

## THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Friday, May 17, 1968

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions  
 Reading and Receiving Petitions  
 Presenting Reports by Standing and Special Committees  
 Notices of Motion  
 Introduction of Bills  
 Orders of the Day.

MR. GILDAS MOLGAT (Leader of the Opposition) (Ste. Rose): Mr. Speaker, before the Orders of the Day I'd like to address a question to the Minister of Municipal Affairs. There were two news reports yesterday, one in each newspaper. The newspaper headline in the Free Press was "Government Blames Juba" and the other one, in the Tribune said "Juba Wouldn't Co-operate so Bill Introduced: Forbes" and the statements carry on to say that according to the Minister the Mayor of the City of Winnipeg is the one who is responsible for the situation and the reasons why she had to bring in the Bill. It also states here that she had a prepared statement in this regard which she issued outside of the House. I wonder if the Minister would give us a copy of that statement and also if she would verify that these are in fact the correct statements in the newspapers.

HON. THELMA FORBES (Minister of Urban Development and Municipal Affairs) (Cypress): Mr. Speaker, I'm not responsible for what is reported in the newspapers but I must say that because of Mayor Juba's appearance on television and on the news media, I was also swamped with requests to do the same and for that very reason I prepared a statement and I would be pleased to read it to you:

"It has been reported to me that Mayor Juba, in an interview stated that the Province of Manitoba had taken no action since January in urban renewal areas 2 and 3 of the City of Winnipeg and that the amendment in The Manitoba Housing and Renewal Corporation Act" - excuse me, I'm out of breath, I was running on the stairs to try to get into the House - a little hard on - I'll start that again: "The amendment in the Manitoba Housing and Renewal Corporation Act incorporated in Bill 49 would rule out urban renewal and housing in the City of Winnipeg. The report I have received of Mr. Juba's remarks indicates that Mayor Juba does not understand Bill 49 and also illustrates the reason why we have found it necessary to introduce the bill. First I would like to clearly state, for Mayor Juba's information, that Bill 48 in no way affects the existing arrangements for housing. Housing will continue to be the responsibility of the individual municipalities in conjunction with the Manitoba Housing and Renewal Corporation. Bill 49 in no way will delay any housing plans that the City of Winnipeg may have. A housing investigation for the City of Winnipeg was approved on February 26, 1968, which clearly indicates our intention to co-operate with the City of Winnipeg in the provision of housing.

"I would also point out that Bill 49 will not affect the preparation of the schemes of urban renewal areas No. 2 and 3 which are under way in the City of Winnipeg. Agreements covering their preparation already exist and will not be cancelled as the result of Bill 49. The preparation of these schemes were authorized in July of 1966 and was to have been completed in the summer of 1967. The estimated cost of preparing a scheme was \$100,000 for area 2 and the same amount for area 3. The scheme prepared for the proportion of area 3 around the Centennial Centre required significant modification at considerable additional expense because of the failure on the part of the City of Winnipeg to carry out adequate consultations with the Metropolitan Corporation on planning aspects of the scheme. The City of Winnipeg then requested our participation in the cost up to \$175,000 so that the scheme could be modified to conform with Metro's traffic and flood level requirements. This increase was approved on August 30, 1967. In February, 1968, the City advised that the total cost would be \$190,000. These increased costs are a direct result of lack of co-operation and consultation between the City and Metro.

"In 1961 the Metropolitan Corporation of Greater Winnipeg was made, by Act of this Legislature, the sole planning authority in the Metropolitan area and the additional zones. Urban renewal programs under The National Housing Act of Canada recognize and require financial participation for an urban renewal program from the federal, provincial and municipal levels of government. Metro to date has not been permitted to participate in urban renewal

(MRS. FORBES cont'd.) . . . . programs in the Metropolitan area. This fact fails to recognize the responsibility of the corporation for the total planning of the Metro area. The proposed amendment to the Manitoba Housing and Renewal Corporation Act recognizes this deficiency and requires that the Metropolitan Corporation and municipality co-operate and participate jointly in urban renewal process, the Metropolitan Corporation, because of its planning responsibility and the municipality because of its financial responsibility, and the body which will ultimately have to decide whether it can afford the proposed urban renewal programs. This procedure is both necessary and reasonable and requires only the co-operation of the planning authority in the municipality involved.

"Bill 49 does not amend The Metropolitan Winnipeg Act. It amends the provisions of The Manitoba Housing and Renewal Corporation Act to ensure that Metro continues to be responsible for all planning in the Metropolitan area. The preparation of the urban renewal studies and schemes are primarily planning functions. Metro must therefore be involved in these phases of the urban renewal schemes. Mayor Juba, I understand, clearly stated that he is not willing to co-operate with Metro. We have therefore found it necessary to bring in legislation that will ensure joint preparation of urban renewal studies and schemes." (I'm prepared to table the statement.)

MR. MOLGAT: Mr. Speaker, I wish to thank the Honourable Minister for her statement. Is this the same statement referred to in the news article of yesterday at which time she answered questions of news reporters? This is the same statement that was issued yesterday and on which these news stories are prepared? Is that correct?

MRS. FORBES: Yes, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Brokenhead.

MR. SAMUEL USKIW (Brokenhead): Mr. Speaker, I wonder whether the government might indicate to the House whether they are going to proceed with the Agricultural Committee or reconstituting the Agricultural Committee on Farm Machinery?

HON. STERLING R. LYON, Q. C. (Attorney-General)(Fort Garry): Yes, Mr. Speaker.

MR. SPEAKER: The Honourable Member for St. John's.

MR. SAUL CHERNIACK, Q. C. (St. John's): Mr. Speaker, if I could address a question to the Honourable the First Minister. Whether it's possible for him to see to it that we receive, before the session ends, a Return on the Order which I requested on April 10th in connection with the Hedlin-Menzies study on Transition in the North, of the problem of relocation?

HON. WALTER WEIR (Premier)(Minnedosa): Mr. Speaker, I have tried to assure the Honourable Member for St. John's I think twice in this session, that I expect to be able to return this Order before the end of the session.

MR. SPEAKER: The Honourable the Provincial Treasurer.

HON. GURNEY EVANS (Provincial Treasurer)(Fort Rouge): Mr. Speaker, before the Orders I wish to table a Return to an Order of the House No. 43.

MR. RUSSELL PAULLEY(Leader of the New Democratic Party)(Radisson): Mr. Speaker, I wonder if I may direct a question to the Honourable the Minister of Public Works. I believe the Honourable Minister is in charge of expropriation proceedings for all department of government. I wonder if my honourable friend could indicate when I might receive a reply to my Order for Return in respect of an expropriation that took place recently in the northwest corner of the Greater Winnipeg area.

HON. STEWART E. McLEAN, Q. C. (Minister of Public Utilities)(Dauphin): Mr. Speaker, very soon.

MR. PAULLEY: May I have the assurance of my honourable friend that "soon" will mean before we adjourn the session?

MR. McLEAN: I would hope it wouldn't take that long, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Gladstone.

MR. NELSON SHOEMAKER(Gladstone): Before the Orders of the Day are proceeded with I would like to direct a question to my honourable friend the Minister of Public Utilities. Some two or three weeks ago I understood him to say in reply to a question that I asked in respect to MacDonald Airport and the property there, that he would be making a major statement on a new policy in respect to the selling of buildings, etc., at MacDonald. I wonder in consideration of the fact that we are not going to be dealing with his estimates, if he might consider advising the House at this time of any change in policy in respect to the sale of property at MacDonald Airport.

MR. McLEAN: Mr. Speaker, I'm quite certain I made no such statement that I would be making any major statement or indeed any statement on the matter of the buildings at the former MacDonald Air Base. The honourable member will remember that I indicated that there had been no change of policy and that the buildings -- I think the question, if I recall it correctly, was whether the buildings were being sold and I informed him at the time that they were not being sold at the present time.

MR. SPEAKER: The Honourable Member for Brokenhead.

MR. USKIW: Mr. Speaker could the Minister of Agriculture indicate to the House just when he is going to furnish the House with an Order for Return in connection with the Marketing Enquiry Commission and correspondence related to it.

HON. HARRY J. ENNS (Minister of Agriculture and Conservation (Rockwood-Iberville): Mr. Speaker, I made further inquiries with respect to that order and I believe, if I understand the question right, the Member from Brokenhead is asking for information or copies of correspondence between the government and the Vegetable Marketing Commission. I am told that all the correspondence that took place between the government and the Vegetable Marketing Commission is contained within the Order of Return that I did file on the subject. There is other correspondence that we can add to that.

MR. USKIW: Am I to take it then, Mr. Speaker, that there has been no correspondence since last spring, March or something like that? March of last year?

MR. ENNS: Mr. Speaker, we meet very often with the Commission from time to time. I would not deem that unusual. We have verbal meetings either at the office of the Commission or in my office. I can't say for sure just what correspondence that he does have there. I imagine there would be some emanating out of the Deputy Minister's office, but again I'm told that all the correspondence is contained within that Order of Return that was made to the honourable member.

MR. SPEAKER: The Honourable Member for Portage.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, I'd like to direct my question to the Honourable the Minister of Industry and Commerce. Could he tell us what use is presently being made of the MacDonald Airport facilities or if there are any plans for the future in this regard.

HON. SIDNEY SPIVAK, Q.C. (Minister of Industry and Commerce)(River Heights): Mr. Speaker, I think I have indicated before in the past, there are several companies who are considering possible use of MacDonald Airport.

MR. SPEAKER: Orders of the Day.

MR. MOLGAT: Before the Orders of the Day, in view of the number of questions we ask at times of Ministers across the way for replies to Orders for Return, I thought I might mention that I have a reply this afternoon for an Order that I placed this morning and I want to thank the Minister for his prompt return.

MR. SPEAKER: Before we proceed with the business at hand, I wonder if I might read the resolution of the Honourable Member for Wellington: "While concurring in resolution No. 120 this House regrets the government, by its cruel and restrictive regulations under the Social Allowance Act, prevents many Manitobans with fixed and low incomes from obtaining adequate Medical Care." Probably he would now proceed.

MR. PHILIP PETURSSON (Wellington): Thank you, Mr. Speaker. I think I had reached the point of mentioning the aged, the ill, the infirm, and I was enlarging on the subject of the welfare for all our people. In reference to that I had suggested that in one way or another the welfare of those who are the best and most highly recompensed in our society, the medical men, and second only to them are the members of the legal fraternity, that their particular welfare had been taken care of as it was suggested in a newspaper clipping a few days ago, where it was pointed out that the medical men were getting along fairly well even with the difficulties that they felt they suffered under on a fee or salary or whatever you would call it of from 30 to 40 thousand dollars a year.

There are great numbers of people who have to get along on much less, perhaps as little, or less than 10 percent of that amount, and these are the people with whom I am mainly concerned. The treatment often meted out to them does not indicate that there is a direct or an active concern for the welfare of all our people. As a case in point, I might mention -- I could get into the field of taxes and this sort of thing, but that has been pretty thoroughly dealt with so I'll avoid that particular area, although many of these people who are on fixed incomes

(MR. PETURSSON cont'd.) . . . . and are living alone and trying to carry on their small homes are suffering great and extreme hardship. But let that suffice for my excursion into the tax field.

Another subject in this general theme would be the nursing homes and the requirement that is made by those who conduct and operate nursing homes that the services of the nursing home be paid for by the people, by the patients who are taken in. Nursing homes do not come under the hospitalization scheme. I believe this is to be brought up later during the course of our consideration of resolutions by one of the honourable members and it will be further dealt with at that time, but let me just refer very briefly to it at this point.

It happens, and not infrequently, when people are no longer considered to be active cases in an intensive care hospital, that then it is suggested to them that they may leave and that the care that can be given by a nursing home is sufficient to their needs. But the difficulty there is that when they leave the hospital and enter a nursing home they leave the - what would I call it - the shelter of the umbrella of the hospitalization Act, and on entering a nursing home they are then required to pay their own fees, which is to my way of thinking an injustice and a disservice because these people, as I mentioned this morning, have reached the stage when they are at their most vulnerable point during their lives. They are ill; they are incapacitated in one way or another; they are infirm; they are unable to put up a battle in defence of their own rights; and it seems to me that much more could be done in this regard than is being done, and some consideration shown for their welfare above and beyond what is now being shown, and that nursing homes could be brought in as a part of the general hospitalization scheme so that those patients who do not need, or are not in need of an actual hospital bed, could be placed in a nursing home and still receive the benefits of hospitalization.

MR. SPEAKER: I regret to interrupt the honourable gentleman, but he will recall that during the hospital -- or at least health estimates were thoroughly discussed and I am not too sure whether or not the point he is bringing out now wasn't discussed then. And whilst I am on my feet, I notice the resolution calls for - "regrets the government by its cruel and restrictive regulations." I was wondering when the honourable gentleman would probably come into that phase of his discussion.

MR. PETURSSON: If Mr. Speaker would read the last two words, I think, in that resolution, it comes into the medical field. But I wasn't going to take too much time on this particular phase of the subject that I'm discussing. As a matter of fact, I wasn't going to take very much time in any event and I must -- I feel I am compelled, I think, to remind the Speaker that I am not one of the most voluble or troublesome members in the House and I do not take up very much time of the House. I am not suggesting that he give me any special leeway, but simply if he would be kind enough to recognize that fact.

So I turn to other things. There was an article in the paper just the other day that referred to the subject of being permitted to die with dignity. This is a needful privilege to be permitted to die when that time comes with dignity. I won't develop the theme because I am more concerned with the possibility of people being able to live with dignity, and there are people, those among us, who find it very difficult to retain dignity in living. If we have their welfare at heart, as it is stated in this House daily that we do, as we begin every session, then we are in duty bound to see that our people can live with dignity; and if we do not, then the words of the prayer that we listen to and to which we utter our Amens at its conclusion becomes a sort of a hollow and meaningless exercise. If we mean what we say in it, that we seek the welfare of all our people, then something more than what is being done in certain areas, however small they might be, something more must be done than what is being done.

And this is emphasized in the words in a brief that was submitted by the Manitoba Association of Social Workers. I believe it was mailed to every member, every member has a copy of it, and the social workers are people who are probably more aware of the situation under which many people live than any others in our community, and in that brief the social workers regret that the government has sidestepped the recommendations of the Hall Commission on health services.

Now if the recommendations had been followed out, then it would be possible to have our people living with dignity, or a greater dignity than many of them now are having to live; and then when the time for dying comes, they would also be enabled to die with dignity. I am not saying that the Department of Welfare is not permitting people to die with dignity.

(MR. PETURSSON cont'd.) . . . . That phrase has to do with certain medical practices and so on, but in its own way it would impinge upon the area with which the Department of Welfare deals.

It is because of the restricting regulations that this government has laid upon the Social Allowances Act that we would urge upon the government at this time to open the way a little more than it is already opened for the citizens of this province to obtain the same adequate medical care that the more affluent segments are able to avail themselves of. At the present time this does not exist, and involved in the doing of this would be the adoption of the Medicare Act, the terms of the Medicare Act that was passed by the Federal Government and was enacted by this government but not put into action, - or whatever term is the proper one to use. It seems to be the policy of the government to follow the ancient biblical aphorism, that "To them that have it shall be given, and from them that have not, even the little that they have it shall be taken away."

Too often this seems to be the case, and if it is not taken away, then it is simply by neglect that the indication is there that they are the deprived people; they cannot live with the dignity that other segments of the community can; they are not the subject of our desire for the welfare of all our people. Hence, Mr. Speaker, I move and support the motion to which I have addressed myself at this time.

MR. SPEAKER: Are you ready for the question?

MR. SHOEMAKER: Mr. Speaker, I have a letter to read from the Department of Welfare that I would expect the House to consider in light of the resolution that is before us. Now I have been one of those who over the years that has been very much in favour of and very enthusiastic about the social allowances legislation, and in particular the Medicare cards that the department put out, because I feel that our senior citizens, who have made many major contributions to this province, when they are in need - that's the word my honourable friend likes to use, the basic needs - when they are short of the basic needs, and in particular the necessary money to purchase medication and all of their medical needs, that they should be provided with Medicare cards.

Now I understand, Mr. Speaker, that by and large the social workers go out and they sit down at the kitchen table and they determine the revenue coming in to the applicant on the one hand and the expenditures on the other, and that when the revenue coming in is short in their estimation - in their estimation - that is there is a schedule set down that my honourable friend considers to be adequate, whether it is adequate or not they consider it to be adequate - then they will, if it is inadequate, they will pay them a social allowance. And I understand the minimum they will pay is \$2.00, that is if your old age pension cheque and other income is short of meeting the basic needs by \$2.00 they will send you out \$2.00 and provide you with a Medicare card.

Now I have a letter before me that indicates that the program is going to be changed, and I would like to read the letter because it is dated May 9th - that's not long ago - 1968. It's addressed to Mr. & Mrs. L. Smith, Neepawa, Manitoba. "Dear Mr. & Mrs. Smith: As you are both now receiving the increased old age security, you are no longer eligible for medicare coverage. This will be cancelled as of June 30, 1968, but can be used up to that date. If you wish to take advantage of the medical coverage offered by the Manitoba Medical Service, you can write them at 599 Empress Street, Winnipeg 10. They will send out the necessary information to you. If you do, tell them that you presently hold a Medicare card and tell them your number. I wish you the best of health and hope things will work out to your satisfaction."

Now isn't that a nice kind of a letter? They say we are taking away your Medicare card, and God bless you and we hope you don't get sick because we are not going to cover you if you do.

Well now, the opening paragraph in the letter says that in consideration of the fact that they both now qualify for \$107.10 each whereas last year they qualified for \$105.00 - so they have got a \$2.10 increase each for two people is \$4.20 - because they have got that \$4.20 difference, an increase of \$4.20, then they are going to take away their Medicare card. It's not right. -- Well, it could be right -- (Interjection) -- well, I'm let him answer it when I sit down if he likes, or he can answer it right now if he likes.

HON. J. B. CARROLL (Minister of Welfare)(The Pas): . . . a question, Mr. Chairman. I assume, knowing our policy, that only one of them was getting Old Age Security as of last

(MR. CARROLL cont'd.) . . . . year; the second one now qualifies. Then some other circumstances happened which substantially increases their income.

MR. SHOEMAKER: For the information of the House, I believe one of the people is 78 years old, I believe, and the other one 72. I think that's their ages - 78 and 72. But let us suppose that last year they were not in receipt of any social allowance dollar-wise - and I'm sure that they were not - I'm quite certain they did not receive any cash social allowance but they did receive a Medicare card. Now let us suppose that the Medicare card paid for \$150.00 of their medical needs, because if you will refer to Page 36 of the annual report just tabled you will find out what the average cost per Medicare card was and it's fairly substantial. Then let us suppose that they did get this \$4.20, then this could rule them out of a Medicare card. Well . . .

MR. CARROLL: Just on that point so there will be no misunderstanding, the increase as a result of the cost of living bonus that was given by the Government of Canada did not take anybody off social allowances or take a Medicare card away from anybody for that reason alone. There must have been other circumstances as well.

MR. SHOEMAKER: Mr. Speaker, perhaps I should ask my honourable friend then how many letters of this nature went out, or is it the policy to cut back on the medicare coverage? -- (Interjection) -- Okay, now let's get back to this specific case again. What you are instructing this couple to do is, in consideration of the fact that you are going to take away their medicare coverage, you are suggesting that they make application immediately, certainly prior to June 30th, for MMS coverage.

Now if they purchase the same kind of coverage that they presently have by Medicare card, which they cannot buy anywhere - let's face it, you cannot purchase that kind of coverage, it's impossible, and my honourable friend knows why it's impossible - because the Medicare card provides for medical attention, prescribed drugs, optical and dental. You and I can't buy that kind of coverage. But let us suppose, my honourable friends, that this couple does go out to buy the best plan that is available. It will cost them roughly \$150.00 a year for the best MMS plan that you can buy. They purchase this plan to the tune of \$150.00 a year, then by doing that it could very easily put them back in a position where they were before where they would then qualify for social allowance. It could easily do that. Supposing that after investigation you find that this couple are \$10.00 - according to your own basic need table - that this couple have \$10.00 more than you think they really need to get by on, then they go out and buy the best MMS plan they can buy which is going to cost them more than that, then immediately they would qualify - immediately then they would qualify.

Another very very bad feature about this, Mr. Speaker, is this. Let us suppose they don't go and buy MMS, and not likely they will - not likely they will - then they are faced with a serious operation or serious illness and then make application for Medicare coverage again and they are granted a Medicare card, it will not cover that particular operation. That is, it is not retroactive; the coverage is not retroactive. So where does that leave them then? It leaves them faced with all of the bills themselves, and certainly this has to be changed because that places them in a ridiculous position. I know that it's possible under the Act when circumstances change that you can reapply for Medicare, but if the circumstances are that they have been faced with a serious operation, a lot of medical bills to the tune of a thousand bucks, then make application for medicare, the Medicare card will not cover back the operation that has . . .

MR. CARROLL: Would the honourable member permit a question? Would the circumstances not have changed at the point where it was diagnosed that they needed the operation and had need to incur very substantial medical expenses? Would that not have been a point at which the circumstances changed?

MR. SHOEMAKER: But supposing that you suspend this medicare coverage on June 30th, as certainly you intend to do, and let us suppose that on July 30th - you've taken their coverage away - they are then faced with a serious operation and the social worker goes back and he says, "We'll give you back your Medicare card." Are you going to cover that operation that took place after July 1st to July 30th? Is it going to be retroactive? -- (Interjection) -- It's not going to be retroactive. Well, this is the point I'm making.

MR. CARROLL: The question I asked was at the point when the diagnosis indicated that there were going to be substantial expenses, at that point, or during that interval of time a call to the department, who obviously have a file on them, would that not have resulted in immediate enrollment?

MR. SHOEMAKER: Well, what my honourable friend is saying that if everybody in the world knew that they were going to be faced with an operation they'd immediately go out and buy a policy. Certainly they would. If a fellow knew his house was going to burn down tomorrow he'd buy a policy today. But how does he -- I'm sure I don't know when I'm going to be stricken down. Boast not thyself of tomorrow, is the old saying, because you know no one knows what tomorrow will bring forth. No one knows that.

But if my honourable friend will get up and say -- or amend the Act to say that in the event that this fellow does not buy MMS and in the event that he is faced with a serious operation or a major medical bill, then we will give you a Medicare card and it will be retroactive. That's the way you can cure that. That's what should be done in cases of that kind, because through no fault of their own they were faced with these circumstances. This is exactly what I am saying, and I think in this particular case, and in certain other ones, a review should be made. So therefore, Mr. Speaker, you will appreciate that it is my intention to support the resolution that is being put forward.

MR. CARROLL: Mr. Speaker, I'm wondering if the member could table the letter. I would like to see it if I could.

MR. SHOEMAKER: ... honourable friend it's from his department. He should know the -- I will table this one; it's a certified copy of a photostat copy.

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

MR. CHERNIACK: Yeas and nays please, Mr. Speaker.

MR. SPEAKER: Call in the members. We are dealing with the motion of the Honourable Member for Wellington.

A STANDING VOTE was taken, the result being as follows:

YEAS: Messrs. Barkman, Campbell, Cherniack, Desjardins, Dow, Doern, Fox, Froese, Green, Guttormson, Hanuschak, Harris, Hillhouse, Miller, Molgat, Patrick, Paulley, Petursson, Shoemaker, Tanchak, Uskiw and Vielfaure.

NAYS: Messrs. Baizley, Beard, Bjornson, Carroll, Cowan, Craik, Einarson, Enns, Evans, Hamilton, Jeannotte, Johnson, Klym, Lissaman, Lyon, McKellar, McKenzie, McLean, Masniuk, Roblin, Shewman, Spivak, Stanes, Steen, Watt, Weir and Witney, and Mesdames Forbes and Morrison.

YEAS, 22; NAYS, 29.

MR. SPEAKER: I declare the amendment lost. The Honourable Member for St. John's.

MR. CHERNIACK: Mr. Speaker, I beg to move, seconded by the Honourable Member for Elmwood, that while concurring in Resolution No. 123, this House regrets the failure of the government to reveal the contents of the study entitled "Transition in the North - The Problem of Re-location", which has been in the possession of the government for a considerable length of time.

MR. LYON: Mr. Speaker, I think there's a possible question of order here because I don't know of any vote in the Department of Welfare under which this particular study would come, if indeed it's a matter of any substances to take up the time of the House.

MR. CHERNIACK: Mr. Speaker, if I may, we're dealing with Community Development Services, which certainly is a matter which would relate to the title of the subject matter. As to the contents of the subject matter, I do not know what it is, and therefore I wish to discuss what it's likely to be. Possibly the Honourable Minister knows more about it.

MR. PAULLEY: It's perfectly in order.

MR. LYON: ... vote, Mr. Speaker, if that's -- (Interjection) -- Well that's your problem.

MR. PAULLEY: Mr. Speaker, may I suggest on the point of order raised by the Honourable the House Leader that the matter of relocation which is referred to in the title of the document contained in the motion of my honourable friend, certainly would have something to do with Community Development Services. And I think it -- (Interjection) -- Pardon?

MR. CARROLL: May be.

MR. PAULLEY: May be. That's all I want to listen to from my honourable friend, that it may be dealing with the question of relocation of services - community services, and Mr. Speaker, on that point I think that it is perfectly in order.

MR. LYON: Mr. Speaker, the question I think is - if it's relocation services, I imagine the Department of Public Utilities might have been considered more appropriate, certainly not this department.

MR. MOLGAT: Mr. Speaker, I think it's been assumed on this side of the House that the study, "Transition in the North", was not purely a transportation question, it was a question of the transition of people and a people-related study. Now in the past under Community Development Services it has always been the occasion when we discussed the isolated communities in northern Manitoba - the people of Metis ancestry, the people for whom the Province of Manitoba is specifically responsible. I know in past occasions I've discussed, for example, the housing for Metis people under that very title and I would think that the study undertaken by the government dealing with these areas and with the isolated communities would fall under that item.

MR. SPEAKER: The question in my mind is the fact that there has been considerable discussion under the Minister of Urban Development, at least her estimates have been discussed to some length, and it makes it rather questionable in my mind as to whether or not this might not come under that heading. However, with that doubt, and in order to give the honourable members the opportunity to discuss this matter, I'm prepared to approve of it.

MR. SPEAKER presented the motion.

MR. CHERNIACK: Mr. Speaker, I don't propose to take too long on this but I must indicate that I have run out of patience in waiting to learn that which would be of assistance to me and no doubt to other members of the House in advising the government on what problems it has and what work it has to do. That certainly is part of the task of the opposition, to work along the lines of helping to solve the problems of our Manitoba community.

When I learned last July of the existence of such a report, I did what I think was a responsible thing to do, I wrote a letter to the Manitoba Development Authority in this building on July 12th, and I said, "I understand that you have a report made by Hedlin-Menzies dealing with Transition in the North - the Problem of Relocation. I would appreciate your letting me have a copy of same if it is available, and if not, whether you would indicate when it would become available for me. Yours sincerely" - and I signed it as a Member of the Legislature. From July 12, 1967 until August 2, 1967, I waited patiently for a reply. Not having received a reply, I wrote a letter again to the Development Authority on August 2nd stating that "on the 12th ultimo I wrote you asking for a copy of the Hedlin-Menzies report dealing with Transition in the North - the Problem of Relocation. I would appreciate hearing from you in this regard. Yours truly."

The next letter on my file addressed to the Authority dated September 6, 1967 is self-explanatory. "I wrote on July 12th, and again on August 2nd last I wrote you requesting a copy of the Hedlin-Menzies report dealing with Transition in the North - the Problem of Relocation. On the 16th ultimo, Mr. Bateman" - who I interject is of course the Deputy Minister - "telephoned me and advised me that this matter would be referred to the Minister for reply. Since my first letter was sent eight weeks ago, I would appreciate it if a responsible officer could reply to my letter indicating whether or not it is your intention to let me have a copy, and if so, when. Yours truly." I might indicate the Minister at the time was the then Premier of the province.

And finally on September 14th, Mr. Speaker, which is some two months later, I did receive a reply signed by Mr. Scott Bateman, Deputy Minister, stating: "You have written to the Manitoba Development Authority asking that you be provided with a copy of a study entitled 'Transition in the North - the Problem of Relocation.' We also had a telephone conversation about the matter. I am instructed to tell you that the study to which you refer was done in confidence for the government, that it is still under review by the government, and that it must be regarded by us as a confidential document until the government decides otherwise. I am sorry, but under these circumstances I can not provide you with the copy you have requested."

Mr. Speaker, I then waited, and not having received the report in any way that we normally get documents from government, I put in an Order for Return - and I think it was April 10th that it was heard by this House - and I didn't demand the study, but rather I asked questions which would indicate whether or not it would become available to us, because I still tried to deal with it in what I thought was a responsible approach. I asked for confirmation that the government did indeed retain the services of Hedlin-Menzies for this study. I asked how much it cost, since I think that the expenditure of the public money for study, confidential or otherwise, is something we should know about. And then I asked when did the government get it; how and when will be or were copies available to the government and Members of the Legislature or the public; and I asked him to whom and in what quantities were copies of the study distributed; and what action has been taken by the government resultant from the study.



(MR. CHERNIACK cont'd)

Well, the Honourable the First Minister accepted the Order for Return, and as he stated today, he had previous to today on two occasions undertaken that the Return would be made before the session was over - and I think he said he hoped that it would be. Well, the session to my way of thinking is practically over, and if we get it even Tuesday, it may become rather academic from the standpoint of what we could do in discussing it in the House. That is why, feeling as I did that the title is such as would seem to bring it under Community Development Services, I thought that I should raise the question and possibly we can elicit some replies.

We have had discussions here about the relocation of Indian settlements due to a Hydro development which involved changes in water level, but the name of this document - and, incidentally, that's all I know about it is the name of it - speaks of a transition that's taking place, and surely we know that is the case. Surely the Honourable Member for Churchill has told us a great deal about it and we, with deference, didn't actually need him to tell us that there's a transition taking place.

But the problem of relocation of people is a problem which is a known one and which concerns us all, and surely if the government spent the people's money in order to acquire information or a study or whatever it was that came as a result of this, it is something which we ought to be dealing with. And the government having had it, I would assume for a year - I think that's a fair assumption since my letter was written over ten months ago - let's say for at least ten months and maybe a year and maybe longer, surely either the government has done something about it and is in a position to report to us as to the nature of the study, the conclusions and what it has done; or the government has not done anything, in which case the information and recommendations that might be contained in this study should be made available to the people of Manitoba and to the people's representatives in this Legislature so they could assess the value of the study and the recommendations and so that they could press the government, again in a responsible way, to do things that may be recommended in the study which is of value.

So I've held back patiently until today waiting for the report, and not even demanding the study but rather asking questions leading to information as to what the government really intended to do with the study. Possibly the government wishes to continue to keep it confidential and possibly the government wishes to buy it; possibly the government has already made it public, because for all I know it is on the shelves of the libraries and I don't know about it. Therefore, I raised the question - as I say, I've lost patience - so I've brought it up in this manner in order to see whether I could get some answers to it so that we could deal with it, again in a manner in which members of the Legislature ought to be dealing with the problem. The problem of Community Development Services is a serious one. We are in this resolution authorizing an expenditure of close to \$1.1 million and it is one which may be too much or too little, and possibly the study, if we had the information contained in it, would have been of assistance to us in helping the government decide whether the monies asked for are reasonable, are adequate, are too much or too little.

So I've used this opportunity, Mr. Speaker, to see whether I could get some lead from the Honourable the First Minister as to what he intends to do with this study and whether or not he will give us the information, because in the Order for Return I did not ask and he did not promise to tell us what it contains, and possibly at this stage I could prompt him to give us the information as to the nature of the report, its contents and its recommendations.

MR. SPEAKER: Are you ready for the question?

MR. PAULLEY: Mr. Speaker, my colleague from St. John's, I think quite properly, has raised this question as to a study that has been made, and he did ask for some indication of concern or interest from the members opposite, and I think that he is entitled to it. He quite properly points out that there is an expenditure of an excess of a million dollars which could well involve relocation of communities in northern Manitoba particularly. I note that the Honourable Member for Churchill is loath to tell us in this House of the needs and requirements of the north, and it could conceivably be that the information, or a plan or an outline for the future, would be contained within the study made by Hedlin and Menzies. -- (Interjection) -- It could well be. Yes, my honourable colleague from St. John's raises the point that possibly the Honourable the Member for Churchill is in possession of a copy of the document or knowledgeable as to its contents. Now I can't of course accuse him of having this document or I can't accuse the government of giving him the document, but it may be within bounds of reality

(MR. PAULLEY cont'd) . . . . to suspect possibly he is aware of the contents.

Now the other day, Mr. Speaker, for instance, we had an emergency debate in this Assembly dealing with the relocation of an Indian tribe or tribes in the neighborhood of South Indian Lake in north Manitoba as a result, as my colleague from St. John's mentioned, of new developments and the transition of the north, the harnessing of the mighty rivers in the north for the benefit of those of us to the south. We've had debate after debate in this House dealing with matters pertaining to the north - the question of the Port of Churchill - all dealing with community services.

Now has the government -- I ask the Honourable the First Minister directly, surely from the time of the receipt of this study the government has considered it, and surely my honourable friend has got some comments that he can make to the House, or won't my honourable friend the First Minister stand in his place and tell us that the document is so confidential that he can not disclose it.

We had quite a fight, or at least it took quite a little while to extract or have tabled the Murray V. Jones report which was most revealing, as I am sure the Honourable Member for Churchill and the Minister will agree, it was most revealing. Am I correct in suspecting, Mr. Speaker, that because of the silence of the government that the contents of the Hedlin and Menzies study on the relocation in the north, that it is another expose of conditions in the north that we are all so vitally concerned with? I wonder, Mr. Speaker, whether the First Minister can assure us that such is not the case. He can, I am sure, because I am sure that he or his Minister of Welfare or his Minister of Urban Development must have taken a look into the Hedlin-Menzies report, or possibly my honourable friend the Commissioner of Northern Affairs who is so reticent to talk of northern affairs in this House, has surveyed and studied the report.

So I want to join in the appeal of my colleague from St. John's for a little more candid approach of the government. Tell us in respect of this report, of the contents, whether or not it's a confidential report of such a nature that it would be impractical or undesirable to reveal to the people of Manitoba, particularly following the expose contained in the Murray V. Jones report. Are you hiding something? If you are, tell us you're hiding it; if you're not hiding it, then for goodness sake come out from the cloak of silence and reveal to us what is contained within the report.

MR. SPEAKER: Are you ready for the question?

MR. GORDON W. BEARD (Churchill): Mr. Chairman, I just rise to assure the Leader of the NDP Party that I do not have a copy of the Hedlin-Menzies report. I am as interested as he is as to what it contains, and I guess we'll wait until it is tabled.

MR. SPEAKER: The Honourable the First Minister.

MR. WEIR: Mr. Speaker, the only thing that I have to say is that I have replied on several occasions as far as the Order for Return is concerned saying that I expect to be able to table the Order before the end of the session. It's still in the same position. I might say that the study is a joint one related primarily to the difficulties that there will be in certain areas where the Hydro development is taking place in the north. This is the purpose of the study, and the Order for Return, I fully expect, will be able to be returned before the session rises.

MR. CHERNIACK: Mr. Speaker, may I direct a question to the Honourable the First Minister? Will you also be prepared to file a copy of the study along with the Order for Return?

MR. WEIR: Mr. Speaker, that was a part of the Order for Return.

MR. CHERNIACK: No, it wasn't.

MR. WEIR: The answer to that question was a part of the Order for Return.

MR. CHERNIACK: The question I've asked is will he file a copy of the study, and if he interprets the Order for Return to include that, then I'm quite satisfied.

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

MR. CLERK: Resolved there be granted to Her Majesty a sum not exceeding \$38,560,215 for Welfare, Resolutions 119 to 124, for the fiscal year ending the 31st day of March, 1969.

Capital. Resolved there be granted to Her Majesty a sum not exceeding \$200 million for Capital expenditure requirements of the Manitoba Hydro Electric Board.

Resolved there be granted to Her Majesty a sum not exceeding \$48,368,000 for Capital Expenditures.

(MR. CLERK cont'd)

Schedule A. Requirements for the Manitoba Telephone System, \$20,500,000. The Manitoba School Capital Financing Authority, \$15,000,000. The Manitoba Housing and Renewal Corporation - Housing, \$5,300,000; Renewals, \$3,000,000. The Manitoba Agricultural Credit Corporation, \$2,500,000.

Schedule B. Other Requirements: (1) Regional Vocational High Schools, \$2,000,000. (2) Community Seed Cleaning Plant, \$68,000.

MR. DOUGLAS CAMPBELL (Lakeside): Mr. Speaker, it's not my intention to move an amendment with regard to this motion, and I think most of the Honourable Members will feel the same with regard to the capital amounts that are requested here; namely, that the Manitoba Hydro Electric Board program has been pretty thoroughly discussed, and the same I think would apply to the Manitoba Telephone System requirements, but I would think that on some of these other items the honourable members would appreciate a review from the Ministers concerned.

I would suppose that the fourth item, the Manitoba Agricultural Credit Corporation, could perhaps be easily covered by the Bill that's coming in, but I would think that likely the members would be interested in Manitoba's School Financing Authority, the Manitoba Housing and Renewal Corporation, the Regional Vocational High Schools, and the Community Seed Cleaning Plants. While I recognize that there is an increase in the amount devoted to the university in our current estimates, I'm just wondering over the fact if that is all the capital requirements that the university is expecting in the current fiscal year.

So, Mr. Speaker, I simply suggest that, on some of these items at least, I think an explanation would be appreciated.

MR. EVANS: Mr. Speaker, the next order of business would be to go into the Committee of Ways and Means, whereupon each Minister is prepared to discuss the capital items in his department.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. MOLGAT: Mr. Chairman, I would hope that we will have the opportunity then to have a full discussion on the subject. I would particularly like to have in each area the carry-over from previous years, because this is the one area in capital where the funds previously voted do not extinguish automatically at the end of the year. So if we could have, not just in the categories listed here this year but in the past categories, for example Water Supply Board, the various other areas where we have previously voted funds, the amounts that are still outstanding - voted but unused.

MR. EVANS: ... if this is a point of order, Mr. Speaker.

MR. SPEAKER: I didn't hear the Honourable Leader of the Opposition state as to ...

MR. EVANS: I think I can answer very quickly, that it will be in committee and we will want to provide as full information as members ask for.

MR. SPEAKER: I have a motion. I suppose the House is ready for me to put it. Moved by the Honourable -- I'll repeat it. Moved by the Honourable Provincial Treasurer, seconded by the Honourable Attorney-General that the resolution reported from the committee ...

MR. MOLGAT: Mr. Speaker, the Attorney-General unfortunately is not in the House. You'll have to have another.

MR. EVANS: On a point of order. My honourable friend - his honour the Speaker is not putting the motion, but merely repeating for our information what the motion was that was put at the beginning of this protest.

MR. SPEAKER: That is true. I put it some time ago. I'm merely repeating it for the information of the House. That the resolutions reported from the Committee of Supply be now read a second time and concurred in.

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

MR. EVANS: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Welfare, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of ways and means for raising of the supply to be granted to Her Majesty.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House resolved itself into a Committee to consider of ways and means for raising of the supply to be granted to Her Majesty, with the Honourable Member for St. James in the Chair.

#### COMMITTEE OF WAYS AND MEANS

MR. CHAIRMAN: Resolved that towards making good the sums of money granted to Her

(MR. CHAIRMAN cont'd) . . . . Majesty for the public service of the province for the fiscal year ending the 31st day of March, 1969, the sum of \$363,173,863.00 be granted out of the Consolidated Fund.

MR. CHERNIACK: I'm sorry I'm not clear on just what you are reading from.

MR. CHAIRMAN: The resolution before the committee of ways and means. Resolved that towards making good the sums of money granted to Her Majesty - \$363,173,863.00.

MR. EVANS: Mr. Chairman . . . that that is the total of the main estimates less those amounts already authorized by statute, mainly the vote under legislation.

MR. CHERNIACK: . . . item that appears in the estimates of revenue?

MR. EVANS: No, the estimates of expenditure.

MR. JACOB M. FROESE (Rhineland): Mr. Chairman, is this less the amount - the 10 percent that was approved earlier?

MR. EVANS: This includes the Interim Supply. Interim Supply is always stated as a fraction of the main supply, namely in this case 2/12ths or 2/10ths - I've forgotten the exact fraction - and the original message and the main estimates themselves include the interim supply and in effect, the Interim Supply Bill is of no further force and effect after the main supply bill is passed.

MR. CHAIRMAN: Resolution passed.

MR. MOLGAT: Mr. Chairman, it might be useful - and I'm not asking for the Minister to give it to us now - but if he could give us simply a sheet showing how that figure is exactly arrived at because the estimates that we have before us of course, if you take the book itself, reads \$377 million, and merely for the clarification of the committee members, if we could have the calculation - I'm sure it's correct but it will be useful to have.

MR. EVANS: The figure is made up as follows, Mr. Chairman: The total estimates \$377,132,536; less public debt, which is also statutory; \$13,958,673; less the statutory indemnities and other similar expenses \$414,000 - that comes to the total amount as read by the Chairman - if my understanding is correct - of \$363,173,863.00.

MR. CHERNIACK: Mr. Chairman, if I may, the figure read by the Honourable Minister as to the public debt does not jibe with the estimates. Is there a reason that I don't quite follow?

MR. EVANS: If my honourable friend will turn to page 29 of the estimates. --(Interjection) --

Then I was in error and I thank my honourable friend for pointing it out. The figure I read as \$13,958,673 is the total which must be deducted from the \$377 million and does in fact include the \$414,000.00. Thank you.

MR. CHAIRMAN: Resolution be adopted? Committee rise.

MR. EVANS: I think the Chairman will find other resolutions.

MR. CHAIRMAN: Committee proceed. Resolved that towards making good certain sums of money for various capital purposes the sum of \$248,368,000 be granted out of the Consolidated Fund.

MR. MOLGAT: Mr. Chairman, the questions I would particularly like answered at this time is under the -- all of the headings of capital. What is there presently outstanding, that is, how much money is their carry-over in each area? Not all of them appear on this Loan Act No. 1 or Loan Act No. 2, because there's certain areas, like for example, the University which has already been mentioned by my colleague the Member for Lakeside, there's no appropriation this year. The Water Supply Board which in previous years was one of the capital items, does not appear this year. There is no figure for highways this year. So, if we could have, for all of the various capital headings, the unused portion at this time, then we can relate it to the new requests.

MR. EVANS: Mr. Chairman, would it suit the members of the committee if we dealt with the capital in whichever bill it may occur, department by department?

My honourable friend, the Minister of Public Utilities is here and will be able to answer all questions with respect to Hydro, and other ministers will make themselves available to discuss the things in their departments.

MR. CHAIRMAN: Resolution be adopted?

MR. McLEAN: . . . I'm not certain, Mr. Chairman, but I can just report quite quickly with respect to Hydro that there is no carry-over, indeed a portion of the capital that is provided for here will be required to repay temporary borrowing that has been carried out and

(MR. McLEAN cont'd) . . . . the same is true with respect to the Manitoba Telephone System, that there is no carry over, they have some temporary borrowing that has been done under the authority which presently exists.

MR. FROESE: Mr. Chairman, is it the intention to use the complete \$200 million during the current year or . . .

MR. McLEAN: Mr. Chairman, that is for a period, covers a period of two years, 1968 - 1969, and 1969 - 1970, for the anticipated expenditures for capital purposes by Manitoba Hydro.

MR. MOLGAT: So last year we had no vote for Manitoba Hydro and the \$100 million allocated back in 1966 then has been totally used up. Could the Minister . . .

MR. McLEAN: Yes, Mr. Chairman.

MR. MOLGAT: Could the Minister indicate - not down to the cent - but in round figures, the amount of borrowing that's gone on, temporary borrowing, against both the Hydro and the Telephones. In other words, out of the present capital appropriation how much will go immediately for the redemption of temporary debt?

MR. McLEAN: Mr. Chairman, in the case of Manitoba Hydro - \$20 million. I don't think that I have that figure for the Manitoba Telephone -- in the case of the Manitoba Telephone System, Mr. Chairman, it's quite small. -- (Interjection) -- None, in the case . . .

MR. CHAIRMAN: Resolution be adopted?

MR. MOLGAT: . . . other items, Mr. Chairman, under Public Utilities where there was previously some capital appropriation, for example the Water Supply Board does not come under . . . Are there any others? -- (Interjection) -- No other capital. All right.

MR. McLEAN: . . . only as far as utilities are concerned.

MR. CHAIRMAN: The Member for St. John's.

MR. CHERNIACK: Mr. Chairman, I'm sorry but I'm not clear on the procedure. I've been waiting for the occasion when we would be dealing with details of estimated revenue and I just don't know when it comes up. With the detailed revenue items for current expenditures. Isn't this ways and means?

MR. PAULLEY: Are we in ways and means or capital supply?

MR. CHERNIACK: Ways and means.

MR. EVANS: The resolution that's before us now is to provide the capital sums required as read by the . . . I take it the first resolution which was to provide the sums for the main estimates was the occasion on which we could have asked about how those sums were going to be raised by taxes, but . . .

MR. CHERNIACK: Mr. Chairman, I'm sorry. Well the reason I did not think so, and I was watching it carefully as my honourable friend knows because I checked his arithmetic, is that the item that was passed was the total of the estimated expenditures. And therefore, I did not participate in that discussion because I was waiting for a resolution dealing with the estimated revenue which is a different figure.

MR. EVANS: Well the wording of the resolution is of course traditional. This is a committee to provide the ways and means of raising of the supply. The description of how the ways and means were to be provided was given in the budget address, which in fact was the motion which constituted this committee.

I think perhaps it might be convenient if we dealt with the capital item under Hydro, then I'm sure we could get general consent to re-open the other matter if my honourable friend wishes, and continue on from there.

MR. CHERNIACK: Thank you.

MR. FROESE: Mr. Chairman, since there is no vote for the Manitoba Water Supply, could the Minister of Highways tell us how much is still available for that purpose for this year from past votes.

MR. ENNS: Mr. Chairman, I wouldn't be able to give that figure offhand. I know that in Water Supply we are dealing with some capital requirements. There is an unexpended authorization for capital but the actual amount that is being asked for in the current year, I would have to take notice, Mr. Chairman.

MR. FROESE: Mr. Chairman, is there any amount requested for this year? There's certainly none on the order before us and how much will be required this year?

MR. ENNS: Mr. Chairman, I speak from the top of my head because I don't have my highways or water control estimate book before me. It would appear to me that as we are phasing out of some of our major capital works projects, such as the floodway around the city,

(MR. ENNS cont'd) . . . . we have been using less and less of capital supply. If my memory serves me correct, we're probably talking in the terms of \$5 or 6 million of capital supply in the Water Control Branch, and none in the Highways Department Branch.

MR. FROESE: Mr. Chairman, I was speaking of the Water Supply Board requirements, not - this is what I'm after. I feel because we have not had the chance to deal with the estimates of that department properly, all we had was five minutes, and certainly we couldn't derive the information at that time and I had hoped that on this occasion we would be able to get that information. Is there no way of getting the information for us, as to the amounts that will be needed for the Water Supply Board and how much is still available from past votes?

MR. CHAIRMAN. I think I should say to the honourable member that we have just finished dealing with these items in concurrence.

MR. EVANS: If my honourable friend will look at the capital estimates which were distributed, he will find them on several pages. There's the estimates respecting Loan Act No. 1, which amounts to \$200 million for the Hydro. -- (Interjection) -- No there was a special sheet -- let me show my honourable friend the appearance of it. Yes, those are the capital supply estimates and naturally the only capital authority that's being sought at this time. If he does not find an item in there for water supply then no capital is being requested at this time for water supply.

MR. FROESE: Mr. Chairman, I realize that, that we are not voting any new moneys. But we would like to know how much is still available from past votes for the purposes of the Water Supply Board for this year.

MR. MOLGAT: Mr. Chairman, that had been my original question at the outset. If we could have from the government a statement at this time as to what capital is still, that is, unused, under every heading. If the Minister prefers to do it department by department and we check each Minister then we'll do it that way. But I think it's quite proper for the House, when being asked to vote \$248 million in new capital, to ask of the government, well fine you want \$248 million new but what is there presently voted under all the items where there is unused capital still outstanding. I really don't care how it's done. We can do it department by department as long as we get the information.

MR. EVANS: Well, I'll endeavour to get a list before this Committee rises, perhaps this sitting, of all unused capital authority that has been voted. Then, if we could leave that to one side for the moment and proceed for the new capital authority that's being asked at the present time.

Now, perhaps in order to organize the discussion, we should concentrate on any further questions with respect to the item that will enter into the Loan Act No. 1, namely \$200 million for Hydro, then when we've disposed of that, turn to the next page and come to the other items.

MR. MOLGAT: . . . the Hydro then, Mr. Chairman, can the Minister indicate the purpose. I presume that this is all Kettle Rapids? Can he indicate how much more after this we are likely to require for Kettle Rapids? How much do we have now invested; how much after this \$200 million?

MR. McLEAN: Mr. Chairman, the sum of \$200 million refers to two fiscal years, the one beginning on April 1, 1968 and the one beginning April 1, 1969; and in the current year 1968-69, it is estimated that \$91,110,000 will be expended. Of that amount \$47.6 million will be for the Kettle generating station, that's on the Nelson River -- I shouldn't say Nelson River because it's all on the Nelson River -- the Kettle at Gillam. \$8.9 million will be for two units at Kelsey generating station, units 6 and 7. \$1.7 million for the Unit No. 4 at Grand Rapids. \$8.5 million -- I'm just rounding out the figures here -- \$8.5 million for the Brandon generating station, Unit 5. \$700,000 for Churchill River diversion. An item of \$560,000 says Other -- I presume that refers to water, that is works with respect to water streams. Transmission \$5.2 million; now that will be transmission in relation to Grand Rapids, that is, transmission of power from the Grand Rapids station and also transmission from the Kelsey station related to the Lynn Lake Laurie River arrangements. Terminal and sub-stations, \$4.3 million; Distribution, \$7.8 million; and other requirements are in at \$5.5 million for a total of \$91.1 million.

In the subsequent year - and these are estimates of course I presume only at this moment - \$51.3 million will be allocated to the Kettle generating station. \$684,000 for the Kelsey generating station, completing the work on Unit 6 and 7. Brandon generating station Unit 5 will be \$4.5 million and Churchill River diversion, \$3.2 million -- that would be the year of the beginning of the substantial work on the Churchill River diversion. \$483,000 for Other; transmission,

(MR. McLEAN cont'd) . . . . \$4.8 million; terminal and sub-stations, \$4.5 million; distribution, \$9.5 million and other requirements, \$6 million, for a total of \$85.2 millions. It is estimated that the total cost of the Kettle generating station, excluding the direct current transmission line, will amount to approximately \$240.5 million, of which approximately \$51.2 million will have been spent by March 31, 1968, that is the fiscal year that has just expired. That is the detail related to the \$200 million that is asked for in this vote for Hydro.

MR. MOLGAT: I thank the Minister for the details, Mr. Chairman. I note that he has in there on both years an amount for the Churchill diversion. Now we had a debate the other evening here on the subject of the Churchill diversion. I'm not going to revive it, except to ask him, will he undertake, or will whoever undertakes to provide the license to Hydro, can we have an undertaking that public hearings will be held prior to the granting of the license so that any affected individuals, any interested individuals, can in fact have an opportunity to appear and oppose the license if they feel that the license should be opposed?

MR. McLEAN: Mr. Chairman, I am presently waiting to meet with the officers of Manitoba Hydro following our debate of the other evening and having made some notes and also the Hansard report. I would not wish myself to give any undertaking with respect to public hearings because I'm not certain that public hearings are contemplated by the legislation under which the license is granted. All I could undertake to say would be that I will ensure that Manitoba Hydro will give careful consideration to the points which were raised in the debate the other evening and that they will do -- as far as they are concerned, that they will do everything possible to ensure that the interests of all parties are adequately considered. Now if that does in fact involve a public hearing, or public hearings, I'm sure that would be fine.

All I'm wanting to be clear, Mr. Chairman, is that I am not in a position, I do not consider that I am in a position to give any categorical undertaking that public hearings will be held.

MR. ENNS: Mr. Chairman, if I may just take this opportunity to elaborate slightly on the reply given to the Honourable Leader of the Opposition by my colleague, the Minister of Public Works. Insofar as that the actual granting of the license is under the jurisdiction of the Department of Highways, the Water Control Branch, in particular the Director of the Water Control Branch, the matter is before the Water Control Branch at this particular time. It is quite conceivable that in helping us to arrive at the decision whether or not to grant the particular license, actually the type of license to be granted and the conditions under which the license is granted, that we would direct the Manitoba Water Commission to become involved and they of course, as the Leader of the Opposition is aware of, are empowered to hold the type of public hearings that the Leader of the Opposition refers to. It's a course that we see taking place in the final granting of their license.

The matter as it stands right now is that a request for an in-term license is being made and we will -- our granting of this in-term license will depend, or will follow on the recommendations of the Water Control Branch and I can assure the House that they will avail themselves of all the mechanism that we have, including the Manitoba Water Commission, to help us arrive at an equitable judgment here.

MR. MOLGAT: I want to thank the Minister for the statement, Mr. Chairman. I'm pleased to see that there is consideration to public hearings. I think here the situation simply is that insofar as Hydro, they have a clear responsibility to provide electric power at the lowest possible rate and the most economical manner possible. There are other considerations then which my honourable friend the Minister in charge of water resources must be concerned about and there are other departments as well. The Department of Mines and Natural Resources obviously has in this area some areas of concern, and these are the areas where the government must be the protector. Hydro must put forward its proposition then all the other aspects must be considered by government and I would hope that there will be careful consideration of all this and the opportunity of public hearings so that outsiders who have views on this can come forward and express them.

The danger is that because of the size of the project and the importance of the project to Manitoba, the amount of money invested, that we may not give adequate consideration to the other aspects.

MR. CHAIRMAN: Resolution to be adopted? Committee rise . . . .

MR. MOLGAT: Mr. Chairman, No, No . . .

MR. EVANS: I wonder if we could turn now to the next item in the estimates, that is,

(MR. EVANS cont'd.) . . . . the requirements of the Manitoba Telephone System ?

MR. MOLGAT: I think the situation here, Mr. Chairman, is that you called one total, \$248 million, but I think it was the understanding in the committee that we would go item by item.

MR. EVANS: These are the estimates that were considered.

MR. CHAIRMAN: Schedule A (1).

MR. MOLGAT: Could we have a statement from the Minister as to the purpose of the twenty million . . .

MR. McLEAN: Mr. Chairman, for the fiscal year the proposed capital expenditures and just giving the rounded figures; exchange plant at Winnipeg, 3.8 million; exchange plant, provincial, that means outside of Winnipeg, 946,000; rural plant, provincial 3.4 million; toll plant, provincial, 2.3 million; central office equipment, local and toll radio relay multiplex toll carrier, radio telephone, Winnipeg and provincial, 13 million; buildings and land, Winnipeg, 1.1 million; buildings and land, provincial, 750,000; automobiles, trucks, mechanized equipment, 772,000; subscribers station equipment, 4.7 million; office furniture and fixtures, 122,000. Now the total of the proposed capital expenditures amounts to \$31,147,900.00. It will be noted, however, that we're only asking authority for \$20.5 million and the balance will be obtained from replacement, 6.4 million - that's really, I suppose, the depreciation fund; reserves, 2.2 million; and surplus, 2 million. Which sum, together with the 20.5 million that is asked for in this Loan Act No. 2 will provide the funds for the proposed capital budget for the year.

MR. MOLGAT: Mr. Chairman, I may have missed it, but I don't think I heard of any figure in there regarding the supply of television services for northern Manitoba. Was it in that . . . ?

MR. McLEAN: That would come, Mr. Chairman, in the largest item, 13 million, which refers to radio relay and multiplex toll carrier and radiotel, that's all in that -- it's under that item that the microwave system is being constructed.

MR. MOLGAT: Could the Minister indicate under the arrangements we have now with the Federal Government and CBC, what are the plans at this stage for the completion of the television system in northern Manitoba, and what are the opening dates of the various locations?

MR. McLEAN: Mr. Chairman, the target date is still May, 1969. That was the date that was established at the beginning and work has proceeded on schedule and that is still the target date.

MR. CHAIRMAN: (1) passed, Section (2) passed --

MR. MOLGAT: Mr. Chairman, can we have a statement on (2) insofar as the purposes of the 15 million?

HON. GEORGE JOHNSON (Minister of Education)(Gimli): Mr. Chairman, the 15 million is the Capital School Finance Authority. That authority is the Deputy Provincial Treasurer, the Provincial Treasurer and the Minister of Education. This is the CPP money largely that is made available to the schools for the ordinary capital projects that are conducted in connection with the Public School System, both elementary and secondary, and I might just say that this is the estimate that will be required in the current year.

MR. MOLGAT: I won't ask questions about the carry-over at this stage, that we'll be getting that, or should I . .

MR. EVANS: I'm afraid I'm not able to provide it today but all the accounts will be searched and a complete statement will be provided. If the committee has risen, I'll undertake to table it and to see that copies are distributed.

MR. MOLGAT: Mr. Chairman, might I ask of the Minister at this stage, how much has been approved at this moment by the School Finance Board? Last year we had passed some \$10 million, now we're passing 15 million, that's 25 million in the course of two years. It was my impression that actually the School Finance Board had not approved very many building projects and that part of this may have been involved with the reorganization of the divisions and getting themselves established. Could he indicate what they have in fact approved and what they have built?

MR. JOHNSON: Roughly -- there's more than that -- but what has been approved, I notice in the Finance Board report last year was 10 million, but approvals have also been given for the total of about 684 classrooms which comes to over the next couple of years, a very large figure, where the impact hits us next year -- it's in the neighborhood of around -- and given approval -- it is estimated well over 25 million has been approved, but you



(MR. JOHNSON cont'd.) . . . . understand the debentures, the tenders come in, the debentures are picked up and so on, but this is what is felt will be required in the current year. I think over 10 million was approved last year. It's in the Finance Board report.

MR. FROESE: Does this apply to both the unitary and the non-unitary divisions? Does it apply to all schools?

MR. JOHNSON: Yes, all school monies that are treated through the trustees arrangement come under the same appropriation but of course it's 100 percent in the unitary divisions.

MR. CHAIRMAN: (2) passed. Section 3 passed --

MR. MOLGAT: Mr. Chairman, could we have there as well a statement from the Minister as to where this money is going to be spent, what particular projects?

MRS. FORBES: Mr. Chairman, we have 3.3 million that is committed in an urban renewal program for the Lord Selkirk Park and the Centennial Program. This is a five-year program and will be spread out over the five years. The other five million is in a housing program and this is also a five-year program. The three million that we have, the first three million rather, is for this year when we are attempting to get a program of some 200 units of housing going this year.

Now for me to tell you just where they are, the applications that are before the Housing Corporation now -- I listed them in my estimates and I don't have them right with me but I think I can remember that The Pas has signified that they want something in the way of housing, Selkirk has signified they have and so on. They will deal with these as they receive them - the municipality that comes up with their decision to go ahead with this then these people will try to help them out. And besides the Housing Corporation itself is attempting to come up with a policy for Indian and Metis housing. Now of course the Indian and Metis are the people who are initiating this too but there will have to be a policy established in consultation with them as to where these projects will be built in the province.

MR. MOLGAT: Mr. Chairman, am I to understand correctly then from the Minister that this amount is to last for five years or is this the amount that we've spent this year and next year we'll be asked again for additional amounts?

MRS. FORBES: This is a five-year program.

MR. MOLGAT: A five-year program though to be covered by this total estimate or will there be further sums to be voted next year on the same five-year program?

MRS. FORBES: Not in urban renewal programs, Mr. Chairman. The urban renewal programs are committed programs and we are not advancing any more money for urban renewal programs at this time.

MR. FROESE: Mr. Chairman, the item is headed Manitoba Housing and Renewal Corporation. Does the corporation also finance commercial ventures as well besides housing?

MRS. FORBES: In urban renewal it is tied to housing - to housing.

MR. CHAIRMAN: 3(a)--passed; (b)--passed, 3--passed. Section 4 ----

. . . . . Continued on next page

MR. PAULLEY: Mr. Chairman, I wonder if we can have a breakdown of this? What the Minister of Agriculture - sorry to awaken you. (I'm saying that affectionately.) The requirement of the \$2 1/2 million for the Agricultural Credit Corporation. What is it for?

HON. HARRY J. ENNS (Minister of Agriculture and Conservation)(Rockwood-Iberville): For the granting of long term credit, Mr. Chairman.

MR. PAULLEY: Mr. Chairman, if I may then; am I wrong in reading the bill that the Minister has before us in connection with the Agricultural Credit Development Act, when I note that there is a section here that there will be no direct loans made by the corporation to any person? If this is correct, what is the requirement of \$2 1/2 million, as the Minister says, for loans?

MR. ENNS: Mr. Chairman, I believe the House is aware that we are hopeful to get into the second reading of the Bill 96 that's before you, and at the time we can -- would be only too happy to elaborate it to the plans that we have with respect to Bill 96. However, today and tomorrow the Manitoba Agricultural Credit Corporation is in business as it has been, and will require the capital that's being requested here.

MR. PAULLEY: Mr. Chairman, we're being asked - we're being asked here to approve a capital loan of 2 1/2 million dollars for apparently a facility that is apparently going out of business - in accordance with my interpretation of Bill 96. Now, I appreciate the fact that we haven't given second reading to Bill 96, and Section 22 says that no direct loans shall be made by the corporation to any individual. Now if this becomes law, that the corporation does not make direct loans, but indirect through banks and other lending agencies, it naturally poses the question of why do we need 2 1/2 million dollars? And this is my question to my honourable friend the Minister of Agriculture. Is it so, that there will be no actual cash requirements for the purpose of loan after Bill 96 is passed? And if that is the case, then what does the Minister want a capital loan of \$2 1/2 million for? It seems to me a large sum of money if we're not in the loan business after the Act has been proclaimed, providing of course it's passed.

MR. FROESE: Mr. Chairman, I would also like to know just how much of this money is slated to be spent in the Interlake area under that new FRED agreement.

MR. ENNS: Well, Mr. Chairman, in reply to the two questions put by the honourable members opposite. I think, as those of us who have perhaps a greater working knowledge of the Manitoba Credit Corporation know, that the bulk of the applications are received in the early months of the year; that is, the winter months and the spring months. In many instances these loans can't be approved until conditions are such that the inspections that are required can be taken place. I can assure the House that the capital request before you is not for any phantom corporation. It's indeed a -- I know that I have perhaps applications presently on hand within the Credit Corporation; would require this sum of capital supply.

With respect to the Honourable Member for Rhineland in his question about the possible use of this in the Interlake. In the instance of the Manitoba Credit Corporation's operation, there is no division within the province. Any farmer anywhere in Manitoba makes his application and upon approval can qualify for the loan. I would have to say that, by and large, the Interlake has not received as great a benefit through this program, simply because of the nature of their land. I believe the Honourable Leader of the Opposition had some comments about this some time ago, although I would take the Honourable Leader of the Opposition to task by saying that, particularly in recent years, the Credit Corporation has made no significant attempts to move into the area of West Lake and the Interlake and provide for more adequate credit services. But there is no connection at all with respect to the services that the Agricultural Credit Corporation brings to the farmers of Manitoba and the FRED or ARDA programs as they are being administered through various parts of the provinces.

MR. PAULLEY: I take it, Mr. Chairman, from the reply of the Minister, the requirement of the 2 1/2 million is for the purpose of processing requests for loans made prior to the 31st day of May in this year. Is that the purpose of this? In accordance with the legislation that's coming. Is that correct?

MR. ENNS: No.

MR. PAULLEY: I don't know whether that was not in the sense that -- the agreement -- I want to assure my honourable friend that it would not be improper for him at this particular time to make reference to this because he certainly will not be violating any of the ethics or the rules of the House by answering that this is correct because of the fact that the two have to be sort of correlated; that is, the bill itself and the approval for the loan; and it certainly --

(MR. PAULLEY cont'd.) . . . if this is the case, the Minister just simply has to say yes. That's all.

MR. FROESE: . . . he does reply. Mr. Chairman, I'm fully aware that we don't differentiate between the farmers in the Interlake under the present system of the Agricultural Credit Corporation, but I understand we're getting a new Act and there will be a new situation whereby a certain block of credit or at least certain different securities will be made through the FRED agreement, and I'm wondering whether this will be made in block and whether a certain proportion of this amount will go for that purpose. This is my question.

MR. ENNS: Mr. Chairman, I also want to be absolutely correct in any replies that I give in this record. I would ask the honourable member's indulgence that they allow me to proceed with the explanations that I hope to make with regard to Bill 96, in which perhaps some of the questioning that is presently being asked can be clarified. Certainly, in direct answer to the Honourable Leader of the New Democratic Party's question, this is the case. The capital request made here is to honour the applications before us.

MR. CHAIRMAN: Section 4 --passed. Schedule B --passed. . . .

MR. MOLGAT: Mr. Chairman, I wonder if the Minister could tell us exactly which schools this is going to cover, and what is the total cost of the projects, and what share we are going to have.

MR. JOHNSON: Briefly - if the Minister of Education can be brief - the 11.4 million in the estimate book that you see, at the time that we had to close the estimates of the department, Ottawa had said by letter to me that there would be a ceiling of 11.5 million on our recoveries in the current year, and that ceiling we appealed on the basis that we were in the midst of negotiating with various divisions for the creation of the vocational high school program and in the ARDA-FRED agreement. I asked if that was affected. I was told it was; there was a complete freeze. However, due to the personality of the department, we were able to, by persuasion and letter-writing and personal contact, convince the Federal authorities that we had quite an equity there that we simply had planned to take advantage of, and our plans in fact had been approved last August, and on the basis of this, the department has assured me that they would make another 3 to 4 million available for the high school program we had in mind, and therefore, after the estimates closed, it was necessary for the Provincial Treasurer to put 2 million in this appropriation to make it available to me.

Now this is the 75 percent sharing on this program, so there's enough money, we consider, in my estimates in this appropriation in the 11.4 plus \$600,000 to purchase the necessary land, and then with this equity here, as we build and get reimbursements, we think this 2 million is enough to take advantage of the moneys that will be made available in the current year. So we are very anxious to get on with the creation of these facilities as soon as possible.

MR. MOLGAT: What specific schools are going to be built? Where? And when is construction due to start?

MR. JOHNSON: The planning is to create a vocational facility east of the Red River in the metropolitan area, Dauphin and Selkirk.

MR. MOLGAT: When is construction expected to start, Mr. Chairman, and when are they expected to open?

MR. JOHNSON: We have had negotiations with the Metro boards for some time now, Selkirk, and initiated discussions at Dauphin, and we're getting pretty close to sites, and this will have to be settled very shortly. In the meantime, the department are working on the programming. This is now a matter of - once these estimates are passed - of getting these people in and getting off the deck. We have target dates. I haven't got them in front of me, but it's going to take some months in the current year to get things moving.

MR. MOLGAT: . . . that construction will start this year?

MR. JOHNSON: Hopefully.

MR. CHAIRMAN: Schedule (b)(1)--passed, (2)--passed. . . .

MR. MOLGAT: Mr. Chairman, on this one, I wonder if the Minister of Agriculture could tell us the plan here for the community seed cleaning plants. This is for which plants?

MR. ENNS: Yes, Mr. Chairman. This is the usual capital supply that is asked for under our existing loans, Community Seed Loans Act. We have before us at the moment one application which has met the requirements under the Act, we hope to respond to. I refer to the group from the Honourable Member for Hamiota, I believe it is, in the Shoal Lake area. This is new farmers - this is the capital required under that Loans Act.

MR. MOLGAT: Mr. Chairman, the Minister says this is the usual amount or the usual request. I've gone back now over my capital estimates - I'm now back to 1961 - and I don't find any requests for seed cleaning plants that far back in any year. So, it appears that this is one of the first requests we've had for some years at least. The Minister must have some specific plans in mind. Is this for the plant in Shoal Lake?

MR. ENNS: Well, Mr. Chairman, it indicates my relative newness in the House. I only assumed that it was -- in using the word "usual", we have taken action under this piece of legislation on, I believe on only one other occasion; that was the establishment of a plant at Rivers; and I had assumed that there was a capital request for that amount at that time. However, I of course can be wrong in possibly that that came out of current supplies. The point that I was making is that the Community Seed Loans Act is unchanged. I suppose it is a matter of judging the requests, the actual requests before us from time to time, that determine the request for capital that you see before us. We have, as I indicated, a specific request for a capital loan in this regard from Shoal Lake people. We intend to honour that. It's also anticipated that there will be a further group that might get to this stage.

As the members know, under the present provisions of the Act, where there are certain stipulations that have to be met, shared capital, or has to be raised by the farmers in a given area, volume of bushels of seed to be cleaned has to be satisfied and so forth, I can only say that my staff - my administrators - assume that there will possibly be two applications, in the neighbourhood of two applications made in this current year for action under this legislation.

MR. MOLGAT: At the moment, the Minister has one request only, that from Shoal Lake. Thank you.

MR. CHAIRMAN: Section 2 --passed. Schedule B--passed....

MR. MOLGAT: Mr. Chairman. Now there are a number of other items which in previous years under estimates - capital supply - where there is no request this year. Could I enquire, for example, with regard to the University. Is it not planned to have any construction this year?

MR. JOHNSON: I'm sorry, Mr. Chairman, I was ....

MR. MOLGAT: I'll repeat the question in case the Minister missed it. In previous years we've always had - or in most years we've had a request for the University of Manitoba. The amounts varied from year to year. There was no request at all this year for any capital for University construction. Is there no construction going on?

MR. JOHNSON: No, Mr. Chairman, that's included in the University Grants Commission allotment of 36.6 million. There's sufficient moneys in there for the capital program at the University of Winnipeg, Brandon, and the University proper.

MR. MOLGAT: .... applies to the Water Supply Board. In last year, for example, there was a request for 690,000 - Water Supply Board. Last year there was a request for 690,000. In previous years, it again varied. The year before 200,000; this year there is no request. Are there no plans this year for any new water supply projects in towns?

MR. ENNS: There are some plans. I believe we have approved of a plan in Dominion City, if I'm not mistaken, and perhaps another one in Westbourne, it seems to come to my mind. But I can only assume the absence of any request for capital would indicate that sufficient authority for capital lies within the Water Control Branch to meet what they would consider, or what they assume to be the needs for the coming year.

MR. MOLGAT: Does the same thing apply then to the highways, where in the past we have had substantial requests? Mind you, there was substantial carryovers as well. Are the highway projects for this year to be financed out of previous appropriations?

MR. ENNS: Highway appropriations are current, Mr. Chairman.

MR. EVANS: Now, Mr. Chairman, if my honourable friend from St. John's would like to pursue some other questions concerning the first resolution, I think perhaps we could have general consent to go back to that.

MR. CHAIRMAN: Before we proceed on that, the present resolution that we're considering now be adopted? The Member for St. John's.

MR. CHERNIACK: Mr. Chairman, I appreciate the offer of the Honourable Provincial Treasurer. I certainly was looking for it. The fact that I didn't see it does not give me any feeling of ..... about it but I did have some questions I wanted to ask. On the three, four pages of estimated revenues, there's just a few items that I wanted clarification on; and firstly, the Attorney-General's department, the Liquor Control Commission. I was wondering if I could

(MR. CHERNIACK cont'd.)... ascertain what was last year's income and how was the estimated revenue calculated in relation thereto.

MR. LYON: .... that, Mr. Chairman, by the Commission itself. The Treasury seeks the advice of the Liquor Commission as to what their estimated revenue will be, and my recollection is that they've been pretty close to estimate the last few years; if anything, a little bit over on estimate. I don't have the exact figure, unfortunately, in front of me for last year's although it's available.

MR. CHERNIACK: I would have thought that it would have been available. If we were to deal with it this afternoon, then surely that kind of information would have been available, so we ....

MR. LYON: That's the items that are before the committee. My honourable friend is really asking questions that ...

MR. CHERNIACK: Mr. Chairman, what is before the committee if it isn't estimated revenue for the coming year? And Surely when we're dealing with estimated revenue we should know what last year's actual was so that we could relate to it. So that certainly is before us now, now that you've reopened that first resolution, and it makes it very awkward to debate whether \$24 million is an adequate or correct estimate when we don't know what the past is. Actually, if the estimate for last year was pretty close - and that's the recollection of the Attorney-General - then it seems to me that the estimate for the coming year should be substantially more than \$24 million if only because of the five percent sales tax increase, or corresponding increase in price, and the increased mark-up on the federal increased liquor tax, and of course natural growth of both our people and our people's capacities in that field. I really wonder that it was set so low. Now possibly the Minister -- I think he is about to answer me, so I'll sit down.

MR. EVANS: With respect to the sales tax revenue, with respect to liquor, that reflects in whatever the correct title is for the sales tax revenue, not under the profits of the commission after paying the tax.

MR. CHERNIACK: Oh, that's interesting. I had thought that the price of liquor was increased by an amount corresponding with the effect it would have if the five percent were added to it. I did not understand, until now, that the revenue item is credited with a five percent which indeed is not a sales tax but is included in the price. The Minister now indicates apparently that although the five percent is not added on the tax bill but is included in the price which a person pays in liquor commission, there is still a separate accounting made whereby it is paid under the revenue section. Is that correct? So that this increase, apparent increase of \$800,000, would be related to the increased markup on federal tax - that's the tax on tax or the profit on the tax - and the indication is no, so I'll get that answer.

MR. EVANS: .... I think, for my honourable friend I could say that in every liquor store there are signs posted above all the price lists which say that prices quoted include the five percent revenue tax, or the sales tax. This figure might be better understood if it's regarded as the profits of the Liquor Commission.

MR. CHERNIACK: Of course. Of course. And I understood, that before the Honourable Minister rose, that the five percent is included in the price, but I say that there has been some debate, a semantical debate as to whether the government has increased the price of liquor over and above the federal tax, and the answer was, well the markup is the same percentage-wise, but if the markup is the same percentage-wise the profit is increased because of the greater investment in the wholesale price to which is added the increased federal tax on liquor, and therefore there will be a larger profit per dollar spent, or per dollar received, for the sale of liquor because of that federal tax item - be a greater profit. No? Well, it seems to me there will be, in fact from increased growth, and that's the way I read this. If the Honourable Minister has a different approach then he'll inform us.

MR. EVANS: It seems there is rather a complicated discussion that we could enter into here as to the basis on which the Liquor Commission has forecast its profit and really we must rely on the Liquor Commission in this regard. They have established the fact pretty substantially that about a certain amount of money will be spent on liquor; that if taxes take a greater proportion of it, it doesn't mean that the growth sales are going up by the amount of the tax, because that's not the case. It means that the amount of money to be spent on liquor, a greater proportion of it will be taken by taxes, and that is why there is not a very sharp rise or a very substantial rise at all in the profits expected. It has been an historic fact that the amount of

(MR. EVANS cont'd.) . . . money available in the community for purchasing liquor is relatively stable or on a fairly steady progressive rise somewhat in proportion to population and into the amount of personal disposable income that's available in the community. And I know the Liquor Commission undertook a quite complicated study before coming up with their estimate for the coming year of the profits that they would have available.

MR. CHERNIACK: Well, Mr. Chairman, I'll leave it with this comment, that firstly, I don't think any government should just say, "It's up to the Liquor Commission to give us the information and we accept it," because certainly this government has some control over the prices . . . .

MR. LYON: . . . . what the alternative would be?

MR. CHERNIACK: Yes.

MR. LYON: Should we tell the Liquor Commission what profit they should give us, or what?

MR. CHERNIACK: Mr. Chairman, in the first place, the government being the owner of the Government Liquor Commission business, certainly has a right to participate in discussions as to what the markup should be, what the profit ought to be. If the Attorney-General indicates that they don't talk to the Liquor Commission in terms of what are the profits and what are the revenues and what are the net revenues, then I think he's missing a bet and he ought to.

MR. LYON: Of course we do. We ask them for their advice and they tell us and we tell you.

MR. CHERNIACK: Oh. Now— now he says they ask us for advice and we tell them. Is that the way you put it?

MR. LYON: No, I was just reiterating what my honourable friend, I'm sure, would accept as being axiomatic if he were in government; that we ask the responsible corporation to anticipate, for the purposes of the Treasury, what their profit will be for the next year. They give that figure to the Treasury; it is so reported in the estimates; given to my honourable friend. My question to him was: would he suggest what alternative procedure could be used?

MR. CHERNIACK: I would say that if I were in the position of the Treasurer I would certainly take enough trouble to find out the basis of their calculations just to satisfy myself that they're approaching it in a way which I think they should, because in the end result, the responsibility is not that of some strange corporation existing separate and apart from the government, but indeed the government owns it, so the government should know what's going on. And naturally it seeks the advice, but it doesn't necessarily take it without investigating it. I am looking forward to making a study — I hope I'll be able to do that some day and possibly I could get it out of the Liquor Commission's report to justify the statement by the Provincial Treasurer that the people have so much money to spend on liquor and they spend it, and that the proportion of tax and the proportion of liquor differ. The proportion of tax and the proportion of liquor costs may differ but the total is the same on a smooth sort of a scale. That's an interesting concept and might indicate that we're missing a bet by not doubling our liquor tax portion and thus reduce the consumption of alcohol and increase the revenue to the government. It would be interesting to . . . .

MR. EVANS: Perhaps at this stage I could help my honourable friend by saying that this is not precisely the figure supplied by the Liquor Commission on their trading profit because included in it will be some repayment of a former loan on their present new Liquor Commission warehouse building, which will be chargeable to revenue as far as the Liquor Commission is concerned. So that, subject to those considerations, we have made our own estimate of the \$24 million. I wouldn't want to say that the Liquor Commission is entirely the author of the 24 million-dollar figure. It's the Treasury study of the figure submitted by the Liquor Commission and then this is our best estimate of the net profit available.

MR. CHERNIACK: Well, I'm glad that the Provincial Treasurer takes a greater interest in studying the statements and evaluating it than I could have assumed from the remarks made by the Attorney-General. The loan being repaid by the Liquor Commission; is that a loan made by the Provincial Treasurer to the Liquor Commission?

MR. EVANS: That was made several years ago. It was in respect to building their present warehouse building.

MR. CHERNIACK: I see. And somewhere or other we should be able to get the information, I presume. It should appear somewhere, as to the figures involved. What is the figure then — the annual payment that's being made? And what is the interest rate charged?

MR. EVANS: I haven't all those details with me but from memory the original loan was \$2 million.

MR. CHERNIACK: And the repayments?

MR. EVANS: I haven't those terms here.

MR. CHERNIACK: Well, it could be helpful if we had it and possibly the Minister can supply it in due course.

I'll move on now, only because the information is not available, to the question of a mining royalty tax and the substantial reduction, an estimated one million, four hundred and some thousand dollars' reduction in the mining royalty tax, and the explanation given by the Minister that the reason for that is that it is thought that there will be new development taking place up north which will qualify under the Holiday — the Tax Holiday Agreement Act, which applies to the first two years, and the indication is that a company such as any one of the companies that we know of up north, will be developing new mines, will be setting aside and not working on the old mines, and thus will be entitled to this tax holiday without actually reducing their productivity in any way. I think that's a fair assessment.

MR. EVANS: That was one factor. Another factor is that the International Nickel Company has been unable to get as much labour as they would want, and they have spread their labour between new developments and old and production in the mine has declined. There has also been some decline in the amount of metals recovered from the ore that they are processing, and that is another factor to be taken into consideration; and with these several uncertainties, this is the best estimate we could arrive at for a revenue under this tax item.

MR. CHERNIACK: So that it is expected that the production, actually, the total production for the coming year for Manitoba will be reduced from the previous year, as it indeed was last year. Production was reduced last year, as I recall it. And it will be reduced even more this year, and that is production in tonnage. The dollar volume, I believe, went up because prices went up. Is that correct?

MR. EVANS: There are two uncertainties; one with respect to tonnage that my honourable friend mentioned, the second is recovery per ton, and this is the best estimate that we could make of the expected revenue. I might add that that is not the statement of the company. It is the statement that I make on the Treasurer's responsibility.

MR. CHERNIACK: Well, Mr. Chairman, then I only comment that this is a very important and upsetting situation, that the Province of Manitoba's production in raw mining products is being reduced, is expected to be less next year from last year, was less last year from the preceding year, and also the refined metal appears to be less per ton, less valuable per ton in that way, and I'm not really aware that the Department of Mines and Resources is attempting to cope with that. I was not aware that the shortage of mining labour is dramatically known so that an effort is being made to import miners for what appears to be a very important industry in the province. I recall when we dealt with the San Antonio Mines that we were told that the big problem there was that to get gold miners was very difficult because the price of gold was set at such a level that it didn't pay to bring in these miners. Now it seems to me that the same situation is being carried into the baser metals and would be a very serious situation which ought to have brought about a very excited department in terms of getting some action done, and I would hope that — I'm sorry the Minister isn't here, so he can't indicate just what he's doing about that item.

I would move on to another one, unless the Provincial Treasurer wants to — (Interjection) -- no? Well, it's unfortunate that it's being left at that level because it seems to me to be a very dramatic reduction; that is, the reasons were not as simple as I first understood it, and that is, somebody taking a tax holiday, but really the situation is much worse than that and of course it's a matter for concern.

Moving on, then, to the Corporation Income Tax, which is being estimated at a reduction of about \$800,000. The Minister explained that the world situation and the financial situation appeared to be such that a conservative approach would be that there may be a reduction in income of corporations and therefore a reduced tax from the corporation. I wonder how that jibes as compared with the substantial increase that's expected from the individual income tax. Is it expected that individual incomes will go up at the same time that corporation income will drop?

MR. EVANS: Mr. Chairman, we rely on estimates made by the federal Departments of Taxation, or the federal Department of Taxation, to provide us with estimates of the year in

(MR. EVANS cont'd.) . . . . advance, and we rely on those estimates. They collect our tax for us, they collect their own tax, and they provide us with estimates of what we are to expect by way of our own taxes here.

MR. CHERNIACK: So those estimates, then, are broken down province by province, are they? They're not just national.

MR. EVANS: I assume so. They provide us with ours and I imagine they provide the other provinces with theirs.

MR. CHERNIACK: I see. Well then, the Minister really took too much responsibility when he last spoke on it. On Page 1117 in Hansard, I quote him to say ". . . there was great financial and business uncertainty at the time this budget was being drawn. The financial markets of the world were upset and my best advice was to make some reduction in the estimate of the profits that would arise and of the taxation that might arise on corporation profits. Right, wrong, or in the middle, that's why I did it; that's what I did." So it's actually the Minister that — I thought from this that the Minister had made the decision, but apparently that was based on the estimates received nationally and not his own conclusion.

MR. EVANS: Of course, what appears before us must necessarily be my estimate, and I believe the Federal estimates were influenced by the factors that I mentioned there. I may have shortened the process in making that statement, but I believe the factors, as my honourable friend has just mentioned, were the ones that influenced the Federal people in making their estimate. And, of course, I present these estimates on my own responsibility — not on Ottawa's.

MR. CHERNIACK: But does that mean that, according to the federal estimates, it is expected that individual incomes will go up, or the tax will go up, whereas corporation income tax will go down?

MR. EVANS: . . . from the figures? I haven't worked that out myself.

MR. CHERNIACK: Yes, it does follow from that. Now, dealing with the revenue tax, has the Minister any information that would indicate that this \$50 million is a conservative estimate based on what he now knows of the actual experience? Would that not be a low estimate of income for the revenue tax?

MR. EVANS: I think not. My honourable friend will have to remember that the estimate was made a good many months ago on the best information we had at that time. It's my own best estimate of what I expect the revenue tax to yield next year.

MR. CHERNIACK: . . . there wouldn't be any change in these figures, but I was hoping that the Minister could indicate to us that there is some hope that he has been conservative and that there will be greater revenues from these items so that we could at least leave for the weekend with a more cheerful feeling than the feeling I received when we were dealing with the mining royalty tax income.

MR. EVANS: I do hope my honourable friend will have a good weekend.

MR. CHERNIACK: Thank you. Same to you.

MR. CHAIRMAN: The Member for Rhineland.

MR. FROESE: Mr. Chairman, I have two more questions in connection with the same estimates and one has to deal with the matter of automobile and driver's licences. There's a difference of \$2 million from the previous year. The current amount or the present amount is \$2 million less. What would be the reason for this?

Then there's one further question has to do with the succession duties, which is also considerably lower — more than a million dollars lower. Could he give us some information why this is?

MR. EVANS: With respect to driver's licences, they are issued every second year for a two-year period. This is not the year.

The second thing, with regard to succession duties, this is a Federal tax and they remit 75 percent of what they collect on their own tax to the province. It's really a grant to the province in that sense. That's their own estimate to us.

MR. FROESE: It's their estimate directly to us.

MR. CHAIRMAN: Does that complete the discussion? Committee rise. Call in the Speaker. Mr. Speaker, the Committee of Ways and Means has considered certain resolutions, has asked me to report same and begs leave to sit again.



IN SESSION

MR. J. DOUGLAS WATT (Arthur): Mr. Speaker, I beg to move, seconded by the Honourable Member for Souris-Lansdowne, that the report of the Committee be received.

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

MR. EVANS: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Welfare, that the resolutions reported from the Committee on Ways and Means be now read a second time and concurred in.

MR. SPEAKER presented the motion.

MR. CLERK: Resolved that towards making good certain sums of money granted to Her Majesty for the public service of the province for the fiscal year ending the 31st day of March, 1969, the sum of \$363, 173, 863 be granted out of the Consolidated Fund. Resolved that towards making good certain sums of money for various capital purposes, the sum of \$248, 368, 000 be granted out of the Consolidated Fund.

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

MR. EVANS introduced Bill No. 54, an Act for granting to Her Majesty certain sums of money for the public service of the province for the fiscal year ending the 31st day of March, 1969; and

Bill No. 39, an Act to authorize the expenditure of moneys for capital purposes and to authorize the borrowing of the same; and

Bill No. 65, an Act to authorize the expenditures of moneys for capital purposes and to authorize the borrowing of the same.

MR. EVANS: Mr. Speaker, if I may have leave of the House, I would like to move the second readings of these bills so that the bills may be distributed.

MR. MOLGAT: We have no objection, but I presume then that it will be left at that stage, after second reading?

MR. EVANS: If the House wishes, then I'd be very glad to do that.

MR. EVANS, by leave, presented Bill No. 54, an Act for granting to Her Majesty certain sums of money for the public services of the province for the fiscal year ending the 31st day of March, 1969, for second reading.

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

MR. EVANS, by leave, presented Bill No. 39, an Act to authorize the expenditure of moneys for capital purposes and to authorize the borrowing of the same, for second reading.

MR. SPEAKER presented the motion.

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

MR. SPEAKER presented the motion.

MR. EVANS: Mr. Speaker, if I may speak to this, the effect of the adjournment at this stage will be to deny to the House the printed copies of the Bill. I think that if my honourable friend wished to study the bill and prepare himself for debate, he might do so much better with a copy of the bill before him than otherwise. At this stage, however, if he wishes to proceed with this, I am not objecting to an adjournment. I think it would be more convenient for him if he took an adjournment -- it's only on the passing of these second readings that the Bill is distributed, is it not?

MR. MOLGAT: Mr. Chairman, if I may, I think after the first reading they can be distributed.

MR. EVANS: I'm apparently quite mistaken on that point and I acknowledge that.

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

MR. EVANS, by leave, presented Bill No. 65, an Act to authorize the expenditure of moneys for capital purposes and to authorize the borrowing of the same, for second reading.

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

MR. LYON: . . . it was the wish of the House not to proceed any further with the Bills at this stage?

MR. MOLGAT: That would be my preference, Mr. Speaker. I think that we have, by leave, advanced them one stage beyond the normal. I think that they could sit in that situation now.

MR. LYON: Mr. Speaker, then, I wonder, Sir, if I could ask you to call now the Bill No. 52.

MR. SPEAKER: What page?

MR. LYON: Page 5, Mr. Speaker. Second reading of Bill No. 52, the Local Authorities Election Act, in the name of the Honourable the Minister of Urban Development.

MRS. FORBES presented Bill No. 52, The Local Authorities Election Act, for second reading.

MR. SPEAKER presented the motion.

MRS. FORBES: Mr. Speaker, this is a bulky-appearing Act and I have asked the pages to distribute now general comments, and to save time of the House I will not read these but give it to the members so that if they care to go over this, they will get an idea of the changes contained in the Act. And it is also my intention to ask leave of the House to refer this Act to the committee which I am proposing to set up to sit between sessions of the House to consider the revision of the Municipal Act, and I will be bringing in amendments to that to allow this Act to be considered at that time, if it meets with the wishes of the House.

MR. SPEAKER: The Honourable Member for Turtle Mountain.

MR. EDWARD I. DOW (Turtle Mountain): Mr. Speaker, I move, seconded by the Honourable Member from Assiniboia, that the debate be adjourned.

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

MR. LYON: I wonder, Sir, if you would now call the second reading of Bill No. 96, The Manitoba Agricultural Credit and Development Act.

MR. SPEAKER: Bill No. 96. The Honourable Minister of Agriculture.

MR. ENNS presented Bill No. 96, The Manitoba Agricultural Credit and Development Act, for second reading.

MR. SPEAKER presented the motion.

MR. ENNS: Mr. Speaker, I will do my best to explain this important piece of farm legislation before the House at this late time in the afternoon.

As indicated in the Throne Speech, the Bill that's presently before the House represents a significant and major change of direction and emphasis that is being brought forward with respect to agricultural credit and the Development Act, and I suppose the essence of it is contained in the portion of the Bill that indicates our desire to shift into production and short term, intermediate term credit through a form of bank guarantees, and using the private sector in this way to supply this what is very rapidly becoming a critical area in terms of farm credit needs at this time in our agricultural scene. We feel there has been building up in the past a growing need for the shift of emphasis from moving away from the land consolidation which has been taking place primarily in the credit corporation as we have known it in the past eight or nine years, to that of more intensive farming, the acres that are presently in hand. And certainly there comes a time when the terms of public programs and expenditures of public money, that we have to look very carefully at the programs, as sound and as valuable as they are and have been in the past, as to whether because of other coinciding developments there is not an area of duplication of services being provided.

We hope to have in this Bill - it's written in a very broad way and a permissive Bill -- in general terms, the reason why it's before you in this manner, that is the setting up of a new corporation, The Manitoba Agricultural Credit and Development Corporation Act, and it will be brought in by proclamation, and the members will note at the end of the Bill, that time of the repeals, the Act pertaining to, the amendments pertaining to the Credit Corporation as we know it now.

The first portion of the Act deals with making it possible for the Credit Corporation to enter into agreements with the private banking sector and other approved lending institutions through a system of guarantees - provincial government guarantees - provide the very needed short term and intermediate credit. This is a field that is being neglected at the present time through the virtually dormant situation that we find in the federal area. There may of course be a change coming in the Federal legislation that would correct this. We would welcome that change as it would complement the ideas, the programs that we're bringing forward here.

The second part of the bill deals with that aspect of the bill that has a great deal of promise, I believe, and underlines the basic position that a provincial jurisdiction should be in in helping the farmers to maximize their opportunities within the framework that we're working. This is a portion of the bill that will now enable the corporation to own, lease and operate facilities, physical facilities, and it's envisaged that rather than setting up a new management or new management team that with the provisions of this Act that we would commence

(MR. ENNS cont'd.) . . . . immediately in the construction of an agricultural service complex that would without a doubt be perhaps the finest in this country. We're thinking here in terms primarily of making good an election promise that was made by this government in 1966, a very modern and fully equipped veterinarian services' laboratory building. Our thoughts in this respect are that we should be doing everything we can to complement the private sector; certainly in the building of this building it's meant precisely in that way, that it will enable us to attract more and keep more of our veterinarians, our badly needed veterinarians, active in our province and this is what we have in mind when we talk about this provincial diagnostic veterinarian laboratory.

The present facilities have been in operation for a long time, but as has been pointed out, and very capably pointed out by the Member for St. George, that the workload that they are beginning to receive, the facilities that we have are inadequate. We of course have been aware of it, we have very definitive plans for improving this situation. And it was when dealing with this laboratory, this building, that we, with a great deal of imagination and support from the members of this side of the House, that we see the development of an agricultural service complex. The same thing can be applied to the facilities that our very successful soil testing program finds itself in. They're simply busting apart at the seams with the response that we're getting, some 30,000 samples a year coming in, so we intend to build on to this complex the very modern facilities required for the soil testing program that we have in the province. And I might add at this particular point it's certainly envisaged that part of these facilities, part of these facilities could well be situated or located in the Brandon area or somewhere in the southwest part of the province, again to further facilitate the ease with which our Manitoba farmers can avail themselves to the service.

Added to that, we see all kinds of possibilities in this complex. The new building would also provide facilities for the provincial feed testing program. It's a program that's expanding very rapidly under the direction of Mr. Cam Brown, our provincial livestock nutritionist. In addition to actually analyzing the feed samples submitted to the lab by farmers, recommendations on all aspects of nutrition will be provided. At the present time the Provincial Feed Testing Service uses laboratory space in the research section of the Animal Science Department, and in this day and age of tailor-made rations for livestock raised under controlled conditions it is essential that good and nutritional management information be made available and quickly to the producers. There are many indications that Manitoba can greatly expand its livestock production, and certainly we feel that this will only help facilitate the move in this direction. Consequently further inputs can be made that will directly assist in our efforts in this direction.

I think you are aware that in the Brandon area, in the Extension Service Centre that we have there, that has rapidly become a meeting place of farmers particularly as it refers to the southwest part of the province. The program that we have in mind that would surround the new agricultural service complex building that we intend to build and construct to be managed by the corporation that this bill, Bill No. 96, would set up, would be a central calling place for all farmers of Manitoba, a place we would hope to use as a meeting place, conferences, a meeting place where the very promising features of some of the programs that have come out of our research facilities at the Faculty of Agriculture can very quickly be made accessible and available to the farmers of Manitoba.

Now the Act that you see before you is broad and is permissive. I intend to ask the farm organizations to sit down with us and to plan the various details that we intend to write into the legislation, but it is -- the appealing thing to us on this side is that it is a very solid and positive program that we are putting forward to the farmers of Manitoba at a time when they surely need it. This is not a program of any nebulous features. The soil testing program is based on pretty sound economic fact -- 30,000 samples produce some \$90,000 worth of revenue. The idea behind here is that these are sound programs financed through users' fees to a large extent. The administrative costs would continue to be the responsibility of the Provincial Government and in effect would be our subsidy within this program; certainly in the area of the Provincial Veterinarian Services, the idea of users' fees would not be feasible nor would it be envisaged. This is an area of preventative care and we would of course continue the service that we are now giving only under much better circumstances and with a great deal better facilities to handle the increasing load that we're facing under. Now I'm well aware that in proposing this --

MR. SPEAKER: May I interrupt the Honourable Member and tell him it's two minutes to the half hour.

MR. MOLGAT: A quick question of the Minister, Mr. Speaker. Would the speech he's giving us now be characterized as covering up a major retreat? Is this the ...

MR. ENNS: No, Mr. Speaker, this speech is a major step forward in the agricultural program that we're delivering to the farmers of Manitoba.

MR. SPEAKER: Are you ready for the question?

MR. LYON: I think, Mr. Speaker, you interrupted the Minister while he was speaking...

MR. SPEAKER: Yes, I apologize for that. At the same time, it's...

MR. LYON: I would suggest that the item remain open in his name.

MR. MOLGAT: Oh, by all means.

MR. LYON: We want to hear more. Mr. Speaker, I beg to move, seconded by the Honourable the Provincial Treasurer that the House do now adjourn.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House adjourned until Tuesday morning at 9:30 a.m.