

THE LEGISLATIVE ASSEMBLY OF MANITOBA
2:30 o'clock, Monday, August 17th, 1964.

Opening Prayer by Madam Speaker.

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

MR. GILDAS MOLGAT (Leader of the Opposition) (Ste. Rose): Madam Speaker, before the Orders of the Day I'd like to address a question to the Minister of Labour. Could he indicate to the House what action, if any, the Province of Manitoba is taking with regard to the strike at Thompson, Manitoba. This is a strike that could have very serious consequences on the -- not only the welfare of that town, but also the Province of Manitoba as a whole. I think the House at this time should be informed as to the action taken by the government.

HON. OBIE BAIZLEY (Minister of Labour) (Osborne): Madam Speaker, in view of the widespread interest and concern which has been shown by the House and by the public generally concerning the shut-down of the Thompson plant of the International Nickel Company, I think it would be appropriate at this time for me to review the developments to date particularly insofar as the Department of Labour has been involved.

At the outset I would like to say that I think we have done everything in our power through the lawful intervention to prevent the strike, and when I relate our participation in the efforts made to bring about a settlement mutually agreeable to both parties in this dispute I believe the House will agree that we have done everything that we could to avert a shut-down of this important industrial undertaking. I have been informed that direct negotiations for a collective agreement between the Union concerned, the United Steelworkers of America, Local 6166, and the International Nickel Company, began in January of this year and continued until May. On May 25th I received from the Union an application for the appointment of a conciliation officer, and on the same day, May 25th, Mr. A. C. Gillespie of our conciliation services, was appointed to act as conciliation officer in this dispute. On June 10th Mr. Gillespie filed his final report, stating that he had been unable to bring about a settlement. That same day, June 10th, the parties were notified that the conciliation officer had filed his report indicating that a settlement had not been reached. Also on that day, June 10th, I met personally with Union officials and reviewed the dispute with them. Then on June 12th I reviewed the dispute with the company officials. On June 15th I announced that I had decided to appoint a conciliation board. I said this decision was based mainly on two considerations; first the adverse effect of failure to reach a settlement that this would have had on the economy of Thompson, which is so largely dependent on the single industrial undertaking in that area and the strong belief of at least one of the parties to the dispute that a conciliation board would be helpful in bringing about a settlement. I also stated at that time that by agreement of the parties, that the board would be required to report to me not later than 30 days from the appointment of a chairman. Now the Union named as its nominee to the board Mr. A. Montague Israels, Q. C., and the company's nominee was Mr. Henry B. Monk, Q. C. As members of this House know, both are prominent Winnipeg barristers with extensive experience in labour relations matters and who have acted on conciliation boards on many previous occasions.

On June 17th the nominees received official confirmation of their appointment to the board. These two members of the board, by agreement, nominated as chairman, Mr. Justice C. Rhodes Smith of the Court of Queen's Bench, and on June 22nd Mr. Justice Smith was appointed chairman of the conciliation board. On July 13th the board filed its report with me. Now, with the exception of two points, the board's recommendations were unanimous and a copy of the board's report was given to the parties forthwith. On July 19th the company's employees at Thompson voted overwhelmingly against accepting the board's report. On July 21st the Union applied for a government supervised strike vote at Thompson. On July 31st I requested the parties to meet with me again. There was an agreement at that time that they would meet with Mr. Gillespie on August 10th in a further attempt to avert a stoppage of work. The strike

(Mr. Baizley cont'd) . . . vote was taken on August 6th and 7th and strike action was endorsed practically unanimously. Mr. Gillespie met with the negotiating committees of the parties on August the 10th and 11th. On the evening of August 11th a memorandum was signed by members of the negotiating committees setting forth terms of a settlement satisfactory to all members of the Union and the company negotiating committees. It appeared that the employees at Thompson went on strike on the morning of August 12th before the Union negotiating committee's return to Thompson. The details of the settlement agreed to by the negotiating committees were presented at a meeting of the Union that same evening and they were decisively rejected . . . and a record of the Labour Department's intervention in this dispute. I believe that not only everything possible was done to avert a strike but that it was done with the greatest of dispatch, and unfortunately the joint efforts of the government, labour and management representatives were not successful. However, in the final analysis the Union membership exercised its legitimate democratic right to reject the terms of settlement which the negotiators for both parties felt were a fair basis of settlement.

Now Madam Speaker, I'm not going to try and hide my keen disappointment at the final outcome. From the start we recognized the vital importance of a peaceful settlement of this dispute affecting, as it most certainly does, the continued growth and development of the north. I want to make it clear, however, that I am not critical of the negotiating parties or the Union membership. I believe everyone concerned tried hard to find a basis of settlement which would avoid a work stoppage. We must now recognize that in our society it is the parties themselves in a labour dispute who must make the final decision as to the settlement and thereby enable an agreement to be reached and ratified by the respective principals.

Let us all understand, Madam Speaker, that in the present situation I have no authority to impose a settlement on the parties, nor would this, in my opinion and, I believe, in the opinion of this House, be desirable. Free collective bargaining with the right to strike is the traditional, deep-seated policy of our country and of our province. Like most other good things it has disadvantages, but on balance down through the years it has proven worthy of our support.

Now I have outlined to you in some detail the background and developments in the current Thompson situation, and I know of no further intervention which we might undertake at this time which would be helpful in resolving the matters that are still at issue in this dispute. However, Madam Speaker, we shall keep a watchful eye on the developments and if there are indications that our services as conciliators or as mediators can be usefully rendered we of course stand ready to serve.

MR. MOLGAT: Madam Speaker, I wish to thank the Minister for his reply to my question. I note that he says that there are no further actions being taken by the government at this point. One of the problems in that area, it seems to me, is that of cost of living. One of the major factors there is the question of the road into Thompson. This was discussed here in the House a year ago and the Minister of Public Works was then urged to get the road in passable condition for this summer. This, I am told, could have been done at that time. I wonder if the Minister now would be prepared to make a definite commitment as to when the road will be open, because this may have an effect on the situation in Thompson.

HON. WALTER WEIR (Minister of Public Works) (Minnedosa): Well Madam Speaker, it hasn't been possible to have it ready as I indicated at the last Session that we didn't expect that it would be possible, and I have no other information except that we still expect to have traffic over it this fall.

MR. MORRIS A. GRAY (Inkster): I'd like to direct a question to the Minister of Labour. How serious is the so-called exodus at Thompson to the general community, and what is being done, if possible, to stop it?

MR. BAIZLEY: Madam Speaker, I wonder if the honourable member would repeat the first part of his question.

MR. GRAY: How serious is the so-called exodus as far as the community of Thompson is concerned?

MR. BAIZLEY: The information as at a late hour this morning, Madam Speaker, is that there are a large number of people taking holidays. They are leaving their holiday address with officials in Thompson and when the dispute is over and a settlement has been reached,

(Mr. Baizley, cont'd)they are prepared to go back to work.

MR. GRAY: They are buying one-way tickets now.

MR. BAIZLEY: Again, Madam Speaker, I understand that there is not much saving today, if any, in buying a two-way ticket.

MADAM SPEAKER: Orders of the Day.

HON. DUFF ROBLIN (Premier) (Wolseley): Madam Speaker, when we come to the second reading of bills I think it might be advisable if we were to proceed in the first instance with Bill No. 3, an Act respecting the Manitoba Centennial Corporation etc., so I move, seconded by the Honourable Minister of Industry and Commerce, that Bill No. 3, an Act respecting the Manitoba Centennial Corporation, the Manitoba Civic Development Corporation, and the effect of The Legislative Assembly Act, be now read a second time.

Madam Speaker presented the motion.

MR. ROBLIN: I think that members generally will be familiar with the subject matter of this bill, because if you will refer to Hansard of April 15th of this year, the day before our main Session ended, I made at that time a fairly complete statement about the background and activities that went on with respect to securing the land for the Manitoba Centennial Corporation and for the area which is now earmarked for the Cultural Centre to celebrate the Centenary in 1967, and I outlined at that time the part played in it by Maitland Steinkopf as he was then and who later became a Minister of the Crown subsequent and following upon the general election. After that statement was made, certain matters arose -- or at least certain matters had been incubating while that statement was made -- that gave me considerable concern about the status of the honourable member as a member of this House, because, although I am quite certain that there was no infraction of the spirit of The Legislative Assembly Act, it was pointed out to me at that time that there might be a question of a technical infraction of The Legislative Assembly Act, and I might say that although the legal opinions at that time were not conclusive on the point, because there were some factors in it that had not been completely examined -- there was a great rush of time at that particular time of the year -- I was very concerned about the status of the honourable member and felt that it would be advisable if we were to introduce a bill to clarify the matter then. That action was discussed with members on all sides of the House and various kinds of advice were offered and various points were put forward for consideration, but I must freely acknowledge that the responsibility for making any decisions in this matter was my own, because I cannot in any way attempt to shuffle off on other members of the House any decisions, any responsibility for any decisions that are made about the introduction of a bill of this character. But, in view of the fact that the Session was about to close -- it did close the following day -- I decided at that time that perhaps we would be able to postpone dealing with this matter at the moment, knowing that a special Session was in the wind, having said so to the House, I thought perhaps that it might be suitable if this matter was dealt with at the special Session, and I think that there was pretty wide knowledge on all sides of the House as to what was afoot and what many of the important aspects of the matter were. So that bill was not introduced, although as I say, it was prepared and was ready for consideration at that time.

A little while after that the matter again arose, it became a subject of some newspaper attention, and I was on the Eye to Eye programme on the 12th of May, 1964, and at that time I roughly reviewed the situation and expressed my concern with respect to the technicalities in question. I think I made it clear at that time that I had no doubt about the spirit of what had been done, and that it was to my mind unfortunate that all the various measures had not been completed in time to avoid any conflict in the Election Act, but that if there was any doubt at all about the technical accuracy of what we are talking about, then it should be put right by a bill in the Legislature, and I stated then that I would take the first opportunity at the next Session to introduce such a bill to give what clarification and explanation I could and provide an opportunity for members to ask any questions or deal with any aspect of this matter which they wished to enquire into, and that is exactly what is being done on this occasion.

I have here the Bill No. 3, and in the preamble to the bill, if you read it carefully you will see that it sets out the same facts that were set out by myself in my report to the House on April 15th last, though perhaps not quite in the same language as this is very lawyer-like

(Mr. Roblin cont'd)and I am sure that my explanations of the matter are far from as precise and lawyer-like as this particular statement is here. But in the preamble you can trace the whole sequence of events, and the particular point that causes concern is that while these transactions to which the bill refers were, in my mind concluded in September of 1962 -- and in fact they were concluded -- it is also a fact that subsequent to that time certain final accounting matters were put in hand which may conflict with The Legislative Assembly Act and which give rise to the dilemma in which I now find myself in respect to this matter at the present time.

Now, subsequent to the House being prorogued on the 16th of April, I had this matter examined by several different legal opinions, several different legal authorities, and I think the general conclusion that we reached was that while there was perhaps no breach of the spirit or intent of the Legislative Act, there may be thought to be a breach in a technical sense, and if that were the case the proper thing to do would be for the Government to bring in a bill such as we have here to remedy that technical situation and place it beyond any peradventure of a doubt. And that is what we are attempting to do here.

Now there is one matter that concerned me very much in connection with this whole matter, and it was this: what would be the situation if somebody decided to test this matter in the courts before the Legislature had dealt with it as we are attempting to do now, because when we consider the question of sub judice and whether or not we can discuss matters that are before the courts, it is obvious that that particular matter is of some concern, at least to me, because I did not want to be in the position of introducing a bill that would conflict with this rule about matters that are before the courts. So in order to satisfy myself on that point I asked the former Legislative Counsel of the province, Mr. Rutherford, whose opinions I know we all respect, to give me his views as to our situation in case that state of affairs should come to pass, and I have here if I can lay my hands on it, his report to me in connection with this matter, which I will read to the House because I think it's worth reading and perhaps it should be included in our records. This is from G.S. Rutherford, Revising Officer, to Hon. Duff Roblin, Parliament Buildings, dated August 5th, re Bill respecting Hon. Mr. Steinkopf - Confidential: "A short time ago Mr. Bedson told me he would like me to give my opinion as to whether the Legislature could properly deal with the above-mentioned bill if by any chance any person had commenced action in the courts before the opening of the Session respecting Mr. Steinkopf's right to sit in the Assembly. I am satisfied that the Legislature would not, in dealing with the proposed bill, be hindered or prejudiced in any way by the commencement of any such action in the courts. May's Parliamentary Procedure, 16th Edition, in dealing with matters that cannot be dealt with because they are sub judice, says that questions in the House are out of order if they "reflect on a decision of a Court of Law or are likely to prejudice a case which is under trial." May also says that motions to adjourn the House to discuss matters of urgent public importance are out of order if the matter raised is sub judice. Again, on page 400, May says, "A matter whilst under adjudication by a Court of Law should not be brought before the House by motion or otherwise. This rule does not apply to Bills." -- and this part of the quotation is underlined.

Again, on page 457 May says, "Matters awaiting the adjudication of a Court of Law should not be brought forward in debate (except by means of a Bill. See page 400)".

In dealing with the matter, Beauchesne 4th edition makes similar comments with respect to questions and references to matters that are pending in a Court of Law.

I am satisfied that there is nothing to prevent the Legislature dealing with any such matter by way of a bill. We have a precedent in Chapter 21 of the Statutes of Manitoba, 1946. Section 11 of that chapter made an amendment to the Unsatisfied Judgment Fund provisions of The Highway Traffic Act which was made retroactive. At the time the Government was aware that an action was pending which would be affected by the Amendment. In Section 13, beside making the amendment retroactive, it stated that Section 11 affect litigation pending at the time that royal assent is given to the bill. Section 10 of the Interpretation Act states that the provisions of an Act do not affect litigation pending at the time of its enactment unless it is expressly so stated.

In view of this, if any such action respecting the Honourable Mr. Steinkopf should be begun before the proposed bill is enacted, the bill should contain a section to the effect that it

(Mr. Roblin cont'd) . . . affects litigation pending at the time the royal assent is given thereto.

So, Madam Speaker, that outlines the legal position with respect to the propriety of introducing this bill, and I am rather glad that I took the precaution of obtaining that opinion because Mr. Steinkopf was served at about 1:30 today with a writ to show cause as to why he should sit in this Legislative Assembly, the very circumstance which I anticipated might arise under these circumstances. So even though the writ is pending I feel that it is quite in order for us to discuss this matter by reason of the precedents and the references which I have made. But when the bill was drafted it did not contain any reference to litigation that was pending because there was none, but as there is litigation pending now I propose that when the bill reaches committee I will move a section be added that will read to this effect: "This Act affects litigation pending at the time it receives royal assent" so in that case we will cover the matter from all ways.

I want to make it clear that I have no objection whatsoever to the fact that a writ has been issued by a private citizen in connection with this matter, because I think it is important that the matter should be settled properly, and my only regret is, on reflection, that I did not insist on the bill being presented in the dying days of the last Session in spite of the inconvenience it might have caused us at that time. However, we have it before us now and I hope that the House will find itself able to approve of it.

Now, there are one or two matters in connection with this situation which I should also like to make clear, and that is that some question arose in the course of the publicity surrounding this matter, as to real estate that Mr. Steinkopf might himself be interested in in that particular area or elsewhere within the province, and I must say that it is true that he is interested in real estate in that section of our city, and it is also a fact that that situation was brought to my attention when this whole matter began, so that I want to make it perfectly clear that with respect to Mr. Steinkopf's situation, he never at any time attempted to conceal this information, and when he was a private citizen of course it didn't matter, but I was able to have that information just the same; and I asked him to give me a statement, which he has done, of his real estate holdings in the whole of the province so that we might have it on the record, and I propose to read this statement into the record. Dated March 31st last - "My Dear Premier: In view of my responsibilities in connection with the Manitoba Centennial Corporation, and also my membership in the Civic Development Corporation, I would like to make a personal statement with respect to the acquisition by the government of property in the area in which the Civic Development Corporation and the Manitoba Centennial Corporation are active. Prior to my entering the House and at your request, and together with Mr. James A. Richardson I assisted in assembling the property for the Manitoba Arts Centre through the National Trust Company Limited. Even though this took place before I was elected to the Assembly, I should like to state that I had no beneficial interest in and have never had any beneficial interest of any kind in this property. My present real estate holdings which I held at the time the Arts Centre property was assembled and which I informed the government at the time, consists of R. S. Robinson property, located at the corner of Rupert Avenue and Louise Street which came into the ownership of my family many years ago; part-ownership in a company that owns property occupied in part by Canada-West Shoe Company on the corner of Market Avenue and Rorie Street, together with a parking lot and garage across the street. This property came into the ownership of my family in 1955."

I interrupt my reading of this statement merely to remark that this particular piece of property was under an option for sale at a price that was set in 1959 and is no longer owned by Mr. Steinkopf. The option was exercised and the price settled five years ago.

"The balance of my estate in Manitoba consists of my home, a ranch near Onanole, Manitoba, and an island at Grand Beach. Prior to my entering the Legislature and while the Civic Development Corporation was being contemplated, I was active in acquiring one piece of property in the interests of that corporation. This property is now being held in trust for the Civic Development Corporation which in accordance with its statute is a non-profit public development body. I have no beneficial interest and have never had any beneficial interest of any kind in this property. Holding public office as I do I think it desirable that these facts should be placed on the public record. Yours sincerely, Maitland Steinkopf."

Now, I think, Madam Speaker, that those are the essential bones of the matters which

(Mr. Roblin cont'd) . . . have been under public review in connection with this and I hope the House will be satisfied that everything that has been done has certainly been done with due regard to the public interest in connection with this matter. Some may say that we should not have attempted to assemble any property by means of third parties, and that is open to debate. I'm sure that if we had tried to expropriate it we would have had to pay as much as the City of Winnipeg had to pay for similar property across the street which they expropriated, and maybe it paid to expropriate even if it cost the public treasury a little more in view of the situation which has arisen in connection with this matter. But there you are; that's a matter of judgment, and at the time it seemed that the saving to the public purse was what should be considered and the measures that were taken were consonant with that point of view. The difficulty is that Mr. Steinkopf decided to offer himself as a candidate for the Legislature after the arrangements were done, true enough, but before all the accounting matters in connection with this had been concluded. All this you will find set out in the bill and I hope, Madam Speaker, that I have given the House sufficient information to pass judgment on this matter. There may be other points of information that members will wish to be informed about and if in the course of the debate they will make those matters plain, I will do my best to provide the information to the satisfaction of the House.

MR. D. L. CAMPBELL (Lakeside): Madam Speaker, I move, seconded by the Honourable Member for Selkirk, that the debate be adjourned.

MR. SAUL CHERNIACK, Q. C. (St. John's): Madam Speaker, I rose but I didn't have an opportunity. I wonder if I would be permitted to comment on this bill before the motion is put.

MADAM SPEAKER: Agreed?

MR. CHERNIACK: Madam Speaker, members of our group have had occasion and will have occasion to question the judgment and some of the decisions of members of the government party, but I don't think that at any time did we have occasion to question the integrity of the person involved in this bill, or indeed the integrity of any of the people involved in the problem with which it proposes to deal, so that I have nothing to say in opposition to the bill itself except that it is an indication of the inflexibility of The Legislative Assembly Act. The Honourable the First Minister spoke of the actions described in the preamble as indicating that there was no breach of the spirit or intention of the Legislative Assembly Act but that there appeared to be some question as to the technical application of the Act, and I would suggest that as this bill seems to deal with a specific problem which arose and which became an unfortunate one, it does not really deal with the problem of the wording of the Act as it is now, and problems of this kind may arise again and again unfortunately to the embarrassment of people who may have offered themselves to the service to the public in some way or another. Since the last Session I have had three occasions on my own, Madam Speaker, where I may have found myself in the position of having to ask someone to bring a bill to this Legislature, and it brought to my attention the fact that one has to be awfully careful if one wants to stay in the service of the public or, indeed, if one wants to carry on in his normal course of occupation during the time when he is not sitting in Session. I had one occasion, Madam Speaker, where my office was asked to appear on behalf of an indigent in a criminal case -- and the Attorney-General and a former Attorney-General have had occasion to speak of the fact that the Law Society offers its services free to those who are in need and cannot pay -- and I was of course pleased when an associate in my office had an opportunity to defend such a person; but lo and behold, a cheque came into my office payable to my firm for the sum of \$28.00 being \$25.00 fee and \$3.00 disbursement, and it turned out that the Attorney-General's Department recognizes that when a lawyer is called upon to go out of the city on these *informa pauperis* cases he is entitled to a \$25.00 fee, and the Attorney-General's Department advised my associate of that and suggested that a statement should be submitted and would be honoured. I was happy that I could catch that cheque before it was dealt with and return it to the source whence it came, and indicated my release of any interest that I may have had in that cheque, but that cheque might have gone through and I might have had to ask someone to bring a bill here.

On another occasion, Madam Speaker, our firm had something to do with an action under the Highway Traffic Act, where it was found that the person who was at fault, the defendant, did not have adequate financial responsibility and it eventually evolved that the Unsatisfied Judgments Act was called into use, and since the judgment involved damages to our client

(Mr. Cherniack cont'd) and a counsel fee to our client's solicitor, again there was almost a cheque issued to my firm for payment of the fee which we earned as a result of acting for a litigant. I was able to catch that in time and see to it that the cheque was not issued.

On the third occasion, Madam Speaker, I was nominated by a trade union to act as its member on a conciliation board and although the trade union had, I believe, the exclusive right of deciding who would be its representative, the act apparently -- the Labour Relations Act -- states that the Minister shall appoint the person who is so designated, and pays the munificent sum -- I stumbled over that word because it's inadequate -- of \$15.00 for a session, and because it's payable, even though I was prepared to waive it, again I was almost in the position of having been a person appointed by the Minister of Labour for a certain task. I was able to get that stopped before I was appointed and thus lost the opportunity to serve the Minister of Labour's efforts in settling a strike or trying to forestall it.

These three instances that happened to me, Madam Speaker, indicate to me that if you want to encourage people to run for office and sit in this House then it will be necessary to review carefully the ground rules under which we are able to serve both the positions for which we offer ourselves and our own needs to be useful members of our society, or at least useful members of our family when it comes to earning a living, so that I would use this opportunity, Madam Speaker, to appeal to whatever wisdom there is on the side of the government to carefully review the Act itself, the Legislative Assembly Act, to see whether or not it is not too rigid and whether it does not need a more careful appraisal of the effect it may have on people who in all innocence become involved somehow with the government function. So far as the bill itself is concerned, I am prepared to vote in favour of it at this stage.

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

HON. STEWART E. McLEAN (Attorney-General) (Dauphin) presented Bill No. 8, An Act to Amend the Queen's Bench Act, for second reading.

Madam Speaker presented the motion.

MR. McLean: Madam Speaker, the Queen's Bench Act of Manitoba presently provides for a Court consisting of a Chief Justice and five puny judges, a total of six. The bill before the House proposes to alter that to provide for a Chief Justice and seven puny judges, which would make a total of eight, an increase of two in the total complement of the court. I should point out that this is an amendment to our own Queen's Bench Act and before it would become fully effective, that is fully effective in the sense of there actually being persons appointed to the Court, it would require legislation in the Parliament of Canada which is a matter exclusively in the jurisdiction of parliament, and it would also have to recognize that the actual appointment is made by the Governor-in-Council on the recommendation of the Minister of Justice. The purpose of the bill is insofar as we are able to make it possible to increase the complement of the Court of Queen's Bench to take care of the added number of actions and other matters which come before that court. The present complement of the court is that which was established in 1912, and in the intervening years there have been many, many times increase in the number of matters coming before the court for attention, and the number of judges which this bill contemplates is the number which it is considered by those who have studied the matter to be required for the proper and efficient discharge of the work of the court.

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

MR. STEINKOPF presented Bill No. 4, an Act respecting Joint Stock Companies and other Corporations, for second reading.

Madam Speaker presented the motion.

MR. STEINKOPF: Madam Speaker, as the members will note from the report of the Statutory Committee on Regulations and Orders, many representations by responsible individuals were made to the committee in connection with the Companies Act which was formerly Bill No. 39 at the last Session of this House and which received its second reading at that time. I'm happy to report that the old bill No. 39 finds itself here as a new bill without too many variations. The intent, the construction and all the uniform features of the Act come back to us unchanged and leave this Act a model Companies Act, making it possible for business to operate, and in an orderly manner, and at the same time giving the minority shareholders a clear view of their rights, and it will give them the maximum protection against deceit but will not

(Mr. Steinkopf cont'd) in any way minimize the day to day business risk that a minority shareholder exposes himself to when he enters into that condition in business.

Paragraphs 115 and 210 of the old Act of Bill No. 39, have been dropped. Section 115 appeared there in error in the first place and that's the reason it was out, and Section 210 because it was decided that it served no useful purpose in this Act. Members will recall that Section 210 gave the Minister the right to cancel a charter of a social club where it was shown that the social club was being used for illegal gambling purposes.

Madam Speaker put the question.

MR. T. P. HILLHOUSE, Q. C. (Selkirk): I move, seconded by the Honourable Member for Lakeside, that the debate be adjourned.

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

MR. STEINKOPF presented Bill No. 5, an Act to Provide for Relief from Certain Unconscionable Transactions, for second reading.

Madam Speaker presented the motion.

MR. HILLHOUSE: Madam, if I might, before the Minister speaks on it, I understand that Dean Tallin is a commission of one set up to make inquiries into this particular subject matter which is being dealt with by this Act, and I wonder if the Minister could tell me why this bill is brought in while Dean Tallin is still hearing representations in respect of that subject matter.

MR. STEINKOPF: Madam Speaker, Dean Tallin is conducting

MR. MOLGAT: no closing debate on second reading . . . he didn't make a statement to begin with, well then I suggest that possibly others might want to speak.

MR. ARTHUR E. WRIGHT (Seven Oaks): I beg to move, seconded by the Honourable Member for Elmwood, that the debate be adjourned.

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

HON. ROBERT G. SMELLIE, Q. C. (Minister of Municipal Affairs) (Birtle-Russell) presented Bill No. 11, an Act to amend The Metropolitan Winnipeg Act, for second reading.

Madam Speaker presented the motion.

MR. LAURENT DESJARDINS (St. Boniface): I beg to move, seconded by the Honourable Member for Gladstone that the debate be adjourned.

Madam Speaker presented the motion.

MR. MOLGAT: a vote is taken on that -- does the Minister intend to make a statement on this Bill? It seems to me that the understanding this morning was that we were coming here this afternoon, not to pass bills on second reading, but to obtain from the government their explanation on every bill, which we just received this morning, and I think that the Ministers should make a statement, then they should be adjourned.

MR. SMELLIE: I am prepared to make a statement on this bill, Madam Speaker. It's rather difficult to confine oneself to the principle of this bill because there are several. With your permission, Madam Speaker, I will deal with those several principles. First of all, the bill would remove those five municipalities which are essentially agricultural in nature from the area of Metro as recommended by Dr. Cumming. Those are the municipalities of Macdonald, Rosser, East and West St. Paul and Springfield. It will also allow the amendment of the electoral divisions within Metro by Order-in-Council. This amendment, of course, is necessary by reason of the change in the Metro boundaries. I should explain to the House that the bill does not contemplate any change in the additional zones surrounding Metro and over which Metro had responsibility for planning. It will, however, allow Metro to charge to those municipalities in that area an amount equal to the amount they would be charged by the Provincial Planning Service for planning in that area. This bill will allow Metro to contribute the 20% of capital cost of hospitals in the Metro area as such costs are approved by the Manitoba Hospital Commission. It will also allow Metro to borrow the necessary sums for this purpose. Similarly, Metro would be put in the same position as a municipality by appointing representatives to the board of any such hospital to which they contributed 20% of the capital cost.

The municipalities at the present time appoint two members -- well in some cases more than two but not less than two -- of whom one must be a member of the council of that municipality, and the same thing will apply to Metro. This will establish by statute a uniform rate

(Mr. Smellie cont'd) of business tax and personal property tax levies for Metro purposes. It will not take away from the municipalities that have this right now, the right to vary the rates of business taxes in their own municipality for their own purposes, but it does stipulate the amount that the municipalities must turn over to Metro. In the past this has been done by Metro establishing the amount and then going to the municipal board for approval, and this has been done on an annual basis. This will make it statutory and we trust it will simplify the procedure necessary.

The bill contemplates a further streamlining of the planning procedures to eliminate some of the red tape that has been exasperating to many people. For example, at the present time, where there have been no objections to a bylaw which changes zoning, no person is allowed then to object when the bylaw comes to the Minister for approval, but the present legislation still would require that there be a one-month waiting period before the Minister could approve it. He will now be allowed to approve it immediately if there is no person then who is entitled to object. Similarly, the waiting period between the second reading of a bylaw by council and the Minister's approval where there have been objections, would be shortened from one month to 14 days with the safeguard that those people who are entitled to object to raise further objection with the Minister, will be notified by registered mail as to the date on which the Minister may approve the bylaw.

In the past, the Metropolitan Corporation itself has been established what streets constituted the Metropolitan Streets System. This bill will provide that the Metropolitan Streets System will be established by Order-in-Council. This would be done after consultation with Metro and with the area municipality concerned. As you heard this morning, the province proposes to share in the approved capital costs of the Metropolitan Streets System on a 50-50 basis with Metro, and also to contribute annually to maintenance costs at a rate of \$1,000 per lane mile for traffic lanes on Metro streets. Those streets that are now in the Metro Streets system but which are not approved by Order-in-Council, will be returned to the municipality. Similarly the bill provides for controls on Metro. They will not be allowed to exceed the amount approved by the province for the capital program for streets in any fiscal year. That, Madam Speaker, is a summary of the principles involved in the bill before the House.

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

MR. STEINKOPF presented Bill No. 6, an Act Requiring the Registration of Mortgage Brokers, for second reading.

Madam Speaker presented the motion.

MR. STEINKOPF: Madam Speaker, this Bill No. 6 comes back to us in much the same form as when it left us. It provides for the registration of those who are involved in the handling of mortgages in one way or another, and most of the representations that were made to the committee were in favour of the Act. We had some suggestions from the Bar Association that members of the Law Society be excluded from the provisions of this Act, and there have been some changes made in that respect, particularly in paragraph 13 where a member of the Law Society of Manitoba, entitled to practice as a solicitor, where the loan transaction is made in the course of and as part of his regular practice, they are excluded on that basis. Otherwise the Act is very much the same as when it was left.

MR. M. N. HRYHORCZUK, Q. C. (Ethelbert Plains): Mr. Chairman, I move, seconded by the Honourable Member for Emerson, that the debate be adjourned.

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

MR. SMELLIE presented Bill No. 10, an Act to Amend the Department of Municipal Affairs Act, for second reading.

Madam Speaker presented the motion.

MR. SMELLIE: Madam Speaker, this particular bill allows the province to charge the full cost of assessment to the municipalities who use the services of the provincial municipal assessor. At the present time they are paying one half of the cost.

MR. RUSSELL PAULLEY (Leader of the New Democratic Party) (Radisson): Madam Speaker, I would like to use this bill as a vehicle and I think within my rights of making a request of the Minister in connection with the Municipal Act, and it deals with the general

(Mr. Paulley cont'd) question of assessment so I think that I am quite in order.

The point which I wish to raise, Madam Speaker, is a situation which exists at the present time in the City of Transcona in respect to a development which is taking place whereby the purchaser of the home does not become the freehold owner of the property. The development is taking place where the land is leased for a period of -- I'm not quite sure whether it's fifty or twenty-five years -- to the purchaser of the home, the home being purchased, or a mortgage for the purchase of the home being an outright purchase.

In the City of Transcona this year a money bylaw was presented to the electors of Transcona for the purpose of providing new school accommodation. A number of citizens of Transcona who were in the process of purchasing their homes were debarred from voting on the school bylaw because they had not been resident within the municipality for a period of six months, notwithstanding the fact, Madam Speaker, that they had signed mortgage agreements with the land development company for the purchase of the home itself. A strict interpretation, or let's say a proper interpretation of the Act was used whereby differentiation between an elector and a ratepayer is contingent, as I understand it, on the definition of "ratepayer" and the use of the word "freehold" contained in that description of those eligible to vote on school bylaws.

Some of the people who were purchasing homes in the municipality had only been there for a question of a couple of weeks, but because they were buying their homes as owners of freehold property, they were entitled to vote for the school. These others, as I say, Madam Speaker, who were purchasing their homes on a leasehold basis, and this principally because the down payment on the purchase is considerably less through the National Housing Act, were debarred from their vote. Now I realize that those concerned who have been in my home city for a period of six months on the leasehold agreement will be able to vote in the future on school bylaws. But notwithstanding this, Madam Speaker, they will be deprived. Notwithstanding the fact that they may be owners of 10, 15 or \$18,000 homes, they will be deprived of voting for other money bylaws if and when presented. But they will still have to pay in essence the rateable charges for any money bylaw which is passed. So I ask the Minister of Municipal Affairs, I believe, Madam Speaker, that this matter was drawn to his attention because of the conflict at the time and the opinions as to whether or not the purchasers even of the leasehold property to the magnitude of an \$18,000 home were not entitled to a vote. I ask the Honourable the Minister of Municipal Affairs whether he is prepared to give consideration, possible amendments, either in Law Amendments Committee or a Special Committee in respect of this Act, or can he give me any indication that the matter is under advisement and people who are purchasing at a considerable cost homes of the magnitude I mentioned, may be allowed the same privileges of ordinary ratepayers in our municipality.

MR. HILLHOUSE: Madam Speaker, before the Minister rises to answer my honourable friend, I wonder if he'd be kind enough to advise me as to whether or no any application has been made to his department or any petition filed with his department by certain residents in the Municipality of St. Andrews to become separate and apart from that municipality on account of the fact that they consider the provincial assessment in their area is far too high. The area to which I refer is that portion of St. Andrews municipality lying south of the Town of Selkirk and east of the CPR right-of-way.

MR. HRYHORCZUK: Madam Speaker, I rise more for receiving some information than making any criticism of this particular bill. I'm not quite sure whether I interpret it properly, but it would appear that the Honourable Minister missed one of the very important provisions of this bill and that is that we can expect the taxes in the unorganized territory to be increased considerably, and I am referring in particular to (e) of section 2. From this I gather that, or until this time there was some question as to whether the Minister had the right to ask the levies be made for welfare costs in the various school districts in the unorganized territory, and if such is the case I would like to point out to the members of the House that within the last several years the costs of welfare in most of the unorganized territories have gone up tremendously. We have some areas, which are not in my constituency but were at one time, where I believe that today's costs probably are tenfold what they were three or four years ago, and if it is the intention of the government to recover from these areas these welfare costs, I would suggest that they take another look at this particular provision. Firstly, I don't think the areas

(Mr. Hryhorczuk cont'd) are capable of carrying the cost that would be a proportion to them, and secondly I don't think that they'd ever be collected. In most of these areas the taxes as I have said have gone up considerably, and I think that the records will bear me out that a lot of these lands have gone for taxes, sold for tax sale, and if we continue to increase the load to be carried by these comparatively poor settlements, that they'll just not be able to carry on, and as far as private ownership is concerned it will disappear altogether in most of these places.

I am also not in accord with (f) of 2. The resident administrators or officers of the government are appointed by the government, the local people have no say as to who it is going to be, and I don't see why they should be asked to be paying the premiums on the bonds to cover the resident administrators. I think it is an obligation of the government to pay those premiums and I see no reason why it should be passed on to the residents of local government districts.

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

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

MR. ROBLIN: Madam Speaker, I suggest we continue with the second readings, starting at Bill No. 7.

MR. STEINKOPF presented Bill No. 7, an Act Requiring the Registration of Real Estate Brokers and Real Estate Salesmen, for second reading.

Madam Speaker presented the motion.

MR. STEINKOPF: Madam Speaker, this bill, too, comes back to us in very much the same as its forerunner, Bill No. 40, which appeared at the last Session. Various representations were made at the Committee on Statutory Orders and Regulations. The Law Society appeared and suggested that a change be made and then we requested from them some information as to whether the bonding of lawyers under the Law Society would apply to lawyers who were dealing in real estate transactions on their own, and we just recently received a reply, so it would be our intention in the Committee to amend this Act by providing a special provision that would exempt lawyers from the effects of this Act if they were trading in real estate in the ordinary course of their profession.

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

MR. STEINKOPF presented Bill No. 13, an Act to Amend the Civil Service Superannuation Act, for second reading.

Madam Speaker presented the motion.

MR. STEINKOPF: Madam Speaker, this Amendment to the Civil Service Superannuation Act has benefits to those that are presently under the Act and those to come, in that the length of time, the period, the 15 years that is now used as the yardstick for evaluating the annuity, will now be reduced to a period of 10 years. Another benefit will be the payment of interest at the rate of three percent on moneys put into the fund by the employee in the event of death. I think, Madam Speaker, that I should refer to one of the questions asked of me this morning by the Honourable the Leader of the Opposition when he asked if there was any time limit and I said that there was no time limit, and then I understand that there was a third question which I didn't quite understand and that was, if an individual left the employ of the government would he be entitled to receive interest on his contribution to the fund, and I would like to clear any misunderstanding. If an employee does leave the employment of the government he is not entitled to any interest on the return of the amount that he has contributed no matter how long he has been with the government.

MR. PAULLEY: Madam Speaker, I'd like to make a comment or two on this particular bill. I appreciate the fact that the government is taking some minor advance in the field of superannuation pensions but I am still not satisfied that it is a fair step forward. It might be that the government has in mind that ere long, depending of course on priorities, that there may be a proper portable pension scheme in the Dominion of Canada, and it may be that at that particular time that the civil servants along with the rest of us toilers will be enabled to receive a reasonable pension. But if the activities in Ottawa, who are primarily responsible for the progress of portable pensions in Canada, continue at the pace that it's doing I'm sure that all of us will be dead and buried and the orations that are normal in this House at the start

(Mr. Paulley cont'd) . . . of each Session will be said in respect of us. However, to speak, in connection with Bill 13 itself, I notice -- (Interjection) -- yes I guess it will be. Because after all if I'm going to have to put up with some people anything else would be considered as a happy landing.

However, Madam Speaker, speaking to the Bill itself, I note by the amendment that there has been a change in the length of time for which the pension allowances will be computed. I notice that the calculation will be on the basis of an average salary over the last 10 years of service, if that will produce a greater pension than that over the last 15. I would like to say and suggest to the government that in view of the fact that some times individuals have during their last periods of employment, due to physical disabilities, to take jobs of lesser remuneration, that when the government or anyone is considering a superannuation bill that the salary or the pension should be based on the best average five-years of the length of employment within the service. This has become adopted as I understand as I read a number of pension schemes as general practice in many industries; it is the general practice as far as the Canadian National Railways is concerned, and I think that here in the Province of Manitoba we should treat our civil servants likewise. I do think that the government should reconsider in the repayment of contributions from the employees in the Civil Service, they should reconsider the announcement that the Minister has just made that no interest will be paid on the contribution of the employee. It is quite conceivable that many of the employees have been in the service of the Province of Manitoba, and its people, for a long period of time, and just merely changing from this area of employment their money should receive interest on their contributions.

I also raise once again the question as I have in the past, what steps has the Minister or the Government made in an endeavour to bring about a portability of pensions in respect of the other like jurisdictions, the Civil Service of Canada, the Civil Service of the other provinces. I would like to hear comments from the Minister on this point. They were raised by myself at the last Session. At that time if I recall correctly the answer was that consideration is being given and negotiations are being conducted at least at some level regarding this matter, and I would like to hear from the Minister as to what progress if any has been made.

MR. STEINKOPF: Madam Speaker, the question of the portability pensions is still under advisement; we are still working on it and have nothing more definite to report than that at this time.

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

HONOURABLE GEORGE JOHNSON (Gimli) (Minister of Education) presented Bill No. 14, an Act to Amend the Teachers Pension Act for second reading.

Madam Speaker presented the motion.

MR. JOHNSON: Madam Speaker, the principle of this Bill largely follows that of the Bill just discussed in that it is hoped the amendments here, the principle behind it is to keep The Teachers Pension Act as much in harmony and concert with The Civil Service Superannuation Act and in extending the best 10 years or the last 15 -- the last 15 and the last 10, in determining the pension benefits, the same interest on rate of refunds when a teacher dies. It also provides the option to the surviving spouse of the annuity or repayment with interest. I feel that other than that the principle is much the same as the bill just discussed and is quite self-evident in the Act I would hope.

MR. JOHN P. TANCHAK (Emerson): Madam Speaker, I move, seconded by the Honourable Member from St. George that the debate be adjourned.

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

HONOURABLE GEORGE HUTTON (Rockwood-Iberville) (Minister of Agriculture) presented Bill No. 9 An Act to Amend the Department of Agriculture and Conservation Act for second reading.

Madam Speaker presented the motion.

MR. HUTTON: Madam Speaker, I believe that I covered most of the points this morning at the Committee stage, but just to review very briefly, the Bill provides the authority for the Government to designate certain drains, waterways, bodies of water, and to take complete

(Mr. Hutton cont'd)

responsibility for construction and maintenance, and by the same token relieve the municipalities who are now responsible in respect of these matters. The Bill of course has other provisions in it, giving us, or giving the government the power to enforce the law with respect to these waterways.

I think to understand this one must appreciate that today in the case of drainage the municipality local government is ultimately responsible for drainage in the Province of Manitoba and that to this date the province or Provincial Government has assisted them in meeting their obligations. This Act provides for a clear definition of responsibility between the provincial government and local government with respect to drainage in Manitoba, and once this Bill is implemented the Provincial Government will be totally responsible for designated drains, waterways, lakes etcetera in the province, and the municipalities will be totally responsible for the remainder which will be of a local nature.

Madam Speaker put the question.

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

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

MR. SMELLIE presented Bill No. 12, An Act to Amend the Municipal Act for second reading.

Madam Speaker presented the motion.

MR. SMELLIE: Madam Speaker, first of all this Bill attempts to clarify the responsibilities of a municipality with regard to drains and this amendment is of course necessary by reason of the Bill that immediately preceded this one. Secondly, there is an amendment here to assist in making clear the provisions of the Act concerning Parks Boards, particularly in the City of Winnipeg, their Parks Board was established under an Act that's been long since repealed. It was thought at the time that this Act was repealed that the new provisions of The Municipal Act would be adequate to cover but apparently there is some doubt, so this just makes it clear that the City of Winnipeg or any other municipality that established Parks Boards under the old Public Parks Board Act are now governed by the provisions of The Municipal Act.

The Bill before the House makes provision for the new proposed system of grants in lieu of taxes that was referred to this morning in the address by the First Minister and this spells out the system of making the grants and the procedure to be followed, and also the limitations on the grants of 5% of the total tax is collected by the local government concerned. It also provides that the Minister of Municipal Affairs may prescribe the form of tax notices sent out. This is also necessary in connection with the grants.

MR. GORDON E. JOHNSTON (Portage la Prairie): Madam Speaker, I beg to move, seconded by the Honourable Member from Carillon that the debate be adjourned.

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

MR. ROBLIN: Madam Speaker, that brings us to the end of the business that I suggest we should try and deal with this afternoon and I rather imagine the members would be glad if we did not meet this evening. I was thinking of suggesting that we meet tomorrow morning to deal with the second readings of these bills for those that have adjournments, although I'm not sure whether that meets the wishes of the House or whether the Leader of the Opposition has any views on this matter, particularly in connection with his own responsibilities. I don't imagine he would want to speak tomorrow morning but I thought we might get on with some of the second readings of the subsidiary bills that have been discussed. If it was in order, Madam, I'd appreciate any opinions that members might like to express on that point.

MR. MOLGAT: Madam Speaker, I think it would suit the members of our group to meet tomorrow afternoon rather than tomorrow morning. There's a fair amount of material here and we haven't had a chance to really read the bills yet. I believe it would suit the members of my group better to proceed in that way and then they would make their contribution on second readings.

MR. ROBLIN: Madam Speaker, I take it that that's agreeable and therefore I would move the adjournment of the House on the understanding that we meet at 2:30 tomorrow afternoon. I

(Mr. Roblin cont'd) so move, seconded by the Honourable Minister of Industry and Commerce.

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