

THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Monday, April 26th, 1965

Opening Prayer by Madam Speaker

MADAM SPEAKER: Presenting Petitions

Reading and Receiving Petitions

MR. CLERK: The petition of Weather Modifications Limited Praying for the Passing of An Act to provide for the disposition of the funds of Weather Modifications Limited.

MADAM SPEAKER: Presenting Reports by Standing and Special Committees.

MR. JAMES COWAN, Q. C. (Winnipeg Centre): Madam Speaker, I beg to present the second report of the standing committee on private bills standing orders, printing and library.

MR. CLERK: Your standing committee on private bills, standing orders, printing and library beg leave to present the following as their second report.

Your committee has considered Bills No. 58 An Act to incorporate Strathcona Curling Club; No. 80 An Act to incorporate Thompson General Hospital; 81 An Act to amend, an Act to incorporate Trafalgar Savings Corporation; 82 an Act to incorporate Planetarium; 97 an Act to incorporate the Corporation of Bergthaler Mennonite Church of Manitoba and has agreed to report the same without amendments. Your committee has also considered Bills No. 75 an Act to incorporate Transcona Curling Club; No. 87 An Act to incorporate United Fund of Greater Winnipeg; No. 89 an Act to amend an Act and Consolidate the Act incorporating "The Fidelity Trust Company." And has agreed to report the same with Certain Amendments. Your committee recommend that the fees paid in connection with the following bills be refunded, less costs of printing. No. 80 an Act to incorporate Thompson General Hospital; 82 an Act to incorporate Planetarium; 87 an Act to incorporate United Fund of Greater Winnipeg; No. 97 an Act to incorporate the Corporation of Bergthaler Mennonite Church of Manitoba.

Your committee also recommends that the time for receiving petitions for private bills be extended to the 10th day of May 1965, and the time for presenting private bills to the House be extended to the 17th of May 1965 and that the time for receiving reports of the committee on private bills be extended to the 31st of May 1965. Your committee also recommends that the time for paying the fees with respect to the Brandon Areas Foundation be extended until the committee on private bills, standing orders, printing and library reports on this bill and that the advertising as required under Rule 103, of the Rules, Orders and Forms of Proceedings of the Legislative Assembly of Manitoba be dispensed with; all of which is respectfully submitted.

MR. COWAN: Madam Speaker, I move, seconded by the Honourable Member for St. Vital that the report of the committee be received.

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

MR. COWAN: Madam Speaker, in accordance with the report of the committee, I move that the fees paid in connection with the following bills be refunded, less the costs of printing. No. 80 an Act to incorporate Thompson General Hospital; No. 82 an Act to incorporate Planetarium; No. 87 an Act to incorporate the United Way of Greater Winnipeg; No. 97 an Act to incorporate the Corporation of the Bergthaler Mennonite Church of Manitoba.

MADAM SPEAKER: Your seconder?

MR. COWAN: The Honourable Member for St. Vital.

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

MR. COWAN: Madam Speaker, in accordance with the report of the committee, I move, seconded by the Honourable Member for Pembina that the time for receiving petitions for private bills be extended to the 10th day of May 1965 and that the time for presenting private bills to the House be extended to the 17th day of May 1965 and that the time for receiving reports of the committee on private bills be extended to the 31st day of May 1965.

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

MR. COWAN: Madam Speaker, I move, seconded by the Honourable Member for Pembina, this is also recommended by the Committee, this is the motion that the time for paying the fees with respect to the Brandon Areas Foundation be extended until the committee on private bills, standing orders, printing and library report on this bill and that the advertising as required under Rule 103, of the Rules, Orders and Forms of Proceeding of the Legislative Assembly of Manitoba be dispensed with.

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

MADAM SPEAKER: Notices of Motion
Introduction of Bills

The Honourable the Attorney-General.

HON. STEWART E. McLEAN, Q. C. (Attorney-General) (Dauphin) introduced Bill No. 127, an Act to amend The Bills of Sale Act; and Bill No. 126, an Act to amend Certain Provisions of the Statute Law and to correct certain Typographical Errors in the Statutes.

MR. JOHN P. TANCHAK (Emerson) introduced Bill No. 130, an Act to Abolish the Wards in The Rural Municipality of North Kildonan and to increase the Number of Members of the Council of the Municipality.

MR. FRED GROVES (St. Vital) introduced Bill No. 128, an Act to provide a Charter for The City of St. Vital.

MR. RUSSELL PAULLEY (Leader of the New Democratic Party) (Radisson) introduced Bill No. 129, an Act to provide a Charter for The City of Transcona.

MR. McLEAN: Madam Speaker, I move.....

MADAM SPEAKER: I'm sorry. Before the Orders of the Day, I would like to attract your attention to the gallery where there are some 126 Grade 8 students from Hastings School. These students are under the direction of their teachers Mr. Treidler, Williamson and Malcolm and Mrs. Olchewicki. This school is situated in the constituency of the Honourable the Member for St. Vital. There are also some 20 Grade 8 students from Lavallee School under the direction of Mr. McArthur. This school is situated in the constituency of the Honourable the Leader of the New Democratic Party. On behalf of all members of the Legislature I welcome you.

MADAM SPEAKER: Orders of the Day.

MR. P. J. McDONALD (Turtle Mountain): Madam Speaker, before the Orders of the Day I would like to make a very special announcement. The Honourable Member for Swan River has just become a grandfather. I believe that we can look forward to steak dinners and cigars within the next few days for all members of the House.

MR. JAMES H. BILTON (Swan River): Madam Speaker, thank you very much but there'll be no steak dinners or cigars, because it's a girl.

MR. MORRIS A. GRAY (Inkster): What's wrong with cigars?

Madam Speaker, may I direct a question to the Minister in charge of the libraries. Has he anything to report on the Library Week, progress or otherwise, and to what extent has the Library Week persuaded more people to get books, more people to read and more people get educated?

MR. McLEAN: Madam Speaker, I don't know whether I can say to what extent Library Week has promoted the use of libraries but we have an expanding library service throughout the Province of Manitoba and I would think that Library Week has served to direct people's attention to this expansion in our library service.

HON. WALTER WEIR (Minister of Public Works) (Minnedosa): Madam Speaker, before the Orders of the Day, I would like to lay on the table of the House Return to an Order of the House #36, standing in the name of the Honourable Member for Assiniboia.

MADAM SPEAKER: Orders of the Day. The Honourable the Attorney-General.

MR. McLEAN: Madam Speaker, I move, seconded by the Honourable Minister of Education that Madam Speaker do now leave the Chair and the House resolve itself into Committee of the Whole to consider the following Bills: No. 27, an Act to amend The Trustee Act; No. 42, an Act to amend The Metropolitan Winnipeg Act (2); No. 48, an Act to amend The West Kildonan Charter and to validate By-law No. 45/64/A of The City of West Kildonan; No. 65, an Act to amend The Liquor Control Act; No. 67, an Act respecting The Unsatisfied Judgment Fund and the Administration thereof; No. 68, an Act respecting Highways and The Highways Department; No. 69, an Act respecting The Department of Public Works; No. 83, an Act respecting The Rural Municipality of Victoria.

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

COMMITTEE OF THE WHOLE HOUSE

Bills Nos. 27, 42 and 48 were read section by section and passed.

Sections 1 to 10 of Bill No. 65 were read and passed.

MR. GRAY: Mr. Chairman, I just want to ask a question confirming my own belief. I understand that the liquor which they now will be permitted to serve in the room, they must have a meal with the liquor. Now, the question I ask in Committee, supposing a man down there who is authorized to have two or three drinks, or more, does he have to have a meal with each drink? If he has, wouldn't it be more harmful for him to have four meals for four drinks?

MR. McLEAN: Mr. Chairman, it will not be necessary to have a meal with each drink.

The remainder of Bill No. 65 was read section by section and passed.

Sections 1 to 7 of Bill No. 67 were read section by section and passed.

HON. DUFF ROBLIN (Premier) (Wolseley): Mr. Chairman, I wonder if the Committee has any objection to taking this bill and the next two bills page by page. I don't think there was any contention in the Committee about them. They might just as well go ahead on that basis.

MR. GRAY: Mr. Chairman, that is all right, but I would like to know one thing. This is, I take it, for the intention of dividing the department. When do they intend to put it in effect?

MR. ROBLIN: Well we're not on that bill now, but it will be done by proclamation.

MR. CHAIRMAN: Agreed that we go through this bill and 68 and 69 page by page? Agreed. We have section 7 of this bill passed.

The remainder of Bill 67 was read page by page and passed.

Bills Nos. 68, 69 and 83 were each read page by page and passed.

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

IN SESSION

MR. CHAIRMAN: Madam Speaker, the Committee has considered Bills Nos. 27, 42, 48, 65, 67, 68, 69 and 83, and has approved of all these bills without amendment.

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

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

Bills No. 27, 42, 48, 65, 67, 68, 69 and 83 were each read a third time and passed.

MADAM SPEAKER: The adjourned debate on the second reading of Bill No. 114. The Honourable the Member for Brokenhead.

MR. E. R. SCHREYER (Brokenhead): Madam Speaker, with regard to Bill 114, most of the pertinent commentary and questioning has already been made in that connection, but I have a couple of questions I would like to put to the Honourable Minister.

I have felt up until now under some you might say, conflict of interest whenever I got up to discuss teachers' pensions, because I did have some equity or some vested rights in the Teachers' Superannuation Fund, and yet I felt that certain criticisms should be made with regard to that fund, so the other day - in fact on Thursday - I went down and I withdrew my money from the Fund, so I'm now speaking without any conflict of interest at all.

Madam Speaker, the Bill 114, provides that those on the staff of Teachers College being transferred over to the University staff now may carry with them their vested rights in the Pension Fund, that is to say their own contributions they may carry over, the contributions of the employer and also the accrued interest. Now, this is fine. This is as it should be. However, I would like to ask why it is not possible for teachers leaving high school teaching going to the Faculty of Education as are the teachers from the Teachers College going to Faculty of Education teaching why the teachers leaving the high school to go to the Faculty, why they cannot carry with them their complete equity from the Teachers' Superannuation Fund. It seems to me that there's a very valid comparison to be made: one group may carry with them their equity in the Pension Fund, the other group cannot. Now, I certainly admit that there aren't that many involved in this second category, but there are some, there are a few, and up until now they are really being penalized, since their only recourse to the present time is for them to simply withdraw their own contributions and therefore they lose the accrued interest and the employer contributions. They lose all that. They can only draw out their own and then they

(MR. SCHREYER cont'd.) transfer it over to the Pension Fund at the Faculty at the university and do the best they can from there on.

It seems to me that we will be having more of this in the years ahead, more people teaching at the high school level going into teaching at the higher institutions of learning, and I don't think it right that they have to take a rather drastic and substantial pension fund loss. I'm not complaining on my own behalf. As I said, I have taken my money out now. I have taken a bit of a beating on it, but that's all right with me. However, I would like to hear whether the Minister has had any sort of formal representations made on behalf of those, particularly those who have gone from high school teaching to Faculty of Education teaching, as I think, certainly in that connection, a very strong case can be made for allowing such teachers to carry with them their full pension equity.

I was also going to make some comment with regard to Bill 114, respecting those teachers of the age group between 60 and 65. The Honourable Member for Seven Oaks the other day did put to the Minister a specific case involving one such teacher who you might say was actuarially punished or left at a disadvantage because of the changes made in the Pension Fund two years ago. I have also some specific cases much along the same line, therefore, there is no point in dealing with them at this time, because I'm sure that the Minister will be answering to the Honourable Member for Seven Oaks when he closes the debate on Bill 114.

I think, Madam Speaker, this is about all I would like to say at this time. It may be that in committee, since this is the kind of bill that really requires consideration in committee, that I will have some further questions at that time.

HON. GEORGE JOHNSON (Minister of Education) (Gimli): As far as the questions, Madam Speaker, I would like to close this debate at this time. The Honourable Member from Brokenhead has brought up a good point. This is one that is becoming of increasing concern to all of us in the department. This arrangement here is one which we had to bring out at this time in making this move to the university. We are studying, and have for some time now been studying this whole area. The whole matter of portability of pensions is involved and I think that it may or may not - this involves a whole area of portability - been looking at the possibility of portability in the three areas in the field of education in the province, the university, the high schools and the department, because all three - it's very difficult, as my honourable friend knows, to get experienced people that we need at the university level and within the Department of Education, and so on, because senior people have established very good rights, very substantial pension rights which become very important at the stage in life in which we seem to want them. Ad hoc arrangements have been made from time to time in this area and right now a complete study is going on as to the possibility of this and what effect this would have on other pensions in other areas where the government's contributing. There may be some common ground here because the University Pension Fund is supported indirectly through provincial funds as is the Teachers' Pension Fund and the Civil Service Superannuation Fund. I may have something -- I would hope to have something in the not too distant future on this whole matter but I can assure my Honourable Member from Brokenhead that it is engaging the attention of the department and the government very closely.

With respect to the question raised by a special group of people, I might report that from June '57 to June '63 any female Manitoba teacher could retire at any age between 60 and 64 if her service plus age totaled 90 -- that is age 60 and service of 30 years or age 61 and service of 29 years, etc., and her service pension would be \$40.00 per year of service to a maximum of 40 years for credit; and a group of Winnipeg female pensioners retired voluntarily before age 65 and since '57 and most of them with 40 years service and therefore with maximum service pensions at that time. In the '63 session the Teachers' Pension Act as we know was amended granting increased benefits for those who would retire in the future, but to help those who had already retired, and who might not benefit under the new formula, it also increased the service pension for females under the old Act from \$40.00 to \$46.08 per year of service. The new Act as we know also provided for an actuarial reduction in pension under the new plan for any teacher who retired before 65, and further provided that a pensioner was to receive the greater of the pension under the old Act, which meant for females a minimum increase in service pension of at least \$6.00 for each year of service to a maximum of 40 years or to a pension calculated under the new Act. Now this particular group are not willing to concede, let's put it that way, that it has been fairly treated by being granted a minimum increase of \$240.00, arguing that with 40 years of service it had attained maximum rights and should be eligible for a full pension under the new Act without the actuarial reduction.

(MR. JOHNSON cont'd.)

Now I might point out that at the last session, in other words these people did receive some recognition of the fact that they were not under the wire and couldn't benefit from the present Act by being given this adjustment, but to go into an actuarial reduction and to go back in time, it would involve so many people and so many situations that at that time this was felt to have been a fair arrangement.

I might point out to the honourable members that since then at the last session we increased the number of years service, as you know they get the pension of the best ten years of their teaching experience. I can point out to the honourable members that I took three examples from this group to illustrate to the honourable members that there has been considerable adjustment. Three of the cases, for example in June '63, one person was receiving thirteen, let me see here, was receiving \$1,600.00. Taking the actuarially reduced pension being greater than the 1,600 plus the \$250.00, the reduced pension in one case was taken to be 1950. Now furthermore the best of ten years has raised her to 2,143, which is really about a 34 percent over-all increase. Another lady at 1,600 went to 1,843 - she's obviously taken the best of the two which has been the \$6.00 a month per year times 40 or whatever it is - and then with the best ten years she's gone to 2,040 for a 27 percent increase. Another case from 1,520 went to 2,308 on the best, with the reduction and then the best ten years has climbed to 2,725 for a 79 percent increase. So an attempt was made to recognize the particular situation of these people and of course I might point out that the pension now as the House knows is calculated on the new basis which is the maximum pension 70 percent of the average annual salary over the last 15 years and reduced for each year she -- they retire at the age of 65. The problem we run into of course is when they quit before 65, if they haven't contributed for those five years and if they retire before 65 really it's asking the fund to contribute for a number of years in which they weren't able to continue.

However, this is an adjustment that I can assure my honourable friend and members who raised this that I have looked at for the past year in relating it to all the other types of cases - if you start going to an individual case it's pretty hard to make a general rule, there are so many variations - but it was hoped that it might be accepted that these people have been dealt with insofar as we are able because it would be pretty difficult to waive the actuarial reduction clause. If there are any further questions on detail, I would hope to have representatives of the TRA Fund and the department who are well versed in this complicated legislation at the Law Amendments when members could ask any further questions they may wish.

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

HON. MAITLAND B. STEINKOPF, Q. C. (Provincial Secretary) (River Heights) presented Bill No. 115, an Act respecting the Registration of Business Names and Partnerships, for second reading.

MADAM SPEAKER presented the motion.

MR. STEINKOPF: Madam Speaker, the purpose of this bill is to have a registration in a government office which is available to the public, a record of the names of persons who are carrying on business under a name other than their own. Previously this registration was part of The Partnership Act, and you will recall at the regular session last year this bill and the following bill No. 116 were presented to the Legislature and referred to the Committee on Statutory Orders and Regulations. During the summer the committee met and the only representations that were made was by members of the Law Society and they asked if they could form a special committee to study the Act and to report at a later date. The committee agreed to that and the committee has met several times and as a result the Act is now again before us, Bill No. 115, which takes the registration of business names and partnerships out of The Partnership Act and creates a new Act for those registrations.

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

MR. STEINKOPF presented Bill No. 116, an Act respecting the Law of Partnership for second reading.

MADAM SPEAKER presented the motion.

MR. STEINKOPF: Madam Speaker, this is the second bill that I just referred to and is what is left of the original Partnership Act after the registration part of the Partnership Act has been removed.

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

HON. ROBER G. SMELLIE, Q. C. (Minister of Municipal Affairs) (Birtle-Russell) presented Bill No. 118, an Act respecting the Reorganization of Boundaries of Local Government

MR. SMELLIE cont'd.) . . . Units and to establish a Municipal Boundaries Commission for second reading.

MADAM SPEAKER presented the motion.

MR. SMELLIE: Madam Speaker, this matter was fairly well explained when it was at committee stage. The purpose of this bill is to establish a commission to look into the matter of revision of municipal boundaries in any area where there is expressed a desire that this should be done. It's not the proposal of the government to proceed with passing of this bill at this session, this is one of those matters which would be referred to the Municipal Affairs Committee to hold public hearings during the recess between sittings. I think the bill itself is quite self-explanatory and if any of the honourable members have any questions to ask as to this proposal at this time I would be glad to answer them.

MR. PAULLEY: Madam Speaker, it seems as though to me in reading the bill it's not quite as simple as the Minister makes it out to be. If the bill itself only dealt with the establishment of a boundaries commission, I would say then that that is one thing, but it does appear to me as I read the bill that it goes much further than that. I appreciate the fact that the Minister of Municipal Affairs has indicated to us that the bill will not be passed at this session but referred to the Municipal Committee to consider during the recess.

I say, Madam Speaker, that it's not quite the simple in my opinion as the Minister makes it out to be because as I glance over the bill - and I must confess just glanced over the bill without detailed study - it seems to me that in addition to a Municipal Boundaries Commission being set up within the Act, it gives in the details of the bill before us considerable power to the Municipal Board to make adjustments of boundaries to hold a vote in connection with the recommendations of the Municipal Boundaries Commission - which said recommendations, incidentally, Madam Speaker, insofar as the final report is concerned will only be made to the Lieutenant-Governor-in-Council. Then after the report is received by the Lieutenant-Governor-in-Council, he may refer to the Municipal Board instructions to undertake to arrange for referendums, and where three-fifths of the residents in any area affected vote in favour of a recommendation, the Board shall make an order giving effect to the recommendation. And then, further on in the Act, Madam Speaker, where the Councils of two or more municipalities pass resolutions, the Board may, on this occasion, make an order varying the border of the municipality, and I would suggest, Madam Speaker, that this carries on the Act a little further in this instance than just simply that of the Municipal Boundaries Commission.

But I am particularly disturbed, Madam Speaker, with the last section of the bill or the second last paragraph in the bill, because it seems in this particular section this Legislature is completely by-passed, because it would give, as I read this Act, approval to some body outside of this House to in effect nullify Acts of this Legislature. If I may be permitted, Madam Speaker, just reading a section of this bill dealing with that question, it states "notwithstanding a municipality affected by an order made under section 14 or section 15, while created or established or its boundaries were established or described, or the territory was fixed or declared by the Municipal Boundaries Act or any other Act of this Legislature or any Letters Patent, order a regulation made under an Act of this Legislature all of the territory which is removed into other municipalities by the order ceases to exist." And I don't think, Madam Speaker, that this is proper type of legislation, which in effect says that where the Municipal Boundaries Commission makes recommendation to the Lieutenant-Governor-in-Council he may order to the Municipal Board that certain actions may take place; and after these actions have taken place then any Act of this Legislature may be over-ridden by these actions. And I respectfully suggest, Madam Speaker, that only this Legislature, not a body delegated, but only this Legislature should have the responsibility or should be entitled to change any Act of the Legislature. And while it might be said that in this particular case certain safeguards have been taken through the Boundaries Commission, through the Municipal Board and votes of municipalities, I'm concerned with the principle that may be established through legislation of this type, Madam Speaker. So I say to the Honourable the Minister of Municipal Affairs, while appreciating the fact that this will be studied in between sessions - and I suggest that very serious consideration should be given to this aspect of the bill - the bill in itself, first of all, by-passes entirely this legislature insofar as receiving any reports at all from the Municipal Boundaries Commission.

I think that the Act should contain a provision where we, who do legislate, presumably anyway, legislate for the whole of the Province of Manitoba, that we should be taken into consideration and receive in addition to the Lieutenant-Governor-in-Council, the final report or

(MR. PAULLEY cont'd.) . . . reports of the Municipal Boundaries Commission. We are all aware of the consideration that's being given at the present time to the patriation of the North America Act and the Constitution of Canada. Under the B. N. A. Act as I understand it, one of the delegated powers of the legislature of any province is that dealing with the municipal corporations within its province. And I respectfully suggest, Madam Speaker, that I think, as I read this bill, there is a further delegation of those powers which are rightfully those of the Legislative Assembly bodies to some other body.

So I would suggest in the consideration of this bill that this principle be considered by the committee and also I respectfully suggest that this legislature and not the Lieutenant-Governor, or as well as the Lieutenant-Governor, of course, should receive reports of commissions set up of this nature.

MADAM SPEAKER: Are you ready for the question?

MR. LEONARD A. BARKMAN (Carillon): Madam Speaker, I beg to move, seconded by the Honourable Member for Assiniboia, the debate be adjourned.

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

MR. McLEAN presented Bill No. 119, an Act to amend The Mortgage Act, for second reading.

MADAM SPEAKER presented the motion.

MR. McLEAN: Madam Speaker, there are two matters dealt with in this bill. The first having to do with insurance. It might sound unusual that this bill dealing with mortgages should be concerning itself with insurance but it is, and particularly in relation to the relationship of an insurer and an insurance policy - fire insurance, I'm speaking of fire insurance - and where there are two or more mortgage claims against the insured property. It has always been understood that in the event of loss by fire that the mortgage money would be applied on the first mortgage and that the position of the insurance company - I'm speaking of course in the case of loss by fire in which there is wrongdoing on the part of the insured - that the insurer would stand in the place of the holder of the mortgage but behind the second or third mortgage or whatever other encumbrances there might be. That understanding which has been always understood to be the situation has recently been challenged and it has been thought necessary to clarify the law and make it quite clear that where there is more than one mortgage and where this particular situation applies, and there is subrogation in favour of the insurer, that the insurer comes in behind other mortgages and encumbrances of which the insurer has notice. This amendment serves to implement what has been the established practice in the past for insurance companies and what is considered to be the proper situation. So the first part of this bill deals with that situation. Members will note that there is a provision that says that this shall be conclusively deemed to have always been the law, since it has been, I believe, understood generally to have been the law until just recently when it was questioned.

The second part of the bill relates to a recommendation made by Dean Tallin in his Commission report on Real Property Mortgage Loans, and if members turn to page 21 of the report which was distributed quite some time ago they will find there Recommendation No. 1, just about the middle of page 21, and the legislation which is contained in this bill - the second portion of the bill - is to carry out the recommendation made by Dean Tallin. It is a provision that requires a declaration as to the cost of the loan to the borrower and provides a penalty if there is failure to provide that information by way of affidavit or statutory declaration as required by the provision. Members will note that there are certain exclusions from this requirement that - four instances in which this provision is excluded. I think, though, the best explanation of this provision is that it is the necessary amendment to The Mortgage Act to carry out Recommendation No. 1 of the Tallin Commission: "Requires the disclosure of the cost of a loan by way of affidavit or statutory declaration and provides a penalty where that is not done."

Members will note that whereas the section concerning fire insurance policies comes into force upon Royal Assent - and I have already mentioned that it is stated in the bill that it is deemed to have always been the law - that the other portion of the bill relating to the disclosure of cost of loans would come into force on the 1st of August, 1965, and this date is indicated simply because it will be necessary that adequate notice be given to all concerned of this requirement because it will involve a change in documents of requirements of registration and all related matters, and so it was thought advisable to have a specified date in order that there would be adequate notice to all those who would be affected by the provision.

MR. SAUL CHERNIACK, Q. C. (St. John's): Madam Speaker, I'd like to deal with the second part of this bill, and firstly record my pleasure that this matter is being dealt with as a result of the report of the Tallin Commission. I think that the objective is desirable and one which we have discussed for some time now and this is another procedure along that line.

I would indicate that the Tallin Commission report did not really spell out the procedure to the extent of course that this legislation does, and that of course is obvious that the Tallin report did not propose to write legislation, but rather to recommend principles. So that the principle here is one which is obviously to protect the home owner, because one of the exclusions indicated by the Honourable the Attorney-General would indicate that it does not apply to mortgages for industrial or commercial purposes. I don't know myself whether a court would find an apartment block, for example, does or does not come within the definition of industrial or commercial purposes, but I don't think that's too important to deal with at this stage. While I mention exclusions, I am at a loss to understand why there is an exclusion for banks, trust companies or insurance companies. Is there the inference that we are to draw that banks, trust companies or insurance companies are lily pure, and that those not excluded are not lily pure. Maybe that language does not quite suit the Honourable the Attorney-General, but I think he will have to make a clear-cut statement as to why the Act excludes these three members of the mortgage industry and not others. I see no reason why there should be any exclusion in that respect. If protection is offered to borrowers for personal use, borrowers of residential property, then the protection should be offered; and if it's not too great a hardship on a loan company to comply with the Act, it should not be too great a hardship on a bank, a trust company or an insurance company. So I think either this ought to be deleted or it should be fully justified by the Honourable the Minister.

Now, the purpose of this section of the bill is to protect people in other than what we know of as normal transactions, and when one looks at the definition of cost of loan, Madam Speaker, one realizes that the definition appears to spell out all those pitfalls which are created in the all-inclusive term "cost", and which might include a bonus or a discount of which the borrower is not made aware. Most of these items are unusual and therefore not the normal procedure, but two of them occur in almost all mortgages -- one is inspection costs and the other is legal fees. That then means that in just about every case of a mortgage, it would be necessary for the mortgagee to toddle down to the solicitor's office or have the solicitor's office send out to him a form of affidavit to be taken in order to provide for, in almost every case, for an affidavit as to the cost of the loan; and I would like to suggest that since there is a pretty clear-cut tariff in these things and these are the only two costs involved, then it seems to me that we could possibly exclude inspection costs which we have learned to accept as being nominal or, if not nominal, then normal. It would be fair to say that an inspection cost seldom exceeds \$50.00, and seldom exceeds one-half of one percent of the loan, and it may well be that we could exclude inspection costs which do not exceed the lower of \$50.00 or one-half of one percent of the loan. Now, legal fees are never, according to the tariff, in excess of one percent of the loan. The tariff always provides that it shall be one percent of the loan and then in the ascending scale of the mortgage the percentage is reduced, so that it might be well to say legal fees which do not exceed one percent of the loan. That would then be normal and there'd be no point in making a special issue of it.

But there's something much more interesting in this, Madam Speaker, which I hope is really the intention of the bill, and so that there shouldn't be any misunderstanding, I propose to spell out what I think this might be intended to cover. And that is the fact that the practices that mortgage costs are payable by the borrower, and one can recognize that one way or another they would be; but in most cases when a man employs a lawyer and pays his fees, he chooses his own lawyer. In this case, it's the mortgagee, the lender, that chooses the law firm and the borrower who pays the fee, and it may well be that the purpose of this part is to make it just clear to the borrower. If he employs his own lawyer and that lawyer does the work then obviously he pays the fee and it doesn't have to be deducted from the mortgage money, so that there wouldn't be the need for the mortgagee to complete this affidavit. If, on the other hand, the mortgagee or the mortgage company decides who the lawyer will be, selects the lawyer, then either that mortgagee should pay the legal fees and absorb the cost, or it should be spelled out by way of this cumbersome method of requiring an affidavit to be signed by the mortgagee. So that if the second objective is to deter a mortgagee selecting the lawyer who is to be paid by the borrower, then that's fine, then the bill the way it now reads in terms of spelling out costs of the loans would have that effect. If, on the other hand, it is intended to

(MR. CHERNIACK cont'd.) point out just the various costs involved, then I would suggest that if it's a routine mortgage, a normal mortgage, there should be a ceiling placed on what the inspection costs and legal fees are likely to be, because they always occur, and to extent that they are routine or in compliance with various tariffs, either of The Real Estate Board or The Law Society Board, I think that it's not necessary to press for that. So I raise this. It may appear to be a detail, but for the practising lawyer I am sure it is not a detail, because it will certainly increase the amount of work he has to do and unfortunately the cost of same may well be passed on to the borrower. So I think we ought to consider our objective and if it's something routine which will be a cost item without any special benefit, then I think it should be eliminated. If it is an item that will pass special benefits, then by all means let's be clear as to the purpose of it.

MADAM SPEAKER: Are you ready for the question?

MR. McLEAN: Madam Speaker, I'm afraid that the Honourable the Member for St. John's is correct. This is going to add to the cost of mortgaging and it's going to be passed on to the borrower. I see no grounds for excluding inspection costs or legal fees. It is quite true that there is a tariff, but first of all, no lawyer is bound to observe the tariff. He may charge more than the tariff if he wishes to do so and the client is prepared to pay him. It would involve us in determining what was correct tariff and so on, and I think - we're going for this, we might just as well go all the way and have it all in, because we'd only be fighting and arguing over whether fees were too high or something in that regard.

Now, the reason for excluding banks, trust companies and insurance companies is that it is I believe, not - it has been the practice. I have never heard it alleged or suggested that banks, insurance companies or trust companies were ever involved in anything but very straightforward mortgage loan transactions where they make mortgage loans; that they loan X number of dollars, the full amount is always paid to the borrower, less of course the legal costs involved in the loan, and in other words, that they are not, have not been and are not likely to be involved in the kind of transaction which it is desired to check by this kind of legislation. Now I would be the first to acknowledge that there may be a difference of opinion on this, and it may well be that they might have to be added or included at some later time, but I do believe that at the present time it is the opinion that the kind of mortgage loans that are made by these institutions are not likely to be the type where the information that must be disclosed under the provisions of this bill would be either necessary or helpful.

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

MR. STEINKOPF presented Bill No. 123, an Act to amend The Civil Service Superannuation Act, for second reading.

MADAM SPEAKER presented the motion.

MR. STEINKOPF: Madam Speaker, the amendment to this bill provides for the broadening of the investment powers of The Superannuation Board. It provides for the employees of The Marketing Board, not the producer, and the Marketing Commissions to become members of the Superannuation Fund. It provides for funds to be accepted from employers of - the previous employers of civil servants. It provides for the integration with the Federal Pension Plan, in view of the fact that the age limits may be reduced. It provides for the transfer of personnel from the Teachers College to the University of Manitoba, and provides for their pension. Those that have less than 15 years to go to receive their pensions will be paid as civil servants and will remain in the superannuation fund and the others will be paid by the University of Manitoba and go into the University of Manitoba Pension Plan.

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

HON. GURNEY EVANS (Minister of Industry and Commerce) (Fort Rouge): Madam Speaker, would you now call the debate on the Committee of Ways and Means.

MADAM SPEAKER: The adjourned debate on the proposed motion of the Honourable the First Minister and the proposed amendment thereto by the Honourable the Leader of the Opposition and the proposed sub-amendment by the Honourable the Member for Brokenhead. The Honourable the Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Madam Speaker, I adjourned the debate for the Honourable Member for Burrows. When it was called on Friday, I was out of the House but I understand the honourable member has spoken.

MADAM SPEAKER: Any other member wishing to speak?

MADAM SPEAKER put the question on the sub-amendment and after a voice vote declared the motion lost.

MR. PAULLEY: Yeas and Nays please, Madam Speaker.

MADAM SPEAKER: Call in the members.

A standing vote was taken, the result being as follows:

YEAS: Messrs. Barkman, Campbell, Cherniack, Desjardins, Gray, Guttormson, Harris, Hryhorczuk, Molgat, Patrick, Paulley, Schreyer, Shoemaker, Smerchanski, Tanchak, Vielfaure, and Mr. Wright.

NAYS: Messrs. Alexander, Baizley, Beard, Bilton, Carroll, Cowan, Evans, Froese, Groves, Hamilton, Harrison, Hutton, Jeannotte, Johnson, Klym, Lissaman, Lyon, McDonald, McGregor, McKellar, McLearn, Martin, Mills, Moeller, Roblin, Seaborn, Shewman, Smellie, Stanes, Steinkopf, Strickland, Weir, Witney and Mrs. Morrison.

MR. CLERK: Yeas, 17; Nays, 34.

MADAM SPEAKER: I declare the motion lost. The proposed amendment thereto by the Honourable the Leader of the Opposition.

MADAM SPEAKER: Are you ready for the question?

MR. NELSON SHOEMAKER (Gladstone): Madam Speaker, I beg to move, seconded by the Honourable Member for St. Boniface, that the debate be adjourned.

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

MR. ROBLIN: Madam Speaker, may we proceed now with the debate on the Constitution?

MADAM SPEAKER: The adjourned debate on the proposed resolution of the Honourable the Attorney-General. The Honourable the Member for Brokenhead.

MR. SCHREYER: Madam Speaker, I realize that I've had the matter stand once already, but would ask the First Minister if I might have it stand once more.

MR. ROBLIN: Then, Madam Speaker, the resolution on Shared Services.

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MADAM SPEAKER: The adjourned debate on the proposed motion of the Honourable the Minister of Education. The Honourable the Leader of the New Democratic Party.

MR. PAULLEY: Madam Speaker, I've had an opportunity since the Committee on Shared Services was first established to give the matter considerable study, and as a result of that study and hearing representations that were made to the committee, I've come to certain conclusions and observations.

I think first of all that we should say to the First Minister, who I believe introduced this proposal originally, I think that he did it in an endeavour to try and conciliate in between varying opinions held in the Province of Manitoba respecting the whole question of education as far as it may affect the supporter of the separate school and as far as it may affect those people who are firmly convinced that only in a public school system in Manitoba should funds from the treasury be granted. I may come back to this point a little later, Madam Speaker, but I suggest that this was the basic reason for the introduction of the proposal.

I want to say insofar as the Honourable the Minister of Education is concerned that he has himself, and suggested to all of us, that we should consider this matter which is a very important matter on the highest level and an approach which should be without emotion. I agree most heartily with him in this regard, because, Madam Speaker, that while we think all would agree that it's one of the most important propositions that we have had before us in the last session or two, any emotional approach would do our cause in this Legislature no good and certainly it will not enhance citizens of Manitoba in the field of education.

I want to take this opportunity, Madam Speaker, in this debate, of thanking the Clerk of the Legislature who was the Secretary of the Committee for his endeavours. At all times members of the committee received from this honourable gentleman copies of the minutes, and I particularly desire to thank the Clerk for the summary of the various briefs that were presented; and may I say after perusing his summary and re-reading all of the briefs, one can not but come to the conclusion that the honourable gentleman by and large accurately portrayed in his summary of the briefs what was actually said by those who appeared before the commission, and I want to thank the Clerk for his interest and his diligence in performing his task.

I also want to say, Madam Speaker, that insofar as the members of the committee were concerned, in my opinion they did take their positions seriously and did endeavour to get from the various persons who appeared before the commission answers to their questions. Having said this, Madam Speaker, may I respectfully suggest to all of the members of this House that before they make any decision on the report of the committee that they should undertake themselves the opportunity of reading all of the briefs that were presented to the committee, and may they also take the opportunity of reading also the summary of the briefs that I have just recently referred to. I say this to members of this House irrespective of what political party they may happen to belong to, that unless they do this, in my opinion they will not be able to arrive at any considered opinion as to whether or not they should vote for the resolution that we have before us.

May I say that at this stage, Madam Speaker, in respect of my own party, that I had said in a previous session that insofar as the whole question of financial contributions to education in Manitoba and the situation respecting the question of aid to private and separate schools, that we in the New Democratic Party had a committee that was considering all aspects of this matter and I announced that in due course I anticipated that the convention of our party would arrive at a firm policy for it. I want to inform the House that such a committee was set up; such a committee did report to our annual convention which was held in February of this year; but it was deemed advisable, because of the complexity of the problem and the varying approaches to the subject, coupled with the fact that this Legislature through its committee was considering shared services, that no firm decisions would be made at that convention. I say this, Madam Speaker, in case any member of the House is interested as to what happened following my statement of a session or so ago respecting my party. I want to re-emphasize that one of the reasons for our delay has been because of new trends and new changes and this new proposition of shared services.

Dealing with the report and the committee hearings themselves, Madam Speaker, I wish to offer for the consideration of the House one or two observations respecting the draft report itself, and I suggest to members of this House that if they would take a look and try to read into the draft report the deliberations which were held during the hearings of the report, they could not, in my opinion, help but come to some conclusions which may indicate wariness

(MR. PAULLEY cont'd)..... before the draft report, or the report to the session was adopted.

I deal first of all with item No. 1, which says, "The principle of shared services may not usefully be considered in isolation from its practical operations." Then in item 2 of the report the following is stated: "Problems in the practical operation of shared services anticipated by the briefs were many and varied, although some thought that with an effort of goodwill and common sense those problems might be overcome." Thirdly, the report states that a limited form of shared services has been operated in the School Divisions of Winnipeg, St. Vital and Chelsea without detriment to the public school system.

May I suggest my observation that if the members of the House would adopt my suggestion of reading the briefs, they would come to conclusions regarding these three items that I've mentioned that does not appear to be in concert with the presentation that was made here the other day, because dealing with No. 1 - the principle of shared services may not usefully be considered in isolation from its practical operation - I would say that about 50 percent or more of those who appeared before the committee were of the opinion that there were grave and deep problems insofar as the application of a system of shared services in the Province of Manitoba.

Just to illustrate what I mean by this, Madam Speaker, may I refer to my own score as to my consensus of the briefs, which I may say incidentally is pretty well substantiated by the report summary I referred to by the Clerk of the Assembly, of some of the practical difficulties that were laid before us for our consideration by those who presented briefs. As we read through the briefs, in regard to practical difficulties, there are those who thought that there might be some workable manner in which shared services could apply to the elementary grades one to eight. Most of them figured that this was so. Others, however, stated before the committee that there was no need for any system of shared services in grades one to six. There were two or three in that category including the School Board of the City of Winnipeg. The Urban Trustees Association said a program of shared services would not be of value in elementary grades. On the other hand, however, as I read the Knights of Columbus brief, it should be done in the high schools.

And so it went, Madam Speaker. There was no clear consensus of opinions as to where it could be practically operated. Indeed everyone who appeared before the committee could see difficulties, but even on the question of "where" insofar as the grades at school were concerned, where one thought it would be very difficult in the high school, others thought it would be very difficult in the elementary school, that there wouldn't be any need for it. So when we talk in the draft that the principle of shared services may not be usefully considered in isolation from its practical operation, I want to say to those members who were not privileged as I was to be a member of the committee, the problem of the practical operation of shared services was uppermost in the minds of the majority of those who appeared before the committee.

I referred a moment ago to item No. 3, which in the draft report states that "a limited form of shared services has been operated in the School Divisions of Winnipeg, St. Vital and Chelsea without detriment to the public school system." Here too I suggest, Madam Speaker, that if members of the House would take a look at the briefs that were presented to the committee, such a firm conclusion could not be arrived at.

May I illustrate by reading an excerpt from the brief that was presented to the committee by the St. Vital School Division, and I refer to Page 4 of the brief from St. Vital which says, "It may be of interest to the committee to learn that St. Vital has in the past" -- note, in the past -- "operated a shared service on a limited basis with respect to two of the parochial schools within this division. These services have been in the area of industrial arts, home economics and bus transportation. The industrial arts and home economics courses were offered when we had a block of time in each area which was not required for our immediate use."

The spokesman for the St. Vital School Board, however, was quick to point out in answer to questions from members of the committee that just as soon as there was sufficient pupils in the strictly public school aspect to take up this time, then the sharing of services ceased, and I think, Madam Speaker, I don't have to refer to the situation insofar as St. Vital is concerned with bus transportation because here too the sharing of that service to the parochial students had to terminate due to the public school increase of pupils which set aside the sharing of those services. As far as I am able to ascertain, or at the time of the presentation of the brief, I

(MR. PAULLEY cont'd): believe I would be correct in saying that the delegation told us that there was no sharing of services at the present time.

I also wish, Madam Speaker, at this time to refer to another statement that is made in the draft which we have before us respecting this matter. I refer to Clause No. 4, which says that in one school district, both public and private school authorities expressed a desire to experiment with the practical operation of shared services in their district. This matter, Madam Speaker, refers to my City of Transcona. The committee did receive a brief from School District No. 39 making this suggestion. It also received a brief from one of the separate schools in Transcona supporting the contention. But, Madam Speaker, following the publicity given to the brief from the School District, a group of citizens in the City of Transcona sent to the Clerk, to me, and I presume other members of the committee, on December 4th of last year, the exact opposite proposal insofar as the City of Transcona is concerned.

I just want to read into the record the first paragraph of the brief that was submitted by a group which calls themselves "a group of citizens in the City of Transcona." "We wish to express our strong opposition to the principle of shared services as proposed by the government, and particularly our unalterable opposition to the proposals in the brief presented by the School Board of Transcona to the Legislative Committee." Yet, Madam Speaker, I think to be perfectly fair, in the draft report, which I was not a co-author, Item No. 4 takes pains to point out a substantiation for apparently the majority of the committee for their stand on this question of this one school district, where both the public and private authorities expressed the desire to experiment.

I have now read into the record the opposite contention, and I would suggest, Madam Speaker, that because of an addition to the brief which was forwarded to the committee, I received a petition or letter expressing the viewpoint of over a thousand people in the City of Transcona in opposition to the proposal of the School Board No. 39 in the City of Transcona. I use this as an illustration again, Madam Speaker, to suggest to the members of this House that they should make further inquiries by reading the briefs that were submitted before adopting the report.

I think, Madam Speaker, that one can come to but one conclusion in this whole matter, that no one that appeared before that committee was satisfied. I would say that on one hand the supporters of separate schools find the scheme might help as a temporary aid, but it does not solve the situation as they see it. Even some supporters of the separate schools were almost firm in their opposition to the proposal of shared services. On the other hand, Madam Speaker, supporters of the public schools feared of opening the door to direct aid to separate schools. Many of them feared that by simple changes made to any legislation which might be passed by this Legislature, that their fears and objections might be violated.

May I at this stage, Madam Speaker, by way of indication, read for the information of the House, members of which who may not have as yet taken the opportunity of reading the briefs, may I refer to the brief which was presented to the committee by the Winnipeg Presbytery of the United Church of Canada. This organization, Madam Speaker, when the proposal was first laid before the House or became public, indicated by a letter of February 18th that they were prepared to accept the statement of the First Minister given on February 10th. However, when they saw the Working Paper that we on the committee dealt with, a change of mind took place. And why did this change of mind take place? I use this as an illustration of how it might be possible, once legislation is enacted for changes in principle or in methods that might be arrived at.

In the document that I have before us which was presented to the committee by the Presbytery of the United Church, I first of all refer to a concluding statement of this Presbytery which was given in respect of the announcement of the First Minister on February 10th last year. This concluding paragraph contained this declaration, and I quote: "If the Premier insures that his new legislation provides these essential safeguards dealing with the three principles that the Premier enunciated, and also establishes additional safeguards to regulate the conditions under which new private schools might be accepted for affiliation with the public schools for shared services, we are prepared to offer our support." This, Madam Speaker, was the position of the Presbytery of the United Church on February 10th of last year -- February 18th of last year.

Then the Working Paper that the committee considered followed, and here now I read further from the brief that was presented to the committee after the Working Paper was before

(MR. PAULLEY cont'd). the committee, the stand of the Presbytery of the United Church. "A consideration of the document entitled 'Working Paper' which provides an outline of a possible revision to The Public Schools Act in order to make provision for shared services, immediately suggests a departure from the principles enumerated by the earlier statement by Premier Roblin. The present objections of the Winnipeg Presbytery to the present proposal, for the most part, deal with Schedule B, Page 8 of the Working Paper, which deals with the question of free textbooks and free transportation." Without reading all of this brief, Madam Speaker, I quote now from Page 2. "We believe that the offer of transportation on the shared services program constitutes a departure from the principles enunciated previously by the Premier. He stated specifically the services would be offered in a public school and at the public schools." The Winnipeg Presbytery suggests that transportation be removed from the list.

The brief then goes on to point out to another deviation from the original conception that they had in respect of this matter by the provision of free textbooks, because while they were prepared originally as I understood their stand for the supplying of textbooks for those subjects which were shared services, it sensed in the newer proposal in the Working Paper a departure - although it may be from the original contention - and their general premise was that simply by changing here or there a regulation, amendment to the legislation, that at the present time once this proposal of the First Minister was adopted, their fear in respect of financial support only going to the public school system could be dissipated.

Reference was made in Section 2 of the draft resolution that we have before us, Madam Speaker, in these words: "Although some thought that with an effort of goodwill and common sense those problems might be overcome regarding the practical operations." I want to say, Madam Speaker, that most of those who appeared before the committee felt that the Working Paper was in effect actual legislation, and when the draft report uses the phraseology "that some thought that with goodwill and common sense these problems would be overcome," I want to point out, Madam Speaker, the slight difference, because those delegations that appeared before the committee were responsible people and whether they liked the legislation or whether they did not, if in effect it was written into our statute books, these are the type of people who would accept the edict of this House. This does not mean, Madam Speaker, what the report infers, because as I say these people, when they were before us and considered our Working Paper, were almost unanimous of the opinion that this meant that we were going to get legislation.

The question was asked of The Winnipeg School Board what was their position so far as shared services was concerned. They didn't know; they hadn't discussed it. The Member for Lakeside the other day raised this particular point. The same with the school teachers and same with others. So I say really, Madam Speaker, that sentence in the report that we have before us for our consideration really means nothing because the people that were before us are responsible people.

I have referred to some of the briefs and I'm not going to take the time of this House to refer to them all, but I do feel that I should make reference to the final meeting of the committee when we did have placed before us the draft which is now being considered. Objections were raised at that meeting to the report itself. Two members of the committee including myself objected to a stand that was taken by the First Minister as to what would happen in this House regarding this report, the basis of whether or not concurrence was given overwhelmingly or whether concurrence could not be agreed to by a number, that this would sort of guide the course of the government in future policies.

Well, Madam Speaker, I'm not going to harp on that point. I think it is well known of this situation, so I'm not going to endeavour to add any further coals respecting this to the fire. But I do say this, Madam Speaker, that contrary to that suggestion, the First Minister should ensure - if this is the basis on which future legislation is going to be arrived at - that the First Minister and the Minister of Education should ensure to each and every member of this House or on their side of the House that they will be able to vote without party whip insofar as this resolution is concerned. We have said on numerous occasions in this House, in all quarters, that this matter should be dealt with on the highest level of statesmanship and that party consideration should not enter it. So I appeal to the First Minister to let that be done insofar as this particular resolution is concerned.

Our general conclusions are, Madam Speaker, that we should not proceed with this matter without further study. As a matter of fact I did suggest an alternative to the final draft

(MR. PAULLEY cont'd). at committee that the committee just simply make a report to this House and say that as a result of hearing the briefs we are no further ahead than we were when we started and that the whole matter has got to be given more detailed consideration and investigation. My suggestion at that time was rejected. I re-offer it, Madam Speaker, and I say it is better not to proceed without further study. I say let us give to those delegations that appeared before the committee with their briefs an opportunity, now that the briefs of others have been made public, to give us the benefit of their considerations of the brief.

I illustrated a few moments ago, Madam Speaker, insofar as the situation in my own city is concerned that it wasn't until the brief of the public school became revealed publicly that the citizens of Transcona were aware as to what happened. As soon as they became aware of it, action was started. So I suggest, Madam Speaker, that the same might be taken under consideration in respect of all of the briefs. As a matter of fact I think that I would be correct in saying that there was only one brief that there was any attempted rebuttal toward and that was the brief of the Committee for the Equality of Education in Manitoba, and the committee for the presentation of the public schools in Manitoba did briefly rebut to the contents of the brief of the Equality and Education Committee.

I think, Madam Speaker, that people should have the opportunity now that the briefs have been made public to offer us the benefits of their conclusions and I do not think that we should proceed at this time. Because the briefs were in confidence to we members of the committee, and this is a travesty of justice in some respects, Madam Speaker, I knew what the position was going to be respecting School District 39 in Transcona about a month and a half or two months before it was revealed but I was under a confidence not to disclose it and believe me I did not, but the citizens that subsequently put in a brief certainly took action on it afterwards.

So I say, Madam Speaker, I think it's better not to proceed without further study. I think that if the draft report is to be considered at all, it should be considered and voted on on an individual member basis after, I would sincerely trust, the members of this House read the briefs, and many of them were very fine briefs including one from one of the members of this House.

I cannot support and do not support the concurrence resolution before us. My conclusion is based on the representations that were made to us. It is based on a complete lack of understanding in my opinion of the objectives of the Working Paper. Many thought the paper was indeed legislation. I am not prepared to accept the report because I can see as many saw that if a legislation is enacted by simple amendment or change in legislation, the whole principle of shared services can be changed into something that we may not wish to support.

I only need to substantiate this, Madam Speaker, to refer to one or two briefs that we received where first of all the premise was that the school children would be transported from the separate or private school to the public school for instruction. A couple of briefs said, "Well that's a stupid way of doing things isn't it? Why not leave the pupils where they are and take the teacher over?" I respectfully suggest this might be a more logical or simple way of dealing with the situation, but, Madam Speaker, providing this was established, were the logical done, it would violate one of the basic principles enunciated by the First Minister that the instruction should take place within the confines of the public school. So you see, Madam Speaker, there are so many little areas, that where we start on a matter like this by legislation, the principles enunciated by the First Minister could be changed -- or not his principles but the legislation.

Madam Speaker, we considered shared services and I would say that instead of the report talking about considering shared services in isolation to the practical problems, I suggest that we have considered shared services in isolation to other matters, in isolation to any study which might be made to see if the public schools could be adapted to suit the supporters of separate schools.

I point out, Madam Speaker, that at the present time in Manitoba some areas are in effect operating public schools which have those things in them where objections are made by the supporters of the separate schools in other areas. In my constituency of Radisson, Madam Speaker, in Windsor Park, which is under the guidance of the St. Boniface School Board, we have no separate schools; and as far as I am aware, in that particular area the supporters of the separate school are generally and by and large satisfied. I would suggest that in the City of St. Boniface proper on the west side it is the same. I think other illustrations can well be, Madam Speaker, that in such communities as Ross and Richer and St. Genevieve there are no separate schools because the people within the confines of the public school system are

(MR. PAULLEY cont'd), reasonably satisfied. But we made no endeavour; we dealt with the one proposition. I suggest, Madam Speaker, the whole situation should be looked over.

Also one other point which I may raise in conclusion, Madam Speaker, there seems to me today - and I'm sure in this I'm not alone - that there are changing attitudes taking place between people of good faith and goodwill everywhere that may assist us in resolving this problem. Surely, Madam Speaker, the proposition as contained in the concurrence resolution I think is not timely. I say let us consider all other aspects. Let us see whether or not we cannot bring all of our children together in Manitoba under a school system where they're jointly operating. It may be necessary for some changes in legislation respecting our public schools to make them a little more compatible to others. Let's look at this; let's not just simply buy this at this stage because it's inconclusive and I think obvious that it's not acceptable to any.

I might say, Madam Speaker, as an Anglican I have fear that at the present time some consideration is being given even within my own denomination for establishment of separate schools. I want to say to this House that I will use my endeavours to dissuade the setting up of any extension of private or separate schools even though it may affect my own particular denomination, my own particular faith, because I'm convinced - I'm convinced that if we look at this whole matter that there is a chance, again in view of changing thoughts and changing attitudes among people of goodwill, that the matter may be resolved here in Manitoba and may be resolved elsewhere.

I appeal in conclusion, Madam Speaker, to members of the House to reject concurrence in this resolution because it will achieve in my opinion nothing that will advance education in Manitoba for any boy or for any girl. I ask the mover of this resolution, the Minister of Education and the First Minister of this House, to reconsider their whole approach to this, and I'm sure that if they will give, what I hope has been a rational consideration on my part to the briefs that have been presented, and a rational consideration without bitterness and without malice to any, that they would come to the conclusion that I am trying to establish in this House, that we should not proceed with the proposition of the Honourable the First Minister. I recognize, Madam Speaker, and I compliment the honourable gentleman for his endeavours to try something, but I don't think that the something that he has endeavoured to do will be acceptable to those who are firm adherents to the separate schools or to those who are firmly convinced that no intrusion should be made into the public school system in the Province of Manitoba.

MADAM SPEAKER: Are you ready for the question?

MR: ELMAN GUTTORMSON (St. George): Madam Speaker, I move, seconded by the Honourable Member for Gladstone, that the debate be adjourned.

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

MR. ROBLIN: I beg to move, seconded by the Honourable Minister of Public Utilities, 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 and after a voice vote declared the motion carried and the House resolved itself into a Committee of Supply with the Honourable Member for Winnipeg Centre in the Chair.

COMMITTEE OF SUPPLY

MR. CHAIRMAN: Department of Public Utilities, Resolution No. 68.

MR. STEINKOPF: Mr. Chairman, this department probably more than any other affects the welfare of our daily lives from birth to death, this in spite of the record it holds this year of only taking 2-1/2 inches of one page in our estimate book. No other department is even close. Without electricity maternity wards would find it hard to operate; without telephones teenagers would find it hard to mate; without the Censor Board our morals might be easily corrupted; and without pre-arranged funerals, who knows in what a bad mess our society would find itself in. All these matters and motor cars, ambulances, skidoos, toboggans, gas rates, real estate, securities and many others, are part of the very fare that cross the desk of the Minister of Public Utilities.

The combined volume of business done by Hydro and telephones last year amounted to \$68,761,222, just \$12 million more than the total expenditures estimated for our largest department, Education, for 1965. This gross revenue was at an all-time high and is indicated

(MR. STEINKOPF cont'd) here to show how large our two public utilities have grown. The Hydro had 206, 668 customers and the telephones had 329, 429 telephone installations in 1964. Over 95 percent of the homes are serviced by our utilities and 100 percent of our business establishments. If you add to these figures of \$68 million the sum of \$10, 241, 070, the total revenue last year of the Motor Vehicle Branch, we have a total of \$79, 002, 292 in revenue received and disbursed in our department. The government today is surely big business and it becomes more evident that there is increasing danger to the welfare of our utilities if they are subjected to political whims and opportunists.

The southern integrated hydro system reached a record sale of 842, 900 kilowatts on January 12th of this year. This was 68, 400 kilowatts above the record set the previous year. The revenue increase of the hydro for the first eleven months of 1964-65 was 6.4 percent. Expenses increased only by 2 percent. Capital expenditures during the current fiscal year are expected to approximate \$35 million. In 1965-66 this expenditure is expected to approximate \$20 million. The reduction from 1964-65 is largely because the Grand Rapids generating station is nearing completion. The funded debt of the Manitoba Hydro was increased by \$66.9 million during 1964-65.

Manitoba Hydro is physically engaged in a program of making electrical energy available to some 14 communities not previously served in the remote and northerly areas of the province. During the year the following 10 communities have received service: Baden, Barrows, Easterville, Ilford, Manigotagan, Matheson Island, National Mills, Powell, Wanless and Westgate, and four other communities are in the present program. They are Brochet, Cormorant, Thicket Portage and Island Lake.

During the past 12 months hydro rates at The Pas have been reduced twice, so that they are now 8, 2 and 1 as compared to 8, 2-1/2 and 1-1/2 formerly, and in the southern rural systems of 8, 3 and 2. These rates actually mean in dollars that a farmer who previously had a bill of \$61.77 has now a bill of \$40.90, and a domestic user whose bill was \$19.03 has now received a benefit of a reduction down to \$15.39. I use these two examples because they were the ones referred to by the Honourable Leader of the Opposition in the debate on extending hydro to the northern areas. Hydro will continue their efforts to bring the northern rates in line with the southern rural systems and they must be commended for the action that they have taken. In addition, Hydro have more small generating units available which they procured on the abandonment of the DEW line for northern communities and Hydro is surveying each community that expresses any interest, and at the same time is having discussions with the Department of Indian Affairs having regard to the electrification of some of the Indian reservations.

The Grand Rapids generating station is now in operating procedure and No. 1 unit at this station was first synchronized to the southern integrated system on March 20, and operated for a couple of hours that day for test purposes. Operation on a more continuous basis was begun on March 25, and the No. 2 unit was first synchronized to the southern integrated system on April 15. All civilian construction work including grouting, the erection of dikes, rock excavation, and erection of the in-take structure, powerhouse and spillway as well as the flooding of the Forebay area were completed on time as planned. The delay that was experienced in bringing the first two of the three units into operation was caused by the late delivery of the water-wheel turbine, and then some mechanical problems were encountered by the turbine suppliers erection forces. The delay did not present difficulties in meeting the power demands of the province. The above-normal flows that prevailed on the Winnipeg River assisted materially in meeting the increased demand for power that was experienced this past winter.

Manitoba Telephone System added some 14, 000 telephones in the 1963-64 fiscal year and the steady demand has continued during 1964 with over 10, 000 telephones being added during the nine month period to December 1964. This makes a total of 337, 823 telephones in service. The system, in addition to meeting this demand for new services, continued the expansion of all facilities to handle the rapidly expanding long distance traffic; the continued improvement of service by the conversion from manual to dial operation in the provincial area and the upgrading of rural multi-party service - the reduction of subscribers on rural lines; and the re-grading of urban two-party to one-party service.

This program required a capital expenditure of over \$17 million during the year 1964. Capital expenditures of the same order will be required for several years to meet forecasted growth; the conversion of remaining manual services to automatic dial and the continued

(MR. STEINKOPF cont'd)improvement of multi-party rural service. The value of our telephone plant at November, 1964, was \$186,600,000. If one were to add that value to the value of our electric utility plant, namely, \$377,516,967, for a total of \$564,116,967 in utility plant investments, one would realize the staggering amount that is owned by less than one million Manitobans.

The construction program for the telephone for the present fiscal year after the restoration of outside plant damaged by the sleet storm a year ago, is progressing and will progress on schedule. During the current fiscal year the system will have spent over \$2 million dollars on outside plant facilities for rural service with \$700,000 of this amount being for rural service improvements. With this improvement program the average loading, that's the number of customers on rural lines, will be 7.3 with 70 percent of the lines having eight or less subscribers per line and of the remaining 30 percent only six percent will be in excess of 10 per line. This program will be again accelerated in 1965 with two and a half million dollars allocated for rural growth, upgrading of service and rehabilitation. This expenditure is 42 percent of the system's total outside plant budget and for only 11 percent of its customers.

Planning is underway for an acceleration of the modernization program for the provincial area by the complete conversion of remaining manual service to dial operation and the upgrading of rural line service. If approved this will increase the annual capital expenditures in subsequent years over that included in the 1965-66 capital budget. I think it's also worthy to note that the average capital investment or cost per telephone continues to increase as follows: In 1958 the average capital investment in telephones was \$465.00; 1962 this had risen to 506; '63 to 529, and in 1964 is up to \$540 per telephone.

The installation of the Direct Distance Dialing equipment in Winnipeg is completed and this new service was made available to Metro Winnipeg telephone users on February 21st, 1965. The Manitoba Telephone System has had a very satisfactory year of operation in the increased number of telephones in service, the growth of long distance traffic handled and improved financial results. More and better communication services have been provided to meet the requirements of the people of Manitoba and assistance in participation with the other companies of the Trans-Canada system continues to provide the nation with communication second to none.

Public Utilities Board. During the year they issued 192 orders of which 138 were for public utilities. The balance covered such Acts as The Securities Act, Real Estate Agents Act and The Highway Traffic Act. Of the above 138 orders, 42 covered municipal street lighting contracts with the Manitoba Hydro, 28 had to do with sewer and water utilities, 47 with gas utilities, 10 with Manitoba Telephone tariff revisions, 3 with Manitoba Telephone inter-provincial toll rates, 2 with the Metropolitan Corporation of Greater Winnipeg in its transit system, 3 with regard to Flin Flon Bus Lines, 1 with Telephone Utility, Town of Birtle, and 2 with Electrical Utilities.

Agreements were approved involving the distribution of propane in the Town of Flin Flon and the distribution of natural gas in the Town of Virден. Orders were issued approving franchise agreements for natural gas to Carman, Elm Creek and the surrounding portions of the Rural Municipality of Dufferin, Grey and Portage la Prairie, to Dominion City and a surrounding portion of the Rural Municipality of Franklin; a portion of the Rural Municipality of Hanover near Steinbach and a portion of the Rural Municipality of Ritchot adjoining Niverville. No changes in natural gas rates were applied for or authorized during the past year.

The stabilizing effect of the 1961 legislation has now become apparent in the day to day administration of The Prearranged Funerals Act. The Highway Traffic and Co-ordination Board heard 12 appeals, of these 3 were allowed conditionally or in part, 5 were dismissed, one was withdrawn and 3 were pending at the year end.

Registration under The Securities Act totalled 537 compared with 489 in 1963 and 517 in '62. During the year registrations of 41 security salesmen were cancelled at their employer's request. Long distance telephone and mail solicitations to Manitoba residents by non-resident broker dealers and other persons who are not registered under The Securities Act was a matter of some concern to the Board. In three instances public warnings were published, charges were laid against one Toronto broker dealer, its president and one of its former salesmen. This case was still before the court at the year end. Registrations in The Real Estate Agents Act during the year totalled 588 persons, firms and companies with real estate agents and 671 as real estate salesmen. This represents a decrease in registration of two agents and 62 salesmen from the previous year. Of this total 442 agents and 625 salesmen

(MR. STEINKOPF cont'd) gave addresses in Metropolitan Winnipeg and 24 agents and 29 salesmen are located in the City of Brandon.

The Motor Vehicle Branch. The total registrations of motor vehicles to December 31st last year totalled 371,288. This is an increase of 17,577 over the same date last year. The percentage of registrations that were received by mail has increased over the past two years. In 1963 there was a total of 42.8 percent of registrations by mail and in 1965 the percentages climbed to 49.9 showing that the mail order business is growing in popularity and as it does so becomes the efficiency of the department. At December 31st last year there were a total of 389,343 driver and chauffeur licenses issued. The department during the year tested a total of 39,494 applicants for driver licenses during the past year, an increase of 17.6 percent over last year, and of this total, 50.9 percent failed on their first road test.

Although it may be too soon to estimate the effect of the new surcharge on uninsured motorists, early indications show that there are not too many individuals paying the surcharge of \$25.00. As at April 15th, there was a total of 1,814, or a little less than two-thirds of one percent paid this surcharge. This would indicate the motorists are either insuring their vehicles or are not registering uninsurable vehicles. In any case many of the vehicles formerly uninsured are either not now insured or being operated. This should cut down on the number of claims on The Unsatisfied Judgment Fund and certainly should help our safety problem.

The number of automobile accidents reached an all-time high in 1964 with a total of 15,762 for an increase of 7.6 percent. These accidents have been analyzed and the probable causes in order of prime cause are as follows: drinking, excessive speed, inattention to driving task and unfamiliarity with the vehicle and vehicle defects. I feel that the most important deterrent to poor driving is education and this has been corroborated by the findings of most safety surveys. Since the regulations came into force 27 driving schools have been licensed, of these one is located in Brandon. Five schools discontinued operating when the regulations came into force. Six of the 27 licensed schools are not operating because they do not have any qualified instructors. One driving school permit has been suspended because its financial responsibility has been cancelled. A total of 119 made applications as instructors. Of these 64.7 failed to pass on the first written examination. Of those who succeeded in passing the written test 39.5 failed on the first road test. Out of the 119 applications only 58 have thus far qualified for a permit and only 54 have actually been issued a permit. All this has resulted in a notable improvement in the quality of instruction being offered the public.

Over 60,000 convictions and 15,000 accidents were processed by the department during the past year. As a result we called in for driver improvement 4,299 drivers, which was an increase of 27 percent over the previous year. In addition nearly 5,000 hearings were held to determine whether the person's license should be suspended for various reasons. There were 2,694 drivers convicted for driving while impaired or intoxicated. A four year study shows that drivers called in for driver improvement subsequently had a better than average driving record.

During the past year the driving, testing and driver improvement program has been extended to Portage la Prairie where a permanent office has been established. Also two mobile units have gone into operation. We received excellent co-operation from local officials and the public response has been very good. During the past few months we have received enquiries from various public schools regarding driver education. We are assisting schools at West Kildonan, Virden and Flin Flon with such programs. There is a keen and growing interest in the subject. The Manitoba Teachers' Association has set up a special committee to study the subject and bring in recommendations to their executive. Our examiners have given of their time voluntarily in order to help the program in West Kildonan as have many others. It has been recommended that a high school driver training course be made compulsory for those applying for their first license under the age of 18. The diploma would in effect be the applicant's first license to drive. This license would have conditions not attached to the present license and can be held by the driver so long as he meets those rigid conditions. Even the slightest deviation might mean that the privilege to drive is withdrawn for 30 days or more. If any major violation takes place it could mean the suspension until 18 years of age and then another complete examination. A number of hours of the course we hope will be directed to the use of alcohol and its effect on a person while driving a motor vehicle.

I wish to acknowledge the help that was given in establishing the schools in West Kildonan to Mr. Stern of Winnipeg Motor Products, Mr. Winters, Mr. Wiens, Mr. J. Leaman, all connected with the Seven Oaks School Division and West Kildonan District. Our driver examiners

(MR. STEINKOPF cont'd) have maintained that the programs now being conducted on an experimental basis are proving to be most fruitful and that there is still much to be done in the field of safety and by this time next year we hope to be able to lay before you even a more completed program than that which we initiated in the last few months. During the next few months it is our intention to complete the revision of the important and complex Highway Traffic Act and if this is completed we then will present it to the next session of the Legislature.

MR. BARKMAN: Mr. Chairman, I would like to take this opportunity to thank the Honourable Minister of Public Utilities for the remarks he has made, and I hope that we will hear more of them later.

I would also like to take this opportunity to thank the, or pay tribute to the many people - all the men and women involved in the different services, The Manitoba Hydro, The Manitoba Telephones, The Vehicles Branch, and of course all the others, including The Public Utilities Board and The Censor Board. The sincerity and the loyalty of these groups that they have shown has often amazed me. I know the high percentage of honesty and sincerity shown by all these people is definitely worth mentioning here today. I only have to think of the groups of my own constituency where so many time and again they have shown themselves to be the better citizens of many of the communities in my constituency. I have often wondered if they could not become more self dependent and possibly more decentralized if these individuals did not have to report back so often to some of their superiors, either at the Winnipeg office or at Selkirk. Quite often it seems to me that their immediate superiors find it difficult or a little more difficult to understand some of the problems that their employees face in rural Manitoba which quite often as we know are possibly a little different than in the urban centres. However, this is on the lighter vein, and I would seriously like to go on record and pay tribute to all the men and women in these departments and the majority, by far the majority, are doing a tremendous job.

Starting off with the Manitoba Hydro, again I feel it my duty to commend separately this department for the perfect relationship they have upheld between municipalities and between individuals in my municipal experience I must truthfully say that it's always been a pleasure to plan, negotiate or resolve any decisions with people of this department. I've always noted the keen interest shown by these people in helping to plan in the plans of towns and villages, such as electric lighting or other things, things that can become of great importance when we consider the things it will help to discourage, such as juvenile delinquency and petty crime and a lot of similar programs. It is of special importance, I believe, that these relations are maintained when it comes to making mutual agreements as happens so often between municipalities and the people of these utilities. There are so many, small things you might say, such as the location of poles or underground wiring or even wiring entrances for residents and the like. But generally speaking I think we are all aware that these public relations must be upheld, and they have upheld them, but we must never forget that they must be upheld to serve the people of Manitoba most efficiently.

One item that I wish the Honourable Minister might elaborate on later, and I'm sure he will, is in regard to the Electric Heating Program. I notice as of March 31st that there were 317 residential and 237 commercial electrical heating installations. I'm sure that these figures must be outdated by now. I wonder if some more recent figures can be brought up later. I also noted the display at Brandon. I thought this was a terrific idea and very proper and educational to help along, to sell or increase the electrical heating installations.

In the Manitoba Telephone department, I can mention that, and I was glad to hear that the Honourable Minister had some new figures in regards to rural lines or party lines, and I must admit there is a slight improvement, and I'm sure that he knows and we all know that there's much room left for improvement in this department. It always disturbs me a bit when the Honourable Minister comes back with an answer that we can only look at the financial aspect in this regard, although I hope he's not too serious when he says this. I think he mentioned last year that 38 percent of outside plant money was being spent on 10 percent of the subscribers of telephones. I doubt very much if this picture would not lose, or look quite a bit different, if all the long distance revenue was added to these figures. I only have to look at about 25 subscribers of my own town and the Town of Steinbach who are paying over \$2,000 each annually, but regardless of the figures, would not necessarily balance as he has mentioned before. The rural subscriber is still paying more, I feel, for the actual use of his telephone when you realize and consider that possibly - we must not forget that he can phone a lot fewer people. I think if you talk of a five or a ten thousand population area, this is a fairly

(MR. BARKMAN cont'd). large area as far as one telephone exchange is concerned, and compare that to one like Greater Winnipeg where possibly you may phone merely 400 or 500,000 people compared to five or ten thousand people in the country. So this is not really a true comparison, when mentioning, or very often mention is made that rural telephones are more costly to this province. It is also more costly, I think, to the rural subscriber, or at least his getting less value in this type of a comparison. When we look at both sides of the picture I am sure that the citizens of rural Manitoba rate as high as the urban and the city do, and we know, all of us know, they're equal.

Another good example, I think, is the way the Hydro deal was handled with the former Campbell administration. I don't think I have to repeat it. It's well known in this House, but I never heard at that time that the country cousins were upsetting, or city cousins, or vice versa. I'm sure that many things could be said if we wished on this matter, but I'm sure we're all trying to build a better Manitoba and not necessarily just a better constituency.

I wonder if the Honourable Minister later on would report on the Direct Distance Dialing, how the project is coming. I'm sure we all appreciate the improvement that this department has shown, but I hope we're not going to stand still here. I hope that after a while we will be able to dial Winnipeg directly from rural parts of Manitoba. I realize in parts of Manitoba where the system has not been changed that this is impossible, but I hope we can look forward to seeing more of these systems brought in. I don't want to sound sarcastic but it seems to me that after this switch to the direct distance dialing was put in somehow I seem to think that it takes an operator a little longer to answer after you dial "O" to phone out to rural Manitoba. Possibly this was just my imagination; or is there a different set-up now in that regard than what there was before.

I would like to inform the Honourable Minister that the Kleefeld, Niverville., Steinbach and Grunthal people are still willing to amalgamate into one system, as I've mentioned before. I'm still under the opinion that they were promised this originally, and I hope that this department will soon grant permission for such a change or a set-up.

Possibly another point that you mention on partly - I was wondering, and I think I could drop that as far as installations and figures are concerned, but also is our growth of usage as you sounded on some figures, or expansion in the use of long distance traffic continuing and at what rate are we increasing. Much has been said in regard to the policy of sharing costs on single lines after a certain distance is involved, and I definitely think a greater part of the cost should be shared by the over-all system than is the policy at the present. However, I would much rather see the party lines cut down as you mention that they were, even down more than possibly elaborate or think of expanding the system on the basis that they are now.

I see my time is running out, and unfortunately I cannot be here tonight, but I would like to bring up one article, Mr. Chairman, and possibly ask some questions on policy and principle concerning both the Hydro and Telephone departments when it comes to spraying or controlling hedges. One specific example that I would wish to cite is from the Rivers or Brandon area which was brought to my attention, and I have tried to - I should say after I have presented this case, perhaps the Minister could make some comment. I have a complaint in a form of about six months, and I assure you that I won't read it all - but I have tried to summarize it and I would like to say this before I present it that this party or parties, and there are more than -- one specific case will only include the one party, the one I will be referring to has gone through a lot of hardships and a lot of correspondence. I wouldn't want to guess how many letters he has written, nor how many people he has seen, but I just counted up the number the other day. He has seen at least 20 different persons involved in this, if you wish, call it a practice, and it's all the way from the area manager to the secretary, legal officer, the Deputy Minister, the Premier, and many more, and it adds up to 20, and I'm sorry there's not time to name them.

Mr. Chairman, I would like to bring to the attention of this House and the Honourable Minister of Public Utilities more or less the details of an extremely untimely and unfortunate handling, I believe, of a private citizen at the hands of one of the departments of this government. Early in the spring of 1963 a crew of the Manitoba Hydro were engaged in spraying brush along the road allowance adjacent to the property owner, of a landowner in the Rivers area. The crew in question obviously did not exercise enough caution and the spray wafted into private property and then killed and damaged 127 full grown trees which previously as you can imagine had provided a windbreak along 600 feet of this property. The matter was brought to the attention of the local manager of the Manitoba Hydro who visited this property to assess the

(MR. BARKMAN cont'd) damage and in a letter to the owner of the property dated July 29th, 1963 he stated, and I quote: "In view of the Manitoba Hydro brush spraying crew operating in the immediate vicinity of your property there seems to be little question that the damage to your trees was caused by this crew." The owner obligingly agreed at the request of the local manager to wait until the following spring so that a more complete estimate you might say of the damage might be undertaken and in the same letter the manager stated, and I quote again: "During our discussion you agreed to defer any question of possible settlement of this claim until next spring at which time we could determine the final extent of the damage if any. We appreciate your understanding in this instance. We will be pleased to review the entire incident with you during April of 1964." Today, Mr. Chairman, three years later this former lush stand of trees, and we all know they're a valuable windbreak, a beautiful complement to the property owner, stands leafless dead and barren and no amount of urging by this government over the past three years has been successful in routing the government out of the confusion in handling this case or on to a satisfactory settlement of this claim.

Here is the satisfactory, so-called satisfactory settlement the Manitoba Hydro offered in a letter of August 6th, 1964, and I quote: "The Manitoba Hydro is prepared to replace between 12 and 23, 20 trees which appear to have been killed with 8-foot American Elm saplings." By actual count, Mr. Chairman, there were 127 full grown trees and these are the figures of my correspondent and I believe they are correct. The government generously offers to satisfactorily settle this matter by planting a dozen 8-foot American Elm saplings. I'll hurry through, I just should be about two minutes longer if I may, I cannot be here tonight but I ask that I could get permission--(Interjection)--I'll rush it through.

During October 1964 the owner of the property and Manitoba Hydro mutually agreed to settle the matter by arbitration. The owner stated that he would be satisfied with whatever findings and solution the mediators agreed upon. The mediator appointed by the owner of the property after a careful study and arbitration of all material facts and costs submitted his report stating that the damage could be repaired at a cost of \$7,275.00. I will not challenge these figures again I took them from him but looking through the correspondence they seem to be right. This figure was far less than a previous estimate the owner had obtained from a local nursery but he agreed to go along with it. The mediator appointed by the Manitoba Hydro offered to settle the matter with a payment of \$250.00. It would seem that the Manitoba Hydro had allowed a \$250.00 maximum as their mediator was very reluctant to negotiate beyond this point. At any rate that amount assesses the value of the dead or seriously damaged trees at approximately \$1.96 each, or divided into the total amount of trees affected would only amount to a few cents per tree. \$1.96, Mr. Chairman, for a 40-foot tree in the prime of life, I think is just a little bit ridiculous. The owner expressed his disappointment in a letter to the then Honourable Minister of Public Utilities and the Manitoba Hydro shortly after amply demonstrated how ridiculous a case may become - and I say this because I cannot looking at the case see it otherwise - and after agreeing that \$250.00 was too little they doubled the figure to \$500.00, which of course was completely unacceptable, and the matter reached a deadlock allowing yet another planting season to pass.

Mr. Chairman, to my knowledge to date there has been nothing done or completed by this government to compensate for this clear-cut case of serious damage to the property of a private citizen by their obvious, I think quite obvious negligence. Surely, Mr. Chairman, there have been other cases of this nature. Has it been, or has it in these cases also been the policy of this government to stall by means of endless correspondence, bickering, red tape and the like? Has the department any policy for dealing with matters such as this? And this is what I'm trying to get at. My criticism is not that this damage has occurred. Clearly accidents will and can happen, but there is I don't think any excuse for the deaf ear of this government which it has turned on this citizen. I believe he had a right to complain and possibly the government's obvious refusal to do anything to repair the damage or to compensate him for it. Public opinion in recent months has been very strongly against - and I have about six papers here which I shall not read - spraying, has been strongly against brush spraying trees, leaving this type of work behind it. I shall, as I said I shall drop the editorials, I thought they were very interesting, but I would be very interested to know what precautions the Manitoba Government has taken or will take to prevent other cases of damage to private property as a result of their spraying operations from occurring in the future. Surely \$7,275.00 dollars worth of damage is done -- very often this couldn't, this just couldn't be -- it's too much of an overwhelming expense to the public -- or is the intention of this government to simply ignore their

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(MR. BARKMAN cont'd).....responsibility as they have so clearly done in this case. So again -- I can bring the rest up possibly later. I want to thank you, Mr. Chairman, for the time. I hope that we will have some answers on this.

MR. CHAIRMAN: I call it 5:30. I will now leave the Chair until 8:00 o'clock.