special attention.

MR. SCHREYER: I'd like to make some miscellaneous comments at this time. The first has to do with this case involving this young girl, XY that the Minister referred to at Brandon, and I don't speak from a position of sympathy for her because according to the circumstances surrounding the case it would seem that if anything, she was fortunate and lucky. The point I want to make is that to lay two charges, one being the charge of purchasing liquor under the age of 21, and the second having in possession liquor under the age of 21, is really tantamount to double jeopardy. I quite understand that they are two separate charges and could under certain circumstances really be two separate charges but to charge the same person with the

(MR. SCHREYER cont'd) purchasing under the age, and then that same person with possession under the age is really de facto, double jeopardy. And the reason that I'm disturbed is because teaching as I do political institutions and so on at the University, we make so much, we try to impress the students so much with the great procedural rights that the people have, and one of them, one of the most important being the right to refuse to testify against oneself, in other words, no self-incrimination; another very important one being no double jeopardy and it's really being -- it's sheer sophistry to suggest that these charges didn't amount to double jeopardy. Well, that's a comment. I can sympathize with the attorney and with the Minister in this case, but sympathize as I do I still must say that it is in fact amounting to double jeopardy.

Now the second comment I wish to make is really in the nature of a question. I'm not sure where I heard it and for all I know it might just be scuttlebutt, but is there a backlog of cases on the dockets of the magistrates and county courts in this province. I'm sure that the Honourable Minister would know if there was really a large backlog -- I mean the amount of backlog that would be cause for concern. Is it that much of a problem at this time? If so I would think it must indicate an insufficient number of judicial officers. I'll be interested to hear from the Minister on that.

And finally, I would like to ask the Honourable Minister just who decides whether there will be a Clerk of the Court or some Court Officer available to set bail at any time of day. The point I'm trying to make is, as I said the other day that it seems after midnight, before eight in the morning, you're lucky if you get a J. P. or any Courty Clerk, Clerk of the Court to come down and set bail. Now is it really that informal an arrangement or is there some standing formal requirement that a J. P., or some Clerk of the Court be available at all hours? If up to now we've been relying on this informal kind of procedure, I suggest it's not good enough. In a metropolitan area of 500, 000 it seems to me we should have a formal arrangement whereby someone is available at all times to come down and set bail, and I would like the Minister to try and clarify that if it's possible.

MR. FROESE: Mr. Chairman, I have just one matter that I would like to bring up at this time. I notice that the Honourable the Attorney-General has a resolution on the Order Paper in connection with providing counsel for the defence of persons who are unable to retain counsel because of lack of funds. I would like to know from him what transpired in the past years; how much money was spent for this purpose; the number of cases; how much are we allocating this year; are we increasing the amount; who does the delegating when representation is made on behalf of these people; is it the Law Society or does the Attorney-General do that; and do we have volunteers or are these people hard to get when it comes to doing the job? How are they paid and the number of requests unfulfilled; how many requests were there that were not met? Could we have some explanation of this.

MR. MOLGAT: I would like to come back to the reply that the Minister gave me regarding the case in Brandon. There are a couple of comments I would like to make in general. First of all, he seemed to indicate in his reply that the young lady in question, whatever her name might be, was the one who had written to me. I hasten to assure him that I know of no letters I have received from her. The letter I received is from all indications a gentleman, although I really don't know him, but his complaint was really about the quality of the beer that he was buying; the price he was paying for it; particularly the amount of tax that he was paying to this government. It was nothing to do at all with a specific case. He sent me the clipping to illustrate it. So I would wish that the Minister would not indicate that I was bringing this up as a complaint from the young lady. I do not know the young lady, and as far as I know I have had no communication from her, unless this letter is not correct as signed.

Secondly, the Minister indicated that the legal beer should be seven percent, I took it from his reply.

MR. McLEAN: . . . seven percent, minimum of seven percent.

MR. MOLGAT: Minimum seven. Well the news story indicated it was a minimum of 2.5. I wonder if the Minister could indicate to us where we will find this information. What is the minimum and what is the maximum in this case because I gather from what he said that there was also a maximum figure? I don't know if I misunderstood his reply or not.

Mr. Chairman, I was really not particularly interested in the details of the case here, although I realize that they are pertinent to the situation in view of what has happened. My concern was whether or not the government had followed this matter up and I had the feeling that this had not been properly followed through and surely when it is a product on which the government itself charges a very substantial amount of tax, that the public should have the assurance

(MR. MOLGAT cont'd) that they are getting what they are paying for.

There is also of course the other side of the story that if these facts and figures as given in the newspapers are not correct, then the people who make the product, the brewers are getting some adverse criticism to which they should not be entitled if they are living up to the law. And I was concerned that the Minister and his department in their dual capacity here ensure to the people of Manitoba that the law is being lived up to by the brewers and that the people are getting the product for which they are being charged. So I would appreciate if the Minister could give us exactly what the facts and figures are, or if he hasn't got them, where we can find them.

MR. McLEAN: Mr. Chairman, I should have been more explicit. The reference to that section of The Liquor Act to which I mentioned, says that, the one which says that it shall be deemed to be liquor is: "It's deemed to be liquor if it's 2.5 proof spirits" so that in effect for the purposes of our Liquor Act fixes the minimum. But my information is that the normal practical, or the normal proof of spirits is seven percent and that all of the beer which is purchased and sold from Manitoba brewers is at least seven percent, or as in the case here, 8.8 percent would indicate it tends to vary slightly around from seven to nine percent. But if it were at least 2.5 percent then it is liquor for the purposes of The Liquor Control Act.

Dealing with the question of the Honourable the Member for Rhineland, he asked about legal aid and I've been trying to find the figures on the amount of money that is in the estimates and I can't just -- I'll have it no doubt soon, bearing in mind the honourable gentlemen who sit up in the gallery on occasions such as this. I think -- my recollection is it's \$25,000 but we'll get it in just a moment. There has been an amount in the estimates of the Department which each year is provided for legal assistance to those who require it and it is a part of our estimates.

Now then going, however, to the rather broader field of how this system works. Basically the system of legal aid to indigent persons is provided by the Law Society of Manitoba and they do a very splendid job and have done for a number of years, legal assistance to persons both with respect to civil matters and with respect to criminal matters, or quasi criminal offences and persons who are in need of assistance apply to the Law Society. The Law Society has a committee; they have a system where they are satisfied the person is in need of that help, I mean from a financial point of view, that they are unable to provide it, the Law Society will assign a solicitor or counsel to act, and that may be done both with respect to people who live in the metropolitan area of Winnipeg and outside of the metropolitan area of Winnipeg, and it's a plan that is I think quite well used and certainly the highest commendation is to be paid to the Law Society for the work which they do in this regard. The Law Society are the people who assign or designate or secure, whatever the word you might wish to use, the particular lawyer in the particular case. There is no designation or nothing is done in that regard by the Attorney-General's Department.

Among the lawyers there is I believe a plan whereby they serve on a sort of rota-basis and so that one lawyer is not having to do all the work, because a great deal of this work is done without payment of any fees whatsoever. That's the basic plan. In association with this plan, we now have in certain -- in what we call indictable offences and in certain stages of the trial where the Law Society has arranged for counsel to act on behalf of the indigent accused person, then the lawyer is paid by the province through the department of the Attorney-General, and it is for that purpose that the money is in our estimates. On the basis of a schedule that we have, a schedule of fees and the procedure is quite simple, the Law Society reports that Mr. X has been appointed to act for Mr. Y. After he has completed his services he sends in his account and it is checked over and paid according to the tariff that is followed. I think basically that that is the plan that is followed, and it will be noted that we only pay in the more serious offences and in respect of criminal offences and we do not have any payment to lawyers who act in civil cases or litigant. In those cases if assistance is provided, it is provided by the lawyer without any payment insofar as the province is concerned.

Now what the -- and I perhaps don't want to anticipate what I may say on the resolution that is on the Order Paper, is that there is some suggestion that this plan ought to be extended, that it ought to be broadened out and while I myself believe that it is working excellently, and I again repeat that the splendid work that is done by the Law Society and by lawyers throughout the province, that there is perhaps an argument to be made for having it looked at to see whether or not there is need to expand it and perhaps put it on a more formal basis. That is sort of the background of the resolution that is on the Order Paper.

The Honourable the Member for Brokenhead has asked who decides whether there will be

(MR. McLEAN cont'd) someone available to set bail? Well I suppose that's the Attorney-General and the Attorney-General's Department. Really the situation is that we have magistrates and Justices of the Peace, all of whom can admit to bail. Magistrates work a normal day and if one wished to make an application for bail if you appeared before them, that application would be made just the same as one might make an application for any judicial process that is available.

Justices of the Peace being fee paid are not subject to any requirement as to hours other than those who are Justices of the Peace on our staff. For example, the Clerk of the Court -- it might be the Clerk of the Court at the Provincial Magistrates Court is a Justice of the Peace, and he again works normal hours. If you are unfortunate enough to have to provide bail at hours outside of the regular hours, then you are obliged to find some Justice of the Peace who is available and is prepared to act, and in many instances because they are fee paid that is, because they receive a fee, I would think in the normal course they are pleased to do so and to receive the fee to which they are entitled. But we do not have any formal arrangement for a person, for a Justice of the Peace being available 24 hours a day. Now you might argue very well that we ought to. I would take refuge in the fact of saying, well I'd like to know how many times between say 12 o'clock midnight and 8:00 o'clock in the morning people make application for bail. But if it were decided as a matter of policy to have a person available 24 hours of the day, that could be done. It would have to be done by the Attorney-General's Department just in the same way that we have to arrange for the provision of any other service. And my advice is that it would not be practical nor feasible, nor economic to do that, but I would recognize that there might be a difference of opinion and certainly if I was one who wanted bail at 1:00 o'clock in the morning, I suppose I would think it would be of the utmost importance and I recognize that possibility.

I should say that there are many instances where people wish to have bail, where it is not considered advisable to release them. For example, a person in a highly intoxicated condition is not necessarily entitled to be released if his condition were such that it would not seem to be in the public interest to do so, or unless of course it was indicated that he could be properly looked after. This is why it is quite important to have a look at the proposed bondsman because the accused person must not only be -- there must not only be the assurance that he will be available for his trial, but there must be the assurance that he won't go out and do something that will get either himself or someone else into trouble after he's been indicted, but it is a matter -- and you can advance the argument, and I recognize the argument, we haven't got it. I'm not too certain that we are satisfied at this moment that it ought to be provided.

He asked the question of whether or not there is a large backlog in the county courts and magistrates courts. In answering this question I would have to break down into parts and the members of the Committee will bear in mind, Mr. Chairman, that when we're talking about Magistrates Courts, we're talking about the courts which deal with the criminal and quasi criminal offences. The county courts are those courts which deal for the most part with civil litigations, civil cases, although there is the County Courts Criminal Court and particularly in the metropolitan area of Winnipeg, a number of criminal cases are heard by way of speedy trial by county court judges.

Now, I would say that insofar as the magistrates courts are concerned, that there is no -- and I use his words, Mr. Chairman, -- there is no large backlog. There are occasions of course. The Honourable the Member for St. George who referred to Ashern, where you'll get a pile up, but by and large I would think that one could not say that there was a large backlog of cases in the magistrates courts outside of the metropolitan area of Winnipeg. I want to be very careful in speaking about the magistrates courts in Winnipeg because that's a matter of some public attention, and they are busy at the City of Winnipeg magistrates court. Over at the provincial magistrates court, which is over in the Law Courts Building, there seems to be no trouble at all in keeping up very nicely with the work that comes in there, and it comes from all of the metropolitan areas of Winnipeg, except the City of Winnipeg and except, of course, the City of St. Boniface. So that, there is however a problem at the City of Winnipeg magistrates court with which we are endeavouring to cope and we've put on some additional help there. There are those who say it's not enough; there are others who feel that it is; and we're trying to feel our way along. But you could make an argument that they are quite busy and there is, I don't think a serious backlog, but there is a backlog and I don't want to attempt in any way to hide it. Well that's with regard to the magistrates court.

So far as the county courts are concerned, I would say there is no serious backlog at all,

(MR. McLEAN cont'd) . . . anywhere in the Province of Manitoba. Certainly there is none in any of the county court districts or in any of the judicial districts, outside of the Western Judicial District, which is Brandon, and outside of the Winnipeg Judicial District or the Eastern Judicial District, which is Winnipeg. I understand from the county court judge of the Western Judicial District, that's Brandon, who spoke to me about two weeks ago, that he has a fair number of cases on hand at the present time but not more than three weeks before that he was informing me that he had very little to do. I'm not too certain just about the exact details in the last two weeks at the Eastern Judicial District, but I understood from the judges and of course there are a number of county court judges there, that they were not overly busy. In fact one of them said that he thought we didn't have quite enough to do at that particular time. Now, of course, it varies. You'll get a run; you'll get a time, two or three weeks when everyone is quite busy and then it will slacken off. There are of course not as many cases coming before the county courts by a long way as come before the magistrates court, and you're not so likely to have a pile up as you do in the case of the magistrates court. Therefore my general answer is that I think the situation is well in hand, perhaps with the principal exception of the Winnipeg magistrates court, and I would have to acknowledge that there seems to be problems there. I don't want to say anymore about it. I have some views concerning the operation of the court. I hope that we'll be able to work out ways and means of dealing with that situation in a more adequate way.

MR. SAUL CHERNIACK (St. John's): Mr. Chairman, I didn't really think I would want to speak again at all on this matter but the Honourable Minister has again spoken about the question of bail and about the availability of J. P. s at night or off-regular hours. I don't know if the Minister knows how many there are in the Winnipeg Police Court, but I would guess that there are at least two outside of the police magistrates who sit all day. I think there are at least two in the Administrative Office, maybe more. And I would like to suggest that you don't need too much business -- that's the sense in which he thought that it was not practical, feasible, or economic to have one available more readily during the night. I don't know what their salary is but I would guess that the normal salary would be -- what, 20, to 30, to 40 dollars a day -- 40 times five would be a pretty appreciable salary. And that means that if their business brought them two or three bail applications a day it might be both practical, feasible and economic, especially if they could do a little typing on the side, or something to keep them busy for the benefit of the office.

I would like to suggest to the Honourable Minister that this might be worthy of a little closer investigation on his part. I am under the impression that in the City of Winnipeg where the detective division is under-staffed, and I think they are under-staffed there, and where it is necessary for the people to be working pretty hard, that when they work on a shift system as they do an officer who is given a particular problem to pursue does it whatever shift he is on. And if he happens to work on the midnight shift, then that's the time when he may decide to arrest a person and interrogate the person. And I am under the impression -- and I have very little to do with the police courts, I really don't know very much about how they work except the impression I have received -- and that is that they sometimes find it practical, feasible and useful to arrest a person in the evening, or at night when it is not too easy for that person to get out on bail and that gives them quite a good opportunity to interrogate the person under adverse circumstances. Now anybody who spends any time in the present city police court is always under adverse circumstances. It is a most unattractive place, as I think we all know. And sometimes it might be attractive to a person who is being examined to give his story all the more quickly in order to hopefully get out of there. And I would not like to think that the police like to take advantage of a situation where it is hard to get hold of a J. P. or magistrate for bail, and where it is rather difficult to get out of an uncomfortable circumstance. I would hate to think that they make use of that to interrogate prisoners or to get statements from them, but it is possible that the night-time is the good time for that type of operation. If that were so then I would say that that is not the proper method to conduct an investigation. I wonder if the Honourable Attorney-General has any thoughts about that problem; whether he thinks it does not warrant a further investigation on his part.

MR. SCHREYER: Mr. Chairman, I want to thank the Honourable the Attorney-General for his information regarding the system by which bail is set and so on, and also regarding his information as to whether or not there is a backlog of cases on the dockets of Magistrates Courts and also of the County Courts.

The reason why I asked about as to whether or not there was a large number of cases, or

(MR. SCHREYER cont'd.) a large backlog on the dockets was because -- I know now why I asked, I had read somewhere that it was indeed becoming a problem in the metropolitan area of the country and that in the United States this is a matter of interest. The District Courts and Circuit Courts of Appeal now have backlogs that they estimate to be in most cases two years, two and a half years, which certainly creates a problem insofar as the administration of justice is concerned. So I think that we are fortunate here in Manitoba. I suppose the credit goes to the Courts and to the Honourable, not to the Honourable the Attorney-General, but to the Department of the Attorney-General.

And I also had another motive, Mr. Chairman. I was hoping that I could somehow make an argument out of these questions if there was indeed, or in fact a backlog of cases here in the Winnipeg area. It seems to me that it would make a good argument for having regional, more regional county courts, at least a few more -- eight more, six more, I don't know -- but strategically located.

And finally, Mr. Chairman, I would like to endorse what has been said by the Honourable the Member for St. John's, my colleague, as to the availability at all hours of a Justice of the Peace, to set bail. I realize that in rural Manitoba it is not a practicability, it is not feasible to have someone at all hours. But in a centre of 500,000 people, surely the J. P.s in this metropolitan area can arrange a roster, a rotating roster system, so that one of them is obligated -- and I reiterate, repeat, obligated, to come out to set bail at any time of day. Now I don't want the Attorney-General to get the impression that I'm saying that there's an obligation to set bail, to grant bail, I'm not saying that at all. But given, or granted, that in some cases bail should be set, there should be someone there at the -- I suppose you would say the police court to set bail. I related my own personal involvement last fall, and so I speak from personal experience.

I can also say to the Attorney-General that it does, as my colleague said warrant direct investigation on the part of his department and on his own part. I would also say, and I don't care if I'm being offensive, that the fees being charged by some of the J. P.s, at least one in particular, is in excess of what is due to him according to current and common practice. And I know this sort of thing is hard to investigate but again I speak from personal involvement, this should be investigated. It might take diplomacy on the Minister's part, but I think in order to protect the public, it's his duty to investigate it.

MR. CHAIRMAN: The Member for Rhineland.

MR. FROESE: Mr. Chairman, I think the request that has been made here both by the Member for St. John's and the Member for Brokenhead, are worthy of consideration. And I think the request is reasonable since more than half of the population of the province lives in Greater Winnipeg. I think we could afford to give them this 24-hour service, and I for one would support this action.

MR. GUTTORMSON: Mr. Chairman, I think the Member for St. John's in his remarks is likely to create an unfair impression of what is actually going on. The Minister knows I spent a number of years, a few years ago, down in the police station of Winnipeg and I had ample opportunity to see the workings of the department, and I think that it is unfair of him to suggest or create an impression that the police arrest people at awkward hours so they can't get released on bail. This just isn't so. If the police are anxious to arrest a certain individual they'll arrest him at his earliest opportunity, and as for being able to get bail, a few years ago, and I understand the practice is still being used by them, that one J. P. is on call at all times. I know when the late Fred Law and George Parkins and the other J. P.s, I know that they worked on a rotating system and certain people were on call on certain nights, and if an individual wished to get out on bail the police department would phone that person on call that particular night and they would come down and release the individual if they saw fit to do so. So I think it's unfair to suggest that they can't get bail.

This brings me to another point regarding the Attorney-General's decision to create a separate building for the courts. Now I know there are those who disagree with me and I presume the Attorney-General is one of them, but I think financially and from a mechanical standpoint that the Courts and the accused persons and the defence counsels would be better served if the courts were in the same building. I have had as I said, an opportunity of seeing the functions of the City Police Department in operation for many years and I think if you have the Police Station in one area and the courts in another it will create untold problems and it'll also create a lot of expense for the Attorney-General's Department. He'll have to have more guards; it will create a security hazard; and a lot of inconvenience to those that are involved in the

(MR. GUTTORMSON cont'd,) administration of justice.

For example, I know that inspectors come down and read crime reports for hours on end and then brief the Crown Prosecutor of the essential points of the case so that the correct charge could be laid. Under this new system I don't think this will happen. The crime reports will be turned over to the Crown Prosecutor and he'll have to read for hours to sift out the evidence in the reports and decide himself what charge is going to be laid. At the present time in the courts the Crown Prosecutor has a member of the police department assisting him with the evidence. I think this will also change if they operate under two different buildings. I think that you're going to find that you are going to require more Crown Prosecutors and it's going to create quite a ball-up with transportation and guards and what not under this present system.

Now I don't know whether the Attorney-General has had an opportunity to spend time at the Rupert Street jail to see how the courts and the police function together, but I think that he would be well advised to even speak to Magistrate Garton, a very respected magistrate who has seen the court and the police work together for many many years. I think that he'll find that the police have never tried to intimidate the magistrate at any time, and by having two different buildings, that isn't going to alter it because if someone wishes to try and intimidate a magistrate all he has to do is pick up the phone or go and see him. I don't think that this is going to help in any way. So I suggest that the Minister, if he hasn't gone too far in his decision, seriously consider the offer of the Winnipeg Police Commission to operate out of the same building, and you'll find that it will operate a lot better.

MR. SCHREYER: Mr. Chairman, since we follow informal procedure in Committee of Supply, I presume I can ask the Honourable Member for St. George a question. Does he favour

MR. ROBLIN: Sme rules as in the House.

MR. SCHREYER: I would ask the honourable member then if I could ask him a question. Will he permit a question? The question is simply this. Does the honourable member favour -- or he is opposed rather to the idea of separation of the police station and the magistrates court? He is opposed to the separation?

MR. GUTTORMSON: No, I think that justice would be better served if the courts were in the same building. I mean the magistrates and the Crown Prosecutors carry out their duties just as well in the same building as if they are in separate buildings. But if you have two buildings, the prisoners are going to have to be shunted from the police station to the court and back and forth. There's going to have to be a relaying of the reports to the Crown Prosecutors from the detective office and it's going to create a lot of difficulty. I really think, and I say this in all sincerity, that justice would be far better served by operating out of one building.

MR. CHERNIACK: the honourable member a question, Mr. Chairman. I am wondering if he heard the well prepared address of the Honourable Member from Selkirk, and whether he disagrees with some of the thoughts expressed there?

MR. GUTTORMSON: I didn't hear his remarks but I do believe that he holds different views on this from me, that he believes that they should be separate buildings. However, we happen to disagree on this point.

MR. CHAIRMAN: 5 (a) (1) --

MR. MOLGAT: I wonder if I could get some more information from the Minister. Regarding the case in Brandon which he gave me a reply this evening, could he indicate to me when the first analysis was made and when the second analysis was made?

MR. McLEAN: I haven't got -- excuse me -- the purchase of the beer would appear to have been made on the 19th of November, 1964, and the first case, that is the first analysis was in December. Now I haven't got a date on that but it was in December because the second analysis occurred in January and the matter was determined, that is to say that it was 8.8 percent proof spirits, sometime before the 18th of January 1965, it would appear from this. Now I'd better look at these news reports here that will be perhaps helpful. I see there was the report in the Brandon Sun on January 7th. Well that second analysis would be between January 7th and January 18th.

MR. CAMPBELL: In this connection, Mr. Chairman, I wouldn't like to ask special consideration for the Honourable Attorney-General or myself, but if either of us should ever happen to be apprehended and require a test to see what percentage of alcohol has interfered with our driving, would he try and arrange that we should be checked by the Brandon man rather than the Regina one? I would appreciate that.

MR. GUTTORMSON: Mr. Chairman, yesterday we discussed the magistrates and their salaries. There is one point I would like to ask the Minister. When the magistrate is appointed on a full-time basis, is he also allowed to practice as well?

MR. McLEAN: That is a tough question as the Honourable Member for St. George knows, and it relates in part at least to some discussions that took place last year. I would have to say this, that the practice in two instances with which I am familiar is that two of the present magistrates are of the opinion that under the terms of their appointment, that provided they serve a full day insofar as their work as a magistrate is concerned, that what they do after hours is their own affair and that may perhaps include some legal work. In neither case of course does it by any way, shape or form involve matters that ever come before either their own courts or other courts dealing with criminal or quasi criminal cases.

Now I was not personally involved in these matters in their inception and I can only report that there are two members of the staff who were engaged on a full-time basis who, after the completion of their duties, I understand do do a limited amount of legal work. Someone said they are moonlighting and I suppose that's the case. I can only give that information and they are under the impression that they should be at liberty to do so.

MR. GUTTORMSON: Mr. Chairman, for the sake of argument, if you appointed another magistrate in the near future would he be given the right to practice or would he not? I mean, isn't there some stipulation when you employ a man as a full-time magistrate?

MR. McLEAN: If I have anything to do with it there'll be a stipulation, yes.

MR. GUTTORMSON: What would the stipulation be?

MR. McLEAN: No work -- no legal practice.

MR. GUTTORMSON: But those that have that permission are allowed to carry on. Is that correct?

MR. McLEAN: Well, that's the difficult part. Actually, I have had some discussions with the persons concerned. They have satisfied me that what they are doing is not interfering with the performance of their work as magistrates and I believe that to be the case. I would have to say that I have not at the moment, or up to the present time, seen fit to interfere with what is going on. I was not personally involved in the arrangements made in the beginning. I would be inclined to think maybe there may have been some misunderstanding, but I think I can't say anything more than that. I think that in the future, any arrangements will be quite clear and very specific and very definite.

MR. GUTTORMSON: I'm not making any allegations on my own, but what prompted me to ask this question was there are those that hold the view, rightly or wrongly, that those magistrates, those two magistrates whoever they might be, that have this right to practice, are anxious to get out of court so they can continue on in their private practice, and if they didn't have this private practice they might be inclined to spend more time with their judicial matters. I'm not saying that this is the case, but there are those who hold this view.

I go along with the remarks of the member for Selkirk who feels that the magistrates are as important as Queen's Bench Judges. I've always felt this way. They are dealing with a large number of people and I think that the people that appear before these magistrates should be given every consideration. I think it's an important job that the magistrate has to perform and I think that it is equally as important as that of a Queen's Bench Judge and I think that the salaries paid should be in line with that of the higher court.

MR. MOLGAT: Yesterday I asked the Minister about a statement that he had made last summer after the Bar Convention indicating his interest in the recommendations of that body -- or the Bar Association with regard to a committee to investigate the role of the coroners, the magistrates and the crown attorneys in Manitoba. The Minister replied to me that that was correct, that he was in fact very much interested in this and he agreed that he had said he would recommend it to his colleagues in the cabinet, but then said in reply when he reported that the committee had not been appointed, that he encountered some difficulties with regard to getting a chairman.

Now it seems to me, Mr. Chairman, that the Minister possibly has limited his investigations as to the people he could obtain as chairman, because I think there are some very qualified people in this province to do this job. The Minister agrees that it's important; he agrees that it should be done; he agrees with the recommendations of the Bar Association; but says that he can't find a chairman. Well he may think that I'm making this comment in a

(MR. MOLGAT cont'd).....

facetious way and I'm not, Mr. Chairman, but I can think of a number of people who are qualified, for example my colleague the member for Selkirk who is a man who has shown a very definite interest in this subject. He has spoken about this many times in the House. I think it's accepted that he knows something about the field. I'm not here preaching on behalf of my colleague from Selkirk, I only point out his name as the type of individual who could do this.

Now if the Minister agrees that it's important, I think he should broaden his views as to whom he can approach to do the job for him and I would appeal to him not to delay any longer the appointment of this committee. If he's accepted that it's the right thing to do, he should press upon his colleagues and present them with a proper slate and get to work on this because we will simply go on putting this off from year to year otherwise and we'll find ourselves next year in exactly the same position, asking the same questions as to when the Minister is going to act on this. So I would encourage him to broaden his field, and I'm sure he will find some very capable chairman to undertake this particular responsibility.

Mr. Chairman, I'd like now to ask a question of the Minister regarding a matter that came up here last year, and that is the boundaries of the judicial districts. The question of the site at Grand Rapids, which is presently I believe in the Northern Judicial District with headquarters at The Pas, simply does not work in from a communications standpoint from roads and all those other aspects. Will he consider changing that one to a judicial district where there is an actual road connection?

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

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

IN SESSION

MR. CHAIRMAN: I wish to report progress and ask leave for the committee to sit again.

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

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

MR. ROBLIN: Madam Speaker, I beg to move, seconded by the Honourable Attorney-General, that the House do now adjourn.

MADAM SPEAKER presented the motion and after a voice vote declared the motion carried and the House adjourned until 2:30 Monday afternoon.