

2:30 o'clock, Wednesday, April 21st, 1965.

Opening Prayer by Madam Speaker.

MADAM SPEAKER: Presenting Petitions

MR. JAMES COWAN, Q. C. (Winnipeg Centre): Madam Speaker, I beg to present the petition of Dr. Otto Arthur Olson and others praying for the passing of an Act to incorporate The Canadian Lutheran World Relief.

MADAM SPEAKER: Reading and Receiving Petitions

Presenting Reports by Standing and Special Committees

Notices of Motion

Introduction of Bills

MR. ARTHUR E. WRIGHT (Seven Oaks), on behalf of the Honourable Member for Elmwood, introduced Bill No. 124, an Act to amend The St. Boniface Charter, 1953, and The Winnipeg Charter, 1956

HON. STERLING R. LYON, Q. C., (Minister of Mines and Natural Resources) (Fort Garry): Madam Speaker, I move, seconded by the Honourable Minister of Welfare, that Madam Speaker do now leave the Chair, and the House resolve itself into a Committee of the Whole to consider the resolution standing in my name.

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

COMMITTEE OF THE WHOLE HOUSE

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

MR. CHAIRMAN: The resolution before the committee is: Resolved that it is expedient to bring in a measure to amend The Mining Royalty and Tax Act by providing, among other matters, (a) that the tax imposed under the Act be imposed in respect of profits earned from the mining of oil shale; (b) that the operator of a mine may deduct less than five per centum of the value of the depreciable assets as depreciation from the gross revenue in ascertaining the net profit of a mine; (c) that the Lieutenant-Governor-in-Council may authorize a higher rate of depreciation where the life of the mine justifies it; (d) that where two or more gypsum mines are operated by the same operator, they shall be deemed to be one mine for the purposes of the Act; (e) that the tax imposed under the Act during the initial period of operation of a mine be reduced; and (f) that an operator engaged in processing gypsum may be permitted to pay the tax imposed under the Act by payments related to the volume of gypsum processed.

MR. LYON: Mr. Chairman, the principle involved in this Act, or the number of principles involved, can best be dealt with, of course, after the bill is distributed and at second reading. For the purposes of this resolution, I would merely point out that the various items listed on the resolution are all pretty well self-explanatory. Under (a) "that the tax imposed under the Act be imposed in respect of profits earned from the mining of oil shale;" - this merely means that oil shale will now be included under the Act whereas it was not mentioned before; we have had oil shale reservations put out in Manitoba,

(b) "The operator of a mine may deduct less than five percent" - at the last special session of the House, five percent was expressed to be the minimum. It has been brought to our attention since, that companies in Manitoba actually operate under that figure and that this possibly could result in a reduction of revenue unless this amendment were made, and so it is being recommended to the House.

Thirdly, "that the Lieutenant-Governor-in-Council may authorize a higher rate of depreciation where the life of the mine justifies it" - that involves the addition of the words "life of the mine" as another factor in the contemplation or in the formula for the arriving at the depreciation figure.

(d) "that where two or more gypsum mines are operated by the same operator, they shall be deemed to be one mine for the purposes of the Act;" - that's self-explanatory.

(e) "that the tax imposed during the initial period of operation of the mine be reduced," That one really means that under the present Act, where the amendment that was put forward at the last session said that the rate of taxation would be fifty percent during the first three years of the operation of the mine, it was left in that amendment as a discretionary matter for

(MR. LYON cont'd). the Lieutenant-Governor-in-Council to determine whether or not this would be given. Actually this is now being -- the discretion is being removed from the Lieutenant-Governor and it's being made an absolute exemption, which is given without any discretionary power for the first three years of the life of a mine. And (f) also relates to gypsum. I'll be happy to explain these matters when the bill is before the members of the House.

MR. CHAIRMAN: The Honourable Leader of the Opposition.

MR. GILDAS MOLGAT (Leader of the Opposition) (Ste. Rose): Mr. Chairman, I thank the Minister for his explanation. I would particularly like some further details on Section (d) - that is the part dealing with the gypsum mines where the Minister states that two or more mines shall be deemed to be one mine for the purpose of the Act. Could he explain the reason for this particular change? What would be the difference if they were allowed, or if they were to carry on as two separate mines rather than be considered as one? What is the effect on revenue and what is the effect on the operators of the mines?

MR. MORRIS A. GRAY (Inkster): Mr. Chairman, I may be out of order. please scold me. This is dealing with a tax on natural resources, dealing with something which providence has given for the interest and benefit of the people of the province and other provinces, and now, I'd like to raise -- the question is of the royalties -- I don't know whether I'm in order or not, but it still deals with royalties. In my opinion, or at least as far as I know, anyone who wants to operate a mine is not charged any royalty tax until he establishes it; and then when in operation all the profits he has made he is allowed to deduct from the operation expense, from the investment, from all other expenditures. After that he is allowed to make about \$10,000 a year net profit, and after that, whatever profits he makes there's a certain royalty base - either nine percent or whatever it is - on the balance. And naturally, after all the expenses are paid and the high salaries to directorates and the high salaries to the officials, very little is left. But while they are not interfering with the actual investments - and they did make profits - and actual salary, why is there no recommendation in here in this resolution -- I say, I may be out of order; it may have nothing to do with it -- but why isn't there an item that after they pay everything out - we don't want to deprive them of anything - and make the \$10,000 and have the big salaries, why could not we increase the royalties rather than have a fight in this House over the tax on gasoline or fuel?

MR. J. M. FROESE (Rhineland): Mr. Chairman, in connection with the last point - (f). Are we given to understand that they will not be taxed until a year later or that they would be taxed in the year following on the previous year's operation?

MR. LYON: Mr. Chairman, I don't seem to have the full detail on the question asked by the Leader of the Opposition but I'll undertake to get it at second reading when we're discussing the bill.

MR. MOLGAT: Mr. Chairman, I'm particularly concerned about Section (d) and its possible effects on the revenue of the province, for one thing, but also, and probably more even from the standpoint of employment in the province, I happen to be directly concerned, because it is in my own constituency, with a particular gypsum mine that has been closed and another type of operation opened elsewhere in the province. Now this has caused a considerable amount of unemployment in the particular region of Amaranth where the previous mine was in operation, and my concern here is, will this legislation make it easier to close down previous operations or will it encourage the development of new operations? I think that this is really what the Minister seeks in this particular resolution - that is, to increase the mining activity in the province. And I don't see exactly how Section (d) is going to do that. Possibly there is an explanation but it would appear to me that on the face of it this might have the reverse effect, and I'm particularly concerned. If he would get me that information. I'm prepared to wait until second reading for it.

MR. CHAIRMAN: Committee rise. Call in the Speaker. Madam Speaker, the Committee has adopted a certain resolution and has instructed me to report same.

IN SESSION

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

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

MR. LYON introduced Bill No. 117, an Act to amend The Mining Royalty and Tax Act.

MADAM SPEAKER: Before the Orders of the Day, I would like to attract your attention to the gallery where there are some 80 Canadian Girls in Training from the Swan River Valley consisting of the towns of Bowsman, Swan River, Minitonas and Benito. They are under the direction of Mrs. Twaiko. These girls come from the constituency of the Honourable the Member for Swan River. There are also 30 Gunton Girl Guides under the direction of Mrs. Crow. These girls come from the constituency of the Honourable the Minister of Agriculture and Conservation. There are some 35 Grades 10 to 12 students from Ste. Rose Collegiate under the direction of Mr. Normandeau. This school is situated in the constituency of the Honourable the Leader of the Opposition; and some 35 Grades 10 to 12 students from McCreary Collegiate under the direction of Miss Berthaudin. This school is also in the constituency of the Honourable the Leader of the Opposition. And in the Speaker's Gallery we have a group of seniors from the Winnipeg Chamber of Commerce. On behalf of all members of the Legislative Assembly, I welcome you.

HON. GURNEY EVANS (Minister of Industry and Commerce) (Fort Rouge): Madam Speaker, before you proceed with the Orders of the Day, may I have leave of the House to make an important announcement of an industrial development?

MADAM SPEAKER: Agreed?

MR. EVANS: Ever since the COMEF report we have been searching for a major chemical firm to establish a basic fertilizer industry in the Province of Manitoba and also to provide certain other basic chemical materials from which other industries can grow, and in the course of this study we have interviewed, I think, most of the major chemical companies in a period of two years - some nine major firms - and I'm happy to be able to report today that we've had success, and with your leave I would like to read a letter that I have just received addressed to myself: "Dear Mr. Minister: As you are aware, our company, with the appreciated assistance from your Department, has been investigating the feasibility of establishing a fertilizer and chemical complex in Manitoba, for the past two years. Our surveys and investigations have been completed and our company has made a final decision to go ahead. Plans provide for a 300 ton per day anhydrous ammonia plant, a 200 ton per day nitric acid plant, a 250 ton per day ammonium nitrate plant, a 100 ton per day urea plant and an ammonia phosphate plant which will produce 225,000 tons per year, at a total cost of approximately \$30 million. The expenditure will be made over the next 24 months, completion being scheduled for October, 1966.

"Several locations are under consideration in an area adjacent to Greater Winnipeg. A final decision on plant site will be made in the next 30 days, depending upon what arrangements can be developed on rates with the Canadian railroads. It's our intention to employ Canadian personnel as far as possible. We also intend to utilize Canadian services and materials, provided these are competitive in price and quality.

"The new plant will be the most modern in Western Canada. It will make available to Manitoba farmers fertilizers at lower costs. We believe it will be an important addition to the industry of Manitoba and produce raw materials that should result in beneficial and secondary effects in the form of additional industrial developments in your province in the future. It will also be an important export industry because we anticipate exporting a substantial portion of our output in the mid-western and western United States." Then there is a paragraph which I omit, with your agreement, dealing with the timing of the news release.

"May I again express appreciation of the assistance given our company by your Department, the Manitoba Development Fund and the Manitoba Hydro. Few government bodies have assisted industry in such an acceptable manner, and certainly the services provided have been of the highest calibre. As a matter of fact, the services provided have been the determining factor in our decision to proceed with a plant in Manitoba. Yours very truly, J. R. Simplot, Boise, Idaho."

MR. MOLGAT: Madam Speaker, I thank the Minister for his statement. This is certainly one that will be welcomed by all Manitobans. We desperately need industry and the news of new industry coming will be encouraging. I wonder if the Minister could indicate to the Committee, or to the House, the financial participation of the Manitoba Government in this venture, and also what the probable employment figures will be in this new industry.

MR. RUSSELL PAULLEY (Leader of the New Democratic Party) (Radisson): Madam Speaker, may I rise too and say to the Minister I appreciate his announcement here today. The question of provision of fertilizer for the agricultural industry has been one in the forefront of our minds over the years. I think the Honourable the Minister of Industry and Commerce will recall that on a couple of occasions at least we in the New Democratic Party group suggested

(MR. PAULLEY cont'd). that if such an industry was not going to be established insofar as private capital is concerned, that the government should possibly undertake to have such an industry established here in the Province of Manitoba.

I may say to the Honourable the Minister and to the company to which he referred, that we in this group will be watching very closely; not critically, but in anticipation of the valuable service that I'm sure that they will be able to render to the people of the Province of Manitoba.

MR. FROESE: Madam Speaker, I, too, say that the announcement is most welcome and the farmers of Manitoba definitely will welcome this new industry in Manitoba if they are going to be able to purchase fertilizer at less cost - any reduction in cost is most welcome to the farmers. Then, also, I think there will be an increase in the use of fertilizer as we continue farming, and because more of our farmers are having less summer fallow every year and instead are using fertilizers to improve their crops, so I'm sure this will be welcome news to the farmers of Manitoba.

MR. DOUGLAS L. CAMPBELL (Lakeside): Madam Speaker, I'd like to ask the Honourable Minister a question arising from his statement. I caught the same implication as the Honourable Member for Rhineland that there was a definite commitment in this letter for lower prices on this fertilizer. Does the Minister feel that there is such a definite commitment, that prices of fertilizer will be lower as a result of this plant establishing here?

MR. EVANS: If those are all the questions, Madam Speaker - the only information I have is that contained in the letter that can be made public, that, as Mr. Simplot put it, they have appreciated the assistance given the company by the Department and the Manitoba Development Fund. I have no further information on it. In fact, I would assume that any definite arrangements are probably still under negotiation.

With respect to employment, there will be between 350 and 400 direct jobs in the plant. My honourable friend will appreciate that additionally there are people outside the plant such as truck drivers, transportation people and others, usually in the order of about one and one-quarter jobs outside the plant to every direct job in the plant, so that gives a measure of the amount of employment.

I have nothing but the text of the letter to go on to answer my honourable friend from Lakeside as to any undertaking. Let me see if I can locate those words again and repeat them -- but it's Mr. Simplot's opinion that it will make fertilizers available at lower cost, as stated in the letter.

MR. MOLGAT: Madam Speaker, before the Orders of the Day I'd like to address a question to the First Minister, in his capacity as Treasurer. On the 4th of March, speaking on the Budget debate, Page 255 in Hansard, the First Minister indicated that, and I quote: "It is also our intention to provide direct exemption from tax on motive fuel presently used by farmers. This at present bears a one cent levy subject to refund." The season where the farmers will be buying diesel fuel is upon us now, and I understand there has been no instructions issued so far to make the change in this, that the arrangements are still that they must apply for a refund in the same way as hospitals who use this fuel and certain other specified categories. I wonder if the First Minister could indicate when the change will be made?

HON. DUFF ROBLIN (Premier) (Wolseley): I think action has already been taken on this matter, Madam Speaker.

MR. MOLGAT: A subsequent question. No announcement has been made as yet though, has there? I think the dealers are confused at this moment as to what they are to do.

MR. ROBLIN: I'll have to find out whether an announcement has been made. I know that the regulations have been amended to make this change possible.

MR. PAULLEY: Madam Speaker, I would like to direct a question to the Honourable the First Minister and apologize for not being able to get in touch with him priorly. Madam Speaker, the other day I directed a question to the Honourable the First Minister in respect of possible transfers of personnel from Air Canada. In reply my honourable friend informed us that he had sent a letter to Ottawa regarding this matter. My question to the Honourable the First Minister is, has he received a reply from Ottawa regarding this matter?

MR. ROBLIN: Madam Speaker, a telegram was sent on the occasion my honourable friend refers to and I have no recollection of a reply as yet.

MR. PAULLEY: A subsequent question, Madam Speaker. What steps, if any, are contemplated by the government in regard to the impending transfer of some 90 personnel from Air Canada?

MR. ROBLIN: I'm afraid, Madam, we're limited to using our influence, such as it may be, with those who do have authority in this matter, and we've already endeavoured to make representations as my honourable friend knows. I'm afraid there's nothing within the sphere of our own jurisdiction that we can do. It does not lie within our powers.

MR. PAULLEY: One further question then, Madam Speaker, if I may. In view of the fact that the Government of Canada to whom the telegram was addressed did not think that the First Minister of the Province of Manitoba had sufficient influence even to warrant a reply, I wonder if the Honourable the First Minister might consider asking the authority to whom he addressed the telegram whether or not they will reply, or whether or not the telegram went astray, which is unusual.

MR. ROBLIN: Consideration will be given to my honourable friend's suggestion.

MR. LYON: Madam Speaker, before the Orders of the Day I should like to lay on the Table of the House, Return to an Order of the House No. 11, on the motion of the Honourable Member for Assiniboia.

HON. WALTER WEIR (Minister of Public Works) (Minnedosa): Madam Speaker, before the Orders of the Day I'd like to lay on the Table of the House, Returns Nos. 15 and 16 standing in the name of the Honourable Member for St. George, and No. 23 standing in the name of the Honourable Member from La Verendrye.

HON. STEWART E. McLEAN, Q. C., (Attorney-General) (Dauphin): Madam Speaker, before the Orders of the Day I should like to table a Return to an Order of the House No. 33 on the motion of the Honourable the Leader of the New Democratic Party, March 26, 1965. I should say that this is associated with a Return to Orders 31 and 32, and was inadvertently omitted by me the other day when filing the others.

MR. MOLGAT: Madam Speaker, before the Orders of the Day I'd like to address a question to the Minister of Education. Are all the teaching positions at the Institute of Technology presently filled?

HON. GEORGE JOHNSON (Minister of Education) (Gimli): I would have to take that as notice -- take that question under advisement, and inform my honourable friend.

MR. FROESE: Madam Speaker, before the Orders of the Day I'd like to ask the Honourable the Minister of Agriculture whether there is any difference in the flooding situation.

MR. ROBLIN: so I can answer the question. The usual release was given this morning, giving the facts of the situation. The weather remains exceptionally good and I am optimistic.

MR. MOLGAT: I would like to ask a question of the Minister of Education as well. Yesterday in the House the statement was made by the Member for Springfield constituency that Ukrainian would be introduced as a Grade 12 subject for the General Course in 1965, I would like to ask the Minister of Education when this announcement was made to the House?

MR. JOHNSON: I think, Madam Chairman, during the Estimates I did mention that the complete program in Ukrainian had been developed by the Committee, and that it was available at the Grade 12 level, and of course this automatically meant both Ukrainian in the Grade 12 General Course and the University Entrance Course, and at that time I think I also pointed out that insofar as the University Entrance Ukrainian was concerned, this had been referred to the Senate of the University. We can go ahead with the teaching of Ukrainian in the General Course but it was of course only advisable to forward this to the University insofar as the University Entrance Course Ukrainian was concerned, because we could put it on the course next year but it would not be -- we wanted to be certain that the students, of course, would get the University credit for it as a matriculation subject.

I looked over the particular matter raised by the member last evening, and of course in the annual report this year we pointed out that the Ukrainian in the current year had gone into Grade 11, and of course it was understood that in sequence this would of course go into 12 next year, and the course is ready, so I think that it looks on all fours, as far as I can determine -- and I would like to point out to the Honourable Leader of the Opposition that in any of these courses -- and so much activity is going on -- literally just volumes of correspondence back and forth -- but for example the University has a Matriculation Committee and when we sent that letter to the Senate my understanding from the staff this morning was that the Matriculation Committee at the University level have been back in correspondence with the local committee since we sent this to the Senate, and when they have completed their deliberations I should have a further announcement for the House.

MR. MOLGAT: Madam Speaker, I thank the Minister for his reply. I wonder if I could ask a subsequent question. I take it that the announcement for that was made during his Estimates. As I recall the Estimates of the Department, they were rather lengthy. I wonder if the Minister could indicate to me roughly the page reference and I can check it up.

I would like to ask a subsequent question of the Minister, Madam Speaker, on the same subject, and that is the further statement by the Member for Springfield that the Department of Education and the University of Manitoba have agreed to establish a committee to consider the proposed syllabus for Grade 12 Ukrainian. Now when was that announcement made to the House?

MR. JOHNSON: Madam Speaker, I think this refers to -- the wording may be what's bothering the Leader of the Opposition. The Committee I think referred to in that Resolution are the Matriculation Committee of the University and the University Entrance Seminar Committee of the Department. I think probably it's the way it's worded that made it look anticipatory, but as I said, these committees are working all the time together and handle many of these requests. When they have made their decision, then I think I'm in a position to advise the House.

ORDERS OF THE DAY

MADAM SPEAKER: The adjourned debate on the second reading of Bill No. 102. The Honourable the Leader of the Opposition.

MR. MOLGAT: Madam Speaker, I rise to oppose Bill No. 102. There may be certain sections in it that would be acceptable but I cannot accept and agree with the particular section which brings in the principle whereby from now on the meat of wild game will be available for sale in restaurants. Now the Minister stated that this was not really as bad as it looked, that it was really still under the control of the department, that it was to be used by church groups, and gave us a number of explanations as to why this would not have bad effects, but the bill does not say that. The bill, on the contrary, is most explicit and says very clearly -- and the explanatory note probably explains even more than the bill itself. It simply says that they can make regulations for the selling of meat of wild animals in restaurants, and in the use and possession of firearms in areas of the province.

Well I cannot agree, Madam Speaker, to this particular change. I think the Minister is well aware of the serious problems in many parts of Manitoba right now with illegal hunting. This is particularly true, I would think, in the field of big game where one of the persistent problems, which has not yet been solved, is that of night hunting. The matter of jack lighting is a most serious one in many parts of the Province of Manitoba. It's a difficult one to control because the people who are doing the jack lighting by and large know the area in which they are operating extremely well. They know every road and every trail in the area. The conservation officers who have the responsibility for controlling them cannot be expected to know the areas. There can't be enough conservation officers in some of the more remote parts of the province to put in the type of control which would prevent this particular method of hunting going on. The House has discussed this on many occasions in the past; we have made some changes in the laws insofar as the confiscation of weapons and of vehicles engaged in this activity, but in spite of all this we still have serious problems in many parts of Manitoba.

Now to put in this type of legislation is going, in my opinion, to encourage that very abuse that we are trying to correct. I think a good number of the people who are engaged in jack lighting in the province are -- it's obvious that they are not doing it for sport, because there is no sport involved in that type of hunting. It is being done I would admit in some rare cases probably for their own use, but in the majority of cases I think it has become a matter of a straight butcher operation and the selling of wild game. By permitting this type of legislation I think we are providing these people with outlets for their illegal activities, and that where we should be discouraging them from getting involved in this, we are going on the contrary to encourage more people doing this and from abusing our game laws in the Province of Manitoba. It's all well and fine to put on restrictive measures to prevent people from doing things. You can make the law very tough, but if on the other hand you make it possible for substantial gains to be made by people who engage in this, I think you are defeating the very purpose of your original law. It seems to me that the Province of Manitoba is very fortunate in having still, large areas of wild land and a substantial amount of game. It is to us as residents of this province a very definite asset - not just for those who hunt but for all of the residents of the province, many of whom do not hunt but who like to see the wild game about.

(MR. MOLGAT cont'd).

It is from a tourist standpoint an important asset as well, bringing to the Province of Manitoba every year dollars from the outside and employment for our people. We cannot take any chances in making changes in our laws which would be to the detriment of our wildlife, and I believe, Madam Speaker, that this move by the Minister, this opening, as restrictive as he may say he is going to make it, is nevertheless the beginning of the open door and that it should be halted; we should not proceed on this basis; we should maintain our laws insofar as wild game, that is the use of wild game in restaurants as they are now; it should not be allowed. I think to pass this Act will be a definite detriment to wild game management in the province and an encouragement to poaching and in particular to jack lighting.

MR. PAULLEY: Madam Speaker, I think that I should just say a word as far as my position is concerned in this bill. I'm prepared to allow the bill to go to second reading. It does seem to me that one must have confidence in the administration or those charged with the responsibility of supervising the regulations and the laws which we enact in this House. While there may be some areas where it might be possible - and I sincerely trust that these will not be allowed - for people to take advantage of this, I visualize however, Madam Speaker, where organizations such as the Game and Fish Association may have a luncheon for which there is an admission fee charged, where they can serve up the products of their hunting skills and take advantage of this particular case. This may be. As I say, Madam Speaker, on the other hand it may not, but I suggest -- and this is one of the reasons that I'm prepared to allow the bill to go to second reading, is because of the fact that if this particular part of the Act is contrary to the thoughts of our Game and Fish Associations I'm sure that they will be at the committee that considers this particular bill, will make their objections known, and the committee considering the bill at that particular time will, in its wisdom or otherwise, either retain or reject the suggested amendment to the Act.

MADAM SPEAKER: Are you ready for the question?

MR. LYON: If there are no other speakers, I move, seconded by the Honourable the Attorney-General, that the debate be adjourned.

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

MR. McLEAN presented Bill No. 27, an Act to amend The Trustee Act, for second reading.

MADAM SPEAKER presented the motion.

MR. McLEAN: Madam Speaker, it is always a little difficult to give an explanation of a technical statute such as The Trustee Act, and especially a bill which proposes amendments to an existing statute of this particular nature. However, I think I can put the matter fairly briefly at this stage and say that it is my hope that in the Law Amendments Committee there will be present those who have been associated with us in considering these proposed changes, and who will be able to give counsel and advice and information to the Law Amendments Committee with respect to the proposals contained in this bill.

The general background of the bill is that in 1956 and 1957 the Uniformity of Law commissioners considered in some detail the Trustee Acts which for the most part are uniform, a uniform statute throughout the various common-law provinces of Canada, and proposed certain changes, certain alterations with respect to the powers of investment. And their proposals were thoroughly considered by our own Law Reform Committee here in Manitoba, both in meeting among themselves and in meeting with officers of the Trust Company Association and those particularly associated with the administration of trusts. These proposals come before us, generally speaking, as a result -- or with this particular background. I want to make it quite clear that we are talking here, and this statute and this bill deals with the law which applies to the investment of private moneys that are held in trust by trustees, either corporate trustees such as trust companies or by individual people who act in a trust capacity.

With that background, I would say that there are two general matters in this bill. The first, and the most important, is that of providing for additional fields of investment for trust funds. The second general part of the bill has to do with some re-drafting for greater clarification of existing provisions of The Trustee Act.

Now in the matter of trustee investments, the bill before the members proposes to add the following: Securities - and I'm speaking now of what is being added, although members will note there are other, perhaps other investments referred to in the bill, but they are ones which already exist and they're put in, as I say, for a matter of greater clarification or for

(MR. McLEAN cont'd).....consolidation or one or the other or both, as the case might be, but I'm now speaking of those investments which are being added as legal investments for trust funds: Securities of the Government of the United States of America. Securities, the payment of principal and interest of which is guaranteed by the Metropolitan Corporation of Winnipeg, the Metropolitan Corporation of Toronto and the Government of the United States of America. Securities issued for irrigation, drainage, elderly or infirm persons' housing, or like purposes, secured by or payable out of rates or taxes levied under the law of any province (this would refer to any of the provinces of Canada) on property in the province itself. Bonds and debentures of a company secured by an assignment of money to be paid by Canada or a province. Bonds and debentures of a Canadian or provincial corporation secured by assets of the company provided that the company in each of the five years immediately preceding the date of the investment has earned a dividend at least equal to the specified annual rate upon all of its preferred shares, or alternatively a dividend in each year of a period of five years on its common shares of not less than four percent. Guaranteed trust certificates of a trust company that has paid-up capital stock of not less than \$1 million. Preferred shares of any corporation, either Canadian or provincial, which has paid a dividend in each of the five years immediately preceding the date of investment, at least equal to the specified annual rate on all the preferred shares or a dividend in each year of a period of five years of at least four percent on the common shares. And common shares of a company either Canadian or provincial that, in each year during a period of seven years prior to investment, has paid a dividend of not less than four percent on the average value at which the shares were carried in the capital stock account of the company. These are all added investments designed to enable trustees to take advantage of what I understand to be the investment opportunities that exist in Canadian securities, shares and bonds.

Then, with regard to real property mortgage loans, the changes in relation to that is that the amount is increased, the amount of the investment is increased - that may be made is increased - from one-half value to two-thirds, and in the case of a loan which is insured under The National Housing Act, any loan may be made irrespective of the amount, and this provision would make the amount that may be invested in this fashion subject to any variations that may occur from time to time in The National Housing Act itself.

When we speak of shares, the trustees in applying the investment arrangements will use published market quotations for valuation purposes, and there are a number of rules and regulations stipulated in the bill that apply to these investments. Trustees are provided, proposed in this bill, with the authority to deposit money, pending investment, in any bank, trust company, loan corporation or other corporation which is empowered to accept moneys on deposit, and the requirements which presently exist for investing in bonds and debentures of Canadian and provincial companies requiring the approval of the Public Utilities Board is proposed to be removed by this bill.

There is provision added in this bill which stipulates that where an individual person holds an investment as a trustee, the fact of his holding the investment as trustee must be shown on the registration of the relation to the investment itself.

And then the bill has in it a codification of a number of other matters respecting trusts which have been established by the common law for a number of years.

As I say, this is an exceedingly technical bill. I'm just about the last person in this Legislature to undertake to explain it because I'm not really trained too well in the law of trusts. The general principles of the bill, however, I have indicated to the members and, as I say, it is my hope that at the Law Amendments Committee we will have present persons who will be able to give all necessary explanations with regard to the detailed matters of the bill.

MR. T. P. HILLHOUSE, Q. C., (Selkirk): Madam, on behalf of the Official Opposition, we are willing to allow this to go to second reading to come before Law Amendments. I can't bind all of the group as to what their reactions may be to all of the various types of investments, although speaking personally I have always felt that during the last 10 years at least that the scope of investments allowed the trustees under The Trustee Act were inclined to be a bit - if you'll excuse the use of the word - conservative. I therefore think it's time that we did enlarge the type of investments the trustees could invest in, and I'm quite satisfied that when we come before Law Amendments that some of these new fields will be explained to the members of the Committee and their inclusion in The Trustee Act will be justified.

MADAM SPEAKER: Are you ready for the question?

MR. FROESE: Madam Speaker, I wonder if the Minister could answer a question. I would like to know how many companies will be able to avail themselves or to take advantage of the legislation now that it is cut down to a five-year term. I think the previous arrangement was that they had to have seven years of operation, continuous operation, before you could invest trust funds into these organizations -- if I understand correctly. Then I think the bill is a good one because it liberalizes the field for which trust funds can be invested and I think this is a good thing for the province. I will have more questions but I think they deal with sub-sections of the bill so I'll wait till we come to Law Amendments for that.

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

MR. McLEAN presented Bill No. 90, An Act respecting the Acquisition of Land by the Government and Agencies of the Government, for second reading.

MADAM SPEAKER presented the motion.

MR. McLEAN: Madam Speaker, this, I expect, will be a bill that will receive very careful attention of the members, dealing as it does with an important topic in the light of the fact that government now, for one purpose or another, acquires a great deal of land.

It will be noticed that this bill has two parts; the first establishing a Land Acquisition Branch, and the second part establishing a Land Value Appraisal Commission. Briefly, the purpose of the bill is to place in the hands of the Land Acquisition Branch the acquisition of all land or interest in land that may be required by any agency of the government or any governmental authority -- and I'll have something to say about that in just a moment. It is provided that this work will be carried out by the Minister of Public Works as part of the Department of Public Works, and by the establishment within that Department of what is known as the Land Acquisition Branch, and the appointment of a Director of Land Acquisition who shall be the officer to carry out the duties that are assigned by this bill to that department and to that branch.

The bill provides that it shall be applicable to agencies of the government as specifically defined in the bill, with certain exclusions which are set out in the bill. These exclusions are the Manitoba Agricultural Credit Corporation, the Manitoba Development Fund, and the utilities which are the Manitoba Hydro and Manitoba Telephone System. With those exceptions the bill applies to all of the other agencies or authorities, the government, and also applies, as members will note, to the acquisition of land but an interest in land which may be something less than the outright title of land or the "fee simple" as the expression which would be used by lawyers.

The general arrangement as established by the bill is that any authority requiring land will notify the Minister in charge of the Land Acquisition Branch, whose duty it will then be to take such steps as may be necessary to acquire the land or the interest in land that may be necessary under the circumstances; and to take all such steps as may be required for that purpose, and to exercise the rights and steps that might be taken by the Minister of the individual department concerned.

There was some discussion the other day about the subject of expropriation, and as I indicated and would say again, this bill provides for the central agency to do the acquiring of land, or interest in land, and to proceed by whatever authority is available to it, and insofar as expropriation itself is concerned, the bill does not deal with that topic other than to make it quite clear that the Minister who is responsible for the acquisition may, under proper circumstances, take proceedings under The Expropriation Act. In other words, this doesn't affect the Expropriation Act but the expropriation proceedings are available for the purpose of acquiring land if that should be necessary.

A word about the exclusions, because that will be of some interest to the members. The Manitoba Agricultural Credit Corporation is not engaged in acquiring land; they are engaged in loaning money on the security of land. It was considered advisable, however, to specifically exclude them because in the event, which would be an unlikely event, but in the event that the Manitoba Agricultural Credit Corporation was loaning money on the security of what we call an old system mortgage -- that is by deed and would be regarded as acquiring an interest in land when in actual fact it's the loan of money and obviously would not be a proper matter to be dealt with under this bill or this method. I say that would be rather an unlikely proceeding. I wouldn't imagine there would be many old system mortgages taken by the Agricultural Credit Corporation. However, perhaps a greater possibility might be the possibility that the Agricultural Credit Corporation would have to foreclose on a mortgage in which case they would be acquiring the land, and here again it would not be proper -- indeed it would be unworkable -- if in some fashion or other they were to be subject to this Act for that purpose. So that is the

(MR. McLEAN cont'd).basis on which the Agricultural Credit Corporation is excluded from the operation, because they are not in the ordinary sense engaged in the matter of acquiring land as we understand it.

The Manitoba Development Fund. Much the same reasoning applies, because their function is that of loaning money on the security of land, and they might, if it were necessary for them to foreclose on their security, be actually acquiring parcels of land, and that would be the circumstances under which that would occur. There is another possibility with regard to the Manitoba Development Fund, and that is that as part of their function in encouraging or establishing industrial development, they might for example enter into a contract under which the Manitoba Development Fund would acquire a parcel of land and build a building on it - or it might be a parcel of land with a building already on it - for the purpose of entering into a contract with a prospective user who is going to use it for industrial or commercial purposes which came within the ambit of the operation of the Manitoba Development Fund. Well, this would be a private contract with a specific person or firm who is going to use it for this purpose and it was not thought proper or advisable that under those circumstances - which would not be very many times - that they be made subject to the operation of this Act.

The utilities, on the other hand, are in a different category, in that they are actively engaged in the conduct of their work in acquiring land and in acquiring interests in land, less than the actual fee simple ownership. And here it was thought advisable to observe very strictly the general principle which has obtained with regard to the utilities in Manitoba, namely, that they are not subject to government control or direction in their day to day activities. They are established as independent utilities - certain provisions of their respective statutes seems to make that quite clear - and that under those circumstances it was felt quite clearly that they should be excluded from the operation of the first part - and I'll have something to say about their relationship to the second part in a moment - from the first part of this bill and these arrangements.

I was reading again from the Hansard of the Second Session in 1964, an address made by the Honourable the Member for Selkirk in which he was dealing with this topic of how we ought to have a method of acquiring land, and I would think by and large the general principle involved in this bill would be one which would meet his approval, to quite a degree at least. And in it he suggested that there ought to be some leeway for -- actually he went a little further than with regard to the utilities, and my understanding and my reading of his speech on that occasion was that he would have given leeway, some leeway to departments of the government, as well as the utilities, to initiate and carry out their own negotiations or carry out their own acquisitions, subject to an over-all or over-riding supervision.

I'm not suggesting, Madam Speaker, that this distinction that is made by this bill is in strict compliance with what he suggested at that time, but it endeavours to come down somewhere in the general area, recognizing the distinction which he was making, and recognizing too, we believe, the distinction that must be made with regard to the utilities and the independence of operation which they have always been understood to have, and I think in practice have had since their establishment in Manitoba.

Now, that is with regard to Part I of the bill, the procedure under which land or an interest in land will be acquired; subject, as I say, to the exceptions which I have made. Part II establishes a Land Value Appraisal Commission, and there are the details there which establish the membership of the commission and the necessary detailed arrangements for their work. And here the job of this Land Value Appraisal Commission will be to fix the value of land which is being acquired -- under certain circumstances, to fix the value of land for the purpose of land acquisition. It will be noted that there is a specific provision that all hearings of the commission shall be in public, and that any party to any of the proceedings before the commission may be represented by counsel and may call witnesses and submit evidence and present argument. In other words, this is to be in a sense a tribunal whose function will be that of operating in public and of giving those concerned an opportunity of being heard or making submissions. And the commission will be available on the application of an owner of land which is being acquired, either under the provisions of the Act - that is, in those cases where the Act strictly applies - or in the case of a utility; in other words, while the utilities do not acquire their land through the provision of the Land Acquisition Branch, but nonetheless, any person who owns land that is being required by a utility may make an application to have the value of the land being acquired from him appraised by the commission -- in other words, bring him within the scope of the Land Value Appraisal Commission for the purpose of having

(MR. McLEAN cont'd). the land which is going to be acquired from him determined. And all of these rules apply -- about public hearing, and all that type of thing. And on such an application, and having conducted their hearing, the Land Value Appraisal Commission will certify the value of the land. In other words, they will determine what in their opinion is the correct and proper value of the land, and there's a provision in the bill which provides that that shall be deemed to be the best price that can reasonably be obtained for the land.

From that point on, the owner from whom the land is being acquired has his choice. He may accept that figure, that valuation, or if he feels that it is not sufficiently high, then he may, if he wishes to do so, he may take the matter further by way of expropriation proceedings in order to obtain, if he can, a higher price. The scheme envisages, however, that the value which has been certified by the Land Value Appraisal Commission will in effect be the minimum price or the minimum amount of money that he could expect to receive, and, as I say, he has his choice. He may accept that, or alternatively, he has the right to go to expropriation for the purpose of securing a higher value if that should be the case.

There is a provision under which the utilities themselves may also bring a matter -- they may make an application to have land which they wish to acquire valued by the Land Value Appraisal Commission, and so, on both sides - that is, either by the owner of the land or by the utility - they may have the matter brought for hearing before the Land Value Appraisal Commission, and it will be noted that the Land Value Appraisal Commission is required to submit an annual report to the Minister which in turn shall be tabled in the usual way by the Minister in this Legislature.

There is, I should just direct the members attention to one matter in one of the sections in the last part of the Bill where there has been an error in the typing - not in the typing but in the drafting, and we will be proposing a small amendment, in Law Amendments Committee because there is reference in the Bill to the department designated by the Lieutenant-Governor-in-Council. The error arises because it is the Department of Public Works and there was no need to put it in in the way that it was and we will propose an amendment in Law Amendments Committee.

In the case of expropriations which are underway at the time when this bill is proclaimed, this procedure will not apply. In other words, there is no retroactive feature in this Bill with respect to those actual acquisitions in which expropriation proceedings have been commenced prior to the date of proclamation. In all other cases, the provisions of the Bill will - if it receives approval of the House the provisions of the Bill will apply.

Well now, Madam Speaker, that's a very general outline of the two general provisions of the bill, the provision for a central authority for the acquisition of land or interest in land by the Government of Manitoba or its agencies, subject to the exceptions which I have indicated, and a provision for determining the value of land by a new approach or a new method and to which all parties even in those cases of the utilities where they are excepted from the actual acquisition provisions themselves, where those concerned may have access to the land value appraisal commission, if it is their wish to do so.

I recommend Madam Speaker, the Bill to the House as being worthy of the support of all members.

MR. GRAY: Madam Speaker, one brief question. The Lieutenant-Governor-in-Council will still have the final say over the commissions - will they or will they not? In other words, if the Commission recommends a certain thing and the cabinet doesn't like it or the Minister doesn't like it, can he still change it or is their recommendation final?

MR. HILLHOUSE: Madam, I would like to move, seconded by the Honourable Member for Lakeside that the debate be adjourned.

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

MR. LYON presented Bill No. 99 an Act to amend The Mines Act for second reading.

MADAM SPEAKER presented the motion

MR. LYON: Madam Speaker there are a number of minor amendments in this Act and there are two of a substantive nature about which I can make a few comments. The number one principle involved in this bill is the provision for the compulsory pooling of mineral interests other than oil and gas in a manner similar to that which is already provided in The Mines Act in respect of oil and gas rights. The other substantive provision relates to the establishment of mine rescue stations, the training of mine rescue crews and fixes responsibility for direction and supervision of these rescue crews during a mine fire or other disaster.

With respect to the compulsory pooling section, this section really brings to bear upon mineral interests other than oil or gas the same provisions that are presently in the Act respecting oil and gas. It is specifically designed to overcome difficulties that are being encountered in the exploration for potash where it has been found to be impossible to consolidate mineral holdings due to retained undivided mineral interests held by specific trust companies in some cases where these interests were taken up a good number of years ago. We have been informed as an example that every freehold parcel in the rural municipality of Ellice is encumbered by fractional undivided mineral interests of from one percent to four percent or under a deed and option of 50 percent and it is understood that where such an interest was held in the Province of Saskatchewan the agreement could not be negotiated, and that is the case here in Manitoba. The people holding these fractional interests in one instance at least, have refused to negotiate. In Saskatchewan it was found necessary for the development companies to leave out the holdings of this one parcel and proceed to develop around it. This procedure doesn't solve the problem, nor does it grant to the parties holding the majority interests the right to participate in the development venture. In Manitoba where the potential potash area is relatively small the exclusion of these parcels could make an economic operation impossible, and so we commend the pooling principle to the members of the House.

I may say, Madam Speaker, that it follows in large measure a recommendation that has been given to us by the Manitoba subsection Natural Resources and Energy of the Canadian Bar Association who have done a rather thorough study into this problem and as I say it conforms largely with their recommendations and we hope it will be most helpful in the development particularly of potash in Western Manitoba.

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

HON. MAITLAND B. STEINKOPF (Provincial Secretary) (River Heights) presented Bill No. 108, an Act to amend the Highway Traffic Act for second reading.

MADAM SPEAKER presented the motion

MR. STEINKOPF: Madam Speaker, The Highway Traffic Act is one of those Acts that seems to keep on growing and every once in awhile requires a complete revision. The time we thought was ripe last year and we started to give some serious consideration to a complete revision of The Highway Traffic Act and it turned out to be a very monumental task in that it meant the reswitching of practically every section in the Act and unfortunately during the latter stages of our plans the draftsman took ill and we have had to postpone the revision until next year. However, there were certain recommendations that we had and we thought should be made at this time. Just a few of them have been incorporated into Bill 108. There are some major changes in thinking and in policy and some rather minor ones. The bill of course, makes provision for the fact that the Department of Public Works will be divided into two departments and the references in the present bill that refer to the Department of Public Works will henceforth refer to the Department of Highways.

There is a section in this Act that defines a farm tractor. A farm tractor that now proceeds at a rate of less than 10 miles per hour on the highway does not require a licence and for that reason most farm tractors are not licenced in the Province of Manitoba, but during the recent past few weeks when the \$25.00 imposed on vehicles of all kinds was added for our uninsured fund, we found that it worked an injustice on many of the owners of tractors who had them registered because it excluded them from their comprehensive insurance plan and added an extra burden, financial burden to the owner of a tractor who took the trouble of having it registered. So a new definition has been placed into the Act which will mean that all farm tractors will no longer in effect require registration.

There is a section that has to deal with refunds on registration of vehicles. At the present time refunds are based on one-half the unexpired portion and this might mean that the person asking for a refund would receive but a very small part of the money that had been paid

(MR. STEINKOPF cont'd.) out and a new schedule has been arranged which will be on a much more equitable basis. At the present time there is no provision for refunds in the case of drivers' or chauffeurs' licences, and as these are on a two year period it's also provided in this new amendment that these can be refunded during the first year so that at least half the amount paid can be refunded.

It also provides that a widow or an estate may be able to receive a transfer of the registration and the licence plates on a minimum payment - sometimes there's a sentimental value for licence plates - and also the cost of re-registration and provision has been made for this to happen.

There is provision for an increase in the over-all length of a combination of vehicles from 60 feet to 65 feet. Also an increase in the present weight limit which is 72,000 lbs. to an increase of another 2,000 lbs. bringing it up to 74,000 lbs. which is in keeping with most of the requirements in other provinces and as we receive more and more reciprocity agreements with other provinces we find that this is one of the conditions that we are forced to meet.

There is a provision that deals with the limited access highways. At the present time the traffic board must specifically declare each provincial trunk highway that it wants to declare as a limited access highway and the new recommendation is that all provincial trunk highways be created limited access highways. Provision has been made to legalize the green flashing traffic control lights that are in existence particularly in the City of Winnipeg in the Metropolitan area. Apparently there is no provision for this type of a light in the present Act.

Another provision of the section will authorize a peace officer to commence a prosecution which in effect is handing out a summons, a writ, at the same time as the offence is made. Up to now the person who receives a, or is stopped isn't sure whether or not he is going to be charged and this on-the-spot traffic offence notice would make it I think more equitable for those who may be in a position where they later would require witnesses to some accident or to some offence that had been committed.

There's a section that will provide - it's called a drive-away service unit, where now it's possible to put three units together, done very commonly with trucks where a large truck will have sort of piggy-back two others by adding a fourth; they've now devised a scheme where they can add a fourth vehicle to the little train without extending the length beyond the present and suggested new limitations.

The usual provision extending the power to the Lieutenant-Governor-in-Council to make the regulations necessary for the new sections in the proposed Act will be there. Also a new schedule of refunds for trucks that under the present Act they have not had any refund and some of these licences, particularly the large commercial vehicles that are rather heavy, and provision will be made to make the refund on a schedule basis and I think more equitable. There will be no refund where the unexpired part of the registration year will mean a refund of \$2.00 or less.

Madam Speaker, I think those are pretty well the points brought up in the Act.

MR. GRAY: Madam Speaker, I'd like to ask the Honourable Minister a question. I noted he has two pages of offence so everybody reads it and forgets about it. You must realize there are more and more thousands of cars on the highways coming up every year. The car manufacturers are not asleep. They look after their industry and try to sell more cars as possible. Now while we have the offences for everything else I don't see unless it's there any direct advice or suggestions to the car riders, to the operators, of trying, or avoiding of killing so many people every weekend, and you all know about it. So I may suggest at least one thing, and if I get through with one thing perhaps it may or it may not help. I don't know whether the beginners are to be at 16 or 17 or 18 - have enough mind about it. Someone tell me that those of the age of 16 are better drivers than those of the age of 17, but I do think that consideration be given to the older drivers - which may include me, I don't know - but if it includes me even, and if it saves a human life, I'm satisfied to sacrifice my own pleasure. I would like to suggest that a test be made on elderly drivers say from 70 to 85, or from 75 to 100. We have no authority to cancel their licence. We don't know, there may be one of 85 or 90 a better driver than one of 16 or 17, but still I think perhaps a system should be inaugurated that drivers of say 75 and over should go through a test whether annually or semi-annually, I don't know, but I think this is the only suggestion I could have and I don't think anybody could suggest how to kill less every weekend. The records are there - 50, 60 - they predict now that 400 people in the United States will be killed next holiday. I mean it's tragic to predict who is the one of the 400 - am I or you or anybody else? So in my limited knowledge of preserving life on the

(MR. GRAY cont'd,) highways at least I would suggest that those in the older age should be given a test as often as possible.

MR. SAUL CHERNIACK, Q. C. (St. John's): Madam Speaker, when the Honourable Minister introduced this bill earlier, I had occasion to refer to the cost of PSV truck licences and pointed out the extent of the licences, how costly they are running into as much as \$1,000 and more in a year, and the fact that there was a very inequitable and unfair method by which a partial year would be charged in licences, and I asked the Minister - well, I suggested and hoped that this Act would deal with that problem. The Minister, at that time, on Page 1324 of Hansard stated: "The schedules will be pretty well detailed in the bill itself. The idea is to make the refunds more fair, more realistic." That's the end of the quotation.

Well, Madam Speaker, I did not give details of the charges that were being made to PSV trucks when I referred to it on Page 1323 of Hansard, and therefore I'd like to mention just some of the charges as I have seen them indicated -- and I'll take the largest as being probably the most, well the most expensive. A 71,000 gross weight PSV and CT truck pays a full fee of \$1,475.00. Between May 15th and September 30th the payment is \$1,393.05, which I interpret to be a drop of about five percent, and yet this is for as much as half a year. Between October 1st and January 31st the rate is \$737.50 which is 50 percent; and in the month of February it is \$368.00 which is about 25 percent and which is the 12th month of the year for the use of that truck. Now I suggested that both in the purchase of the licence and in the event the licence is turned in there ought to be a more equitable and a more fair pro-rating of the cost and I indicated and I thought that this would be effected by this bill. Now I've read the bill and it is my impression that this bill does not at all deal with the problem of PSV and CT trucks. It refers to a change in Schedule A which I believe is passenger vehicles in the main, and certain other types of licences issued, but I do not think that what I referred to as PSV is covered and I think that if we're looking for fairness and equity, which the Minister is looking for, he should look at this very high cost licence as being one that deserves consideration. And if I'm right in my conclusion then I strongly urge the Minister to consider this so that it could be dealt with in Law Amendments Committee as to whether or not the bill could invite further amendment.

I would point out also that after I raised this point and it was reported in the newspaper, I had a call from a soft drink distributor who pointed out that in the month of July and August there's a great deal of need to take these soft drinks out to the summer resort areas, and he stated that he actually has trucks which are in use only in July and August, that other than that time his trucks service his customers adequately without the use of extra trucks but actually that he has certain trucks which are not in use at all except during July and August and once he pointed that out to me I thought it fair to bring it to the Minister's attention because it too would mean that he would be paying a full fee for two months use.

Now, Madam Speaker, I must premise what I am going to say by saying that I was out of the House and came in a few moments after the Minister had started to speak and therefore I may have missed reference to some of these matters I want to raise. I've been waiting the government's indication of what it intended to do in the reduction of farm licences, and I do not see any reference to that in this bill. I'd like to know whether I've overlooked it, whether it is actually here, and if it is just where it is, and if it is not here I'm wondering whether there will be a separate bill altogether. We've already been told that there's an estimate of some half a million dollars in reduced revenue and I'm looking for the formula. If it is here I wish it could be pointed out to me.

Next, Madam Speaker, is an item where -- I don't see the Attorney-General, I had hoped he would be here because I want to draw to his attention the fact that when he introduced Bill 13 I believe it is for second reading, that is the bill which introduced section 4 (a) to The Summary Convictions Act, there was certain questions raised about it and he stated and I quote from Page 262 of Hansard: "At this present time it does not apply to any legislation in force in Manitoba including The Highways Traffic Act and we have no legislation that I am aware of, coming before the legislature at this session that will make this provision applicable."

Subsequently, Madam Speaker, we did have The Public Works Act. I think it's The Public Works Act which brings in section 4 (a) to apply to parking on the legislative grounds themselves, and in this Act I find a very extensive use of section 4 (a) of The Summary Convictions Act and set out in a long list of sections or infractions of the Act. I would point out that in this Act, or in this bill, all these sections listed in 105 (d) on Page 6 of the Act list various offences which under section 4 (a) of The Summary Convictions Act which was Bill 13, would be violations where a peace officer has not laid a charge but has indicated that he proposes to do so. It is

(MR. CHERNIACK cont'd.) alleged by a peace officer that a person has contravened the Act and then the person may voluntarily appear in order to pay a fine. Now this would be interesting and only indicative that the Honourable the Attorney-General earlier this session did not know that this bill was going to be brought forward in this form, but now we find in this bill, that there is a proposal as the Honourable Minister has stated, that a police officer could actually issue a summons when he stops a vehicle and decides that an infraction has been committed, because where in the past he would leave a ticket or some indication that he alleges a contravention and he now apparently actually issues a summons and this is somewhat contrary to what the procedure always has been where the person laying a summons actually has to lay an information, swear an information before a Justice of the Peace and theoretically the Justice of the Peace can review this information and decide whether or not to accept it. Now we find the police officer on the road with one foot on the dashboard, if the car is old enough to have a dashboard, writing out a form in - I think it's quintuplicate, quadruplicate anyway - and somewhere in that form, each form being somewhat different in appearance, somewhere in it there suddenly appears to be a summons, a document summoning a person to appear in court, and hopefully the police officer will tear the slips of these quadruplicate slips apart and give the correct one to the person driving the vehicle, because if he gives the wrong one, it might end up as being the one one that should have been sent into the court or some other place. And then, if that person doesn't appear, as I read this proposed bill, a warrant may be issued to compel his attending.

Now here we find that a police officer scribbles or writes or prints out some form out in the field somewhere, at his work. This becomes a summons. When it is not acted on, a warrant may be issued. I described the possibility of a police officer with his foot on the mythical dashboard handing this summons to the driver of a vehicle but I find here that he need not actually hand it to anyone. He may leave it, he may leave it affixed to the vehicle, he may leave the summons portion of the traffic offence notice in or affixed to the vehicle. I'm quoting this, Madam Speaker: "and the leaving of the summons portion of the traffic offence notice shall be conclusively deemed to be personal service of a summons."

Now we find that there can be a summons issued by this officer out in the field, placed in or affixed to a vehicle, and then, if the - presumably the owner of the vehicle does not turn up in court at the required time, a warrant may be issued. Now, Madam Speaker, this may be very efficient and may speak well for the planners and the efficiency experts involved in handling the red tape of court procedures and enforcement of highway traffic offences, but there is something here which I think is shocking or at least challenging to the principles involved in using the courts to bring an offender to justice, and I would strongly urge the Minister to carefully review these provisions to see whether or not there has been an over-enthusiasm in the attempt to provide for efficiency of operation of The Highway Traffic Act.

MR. HILLHOUSE: Madam Speaker, following the Honourable Member for St. John's, and specifically dealing with those sections in this bill that create a police state - and actually that's what they do create - I would urge the Minister to withdraw that section and to withdraw these sections.

We have had a great deal of discussion in this House recently regarding police courts and the change in the nomenclature to a Magistrate's Court, but here we are enacting into the laws of this province, a section which actually creates a police court. Not only that, Madam, it creates a police state because you have a prosecution here being instituted by a policeman without the intervention of a Justice of the Peace or any other person authorized to issue a summons; and as the Honourable Member for St. John's says, that summons or whatever it is that's left on the car, does not have to be served on the individual personally, and if that individual does not appear in court in answer to that summons, it is conclusively proved that he got that summons as long as the policeman says he stuck it on his car. That summons may have been blown away by the wind. It's fundamental in law that no warrant is issued for the arrest of a person for a summary conviction matter unless there's a personal service on that person. What are we doing here? It's inconceivable, Madam, to me, that we in this century should enact legislation of this type. This is medieval.

I think, Madam, that there's too much emphasis being placed upon the convenience of the police in the legislation that's being introduced here. I think we should forget about the convenience of the police and the convenience of the prosecution and spend a little more time thinking of the liberties of our subjects. That is what we are completely disregarding in this particular bill and I ask the Minister to withdraw these sections that create this police state.

MADAM SPEAKER: Are you ready for the question?

MR. STEINKOPF: Madam Chairman, there was some pretty strong language on the police state just now, but I fail to appreciate the medieval existence I'm pushing the Assembly back into, because the procedure that is being recommended here for what is in effect 40 very minor offences, mostly directly relating to the use of an automobile and not too far removed from the present practice of attaching parking tickets to windshields, and then issuing a summons if the owner of the vehicle does not appear. A practice that is in effect in other jurisdictions and not only turning out to be operating very well so far as the police are concerned but certainly so far as the person who receives a summons and has a method of disposing of it in a rather convenient manner. A lot of thought has gone into this section here and only those offences that could properly come within the general purview of the whole section were included and I think that one should give a lot of consideration before making such rather drastic accusations.

The section for PSV vehicles, the sections are sections 17 and 18 in the Act and they refer to Schedule B of the present Highway Traffic Act which deals with the regulation under The Highway Traffic Act to do with PSV vehicles.

MR. CHERNIACK: Madam Speaker, may I ask the Minister what number are those sections?

MR. STEINKOPF: Sections 17 and 18.

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

MR. JOHNSON presented Bill No. 111 An Act to amend the Public Schools Act (3) for second reading.

MADAM SPEAKER presented the motion

MR. JOHNSON: Madam Speaker, there are many small or short amendments contained in this Bill 111. I think I could say insofar as principle is concerned, there are various principles involved and I should probably just briefly outline them to members of the Committee. I think they are matters that can be looked at more closely in Law Amendments. Section 1 just provides a definition of a school area. At the present time there is no definition of an area in the general definition section and we will be referring to this under Bill 1, so it's required here. Section 2 in this particular bill repeals the definition of school area which applies to part 2. Under section 1 of the bill we have provided a general definition which covers the entire Act. Section 3 in this bill, strikes out subsections 7 and 8, which no longer apply since subsection 6 of this particular section having to do with appeals was struck out some years ago -- making this opportunity to strike that out. Section 4 deals with, it repeals the clauses having to do with remuneration for trustees of school areas, since we are providing a section for remuneration of school trustees, of school areas, districts and divisions, all in one section. Section 5 in (iii) repeals the provision for remuneration of school trustees of the Winnipeg School Division. It's just a repeal section. Section 6 deals with the request of the Winnipeg School Board who now contribute nominal sums to a host of organizations. They have asked that the Winnipeg Ballet Women's Committee be included in the list of organizations to whom they may contribute. Section 7 (a) deals with, allows the Winnipeg School Division to provide transportation to resident pupils to and from any school activity in the province. This is at their request again and is included in here. 7 (b) provides, under Section 75 (f) that again, the Winnipeg School Division may borrow by promissory note or overdraft from any person in anticipation of the sale of debentures. And Section (c) there provides that that same division may borrow by promissory note or overdraft from any person for current purposes -- 75 (g). These are sections which will permit a large organization, a large public body such as the Winnipeg School Division, to save considerable monies in interest money by being able to borrow in this way.

Section 8 deals with the remuneration of trustees again, of school districts and repeals that section, as we now have as you know, the over-riding section. Section 9 in this bill provides that the Minister shall provide a fidelity bond for all trustees. At present, the Minister provides for rural trustees only, and this includes all in the province. Section 10, at the request of both urban and Manitoba School Trustees Association and Urban School Trustees, increasing the living allowance for trustees who attend conventions from \$7.00 to \$15.00 a day, and repeals the section dealing with remuneration for city school districts.

Section 11 provides authority for trustees to provide for remuneration in accordance with the Schedule B at the end of the bill. Section 12 provides for the flying of the new Canadian national flag permissibly on Royal Assent and makes it mandatory upon proclamation. And as

(MR. JOHNSON cont'd.) you see, it provides that the Union Jack may be flown, and in this section, this applies to rural districts and the following Section 13 makes the same provision with the flag amendment for all types of school districts and divisions. Section 14 is a section dealing with provision of equal rights under The Public School Act for treaty Indian children. Section 15 (a) provides for the admission of children who live outside a school district, to the nearest school, without fee, providing there is accommodation. This would apply to treaty children also. Actually that 15 (a) as amended here, just makes it clear that students outside a district, or not in any district, that is that live in no other district, may attend the nearest school with accommodation and without fee. Section 15 provides that where a master agreement is signed re treaty Indians, the Lieutenant-Governor-in-Council sets the tuition fees paid to the receiving schools or divisions.

I might say again, Madam Speaker, that I have told the House, under Bill 3, that as you know, that we have had confirmation of our master agreement from the Minister of Citizenship and Immigration, and we have reached complete agreement in this matter. Section 16 provides authority for divisional boards to increase or decrease the number of trustees in any ward, providing the total number in the ward is never less than five nor more than nine. Now Section 17 provides for the divisions which take over financial authority under Bill 1, to appoint a superintendent. Section 17 repeals, again repeals the provision respecting remuneration for division trustees.

Section 18 (a) there provides for the establishment grant for those divisions taking over fiscal responsibility; 18 (b) provides for an additional grant for transportation where children have to be transported beyond their own high school for the purpose of taking another course. This is the part that will permit this. 16 provides for the 60 percent grant for elementary schools, and additions to those schools where there are more than eight teaching class rooms. 19 is the schedule setting out the schedule for remuneration for the various categories of trustees. This is -- the Member from St. Boniface brought in a bill and this I think satisfies this. The reason of course for this particular section of one remuneration is that every year different districts have been bringing in separate bills setting new maxima or different maxima for remuneration of their trustees and we hope that this particular schedule will pretty well fill the bill. Section 20 repeals the private acts presently in force respecting remuneration of certain districts and divisions.

Members will note that all of this calls for Royal Assent but for 14 and 15 which will be proclaimed as soon as we are ready to move in that regard. I think this covers the various items in this bill, Madam Chairman, and if I can't answer any questions here I hope honourable members go over it in detail when committee stage is reached.

MR. GRAY: Madam Chairman, first place, I do not know why is it necessary to have so many bills on one subject. We had already several bills this session - or the Minister had - and then they came in with something which in my opinion is not too serious, not necessary, and not justified to keep the House in session, in such an expensive way. Now first of all about the flag. I understand that the flag was debated in Ottawa for weeks and weeks and finally it was decided. Why is it necessary again, for the province, which is a part of Canada, to deal with the flag again.

Then, you are dealing with meals for somebody. For God's sake, you are the Government; you are the boss; you are the superintendent. If a delegate goes to a convention he needs to eat. Do you have to bring up to the House the authorization for him to buy toast and coffee? Or even something better? I really cannot understand, the whole bill in my humble opinion -- and if I'm wrong, I am wrong that's all there is to it -- is in my opinion, absolutely a waste of time. Why should the government waste time? Why should the government keep us here at the high expense, and at the expense of my health, to discuss bills which does not mean a thing. The administration could have easily handled it. I really cannot understand the whole bill and all the explanation that you have given does not mean a d. . . , does not mean a thing to me -- I'm sorry. It does not mean a thing to me because it's a waste and waste of time.

MR. JOHN P. TANCHAK (Emerson): Madam Speaker, I haven't too much to bring to the attention here. There are several principles in this bill and there will be certain questions we'd want to ask the Minister in committee. He can explain them then. I understand he cannot answer any questions at the present time.

There is one principle here which is quite important as far as I am concerned, and that is that this bill establishes the principle, makes the provision that the Manitoba schools will

(MR. TANCHAK cont'd.) be able to fly the new national flag. There is one, in two instances I notice that it says that after this bill is proclaimed the Manitoba schools will be flying the flag; and it also says and the Union Jack may also be flown -- on two instances. And I'm just wondering, there's no explanation here whatsoever -- does that mean that the Union Jack or the national flag could be flown at any time? I would presume it probably means that by national decree or on special occasions. This is one clarification that we'll be asking and as far as that is concerned, I do not think that they are too controversial although we'll have some more questions to ask in committee.

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

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HON. GEORGE HUTTON (Minister of Agriculture) (Rockwood-Iberville) presented Bill No. 113, an Act to amend The Crop Insurance Test Areas Act, for second reading.

MADAM SPEAKER presented the motion.

MR. HUTTON: Madam Speaker, I think that the explanatory notes in the bill as it is printed do a fairly good job of setting out the principles involved, but it might be of interest for me to comment on the whys. In the first instance, we are amending the act to provide for a shorter term on which to determine the long-term average yields. The reason for doing this is that other provinces are using the 25-year period and we would like to be in a position to adjust ours, if necessary, because there should be some uniformity for the basis of establishing premiums and indemnities, especially now that we have this re-insurance operating between the Government of Canada and Manitoba and it quite likely will operate in the other prairie provinces, so that there can be equity as far as the premiums that are paid by the corporation to the province and Canada as compared with other provinces, and we would like to be able to use the 25 year averaging period if we feel it is necessary.

The next important principle involved is the authorization for the province to pay all of the costs of administration that are not paid or recognized by the Government of Canada. At the present time there are some \$14,000 which is outstanding and this will enable the Province of Manitoba to provide the funds for the corporation so that their books can be cleared of this present debit.

The most important provision of course in the bill is the provision for re-insurance, and the most important provision in re-insurance in my estimation is that it provides for interest-free advances from the province to the Re-Insurance Fund of Manitoba so that the corporation, and really the farmers of Manitoba, will only have to repay the principal amount of money. They will not be responsible for interest or carrying charges on any indebtedness that may occur from time to time over the life of the program. It is my opinion, Madam Speaker, that this provision in the Manitoba act and in the Federal act have stabilized the crop insurance program to the point where a minimum of instability will be experienced in premium rates from year to year and it makes it possible to ensure an attractive program to the farmer in the years ahead, and of course which is not the least important, it effectively underwrites the liability of the crop insurance program.

This I think deals with the main principles involved in the amendments to the present act.

MR. NELSON SHOEMAKER (Gladstone): Madam Speaker, I would hope that the revisions as outlined in the bill, and in particular the explanatory note under 1 (a), would mean that more coverage will be made available to the farmers in all of the test areas. I notice that in the Annual Report that we have for the Manitoba Crop Insurance Corporation that the maximum amount that you can insure wheat for, even in my honourable friend's constituency and I think it is the only area that has a soil productivity rating of a hundred, is 14 1/2 bushels per acre. I think in all of the other test areas there is no hundred rating and it varies all the way from 14 1/2 bushels per acre down to 2 1/2 bushels per acre.

Now of course the productivity rating and the coverage that the farmer can apply for has been based on the 35 last crop years. Now going back 35 crop years would take you back to 1930 and include all of what we farmers refer to as the "dirty thirties", and the yields in those years as you know, Madam Speaker, were not very good. So if we reduce that by 10 years and just go back to 1940, then surely it will increase the soil productivity accordingly. I don't know by what percentage but I would think substantially.

I have before me also the Year Book of Manitoba Agriculture, 1963, and it just goes back to 1936 now. It used to go back to the year that Manitoba became a province. I think the 1962 one did, but this one says that even in 1936, to point up what I have said, Madam Speaker, about the low yields in the "dirty thirties", in 1936 the average yield for wheat was only 10.2 bushels. Now you go back to 1940 -- well you would go back 25 years I suppose to 1941 -- the yield in 1941 was 20.7. So surely with the introduction of this bill and the implementation of it, that the farmers will be provided with much greater coverage, probably 20 percent or more.

Madam Speaker, I have always maintained that this was one of the weaknesses of the crop insurance plan and I have said this on numerous occasions both in and out of the House and I don't mind saying it again, that in some areas of the province, and in some areas of the Gladstone constituency where they pretty regularly get 35 and 40 bushels of wheat to the acre, the maximum amount that you could insure for in those areas would be 13 bushels. You could lose half of your crop by hail; you would get absolutely nothing and you would still be left with the premium to pay; and I think this is one of the weaknesses of it.

(MR. SHOEMAKER cont'd)

Now this bill I take it will to some degree correct this situation, and so, Madam Speaker, I am glad to note the improvement in this regard, as regards the re-insurance features that were made available only recently by the Federal Government. I would hope too that this might tend to lower the premiums slightly. I hope that it will do that. So, Madam Speaker, I am glad to see an improvement in all aspects of The Crop Insurance Act.

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

MR. JOHNSON presented Bill No. 114, An Act to Amend The Teachers' Pension Act, for second reading.

MADAM SPEAKER presented the motion.

MR. JOHNSON: Madam Speaker, again, this particular bill that is before us provides -- the principles in the bill are largely to amend some typographical errors, for example some changes, some clarification of intent, for example what was intended when the bill was first printed was not actually provided for in the bill and certain amendments are in here to bring it into line and to correct those oversights.

In the various sections, I can say that in the first section it provides for the inclusion of the Manitoba Teachers' Society senior employees in the teachers' pension rights. Another section, as I said, clarifies the protection given to the rights accumulated by a teacher under the former act. In Section 3, -- The Pension Act passed in '63, for example, gave each teacher the right to elect within a time limit the choice of pension he wished to receive on retirement, but through an oversight on the Teachers' Pension Board they failed to give this opportunity, and the amendment provides a new time limit within which selection can be made.

Another section requires that an election of the type of pension to be received other than the regular pension must be made at least one year before the person becomes entitled to the same. This is a privilege for example now held by civil servants and doesn't act against the fund because it provides that the board may accept an election made less than one year if the teacher complies with certain conditions.

Another section here provides for the alteration or the protection of disability allowance rates, for example, held under the former act. It doesn't again change the former intent but merely clarifies the wording.

Section 7 for example in this bill permits the application on request of excess contributions to the reinstatement of the period of service for which credit has been lost because the person had claimed and received a refund. Under this, the person could in effect return the refund to the Retirement Fund by applying excess contributions for that purpose.

Section 9 is an important section. It alters the investment powers of the board and brings them into exact conformity with the new powers in the Civil Service Superannuation Board, or now being given to them.

Another section deals with -- 9 for example provided for some minor changes in the investment powers of the Teachers' Allowances Fund Board, but also it had set a percentage which must not be exceeded for investment of a particular category. It is possible that the board now holds more than that percentage of investment in some category and it should not be required to dispose of this excess, perhaps at a loss because of the change in this act, and Section 10 for example of the bill permits the board to retain the excess investments if it has such.

Another section permits the board -- Section 11 for example -- to hold or sell securities properly held before the amendment to the investment powers -- it just protects that.

Another section provides that a teacher may transfer to the Teachers' Retirement Fund any excess contributions returned to him from another fund, and that such transferred funds should be regarded as additional contributions.

Section 14 is important. It's a re-wording of the original Section 52. The significant part is in clause (b) which provides a protection for some, who on the coming into force of this act had reason to believe that having the last 5 years or the last 10 required by the former act, they would qualify for a pension. This right was taken away in the '63 act which established the minimum requirement as 15 out of the last 20 years. These cases were not discovered until just recently and this new wording will re-establish the rights inadvertently taken away.

Another insertion here deals with the protection that we guarantee the teachers who will be transferring to the university. This principle of course that is in this bill is necessary for us to provide a pension on retirement to some junior members of the staff who on transfer to the university will not have obtained the minimum 15 years service as a teacher, so it protects the fund rights accumulated by teachers at the college prior to their entry into the Civil Service

(MR. JOHNSON cont'd) . . . and insures them of ultimate credit for those rights on retiring from the staff of the university.

There is this provision here to include the senior employees of the Manitoba Teachers Society, but on the condition of course that this will be the payment to the fund for all amounts that have been accrued. In other words, the Society under The Teachers Pension Act will have to fund everything so that the cost will be entirely theirs to come in on this basis and this is outlined in the act.

At the back of the bill there is some revisions to the schedule. This is necessary because of certain changes in the administration in the department, bringing in new people as you know in the re-organization of the department. The Teachers' Pension Act at the present time says of course that you have to teach 15 out of the last 20 years, and those in Schedule A are excluded from this requirement when they are in the positions outlined in the appendix attached to this bill.

Some of these are rather technical and officials of the TRAF fund and the departmental people will be there to explain any problems re actuarial or of an insurance nature as I don't feel fully competent to give all the detail on this, but I think in general terms the outline I have given indicates the various principles involved in this bill.

MR. WRIGHT: Madam Speaker, in the last few years there have been many amendments to The Teachers' Pension Act and I think most of us appreciate these, but it seems inevitable that with the changes we have in these different acts that there may yet be some little pocket of injustice perhaps being given to some of our teachers.

Now I have a letter from a constituent and I think it's a fine thing in democracy when you can read a letter from a constituent, especially the type of letter I have here and I'd be prepared to file it with the Minister. Now I don't profess to have studied the amendments that carefully that I can say that there is nothing in here that would deal with this, but I don't believe that there is anything in the amendments that would take care of this grievance and with the permission of the House, Madam Speaker, I'll read this letter.

"Dear Mr. Wright: As my member in the Legislature, may I bring to your attention the case of the Winnipeg women teachers who are suffering a grave injustice under The Teachers' Pension Act. These are the Winnipeg women teachers who retired after June 1957 and prior to July 1963 and who were over 60 and under 65 years of age when they retired.

"For many years these women had regarded 60 as the normal retirement age for teachers with long service. After June, 1957, they were given the option of continuing to teach after age 60 but age 60 was still considered the retirement age. They could not have anticipated the drastic actuarial reduction for retirement under 65 as introduced by the new Pension Act and its adverse effect on them. The Teachers' Pension Act has provided for the Winnipeg women who retired before 1957 and there is no actuarial downward reduction for them. Those teachers who have retired since the act went into force have done so with the full knowledge that to obtain the maximum pension they must teach until age 65, thus there is a comparatively small group of women affected.

"This injustice could be rectified if at this session of Parliament an amendment could be passed so that the words 'is entitled to an actuarial value of the pension he would receive if he were 65 years of age' should not be applicable to Winnipeg women teachers who have more than 35 years of service and who retired prior to age 65 and after age 60 at a time when such retirement was not penalized under the existing legislation, that is prior to June 1963. The Minister has given us no assurance that something will be done for us, hence I am appealing to you as my Member."

Madam Speaker, I'm impressed by the letter and I would like the Minister to give it some consideration. He perhaps wouldn't want to reply to this, but it does seem to me that here is a small group of teachers who accepting the fact that retirement age was 60 at the time, and I suppose they were willing to continue teaching when there was a shortage of teachers, and it seems to me that there is some justification for this complaint.

MADAM SPEAKER: Are you ready for the question?

MR. E. R. SCHREYER (Brokenhead): Madam Speaker, I beg to move, seconded by the Honourable Member for Seven Oaks, that the debate be adjourned.

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

MR. ROBLIN: Madam Speaker, I suppose that it would be a good thing to call the Committee on Ways and Means and proceed with that debate at this moment.

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

MR. GORDON E. JOHNSTON (Portage la Prairie): Madam Speaker, in taking part in this debate, I think the first thing that comes to my mind is the fact that so often certain members of the front bench on the far side have said on many occasions, and they repeat it, that members of the Liberal Party make no constructive suggestions. I would like to remind members of the House of some of the suggestions that have emanated from this group in the past two or three years, many of which I am very glad to say have been taken up by the government although not always in the original manner in which they were presented, and if I may refer to Hansard, Page 14 of this year, when our leader speaking said, "It is refreshing to learn that at last this government is prepared to listen to worthwhile suggestions from this side of the House," and if I may enumerate some of these suggestions as part of the Liberal platform. To establish a permanent council for higher education and to co-ordinate and plan the development of higher education in Manitoba. This I believe is being done this year.

The idea of a Public Protector or an Ombudsman is being studied by the government this year. This has been presented two years ago. A resolution was introduced calling for the establishment of an Auditor-General for Manitoba. The government are talking about this but I'm not too sure about what they are doing in that regard.

The fact that there were two resolutions on land purchasing policies as a result of the affairs that we had on the Arts Centre and Bain Estate, I'm glad to see the government is presenting some sort of a program for land acquisition although it does leave much to be desired. I notice that there is no provision in the proposed bill that we heard this afternoon in this regard to stop speculators which was the main concern before. There is no section in the act to establish the fact that if land changes hands between private people prior to a taking by the government, I'm surprised to see that there is no provision for the government to be able to buy this land at the fair appraised price or at the price that the second buyer had acquired it, whichever was the most favourable to the government.

However, to carry on, at this session three labour resolutions were presented. The disposition of those resolutions remains to be seen, but the fact that they have wide acceptance and in fact some of them were presented to members of our group by the trade union leaders and responsible people in trade union movement, is in itself commendation for such resolutions.

The resolutions I have mentioned so far -- or the advice that I have mentioned so far in the main does not consist of money expenditures. They are more in keeping with sound administrative or sound business practice or forward-looking ideas. I believe one resolution presented by myself called for the expenditure of a considerable amount of money, namely the four-lane highway to Portage la Prairie -- the crash program. This was voted down twice. It was talked against at considerable length by government members in the last two years, and if I can recall some of the words of some of the honourable members at that time, I think they would be very embarrassing. So while it has been said by certain members of the government that we on this side are not proposing legislation or sensible policies for the people of Manitoba, I think some of the items that I am enumerating certainly fall into this category.

To carry on, if I may recall the members' attention to the resolution presented by the Member from Selkirk when he proposed the setting up of a survey with respect to the needs to help handicapped children, this resolution as I can recall was amended to take the complete meaning out of it but the following year there was an appointment made to make this particular study.

The same member from Selkirk proposed many times that legislation should be enacted to give full disclosure of interest rates and costs of time sale agreements, so finally the government did bring in a bill two years ago on that particular matter.

Madam Speaker, while I enumerate certain ideas and policies that have been presented by this side, I could not help but contrast some of these with some of the bills and proposals that have come from the government side. I'm thinking now of the -- in Law Amendments Committee where we see quite a procession of individuals and people representing segments of society, business, professional and laymen, who are coming to object to many of the laws that are being presented at this session and indeed at the last session. While I have not the names and the numbers of the bills in front of me, I think yesterday morning was a prime example for -- Bill 86 I believe it was -- the whole morning was taken up with objections and briefs and

(MR. JOHNSTON cont'd) . . . arguments against what was considered by those people as ill-considered legislation. The fact that there has been considerable criticism, in some cases some of the bills have been withdrawn, and I speak now of the land transfer bill which was withdrawn.

The fact that there's so much controversy these days amongst the people and the municipal men regarding the so-called school rebate plan. And what is some of these laws doing to the people of Manitoba? How does it affect their thinking? How is it affecting their planning? If I could give an example regarding the school rebate plan which will be going into effect this year, I think some of the inequalities in it show where people are trying to either make gain or avoid the paying of certain taxes.

I speak now of one particular case in the Village of MacGregor where two people work in one office. One has a farm in the Rural Municipality of North Norfolk and this farm consists of three one-quarter sections. The assessed value on each section is \$2,000, making a total assessed value of \$6,000. The school tax is 30 mills in this particular municipality so that this man pays a school tax of \$60 per quarter -- a total of \$180.00. Under the rebate system that is being instituted, he will receive back \$90 total. The other fellow that works in the same office along side of him lives in a house in the Town of MacGregor and his house and lot has an assessed value of \$6,000. His school tax is \$180.00; his rebate is \$50.00.

Now by what manner the school tax was instituted to so-called take the load off real property taxpayers in this unequal manner is certainly beyond me. The values are the same to both people, although one is a townsman and the other is a farmer, yet the wide variance in the return from the government in the way of a school tax rebate, and we've heard in past debates this year about the fact that the renter gets nothing, which I'm not talking about at the present moment.

I would like to inform members of this House that an official who works in one of the Land Titles office in the Province of Manitoba has told me that this year they are being swamped with applications to have lands split up into smaller parcels. Previously these lands were in varying size parcels. Now everybody who has looked ahead a little bit is proceeding to examine this proposed legislation and to take full advantage. If there's a possibility of splitting their land into smaller pieces legally, they are doing it. I know around Portage there has been a considerable increase in subdividing of land, not from sections down to quarter sections but from acreage down to lots, to take sole advantage of the school tax rebate.

Now surely any form of taxation that is imposed should be a little more clearly thought out than this, where people are tempted to examine a law quite closely and then take advantage of it. What about the people who do not take advantage of this, who feel that perhaps for moral reasons they should leave their property as it is? This in itself creates a great inequality in the province.

If I may refer to the editorial page of the Brandon Sun, March 30, 1965, it shows -- what I used to consider as a Conservative newspaper, a supporter of this government -- what they think of one of the laws that has been enacted in this province. The headline is, "Silly Law", and I quote, "A Ste. Anne's man has been jailed for two weeks. He could not pay a \$63.50 fine. His crime? Driving one and a half miles on a highway using purple gas. We don't care to comment on the validity of the sentence; that is a matter for the courts. They have to enforce the law. It is with the law itself that our quarrel lies. Purple gas is tax-free and is to be used only on the farm. Using it on a highway is not allowed.

"Consider the stupidity of this law. The man in question has a 370 acre farm. Obviously he cannot look after it on foot so he uses his truck on the farm. This is not unusual. Either is the fact that the truck is the only vehicle he owns. Now what is he to do if he has to go somewhere, say shopping for tractor parts? Is he to take the purple gas out of his truck? If he does, how does he get to a gas station? This may seem like a ridiculous argument but it is not nearly so ridiculous as the law.

"We do not quarrel with the idea of tax-free gas for farmers and we don't argue with the fact that some farmers are going to use the tax-free gas for non-farm purposes, but surely the legal machinery for enforcing the restrictions on tax-free gas is more expensive than the revenue that may be lost to the province through violations of the law. A matter of cents was lost to the government because the Ste. Anne's man drove one and a half miles illegally. How much did it cost the province to prosecute him? How much to jail him?

"If the government is to continue its policy of providing tax-free gas to farmers it should treat the farmers like human beings, trust them in other words, assume that citizens of this

(MR. JOHNSTON cont'd) ... province are honest people and will abide by the agreement they have made with the government. There is no other just alternative. One man will spend two weeks in jail as a punishment for something he could not avoid, yet on a large scale the government cannot catch all the offenders unless of course it chooses to have the RCMP peeping into every farmer's gas tank. Let's stop this foolishness. If we are to make laws, let's make laws that can be enforced, not laws that should be disobeyed." So much for some of the laws that are being enacted.

If I may turn for a moment to two studies that have been carried on in the province in recent years. One was implemented by the municipalities with a grant from the government to pay part of the costs, and I'm referring now to the report of the Municipal Enquiry Commission in Manitoba, February 1963. This commission - with the information I have at hand - was undertaken and carried out and a report presented for a cost of under \$25,000. I am told 21 to 22 thousand and I have reason to believe that the information is reliable.

One of the main features of the study carried out by the Municipal Enquiry Commission, which incidentally was presented February 26, 1963, one of their main recommendations -- and I'll quote it from Page 30, "Recommendation 9. (1) The Province should now assume complete responsibility, financial and administrative, for secondary education and eventually for all education. (2) The commission believes that it is impracticable to suggest at this time that the province assume the complete cost of education. Until the province assumes the complete cost of education, the contribution of the municipalities to education should be by way of a fixed uniform annual mill rate against their balanced assessment and reviewed at least every five years. The proceeds of this municipal levy should be paid over to the Province. The Province should provide the additional monies required to meet provincial standards. The Province should decide on the method of administering secondary education. The definition of balanced assessment could be improved if business assessment were equalized with real and personal property assessment."

Now this recommendation, I am sure, stirred much interest in the responsible people of Manitoba. It generated a lot of discussion and I think it was also agreed that, before this should be implemented, further studies should be taken on it, but it was a fairly sensible proposal.

So if we look now at the report of the Manitoba Royal Commission, more commonly known as the Michener Commission, we find that -- and this report was presented on -- February 13, 1963 was it presented? Yes, '63 -- February 13, 1963, this report was made. One of the honourable members is asking "What did this report cost?" Well I have here an Order for Return No. 35 that I put to the House some time ago and the cost given, the total cost to the Government of Manitoba for the Royal Commission on Local Government Organization and Finance, the answer is \$185,734.98. I'm also inclined to wonder if this total cost does include the civil servants who worked with the commission. Perhaps when one of the Ministers are speaking later they could tell us of that.

So I would like to turn in this Report to Page 71 and there is Recommendation 19 here, part (b), "Financing of Public School Education - Local taxation. Real property taxpayers should continue to contribute to the cost of public school education but in reduced amounts. The basic contribution referred to herein as the Manitoba Public School Levy should be a real property tax uniform throughout the Province, and at a rate at present of 13 mills levied upon equalized assessments including business surtax assessment as determined by the Department of Education. The levy should be billed and collected by municipalities and paid over to the school divisions to be applied on the cost of the foundation program for the division."

Now the reason I read from the two reports is the fact that while there is some variations, basically they are looking at the problem in a non-political light how best the secondary education of the province can be handled, and I find, and I think the people who have read these reports find to their amazement that the province has practically ignored these points, but they have nicely got around part of this by their direct rebate to the taxpayers -- direct school rebate to the taxpayers which will be carried out at a far greater cost to the administration than would either one of these proposals which are very close to one another in their thinking.

So I charge this government with playing politics with something that is so important to the people of Manitoba that this answer is certainly not in the long-term best interests of the people and will have to be revised at a later date as this all important problem still has to be solved.

I am looking forward to hearing some more clear, if that is the word, explanations to

(MR. JOHNSTON cont'd) the land-buying from the three Ministers who have had some controversial land buying in their departments. I don't think that these answers have satisfied the people of Manitoba. They certainly haven't satisfied members of this House, and with that I will close.

MADAM SPEAKER: Are you ready for the question?

MR. STEVE PATRICK (Assiniboia): Madam Speaker. I move, seconded by the Honourable Member for Portage, that the debate be adjourned.

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

MR. ROBLIN: Madam Speaker, I see that unfortunately the Honourable Member for Rhineland is again not in his seat when it would be appropriate to call the debate on legal aid, and I notice the Leader of the Opposition is not here to proceed with the debate on the constitution. The Honourable Member for Lakeside is here and we might ask him to proceed on the resolution on the Shared Services but I imagine he will require longer than 10 minutes to make his contribution so we will not ask him to proceed. Perhaps we might -- I was just looking over the Order Paper to see if there were any second readings of Private Members' Bills we could deal with but I guess there are not, so under the circumstances maybe it would be best to call it 5:30.

MADAM SPEAKER: I call it 5:30 and the House will adjourn and stand adjourned until 2:30 tomorrow afternoon.