

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

THE LEGISLATIVE ASSEMBLY OF MANITOBA
2:30 o'clock, Wednesday, February 19, 1964.

Opening Prayer by Madam Speaker.

MADAM SPEAKER: Presenting Petitions.

Reading and Receiving Petitions.

Presenting Reports by Standing and Special Committees.

Notices of Motion.

Introduction of Bills.

HON. DUFF ROBLIN (Premier) (Wolseley) introduced Bill No. 2, An Act to amend The Insurance Act.

HON. MAITLAND B. STEINKOPF, Q. C. (Minister of Public Utilities) (River Heights) introduced Bill No. 34, An Act to amend The Companies Act.

HON. STEWART E. MCLEAN (Attorney-General) (Dauphin) introduced Bill No. 35, An Act respecting the Dower of Married Persons.

MADAM SPEAKER: Before the Orders of the Day, I would like to attract your attention to the gallery where there are seated some 30 Grade 11 students from St. Joseph's Collegiate under the direction of their teacher, Sister Henri. This school is situated in the constituency of the Honourable the Member for St. Boniface.

There are some 40 Grade 11 students from Grant Park High School under the direction of their teacher, Mr. Kroeker. This school is situated in the constituency of the Honourable the Minister of Industry and Commerce.

There are also some 35 Grade 9 students from the Assiniboine Indian Residential School under the direction of their teacher, Mr. Joubert. These students come from all over the province of Manitoba. The school itself is situated in the constituency of the Honourable the Minister of Public Utilities.

Nous vous souhaitons la bienvenue ici cette après-midi. Nous espérons que tout ce que vous avez vu et entendu à l'assemblée législative vous sera utile dans vos études. Puisse cette visite vous inspirer et stimuler votre intérêt dans les affaires de la province. Revenez encore nous visiter.

We welcome you here this afternoon. We hope that all that you see and hear in this Legislative Assembly will be of help to you in your studies. May this visit be an inspiration to you and stimulate your interest in provincial affairs. Come back and visit us again.

Orders of the Day.

HON. STERLING R. LYON Q. C. (Minister of Mines and Natural Resources) (Fort Garry): Madam Speaker, before the Orders of the Day are proceeded with, I should like to lay on the table of the House the agreement between San Antonio Gold Mines and the Minister of Mines and Resources acting on behalf of the Province of Manitoba and the trust indenture which is scheduled to that agreement as required by statute. The copies of the agreement were previously distributed to members of the House earlier this year.

MR. MCLEAN: Madam Speaker, before the Orders of the Day I leave with the Clerk the Annual Report of Gaols for the calendar year ending December 31, 1963. Five copies have been deposited with the Clerk.

HON. OBIE BAIZLEY (Minister of Labour) (Osborne): Madam Speaker, before the Orders of the Day I wish to lay on the table of the House an Order of Return standing in the name of the Honourable Member from Assiniboia.

MR. ROBLIN: Madam Speaker, if there are no questions from the Ministry that members wish to ask before we proceed with the Orders of the Day, and I take it that there are none, I should like to say that it will probably meet the convenience of the House if I were to proceed at once to deliver the Budget Speech, and I will therefore be proposing the usual resolution to proceed into the Committee of Ways and Means.

BUDGET SPEECH

Madam Speaker:

This will be the sixth occasion on which I have had the privilege of presenting

(Mr. Roblin, cont'd)... for the consideration of the Honourable Members the financial requirements for carrying out the programme of Her Majesty's Government in Manitoba for a new fiscal year. I have adopted a different method of presentation this year in that I am combining the submission of the Estimates of Expenditure with my financial proposals. In this way, the House receives a more complete picture of the fiscal position of the Province and is thus enabled to make a more comprehensive judgement of the programmes and measures proposed to support them. This, I believe, will be welcomed by the Honourable Members. It is a system of presentation used in several other Provinces and its success here this year will guide future procedure in this regard.

As in the past, I shall consider first the economic context in which our programmes have been determined. Later in the Session, I shall also table a supplementary statement, as I have done in the last two years, to bring together more specific background information on significant aspects of the Government's undertakings.

THE ECONOMY

The year 1963 has been a good one. Manufacturing output was at the highest level in our history. Mineral production reached a new high. In agriculture, while the regional vagaries of weather prevented another record crop, production was nonetheless above average yields for the past decade. Manitoba's traditional role as the distributor, transporter and merchandiser of the needs of a broad region was sustained by a second straight year of bumper crops in Western Canada and markedly high sales levels.

Gross provincial income in 1963 rose past the \$2.1 billion mark - the previous high. With in the new total for gross income, personal incomes for Manitobans rose in aggregate to nearly \$1.7 billion - 6 percent, or more than \$90 million over the 1962 total and a new record. Earnings directly received by our work force in Manitoba rose in 1963 by 6 percent to \$1 billion from the \$945 million labour income earned in 1962.

Employment in 1963 was at high levels with an average of some 96 percent of the work force gainfully employed over the year, taken as a whole. Manitoba again enjoyed virtually full employment through peak activity for the months of June through to the end of Harvest. Our year-end employment was also favourable in comparison with previous years and better than the national average.

The value of manufacturing shipments for 1963 established a new record at \$885 million. Total retail trade also reached a new high at an estimated \$890 million - up by \$30 million from 1962. Housebuilding activity was brisk over the past year, recording an increase in new residential construction of about 38 percent over 1962. New construction in all categories - valued at \$420 million in 1963 - was up over 13 percent from 1962.

Capital Investment

Overall new capital investment in Manitoba for plant, buildings and equipment approached half a billion dollars in 1963 - an improvement over the \$442 million for 1962. Manufacturing alone drew \$26 million in new capital commitments last year - up 28 percent over 1962. Public investment policies were a major factor in capital expansion. The Grand Rapids Hydro project is now nearing completion. The Floodway is advancing with some contracts almost a year ahead of schedule.

Other Public Investment

Other major flood control and water conservation projects are underway. The Portage Diversion and the Shellmouth Dam Complex are now in progress. Long range studies to determine the ultimate use of the Assiniboine, Pembina and Souris Watersheds are underway and similar studies are in hand for several smaller watersheds in the Province.

To the end of 1963, 38 areas under the Manitoba Water Supply Board had requested assistance. As at December 31, 1963, the communities of Altona, Gretna, Rhineland Rural Municipality, Hartney, Erickson, Cartwright, Holland, Deloraine, Hamiota and Reston were all receiving water. Works at Winkler, Pilot Mound, Rosburn and Manitou will be completed

(Mr. Roblin, cont'd)... soon. Work will also begin this year on new water supply for Ste. Rose, Gilbert Plains, Kelwood and Strathclair. Other requests are being investigated. These water resource programmes are particularly important examples of the Government's emphasis on local capital improvement as part of the overall Provincial economic development.

Long-term credit to farmers to a total of over \$22 million has been advanced since the inception in 1959 of the Agricultural Credit Corporation -- and I interject a note here that the record of repayments under this plan is extraordinarily good. These capital credits have been utilized to modernize, improve and expand agricultural enterprise in Manitoba. The average loan to farmers has been \$11,500 and about one half of these loans have been made to young farmers. The repayment record is, as I have said, excellent.

About one third of the farmers in Manitoba operate in Crop Insurance areas and more than half of these insure their crops. Insurance in 1963 covered 5,175 farmers. Indemnities to 1,500 farmers totalled \$1.2 million last year, with an average payment of about \$825. The stability of farm enterprise made possible by the insurance programme greatly enhances the value of the capital invested.

Since October of 1962, in co-operation with the Government of Canada, the Agricultural Rehabilitation and Development Act programmes in respect of land use, soil and water conservation, rural development area organization and related research projects have been started. To date, 43 projects have been approved. A further ARDA investment of \$2 million is planned for 1964.

Added to these commitments are our investments in capital facilities and research grants for the Faculty of Agriculture at the University of Manitoba - more than \$5.3 million capital facilities since 1958-59. The agricultural research grants for 1964-65 will total \$580,000. This investment points up the importance we attach to a progressive agriculture in the diversified development of Manitoba.

Agriculture's Contribution

Gross agricultural output in Manitoba totalled about \$340 million in 1963. This is the best year but two in the last decade, being surpassed only in 1960 and by the record production value of 1962. The cash income of Manitoba farmers reached a record of \$290 million during 1963. Net farm production was estimated at \$280 million and the average net value of production per farm was \$6,667 last year. Over the past two years, the general pace of Canada's economy has been high as a direct and major result of high crop yields sold at consistently high volume. Because of the basic benefits from agricultural achievement, our trade, services and industrial economies have also sustained substantial gains. A general strengthening of the national enterprise has been the overall result.

The high level of agricultural achievement in these two years underlies much of the employment recovery in Canada. The sustained high employment record in Manitoba is due in part to the demands placed by agriculture on transport, communications, trade and industry.

Challenging Implications

Madam Speaker, I make these points for a particular purpose. If we assume that the present bright picture will remain clear and promising without any further effort on our part, we will be disappointed. Canada has recently had high aggregate personal incomes, savings and general domestic sales. Yet, we have not been able to employ all of our people who want and must have work and we have not been able to assure needed industrial expansion or fullest use of capacity.

New, imaginative developments, based on specific and thorough research, are necessary. In Manitoba, we have started to do what is necessary. The Committee on Manitoba's Economic Future was a consensus of these efforts. It was markedly successful in drawing enthusiastic and general commitment from the community. Its findings have been broadly useful.

A significant finding was the clear delineation by the Committee of the limits of government activity. The conclusion was a challenge to private enterprise and industry. Government will continue to search for more effective approaches in areas of public responsibility. It is essential, however, that private enterprise pursue diligently every effort to improve efficiency, expand initiative and extend the necessary co-operation to others working to the same end.

(Mr. Roblin, cont'd)... I believe that labour and management are ready to accept their responsibilities to meet this challenge.

Utility Investment

Manitoba Hydro, in 1963-64, estimated its capital expenditures at \$50 million for new power facilities and capacity. The first power production from Grand Rapids will begin this year and the three 110,000 kilowatt units will all be functioning by mid-1965. Provision has been made for the later addition of a fourth unit.

The operation of a new 230,000 volt transmission line from Brandon to Winnipeg is the first utilization of high voltage in efficient and economical distant-transmission in Manitoba. Power from Grand Rapids will be brought to serve Winnipeg by this same means.

In February of 1963, Manitoba concluded an agreement with the Government of Canada for cost-sharing in a feasibility study of development of the Nelson River. Investigations of this future potential are proceeding.

In the year 1963, electricity used in Manitoba increased 9 percent over 1962. The total value of power made available is estimated at some \$47.3 million.

Last year, the Manitoba Telephone System installed another 12,556 telephones, bringing the total in service to more than 313,000. New telephone facilities required capital investment of more than \$17 million during 1963, and more capital will be invested in 1964 to provide long distance direct dialing and automatic dial operation ultimately to the full Manitoba system.

Other Resources

Total mineral production in 1963 set a new record at a value of \$171 million. The recovery of strength in the Forestry sector which showed in 1962 was continued in 1963. Some \$20 million in primary forest production for each of the two years has now been estimated, as compared with \$15.4 million in 1961.

About \$5 million was realized in earnings by the fur industry last year, with prices the best since 1957. In 1962, Manitoba had the highest commercial fish production in 21 years - some 36.1 million pounds, up by about 5.5 million pounds over 1961. The value of that catch was some \$7.3 million with better than \$4.2 million being paid to the fishermen in Manitoba. Nevertheless, this industry is affected by serious problems and 1963 was not as favourable on the basis of present indications. The difficulties are now under Federal-Provincial study.

The tourist trade established a record in 1963 - some 2.5 million tourists are estimated to have used our public parks last year. Camping activity on public camp grounds increased 27 percent in 1963. The outlay of public capital for recreation facilities returns benefits to Manitobans wherever they may work, live or play.

Highways and Public Works

Investment in the Province's road and highway system itself induces further growth. There are nearly 354,000 motor vehicles registered in Manitoba. Registration increases by about 16,000 vehicles a year. Our highway programme is keeping pace with this demand. During 1963-64, some \$28.5 million combined capital and current expenditure was made for highway improvement, extension and maintenance.

Manitoba continues to have the lowest accident rate in the nation. The safety standards built into our highways are one factor contributing to this. The fatal accident rate in Manitoba has been reduced by better than a quarter of the rate of such accidents per 100 million miles driven in 1958.

We will commit some \$36.7 million for the Provincial highways and other roads in 1964-65, including work carried forward, in the up-graded programme of construction, maintenance and general improvement first undertaken in 1958.

Our other public works programmes are also keeping pace with the needs of a modern community. The Manitoba Institute of Technology was completed in 1963. The Government has purchased the former Manitoba Power Commission building to provide accommodation for the Motor Vehicle Branch and the Highways Branch of the Department of Public Works. The former Manitoba Technical Institute building is to provide accommodation for more than twenty public agencies previously scattered in location. These moves enable the Government to gain financial saving and increased efficiency in the public service.

(Mr. Roblin, cont'd)...

The new Psychiatric Institute at the Selkirk Hospital for Mental Diseases has been established primarily for treatment of out-patients and for cases requiring short-term treatment. This reduces the demand for long-term accommodation and expensive chronic care facilities. A section of the Female Infirmary at the Brandon Hospital for Mental Diseases has been reconstructed for treatment of out-patients in that area. At the Portage la Prairie School for Mental Defectives, new construction will house about 135 patients.

For 1964-65 we plan to provide for the construction of new public buildings representing investment of some \$4.8 million. New projects will include a Detention Home for Boys valued at \$1.5 million; a Junior Vocational School for Winnipeg to require a commitment of \$750,000 -- and I interpolate here, as the provincial share -- and a new major School for the Deaf in Winnipeg or its vicinity, involving \$1.8 million. The Regional Trade Schools at The Pas and Brandon, with a provincial commitment of \$1 million, are also programmed for 1964. Additional facilities at the Selkirk Hospital for Mental Diseases will be advanced as well. There will also be an investment of a further \$3.2 million in our contribution to the continuing revitalization and expansion of the University of Manitoba facilities. Another \$425,000 will be provided for agricultural research facilities. Further to these commitments, the Province will be making substantial grants for building programmes in respect of Homes for the Elderly and Infirm and for other construction in support of various community services.

HUMAN RESOURCE SERVICES

I should now like to review the Human Resource Services, beginning with:

Education

Since assuming responsibility for the affairs of this Province, we have emphasized the importance of education in a balanced programme of modern development. In order that the opportunities to acquire a full education will be made available to every young person, and on an equitably high level of facilities and instruction, we have been continuing a major expansion of schools, curricula and general financial support over the full range of study.

Since 1958-59 we have provided some 3,800 classrooms and equivalents. The programme has involved the establishment of 321 new schools and additions throughout the Province. The total new capital investment in these facilities has now reached \$64.4 million for the period since we came to office -- I interpolate here that not all of this is on provincial account, though the majority, indeed, is.

Through the new facilities, we have been able to provide for increased enrolments throughout the elementary and secondary system, and particularly in the secondary schools. Since 1958, the number of pupils enrolled in Grade X has increased by 42 percent; in Grades XI and XII, 62 percent and 113 percent, respectively.

In 1958-59, the Provincial Government's education budget for all aspects of our support programme totalled \$22.6 million on combined account. For the 1964-65 fiscal year, the investment in education provided in the budget will total \$47.3 million - some \$24.7 million higher than the amount being committed just six years ago.

Included in the investment has been capital support to the University of Manitoba totalling \$23.2 million since 1958-59, with the amount for 1964-65 being an additional \$3.6 million. The 1958-59 operating grant to the University of Manitoba was some \$2.3 million; for 1964-65 the operating aid to the University will total \$6.8 million, almost a threefold increase. We have provided aid for the operating of Brandon College which has grown from \$90,000 in 1958 to \$562,000 for 1964-65.

In the public school system which forms the basic foundation for our University programmes, we have maintained a sustained revision and improvement in the courses of instruction. The new General Course at the secondary level, introduced two years ago, continues to gain recognition and status as a course suited to the needs of many of our young people. During the past year there were 73 classes operated in this course, compared with 29 in the preceding year, confirming its value and the need the course was designed to meet.

We have also commenced intensive work on the revision of the curriculum of the university entrance course. We hope that some of the revised subject outlines will be ready for experimental use in the school year 1964-65. Provision is also being made in the fiscal

(Mr. Roblin, cont'd)... year 1964-65 for seminars to plan the reorganization of the elementary curriculum and to provide for a terminal programme commencing at approximately the Grade IX level. We do not neglect the responsibility of keeping our educational system under constant critical evaluation and review.

There has been considerably greater than expected response to the offering of technological courses at the newly completed Manitoba Institute of Technology. This has justified our hopes for the Institute. Detailed planning is also underway for vocational schools at The Pas and Brandon. I might emphasize, Madam Speaker, that the greatest care must be exercised in respect to the expansion of technical education. We must proceed with an eye to the ever changing needs of the industrial society in which we live. To train young people for productive careers, we must know a great deal more than we do now about the probable needs of the economy and the general community. We are, therefore, first emphasizing the re-training and upgrading of people whose formal education is not sufficient to enable them to take advantage of available specialized training programmes. These persons today form the hard core of unemployed workers. In order that no one will be prevented financially from taking advantage of this opportunity to ready himself for higher trade qualification, Federal-Provincial training allowances are being paid to those who take the courses offered. This is a key step - a very significant move, Madam Speaker. Let us break the cycle of displacement which has been forcing more and more of our workers into idleness. We offer to all those able to benefit the chance to re-open the doors which declining demand for their present level of skill has closed.

That there is a vital link between education and economic advance may be presumed, but the exact nature of that link will be ever changing, and the demands of our training programmes will thus always necessitate the alert and continuous review of which I have spoken previously.

The total estimate for current expenditure through the Department of Education of \$41.6 million in 1964-65 -- \$3 million above the 1963-64 commitment and representing 27.4 percent of the total current expenditures of the Province for the coming year -- reflects our desire to provide the best possible educational services for all of our people.

Health

One of the major undertakings of the Province, in serving the health needs of our people, is the hospital services programme of the Manitoba Hospital Commission. Since the inception of this programme in 1958, to the end of 1963, about \$185 million has been spent for the provision of insured hospital services. For 1964, the programme is expected to require about \$45 million. Hospital services costs have increased from \$31.00 per capita in 1959 to \$45.00 per capita in 1963, and will amount to \$47.00 per capita in 1964. Through consultation and co-operation with other provinces and the Government of Canada, methods for the control of costs are being studied and developed. Within the Province, we are exploring various means for producing greater efficiency and economy of hospital operations. We have received the vigorous co-operation of the hospitals and their provincial associations. Often, their initiative has pointed the way to savings.

Since 1958, the support required by the hospital services programmes from the general revenues of the Province has risen sharply - from \$3 million in 1959 to \$11.2 million for 1964. Net premium revenue is forecast to be about \$13 million in 1964. Over 56,000 persons are exempt from payment of the premiums. These include old age security pensioners with little or no income beyond their pension; all recipients of provincial social allowances, and dependent students between 19 and 21 years of age. It is possible that the hospital services plan may accumulate a loss in the coming year. Our people - hospital administrators and the public alike - should take warning lest this situation should lead to pressure for higher premiums and higher taxes.

In 1963, seven new health facilities were completed. The total value of new construction and renovation completed under the current hospital development programme since July 1, 1958, now stands at \$21.5 million, involving 34 individual projects. We are providing just over seven beds per thousand population. This represents an increase of approximately one bed per thousand and since 1958 and compares with the 5.0 beds per thousand population available ten years earlier, in 1948. It is also somewhat better than the national ratio. More than \$16 million will be required for new projects in 1964-65. These will include provision for some 750 new beds of which 250 will be added to the available supply in 1964 alone. A further \$3 million is being

(Mr. Roblin, cont'd) . . . provided in 1964-65 to complete projects already underway. Honourable Members will note that I have included a listing of the hospital and elderly persons projects undertaken since 1958.

During 1964, we will add a new Local Health Unit in Southern Manitoba, to serve some 40,000 people. During 1963, as a direct consequence of an intensive three-year Poliomyelitis Vaccine programme, not a single case of poliomyelitis was recorded. This gives us the splendid record of only four cases in three years in what was formerly a "plague spot" in respect of this disease.

The Government's major commitment in respect of treatment for mental diseases will require some \$8 million in 1964-65. This compares with just less than \$4 million in 1958-59. The effectiveness of a modern psychiatric programme can be measured as much by its expenditures and activities outside the Mental Hospitals as by those within. In 1958, only \$3.00 of each \$100.00 spent on psychiatric services was used to aid external Hospital programmes. During 1964, the figure will have reached \$15.00 of each \$100.00. To expand this activity, two new community health teams will be added during 1964. The opening soon of a new clinical unit at Selkirk will also greatly increase the out-patient services in that area.

Since 1958, we have been able to reduce the number of mental hospital beds needed by more than 500 - in spite of the fact that the number of hospitalized patients has increased by over 20 percent each year. The patients come early and stay briefly when detection is efficient. The savings in human and financial values are obvious, such is the progress of the sciences.

During 1964, the support of the Manitoba Cancer Treatment and Research Foundation will be transferred from the Department of Health to the Manitoba Hospital Commission. This move underlines our recognition of the important relationship that exists between cancer control and hospital care. More than \$650,000 will be provided for x-ray and laboratory units. There have also been substantial increases for northern health services. Other programmes will receive sustained support.

Taken as an integrated programme for public health investment, our undertakings for 1964-65 will involve \$23 million in Provincial commitments for the sustained well-being of the community. This represents an increase of some \$1.4 million over the 1963-64 health commitments on current account.

Social Welfare

In the past year, we have been encouraged by the fact that our general economic position has been good. Nonetheless, for the handicapped, for the displaced, for the elderly and for the neglected young, the bright prospects of the future are clouded by the shadows of the present. For these people, our social allowances are the means to lift the shadows. Our rehabilitation services are the keys to renewed participation in productive social enterprise. The various health and medical programmes extended to the elderly and to those otherwise in need give the help that these people want and deserve. Child care and support for mothers, assistance for the disabled and training for the handicapped - these services, performed in co-operation with many agencies, are the pledge of an enlightened society that no one need face otherwise overwhelming difficulty alone. For the Indian and Métis citizens of Manitoba, the achievement of a sense of community and self reliance is the first step on a long road which we firmly believe must be travelled. The Community Development Branch will expand its work in this direction.

The Province of Manitoba has recommended an increase in assistance to the group drawing old age assistance, disability and blind allowances, in co-operation with the Government of Canada. The additional cost for the full 1964-65 fiscal period for these increases in pensions will total \$1.2 million, to be shared with the federal government.

We will be extending many of our special services both within the Welfare Department and in co-operation with other Departments and Agencies. The special programmes created for the training and up-grading of low-skilled workers will affect welfare rolls. The turn-out for the training courses being offered is encouraging.

The ultimate goal of our welfare undertakings is the restoration of personal independence - the Departments of Welfare, Labour, Education and Health work together to this end. In 1963-64, the appropriation on combined account for the Department of Welfare was \$18.3 million, and the Department will require for 1964-65 \$21.4 million on combined account.

(Mr. Roblin, cont'd)...

The Labour Resource

Economic challenges are already re-shaping the role of the Department of Labour. It must now work to keep the labour force structurally mobile and efficient. The Department is hence giving special attention to man-power training. We are examining future needs and requirements. The Director of Research in the Labour Department will assemble existing data, and will undertake to continue our study on man-power supply and demand. This is basic to the determination of sound policies and programmes aimed at providing the individual with adequate means of training for the work actually required by the changing economic circumstances.

Another important element in the Department's efforts to promote labour-management understanding has been a programme of continuous joint consultation. The Government and the University sponsored a seminar last year at which management and union representatives worked under the guidance of experts in the fields of economics and labour relations. Later in the year, this programme was further developed through a joint conference on man-power training.

Permanent labour and management consultative groups now meet regularly with the Minister. Particular mention should be made of the consultative committee of employers and unions in the construction industry. New legislation covering wages and hours in this industry has been introduced.

In 1963-64, minimum wages were increased. Regulations concerning mechanical and engineering matters were improved. Wages and Hours administration, Industrial Safety and Fire Protection programmes, as well as other services of the Department of Labour, were maintained and strengthened.

The appropriation for the Department of Labour for the year ahead is \$660,645. Our combined Human Resources investment through Education, Health, Welfare and Labour was an estimated \$85.2 million on combined account in 1963-64. In 1964-65, we shall be investing in human betterment through these four Departments some \$91.7 million on combined account. This combined current and capital investment in Human Resource programmes of the Government for 1964-65 compares with \$42.2 million in 1958-59. This represents an expansion in human development undertakings by some 117 percent in the past six years and 7.6 percent above the 1963-64 fiscal year alone. The combined investment in human resources now accounts for over one-half of the overall annual commitment on current and capital account of the Provincial Government - before provision for utilities.

Municipal Affairs

Pending analysis and decision in respect of the findings of the Royal Commission on Local Government Organization and Finance, the Government has again increased its necessary financial support for local government. For the coming fiscal year, we shall be placing before the House some \$90.4 million in appropriations to continue the many forms of aid and support extended by the Province to local government and local development. This represents an increase of some \$10.4 million over the 1963-64 estimates for this purpose. It is a continuation of a policy which has directed every possible portion of any increase in Provincial revenues to the sustained support of our local community growth. I have noted in previous Budgets the fact that a major portion of the Province's revenues is directed to that support of local development. For 1964-65, even before consideration of the report of the Royal Commission, we estimate that some 60 percent or 60 cents out of every current revenue dollar accruing to the Province will be committed to the support of local government and local progress.

Last November, at the Dominion-Provincial Conference, some \$7 million of additional revenue was estimated by Ottawa as likely to accrue to Manitoba under the revised equalization and standard tax allocations set by the Government of Canada for the fiscal year 1964-65. Madam Speaker, the \$10.4 million increase in our aggregate support for local progress for 1964-65 over 1963-64 can be compared with the \$7 million made available to us under the one-year revision in tax arrangements. This will not be the last word in respect of our support of local government. When we have reviewed fully the first report of the Michener Commission, our financial undertakings will also be reviewed. The important decisions arising out of

(Mr. Roblin, cont'd)... these matters will be dealt with promptly.

Manitoba has entered a new phase of urban development. We are grappling with critical problems of renewal and growth. Housing is a major component of many of these problems. We are, therefore, pursuing an expanded programme of Provincial participation in the public housing field. For this purpose, we have established a Special Municipal Services Branch in the Department of Municipal Affairs to co-operate with the Manitoba Housing Commission in dealing with housing and urban renewal. The Province's participation in winter works undertakings, and in respect of the new housing programme, is included in the estimates for the Department of Municipal Affairs.

To date, Madam Speaker, plans for more than 52 projects valued at \$26 million have been submitted to the Province for consideration under the Municipal Development Loan Act. We are also continuing a full programme of winter works undertakings for this Winter. Some 252 projects are underway, creating an estimated 4,300 jobs for the winter season.

Other Service Investment

For the year ahead, the Attorney-General's Department will be committed to the implementation of two major undertakings. The new Detention Home for Boys, to be built in the Winnipeg Area, will provide a necessary rehabilitation facility. We estimate a total Provincial investment in this project of some \$1.5 million. Another aspect of the rehabilitation programme being advanced under the Attorney-General is the expansion and re-organization of the Province's probation and parole services. These are the foundations which underlie the sound administration of justice. For 1964-65, the combined estimates for the Department of the Attorney-General will total \$7.2 million as compared to \$5.1 million for 1963-64. This represents an increase over the year of some 43 percent in our investment.

The Provincial Secretary's Department will be engaged for the coming year and beyond in the supervision through the Manitoba Centennial Corporation of the Province's participation in the celebration of the Confederation centenary, and the creation of our Province in 1870. These milestones in the Province's history, and in Canada's development, will be marked by a programme of new asset creation involving about \$17 million of which the Province's share will total approximately \$8 million. In partnership with our municipalities and with the federal government as well as with private persons, we will be developing major new projects in our communities. An integrated Arts Centre is to be established in Winnipeg. An auditorium or like project in Brandon has been included in the plans. Extension and improvement at the International Peace Gardens will be undertaken within the programme. Local parks and other local recreational facilities will be improved and expanded as a part of the commemoration developments now planned. Provincial parks will be developed to a total commitment of \$4 million under the centenary programme.

SUMMARY OF PUBLIC INVESTMENT

For the year ahead then, the Government is committing for investment in sustained progress some \$152 million on current account. Of this total, some \$13.8 million will be chargeable to capital division. On capital supply, we will be providing in 1964-65 for Provincial investment some \$68.5 million, including provision for our utilities.

ECONOMIC OUTLOOK

The economic indicators now at hand suggest that the current national trend of high and rising activity will be sustained, although at a more moderate rate of increase than has been experienced over the past twenty months. The level of inventories in relation to orders and requirements now established for most manufactures is not high. In fact, there appears to be room for some inventory build-up in a number of equipment and consumer goods industries.

Similarly, in Manitoba, excess in manufacturing capacity - never as great a problem as in other industrial regions of the country - will not be a problem for the immediate future. Taken together, the inventory and capacity aspects suggest that the rising impetus of both external and domestic demand, even if moderating, will continue to support present or moderately higher production, employment and earning levels.

This sustained strength will in turn require a commensurate investment of capital to replace and extend equipment, plant and other facilities. Given the clearly restrained capital commitment experience of the past three years, or more, the capital planning for a higher

(Mr. Roblin, cont'd)... level of activity will have to be somewhat higher itself, to maintain efficiency. This has been confirmed throughout 1963 by rising investment commitments. I feel that 1964 will require a continuation of new investment at the higher level of 1963 if only to match the expansion in demand over and above normal capital replacement.

Underlying all of these assumptions for the future is the clear evidence of present confidence in the economy. Investors, producers, distributors and consumers seemingly share this confidence and the wheat sales impact, the high motor vehicle sales volume, the absence of large surplus inventories and the emergence of new capital are all conducive to confidence being continued.

I, therefore, expect that our provincial economy will show growth in the coming year in the main sectors of manufacturing and trade. We know that transportation and construction are assured of sustained demand through the first half of the year, at least, on present commitments. We can hope that climate and other factors will favor agricultural production as well, because high demand appears assured for another crop period.

In summary, in considering the ways and means of meeting our public requirements for 1964-65, I am confident that our programmes will be fulfilled in an economic context able to support the measures taken for the raising of revenues in the year ahead.

DOMINION-PROVINCIAL RELATIONS

In the presentation of the Budget for 1963-64 I had estimated that revenue under the tax collection agreement with the Government of Canada would yield to Manitoba approximately \$16.9 million in standard personal income tax, \$15.2 million in corporation tax and \$2.7 million in our share of federal estate tax. This represented a total yield for standard taxes of some \$34.8 million then anticipated for the fiscal year just closing. We also estimated equalization and guarantee payments totalling just over \$11 million for 1963-64, to produce a yield from the basic taxes and guarantees, including equalization, of \$45.8 million for the period ending March 31st, 1964. In addition to the basic yields and guaranteed equalization, Manitoba also received through the collection agreement the revenue in respect to hospital service charges on individual and corporate incomes which we estimated at \$7.6 million for 1963-64.

With the sustained strength in the economy having carried through 1963-64, the revenues under the collection agreement have exceeded our estimates by some \$1.1 million as tax receipts reflected the higher earnings and profits which have been experienced since early 1962. I have set out a brief table showing the revised 1963-64 estimated return, exclusive of the hospital services charges, and I have compared the revised estimates with our present forecast for 1964-65 revenues under the fiscal arrangement and collection agreement with Canada.

Honourable Members will note that I have in fact shown two sets of figures for the 1964-65 forecast. In the first instance, the estimates for the coming fiscal year are as we would have expected had the fiscal arrangements between Manitoba and Canada, concluded in 1961 for the fiscal period 1962-63 through 1966-67, been left undisturbed. However, as the House will be aware, at the Plenary Session of the Dominion-Provincial Conference held in November of last year, the Government of Canada undertook to make certain revisions in those arrangements, to have effect for the fiscal year 1964-65. I have, therefore, made another estimate of our 1964-65 receipts, making a second comparison with our revised 1963-64 estimates.

(Mr. Roblin, cont'd)...

Canada-Manitoba Tax Collection
And Fiscal Arrangements Receipts
(Thousands of Dollars)

	1963-64 Revised Estimate	1964-65 Estimate Based on Original 1962-67 Arrangements	1964-65 Revised Estimate Based On Amended Arrange- ments and Federal Projections
Personal Income Tax	16,919	19,116	19,116
Corporation Income Tax	15,678	16,462	16,462
Succession Duties	<u>2,345</u>	<u>2,248</u>	<u>3,372</u>
Total Yield of Standard Taxes	34,942	37,826	38,950
Equalization and Guarantee	<u>11,973</u>	<u>11,732</u>	<u>17,631</u>
Total	<u>46,915</u>	<u>49,558</u>	<u>56,581</u>
Increase over Year		<u>2,643</u>	<u>9,666</u>
Increase in 1964-65 Payment in Comparison with Original 1961 Agreement			<u>7,023</u>

It will be noted that we are now anticipating an increase in revenue under the fiscal arrangements for 1964-65 of \$9.7 million over 1963-64 -- exclusive of the hospital services charge -- and some \$7 million above what we would have expected had the Federal Government not acceded to the very strong pressures exerted by the Provinces for improvement in the fiscal arrangements.

The hospital service charges are now estimated at \$8 million for 1964-65. In general, we have accepted the federal assumption of an approximate increase in the level of economic activity of about 5 percent during 1964 and this is reflected in our tax revenue estimates.

I have referred to the pressure exerted by the Provinces for improvement in the terms of the fiscal arrangements with Canada. It was a pressure to which Manitoba contributed consistently since the arrangements were first announced in 1961. I have said in this House on other occasions that the Government of Manitoba had not accepted the weakening of equalization effected under the 1962-67 tax collection and fiscal arrangements. While we have not been and are not willing to view the present rates of federal withdrawal from the standard tax fields as being in any way final, it was the question of equalization to which we have most earnestly addressed our arguments.

While members of the present Government of Canada - including the Prime Minister - had made frequent reference to their pledges to implement equalization to the per capita yield of the top province, the undertaking now given for 1964-65 puts equalization on the basis of the yields in Ontario and British Columbia - the top two provinces. We still believe that logic and equity, not to mention the fulfillment of pledges that have been made, all require equalization of the standard taxes to the top provincial yield. Nevertheless, we are pleased to see a movement toward the basic restoration of the principles in respect of equalization which we have supported. The national average yield of standard taxes could not in principle be a proper base for the equitable adjustment of provincial revenue disparities, and Manitoba's Government has consistently and strongly emphasized that fact.

(Mr. Roblin, cont'd)...

We are disappointed that the natural resource revenue adjustment to equalization which Manitoba had successfully urged upon the Federal Government in 1961 has now been eliminated as a positive element in the tax equalization. Under the Government of Canada's undertaking for 1964-65, the excess resource revenues of the wealthier provinces are not to be shared with the less well endowed, but are in fact deducted from the equalization funds payable by Canada. This is a basic contradiction of the principles that we have supported. We cannot accept the notion of 'equalizing downward'. We do not believe that any part of the nation should have a penalty so applied as a result of history or geography - whether it be a penalty of insufficient resources or a penalty exacted because of a fortunate endowment in natural resources or other revenue potential.

Another element of change in the tax arrangements for 1964-65 has been the additional 25 percent abatement in favor of the Provinces in respect of succession (estate) duties. However, here again Manitoba is concerned at the weakening of a sound principle in respect of fiscal equity in this country. Because the additional abatement or sharing of federal succession duty (or estate tax) collections will not be included in the calculation of equalization, a most unfortunate precedent has been created. A share of a standard tax - of a most unevenly distributed tax revenue - has been excluded from the adjustment of revenue inequities.

Had the Government of Canada fulfilled its pledge to equalize tax yields to the highest province, and included in equalization all standard tax revenues while continuing to apply the positive equalization established in 1962 for natural resource revenues, Manitoba would have received an estimated \$14.4 million additional revenue in 1964-65. The Federal Government's undertaking has fallen short of these terms and will mean a net gain of only some \$7 million for the coming fiscal year. However, while far from adequate, these adjustments are for one year only, and Manitoba will continue to press for a broadening of the standard tax base, with full equalization being applied across the whole standard tax aggregate.

There will be a resumption of the Plenary Conference in the near future. The Prime Minister of Canada has agreed with the Provinces that the vast and complicated area of joint Dominion-Provincial programmes must be thoroughly examined. The many points of economy, efficiency and equity which have not been satisfactorily dealt with in the shared cost, conditional grant and other joint programmes must be attacked with genuine and imaginative intent.

In the main, Manitoba contends that the joint development of the nation has required and will continue to require joint financial and technical co-operation, as well as co-operation in fundamental policies. We recognize the achievements to date which can be properly attributed to various programmes of joint - inter-governmental participation in costs and administration. Our concern is that these co-operative efforts continue to advance our well-being as a Province and that sound progress in Canada be assured. We must, therefore, be prepared to make changes in the application of such programmes where improvement can be determined. We must be willing to develop other concepts of co-operation where these could be more effective. We must be open to new methods, while we give fair recognition to the accomplishments recorded under the older techniques.

The varying views among the provinces on these questions must be considered in detail before sweeping substitutions or other changes are agreed to. Manitoba has, in fact, emphasized that it is unlikely that any final adjustments of inter-governmental problems are either possible or really desirable. Flexible and pragmatic changes made in the full knowledge of the facts and in good faith among the parties to the arrangements - these are the practical and desirable objectives. They are objectives that require a continuity of effective consultation. This is our conception of co-operative federalism.

For the information of the Honourable Members, I shall be tabling for the record my remarks at the opening of the November Conference. The sense of what I have said here today was explicit in my statement on that occasion. We have a long road to travel in Canada before we will have come even close to the fulfillment of our potential as a nation. That road cannot be travelled in a spirit of isolated or compartmentalized concern for the interests of one region or one jurisdiction. We must accept the vital fact of federal life - we must work continuously together in order that our Governments can fulfil their obligations to their people. There cannot be any absolute or final allocation of either responsibility or equity. Each is a necessary

(Mr. Roblin, cont'd). . . reflection of the inevitable changes that time and circumstances dictate.

There must be effective consultation on decisions - not alone on responsibility. This in turn dictates effective and continuous interchange of ideas and viewpoints, of facts and figures. Above all, our mutual need is to work together as Canadians. Manitoba has consistently worked in this spirit and we shall continue to strive toward a national purpose, believing that only by so doing can Manitoba's true interests be served.

This does not mean - it cannot mean - that we will be any the less insistent upon the rightful and proper understanding and acceptance of our needs as a Province. We shall serve best by being forthright in advancing our views, but those views will be expressed in a context of fair-mindedness and explicit faith in the desire of all Governments in this country to make of our nation the best that its rich potential can attain.

Before I leave the subject of our relations with the Federal Government, I would like to refer briefly to two important discussions which took place last year.

Last July, we met with Canada and the other Provinces to discuss the matter of the Municipal Development and Loan Act by which the Government of Canada proposed to make loans for approved purposes to local governments. In its original form, the proposal was quite unacceptable, not only for the reason of the methods proposed but for the evident intrusion into an area of provincial control.

At the meeting in Ottawa, following frank discussion of all problems, we were able to achieve appropriate changes which, to a large extent, removed the restrictions and restored effective control to the provinces where it constitutionally belongs. Manitoba has thus been enabled to enter into an agreement with Canada with respect to this matter and processing of municipal applications for assistance is now in progress.

At the same meeting, the Government of Canada put before the Provinces its plans for a national retirement pension plan. While no direct participation of provincial governments was involved, it did consist of a large-scale activity of the Federal Government in an area where the provinces enjoy concurrent jurisdiction. Not only this, but the financial implications of the proposal were so important that the whole basis of the economy would be affected.

At this meeting in July, and subsequently in September and November, we made known our views. I do not propose to go into these in detail now but will merely mention a few of the points which we drew to the attention of the other members of the discussion.

1. The long-term costs of the pension plan,
2. The effect of increased levels of pensions on the whole structure of welfare payments,
3. The burden on the economy of the costs of such pensions,
4. The failure to mesh the plan with existing plans and to provide portability for them,
5. The effect on the pool of investment capital now contained in pension funds of a wide pay-as-you-go scheme.

Last but by no means least, we were concerned at the effect on the whole economy of the tax impost necessary to support the plan. It was and is in our minds a question of social utility and of the plan's place among our national priorities. It was not merely a question of the merits of a particular plan for pensions in itself.

I am gratified that many of the points raised have been dealt with in the revised proposals made by the Government of Canada. I am particularly gratified that an effort has been made to preserve, at least in part, the pool of investment which is so vital to the provinces and municipalities. We do, however, stand by our belief that the interests of the country would best be served if this whole proposal could be the subject of a public enquiry, perhaps of the nature of that undertaken in connection with the Unemployment Insurance Act. Let us take care that any new wage-related pension plan adopted gives the best possible results for people whom it is intended to assist.

I think that we have all learned something from these meetings on the Municipal Development and Loan Act and the Canada Pension Fund. To me, they point out the need for consultation before the act, but do also show that, given a situation of differences, much can be achieved by sitting around a table and talking the matter out if a spirit of compromise and goodwill is part of the proceedings.

FINANCIAL REVIEW

Our fundamental position remains unchanged. The responsibilities of government are primarily to create and maintain the social and economic climate in which our way of life can best flourish to the greatest good of all. We continue to devote our best efforts to the fulfilment of that role.

Public Debt

At the close of the calendar year our outstanding obligations on capital account, as represented by the net debt, had actually been reduced from a year ago by about \$1 million. This has been in large measure due to two factors - the transfer of maturing utility obligations to a guaranteed basis and the continued growth of provincial sinking funds.

This Government regards its credit as a most important asset to be used with care, but indeed to be used in our progress toward economic maturity. We believe that this is a policy that has been tested and found best suited to our needs. That it has been followed with suitable prudence is illustrated by the continued high status of our credit position among the Provinces of Canada. Our standing is closely on a par with that of Ontario and of Alberta, both of whose economic wealth, we must accept, is at a higher level than our own. This has not come about by accident but by a deliberate fostering of our name as a credit-worthy risk of the first order for the investor in public securities.

COMPARISON OF PUBLIC DEBT

	<u>December 31, 1962</u>	<u>March 31, 1963</u>	<u>December 31, 1963</u>
Debentures	\$ 247,017,000	\$ 243,017,000	\$ 250,027,000
Savings Bonds	52,144,200	51,311,200	59,850,800
Treasury Bills	66,930,689	73,393,239	63,528,010
	<hr/>	<hr/>	<hr/>
Gross Debt	\$ 366,091,889	\$ 367,721,439	\$ 373,405,810
Less: Gross Debt for Self-sustaining Purposes	<hr/>	<hr/>	<hr/>
	181,107,229	182,736,779	183,573,576
	<hr/>	<hr/>	<hr/>
	\$ 184,984,660	\$ 184,984,660	\$ 189,832,234
Less: Sinking Funds and Other Funds held for General Debt Retirement	<hr/>	<hr/>	<hr/>
	15,621,737	17,105,760	21,439,619
	<hr/>	<hr/>	<hr/>
Net Debt	\$ 169,362,923	\$ 167,878,900	\$ 168,392,615
	<hr/>	<hr/>	<hr/>

Of course, no one borrows for nothing. Money has a price like anything else and it must be paid. It is this cost that is a good measure of our ability to assume capital liabilities. To use the measure for previous years, it will, in 1964-65, take under 4 percent of our revenue to pay the interest of the public debt, while in 1945 it required more than three times this percentage. Today not much more than the current year's revenue would retire our net direct obligations. Twenty years ago it would have required close to two and one-half years' revenue for this same purpose. Despite the vast programme of capital improvement undertaken in this Province since 1958, our ability to meet these costs has continued to remain unimpaired, and in fact has relatively improved.

As proof that our capital expenditures have been devoted to the creation of capital assets and not to the liquidation of deficits, I put before you an analysis of the purpose of our public debt. The concentration in tangible assets essential to growth is clearly shown.

PURPOSE OF PUBLIC DEBT - DECEMBER 31, 1963

(Thousands of Dollars)

Public Utilities	\$ 172,653
Other Recoverable Debt	10,921
Provincial Buildings	14,277
Roads and Bridges	132,580
Other Public Works	14,858
Grants and Advances	10,233
Unemployment Relief (pre-1958)	9,539
Debt Discount	8,345
	<u>\$ 373,406</u>

Sinking Funds, etc.

We have continued the sinking fund policy provided by law. Under its provisions, a 3 percent sinking fund is provided for all issues over one year, other than serials. This is sufficient with conservative earnings to retire the principal of an issue in about twenty-two years.

The utilities have continued their established policy of providing funds for debt retirement of not less than 1 percent of the outstanding debt at the close of the previous fiscal year, plus earnings at 4 percent. This is in accordance with established utility practice. In certain cases, as in the January, 1963 issue in New York, a higher rate has been provided - in the case mentioned 2 percent.

In the coming fiscal year, something over \$7 million is being provided for sinking funds, including utilities. In addition, something over \$1 million is provided for the retirement of serial debt.

At December 31, 1963, the total funds held for the retirement of provincial debt were something over \$60 million, an increase of about \$6.5 million from the year before.

Guarantees

Provincial guarantees continue to be restricted to Government agencies and others that can be said to operate on a separate and distinct basis from the ordinary functions of governmental departments and whose charges are not upon the Consolidated Fund.

Statement of Guarantees Outstanding by Class of Borrower

	<u>December 31, 1962.</u>	<u>March 31, 1963.</u>	<u>December 31, 1963</u>
<u>Guaranteed as to Principal and Interest:</u>			
Manitoba Hydro	\$ 201,800,000	\$ 207,150,000	\$ 232,150,000
Manitoba Telephone System	35,000,000	35,000,000	47,500,000
University of Manitoba	12,600,000	12,600,000	16,100,000
Hospital and Other	<u>8,725,149</u>	<u>8,641,540</u>	<u>8,723,218</u>
	\$ 258,125,149	\$ 263,391,540	\$ 304,473,218
<u>Guaranteed as to Interest Only:</u>			
School Districts	\$ 5,225,843	\$ 5,222,969	\$ 4,814,693
Municipalities	<u>2,984,537</u>	<u>2,984,537</u>	<u>2,831,051</u>
	\$ 8,210,380	\$ 8,207,506	\$ 7,645,744
	<u>\$ 266,335,529</u>	<u>\$ 271,599,046</u>	<u>\$ 312,118,962</u>

Mr. ROBLIN, Cont'd),....

Local Government Borrowings

The satisfactory condition of local government borrowings which I noted last year has prevailed through 1963. During this period a total of \$6.6 million of school unit debentures were marketed with the co-operation of the Municipal Board under the very successful trustee arrangement that have been developed. This is somewhat below last year and indicates that the large back-log of new construction requirements gradually is being overcome.

In addition to these school debentures, bonds of municipal corporations of \$7.5 million were authorized, of which \$1.1 million were marketed through the Municipal Board facilities. This does not include sales of \$10.8 million by the City of Winnipeg and \$4.0 million by the Metropolitan Corporation of Greater Winnipeg.

Continued efforts toward the improvement of the information available to investors are being made. I cannot overemphasize to local governments the importance of clear, accurate statistics when they are considering public financing. The Municipal Board has also continued to encourage local participation in issues, believing that such involvement is conducive to increased local interest and responsibility.

Transactions

Manitoba again issued savings bonds in 1963. One issue was made of 4 $\frac{3}{4}$ percent bonds maturing in ten years and yielding 4.99 percent if held to maturity. The rate was unchanged from the previous year.

Total sales were something over \$13 million, somewhat less than before but quite satisfactory in view of the competition of Canada Savings Bonds at a somewhat higher yield.

Several issues of short term securities were made when rates were considered favourable. The regular issue of weekly Treasury Bills was continued, but on net balance our outstanding obligations in this type of security were reduced in the calendar year.

By far the largest part of our financing has been with respect to the utilities and other bodies which enjoy a provincial guarantee of their obligations. These included Manitoba Hydro, the Telephone System, the University and one hospital covered by a special Act of the Legislature. The net increase in guaranteed debt in the calendar year amounted to \$46 million as against \$79 million in the year previous. The decrease is due in large measure to the timing of the issues as the level of requirements has not changed substantially. With the exception of one issue in New York of Manitoba Hydro Bonds, funds in all cases were obtained on the domestic market.

While the Canadian bond market has been reasonably steady in the long-end, it has been sensitive to new issues. In some respects this follows from the increased dependence on it following the effective removal of the U.S. market as a source of funds for a good part of that period.

The basic problem of our balance of payments position has been complicated by the continuing imposition of the Canadian Withholding Tax and by the proposed U.S. Equalization Tax. While the latter has not yet actually been applied, it has been hovering over the market and has taken far longer to resolve than was originally anticipated. The spread between interest rates in New York and Canada has remained attractive but seemingly unattainable until this situation was resolved.

As I announced last month, however, Manitoba was approached by a small group of investors in the United States through the agency of a national financial house, with respect to a possible loan of several million dollars on behalf of Manitoba Hydro.

We were able to close a loan of \$28 million in New York in U.S. dollars on behalf of Manitoba Hydro on a most satisfactory term and under conditions which I regard as favourable. In negotiating this loan, neither the Province nor Manitoba Hydro assumed any liability for the tax position of the purchaser with respect to either the Canadian Withholding Tax or the United States Equalization Tax. Further, while we have had no official clearance or approval, and there is no authority for such, we made every effort to ascertain and are satisfied that this loan is in no way harmful, but rather is beneficial to the Canadian international payments position.

The loan which is for twenty-two years is callable after twelve years at a discount. It bears 4.25 percent and yields to the investor 4.95 percent per annum if held to maturity. With

MR. ROBLIN, Cont'd). . . .

the U. S. dollar at an 8 percent premium, the net interest yield becomes 4.34 percent, if the premium on the principal amount is taken into account. However, as it is the practice of the Hydro Board to set up an effectual reserve against the possible premium on U. S. funds at maturity, the premium received at issue on the principal amount hedges the issue to a premium of about 15 percent premium on the U. S. dollar over the life of the issue.

Revenue and Expenditure, 1963-64

As the books of the Province will not be closed for over two months, it is not possible to give a final analysis of the experience for the fiscal year now drawing to a close. However, on the basis of past experience to date, with a knowledge of existing trends we can make an estimate of the probable final position.

Revenue

The total revenue for the year will be substantially in excess of that originally estimated. At the time of the last Budget, a total revenue for the fiscal year of \$136 million was forecast. It now appears that this will be substantially greater and will reach \$142 million - an increase of about \$6 million.

While increases are to be found throughout, the headings under which substantial increases from estimates are to be found are listed in the Budget Speech and members will probably wish to read them for themselves.

Gasoline Tax	\$ 1,000,000
Tobacco Tax	450,000
Corporation Income Tax	484,000
Equalization and Stabilization	940,000
Water Power Rental	169,000
Forest Revenue	100,000
Mining Royalty Tax	348,000
Auto and Drivers' Licences	200,000

The only decreases of consequence were:

Succession Duties	326,000
Liquor Control	235,000
Game and Fur Revenue	211,000

Expenditure

Information now available from Departments shows prospects for a surplus on current account in the 1963-64 fiscal year of about \$10 million. In accordance with the established practice, this amount will be carried forward into the next fiscal year.

This surplus follows from the increases in revenue previously referred to, coupled with a decrease of expenditures of about \$4 million. The main estimates for 1963-64 totalled \$136 million. The last revision made a few days ago indicates a total expenditure of about \$132 million.

Revenue and Expenditure, 1964-65

Now, I come to Revenue and Expenditure for the coming fiscal year 1964-65, and the first item under this heading is-

Taxation -

Let me say at once, that I am proposing no new taxes at this time. The past year has seen unprecedented interest in the subject of taxation and the raising of public revenue generally. This is hardly surprising, for the share of all governments from taxes is now about 26 percent of the Gross National Product in Canada -- incidentally, substantially below the ratio in many other developed countries. It is thus a factor of great economic influence. In Canada we have had the Royal Commission on Taxation getting into full stride in the past year in its difficult and complex task of analyzing the national tax system. The first report of the Michener Commission is yet to come before us. Its subject is the reform of local government organization and finance in this province. In view of the many submissions made to the Royal Commission, we must in logic presume that some changes in our present system will

Mr. Roblin, Cont'd)...

be proposed. Whatsoever these may be, they will require careful study. And if they include the transfer of expenditure from the municipalities to the Province in any substantial degree, the proposals will of necessity be reflected in changes in the Provincial financial position. Should this situation arise, separate consideration of this problem will be required.

In determining our probable revenue position for the next fiscal year, I have taken into account all the pertinent factors on which information was available. They include past performance, economic conditions - past, present and anticipated - public attitudes, administrative efficiencies and legislative changes. In 1964 we anticipate a growth in the gross national products of probably 5 per cent and this factor has been weighed in the determination of revenue wherever appropriate, although a direct relationship is often hard to establish. We forecast revenue of \$151,761,000. A number of increases provide the additional revenue forecast, and I give a list of those items we are expecting revenue increases on the present tax basis.

There are some losses and I estimate what those will be.

Gasoline Tax	\$ 2,600,000
Motive Fuel Tax	400,000
Tobacco Tax	1,450,000
Individual Income Tax	2,684,000
Corporation Income Tax	1,355,000
Succession Duties	701,000
Equalization and Stabilization Guarantees	6,598,000
Transfer of Revenue Surplus	2,500,000
ARDA Agreements	370,000
Attorney General Fine and Miscellaneous	172,000
Land Title Fees	130,000
Liquor Control	265,000
Forest Revenues	100,000
Mining Royalty Tax	550,000
Unemployment Assistance Agreement	165,000

As against these, some revenue losses will likely occur, particularly in the following items: -

Transfer of Deferred Revenue Reserve	\$ 3,854,366
Automobile and Drivers' Licences	950,000

The transfer of the deferred revenue reserve was a one-time operation used to close out a static account. The fall in automobile and drivers' licences is due to 1964 being an off-year for the issuance of drivers' licences.

Expenditure

I have referred to the departmental operations in the next fiscal year. Total expenditures on current account will be \$151,602,185 - an increase of \$15,540,944 over the same estimates for the previous year.

Expenditure for capital works included in this current account is estimated, for 1964-65, at a total of \$13.8 million, the highest for several years. This has been instrumental in enabling us to control our borrowings and debt costs at an even more reasonable level than would otherwise have been possible.

With a revenue of \$151,761,000 and an expenditure of \$151,602,185, I am able to budget for a surplus of \$158,815.

Capital Programme

Our capital programme continues in the policy established over the years we have held office.

As I noted in 1963, we have been most careful in our borrowing policy, and again I use as an example the Floodway. No one, I am sure, will deny that it is an asset of great importance, but I have chosen to regard its ability to earn revenue as indirect. Therefore, as has again proved possible this year, although it may not always be so, I have charged the

Mr. ROBLIN, Cont'd)... Provincial costs to current account.

Details of the capital programmes of the various departments and agencies will be dealt with by the Ministers concerned when these matters come before the House. I can only reiterate that I regard the role of government in the capital investment structure as an increasingly vital one. Without it our economy simply could not flourish for public sector expenditures are too much a part of our system. What we must do is to achieve the best that we can from a happy and co-operative partnership of private and public enterprise - the sort of partnership on which this country was built. Only in this way can we hope to achieve the social and economic goals which are so essential to our future. The appropriate table of capital authority requirements for the year 1964-65 has been included in the appendix to this Statement.

THE DEVELOPING ECONOMY

Now, I come to some remarks, Madam Speaker, on the developing economy.

For the country as a whole, the total labour force has grown in the past decade by 1.4 million workers. Since 1953, while about a million more workers have found employment in Canada, many established trades and occupations have declined sharply, or disappeared. As the work force has grown, many more people have been employed annually, yet in spite of the tremendous efforts by government, industry and labour, there were on the average still about 370,000 Canadian workers unable to find jobs in 1963. In a period of expanding economic activity it has taken increasing emphasis on industrial promotion and development, and a substantial investment of money and personnel, just to keep pace with the growth in the work force. Each year, it is taking even more money and man-power to plan and implement measures to replace jobs eliminated through constantly increasing introduction of new industrial techniques.

That's Canada.

Manitoba has shared that experience. Our rapidly diversifying economy has accelerated emphasis on industrial and service enterprise. Since 1953, an estimated 21,000 more people have found jobs in the Province as the annual employment totals have risen. At the same time, the mechanization in agriculture and the automation in industry have continued to shift many thousands of workers, first from primary to secondary industry, and now in increasing numbers to service industry from manufacturing. The overall growth in the Provincial labour force has still been about 4 percent beyond the net increase in employment - about the same as for Canada over the decade.

Industrial productivity per man has risen sharply each year as automation and other capital applications have been combined with the growing work skills of those now being employed. In fact, only in technical and service industries has it been generally possible to develop new trades and occupations faster than an equally impressive rate of displacement through technological innovation. While expanding incomes and spending have supported record consumption, the industrial work force required to meet this expanding demand has been largely stabilized. The industrial development programmes of government and private enterprise have contributed to this increased material productivity from new and modernized industry. Thus we are faced with the continuing problem of finding jobs not only for new workers but for the constantly shifting forces of employed workers. This was clearly set out by the report of the Committee on Manitoba's Economic Future and has been stressed by the Government. I have emphasized that we cannot rest on achievements and that we have no possible excuse for complacency.

The task is not merely a matter of increasing the number of jobs available. In a highly mobile and dynamic economy, established skills and occupations are constantly disappearing, and the rate of change is rapidly increasing. The jobs eliminated by progress have to be replaced and the employees affected have to be re-employed - often possible only after substantial investment of new capital and extensive retraining of the workers.

Our economy is not static and the labour force required to work in it must be equally mobile and dynamic. The entire investment of the Government in human resource development is aimed at the creation and conservation of these necessary capacities. All sectors of the economy must continue to work together in meeting the increasingly complex requirements

Mr. ROBLIN, Cont'd)..... that new enterprises place upon the work force. The future holds for all maturing economies the necessity of keeping pace with the demands of change as well as of growth. This will temper the gain in overall employment as the replacement of jobs becomes increasingly important. The Committee on Manitoba's Economic Future has set out some of the targets at which we must aim. The Government has moved to provide new instruments and new techniques required. At the same time, the essential participation of the entire community has been re-emphasized in our programmes for economic development.

A very great deal must be done. Few if any of the tasks will be easy nor will the achievements necessarily be recorded in dramatic statistics. Our objective is to stimulate the creation and maintenance of fruitful employment for all who have the capacity and the will to work. This is a goal for which all must strive for its achievement is the basis of progress and prosperity for all.

CONCLUSION

Against the background of a second straight year of substantial prosperity, it would be difficult to be less than optimistic. When that optimism - which, indeed, I do feel - can be based on a broad spectrum of achievement in agriculture, in trade, in resource development and in all the related industries and services, it is easy to anticipate a substantial continuity of prosperity. However, Madam Speaker, I make no apologies for the cautionary word that I must now offer.

In this Budget, I have continued to stress investment as a vital function. I have emphasized that public investment must be matched - indeed more than matched by far - in private commitment of energy, resources and sustained effort. If we are to achieve any or all of the bright goals suggested to us by the Committee on Manitoba's Economic Future, this effort must be made by all of us working in close co-operation. Initiative cannot and must not be left exclusively to Government in our conception of a free and effective society.

The challenge of the moment and for the foreseeable future is one requiring unstinting effort and imagination, creative and diligent endeavour. We have more than one third of our population in the labour force today. Of these men and women, many must be given both the opportunity and the encouragement to retrain and up-grade their skilled capacities if our economic enterprise is to succeed.

We can expect continued growth in our general strength, but only if we avail ourselves of every relevant item of knowledge and apply it in considered judgement of the future. A boom in economic activity has been too often followed by a lower cycle of retrenchment and frustration. This need not happen. But wishing will not ensure the future progress we desire. There are no clearly marked routes, no smooth or effortless climbs over easy slopes. The hard facts of economic life are as real in their presence in prosperous times as in other circumstances. We do not solve our problems by passing over them. The problems are still with us. They are like rocks in a channel over which a ship can pass smoothly at highest water. But only careful pilotage can assure a safe passage in normal times.

I expect the high level of economic activity to continue, if at a more restrained tempo in the year ahead. I have no illusions that all the rocks are cleared from the channel. It is, however, my pledge that we shall take every step to ensure that our future progress shall not be forfeited to complacency in the present.

Madam Speaker, after this rather exhaustive review of the economy of the Province and our future hopes, and after placing before the Chamber our views with respect to the requirements of the Government of Manitoba, both those related to the expenditure side of our statement and those related to the revenue side of our statement, I have the honour to move, seconded by the Honourable Minister of Industry and Commerce, that Madam Speaker do now leave the Chair and the House resolve itself into a Committee to consider of Ways and Means of raising of the Supply to be granted to Her Majesty.

Madam Speaker presented the motion.

MR. GILDAS MOLGAT : (LEADER OF THE OPPOSITION) (STE. ROSE): Madam Speaker, I beg to move, seconded by the member for Lakeside, that the debate be adjourned.

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

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

MADAM SPEAKER presented the motion and after a voice vote declared the motion carried, and the House resolved into a Committee of Supply with the Honourable Member for St. Matthews in the Chair.

MR. ROBLIN: Mr. Chairman, before we proceed with the business that is before us, I would like to offer one or two comments for the consideration of the House. We have been concerned for a number of years, and I think all members share this concern, to keep the business in the Committee of Supply within reasonable bounds and we have suffered -- and I allocate no responsibility for this at the present time of speaking -- we have suffered from a great deal of what some have considered repetition in the work of the committee -- (Interjection) -- depending on where you sit that's true. As I say, I'm not attempting to assign any responsibility for this state of affairs but I do think that members of the committee are not really anxious to have any more repetition than they need have and that they are anxious to proceed with the business at hand in the most expeditious way, without in any way abridging anyone's right to talk, so I would like to suggest to the committee that we bear that consideration in mind.

In that respect it seemed to me that perhaps the government might accept some responsibility for giving a lead in this connection and that we ought perhaps to see if we can get along without making speeches on the introduction of a particular departmental estimate that would provoke the debate that we usually have at that point. So unless otherwise notified -- we will try to notify the House if this should not be the case -- but unless otherwise notified Ministers will not be making introductory speeches on their estimates. They will however be dealing with the various individual items as they arise and we hope that that will provide a full and sufficient opportunity to elucidate any questions that members of the committee wish to pose.

Now that's on the government side. What members on the other side do with respect to Ministers' estimates is strictly their business and we have no intention of offering any advice to them as to how they should conduct themselves, except to say that a good example perhaps deserves to be followed. But leaving that observation hanging in the air, I would simply say that we will try and do our part to keep the talk at reasonable limits, while not in any way attempting to avoid a discussion of any matter that members think important of consideration, by refraining from making the usual statements because all the points we want to make can be made just as effectively and just as fully on the particular items that arise for department discussion. So I offer that suggestion and leave it with the members of the committee to do as they see fit.

The other point that I'd like to make is that as far as I can tell at the moment we will be proceeding in our consideration of the estimates in the order in which they are printed. If there is any variation from that I'll take the liberty of giving members as much advance notice as I can.

MR. GILDAS MOLGAT (Leader of the Opposition) (Ste. Rose): Mr. Chairman, I want to thank the First Minister for the statement that he just gave us and I think there will be general agreement on all sides of the House that no one wants needless repetition. This sometimes though is open to what is needless repetition and what is required in order to elicit the information desired from the gentlemen across the way. However, I can assure the House that insofar as our group is concerned we certainly have no desire to extend the discussion beyond what is necessary for a proper analysis of the figures before us, and this is the basis on which we'll operate.

I want to thank the First Minister for advising us regarding Ministers' statements and also the fact that we will be following the estimates, at this stage at least, in the order in which they are presented to us. Having this information in advance makes it much more practical for us in our own analysis of the estimates in preparation for the work that we have to do.

I'd like to suggest to the First Minister some of the things that might speed up and reduce the number of questions that we are faced with at times. We've asked for this before, for example, the number of salaries covered by every item where it's simply outlined as salary. Now this used to be done in Estimates some years ago and I would recommend to the First

(Mr. Molgat, cont'd.) . . . Minister again that this practice be instituted once more. In those days every salary item carried the number of positions in the previous year and the number of positions in the incoming year, and this usually prevented one question which is asked regularly now in any case on every salary item. I notice in the past two years that the government has given us a separate printed sheet covering the positions, but I submit that while that is useful it would be better to put it in the estimates itself.

Another question which is asked every year, for example, is wherever we come to an item such as grants, or miscellaneous, or these general headings, my own estimates from previous years have long lists along the margins of grants given by the government and so on, and if the Ministers would provide us with a list at the time of entering that particular estimate then the question would not need to be asked. I think, for example, on Page 2, Item 4, Grants Miscellaneous, well I know now that the question will be asked by someone: "What is covered by grants here because we see an increase of from \$90 thousand to \$120 thousand", and this is a normal question. If it was provided in a written statement it would, I think, solve some of the questions and certainly speed up the matters before the House.

So those are my general comments, Mr. Chairman, except to suggest to the government at this stage that, in view of the fact that we've just received the estimates last night and we have just been favoured by a comprehensive and lengthy speech by my honourable friend the Leader of the House on the Budget, I would suggest that we might defer discussion of estimates in detail until tomorrow.

MR. ROBLIN: Mr. Chairman, I'm glad to provide my friend right now with the list of the numbers of staff covered by the various estimates, and if the Clerk would be so kind he can distribute this information so members will have it. I also have the information available here with respect to grants, and when we come to that item I will be glad to deal with it.

I would like, however, to suggest that we proceed in the committee because we know that the first two or three items, Legislation, Executive Council and that kind of thing are relatively innocuous -- I mean to say we usually manage to agree fairly well to pass those items because they're the same every year with a few exceptions, and perhaps we could make such progress as we can in the committee until the usual time without getting into contentious matters which might require further consideration.

MR. RUSSELL PAULLEY (Leader of the New Democratic Party) (Radisson): Mr. Chairman, just before we start I want to say a word or two. As far as we're concerned we accept the suggestion that the Ministers do not, except in exceptional cases -- and I presume that that will be this year the Department of Education and the Department of Agriculture -- make lengthy statements on the opening of departmental estimates, for I'm sure the House would miss very much hearing the charming Member from Gimli making a comprehensive statement at the opening of his estimates. I'm sure, Mr. Chairman, that if we don't receive a comprehensive statement at the opening of the Minister of Education's estimates we certainly will on every item that comes before us, so it really doesn't matter. May I suggest, Mr. Chairman, when we get it, we know we're going to get it even if we don't know how.

I join -- and I'm very pleased that the First Minister has figured out what we would be asking him insofar as staff account is concerned. We can now compare these with what we had last year.

This year, as is well known now, we have a different sort of a setup in that we know where the money is coming from at the same time as we know where it is going to be spent; and now we will be in a position when we move, if indeed we move a reduction in the salaries for instance of the Minister, that this will be reflected in a direct tax saving to the taxpayer of the Province of Manitoba. It's always very nice to be in a position to know that no matter what we suggest as a reduction, the benefactor will be the taxpayer of the Province of Manitoba. With this in mind, Mr. Chairman, we are prepared to consider both the revenue estimates and the estimates of expenditure for the next fiscal year. I want to thank, before I sit down, the First Minister and compliment him on his rather lengthy but nonetheless comprehensive statement which was received here this afternoon.

MR. CHAIRMAN: Department I -- Legislation. Resolution 1.

MR. D. L. CAMPBELL (Lakeside): Mr. Chairman, I have a few comments that I would like to make at this time. I regret that I find myself in the position of being the only one who

(Mr. Campbell, cont'd.) . . . seems to disagree with the procedure already implemented and the proposals made, because I am unrepentant in my conviction that the better way is to have the Committee of Supply before the Committee of Ways and Means, and I think that the procedure that has been used today of delivering the Budget on the motion to go into Ways and Means and placing the Budget before us at this time, while not in any way complicating the work of the committee, is not the proper procedure theoretically for the very reason that the Honourable the Leader of the NDP Party mentioned here a moment ago. In other words, I would use the argument that he just gave as supporting the procedure as the ground on which I would oppose it.

It seems to me that the method that should be adopted in voting supply to Her Majesty is to first of all ascertain the "needs test" Mr. Minister of Education, and that the Committee of Supply should at all times be concerning itself with what are the requirements of the services in all its different branches. We're not in a position on this side of course to move for increase; we are in a position to move for decrease. We don't very often move them, I admit. We don't very often find our attempt to be successful if we do make that motion; but the fact remains I think that the philosophy should be that we first decide upon the need. You perhaps think this is odd coming from me, that I would be one that would be saying that we should be alert to see that the services require all the money that they need, and just as closely as we can gauge it -- just the money that they need -- and then having in the Committee of Supply made this decision as to what amount of money is needed -- always of course guided by the estimates that the government that has charge of the various departments present to us -- having made those decisions, then the Budget is brought in covering the necessary costs.

To do it the way that has now been instituted, in my opinion, is the way that honourable members would have expected me to do it; that I would come along and say: "Here folks, here's the money that the government will let you have", because once it's laid before us, it isn't likely that the government is going to greatly change the amount of money that it has decided that it should raise. So we're faced with the position that here's the amount of money, and there is less likelihood than there ever was that my honourable friends in the NDP Party will be able to persuade the government to greatly expand their expenditures, and quite frankly I think this is not the proper procedure.

We used to do it this way in this House years ago. The Budget was brought in first many years ago and my recollection is, and I must confess that I have not taken the opportunity or had the time to check the authorities in this regard, but my recollection is that it was the father of the present Minister of Industry and Commerce who argued very effectively from this side of the House the argument that I am trying to present now, that the right way to do this job was first to consider the need in the Committee of Supply before the budget had ever been placed before us. Well this is an unavailing protest of course, the fact is that the other method has been adopted and we are prepared to carry along with it.

Now I must say that with all the goodwill in the world towards the suggestion of the Honourable the First Minister about getting along with the committee work, that I doubt that we will gain any time by the Ministers dispensing with their statements. I think the statements at the beginning are useful. I have usually paid pretty close attention to them and have found them to be helpful, and if there are those here who appear by implication to criticize either the present Minister of Education in his former capacity or the Minister of Agriculture for some lengthy statements, I think those statements are well justified and I think that we should have them in the discussion of these various items in the estimates.

But apart from that I think that we will find that each and every item, or almost each and every item, is one that will in itself elicit a few remarks from these gentlemen and I would suggest instead that we try and resolve -- and I know that this has to be as the First Minister has suggested, a case of the members of the committee themselves co-operating in this regard -- that we try to each one of us individually to not duplicate our discussion. That is, if we in making a statement, any one of us, on the beginning of the department, then if we at that time discuss individual items that we don't discuss them again when we come to those items. I think that is the one agreement, if we could reach it, that would add more to expediting the work of this committee than any other single one.

How it's done is of no particular consequence to me but it just seems to me that if the

(Mr. Campbell, cont'd.) . . . Ministers don't make their statements at the opening that they will lose the opportunity to inform some of us on this side of the House on some matter that might be useful to us, to anticipate some question that we might be likely to ask, and the most of us when we get up to ask a question are inclined, on this committee at least, to make a few remarks about it. Those few remarks have a habit of extending the way I am extending my own now and this just invariably happens. I'm as anxious as anybody here to see the business expedited but there are two things that I think should be kept in mind. (1) That we simply must not criticize the members here for trying to give information. That's their job to give information. I don't care how often the Honourable the Minister of Education speaks in his present capacity because he has got a big job to do there, and I don't care how often the Honourable the Minister of Agriculture speaks because there are a lot of things to be discussed there, but I think that the Ministers can themselves guide the discussion a good bit if they point out the most obviously important questions and themselves answer some of our questions before they come up.

MR. ROBLIN: Mr. Chairman, if I may reply briefly to the points raised by my honourable friend. I always listen attentively to what he has to say about procedure. I don't always agree on it but I listen to him because of his experience in this matter. I rather hesitate to advance a view different from his in this matter although I confess I do.

With respect to the propriety, or at least the theoretical desirability of introducing a budget in the way it has been done today, I would say that I would attach more weight to his argument if during the time when we did it otherwise, when this government was not occupying the front bench on this side, there had been the slightest indication that it made any difference. I must confess I never had the slightest intimation that it made any difference nor do I think in fact it doesn't. There must be some reason why this is the only Legislature in Canada at the present time which up until this time has adopted the supply and then ways and means procedure. The others do it the other way. Indeed so does the Federal Government. It doesn't wait until all the supply motions are voted nor does the Parliament at Westminster do that at all. The budget is dealt with on its own quite independently of supply because as a matter of practical machinery it couldn't really be done any other way, and I think my honourable friend would admit that, although he would probably continue to advance the theoretical desirability of the course which he formerly followed, so its a stand-off on that one. But we will try this and see, and I don't say to my honourable friend that this is the law If it turns out after trying it we don't like it, we can always talk about it again.

About statements, I would simply say that I would like to try this system. I feel the Ministers will give, as my honourable friend indicated, they will on the items give the information that they might otherwise give on the presentation. I think we have found from experience in the past that it is just hopeless to rely on the members not to duplicate anything on the estimates that they said on the main item because they can think of plenty of good reasons for doing so. We have found in the past that where the Chairman who is an unusually benevolent, kind and understanding Chairman who very seldom calls anyone to order -- even though sometimes I am fretting around on this side a bit and I guess the other members are too about order on this question -- he is extremely kind, but even when he gets to the point where he says "Order" then we have a general free-for-all as to whether it is a point of order and no one will do what he says and Opposition Members insist on having their say. Well, so be it.

This is what we are here for in a sense so I think I would like to try this system and I myself will feel free to abandon it if we find that it is detrimental, but I would like to try it and see if we cannot get on with it.

MR. CAMPBELL: Mr. Chairman, I freely admit that what my honourable friend says I agree with as far as any practical difference is concerned. That is correct. What I have been dealing with might be called the philosophical approach rather than the practical and I think it makes no great practical difference. I think there is a difference though between the Federal Parliament and our own because the sessions there last so long and their work is spread out over such a tremendous volume of business that I would think they could hardly attempt to hold back the ways and means motion, or the budget at least, until all of the items have been dealt with, and that no doubt would be true in even greater degree with the Parliament at Westminster. I must confess that I wasn't aware that all the other provinces are doing it this way now. Perhaps

(Mr. Campbell, cont'd.) . . . that is an argument -- I don't think it's necessarily right even though all of them do it that way, but that's water under the bridge and I am quite prepared to go along with this method.

On the question of discussion on estimates, certainly if the Ministers are going to try it this way then we are prepared to co-operate with that. But I would make the suggestion from this side of the House that all of us should try, and if we take the opportunity to deal with a lot of items during the time of the general discussion that we either do it that way or leave it until that estimate comes. I know the difficulties of the Chairman attempting to keep us in order in the Committee of Supply. It's very, very difficult because there are related questions and a great many of these matters merge into one another and it's almost impossible to draw the distinction between where one item in Agriculture, let us say, could be ruled out of order and it might sometimes be advantageous to be discussing two or three related matters during the one time.

I'll join my honourable friend in hoping for the best under the new system, but I would like to enquire of the First Minister if the list that apparently he has furnished regarding the numbers of civil servants has been or is intended to be furnished to all members of the committee.

MR. ROBLIN: If he wants it, Mr. Chairman, we will be glad to give it to him. If there aren't enough copies we will get more.

MR. CAMPBELL: Is this the one with regard to grants?

MR. ROBLIN: No, this is to do with staff. Grants we will deal with, seriate them when we come to them.

MR. CAMPBELL: I'm particularly interested in the ones that deal with staff, because as my honourable friend knows I think that it's a retrograde step when we do not print the numbers of the staff right in the estimates. I know there are some staff changes during the year and they can't be completely accurate but that applies to the list that is furnished as well, and I think we should have followed the former practice. I am interested in getting a list of the numbers of civil servants at the very first opportunity because it is one of the things that I have continually paid a lot of attention to, the growth of the civil service, and I would suggest that what we want should be furnished to all the members.

MR. J. M. FROESE (Rhineland): Mr. Chairman, I am surprised that the Government is taking this view and this action in not making statements of their particular departments at the beginning of discussions on their estimates. For one thing, I feel that the government should tell us of any change in policy or any new programs that they develop. Certainly we would hate to see, leaving this House and later on find that a new program had been brought in and we didn't even know about it and hadn't even discussed it. I think this House has given good attention in the past to the estimates when they were under discussion. The attendance has been very good, I feel. Having been over to the Federal Parliament on two occasions that I recollect and where they were discussing Estimates too, I found that only 14 or 15% of the members were present whereas we in Manitoba, here at least I think we have had 50% attendance any time, so that close attention is being paid in this House when we discuss the estimates. I would prefer that we did get some information before the various departments were discussed.

MR. ROBLIN: Mr. Chairman, let me set my honourable friend's mind at rest at once and say that he need have no fear on that score, because on the items as they arise any changes that are contemplated will be fully presented to the Legislature and of course the Ministers will be available to answer any questions as best they can on anything that may be obscure about our past performance or our future intentions. So I want to assure my honourable friend that we'll try and give him every bit of information that he wants. We'll do our best anyway.

MR. MOLGAT: Mr. Chairman, I have just had an opportunity to look briefly over the list of salaries that the Minister gave to me and this explains the reason why I recommend to him again very much that, instead of giving us a separate list, that they be placed directly in the estimates, because you take this list for example: first item is Legislation which gives the Comptroller-General and Leader of the Opposition but it doesn't cover for example salaries under 2 (c) which is salaries for other Assembly expenditures, where in this particular case there happens to be a sizable increase. These are the difficulties that arise with a separate list rather than putting it right into the estimates, so I would recommend that to him again.

(Mr. Molgat, cont'd.)

The other matter, Mr. Chairman, if the Minister could undertake to give us this information, not necessarily right now but at some stage during the debate in this form, it would again prevent some of the questions, and that's the complete list of salaries paid to Deputy Ministers. The Minister gave me this last year. I received it on March 18th. It gave every Deputy and his regular salary plus any that he got for other jobs. If this could be given to us it would be an assistance, and also the list of personnel not covered by Civil Service in Minister's and Deputy Minister's offices. I'm speaking specifically there of people like Executive Assistants and so on. If this could be supplied to us, the numbers in each department, I think this would be a help so that we don't have to ask that question every time we come to a department.

MR. SAUL CHERNIACK, Q.C. (St. John's): Mr. Chairman, there is a method of assistance which I am seeking and I'm certain the Honourable the First Minister will indicate whether or not it will be possible to have that. I note that although in his speech this afternoon he indicated that there was an increase in the estimated expenditures of some \$15-1/2 million, he also indicated that there was a reduction in the actual expenditures of some \$4 million, so that it means to me that there is an increase in the estimates over the expected expenditures from the current fiscal year to the next one of some \$19-1/2 million. Apparently there is information available to the government in the form of estimating just how that \$4 million came about and I am wondering whether that is the type of information which we as members of this committee will receive, or indeed to which we are entitled.

MR. ROBLIN: Mr. Chairman, I think I can provide that. I would ask my honourable friend to read the budget speech. My recollection is that it's explained there in the figures that are shown. If he be still in doubt about it, I'll be glad to provide further information.

MR. CHERNIACK: The Budget speech itself or the schedules that go with it?

MR. ROBLIN: The Tables attached. I think it's all set out there. I recollect that it is, but if you find that you can't find it, I'll either find it for you or else I'll get the information.

MR. NELSON SHOEMAKER (Gladstone): Mr. Chairman, I don't know whether this is too early to raise this point or not, but you will know and most of the members of the House will know that I do have some difficulty nearly every year in finding where roadside parks, historical markers, picnic areas, museums and centennial projects come -- under what department. I wonder if we could learn that now and I could mark my book accordingly.

MR. ROBLIN: Mr. Chairman, it is certainly not in the accounts or in the item under which we're considering, nor in the next one, nor the next one, but when we get to it I'll see that my honourable friend is provided with the information. If he would like to slip me a note of the particular items, I'll annotate it for him.

MR. CHAIRMAN: starting in -- it's a very good start anyways and so much has been said about facilitating matters. I think that the Honourable Member for Assiniboia would be able to stand up and say that before the Edmonton Eskimos and the Bombers start their game that the captains come into the centre and the referee explains the rules of the game. Well we've had certain rules presented to us this afternoon. There's one other thing that I would like to add and that is to make sure that while it may seem related, as the Member for Lakeside has said, our rule book talks about a thing being relevant and I think that we are going to save a lot of time if -- we've had a little example here of something that wasn't right on this item before us -- that will be a great time-saver. For instance if the Minister of Agriculture is talking about the Floodway Control, it wouldn't be just the thing for the member to get up and start to talk about Predator Control. Let's just deal with the item that is right before us and, having had our say, well that's that. I think if we just adopt that method we're going to save a lot of time. I feel that we are getting along this time and I won't have to call "Order" too many times and that generosity may not be regarded as being too lenient.

Department I. Resolution 1 --

MR. CAMPBELL: Mr. Chairman, I have one matter on Resolution 1. We have here the salary of the Leader of the Opposition and my recollection is -- I haven't my estimates of last year before me -- my recollection is that that item or a similar item appeared in the estimates last year. Am I correct in that? Did someone -- (interjection) -- I believe so. But I have been told, because I questioned my Honourable Leader on this matter, and he tells me that he did not

(Mr. Campbell, cont'd.) . . . receive the increase that was voted to him.

MR. ROBLIN: Mr. Chairman, my honourable friend the Member for Ste. Rose raised the point with me, and not knowing the answer I said: "please see the Comptroller-General." I didn't hear from him again so I can only presume that the Comptroller-General gave him a satisfactory answer.

MR. CAMPBELL: Well I know that if it had been me there would be no satisfactory answer but to get the money.

MR. ROBLIN: I thought you would have turned it down.

MR. CAMPBELL: I mean once it had been voted. I was not in that fortunate position, but I understand that he did not receive it. Now I'm not noted for being one that's advocating increases all the time and I didn't advocate this one, either during his tenure or mine, but my point is that once it was put through and put in the estimates, surely the intention was that he should receive it for last year -- for the year that we are in now. Now as far as I could see the estimates, it was in exactly the same category as those that applied to the Cabinet Ministers or to anyone else who was increased, and even the column on the left hand side of the page shows it as being the same amount as is given this year. Well now I consequently have two questions to ask. Is it true that he didn't get it last year? If he didn't get it last year, does it mean nothing in here this year either? Is he not going to get it this year? My honourable friend, I assume, does not know whether he got it or not.

MR. ROBLIN: Mr. Chairman, I do know that we adopted a far more generous view towards the responsibility of the Leader of the Opposition as has hitherto been the case and it is our intention that he should receive the \$6,000 that was voted for him now. If he were here he could probably tell us what the Comptroller-General said, which I admit I don't know. I think I'll probably have to ask my honourable friend when he comes in to tell us about that and we'll see where the matter stands or, if he doesn't care to, I can speak to the Comptroller-General myself.

MR. CAMPBELL: I'd be very glad to see that done, but I took the precaution of asking him. He didn't go out because this discussion was coming up; there was some engagement that he had, I believe, but I asked him just before he left if he had received the increase last year and he said he did not. I'm sure -- I'm sure that the intention of the government was that he should receive it, otherwise it wouldn't be put into the estimates.

MR. CHAIRMAN: I'd like to say that -- I couldn't go out because I'm the Chairman. Perhaps the answer which was given to me by the Comptroller-General was the same, that that did not apply to last year.

MR. ROBLIN: The fact is that the matter is statutory. I think that this had to be confirmed by statute and therefore it was not effective until the statute itself was passed by the Legislature and therefore -- now that my honourable friend the Chairman reminds me of it, although I didn't get this from the Comptroller-General -- I now realize it is statutory and until it is confirmed by statute we can't pay and therefore we have no authority to pay until the statute is passed. That accounts, I think, for last year, but it certainly would not accept this year.

MR. CAMPBELL: Mr. Chairman, has the statute now been passed? Then that will apply to the year -- that Statute will apply to the year that we are in now?

MR. ROBLIN: I think not. I think the statute is not retroactive, so that he gets his money for this Session in this particular year, 1964, but he doesn't get it for 1963 because at the time we met last there was no statutory authority to pay it, so until the statute is amended -- I think the same applies to the Chairman, Deputy Chairman of Committees and Madam Speaker as well -- that they didn't get theirs either because of this statutory bar.

MR. CAMPBELL: But, Mr. Chairman, I'm most uncomfortable in this position, I assure you. I'm most uncomfortable in the position of exercising or attempting to exercise largess with the taxpayers' money, but I do say that if we passed the estimate at the last session and the statute was passed also at last session, then that statute must have become operative because we are still in the financial year that last year's estimates dealt with. We're still in that, we have a full month to go. While I've never advocated the increases except the one dealing with Madam Speaker, because certainly that one was made statutory -- Oh well, Comptroller-General is wrong if he says that about Madam Speaker's salary because we passed that statute a long time ago.

MR. ROBLIN: Mr. Chairman, I think that can be resolved. The Public Accounts Committee meets on Tuesday next. Comptroller-General will be there. He wouldn't let us pay it. If we haven't paid it, it's because he refused to certify it. We can then find out from him just what the facts are and both my honourable friend and I can have our minds relieved on this point.

MR. CAMPBELL: Well, mine will not be relieved on this matter until money that we have appropriated is paid out, because this Legislature has the right to decide on these matters and if we pass both the legislation and the estimate, I'll be extremely interested in hearing some argument why that should not be paid out.

MR. CHERNIACK: Mr. Chairman, I would guess that some part of the \$4 million is resting in the spot that we have just been discussing, and having said that, I would inform the First Minister that I've looked through the document which we received and I have not yet been able to find the information in that regard.

MR. PAULLEY: Mr. Chairman, just before we proceed, this discussion between the Honourable Member for Lakeside and the First Minister and others in connection with the appropriation for the Leader of the Opposition, and I -- I don't want to disappoint my honourable friend -- I'm not preaching for a call when I'm standing at the present time. But it does raise a question and a procedure which I think might facilitate the debate in the Committee of Supply. Now we've been discussing the fact as to what was done and what was not done, and the individual who has the possible answer is the Comptroller-General. Now under the Estimates, Item No. 1, dealing with legislation, is the Comptroller-General's office. Now I've suggested in the past, and I want to make this suggestion again, if we're considering expediting the business of the Committee of Supply, I'm convinced that one of the better methods of doing this would be to have the heads of the department concerned present and available in the Chamber, or in the Committee Room, to answer such questions rather than answer them via telegraph or "telepage," and make the suggestion to you, Mr. Chairman, and to the ministers responsible, because quite frequently, as we're doing this afternoon, arguments go on for a considerable period of time until the answer is forthcoming, because I can say quite frankly that there have been occasions when I've continued a debate until the "telepage" has got the information from the galleries upstairs in order that I might pursue a point which is vital for consideration at the time. I can see no reason why the Deputy Minister, or some other responsible person in the department who may know the answers, cannot be on the chesterfields in the galleries, or accommodated on the floor here so that these questions might be speedily answered. The First Minister said that we are going to be meeting apparently -- I didn't know this, but we do know it now -- in Public Accounts Committee next Tuesday, I believe you said Mr. Premier, or some days -- the Honourable Member for Lakeside could ask the question then. I suggest at that particular time the item under discussion will have passed insofar as the Estimates are concerned. The Comptroller-General was here and, of course, under our rules cannot be revived, because the item has passed. I think it would facilitate matters if consideration was given to the suggestion I'm making at this time.

MR. ROBLIN: Mr. Chairman, I think that I'd like to say to my honourable friend from Lakeside that if he prefers I will get the information and the item can be held for discussion in this Committee. I don't want to put him off, if he feels it should be discussed in that way. I merely thought -- I made the other suggestion but I recognize my obligation to get him the answer in this Committee if he wants it that way and if he just nods his head, that's what I'll do.

MR. CAMPBELL: No, it's

MR. CHAIRMAN: We're talking about what is on the left-hand side, that the \$6,000 there, the Opposition Leader, is for the year we are now in and which ends on the 31st of March; and the \$6,000 on the other side is for the year that starts on the 1st of April, 1964 - 65.

MR. ROBLIN: Mr. Chairman, our problem. Now if the Honourable Leader had come back to me after he had spoken to the Comptroller-General some time ago -- it might be that we'll have to have remedial legislation. My understanding is that we've got to legislate this if we want to make any change. That can be considered. I'm making no undertaking now. But I do undertake to find out so my honourable friend will know, and if he wants this item to be left open I'm happy to have it that way.

MR. CAMPBELL: No, I have no objection at all to the suggestion that my honourable

(Mr. Campbell, cont'd.) . . . friend made, and I'll do him the plain justice to say that he usually is able to answer the questions very well, and when he has to call for any assistance he still answers them well, so I have no objection at all to the proposal that was made, and am quite willing to take it up later. All I am anxious to know is that if it was the will of this Assembly -- and I'm sure it was -- that both the Deputy Chairman and the Leader of the Opposition would get the amount that was in there last year, then if remedial legislation is necessary, I think it should be proceeded with.

But while I am speaking I would like to comment on the suggestion of the Honourable the Leader of the NDP. I do not agree with that suggestion. Now I can't prevent it happening if it's the will of the House that it should be done, but I do not like it. I have seen it in operation in Ottawa where the Deputy Minister moves right in to a little desk in front of the Minister and he can't, of course, take part in the discussions and you have the unseemly spectacle, as far as I'm concerned, of conferences going on in the House while the members wait, and their attention gets distracted to other matters -- they're pretty easily distracted down there anyway. I think it is a much poorer system than we have here, and I don't think that the moccasin telegraph system takes too long as a rule, and the answers are usually forthcoming reasonably quickly. So that I just can't go along with that suggestion and I hope that the government does not adopt it.

MR. E. R. SCHREYER (Brokenhead): Mr. Chairman, I wanted first of all to ask a question. It seems to me that if there is some problem here, namely, that the statutory provision is not retroactive, then, of course, if it was the intention to allocate the full \$6,000 to the Leader of the Opposition, then remedial legislation would be necessary. On the other hand, it seems to me that certainly the allowance here could be paid to the Leader of the Opposition as of the date of proclamation to the end of the fiscal year on a per diem rate computed on the basis of \$6,000.00. Of course, that would leave him a little short-changed. But if it was the intention that he receive the full \$6,000, then by all means let's have the remedial legislation put before us.

Mr. Chairman, I did want to make just a few extended remarks on this item, and I wouldn't even attempt it if I didn't think that the First Minister were pretty open-minded about these things, and if I didn't think that he had a feel for the spirit of democracy as it's practised in Canada today. It seems to me that our present practice with regard to paying special emolument to the Leader of the Opposition as we do it now is becoming increasingly difficult to defend and justify. It seems to me that we have in Canada, and have had over the course of the past several decades, more than just two parties functioning. It seems to me that the spirit of our inter-party relationships, and of democracy in our country, demands that some consideration be given to the leaders of the other parties as well. How can you justify paying a special emolument to a leader of, let us say, a group of 12 members and not paying anything at all to a leader of a group of 11 members, or for that matter, eight or seven or even one. It seems to me that what we should do, if we want to be rational about this, is to arrange for paying some special amount, some emolument, on a proportionate basis, so that if the Leader of the Opposition were receiving \$6,000, for example, that the leader of the other party, or parties, receive a sum which is in direct relationship to that amount as the number of members they lead is in proportion to the number of members in the Official Opposition.

I know that the only real basis for defending our current practice is to say that British Parliamentary practice, and therefore our heritage, is based on an assumption that we have a two-party system. And while a two-party system might be desirable in many ways, the fact of the matter is, and I agree -- I agree that it is -- the fact of the matter is that we don't have a two-party system, and the temper of the Canadian people, and of the people of Manitoba, seems to be one that will not cause a return to a strict two-party system in the very immediate future. And until such time as we do return to a two-party system, if ever, I suggest that we act fairly in this regard and pay out a sum to the leaders of the other parties that is proportionate and bears a relationship to the number of members they lead, and relate it all to what is being paid the Leader of the Official Opposition.

I said I wouldn't even bother to waste members' time if I didn't have the feeling that we are now prepared or ready to look at this once again and to put party animosity to one side and look at it simply on the mathematics that is involved.

(Mr. Schreyer, cont'd.)

I suggest that since Ottawa -- the Federal Government last year did make provision much along the lines that I'm talking about now, it would behoove us here to think in the same direction. I think I would even get support from the Member for Lakeside since he is one who always advocates that we adopt practices here that are somewhat in uniformity with practices adopted by the Federal Government. I'm not sure that what the Federal Government has done in this regard is the best possible solution because they have put forward a measure which will pay out compensation or a special allowance to leaders of parties with 12 members or more, which, if you can calculate, really means that leaders of parties having more than five percent of the membership of the House will receive \$4,000.00. I don't know that we should put a floor on it. I think that the simplest way and the fairest way is to calculate it strictly on a proportionate basis. If there's a one-member group and the member is the leader of his group, as is the case of the member for Rhineland, I calculate that he should receive one-thirteenth of what is paid to the Leader of the Opposition, which would come out to \$460.00. Not a great amount, but surely, I think, he is deserving of it since his responsibility here, I think, is just a little bit more onerous than is the case of the average opposition member. The leader of our group on the basis of 7/13th of what the Leader of the Opposition receives would get in the neighborhood of \$3,600, and I think that too would be agreed as being a fair compensation or emolument to be paid to him.

Why not do it? Is it because we fear that if we do make these special allowances that we are going to be encouraging a multi-parti system? I don't think that that has anything to do with it because experience should teach us by now that you will not get rid of the smaller parties by trying to starve them. They have had a lean diet in the past 20 or 30 years; they have been starving but they haven't starved yet nor will they ever for that matter; so I say again that I feel that we should try to relate our practice here to that which is being done at Ottawa and to think seriously about it so that by next year we can have something in the estimates.

MR. CHAIRMAN: Resolution be adopted? -- Passed. Resolution No. 2 --

MR. FROESE: Mr. Chairman, in connection with Resolution No. 2, I would like to refer to a matter that is bothering me and probably others as well, I do not know. I am wondering just what assistance do the other members in this house get in the way of secretarial service. I for one have not received any service in that connection in all the years that I have been in the House here and I feel that this is something that I need.

MR. ROBLIN: We have passed that point and we are now dealing with resolution No. 2, which is the Comptroller-General's office.

MR. CHAIRMAN: We have passed Resolution No. 1.

MR. FROESE: Well, Mr. Chairman, I was called out of the

MR. M. N. HRYHORCZUK, Q.C. (Ethelbert Plains): in your rulings here. If the gentleman is

MR. ROBLIN: If the chairman is willing to allow him to speak on Resolution No. 1 let him go ahead.

MR. PAULLEY: It was you who attempted to stop him.

MR. ROBLIN: I was just bringing it up as a point of order, but if he wants him to do it it's all right with me.

MR. FROESE: Mr. Chairman, I was called out of the Chamber and therefore I missed the opportunity.

MR. CHAIRMAN: We are not going to make much progress unless we stay by the items we have under discussion. We have just passed Resolution No. 1 and we have called Resolution No. 2, Comptroller-General's Office.

MR. ROBLIN: I'll intervene if I may on behalf of the honourable member seeing this is the first day we have been in estimates and apparently he didn't hear you call No. 1. I'll assume that. Perhaps you would allow him to speak on it anyway. I would not object to it although I admit that it's retracing our steps.

MR. CHAIRMAN: Is it agreeable with the members?

MR. CAMPBELL: Mr. Chairman, I think we should settle another matter here and now and that is that surely we are not going to follow the practice this year of dealing only on Resolution No. 1 without allowing members to speak on (a), (b), (c), (d), (e). I assumed that we

(Mr. Campbell, cont'd.) were discussing Opposition Leader under 1, and it's true that's part of 1, but there are completely differing items under 1 and in order to keep the rule we were talking about a little while ago of relevancy, we should I think call them in alphabetical order and take them up in that way.

MR. CHAIRMAN: On some of these items such as supplies, expenses, that we shall be coming to so many that I think we agreed last year that we might call the item, but where there is anything of importance such as libraries, and historical research and so forth that we should take time

MR. PAULLEY: Mr. Chairman, may I respectfully suggest that to us in opposition that they are all important. Now the past procedure has been, as the Honourable Member for Lakeside has pointed out, that we go over each item (a), (b), (c), (d) whatever it is and then call finally item No. 2 with the aggregate amount, and if that had been done in this particular case and if this is done throughout the estimates I am sure it would facilitate the point raised by the Honourable Member for Rhineland. I respectfully suggest that you follow that procedure.

MR. CHAIRMAN: I was just trying to save time and I'm not arguing that question.

MR. FROESE: As I already said, I was called out of the Chamber; and secondly, I also thought that we were calling the items and not the resolutions. That makes a difference as well. The matter I am concerned with is that I require secretarial assistance in my work. As I have already pointed out, I do not know just how much assistance the other members of this House get, but certainly if I hand in any papers to the clerk it's written out in handwriting whereas other members can hand in printed copies which look so much nicer and neater, and also in my correspondence to my constituents and so on, certainly if I had someone there who would assist me, probably only on a part-time basis, I'd certainly appreciate this and I think it is something that is required.

MR. CHAIRMAN: Resolution 1 --

MR. CAMPBELL: Mr. Chairman, there is still one under 1 that I would like to ask a question on and that is (e) the operation of recording equipment. I am sure that this shows in some other item as well. Is that correct?

MR. ROBLIN: I can give the breakdown of this sum of \$2,480, Mr. Chairman. Salaries, \$1,430; machinery and equipment, \$900; printing and stationery, office maintenance, \$150. Are there any points in those that my honourable friend would like elaborated on?

MR. CAMPBELL: to get and I think this is not the right item but what I would like to get when we come to the right item is the mailing list or the whole list of the Hansard -- the distribution of Hansard.

MR. ROBLIN: I have a hunch that that comes under the Provincial Secretary, but I'll take note that my honourable friend wants this information. If he will tell me exactly what he wants I'll see that it is brought up at the right time.

MR. CAMPBELL: The number of Hansards.

MR. CHAIRMAN: Resolution 1 -- Passed. Resolution 2 (a) --

MR. CAMPBELL: Mr. Chairman, on the Comptroller-General, again I haven't my last year's estimates or the sheet dealing with the number of staff, but my recollection is that the Comptroller-General's staff here is just about the same as it has been for some years in spite of the introduction of a great deal of high-priced equipment. Is that correct?

MR. ROBLIN: Mr. Chairman, there has been I think a slight addition to the Comptroller-General's staff. If there is any breakdown of that sum required I can give it. I think two more accountants have been added and this is in spite of the mechanization that has taken place in the operation of our accounts. If the mechanization had not taken place we would require an even further increase in our staff but it has been held. I want to pay a compliment to the Comptroller-General because I know of very few department heads who are as conscious of cost as he is. He is very good on this point and he never asks for anything more than he needs for the proper discharge of his duties. There is, however, I think an increase of a couple of auditors in this amount so that he can keep up with his tasks in this connection.

MR. CAMPBELL: Mr. Chairman, that this might be a rather notable case. I agree completely with what the Honourable the First Minister says regarding the Comptroller-General's efficiency and his regard for the taxpayers' position, but this seems to be a notable case in that automation here has not resulted in unemployment. I suppose that is to be

(Mr. Campbell, cont'd.) . . . explained by the fact that the volume of paper work is growing here and the services themselves are growing and that likely the increase in that regard has more than made up for the automation, but when my honourable friend the Minister of Industry and Commerce was yesterday giving us a very interesting dissertation on the number of positions that disappeared because of automation being adopted, I just point out that this appears to be a case of where automation has come and yet even more people are employed.

MR. CHAIRMAN: Resolution No. 2 -- passed. Resolution No. 3, Legislative Printing and Binding -- passed. Department II -- Executive Council. Resolution No. 4, Administration -- passed. Resolution No. 5, Federal Provincial Conference --

MR. CAMPBELL: Mr. Chairman, there is not expected to be any great activity in this branch this year judging from the amount that is appropriated for it. I gather from the budget speech that the First Minister said that they expect one conference to be held. Is this correct?

MR. ROBLIN: Yes, Mr. Chairman, this amount may not be enough for this item during the coming year. The estimates, as my honourable friend will recognize, are made up many months before we know what's going to happen next year and it was subsequent to this figure being set that we had further definite information about further conferences. I really imagine that this will not be enough but it will have to be supplemented by some warrant or supplementary estimate if we should go over, but some of these things you just have to guess at and, if the guess is wrong, you have to find more money.

. . . . continued next page

MR. CHAIRMAN: Resolution No. 5-- passed. Resolution No. 6, Grants and Miscellaneous--

MR. ROBLIN: members in the House would want me to give some explanation as to what is involved in these grants and I'll be glad to do so. In the course of our activities since we last met we were approached by a number of the bodies, particularly cultural bodies whom we support with grants for more money, and a number of them made a pretty good case for more money. But being the kind of person I am, for better or for worse, I suggested that they ought to put forward a little effort on their own behalf to raise money from private sources, but in order to encourage them and to show our sincerity in the matter, we agreed that if they did raise more money by their own efforts that we would match that, so some of these groups are receiving more money this year than last because of that matching principle, and I can give the changes. Now do honourable members want the whole list or just the changes from last year, because we go through this every year and it may be that you want the whole list so you can have it.

MR. CHERNIAK: Give us the works --- slowly enough to write it.

MR. ROBLIN: Manitoba Drama League - I'll give it to you this year and last so you can get the picture --\$1,000 last year, \$1,000 this; Manitoba Theatre Centre, \$7,000 last year, \$14,000 this-- This is one of the bodies that raised on a matching formula so if they raise this extra they will get it from us but they have to raise it first; Le Cercle Moliere, \$500 and \$500; Manitoba Museum Association, \$7,000 last year, \$12,000 this --another case of the matching grant principle; Historic Sites Advisory Board \$1,000 and \$1,000; Winnipeg Art Gallery Association, \$12,000 and \$17,000-- again a matching grant principle; Mens' Musical Club of Winnipeg, \$2,000 and \$2,000; Winnipeg Symphony Orchestra, \$18,000 and \$25,000 -- again the matching grant principle; Royal Winnipeg Ballet of Canada, \$12,000 and \$17,000 --again a matching grant basis and they've got to go out and raise that extra money themselves before we'll come in, over and above what their base was when they first started to talk to us about this; Brandon Arts Council, \$3,000 and \$3,000; the St. Boniface Museum Association got \$10,000 last year, nothing this year. I'll explain that. We undertook three years ago to give them I think \$10,000 a year for three years as a capital grant enabling them to buy the Grey Nuns building there and to refurnish and re-establish it and we've undertaken our commitment there. This is the last year. Frontier College, \$500 and \$500 --this is an organization which conducts adult education in the mining camps and other places in Manitoba and this is a small grant to indicate our encouragement; Winnipeg Summer Theatre Association --that's the Rainbow Stage-- nothing last year, \$4,000 in this coming year as proposed; The Commonwealth Parliamentary Association, \$2,500 and \$2,500; the Commonwealth Parliamentary Area Association, \$500 and \$600 --a small increase there; the Canadian Highway Safety Council, \$1200 and \$1200; Royal Canadian Humane Association, \$100 and \$100; Canadian Olympic Association --they got a \$3,000 grant in this estimates on a one time only basis and that covers that.

Now we also have one or two others of a minor nature. The Manitoba League for the Blind, \$100 in each year. This is for tax purposes I believe. Last Post Fund, \$250 -- unchanged. Youth Guidance Grant, Boy Scouts Association, \$2500 --unchanged. Girl Guides Association, \$2000 --unchanged. We have unallocated a sum of \$10,750 to meet contingencies in this field that we may decide are worthy of support in the coming year but for which we have no knowledge at the present time.

MR. CHERNIAK: Mr. Chairman, I'd like to make a brief comment on this item. I'm glad to note that the government has seen fit to increase the amount available for grants although I'm not at all sure that the method of deciding on the increase is one that makes the most sense in terms of the needs of the communities which these organizations serve. Looking at the list, one is impressed by the fact that the increases would go to those organizations which may prove to be most socially acceptable to those people who have the money with which to make contributions. Now I say that without any thought of derogation, because I feel that these organizations are performing a vital function and that the increases which they have carried out for their budget, which are obviously doubled in increase because they are matched dollar for dollar, will be very well spent and will bring benefit to the community which they serve, but it seems to me that this is a pretty easy way out for the government in looking at

MR. CHERNIACK, Cont'd). . . . its responsibility of nurturing the work which is being done.

Now it seems to me that one must encourage these organizations, these voluntary organizations as much as possible, but the encouragement should not be limited to the fund-raising efforts of the organizations as much as the programs which they carry out. I am happy to note that the museum, for example, has gone out and raised some money. I don't know whether they raised that from a large number of small donors or a small number of large donors, and to the government and to the budget it makes no difference whatsoever, and yet to any citizen who is interested in the welfare of the museum I think it is of the utmost interest to know whether it is a large number of small donors or the other way around.

I would like to feel that this government recognizes the need of cultural improvement within the society to the extent that it takes a much greater interest in the nature and extent of the programming. I am not courageous enough to suggest that this should come under a department such as education where somebody will be charged with the responsibility of actually looking at it, but I do suggest that it is most important that we consider that the culturally-deprived child of today may well be the person to whom these organizations will have to turn to in the future to ask for help in the growth of their particular organization.

I have a feeling that the total number of dollars is not very much. All I'm saying is in terms of having a feeling only, because I do not have their budgets before me and it would be unfair to make a categorical statement without knowing that. But in respect to the method in which it is being distributed by the government, I can say that it seems to me that it ought to charge someone, a responsible person in government or in the senior staff in education, libraries or some other allied cultural endeavour, to look at the number of people that this organization or other may serve. For example, I would think that the number of people per dollar spent served by Rainbow Stage is quite different from the number of people served by the Art Gallery, and again I'm not saying that that is the yardstick one ought to use, but I think one ought to look at those --I mentioned the culturally-deprived child-- I think that that is a special group that should be looked at and should be counted, and that one should make an effort to assist in the programming which is being carried on amongst the children particularly who are not normally exposed to the type of cultural programming which is carried on by these voluntary groups. I think they should be encouraged in their work. I think that they should be guided in respect to feeling that it is not their fund-raising endeavour which will justify increases but rather the service they perform and the extent to which they make it available to those who are in the greatest need of it as well as those who have the greatest desire for it.

MR. ROBLIN: I can only say, Mr. Chairman, that all those factors are taken into consideration. Perhaps we don't make the best judgment, so I make no comment on that --it is a matter of judgment. But we do have the opportunity of meeting with the people whose interests are concerned here. They explain their program to us; they give us a brief and what they want to do with their money; why they think they should get some from us and what general public service that they are providing; and a number of them, the ballet and the symphony and others make a special point of telling us what they are doing for school children, for example, in all these connections.

Now whether we make the right decision is open for argument, but these points are all considered. We have a basic grant which have all been increased considerably over what they used to be in days gone by, and then we have this other system of providing more money as the demand or as the public support for their particular service appreciates it. One can say quite frankly that it is a very difficult task for members on this side of the House to have to make a judgment on the relative merits of these different organizations and I don't say that we do it properly, but we do diligently endeavour to take into account the points my honourable friend raises.

MR. CHERNIACK: Mr. Chairman, I wonder if I might say that I must have misunderstood the Minister. I understood that the increases this year were based on this matching formula, and if I was right in saying that then I assume that there was no study made to compare the programming of, let us say, last year or two years ago of an organization to what it was more recently, since there doesn't seem to be any other change in the amount allocated to them except that based on the formula. Therefore, it seems to me that although the government

MR. CHERNIACK, Cont'd). may satisfy itself that the program is going on, I doubt if it has taken the trouble to satisfy itself in regard to any changes in program, either by way of improvement or by way of reduction, except in terms of fund-raising ability.

MR. ROBLIN: Not at all, because you don't get to the stage, Mr. Chairman, where you agree to go into a matching grant unless they first of all made the case for increasing social desirability. That's basic to the thing and you certainly do get into those matters that way. I don't want to pretend to the House that the formula or the amount that we set down here represents the maximum amount of what these different organizations may require or ask for us to supply, but they represent the amount which we are prepared to recommend to the House at the present time. I feel morally certain and I know every year there is an annual review of each one of these bodies that come in and ask us for money, so that we can endeavour to see whether our obligation should be increased or what the situation is.

So I just simply say again to my honourable friend that I think he really misunderstands our point of view if he thinks that we don't try and do this again. Maybe we don't do it as well as we should but we do endeavour to take these into account, and we firmly expect that each one of these bodies will be back again at us this year with a new statement of their situation and of their financial requirements and we'll have to make a reassessment of the thing each year. That's what we do.

MR. PAULLEY: Mr. Chairman, I'd like to point out too where I can conceive that there seems an area at least where there might be a disadvantage to some of the organizations that receive grants. I'm thinking at the present time of the likes of Boy Scouts and the Girl Guides. Now I appreciate very much as my colleague from St. John's has mentioned that insofar as the museum, the ballet and art centres and the likes of that, they have a concentrated group and they're only concerned with one activity within the orbit of their function and can have concentrated efforts in order to take advantage of the matching grants on the basis of the policy as outlined by the First Minister, but such is not the case in the likes of the Boy Scouts and the Girl Guides. They are, as my honourable friend knows, because he's often pictured as a former boy scout, an organization --and I too readily

MR. ROBLIN: I'd like to tell my honourable friend I still am one.

MR. PAULLEY: Yes, still a boy scout. However, Mr. Chairman, the point that I'm getting at is that in this particular instance there are groups spread out, as my honourable friend knows, troops throughout the whole of the Greater Winnipeg area, and they don't have the same opportunity of concentrated drives for finances because of the nature of their organization. With the philosophy, or the idea that my honorable friend has so far as matching grants is carried out, then the likes of organizations such as the Boy Scouts and the Girl Guides cannot hope --(interjection) -- Well, my honourable friend then, Mr. Chairman, as I guess is normal, has two or three different policies in respect of pretty well everything in the conduct of the government's business. We've never discussed this with them. What have you discussed with them that they might do then, might I ask, in order that their total grant may be increased? You tell us in effect that you have discussed the matter with the Art Centre, the Ballet and the Museum, how they may obtain additional grants providing, as my honourable friend intimated, somebody, or some persons come along and put a few extra bucks into the pot, figuratively speaking, then we likewise. Now then my honourable friend says we haven't done this in respect of the kids' organizations, the Boy Scouts and the Girl Guides. Has he made any propositions to them as to how they may on some basis of joint activity within themselves have an increased grant from the Provincial Treasury?

MR. ROBLIN: Mr. Chairman, before you call it 5:30, I can answer this by saying that we deal with each application on its merit. Different organizations require a different approach I think. It wouldn't be sensible to try and apply one formula to them all. If one adopts a policy in dealing with each case on its merits, as I think we have to do, weighing it all on the total balance, then we have a different approach depending on the situation that we face. We have not suggested to the Boy Scouts that they should be on a matching basis. No doubt, however, we think that that particular organization could continue to be dealt with on the basis of a government grant in the straight way without any different approach to it. I'm trying to remember what the Boy Scouts asked us for the last time we heard from them and I have the impression, although I'm subject to correction here, that by and large we are coming pretty

MR. ROBLIN, Cont'd). . . close to meeting what they asked us for. They do a splendid work. At one time, in fact within a matter of a few years ago, they were not on this list at all. They are now; I think it is a good thing. There are many other organizations who could probably make a pretty good claim. There is no end to the amount of grants that can be paid out to people who have a pretty good case, and it's a question of weighing up the merits of individual application and deciding what's best to do about it.

Now honourable members can disagree with us that we've made the wrong selection, or anything they like, and they may well be right on some points. I'm not going to say that our judgments are perfect but, within the limits of the knowledge available to us, we think these are not unfair under the circumstances.

Would it be any disposition to pass this item, or do you want it held open?

MR. CAMPBELL: Mr. Chairman, I think that the Leader of this group is interested in this grant item and I would suggest that we don't pass it before we.....

MR. ROBLIN: Mr. Chairman, I now move the Committee rise.

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

Madam Speaker, the Committee of Supply has adopted certain resolutions, directed me to report the same and ask leave to sit again.

MR. MARTIN : Madam Speaker, I beg to move, seconded by the Honourable Member for Springfield, that the report of the committee be received.

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

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

Madam Speaker presented the motion and after a voice vote declared the motion carried and the House adjourned until 2:30 Thursday afternoon.

COMPARISON OF MANITOBA'S ESTIMATED GROSS PROVINCIAL INCOME
AND GROSS NATIONAL PRODUCT
(Millions of Dollars)

Year	Manitoba's Estimated Gross Provincial Income	% Increase Over Previous Year	Gross National Product	% Increase Over Previous Year
1950	1,016	8.3	18,203	11.3
1951	1,164	14.6	21,474	18.0
1952	1,259	8.2	23,255	8.3
1953	1,255	- 0.3	24,473	5.2
1954	1,252	- 0.2	24,871	1.6
1955	1,384	10.5	27,132	9.1
1956	1,560	12.7	30,585	12.7
1957	1,564	0.3	31,909	4.3
1958	1,678	7.3	32,894	3.1
1959	1,781	6.1	34,915	6.1
1960	1,849	3.8	36,254	3.8
1961	1,834	- 0.8	37,421	3.2
1962	2,101	14.6	40,401	8.0
1963*	2,200	4.7	42,825	6.0

* Projected

Source: Treasury Department.

VARIOUS ECONOMIC INDICATORS OF MANITOBA'S DEVELOPMENT

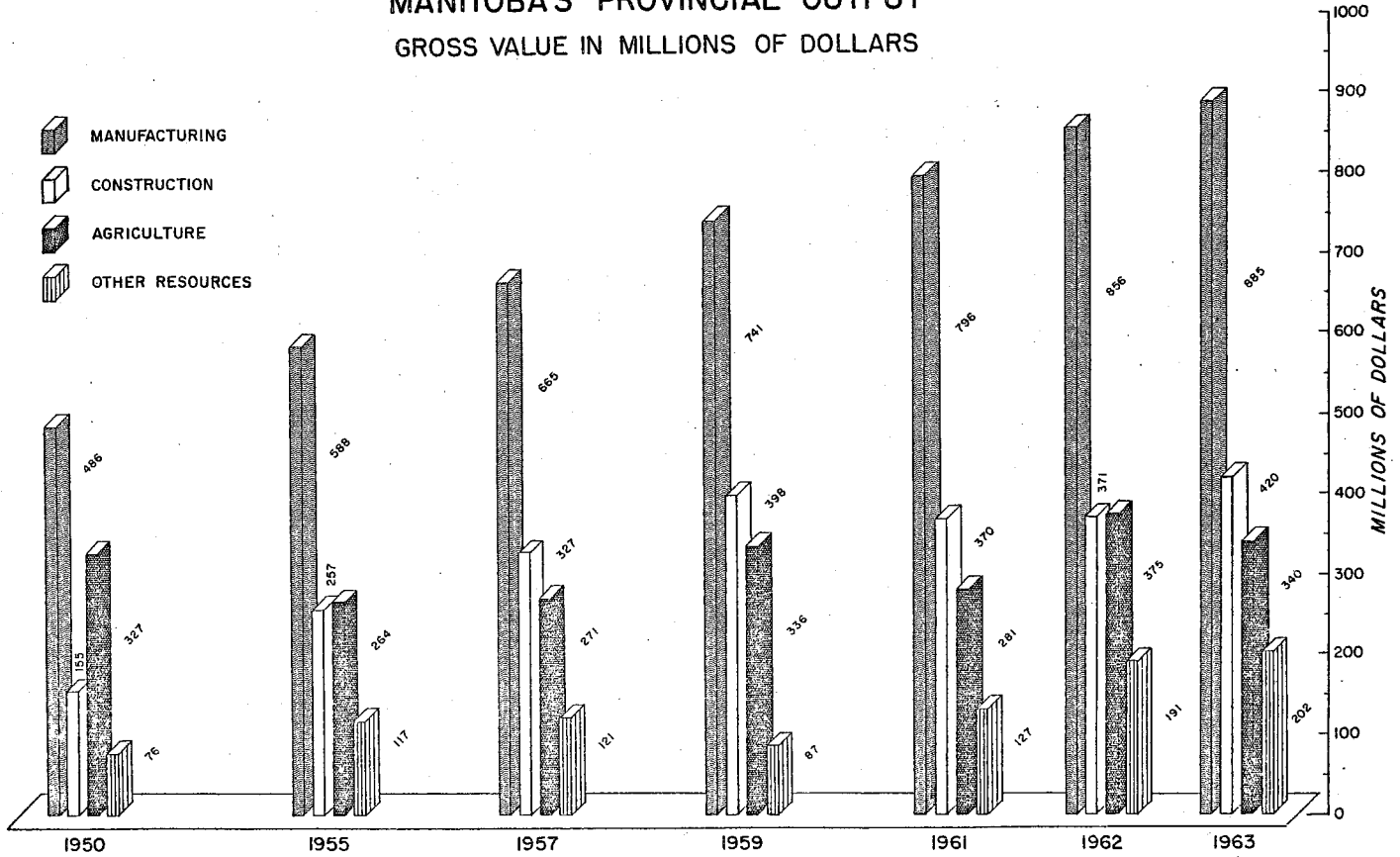
(Millions of Dollars)

Year	Personal Income	Percent Change	Labour Income	Percent Change	Retail Sales	Percent Change	Sales of Life Insurance	Percent Change	Cheques Cashed In Clearing House Centres	Percent Change
1950	755	+ 4.1	437	+ 6.6	567	+ 8.4	66	- 4.8	9,115	+ 6.9
1951	881	+ 16.7	499	+ 14.2	610	+ 7.6	79	+ 20.7	10,551	+ 15.8
1952	934	+ 6.0	551	+ 10.4	651	+ 6.7	87	+ 9.5	11,690	+ 10.8
1953	943	+ 1.0	600	+ 8.9	677	+ 4.0	96	+ 11.0	12,259	+ 4.9
1954	927	- 1.7	604	+ 0.7	637	- 5.9	100	+ 4.4	11,602	- 5.4
1955	999	+ 7.8	635	+ 5.1	669	+ 5.1	114	+ 13.2	11,486	- 1.0
1956	1,126	+ 12.7	700	+ 10.2	700	+ 4.6	142	+ 24.5	13,971	+ 21.6
1957	1,132	+ 0.5	738	+ 5.4	726	+ 3.7	174	+ 23.0	13,641	- 2.4
1958	1,262	+ 11.5	771	+ 4.5	754	+ 3.8	188	+ 8.2	15,861	+ 16.3
1959	1,328	+ 5.2	829	+ 7.5	813	+ 7.9	191	+ 1.6	17,158	+ 8.2
1960	1,403	+ 5.6	874	+ 5.4	843	+ 3.6	198	+ 3.2	19,081	+ 11.2
1961	1,403	--	902	+ 3.2	817	- 3.1	188	- 4.9	21,131	+ 10.7
1962	1,586	+ 13.0	945	+ 4.8	858	+ 5.0	190	+ 1.1	21,191	+ 0.3
1963 *	1,680	+ 5.9	1,000	+ 5.8	890	+ 3.7	204	+ 7.4	25,938	+ 22.4

* Estimated or Preliminary

Source: Department of Industry and Commerce

MANITOBA'S PROVINCIAL OUTPUT GROSS VALUE IN MILLIONS OF DOLLARS



MANITOBA'S PROVINCIAL OUTPUT
GROSS VALUE
(Millions of Dollars)

Year	Manufacturing*	Construction	Agriculture *	Other Resources*	Total
1950	486	155	327	76	1,044
1951	551	183	351	80	1,165
1952	574	199	364	78	1,215
1953	585	246	284	73	1,188
1954	571	241	251	84	1,147
1955	588	257	264	117	1,226
1956	647	304	298	118	1,367
1957	665	327	271	121	1,384
1958	691	345	337	88	1,461
1959	741	398	336	87	1,562
1960	740	397	352	90	1,579
1961	796	370	281	127	1,574
1962	856	371	375	191	1,793
1963**	885	420	340	202	1,847

* Output Data have been revised to accord with new reporting sequences.

** Estimated

Source: Department of Agriculture
Department of Mines and Natural Resources
Department of Industry and Commerce

ESTIMATED GROSS VALUE OF SHIPMENTS
FOR MANITOBA MANUFACTURERS
BY INDUSTRIAL GROUPS
(Thousands of Dollars)

Industrial Group	1960	1961	1962*	1963*
Food and Beverages	286,174	301,083	323,729	334,000
Textiles	10,212	10,612	11,411	12,000
Clothing	50,138	51,791	55,688	58,000
Knitting Mills	1,168	1,394	1,499	2,000
Leather Products	5,688	5,756	6,189	7,000
Wood Products	9,505	10,204	10,971	11,000
Furniture & Fixtures	22,930	21,939	23,589	24,000
Paper & Allied Products	40,290	40,382	43,419	45,000
Printing, Publishing and Allied Industries	40,463	40,523	43,571	46,000
Primary Metal Products	26,871	73,638	79,177	81,000
Non-metallic Mineral Products	27,410	28,189	30,309	31,000
Metal Fabricating	53,808	45,084	48,475	51,000
Machinery	17,525	15,930	17,128	18,000
Transportation Equipment	56,265	55,993	60,206	62,000
Petroleum & Coal Products	52,503	51,369	55,232	57,000
Chemicals and Chemical Products	15,991	18,219	19,589	20,000
Electrical Products	12,594	13,753	14,787	15,000
Miscellaneous Manufacturers	<u>10,119</u>	<u>10,491</u>	<u>11,279</u>	<u>11,000</u>
TOTAL:	739,654	796,350	856,248	885,000

* Estimated.

These data accord with updated D.B.S. Standard Industrial Classification.

Source: Department of Industry & Commerce.

MANITOBA AGRICULTURAL PRODUCTION, 1950 - 1963*

<u>Year</u>	<u>Aggregate Production</u> ((\$000))	<u>Net Production**</u>	
		<u>Total</u> (\$000)	<u>Average per Farm</u> (\$)
1950	326,971	240,875	4,588
1951	350,650	280,428	5,393
1952	364,128	269,418	5,181
1953	283,651	227,717	4,379
1954	250,860	216,878	4,170
1955	264,408	220,862	4,247
1956	297,968	237,929	4,856
1957	271,122	235,765	4,922
1958	337,490	275,891	5,908
1959	336,113	269,115	5,902
1960	352,392	288,074	6,488
1961	280,503	221,388	5,113
1962	375,381	297,629	7,003
1963***	340,000	280,000	6,667

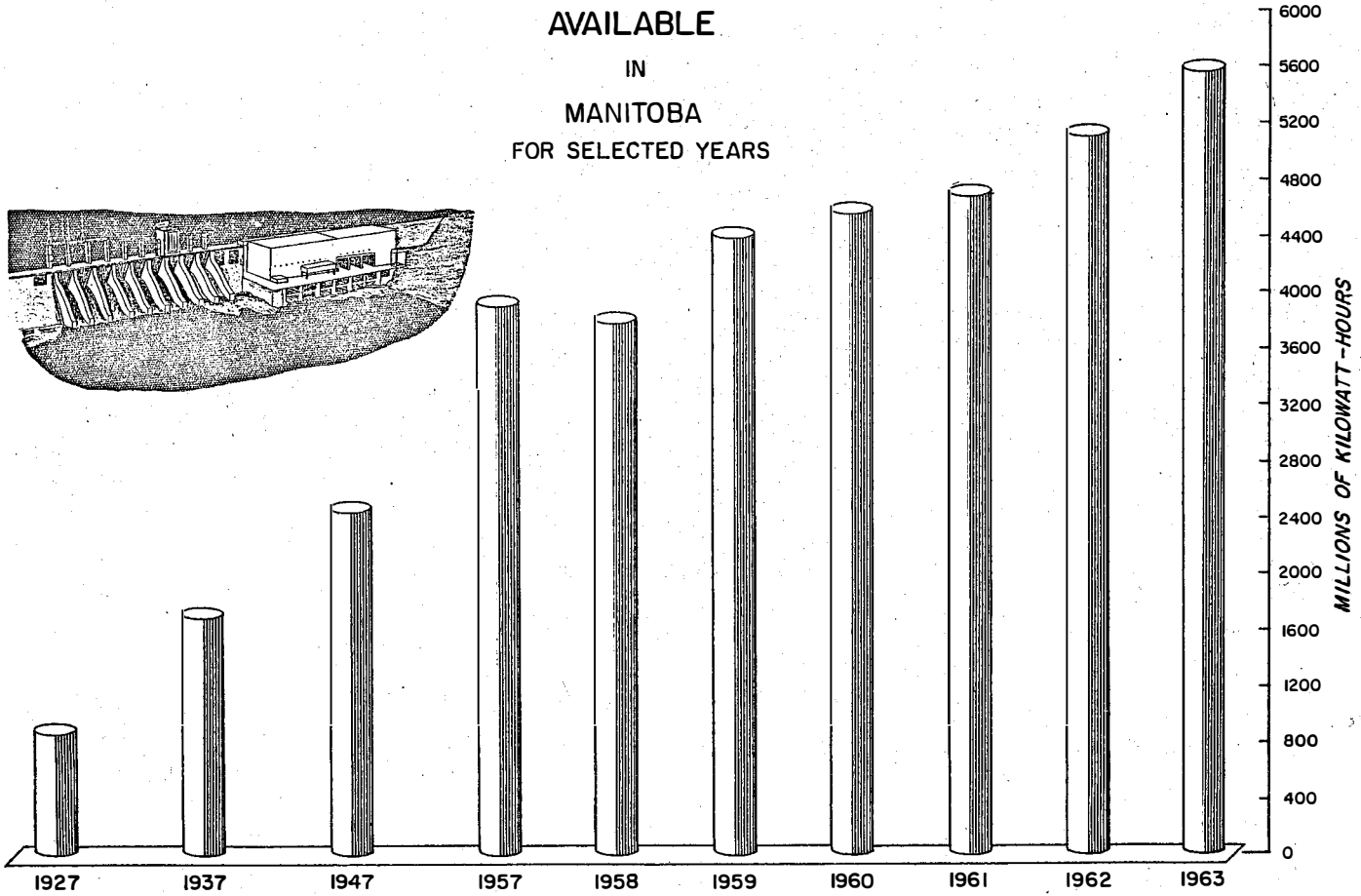
* These data have been revised to accord with new reporting sequences.

** Allowance made for seed and feed grain used on the farm.

*** Estimated.

Source: Department of Agriculture.

ELECTRIC POWER AVAILABLE IN MANITOBA FOR SELECTED YEARS



ELECTRIC POWER AVAILABLE IN
MANITOBA FOR SELECTED YEARS

Calendar Year	Kilowatt-Hours (Thousands)	Average Net Value (Thousands) \$
1927	875,897	5,409
1937	1,697,858	7,680
1947	2,468,720	12,826
1957	3,911,181	28,837
1958	3,793,258	31,306
1959	4,405,400	34,330
1960	4,564,510	36,387
1961*	4,693,605	40,704
1962*	5,102,897	44,038
1963*	5,565,442	47,348

* Source: Manitoba Hydro-Electric Board.
Previous years' data revised to accord with
D.B.S. statistical series of electric power
availability.

MANITOBA'S PRIMARY RESOURCE OUTPUT
 PRODUCTION VALUE*
 (Thousands of Dollars)

	1958	1959	1960	1961	1962	1963 **
Agriculture	337,490	336,113	352,392	280,503	375,381	340,000
Minerals	57,066	55,507	58,703	101,489	159,000	171,000
Forest Products	19,000	20,000	20,000	15,350	20,210	20,000
Furs	5,366	5,059	5,439	4,637	4,786	4,775
Fisheries	6,254	6,507	5,905	5,663	7,271	6,000
Resource Output	425,176	423,186	442,439	407,642	566,648	541,775

* Resource data have been revised to accord with new reporting sequences.

** Preliminary Figures.

Source: Department of Mines and Natural Resources.
 Department of Agriculture.

HOSPITAL CONSTRUCTION PROGRAMME

Projects Completed - July 1, 1958 to December 31, 1963

<u>Hospital</u>	<u>Description</u>
Arborg	Additional beds
Assiniboine Hospital (Brandon)	New physiotherapy centre
Baldur	Additional beds
Birtle	Extension - additional beds
Brandon General	New 219-bed hospital
Dauphin	New 104-bed active treatment wing - renovation of existing hospital for extended treatment
Elkhorn*	Renovation (increased service areas)
Erickson	Extension - additional beds
Eriksdale*	New 17-bed hospital
Flin Flon	Additional beds
Gilbert Plains*	Additional beds - interior renovations
Glenboro	Extension - additional beds
Hamiota	Extended service facilities
McCreary*	Additional beds - increased service areas
Norris	Additional beds - new nurses' residence
Reston	Extension - additional beds
Rivers	New 20-bed hospital
Roblin*	Interior renovations
Stonewall	Additional beds
The Pas	Extended service facilities
Children's (Winnipeg)	Addition and renovation to nurses' residence Heart catheterization unit
Manitoba Cancer Treatment and Research Foundation* (Winnipeg)	New treatment building
Manitoba Rehabilitation Hospital (Winnipeg)	New 222-bed hospital
Misericordia (Winnipeg)	New nurses' residence* Renovation of operating room suite
Salvation Army - Grace (Winnipeg)	New maternity wing
Winnipeg General	Service wing, heating plant - extension of facilities Renovation
Winnipeg Municipals	Renovation - nurses' residence Additional elevator - renovation
Victoria General (Winnipeg)	Roof renovation
Health Units	St. Boniface St. James

Projects Underway - December 31, 1963

Altona	Additional beds - new nurses' residence
Carberry	Additional beds - additional service areas
Pine Falls	Additional beds
Steinbach	New 65-bed hospital
Whiteshell	New 16-bed hospital - nurses' residence
Health Unit	Flin Flon

* Completed in 1963
Source: Department of Health.

ELDERLY PERSONS HOUSING PROGRAMME

Projects Completed - July, 1958 to February, 1964










<u>Location</u>	<u>Name of Project</u>	<u>Bed Accommodation</u>
Altona	Ebenezer	43
Arborg	St. Benedict's Manor	45
Boissevain	Municipal (Westview)	44
Brandon	Fairview	199
Charleswood	Oddfellows	10
East Kildonan	Kiwanis	24
Elmwood	Cosmopolitan Club	55
	Legion Gardens	8
	Winnipeg Cosmopolitan Club	58
	Winnipeg Legion	24
Flin Flon	Rotary	40
Glenboro	Municipal (Senior Citizens' Residence)	40
Grunthal	Mennon	31
Hamiota	Lions Club	16
Manitou	Kinsmen	12
Middlechurch	Middlechurch Home	125
Minnedosa	Kinsmen	16
Morden	Tabor	66
Neepawa	Osborne	56
Norwood	St. Philip's	21
Notre Dame	Foyer Notre Dame	46
Otterburne	Ste. Therese	42
Portage	Rotary	16
Rivers	Kiwanis	16
Rosenort	Eventide	26
St. Anne	Greenland Home	22
St. James	Metro Kiwanis	97
	St. James Kiwanis	176
St. Vital	Kinsmen	100
Steinbach	Resthaven	66
Stonewall	Kinsmen	14
Swan River	Municipal (Swan River Valley Lodge)	57
Winkler	Salem	16
	TOTAL	<u>1,627</u>

Projects Underway - February, 1964

Miami	Senior Citizens' Residence	16
Portage	Rotary	15
Roblin	Roblin Residences Limited	19
Russell	Elks-Legion Court	16
Selkirk	Rotary	16
Souris	Municipal (Victoria Park Lodge)	35
The Pas	Kinsmen	21
	St. Paul's Residence	74
Virten	Municipal (Sherwood)	62
Winnipeg	Legion	49
	MacKinnon House	112
		<u>435</u>

Source: Department of Welfare.

PROVINCE OF MANITOBA
ESTIMATED CURRENT REVENUE
1963-64
MAIN ESTIMATES

	Percentage of <u>Total Revenue</u> %	<u>Source</u>	<u>Revenue</u> \$
	-- 1.1	Tax on Insurance Corporations	1,450,000
	-- 1.5	Statutory Subsidy	2,089,000
	-- 3.1	Mines and Natural Resources	4,172,875
	-- 3.6	Canada-Manitoba Unemployment Assistance Agreement	4,884,000
	-- 7.1	Motor Vehicle and Drivers' Licenses	9,650,000
	-- 15.3	Other Departmental Revenues	20,890,758
	-- 12.0	Government Liquor Control Commission	16,335,000
	-- 17.1	Gasoline and Motive Fuel Users' Tax	23,300,000
	-- 39.2	Canada-Manitoba Tax-Collection Agreement	
		Income Tax*	\$22,804,000
		Corporation Tax*	16,936,000
		Succession Duty	2,671,000
		Equalization and Guarantee	<u>11,033,000</u>
			53,444,000
	<u>100.0%</u>	<u>TOTAL</u>	<u>\$136,215,633</u>

Source: Treasury Department

* Including Manitoba Hospital Services' Charge

PROVINCE OF MANITOBA
ESTIMATED EXPENDITURE
REVENUE ACCOUNT
1963-64
MAIN ESTIMATES

<u>Expenditure</u> \$	<u>Function</u>	<u>Percentage</u> <u>of Total</u> <u>Expenditure</u> %
5,871,782	Public Debt; Interest and Amortization of Discount	4.3 --
4,918,405	Mines and Natural Resources	3.6 --
5,359,027	Sinking Fund and Debt Redemption	3.9 --
12,580,900	Agriculture and Conservation	9.3 --
14,960,839	Service Departments	11.0 --
14,681,270	Public Works and Highways (including Highway and related Aids to Municipalities)	10.8 --
17,544,310	Welfare	12.9 --
21,458,339	Health	15.8 --
38,686,369	Education	28.4 --
<u>\$136,061,241</u>	<u>TOTAL</u>	<u>100.0%</u>




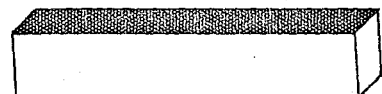
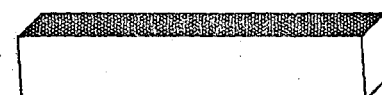

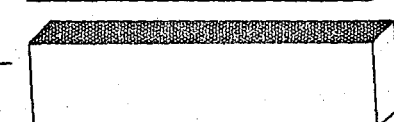
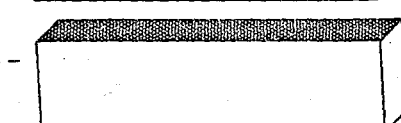
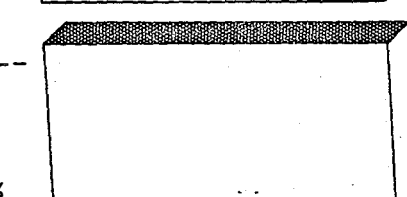
Source: Treasury Department

PROVINCE OF MANITOBA
ESTIMATED CURRENT REVENUE
1964-65
MAIN ESTIMATES

	Percentage of Total Revenue %	Source	Revenue \$
	-- 1.0	Tax on Insurance Corporations	1,500,000
	-- 1.4	Statutory Subsidy	2,089,000
	-- 3.3	Mines and Natural Resources	4,917,350
	-- 3.3	Canada-Manitoba Unemployment Assistance Agreement	5,050,000
	-- 5.7	Motor Vehicle and Drivers' Licenses	8,700,000
	-- 14.4	Other Departmental Revenues	21,822,650
	-- 10.9	Government Liquor Control Commission	16,600,000
	-- 17.3	Gasoline and Motive Fuel Users' Tax	26,300,000
	-- 42.7	Canada-Manitoba Tax-Collection Agreement	
		Income Tax*	\$25,488,000
		Corporation Tax*	18,291,000
		Succession Duty	3,372,000
		Equalization and Guarantee	<u>17,631,000</u>
			64,782,000
	100.0%	TOTAL	\$151,761,000

Source: Treasury Department
 * Including Manitoba Hospital Services' Charge

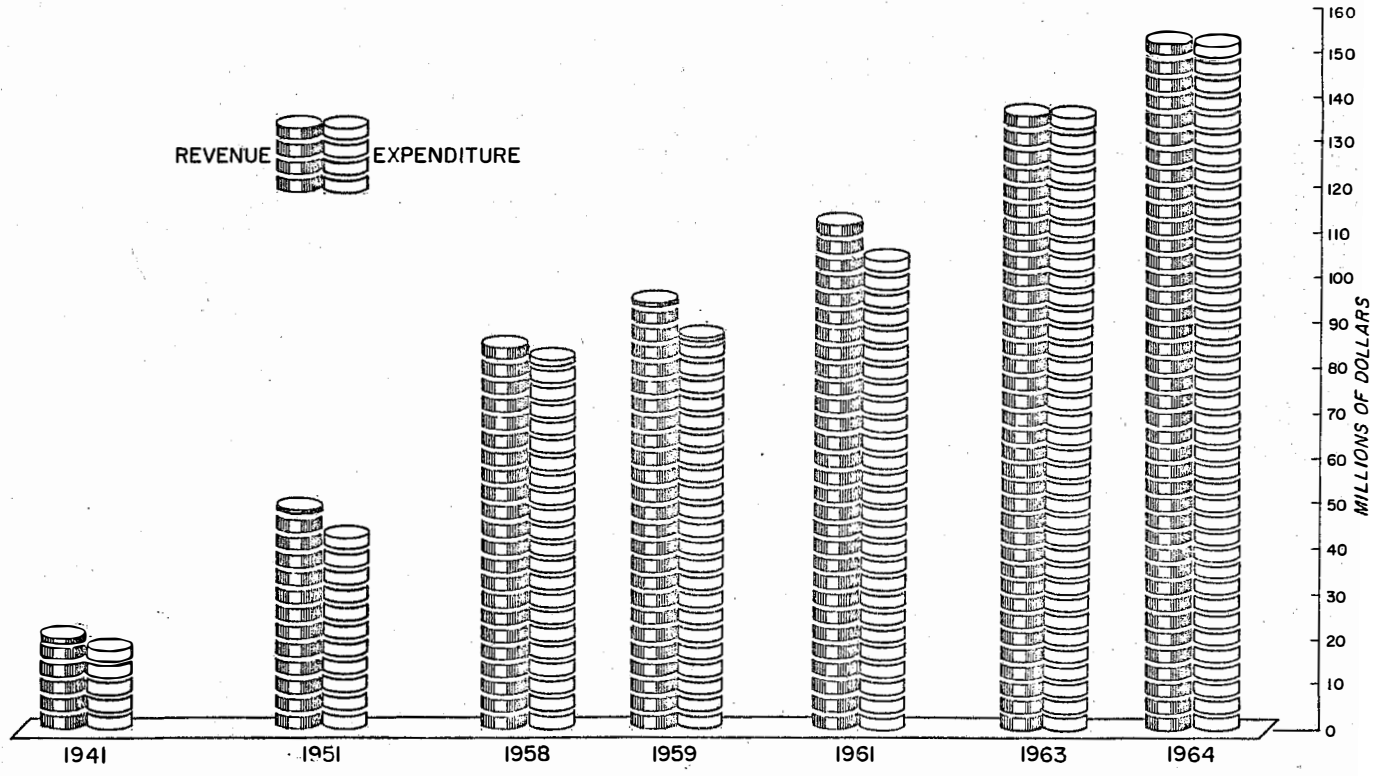
PROVINCE OF MANITOBA
ESTIMATED EXPENDITURE
REVENUE ACCOUNT
1964 - 65
MAIN ESTIMATES

<u>Expenditure</u> \$	<u>Function</u>	<u>Percentage of Total Expenditure</u> %	
5,504,093	Public Debt: Interest and Amortization of Discount	3.6 --	
6,368,655	Mines and Natural Resources	4.2 --	
5,879,164	Sinking Fund and Debt Redemption	3.9 --	
16,193,322	Agriculture and Conservation	10.7 --	
16,110,524	Service Departments	10.6 --	
15,565,678	Public Works and Highways (including Highway and related Aids to Municipalities)	10.3 --	
21,449,315	Welfare	14.2 --	
22,946,281	Health	15.1 --	
41,585,153	Education	27.4 --	
\$151,602,185	TOTAL	100.0%	

Source: Treasury Department

PROVINCE OF MANITOBA REVENUE AND EXPENDITURE

FISCAL YEARS
(REVENUE ACCOUNT)



REVENUE AND EXPENDITURE
REVENUE ACCOUNT

Year	Revenue	Expenditure
1901 (Fiscal Year Ending December 31, 1901)	\$ 1,008,653	\$ 988,251
1911 (Fiscal Year Ending December 31, 1911)	4,454,190	4,002,826
1921 (Fiscal Year Ending November 30, 1921)	9,800,861	10,401,895
1931 (Fiscal Year Ending April 30, 1932)	14,631,341	14,631,341
1941 (Fiscal Year Ending April 30, 1942)	19,920,813	18,151,988
1951 (Fiscal Year Ending March 31, 1952)	48,535,695	42,394,917*
1957 (Fiscal Year Ending March 31, 1958)	80,123,615	80,119,247
1958 (Fiscal Year Ending March 31, 1959)	85,356,800	81,615,122
1959 (Fiscal Year Ending March 31, 1960)	93,897,600	85,880,954
1960 (Fiscal Year Ending March 31, 1961)	103,038,602	93,650,490
1961 (Fiscal Year Ending March 31, 1962)	112,584,139	104,179,716
1962 (Fiscal Year Ending March 31, 1963)	130,075,946	119,993,410
1963 (Fiscal Year Ending March 31, 1964) (1)	136,215,633	136,061,241
1964 (Fiscal Year Ending March 31, 1965) (1)	151,761,000	151,602,185

* Excludes 1950 Flood Control and Emergency Expenditures of \$3,942,423.

(1) Main Estimates

Source: Public Accounts
Estimates

CAPITAL AUTHORITY REQUIREMENTS

FISCAL YEAR 1964-65

A. PUBLIC UTILITIES

1. Manitoba Hydro-Electric Board	(guarantee)	\$ 30,000,000
2. Manitoba Telephone System	(guarantee)	7,500,000
3. Manitoba Water Supply Board		<u>900,000</u>
		<u>\$ 38,400,000</u>

B. PROVINCIAL DEPARTMENTS

1. Provincial Buildings and Lands		\$ 4,855,000
2. Provincial Parks		1,000,000
3. Flood Protection, Water Control and Drainage Projects		1,500,000
4. Agricultural Research		425,000
5. Highways and Related Projects		<u>15,000,000</u>
		<u>\$ 22,780,000</u>

C. GRANTS, LOANS, ADVANCES OR GUARANTEES

1. University of Manitoba	(guarantee)	\$ 3,200,000
2. Manitoba Centennial Corporation		2,000,000
3. Manitoba Agricultural Credit Corporation		<u>2,100,000</u>
		<u>\$ 7,300,000</u>

Source: Treasury Department.

PUBLIC DEBT TRANSACTIONS - CALENDAR YEAR 1963

A. SAVINGS BONDS TRANSACTIONS

<u>Series</u>	<u>Term</u>	<u>Date of Issue</u>	<u>Date of Maturity</u>	<u>Where Payable</u>	<u>Interest Rate %</u>	<u>Par Value</u>	<u>Total</u>
<u>Savings Bonds Issued:</u>							
3S	10 years	June 1, 1963	June 1, 1973	Manitoba	4 $\frac{1}{2}$	\$ 13,063,500.00	
<u>Less: Savings Bonds Retired:</u>							
1S	10 years	April 1, 1961	April 1, 1971	Manitoba	5	2,525,500.00	
2S	10 years	April 1, 1962	April 1, 1972	Manitoba	4 $\frac{3}{4}$	2,001,600.00	
3S	10 years	June 1, 1963	June 1, 1973	Manitoba	4 $\frac{1}{2}$	827,800.00	
						<u>5,356,900.00</u>	
							\$ 7,706,600.00
							<u>Net Increase - Savings Bonds</u>

B. DEBENTURE TRANSACTIONS

<u>Debentures Issued:</u>							
6L	1 year	July 31, 1963	July 31, 1964	Canada	3	3,000,000.00	
6M	3 years	Aug. 1, 1963	Aug. 1, 1966	Canada	3 $\frac{1}{2}$	5,000,000.00	
6N	1 year	Aug. 1, 1963	July 31, 1964	Canada	3	1,000,000.00	
6P	2 years	Aug. 1, 1963	Aug. 1, 1965	Canada	3 $\frac{1}{2}$	2,000,000.00	
6Q	6 months	Aug. 1, 1963	Jan. 30, 1964	Canada	2.80	1,000,000.00	
6R	6 months	Aug. 1, 1963	Jan. 30, 1964	Canada	2.80	1,000,000.00	
						<u>13,000,000.00</u>	
<u>Less: Debentures Retired:</u>							
5R	15 years	June 15, 1948	June 15, 1963	Canada	3 $\frac{1}{2}$	3,990,000.00	
6I	10 years	Mar. 16, 1953	Mar. 16, 1963	Canada	4	4,000,000.00	
6J	2 years	Dec. 29, 1961	Dec. 30, 1963	Canada	3	2,000,000.00	
						<u>9,990,000.00</u>	
							3,010,000.00
							<u>Net Increase - Debentures</u>

C. TREASURY BILLS:

Issued prior to January 1, 1963, and							
(a) Retired during 1963						1,486,984.15	
(b) Funded during 1963 by provincial direct and guaranteed debenture issues						<u>24,542,600.00</u>	
						26,029,584.15	
Issued (exclusive of renewals) in 1963					\$ 57,576,389.00		
Less: (a) Retired during 1963		\$ 1,260,000.00					
(b) Funded during 1963 by provincial direct and guaranteed debenture issues		<u>33,689,483.37</u>				<u>34,949,483.37</u>	
						22,626,905.63	
							(3,402,678.52)
							<u>Net Decrease - Treasury Bills</u>
							<u>Net Increase in Gross Public Debt</u>
							<u>\$7,313,921.48</u>

PUBLIC DEBT TRANSACTIONS - CALENDAR YEAR 1963

DEBT GUARANTEED BY PROVINCE

ISSUED:

Security	Term	Date of Issue	Date of Maturity	Where Payable	Coupon Rate %	Par Value	Total
<u>MANITOBA HYDRO</u>							
Debentures:							
Series "1U"	25 years	Mar. 1, 1963	Mar. 1, 1988	New York	4 7/8	\$ 25,000,000.00	
Series "1W"	19 years	Oct. 1, 1963	Oct. 1, 1982	Canada	5 1/2	20,000,000.00	
Series "1X"	4 years	Dec. 2, 1963	Dec. 2, 1967	Canada	3 5/8	5,000,000.00	
<u>MANITOBA TELEPHONE SYSTEM</u>							
Debentures:							
Series "1C"	23 years	Dec. 2, 1963	Dec. 2, 1986	Canada	5 1/2	12,500,000.00	
<u>UNIVERSITY OF MANITOBA</u>							
Debentures:							
Series "1J"	20 years	Nov. 1, 1963	Nov. 1, 1983	Canada	5 3/8	3,500,000.00	
<u>HOSPITALS</u>							
Dauphin General Hospital	1 - 20 years	April 15, 1963	Apr. 15, 1964-83	Canada	5 1/2	325,000.00	\$ 66,325,000.00

RETIRED

MANITOBA HYDRO

Notes Series 1962, "3"	-	Aug. 15, 1962	Demand	Winnipeg	6	1,880,000.00	
"4"	-	Oct. 31, 1962	Demand	Winnipeg	6	2,770,000.00	
"5"	3 months	Dec. 3, 1962	Mar. 1, 1963	Winnipeg	4.65	10,000,000.00	
"6"	3 months	Dec. 3, 1962	Mar. 1, 1963	Winnipeg	3 1/2	5,000,000.00	

OTHER




Winnipeg General Hospital		Jan. 1, 1963				50,000.00	
Winnipeg General Hospital		June 15, 1963				30,000.00	
Dauphin General Hospital		June 1, 1963				18,000.00	
Brandon General Hospital		Sept. 15, 1963				27,000.00	
Brandon General Hospital		Dec. 1, 1963				27,000.00	
Sanatorium board of Manitoba		May 1, 1963				31,000.00	
Sanatorium board of Manitoba		Dec. 15, 1963				54,000.00	
Morris Eventide Home		Sept. 1, 1963				1,221.78	
Menno Home for the Aged		Dec. 1, 1963				2,500.00	
Middlechurch Home of Winnipeg		Aug. 1, 1963				14,000.00	
Ebenezer Home for the Aged		Aug. 15, 1963				3,000.00	
Foyer Notre Dame		Nov. 15, 1963				2,000.00	
Sisters of the Order of St. Benedict		Aug. 1, 1963				3,600.00	
Manitoba Co-op Honey Producers						60,000.00	
Cancer Relief and Research Institute		Oct. 1, 1962				3,609.84	

Increase in Guaranteed Debt



19,976,931.62
\$ 46,348,068.38

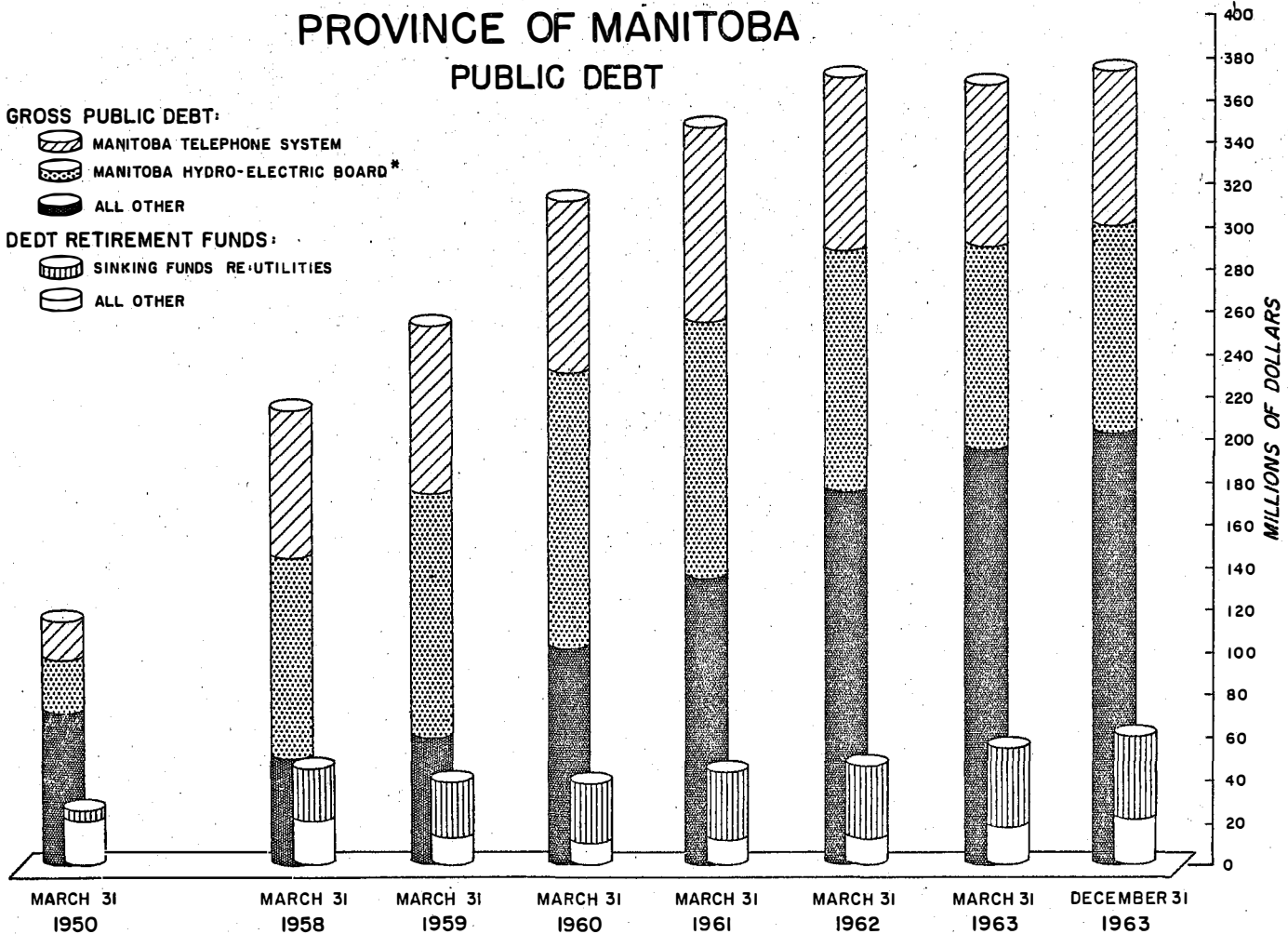
PROVINCE OF MANITOBA PUBLIC DEBT

GROSS PUBLIC DEBT:

-  MANITOBA TELEPHONE SYSTEM
-  MANITOBA HYDRO-ELECTRIC BOARD*
-  ALL OTHER

DEBT RETIREMENT FUNDS:

-  SINKING FUNDS RE-UTILITIES
-  ALL OTHER



* Including the assets of the Manitoba Power Commission merged in 1962