

## THE LEGISLATIVE ASSEMBLY OF MANITOBA

8:00 o'clock, Wednesday, April 26, 1967

MR. SPEAKER: The Honourable Member for Seven Oaks.

MR. SAUL MILLER (Seven Oaks): Mr. Speaker, just before the dinner hour I was questioning whether the new corporation would be able to purchase or acquire homes in municipalities without the need of municipal agreements; in other words, to make homes available for public housing by the Corporation without having to enter into any agreements with the municipalities at all. I think if the Corporation could do that, they would by that method be able to acquire a fair number of accommodations within Greater Winnipeg, or elsewhere for that matter, and by renting it to people who needed the housing, through subsidized rentals they could take some of the pressure off and perhaps this may be the answer to many of the people who haven't the means to presently pay the rents or the moneys required for housing. I don't know whether the Corporation will have the power under this particular Act, because - and this goes back to the question I've raised I believe twice before in this Session - this matter of municipal approval and how to go about getting it. Again I ask the Minister the question: will the municipalities have to go to the ratepayers for a vote in order to enter into an agreement of this kind? Because if ratepayer approval has to be asked for, then I predict there will be very very little chance that such by-laws will pass. The history has been, usually, that these by-laws go down to defeat. I think it was just, 'til the City of Winnipeg finally received power under their Charter to enter urban renewal schemes without ratepayer approval, it wasn't until then that they were able to get going on the Burrows-Keewatin and Lord Selkirk projects. I am wondering whether the Minister is going to do anything about this aspect of it because without that power on the part of the municipal council I'm afraid there will not be too much advantage taken of the Act as we have before us.

Now at best, of course, this Act is just a blueprint. It's a vehicle by which things can be done providing we do more than just pass a bill and just let it sit there. And in this regard the make-up of the board, the composition of the board and its members, is most important. I notice that the board can consist of three to nine members. It seems to me this is quite a wide range; three seems to me a very small group. It can't really -- a three-man board can't really represent all the agencies that I think should be represented on a board such as this, because if this board is to reflect the thinking of the various agencies that should be involved in this sort of planning, then certainly three members can't do it and I wonder why the small number is even thought of. I think it should be a nine-man board. I think it should be adequately served by professionals, and as I say, it should include people not just from the architecture, engineering, or even town-planning, but also people from the educational field, from welfare representatives, recreational as well, so that when they look at these projects they can look at them from the point of view of the requirements of the total picture and the total problems and how can these problems be attacked and can they be met by the plans that are being presented.

I don't want to discuss any further on this and I see there are items which probably will be brought up in Law Amendments. We can go at them at that time. I would like to say this to the Minister, though, that I hope frankly that this will launch a badly needed urban renewal and certainly public housing that is long overdue in Manitoba, and that I hope that Manitoba will move ahead now because we are lagging, and we're lagging far behind other provinces; and again I'm not being critical of the Minister in this respect. I think this is a case of having to mobilize public opinion, educate them to the needs, mobilize municipal people into thinking in this matter, and above all, to make it possible for the municipal people to move once they realize the need is there, to move without having to go back to the ratepayers for approval and to make it financially feasible for the municipalities to enter into these agreements, because the financial commitment on the part of a municipality is one of the stumbling blocks to this type of participation. Just as the province hasn't the finances, certainly the municipalities haven't, and they're not going to willingly commit themselves to large expenditures, large capital expenditures, unless there is some incentive, and I think the incentive has to be greater provincial participation than just 50 percent of the monies which are not covered under CMHC. I think this is all. I believe I covered the other aspects of it before the supper hour. Yes, I've covered the other aspects. That's all. Thank you.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I would like to make a few comments. I remember when we discussed the resolution before the bill was introduced, I already advanced some of my thoughts on the bill at that time. However, I would like to make a few comments more at this time.

We find now that the government is going to go into the housing business, and not only urban renewal but setting up housing programs with the municipalities and so on, and I don't think this is necessary. We already have the Federal Government in it; why must we as a province do likewise? We have other programs similar where the Federal Government has taken the initiative, and then later on we went in it as well and I don't see any reason for it. The Farm Loan Board - the federal Farm Loan Board - was an organization by which farmers could make loans, and then the province went into it as well. Here we now have the Federal Government in this business and advancing loans to CMHC, and I see no reason why we, as a province, also have to go into this. In my opinion the province should not. Then --(Interjection) -- Pardon? The Honourable Member for Seven Oaks says they can't get the money for it otherwise. Well, certainly the people of this province have been able to make loans and get money from the Federal Government through its subsidiary the Central Mortgage and Housing Corporation, and I can't see why they cannot continue to do so in the future.

My objections are numerous. First of all, I find here in the interpretations on the first page of Bill 78 where we have the definition of "family of low income," and I'd like to read part of it. It says: "'Family of low income' means a family that receives a total family income that in the opinion of the Corporation is insufficient to permit it to rent housing accommodation adequate for its needs at the current rental market in the area in which the family lives." Now, Mr. Speaker, who comes into that category? It's an opinion that the people that will run this show, the opinion that they will form, and when we've heard so much about the depressed conditions and the cost-price squeeze of farmers and the low income, the little income that they're receiving, what percentage of them would come into this category and would require or could call upon this corporation for help. Certainly, in my opinion, a large number would then qualify if that was the definition and if that was the opinion reached, and I see no reason why it couldn't.

Then I find also that the Corporation will have wide powers even to expropriate and so on, and these are more powers than individuals have, and while they might require on the odd occasion as far as urban renewals, I don't see any reason why they should have this power when it comes to housing projects.

I already mentioned the Federal Government being in the business. We also have the banks of this country providing loans through the Farm Improvement Loans, and that monies are available through this source, and I'm sure many farmers are availing themselves of this provision.

Then I would like the Honourable Minister to tell us how much would be required. Has there been an analysis made of the requirements that would be in existence today or would be prevailing at this time? How many farmers does the Honourable Minister believe are entitled, or would they qualify, or would even apply? And does it apply to farmers? They're probably ruled out altogether, and that this might only apply to the city dweller or those in urban areas.

Then, what is the cost of the operation going to be? What has been the cost of the operations that were carried on under the former bill, the bill that is now being repealed? Certainly there will be a cost involved to operate this kind of a business, and I think we should have some knowledge as to what this is going to be because the taxpayer will be the one that will be called upon to pay the shot. He will have to pay the cost of subsidizing housing as is proposed under this bill.

Then another aspect that we have to consider is the provincial indebtedness that will be created through guarantees, and I am sure this will increase the provincial debt as far as guarantees are concerned, and I don't think that we, as Manitoba, have much room left. I don't believe in exercising our credit to the fullest extent. I think we should leave some room so that our credit rating should not go down. We know from the past that the indebtedness of this province is rising year by year. We are already proposing to borrow \$100 million this year besides what we are spending on the estimates. How much more will the government go into debt on this count through guarantees?

Then I think the Honourable Member for St. John's raised a very valid point just a little while ago, when he asked whether this would require ratepayer approval if municipalities went into these projects, and that he feared if this was the case that the votes would go to defeat,

(MR. FROESE cont'd) . . . . and if that is the case, Mr. Speaker, then surely we're trying to do something that the public doesn't want, and when do we bring it in if the public doesn't want it? I would like these questions answered because certainly I think the large number of Manitobans have the same fears about this whole question as I have.

We find today that money for development is hard to get by, and that the cost of money is very high. Just the other day I had a chat with a few people that were looking for money of this type for developing and that is not to be found, and the cost is so high so that any project that would be started at this time, after a few years might be out of reach even to these people should the cost of credit go down afterwards, and I feel that we're not going to the root of the problem with this whole matter. I feel that the root is much deeper and that it involves the availability of money and the interest, the interest factor. This is what matters. And I feel, and I've advocated this on previous occasions, that we should make use of the Bank of Canada which is the people's bank and should be a source that would provide the necessary money for development in Canada and for the provinces. Surely the Bank of Canada could provide these funds at a very nominal cost --(Interjection)-- For nothing, my friend says here. Well I would say that the cost of operating the bank would be involved, otherwise it would be nothing because it is created in the first place.

Then I find that this is a low cost project or housing project to be, yet I find that the interest rate that is supposed to come out of it is supposed to be around five percent, a return of five percent. With five percent and then add the operating costs, what would be the actual cost then? That's why I asked before what would be the cost of operating this housing and renewal corporation. We find that a municipality as well can set up its own corporations and in this way deal with the people directly.

So, Mr. Speaker, these are some of the points that I wanted to raise. I will not support the bill. First, I feel it is unnecessary, that we have federal legislation, that we have a source federally, that the Federal Government is in it already, and that we will just be placing a higher load on the taxpayer because of the subsidies that will be called for and that will have to be paid for by the taxpayer. Then I feel we've already passed more than enough of tax bills at this session already, and I certainly am not one that will ask for a project of this type to increase the provincial debt.

MR. MOLGAT: Mr. Speaker, before the Minister closes the debate I would just like to say a few words on the bill. It's my intention to support the bill to have it sent to committee, but I must say I have many questions about the bill and what the real intent of the government is in proposing the bill. Judging from the comments of the Minister regarding the need for housing in the Province of Manitoba, and there was a speech that was given by the Minister herself at the time of the conference conducted here by the Federal Government, at which time the Minister was quoted as saying that there must be government aid for the needy, that public housing is the obvious answer, and that Manitoba needs a great deal more than we have now, for at least 40 percent of the people in the province need this assistance.

Similarly, some few days ago there were some telegrams exchanged between the Manitoba Government and the Federal Government saying that all the initiative is here; all that is needed is money. And yet when I see the bill, Mr. Speaker, I wonder if in fact the bill will accomplish what I presume it is meant to do, and that is to speed up some of these processes. I wonder if, in fact, the bill will not slow down the very process that the Minister claims to seek, because really all that the bill does, as I understand it now, and I'm prepared to have a look at it in committee stage and see what other people will tell us about it, but it seems to me now that we are simply leaving the responsibility and the initiative to the municipalities, and that we are setting the municipalities as the responsible body, and if the Minister, in her statements, wanted more to be done, what is the change? Is this not the situation now? Under the present legislation is it not in the municipal hands, with one exception, and that's the public housing aspect. I believe that the public housing as it stands now can only be done when it's part of an urban renewal plan, but the other items I believe can now be done by a municipality and the initiative rests with the municipality, and if not more has been done it is because in many cases the municipalities themselves lacked the funds. It seems to me that if the Minister wanted further action on this then it should mean either a provincial responsibility or putting it in the hands of Metro.

Now it seems to me that the bill deliberately sets Metro aside. Metro is not in the definition of a group that can participate in this, it must be done by a municipality, and yet when you look at the City of Winnipeg - and I presume that this is the area to which this bill is mainly

(MR. MOLGAT cont'd). . . . addressed because this is where the largest housing problem, that is in a mass, at least exists - the action on this by municipalities is very difficult, because if you are going to proceed with say a renewal of an area of a major housing project in an area and it is presently a poor residential area, you have to move these people to another part of the city. Well, can you move them to one of the other area municipalities? Not unless you have an agreement with them. When you consider that the planning of our metropolitan area has been put in the hands of Metro, wouldn't it be a logical place to put this type of development as well, because surely it is tied in with the overall questions of planning.

So while I am prepared to send it to committee, I have grave doubts that the bill will in fact proceed with the speeding up of housing in those areas where it is required. I'm just afraid, Mr. Speaker, that it's another one of those things that we put on our statutes which would be better termed as window dressing rather than as an effective bill to achieve a job. I see the Minister smiling and I hope that she will have explanation that will satisfy me that in fact this will accomplish the job, but I suspect that the bill as it reads is not going to do that.

I note as well that while the initiative is going to rest with the municipalities, in every case the government is going to retain the power of veto, because as I looked at the various sections, for example when we start off with say Public Housing, Part II of the bill, Page 11, the first statement that we have under Public Housing is that the corporation may, with the approval of the Lieutenant-Governor-in-Council, proceed to do other things, that is enter into agreements with the Government of Manitoba and so on; but in every case, approval of the Lieutenant-Governor-in-Council. Go on to other sections, pages 14 and 15 of the bill, again the corporation may - under Section 20 - with the approval of the Lieutenant-Governor-in-Council; Section 20(2), the corporation may, with the approval of the Lieutenant-Governor-in-Council, lend money to a municipality or a housing authority; Section 21, the corporation may, with the approval of the Lieutenant-Governor-in-Council, enter into an agreement with Central Mortgage and Housing. So the corporation is, I'm afraid, going to be hamstrung. On one side, it must await the initiative of municipalities; on the other side, it cannot move without getting the approval of the Lieutenant-Governor-in-Council.

So I would hope that the Minister can give us some clear-cut explanations as to how it's going to work, and then when we reach the committee stage that we may have representations from not just the area municipalities but from Metro itself, because with their responsibility for planning, it seems to me that it's essential that they be involved in this aspect if it is going to be a successful one.

So, Mr. Speaker, there are many other items which I will be considering when we reach the committee stage, some specific items, for example definitions of "public housing" which appear to me in the bill really to be only designed for elderly people as it reads here, not as I understood public housing in general to be a low cost housing. I think there might be some problems here on expropriation because this corporation is going to be, under the bill again, allowed to expropriate. I think this should be understood as to where it stands with regard to the municipalities. But with those reservations, and the one that I would like to know, how the board is going to be made up - I note that the Minister intends to have nine persons on the board, or not more than one and not fewer than three and I'd like to know what the composition of that is going to be - I'm prepared to support it on second reading, see what the Minister has to tell us, and hopefully in committee get some clear indications from those who are now going to be charged with this responsibility that it will in fact accomplish the job that needs to be done.

MR. GORDON W. BEARD (Churchill): Mr. Speaker, I too am interested in this bill and I would hope that the board takes an overall look at all of Manitoba as it enters this field. My fear is that the influence will be too much emphasized on the area in Winnipeg itself rather than in some of the other areas that require looking into, and of course I have in mind that constituency which I represent just as I think probably many of the rural members will have when they consider the areas where they need assistance. Certainly when you look at some of the problems we have in northern Manitoba, we must ask ourselves what are we going to do in areas such as Churchill for instance, for if there is one area that needs urban renewal or assistance of one kind or another that is certainly it.

There is another problem of course when we consider the mining areas, and rather tread lightly there in that industry, I do feel, should take a large share of the responsibility in assisting to bring housing of one form or another to their particular area, because you must remember, Mr. Speaker, that there are tax incentives for the industrial areas and that it is my opinion, my quite frank opinion, that industry at times do not accept this responsibility as they

(MR. BEARD cont'd). . . . should be. They're the ones that very often cry for labour. They want assistance, and as it has been brought up in the House, I noted a couple of times earlier that some members have been at Thompson and wonder why some of the houses have what would appear to be six car families. This is a problem at times, and I would hope that as the board considers this, they check all parts of the province and see what can be done, because I feel that industry should be contributing a larger portion to assist CMHC and other government agencies in making sure that the people have the accommodation. It isn't fair alone for industry to ask for labour for northern Manitoba and to try and shove the responsibility on government and government agencies, whether they be provincial or federal, for this assistance when there is a responsibility lying with them as well as the Federal Government to make housing available for people of northern Manitoba.

I would hope that this Board can see fit to find ways and means in which industry, along with the Local Government Districts granted, but that industry can provide some of the moneys that are necessary to make housing available, whether it's on a rental basis or a basis for these people to buy their own homes eventually, because more and more as we look round northern Manitoba, we do find - we do find that it follows in two ways: one would be that people come to northern Manitoba to adjust, to adjust their own lives, and quite often this means a financial adjustment that is impossible in maybe other areas of the province, and they come up not so much to make a quick buck but to get out, get out of the hole that they're in, to readjust their lives and to start over again. It is terrible when we find them coming in and not being able to make this adjustment because of two main reasons. First of all, they can't bring their families with them because there isn't the housing available, or suitable housing; and secondly, of course, that they don't have the money to uproot and come up to a new area and start over again.

I personally feel that we should go a long way towards helping these type of people because there's not just one person coming to the province, there are families. And if I might just cite one example, which was quite frustrating to me, but one chap came all the way from Newfoundland twice to Thompson and had a very good job - a very good job - but here was a young man in his early twenties who had six children and a wife in Newfoundland, and every time he tried to make it up to Thompson and make a go of it, he found by the time he'd paid board and room, by the time he'd paid for them back in Newfoundland, he never never could have obtained enough money to bring them up to Thompson and to provide them with a house and to collect his family together. Twice during a year and a half he gave up and went back to Newfoundland. Granted, one agency in the Federal Government agreed that they would loan him the money, but he pointed out that it was almost impossible to shoulder the responsibility of taking a loan to move his family, to uproot from what he had back there and come to Thompson and settle down. So these are the impossible frustrations. Maybe for a chap like that there is no answer; maybe he has to go back and wait and make his way in Newfoundland.

But there is that problem and it always settles in my mind that we could have been ahead by seven people, and also instilled in my mind is the fact that a young man and a wife settling in northern Manitoba or northern Canada with a family of six children would be more or less permanently settled there for some time to come. And this is good - this is good. It's not penalizing them, but when you move a family that size up then you'd be there for some time.

There are of course other types that come up to make as much as they can, save as much as they can, and maybe go back and try and purchase a farm or a small store or whatever it may be that they have in mind in their own town, and this is good. There's nothing wrong with this. But if they had to come up and buy homes and invest, then it is an impossibility for them to do that and still have money. So I think that we have to help these people, because by and large in many cases, Mr. Speaker, I think you will realize that northern Manitoba is made up of many many people who came to the north to make a quick buck and are still there thirty years from the day they got up there and they intend to stay the rest of their lives.

But if these people are going to come to the north, then I think assistance must be given. I think we have many civil servants up there of both federal and provincial levels that have to be looked after because these are people that are being sent to an area, there are no homes to rent, there are no apartments by and large that they can get hold of, and they're stuck. They can't work overtime and make money and it is difficult for them. I think that in this area we must certainly consider what we can do as governments to provide some type of accommodation. I think that if they provide the accommodation then I think that these people should have to pay rental that would take up the cost of investment by government in these homes, certainly, but I

(MR. BEARD cont'd)... think on the other hand that if they decide to stay that perhaps they should be given the privilege of second mortgages and the opportunities of buying what was necessary on a plan of urban renewal where there's a second mortgage that would take care of the provincial costs, and if they can pay that off, then they carry on the Central Mortgage loan just the same as they would in the City of Winnipeg or any other area.

There are of course many many dollars being spent on Reservations for Indian homes, and this is a ticklish subject to speak on because I realize, I realize that it too fills a gap in housing, but it does bother me that we have a plan like that that perpetuates a problem in Indian Reservations, granted, Reservations were made by white people and the Indians on the Reservations will be there for many many years after some of our white communities have come and gone, but I think that we should be encouraging federal moneys to be spent on off-Reservation homes just as they are on the Reservation so that these people can come to communities such as Thompson or other - Gillam or Lynn Lake, Snow Lake, Flin Flon, even The Pas - come there and find industry and take advantage of homes away from the Reservation; be given the opportunity - I don't say be given the homes - but be given the opportunity to move their families out to an area where they can earn a living.

So in coming back to the start of my remarks, Mr. Speaker, I would hope that this board is broad enough minded to see past Metro borders, to see the rest of Manitoba and to see into northern Manitoba. In this I don't want to appear that we're taking anything away from Metro. I recognize that Metro has a need for this; I recognize that there are problems that will have to be looked after; but I would also hope that there is a share put aside to develop and to encourage industry to develop the responsibilities that are there waiting for government and industry in northern Manitoba.

MR. PAULLEY: Mr. Speaker, I did not intend to really take part in the debate at this time but my honourable friend the Member for Churchill has prompted me to say a word or two. I'm rather surprised to hear from my honourable friend what he has just said because those of us in this corner of the House have from time to time raised the very points that the Honourable Member for Churchill has raised, without avail or impression upon him or his colleagues across the floor. We have pointed out from time to time the unsatisfactory living conditions in northern Manitoba, both in respect of the Indians and the Metis, and also insofar as the population in the town of Thompson is concerned. I wonder, after listening to my honourable friend the Member for Churchill, whether he is now prepared to do as we have suggested in the past, have amendments made to the agreement entered into between International Nickel and the Province of Manitoba in respect of housing in Thompson. I'm wondering whether my honourable friend is prepared to ask his colleagues on the front bench to appeal to CMHA and the federal authority to lift some of the restrictions and barriers that are placed by the federal authority and CMHA for the purchase of homes by those individuals who desire to in Churchill.

Mr. honourable friend, Mr. Speaker; mentioned the fact of multiple families in dwellings at Churchill and he's perfectly correct. We're well aware of the situation, and most of the reason, or a goodly portion of the reason, is because of the restrictive nature of building in the town of Thompson imposed by the construction companies in Thompson and the regulations at the federal level and also CMHA. My honourable friend surely is aware, Mr. Speaker, that among other things one of the basic reasons for the difficulty of which he says is because of concessions that have been granted to developing companies in Manitoba. I recall my honourable friend not so long ago chastizing those of us in this party because we opposed concessions to mining companies and the like, which included and have included from time to time concessions in respect of housing and the provision of housing. But my honourable friend rejected our contention at that time and said that it is good, and if we don't have these concessions how in heaven's name can we have industry or development in northern Manitoba, yet this evening, Mr. Speaker, he says to us - and I agree with him - that we must do something about the housing conditions in Thompson and Northern Manitoba.

Well it could well be, Mr. Speaker, that my honourable friend has been taught by my colleague from Ethelbert Plains who spoke of this very matter just two or three weeks ago, and I'm glad tonight that at least the Honourable Member for Churchill realizes now that there's a problem in northern Manitoba in respect of housing. I hope that his concern rubs off to the Honourable the Minister of Municipal Affairs and Urban Development and that she will do her utmost to see that some of the deplorable housing conditions that exist in northern Manitoba are improved upon. I trust and hope, and I agree with the Honourable Member from Churchill, that the deplorable situation in respect of housing at the town of Churchill will be improved.

(MR PAULLEY cont'd)...

I don't think, Mr. Speaker, that there is a community in the whole of the Province of Manitoba that requires more consideration as in the town of Churchill in respect of housing. We've been talking about improvements for years in this House. The government opposite wants to talk about what they have done since they came into office in 1958, but I suggest, Mr. Speaker, they have been sadly negligent in the provision of housing in Churchill. I say that it's because of the philosophical approach of the government opposite that the situation in Thompson continues and will not be resolved.

But I do want to say, and this is my main purpose in rising at this particular time, Mr. Speaker, I want to say to my honourable friend the Member for Churchill, I welcome the change in his concern for housing in respect of the people of northern Manitoba. I sincerely trust and hope that his concern will rub off to his colleagues in government and that the conditions that have prevailed in northern Manitoba for so long will be improved as the result of his apparent change in attitude this evening. It's long lacking this change of attitude as far as the Government of Manitoba is concerned, because they have been concerned, and they are so concerned in giving concessions to development companies, simply for the sake of having development companies so that the likes of the Ministry of Mines and Natural Resources and the Ministry of Industry can put out more brochures about how we're advancing in Manitoba industrial-wise and mining-wise, that they have forgotten the people who eventually must be instrumental in making the advances that we need here in Manitoba.

My honourable friend the Minister of Welfare, maybe he'd better take a look into some of the conditions that prevail in his own constituency of The Pas, because the conditions that exist in that particular area represented by the Honourable the Minister of Welfare are inferior to much of the rest of Manitoba and sorely needs improvement.

So now that the Honourable the Member for Churchill has opened up the matter, apparently indicating that at least one backbencher has had a change of approach to the situation, I say to you Madam Minister of Municipal Affairs and Urban Development, take heed to what your colleague from Churchill has said tonight. There's a big job to be done; it can be done under the proposition - this bill that we have before us, but it cannot be done if we continue to consider concessions outside before we consider the comforts and the well-being of the people who will develop those areas.

HON. J. B. CARROLL (Minister of Welfare) (The Pas): Mr. Speaker, I'd like to ask a question if I may. What provisions in that agreement with INCO or with anybody else prevents the provision of housing, or discourages the provision of housing by the company or by individuals or by anybody else?

MR. PAULLEY: Tax concessions at the municipal level in both instances that prevented the municipal corporations from adequately developing the facilities in there, and as a result of that, added to the tax burden of those people that are there.

MR. CARROLL: Will my honourable friend answer one more question? In what other community in Manitoba did people get served lots with the water and sewer paid, plus the streets in, for less money than they got in the town of Thompson? There's no place in Manitoba.

MR. PAULLEY: They're still paying for the price of that development now, Mr. Speaker, and the price of the development was a lack of adequate housing. This is the reason that in the housing developments in Thompson, because of the high controlled price of the development in Thompson, that it's necessary for four and five and six families to live in one house. And my honourable friend the Minister of Welfare, if he doesn't know it, had better start checking into what's happening in northern Manitoba. You don't know anything about the North, it's true.

MR. PETURSSON: Mr. Speaker, I felt that inasmuch as I have a few particulars that could be put on the record, I would wish to add a few words to this debate, particularly in reference to housing in the northern parts of the province. I have reference to a brief that is sponsored by the Community Welfare Planning Council and presented by the Metis Housing Association at a recent conference in Winnipeg of Indian and Metis.

A couple of days ago when I mentioned something about the infant mortality among Indians and Eskimos, I was reminded that Indians and Eskimos came under the jurisdiction of the Federal Government, but this particular brief shows that there are a considerable number, several thousand families, Treaty Indians, who come under provincial jurisdiction and not federal, and the Metis exclusively come under the provincial jurisdiction because they are Manitobans and not subject only to the Federal Government. This brief, and I read a single sentence from it the other day, indicates that the average death rate among native people, or

(MR. PETURSSON cont'd). . . . the average age of death among native people is 34 years as compared to the national average of 62, and the brief attributes this fact to the poorer living conditions, inadequate housing, and other problems involved.

The brief indicates that the Metis Housing Association completed surveys which had been made in such towns as Amaranth, Berens River, Big Eddie, Cross Lake, Duck Bay, Ebb and Flow, Fairford, Moose Lake, Pelican Rapids and Pine Dock, and there was also a need found for improved housing in other places such as Camperville, Youngs Point, Bacon Ridge, Swan River, Hole River, Birtle, Hudson Bay Line and Umperville. These communities are almost without exception made up of over-crowded houses with no modern facilities. No such thing as pipes, water or sewage disposal is known there. There's no hydro, no basements in their homes that are occupied and very inadequate heating. Conditions are described as being very bad and showed a great need for better housing, and where else, if a program of improved housing is to be instituted, could a first start be made to better advantage than say in these very communities.

The survey shows that in one community, 329 people share 52 log and mud dwellings, mostly one and two rooms. Several families who have 7 to 10 children share two rooms. We are preparing to celebrate the 100th Anniversary of this country - Canada. We feel that we have progressed in many ways, that we are a very modern nation, but when you look at these facts we can't but feel that Canada is not as modern in many ways as it would wish to be or progressive, that in effect it could be described as a developing nation or as an emerging in places like Africa. We are by no means an emerged or developed nation.

In another community it is said that 9 families with 34 children are homeless - without homes - they are dependent upon the goodwill and the charity of others. And it says here in this report which the Community Welfare Planning Council submits, it says that these are the same conditions that exist everywhere. There are two points emphasized, the two needs. In the first place, the establishment of a provincial housing corporation which will finance housing to low income groups such as these who live in these log and mud huts in Manitoba, this modern province in a modern country. In the second place, the necessary money should or could be provided to develop a low rental housing program according to the real needs of these families, and if a housing project is to be entered into, then these should certainly be among the first to be given some consideration.

It is also urged in this brief that a pilot housing project be started immediately, and I don't imagine that immediately could possibly be too soon, particularly with the death rate if it is correct as listed. The death rate among Indians, and I suppose we could say Metis as well, is 62 per 1,000 live births as compared to 25 among what are called other Canadians.

It was resolved, according to this brief, that the representatives of the ten associations prepare a statement and make arrangements to meet with the provincial Cabinet. I don't know whether that has been done or not. It may have been done and it's possible that something in this proposed bill may have been the result of some such meeting. And it was resolved that further publicity be given to the poor housing conditions of the Metis, and motion pictures and slides, it was suggested, would show effectively the difficulties and the results of living in such poor housing, lacking a visit, a personal visit on the part of responsible government people, to see individually and personally what the conditions are.

It was urged upon the provincial and federal departments that various agencies could take part in a publicity campaign to let it be known that conditions such as these that have been described in the brief exist in this enlightened province, a province that itself is soon preparing to celebrate one hundred years of existence. A study is suggested, and urged, that action be taken by all who feel that they have a concern about these conditions and have a concern generally for the less than poor areas where people are compelled to carry on an existence. Thank you, Mr. Speaker.

MR. SPEAKER: Are you ready for the question? The Honourable the Minister of Municipal Affairs.

HON. THELMA FORBES (Minister of Urban Development and Municipal Affairs)

(Cypress): Mr. Speaker, I would like to thank the honourable members who have taken part in the debate. I have received many helpful suggestions and certainly will give them consideration, and I would like to try to attempt some of the questions which have been presented to me.

The Honourable Member for Assiniboia started the debate on this particular bill and I did like when he said that he thought that this was probably the most important piece of legislation before the House, because I, too, think that this is one of the most important pieces of



(MRS. FORBES cont'd).... legislation and I hope, and have great hopes, that it will bring much needed housing in the Province of Manitoba. However, he does say that he is worried that the proposed corporation may delay in providing public housing and urban renewal. At present, all applications for urban renewal or public housing must go to the present Manitoba Housing Commission and the recommendations of this commission must be given before the Minister considers any application.

Now, under our new Act the duties of this present commission will be assumed by the new Manitoba Housing and Renewal Corporation, so there is not an additional step but rather the one is just taking over the duties of the former commission. So I do not see where there will be any delay. The corporation will be providing the administrative staff necessary to carry out the working relationship between the three partners that will be in this relationship, the Federal Government represented by CMHC, the Provincial Government represented by the Corporation, and the municipality represented by a department of the municipality or a housing and renewal authority.

Now this proposed corporation will not upset the function of any municipality where the municipality has the necessary staff to do its own work such as the City of Winnipeg has today. It wouldn't be impossible, nor is it the intent of this Act, that the corporation would acquire sufficient staff to carry out all the functions necessary. Rather than that, the present staff of any of the municipalities which have staff and consultants, they will continue to do the work as presently is the case but the new Act will enable the province to provide the necessary technical and administrative assistance for municipalities with a limited staff. Now some financial cost-sharing will have to be worked out between these in this particular case. The new Act too, of course, will allow the government to move into local districts, Local Government Districts where the province is responsible for all finances.

Now the Honourable Member from Assiniboia says that he doesn't like this being left with municipalities. Well we feel that the initiative and the participation of a municipality in urban renewal or public housing is most desirable and it's vital. Public housing and urban renewal, in our opinion, are definitely within the jurisdiction of a municipality and municipalities should be urged to have the initiative and to provide public housing where needed; and where they do take the step to enter into such an agreement, they will be required to contribute to this program in the same proportion as the province contributes. However, as I said before, where there is no municipality in the Local Government District, this Act gives us more flexibility, more elbow room so that the province will be able to provide the necessary contributions where it is desirable without the municipality having to make their contribution.

Now the honourable member also feels, and so did some of the other members when they were speaking, that Metro is better equipped to do the work of urban renewal and public housing. Well Metro has the responsibility for the over-all planning of the Metro area for zoning and development and these are very important functions of Metro—zoning, planning and development — and to carry out these functions, it's necessary for Metro to do certain studies. Now the proposed Manitoba Housing and Renewal Corporation Act does not prohibit the Metropolitan Corporation from obtaining financial assistance from Central Mortgage and Housing for such studies because the National Housing Act does not specifically require complementary provincial legislation for the purpose of assisting municipalities to conduct special studies. And also, if you look at our own proposed Act, Bill 78, under Section 8 (3) and under Section 10, it could be interpreted that the province could assist Metro financially for any of the studies within the purposes of The Manitoba Housing and Renewal Corporation Act. However, the Act affects Metro more than any other area and therefore it must be flexible enough to — although it does affect Metro more than all the other areas, it must be flexible enough to take in the other parts of Manitoba as some of the other members, when speaking, suggested that it should do.

Federal-provincial housing and renewal projects require a working relationship between the federal and the provincial government and we feel that it's desirable that a municipality should be included in such a working relationship to ensure that the needs of that municipality are respected, and we feel too that there will be more interest if the municipal people are participating in the project, and for this reason we intend to do our best to try and encourage municipalities to participate.

So in every case, almost, there will be three parties to public housing and urban renewal projects, that is there'll be the federal, the provincial and the municipal. Metropolitan Winnipeg is not a party under present legislation nor is it proposed to be under the new legislation. However, it's a prerequisite that all housing and renewal should conform to planning regulations

(MRS. FORBES cont'd). . . . and planning of course is done by the Metropolitan Corporation. In Winnipeg, this would mean that all plans would have to conform with the requirements as set out by Metro before we would proceed.

Now the Honourable Member for Assiniboia also mentioned a Chicago project of a complete community established under their program of land assembly and urban renewal. Well I refer the honourable member to Section 1, subsection (j) of our own Act and we will see there that the proposed housing corporation will acquire land, service land, and develop a public housing project; and the balance can be left to developers, the private entrepreneurs. So public funds will be used for the first three in acquiring, servicing and developing the public housing project, but the balance could certainly - with our consultants laying the plans and suggestions - it could be given to the private developer.

Now, there has been quite a lot said about federal contribution and this contribution of 90 percent from the Federal Government for the cost of public housing. I want to correct any misapprehension here that it's a 90 percent contribution because this is, as well pointed out by the Member from Rhineland, is a 90 percent loan, and as a loan it reflects on our provincial debt. The province is limited in the debt that it can assume, so in my opinion the government is quite justified in saying that we do not have the necessary money to go ahead. This was one of the reasons why I said that it isn't initiative that we lack. We can see the need for housing, the municipal people have the initiative, the province has, but we do lack the funds.

The 90 percent also, you must remember, is only to the capital cost for public housing and this is something we should remember, because under this proposal where we get a loan of 90 percent from the federal people for the capital cost, under this same proposal the Federal Government contributes only 50 percent of the operating losses, and this is where our area of real concern is. Remember that the Federal Government will receive back that 90 percent loan with interest, so the federal contribution to any public housing or urban renewal is really only 50 percent because they share 50 percent of the operating losses and that's the contribution portion. We would prefer to see the Federal Government contribute 90 percent with the burden of the debt remaining with the Federal Government and we would like also to see the Federal subsidy increased.

Now the present housing Act provides that Central Mortgage and Housing must contribute 75 percent of the capital cost and the operating losses with the municipality accepting at least one-half of the provincial share, but under this new proposed Act we are permitted to take advantage of the 90 percent loan. This does make it easier and more flexible for us to get into housing but it doesn't make it any more palatable as far as finances are concerned. It doesn't make it any easier financially, but it merely gives us more flexibility in the program we can offer.

The mention of the 90 percent loans and the 75 percent contributions for urban renewal studies really tend to obscure the cost-sharing arrangement in other areas, and we must remember that urban renewal studies are really the smallest cost here and the 75 percent contribution therefore doesn't amount to that much, but the preparation of an urban renewal scheme and its implementation is really where the cost comes and in this area the federal contribution is only 50 percent.

The Honourable Member for Seven Oaks in his remarks, and I believe the Honourable Leader of the Opposition mentioned, that I had said there were about 40 percent of our population in need of housing. I believe this to be true from the survey that we have, and low income families are certainly prevented from renting and buying homes at the price on the market and the rents on the market, so there certainly is a great need for us to provide housing which they, within their income, are able to either rent or buy.

The Honourable Member for Rhineland doesn't share with us in this opinion but we can probably come to his suggestions here in a few minutes.

The Honourable Member from Seven Oaks also states that land costs are adding to the costs of housing and this is quite true. Land is a premium and we certainly can't afford the luxury of thinking that we can forever and ever more out, but we must face this predicament and under the present Act this could be partly solved, because by land assembly, which is possible under this Act, we could certainly help in assisting to this great cost of land. He suggested that land should be assembled now in a land bank and this suggestion is worth consideration. I think we would probably have to have some thought as to what use we were going to do with it in the very near future, but the suggestion is a good one.

I also liked this suggestion here that we are all at fault - provincially, municipally and

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(MRS. FORBES cont'd) . . . . in the public field - and I think that I wouldn't mind if he had a talk to the Honourable Member for Rhineland because his public attitude here towards housing and the necessity for it is somewhat the same as a good many people - he's not alone in this, a good many people in the province share this - and I believe we have a duty here to try and convince the people of this province, not convince them but really let them see some of these areas and I'm sure that we could change the public attitude.

It is quite true that municipalities don't like welfare people to come into it and therefore they are somewhat opposed to having public housing in their area. They don't welcome the idea of a low assessment group in their area, but I think that this is another area where we have to work on municipal people, our representatives, to try and get them to get away from this idea. The public must be encouraged and really educated to adopt a different attitude. You know, we are all, as the former Minister of Municipal Affairs said in this House, we are all products of the public schools yet somehow or other we seem to think that there is a stigma on public housing. Well there should be no more stigma on public housing than there is on the fact that we are all educated in public schools. It's true that we've used this only for senior citizens' homes, that is the limited dividend aspect of the Act, but I think that we could use this limited dividend with much more flexibility and I believe this Act will encourage this in public housing as well as for senior citizens' homes.

He asked me the question: Does the municipality have to enter into the agreement? Well if you'll notice, the wording is that it's an agreement between the Federal Government and the Provincial Government. We simply have not specified any amounts in here so that we do have the flexibility and the elbow room whereby a municipality does not have to enter into it, but it is our hope that municipalities will enter into it, and as I said at the first, I tried to stress here that it is desirable that they should, and we think vital, to give interest in that area, but where there is no municipality in the Local Government Districts, it does give us the opportunity of going in without them.

I feel that we have to give this a trial and we have to try and see how it works, try and see how many municipalities will get interested and probably we will have to make some changes, but in one year's time maybe we can see, as we talk about this again next year, to see what progress we have made here. I certainly hope that municipalities will come in and take advantage of this. Certainly we don't have the money as a province and I can't expect the municipalities to have it, so we do look to the federal people for as much assistance as possible. Remember that a municipality, when they do build a public housing unit, they will receive back, over the time, taxes, and think of all the other things that will happen in the municipality which are benefits. So I think a public housing unit pays itself off in a municipality and likewise the province does too, and certain sure the federal people through the money that it collects in taxes, in income taxes or taxes on products, and the province itself, they are paid back. So it's the operating losses which we share, the deficiencies for those who can't help themselves as well as we would like to see them, is the one area in which we help, but the capital costs are paid back through a period of time.

The honourable member mentioned that blighted areas should be cleared off and sold to industry probably. Well, I think that you'll see if you read in the Act that we could do this, but the National Housing Act does tie us to public housing in here too, so that when we do it, as I mentioned to the Member for Assiniboia, that our consultants and planners could plan that when we acquire the land, service it, and think out the portion for public housing, that the balance of it could then be developed by industry or private people. He did mention the Lord Selkirk Park and said he thought that there should be better liaison. We must remember that this was started - the first one started in the province - it was started under the earlier NHA Act and that Act has been improved since and I don't think there was as much planning in it. We know that the study wasn't as intensive as what it would be today. Indeed, CMHC would not allow anybody to proceed today without a much more intensive study and I think that a good example probably would be Areas No. 2 and 3 in Winnipeg where there is a real extensive scheme.

I'm not so sure what the Ontario Act says here but I will look this up as to whether a municipality is only picking up about five percent, and I'll give it consideration. I do like his point here where he says we are not only renewing land, but we are renewing people. I really do think this is an area where we must have social workers in before people are moved out of an area and certainly that same social service should continue afterwards in that period of adjustment. This is very vital and it's an area which gives us great concern.

(MRS. FORBES cont'd) . . . .

Now the Honourable Member for Rhineland mentioned that he didn't think it was necessary as the Federal Government were already in it. Well, I think that I should tell him that we could not have federal participation here. It needs the complementary provincial legislation to go with it and we couldn't get into the field of urban renewal or public housing without it. He read the definition of a low income family. This we took out of the National Housing Act and it generally applies to those in low income range, but the one thing you must remember here is that the rents are on a sliding scale so that there wouldn't be anybody exempted here.

He asked if farmers would qualify under this and he doesn't think they would. Well, in my opinion, a person out on the farm wouldn't have public housing. He'd want to live on his farm and he wouldn't be in an area where there would be public housing. I believe the farmer would be more interested in home ownership, but I think he meant would there be a loan available to him.

MR. FROESE: Not necessarily farmers, but farm workers as well.

MRS. FORBES: Farm workers? Well, of course I don't know whether he thinks they'd live on the farm, but if they were congregated in a town or a village or some place and went out to work on farms, then surely that municipality could get into public housing and this type of housing could be available for them.

He thinks that the corporation has wide powers, even to expropriate, and feels there's no reason for this. But if you are getting an area of land, as suggested by the Member for Assiniboia, to take a tract of land and make a complete community, or the others where you get a tract of land where you want to conduct and build public housing, it is sometimes necessary that expropriation has to take place. This isn't the nicest thing and we do have cases which we still have unresolved in this particular area, but I think these are powers that are necessary for the corporation.

I believe I have answered most of his questions. I notice that he's against it really, but I think that probably if we get the honourable member who sits behind him to work on him a little, it will help change his public attitude here that we might get somewhere in it.

I believe that the Honourable Leader of the Opposition, and I thank him for saying he will vote for it, and maybe we can answer some of his questions when we do get to the committee stage rather than taking up the time of the House here. But I would like to say that I feel within myself that this will speed up housing in Manitoba. It's my earnest desire that it does; it certainly is not our intention, or the thought behind it is not to slow it down, but as I mentioned before, we do think that the initiative should stay with the municipality but it does give us the opportunity to move if a municipality is not willing to participate and the need for public housing is evident.

The concentration of population is here in the Metro area and in the other large areas such as Brandon, but it isn't designed for them only, it's designed for all Manitoba. My honourable colleague from Churchill certainly hopes that we'll extend it to northern areas, to Churchill, and certainly Churchill is in our thoughts and I'm sure that people all over Manitoba -- the Honourable Member for Wellington suggested it should be extended into the Metis areas. This is true here too. If there ever was need for housing projects it is among these people. This is another whole field that could be covered with a lengthy discussion, but I think that probably these do answer your questions with the exception that you asked me about the composition of the board. We have not made any definite plans on this as yet. The number is no less than three, and the suggestions you have made as to what fields and area of concern they should come from will certainly be given consideration.

The Act, remember, provides for additional methods of undertaking projects; it broadens the financial provisions; and it's designed to provide more flexibility and increase the options in the field of public housing and urban renewal. I recommend this to the members of the House.

MR. MILLER: Mr. Speaker, I wonder whether the Minister would answer a question. The question of ratepayer approval, she didn't answer that at all and this is the third time that I've asked it.

MRS. FORBES: This is right. I cannot answer it directly. I must say to the honourable member that The Municipal Act is under active revision and I made the statement in the House here before that I was, along with my department, giving consideration to more elbow room in the fiscal field for municipalities. This is under consideration and that's as much as I can say here.

MR. GUTTORMSON: Mr. Speaker, would the Minister permit a question? Is there any way people living outside of organized municipalities can take advantage of this Act?

MRS. FORBES: Living - like in a Local Government District? Yes.

MR. GUTTORMSON: They can take advantage of the Act if they're living in unorganized.

MRS. FORBES: Well here if they're living in a Local Government District, the Federal Government and the Provincial Government District may enter into an agreement for a housing project in that area.

MR. GUTTORMSON: Therefore, Metis people living in unorganized can take advantage of it, is this correct?

MRS. FORBES: We would have to have an agreement. The province would have to enter into an agreement to provide housing in this Metis area that you're speaking of. In this area, I must say to you that we would want to be sure that it had an economic base whereby they could earn a living to make such a project feasible.

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

MR. SPEAKER: Do we move to 93 now?

MR. FROESE: Could we have the yeas and nays, Mr. Speaker?

MR. SPEAKER: Call in the members.

MR. LYON: Has my friend got any support for that request?

MR. FROESE: I hope I do have.

MR. SPEAKER: Call in the members.

MR. LYON: Mr. Speaker, I believe a member has to have a certain number to call the vote, and I'm merely asking if my honourable friend has sufficient members to call a division on the matter.

MR. FROESE: Mr. Speaker, if I do not have the support, that's all I can do.

MR. LYON: We now have three allies on the Social Credit side.

MR. SPEAKER: Order, please. Call in the members. For the benefit of the few honourable members that were out of the House, we are dealing with Bill 78 on page 3.

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

YEAS: Messrs. Baizley, Beard, Bjornson, Carroll, Cherniack, Clement, Cowan, Craik, Dawson, Desjardins, Dow, Doern, Einarson, Enns, Evans, Fox, Green, Guttormson, Hamilton, Harris, Hillhouse, Jeannotte, Johnson, Johnston, Kawchuk, Klym, Lissaman, Lyon, McGregor, McKellar, McKenzie, McLean, Masniuk, Miller, Molgat, Patrick, Petursson, Shoemaker, Spivak, Stanes, Steen, Tanchak, Watt, Weir, Witney and Mesdames Forbes and Morrison.

NAYS: Messrs. Campbell and Froese.

MR. CLERK: Yeas, 47; Nays, 2.

MR. SPEAKER: I declare the motion carried.

..... continued on next page

MR. SPEAKER: I take it we move up now to Bill 93. Bill 93, The Honourable for Rhineland.

MR. FROESE: Mr. Speaker, I hope the government benches are as enthusiastic by the time that I'll be finished with my contribution. --(Interjection)-- By the way I think I should make an official announcement that the Honourable Member for Fort Garry will now be my Whip.

MR. LYON: His shepherd.

MR. FROESE: Mr. Speaker, the bill that is before us is one of three other bills that more or less deal with the same situation, namely the whole Foundation Program and as such I might inform the House as well as the press - I think they gave it to understand, the newspapers, that I supported the other two bills which is not the case; I voted against them in both cases.

But, Mr. Speaker, this bill in particular deals with the Foundation Program for unitary divisions and among them with the assessment and on this point I think I should raise a matter - I've already talked on it on an earlier occasion when we discussed the estimates of the Municipal Affairs Department - and it has to do with the assessing. I just hope that the equalized assessment will not be carried on the way it has been heretofore in that municipalities or towns that have not been reassessed for a number of years will get by the way they have been heretofore because the formula that is applied in putting on the equalized assessment doesn't work and that these particular municipalities or towns are getting away almost scot-free and those areas that have been reassessed have to carry a much larger burden and I feel this is very unfair - either we make the formula work or not increase the assessments in the rural municipalities the way we have done this last few years. I feel this is a great injustice that is being done to many of the rural municipalities in that they will be carrying an unfair share or burden of the taxes as the situation is today.

Then, Mr. Speaker, in this bill we deal with the Finance Board as well and notice that they have the right to obtain data and information from municipalities and so on. The Unitary Board has to submit this budget by February 1st each year. I think this is quite early in the year. Whether our unitary boards will be able to meet this on all occasions I think is questionable.

Then too we see that the Finance Board can refer back estimates for reconsideration and vice versa because under another act, another bill, the situation seems to be reversed so that it can work both ways. I am rather intrigued why we have another set of definitions on the second last page of the bill. This deals with a separate section here and maybe that's the reason for it, but maybe the Minister could explain why this has to come about in this particular way.

Now the bill naturally deals with the foundation assessment levies, exemptions as far as farm and residential assessment is concerned, and then also mentions the 24 mills that will be levied on commercial assessment. Is this commercial mill rate of 24 mills calculated first before the 9 mill ever comes into effect on the other property? If the 24 mills on commercial assessment should be sufficient to cover the cost would there be no mills levied against the other assessment or how does this thing work? This probably might never come to question as such but just in case it did, I would like to know from the Honourable Minister what the situation would be.

Then I'd like to come to the main point about these three bills and especially this bill because under this bill the Minister made the announcement that there would be additional grants offered to the multi-district divisions and in my opinion these are far too small; and that in my opinion too the government have no right in the first place of offering these inducement grants when the referendum took place. This in my opinion is unfair, it is actually discrimination because this did not change the elementary instruction in any way; all the change that would take place is the change of administration and therefore I feel that the teacher grants that are available to the unitary divisions should also be made available to the multi-district divisions. We find that we have 19 divisions that voted themselves out and certainly the people in these areas are not second class people in any way as far as I'm concerned; they are justified and entitled to the same treatment as the people in other areas are. And certainly when the time comes that we will be dealing with this bill in committee, I intend to propose an amendment, it will naturally have to be one of those that the government could give consideration to but nevertheless I intend to bring forward an amendment at that time.

(MR. FROESE, cont'd) . . . .

I also maintain that the multi-district divisions are entitled to these increased grants or to the same grants as the other divisions because the money has already been voted. This has already taken place, this is already history. When we passed the estimates on that score, we were told that sufficient monies were in it to do just that and that the only moneys that would be required were the monies for the tax rebates. That would have to be voted later. Then too the same curriculum is being followed in these schools of the multi-district divisions as in the others schools, the same courses, and the teachers will be receiving the same salaries and naturally are also entitled to them. Certainly the 19 divisions that did not vote themselves in will have to pay as high salaries as those that voted themselves in because they of necessity must have these teachers and certainly the pupils in these divisions are entitled to the same treatment and to the same quality of instruction. And Mr. Speaker, I maintain they are getting it and by making the grants retroactive I think this is the most foolish of all. How can you argue on that basis when you make them retroactive that these other schools are getting better teaching, because at that time, January 1st, all of them were under the same administration, even as late as March 9th, and yet you're making the grants retroactive to those divisions that did not vote a certain way. I maintain the only thing that will be changed is the administration.

I might mention also in passing that when we had the division vote some 6, 7 years ago at that time only 4 divisions did not see clear to vote in the division system and at that time the government held fast and stayed put to the decision that no increases would take place. At that time there were only 4 and they could afford to stand pat and brought the people of these divisions to their knees and finally voted for the measure in order to get the same grants. Now we find we have 19 divisions and the government just cannot afford to bear the pressure and they have been relenting; but in my opinion not nearly enough. I feel that the \$300 increases to elementary teachers and the \$400 to secondary teachers is in my opinion not a compromise at all; I feel it's an insult to these people in these areas and that this government should increase the teacher grants in the multi-district divisions to the same level as that of the unitary divisions. How did they arrive at these figures of \$300 and \$400.00 I would like to know. Did they pick it out of the hat or how was it arrived at?

Then, too, Mr. Speaker, I feel that this government is robbing the people of the sales tax revenue of these 19 divisions that is rightfully theirs, that they will be contributing to the Consolidated Fund and that they should receive their just and fair share of it to meet their expenditures in the operation of their schools. This is the very purpose the tax monies are collected for, for this purpose. This is why the sales tax was first tabbed as an education tax - later on it was changed - but this was the government's intention originally that this money would be collected for the purpose of paying these enlarged grants and now they're not following through. In my opinion this is sheer hypocrisy and that these multi-district divisions should receive the same grants.

I have no way of amending this bill in the usual form because the grants when they were announced, it is not part of this bill at all. It is part of The Public Schools Act and the increases that are made are made under regulations to which we as members of this House have no way of amending and voting on it except by a resolution to consider and then it's up to the government to say whether they will consider or not and we're completely at the mercy of the Lieutenant-Governor-in-Council, of Cabinet in this case. That is why I feel that the matter of grants should be part of the bill so that we as a House, as a whole, would have a voice in this matter and that it not be left up to the Lieutenant-Governor-in-Council to evade these . . . I think it's a sad state of affairs that the people of Manitoba had to vote for bureaucracy and state control in order to draw the higher grants. Just imagine, a bonus, a premium, to destroy democracy, the public school system of our province! I really don't know how a group of intelligent people as we have on the government side of the House would come to conclusions such as these and that they would impose measures of this type. Then, too, we find the Teachers Society as well endorsing it and I would like to know from them how can they justify paying higher grants for certain teachers and lower ones to others. I think the MTS is very foolish to support such discrimination of behalf of their members. After all the teachers in the 19 divisions are performing the same work and the same quality of work as those in the other areas and I think in some cases better work; because I feel that in many of the 19 divisions we have better qualified teachers than they have in some of the other areas.

Mr. Speaker, my assumptions that I drew prior to the March 10th referendum on the whole matter have proven to be correct and have been confirmed in so many occasions. I

(MR. FROESE, cont'd) . . . . . oppose the bill on several scores: one on the grounds of centralization; secondly on the loss of control of the people over the elementary schools; and then thirdly of the vesting of powers in the provincial finance board. And these have been borne out in the legislation that we received since, and certainly, Mr. Speaker, I cannot vote for this bill. I've already stated that I did not approve of the bills 89 and 96 either and that I will have some further comments to make when we get into Committee of the Whole.

MR. JOHNSON: Mr. Speaker, if there's no further debate or no one else wishing to speak at this time I'd like to close the debate on Bill 93. Well it seems that we're winding up in the second reading of the third of the companion bills which translate into legislation the results of the White Paper and the government's intent as announced last January and it seems that we're ending on much the same note as we started, with my honourable friend from Rhineland smelling, as he sees it, the sweet fruits of 19 divisions still outside the plan: But let me tell him that the 14 divisions which came in must be considered a victory in the sense that this is the biggest advance forward for some time in the Province of Manitoba. When I hear someone say something from opposite benches I know how long they did not promote the secondary school plan when they were in office back in the old days.

But I think that if I live long enough and my honourable colleague from Rhineland can be here long enough too, and we'll keep the tracer on and I think that between us some day we'll come to a meeting of minds, because while he talks of the government's program a few years back when the high school secondary divisions were rejected initially in his area, his people have as we know come around to the belief that they now are a division, they voted for it, they're enjoying a much improved educational system in Winkler and throughout his constituency. I'm just sorry that he couldn't see this program as benefitting his people because he's in a particular area of the province where equalized assessments gone up approximately 100 percent in some of those areas this year as I understand it, and he talks of all this, of centralization, loss of control, vesting of powers in the finance board. I would point out to him as I've said in the companion bills that the finance board's responsibility is the administration of the Foundation Program and the other matters are left up to the board; they're there to carry out a businesslike operation. After all the province is under this pooling arrangement, paying 65 percent of the cost of this program, the Foundation Program's content remains with the Minister, the regulations governing this remain with the Minister where he can get at me.

And for centralization and loss of control, I just want to tell my honourable friend that I believe as sincerely as he does not believe that unitary divisions lead to decentralization and more control at the local level out of the Minister's office. This is true, because when you have a superintendent, supervisors of music and other matters in those small divisions which you're blessed with, you would have a first class system down there and I'm sorry . . .

MR. FROESE: . . . talking about administration; that's all it was all about.

MR. JOHNSON: About what?

MR. FROESE: . . . was administration. That's the only thing that was changed.

MR. JOHNSON: You were talking centralization. I know what was said down in your area during that campaign, I have the literature for posterity and I'm sorry that the message didn't get through to your area but I hope that in the coming months and years that with fuller understanding of the program, the people will be able to re-examine their position because I believe in the educational soundness of this new program. The honourable member diverted into this so I feel that I just want to retaliate and give the other side of the picture down there.

It's no intent of bringing people to their knees in that sense; the extension of further aid to the other divisions is a matter of judgment. We want to maintain the goodwill of these people, gain their understanding, to assist them in understanding this new program and over a vast part of the province obviously more work has to be done. I feel that this is that matter of judgment. As we said, it may have seemed premature to give it at this time but the budgets have to be built up, we felt this was the time to do it in the current year -- that will be of some assistance to them this year.

The honourable member wonders why we go back to January 1st. Well the school fiscal year is January 1st and this was part of the whole plan, that those who voted in this year would be able to -- many of the systems had some of the teachers over and above grants -- got ahead of the Foundation Program, that it would help them in the current year with their current situation, and that is why it goes back to January 1st.

The honourable member talks about -- just one thing when I get off the principle of a



(MR. JOHNSON, cont'd) . . . . thing, is a man so well versed in economics and banking and what have you as the Honourable Member from Rhineland, I think should, especially with the pattern as has been developed similarly in the two provinces of Alberta and British Columbia, that I would be most grateful to him if he consulted with the Ministers of Education in those provinces who I think will tell him the same things that I'm trying to say to him tonight, that educational advance is predicated on the type of administrative system we're recommending to the province today. One only has to read the Economic Council of Canada reports, etc., to realize the challenge before all of us in this House and in the province in upgrading and modernizing our educational system. And it doesn't mean more centralization; it doesn't mean loss of control; it doesn't mean the vesting of unusual powers.

Now to get back to some of the other matters raised by some of the members. The Member from Rhineland mentioned definitions. I believe these definitions in the last two pages are standard definitions but I'd be glad to deal with them in any detail he may wish at the Law Amendment stage.

Now some of the other matters raised during the debate on this bill: The Member from Seven Oaks spoke of the advisability of changing the fiscal year. This, I'm sure, with his wide experience in municipal affairs he'd realize should be a joint municipal school thing. There was a time, as he may know, in the history of the province when the school districts - when they were smaller there were many hundreds of them if not a couple of thousand - they used to operate on the old school year but finally the municipalities got together under the present scheme.

This is a matter which we hope to look at in the coming year. I've had discussions with the administration and as the regulations are developed on this I think in the current year we'd like to have - for lack of better terminology - a dry run within the regulations spelling out the manner in which we hope to pay the divisions in the first year and to look at this entire problem in the future. There's nothing in regulations, I don't believe, that prevents a government from announcing increased grants possibly in time for budgets to be properly set, but as you know, very often changes in policy, as he says, come about during the Session and in my short time here we've gone into this a few times. This streamlining is something that may well be looked at. In preliminary discussions on this matter with my people, there are advantages and disadvantages to be looked at.

The Honourable Member from Turtle River mentioned that careful consideration might be given to the problems facing the non-unitary divisions. This is something we'd like to examine closely in the coming months.

MR. PAULLEY: Mr. Speaker, I don't want to interrupt my honourable friend, but might I ask the question of the government if it is their intention to go beyond the 10:00 o'clock closing hour for tonight. I understood that when the Honourable the House Leader was speaking yesterday he thought that the speed-up resolution would not be invoked today and then there was a tacit agreement that we would meet this evening, and I'm wondering whether or not that agreement, in essence, meant that we would finish at 10:00 o'clock rather than go on. We've had a long long day today and I just raise this point. I hate to interrupt my honourable friend, I think he's making a pretty good defence of his position, but I just wonder whether we could have an indication as to whether or not on the completion of my honourable friend's presentation the House may adjourn, or what my honourable friend, the House Leader at the present time, has in mind for the proceedings of the House.

MR. LYON: Perhaps when my honourable friend the Minister finishes his speech we could talk about this a bit more, but it would be our intention, if possible, to try to clean up this bill and the other bills, if possible, that are on for second reading, to get them into Committee for tomorrow morning. There are also four education bills in Committee of the Whole which are rather urgent, and if it's not pressing too much we would like to get around to them as well.

MR. PAULLEY: Do I take it then, Mr. Speaker, on the point of privilege or whatever the dickens it is at this time, do I take it then from the Honourable the Leader of the House that after the Honourable Minister has finished we'll go into Committee of the Whole and we may be here until the wee small hours of the morning, or is my honourable friend prepared to suggest at this time a deadline when we might rise. We have to be back here at 9:30 tomorrow morning for Law Amendments Committee. The Leader of the New Democratic Party does not want to have to, at least at this stage, bring out his toque and go to sleep once again. I'm wondering whether the Honourable the Leader of the House can give us some

(MR. PAULLEY, cont'd) . . . . concrete indication of when we might rise tonight.

MR. LYON: I hate to interrupt my honourable friend in mid-sentence and we can deal with this after, but I would suggest that we try to press on and make such progress as we can on second readings and then move into the committee and deal with the four education bills, and then rise at what I hope would be a reasonable hour.

MR. PAULLEY: 2 or 3 or something of that nature? I'm sorry, I make my apologies, Mr. Speaker, to the Honourable the Minister of Education.

MR. JOHNSON: Thank you, Mr. Speaker. Just to finish up on some of the comments I had, the Leader of the Opposition gave the example of the 34 mill rate in Winnipeg last year for example on a \$3,000 dwelling where he said that with the rebate last year over this year, there was a small differential. We said throughout the time of the White Paper that houses in that particular category, around three to four thousand, tenants possibly would be paying, we thought, a dollar or two more and some of them breaking even. The Leader of the Opposition didn't follow that argument through. With no assistance this year, even with the rebate, for example a 10 mill increase should it have occurred at the school level without any more grants which would have say been a reasonable figure, then of course the person would be paying more than they are paying this year, because with the 22 mills they will be paying under the present formula this year, if it was 22 mills in Winnipeg, total around \$66.00, and the 44 mills one can see, even with the rebate, would have been approximately the same figure. So generally speaking, we've always recognized the fact that at this particular assessment of around \$3,000 the saving to the individual taxpayer is not that marked and it may be a dollar or two more they would be paying.

I note that he agreed that shelter is shelter and wondered whether a statement from the apartment block owners had been received to the effect that they would keep their rents down. I did happen to find a release that was brought to my attention from the President of the Building Managers Association of Greater Winnipeg - I can't verify to this, it's just a statement that was apparently made to the press at the end of March - and all I know about it is it says the consensus of opinion of the members of the special meeting of the Building Managers Association was that the tax relief now proposed would enable most landlords to hold the line on rentals this year in spite of the substantial municipal and metro tax increases to be imposed in most areas. That would seem to indicate that the people who operate and rent these blocks would recognize the fact that apartment blocks are included in the definition of shelter.

The member from Emerson spoke about political reverse of a policy over the years back. Well I've dealt with this particular matter and I definitely feel that these three bills as translated into legislation do carry out the promise and intent of the government as expressed in the White Paper as ably as can be done. I would hope that if there are any particular matters which are bothering honourable members, that we could deal with these at the Law Amendment stage where I could have some of the assistance of my more legally and administratively-inclined personnel to assist us. Thank you, Mr. Speaker.

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

MR. LYON: This is a very important bill and I wonder if we might have yeas and nays on it please.

MR. SPEAKER: Call in the members.

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

YEAS: Messrs, Baizley, Beard, Bjornson, Campbell, Carroll, Cherniack, Clement, Cowan, Craik, Dawson, Desjardins, Dow, Doern, Einarson, Enns, Evans, Fox, Green, Guttormson, Hamilton, Hanuschak, Harris, Hillhouse, Jeannotte, Johnson, Johnston, Kawchuk, Klym, Lissaman, Lyon, McGregor, McKellar, McKenzie, McLean, Masniuk, Miller, Molgat, Patrick, Paulley, Petursson, Shoemaker, Spivak, Stanes, Steen, Tanchak, Watt, Weir, Witney, and Mesdames Forbes and Morrison.

NAYS: Mr. Froese.

MR. CLERK: Yeas, 50; Nays, 1.

MR. SPEAKER: I declare the motion carried. Bill No. 102. The Honourable Member for Gladstone.

MR. NELSON SHOEMAKER (Gladstone): Mr. Speaker, I want to at this time compliment my honourable friend on introducing this bill. I still take the position that it would not have been introduced at all if it had not been for me bringing in Bill 100 last year and the resolution that I have on the Order Paper at the present time, and I think that up to now I am the only person who has spoken on it. The Honourable Member for Lac du Bonnet intends to close the debate --

(MR. SHOEMAKER, cont'd) . . . . not close it, speak on it some day in the near distant future, but everyone that has spoken on Bill 102, including the Minister that moved it, has indicated that something has to be done to encourage doctors in numbers that are required to settle in the rural areas. When my honourable friend was speaking to Bill 68 the other day he said that doctors liked to work in groups. Bill 102, as I see it, makes it possible for hospital districts to build clinics and to levy over the whole area, the whole hospital area, to pay for the clinics.

I believe that three areas already have indicated that they intend to act immediately that this bill receives Royal Assent. I believe that Neepawa -- well I know Neepawa intends to immediately make use of it; I believe that Riverton intends to make use of the Bill; and I believe Ethelbert Plains intends to build a clinic under the provisions set out in the bill.

And so, Mr. Speaker, this proves that the bill was long overdue; it should have been brought in two or three years ago. I welcome it at this time and I want to compliment my honourable friend in conceding to the request that I made a year ago, even though it is a year late. I asked him a year ago when he turned down Bill 100 to suggest some alternatives; it has taken him a year to produce some alternatives and I want to thank him for bringing 102 forward at this time.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Ethelbert Plains.

MR. MICHAEL KAWCHUK (Ethelbert Plains): Mr. Speaker, I will not be very lengthy in my remarks here tonight. However, there is a comment or two I want to make with respect to the establishment of a potential medical clinic in the village of Ethelbert. I would like to bring to the attention, Mr. Speaker, of this House, that some time, approximately a year ago, there was a visit made by one of the Cabinet Ministers to the community of Ethelbert, at which time there were some arrangements made which, as a result of those arrangements, a committee was formed to look into the possibility of constructing a medical clinic with the understanding that there would be grants forthcoming from the provincial and federal governments under the Manitoba Hospital Commission. As is well known, Bill 102 has some shortcomings in that respect, in fact if I can just quote the remarks made by the Honourable the Minister of Health in introducing Bill 102 for second reading: "The medical service units are being in the Act declared as not being hospitals for purposes of the Act, which mean that they will not benefit from grants from the Hospital Services and Diagnostic Insurance Act of the Federal Government and of the Provincial Government".

Mr. Speaker, this community has went ahead on the understanding given by this government and has now constructed a Doctor's residence as well as obtained a Doctor to serve in this clinic which was to be constructed after this legislation was made available, and I must at this time express my disappointment in some of the shortcomings of this bill. It might be further pointed out that members of the Manitoba Hospital Commission had visited Ethelbert in the month of July, 1966. Plans for this clinic have been made and submitted to the Manitoba Hospital Commission and returned to this committee for approval, and now are just pending the legislation to come into force. I'm just not too sure what the Honourable Minister, the Provincial Secretary will have to submit during this debate because I'm sure he'll want to participate, as I understand he was one of the members who was present at this meeting in Ethelbert last April, and if I may just remind him of some of the comments that he made in a letter of April 18th - I'm sure he will appreciate that because he will not want to make any statements for which he might be sorry at a future date - and this letter, Mr. Speaker, is addressed to Isodore Seniuk, Committee Chairman, dated April 18th, 1966.

I have a few excerpts here from this letter - apparently it's a lengthy letter - I got this via the telephone so it's certainly not complete. In paragraph 3, "The Province of Manitoba through the Department of Health is prepared to participate in the establishment of a Doctor's Clinic in Ethelbert. The province is further prepared to seek one-third of the cost from the Federal Government." In paragraph 5, "I cannot emphasize too strongly that in all stages of the proposal that close consultation must be maintained with the Manitoba Hospital Commission and the Minister of Health to ensure that the proposal is carried out according to the approval of principles established by Cabinet." And in paragraph 6, "I further point out, as I did at the meeting" - and this meeting apparently took place on April 9th - "that this plan would require the establishment of an incorporate body under the provisions of The Health Services Act for the purpose of administrating the proposed Doctors' Clinic."

If I might just add again, Mr. Speaker, that as a result of these negotiations the

(MR. KAWCHUK, cont'd) . . . . committee has now constructed a residence, has procured a doctor into the area on August 1st last, and because of the undue delay of this government in introducing this legislation, this community has now lost the services of this doctor.

If I may just add in closing, I'm of course sadly disappointed and I just don't know what excuse the government will have because if they want to base their explanation on the fact that the people of Ethelbert perhaps didn't vote right last June 23rd, may I just bring to their attention that I think the people of Ethelbert voted very progressively on last June 23rd as they did again on March 10th on the referendum. And if they want to argue the other side, that if they're not in favour for other reasons, may I submit to the government that if there is justification in giving additional grants for the divisions who did not vote in favour of the referendum, I'm sure that on similar grounds there's equally justification of giving additional grants to these people or citizens of Ethelbert for the construction of this promised Doctors' Clinic.

MR. BEN HANUSCHAK (Burrows): Mr. Speaker, in considering Bill 102, one cannot divorce himself from giving some thought to Bill 68 dealing with the medicare program that the government proposes to introduce to the Province of Manitoba. It rather disturbs me, Mr. Speaker, to think that this government would introduce a bill of this type after having said what it had said in the debate that we had heard a day or two ago related to Bill 68. We heard from the government side, comment about the lack of doctors, lack of medical facilities; we heard concern expressed by the Honourable the Minister of Health himself about the need to develop a favourable climate to attract doctors into rural Manitoba, and in the process of cultivating a favourable climate he mentioned three points, that there must be the economic, the professional and the social incentives to attract doctors into rural Manitoba. And then we are faced with Bill 102 which rejects a principle which the government at one time had accepted, and that is to assist in the establishment of medical clinics in Manitoba wherever there may be a need to establish such, and allow the municipalities or the hospital districts to go it alone as it were.

Now I would suggest to you, Mr. Speaker, that there is need for the establishment of medical clinics better geared to serve the needs of the consumers in all parts of Manitoba, both rural and urban. I would not for one moment think, Mr. Speaker, that we in the City of Winnipeg have the best of medical services at the disposal of the people of Manitoba. I feel that there is need for improvement within our own city; there is need for improvement in other parts of Manitoba.

Now it was also interesting to note, Mr. Speaker, that there was tremendous concern expressed by the government in a sense expressing their approval to Bill 68 and yet in the same breath expressing words of caution, that let's be careful about this thing because after all look at the line-ups of people at the hospital doors in England, as I believe the Minister of Education had stated. And the Honourable Member for Brandon mentioned, let's be careful of how much we are prepared to pay for medical care; we should limit this only to cases of extreme need and so forth.

It's strange, Mr. Speaker, that nobody on the government side gave one moment's consideration to the fact that the majority of the patients, the majority of the people that are in need of receipt of medical care are in need of a type of care that can be offered in a doctor's office, that can be offered in a properly equipped doctor's office, that can be offered in a medical office wherein all the necessary facilities and services are available. It makes one wonder, Mr. Speaker, just how sincere the government is when it states its desire to provide the people of Manitoba with an adequate medicare program when it is not in the least bit concerned about the provision of this very type of service which affects far more people than are affected by hospital facilities, because I am sure, Mr. Speaker, that there are many many more people in this province who find need to visit a doctor than there are of those who eventually find it necessary to be admitted to the hospitals for the type of treatment that can be available only there.

Therefore, Mr. Speaker, I would suggest to you that this government should have in Bill 102 - in dealing with Medical Service Clinics - should have proposed another form of providing this type of service to the people of Manitoba wherever there may be need for such, and I am referring particularly to the type of service that is quite prevalent in the Province of Saskatchewan at the present time, and certainly Saskatchewan is not the birthplace of it, it originated in other parts of this world. It has been common in many parts of the United States for a good many years; it was quite successful in Sault Ste. Marie in Ontario, and I am now referring specifically to the community health clinic, a type of clinic in which both the offerer

(MR. HANUSCHAK, cont'd) . . . . of the medical services - that is the medical practitioner - and the consumer participate, and the two participate in this way, Mr. Speaker. The consumers, or those consumers who wish to group themselves into one group, whether it be people of one community or people of one area of occupation or whatever it may be, pool their resources by way of purchase of shares in the organization, purchase of debentures, and what have you, and establish a medical health clinic, a medical health clinic equipped to the extent to which they wish to have it equipped.

In other words, they may equip it with all the physical facilities that they wish to have there by way of lab facilities, X-ray and so forth; they will equip it with all the staff that they feel necessary to have within that clinic; they will equip it with all the paramedical staff that they feel it is necessary to have there; they will equip it with staff, for example, such as social workers which is not at all uncommon in some of these community health clinics where it is felt that there are patients who, because of not knowing whom to turn to, go to a doctor, but the doctor eventually finds that really the best person to deal with their particular case is really a social worker and not a doctor. It may be a domestic problem that they have within their family or what have you, and this is quite common in the cases of retired people living with their sons, daughters, in-laws and what have you.

In other words this community, or this group of consumers, can plan and decide on what services it wishes to obtain. After having done that, Mr. Speaker, it then proceeds to hire a team of doctors, and the way in which this is commonly done is that these facilities, the physical facilities and staff, are rented out to a group of doctors and the group of doctors of course work as a team. There is someone within the group who is responsible for recruiting the team that works with him, and he and the consumers involved in establishing this clinic determine the types of specialists that they wish to have operating within there. This team of doctors pays the clinic a monthly rental fee to cover all of the services that they obtain from the clinic, that is to cover the expenses of providing the physical facilities as well as the staff facilities that go with it.

This type of service, Mr. Speaker, as I mentioned before, had developed in the United States. It had its origins as far as I know in the State of Oklahoma; it has spread into other cities in the western United States. Today in the city of Sault Ste. Marie in Ontario it has developed into a very successful operation involving some 20,000 or more families who are the beneficiaries of medical services offered by a staff of some 20 or 25 doctors, each of them a specialist in his own field, but, in turn, all of them working as a team.

Now this I would suggest to you, Mr. Speaker, is -- I'm not saying that this is the answer, that this is the answer to the lack of medical clinics in all parts of Manitoba, because I do agree, I do agree with what the Honourable Member for Ethelbert had said and what others had said, that there is need for government assistance to establish medical clinics in many parts of Manitoba; but what I am suggesting is that even in areas such as Winnipeg, Brandon, Dauphin, and other more heavily concentrated areas, this type of medical clinic should be encouraged, and when I say it should be encouraged, I note that in the Province of Saskatchewan there is a piece of legislation known as the Mutual Medical and Hospital Benefit Associations Act. I don't know how long it has been on the statute books, Mr. Speaker, but I note that it is still in force and has not been repealed. Therefore, Mr. Speaker, I would suggest to you that this government do give some consideration to encouraging this type of medical service to be made available to the people of Manitoba.

Now a clinic of this type has four main purposes. (1) It is capable of providing modern diagnostic and treatment facilities for lease to physicians interested in group practice. And this, Mr. Speaker, I suggest to you is the answer to the problem that the Honourable the Minister of Health himself had mentioned in this House not too long ago that prevails in this province. In other words, it enables a medical graduate, trained and skilled in the practice of medicine, to offer himself to the use of his community with nothing more than his training and his skill, without having to put forth any capital investment which at the present time is necessary, which many of the members on the government side had admitted themselves, which the Honourable Member for Souris-Lansdowne had admitted that it is a very costly operation for a doctor to establish himself in rural Manitoba because of the high expenditure for the equipment that he needs.

This type of clinic also provides out-patient diagnostic facilities. It fosters health care through preventive and an educational program, and in this type of structure, Mr. Speaker, a preventative and educational program can be arranged by mutual agreement between the

(MR. HANUSCHAK, cont'd) . . . . consumers and the doctors. This has been done and statistics have proven, Mr. Speaker, that in one community in Canada wherein this type of structure has been in existence for quite some time - which I had mentioned before, Sault Ste. Marie - the number of patients admitted to hospitals and their average stay in hospitals has decreased by some 30 percent because of a successful educational and preventative medical program. And fourthly, the fourth purpose of an association of this type is to encourage a comprehensive, publicly financed health program which could, by choice of those people involved in that particular clinic, include whatever health services they wished to include in it and wish to participate in the payment for.

Now this, Mr. Speaker, is one type of medical service that I regret to say the Honourable Minister of Health has overlooked in presenting Bill 102 to this House, and I feel that he should have. If he is going to disqualify the medical clinics from qualifying from any grants from the province as he has mentioned to this House in introducing this Bill, and if he is at all sincere about seeing the medicare program succeeding in the Province of Manitoba, I suggest to you that he ought to have given some consideration and included this type of alternative program to those people of Manitoba who wish to avail themselves of it and thus make greater use of the medicare program that he offers us, or proposes to offer us, rather than simply saying to the people of Manitoba that the medical clinics will have to go it alone by a municipal hospital levy or what have you, but that there will be no further assistance from the provincial government.

MR. FROESE: Mr. Speaker, I'll be very brief. All I want to do is congratulate the Honourable Member for Gladstone - and he's not in his seat at the moment - on getting his wishes or his dreams come true in that they will now be able to bring about a clinic in his area.

On the other hand, I would like to ask the Honourable the Minister of Health whether this legislation is at all needed now that medicare will come in. Under medicare, the province will be obligated to bring about the facilities for these services, if I understand it correctly, and I would like to ask him whether this is not true.

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

MR. SPEAKER: Bill No. 105. The Honourable the Member for Selkirk.

MR. HILLHOUSE: Mr. Speaker, are we conscious of the fact that the head can only absorb what the seat can endure?

I adjourned this debate, Mr. Speaker, in the hope that I would get certain information before speaking on it, but owing to the lateness of the evening and owing to the fact that I had not got that information and the only way that I can get that information is by an Order for Return, I intend to vote for this bill on second reading.

What I wanted to do, had I got the necessary information, was to submit a proposal to the government in respect of some of our civil servants who retired from service a number of years ago. I had in mind three different categories, those that retired before 1951, those that retired between 1951 and 1956, and those that retired between 1956 and 1961. It was my hope from the information that I would get that I would have sufficient information in which to make a concrete proposal to the government regarding increases to be granted in respect of these three categories, but until such time as I obtain the necessary information, I think that it would be futile to make the suggestion before being able to tell the government what the increases would cost.

So for that reason, Mr. Speaker, I intend to vote for second reading of this bill, file an Order for Return, and renew my application at some future date.

MR. SPEAKER: Are you ready for the question? The Honourable Leader of the Opposition.

MR. MOLGAT: When we were discussing this bill in the committee stage I asked the Minister about this very question that my colleague the Member for Selkirk has brought up, and I was hopeful that the Minister would be able to provide us with some information, if not on second reading then when we reached the Law Amendments stage. I think that this is in fact a very serious problem as there are a large number of retired civil servants now, not only those who were directly on the staff of the government as such but also those who were on staff of other agencies like the Manitoba Hydro and the Manitoba Telephone System, whom I understand are living on very low pensions due to the fact that at the time of their retirement they were on a much lower salary scale than today and that there have been no increases. Now I would hope that when we get into committee the Minister can give us some information

(MR. MOLGAT cont'd.) . . . . on this and satisfy the request of my colleague the member for Selkirk and myself. This is a serious problem and one that we should be looking at at the same time as we are dealing with the bill.

I wonder specifically as well, Mr. Speaker, whether the Minister could clarify in the bill itself where there is provision for early retirement, that is from age 55 on, is this understood to be strictly at the option of the employee or can the government decide to make an early retirement of an employee and in that way get rid of them. I would hope that the intention is that it would be at the option of the employee only and will not be used as a method whereby to dispose of people. If employees are not satisfactory, they should simply be fired. I don't think there should be a pension plan as a device to provide for this.

MR. PAULLEY: Mr. Speaker, I'd just like to say a word or two in connection with this bill dealing with superannuations and pensions. I'm sure, as the Minister knows, that I already have an Order for Return in and that I'm awaiting the information which deals with the question of the amounts of pensions being paid at the present time to our civil servants. I had hoped that my honourable friend the Provincial Secretary would have given us this information before we came to the consideration of this bill. I think it is most important. The whole field of pensions is one that I feel that has to be given, and is being given in some quarters, very serious consideration, but I sometimes wonder, Mr. Speaker, whether the government of the Province of Manitoba is giving the matter the serious consideration that the matter warrants.

It is historical, I think, that members of the civil service, be it at the provincial, federal or municipal or even school board level, has historically paid lesser amounts in wages and remuneration than industry generally. I'm sure my honourable friend the Provincial Secretary is well aware of my interest in the amount of salaries for our civil servants, and even today I asked him the question as to how far negotiations have progressed between the Civil Service of Manitoba and the government in respect of wages. I frankly confess that there has been a little bit different approach in the last three or four years in the relationship between civil servants and governments in their attitude to their employees than prevailed before, and I think I need not only use the phrase civil servants because governments, generally speaking, at all levels today feel that those that render service to them are their servants rather than being on the same par as employees in industry generally. It is for this reason of course that I constantly ask my honourable friend in respect of negotiations.

But I am concerned primarily with the people who have rendered invaluable service to the Province of Manitoba in the past and who during the period of their service had no recourse to any type of negotiations other than by sufferance between the employer, or the government and themselves. I appreciate very much that in the last couple of years that there has been established, by statute, machinery for consideration of grievances, for consideration of wage rates, salary rates, etc., but this, Mr. Speaker, I suggest has only been within the last relatively few years and that there are a considerable number of employees, or former employees I should say, of public service who are now receiving pensions based on the inadequate salaries of previous years.

It's my understanding that, in the federal field, consideration has been given to this factor and that consideration has been given to increase their pensions, and I'm asking the Honourable the Provincial Secretary, who is charged with the responsibility of The Civil Service Act and the Civil Service Superannuation Fund, to give consideration to raising the pensions to those who gave such valuable service in days gone by. Now it's my understanding, Mr. Speaker, that there is within the fund at the present time ample money to do this without detriment to the fund itself or to present or future employees.

I also want to say to my honourable friend the Provincial Secretary that if we are considering a change in the superannuation or the pension fund, that he should undertake consideration for the widows of former employees or widowers of former employees to raise at least to half of the pensions that the former employees have on their deceased. I don't think that this is a feature at the present time in respect of employees who formerly gave service to the Province of Manitoba. Now this I think can be done.

While I appreciate very much, Mr. Speaker, that the Minister in Bill 105 is giving some consideration to the pension of an employee that happens to die or those who are left behind at the age of 60 so that this will be taken into consideration, and I appreciate very much that there are other features in the bill that are progressive, I say that the bill still lacks many of the requirements and many of the features that are at present encompassed in pension schemes. It seems to me that the Minister should take a close look at the pension schemes of the Canadian

(MR. PAULLEY cont'd.) . . . . National Railroad, the Air Canada, whose provisions are far more equitable than that under the superannuation plan of the Province of Manitoba.

Then of course there is the full question of portability of pensions that has not been faced up to by this government. I appreciate very much that the previous Provincial Secretary said that this matter was under consideration and he couldn't make very much headway in the field. I appreciate that possibly the present Provincial Secretary feels that he can't make any headway, but surely to goodness, Mr. Speaker, headway can be made and should be made. There are pieces of legislation that are being proposed at the federal level in connection with superannuation funds and the freezing of the same thereof which might be prejudicial to employees, and I want to appeal to my friend the Honourable the Provincial Secretary to give more consideration to the previous employees of the Civil Service of Manitoba. And, Mr. Speaker, when I'm talking of Civil Service, I don't mean simply those who have been working for the inner Civil Service, I mean those that have been working for our utilities, the Hydro, the Telephones, and other spheres of activity as well.

And in particular, may I say to my honourable friend the Provincial Secretary, I am receiving more and more complaints in respect of those people who previously worked for the likes of the Winnipeg Electric Company which of course was absorbed into Manitoba Hydro. In this area, many of the people who had rendered invaluable service to the Winnipeg Electric Company, so I am informed, that the pensions that were established under the previous scheme with Winnipeg Electric are reduced by the amount that the employees receive as the result of Canada Pensions. I think this is a violation of the principle in effect, if not in fact, of the generally understood concept of the pension provisions at the federal level.

So I appeal to my honourable friend, I haven't received my return as to the number of individuals concerned that I have requested at this time, but I want to appeal to my friend the Provincial Secretary to take under consideration these points. It is, I respectfully suggest, Mr. Speaker, quite possible for my friend to introduce amendments when this bill goes to Law Amendments Committee to make sure that there is fair treatment to many of the pensioners, and their widows or their spouses, who gave such valuable service to the Province of Manitoba at the time when the general wage rates were so much lower than they are at the present time, because this is, I respectfully suggest, a field of human endeavour that those of us who are living in a relatively prosperous time by comparison, that should be given consideration.

MR. SPEAKER: Are you ready for the question?

MR. McLEAN: Mr. Speaker, in rising to speak and close the debate on this bill, I would say again, as I think I have said on an earlier occasion, that the subject of portability is one in which my colleague the Honourable the Provincial Treasurer is seized, and I don't have any comment to offer in that regard. This whole question of raising the pensions of those who have retired earlier and perhaps are on what are now regarded as small pensions, is a difficult one and of course it's particularly difficult for me since I'm really not an expert on pension matters. I would offer this observation, however, that of course the composition of the pension, of any pension, is a combination of the factor of length of service and the salaries earned, and it is quite true that the further back that one's period of retirement goes, obviously the earnings upon which the pension is based is lower than would be the case as of today, and I suppose in many instances, indeed perhaps in most, the amount of the pension is quite low for that reason. But in addition, there is the other factor of length of service and I am certain that in many instances there are persons who have retired from the public service whose period of employment may not be as long as perhaps happens in industry generally. I think there has been a tradition to some extent in the public service of having persons taken on staff at ages which are higher or older than perhaps would be the case with the Canadian National Railways or many other employers where men frequently spend an entire lifetime.

Now I know there are some people who spend an entire lifetime in the public service, but I also know that in many instances persons are employed at ages that are beyond what perhaps employment would be offered in other industry, and I think that is as it should be. But, if one undertakes to put a floor under the pensions of persons in that category, you would probably encounter a situation where it would not be possible to employ older persons simply because of the burden that might be placed upon the pension plan under which they would benefit, so it's a complex problem. May I also say this, that the proposals, the changes which are here, arrived as the result of meetings held with representatives of all the employee groups, and I just point out that among the various proposals that they put forward - and not all of them have been acted upon in this bill - but among the proposals put forward there was no discussion, I would



(MR. McLEAN cont'd.) . . . . have to say, of this particular matter. I, however, would be certainly happy, as I indicated on an earlier occasion, to discuss this with the people, with the folks who have the expert knowledge about it, and also with the people concerned.

I am not too certain if I made my note correctly about the suggestion of the Honourable the Leader of the New Democratic Party that people in the public service are regarded as servants, perhaps in a sense that doesn't either appeal to him or to myself. I have to confess I think that idea is not valid. I don't suppose it is particularly applicable to this bill but I think there is a good relationship between government, and not only this particular government but preceding governments I am certain, and those who were engaged in the public service, and that there is really no feeling that they occupy any inferior position. I would have to say, with as much righteous indignation as I can summon up at 11 o'clock at night, that I don't think that is the case. Nor do I accept the view, the suggestion that the civil service is paid lesser remuneration than industry generally. This is a matter of opinion and a matter of judgment, and I think that with the career development program that has been developed in the past couple of years, that there are many categories, perhaps not all, but many categories in the public service where the remuneration is comparable, if not perhaps better, than would be in the case of other employment. Now there are of course so many categories of employment in the public service that you can't perhaps make a general statement that is applicable to all, and of course none of us ever hope to get as well paid as they get paid on the Canadian National Railways, but generally speaking I think that remuneration in the public service is about on a par, give or take a bit, with other employment.

The Honourable the Leader of the Official Opposition asked about this matter of early retirement and I make it quite clear that that is only at the option of the employee and there is no way in which early retirement can be brought about by the government or by the employer, and of course it always has to be remembered that there is an accompanying actuarial reduction in the pension, so that I would think that it would be perhaps only in exceptional circumstances that an employee might wish to take advantage of that provision, but in any event it's at the option of the employee only, no question in that regard.

The Honourable Leader of the Official Opposition also raised the question of the number of retired civil servants who are on low pensions and I sort of dealt with that in a general way. While acknowledging that I have no very detailed knowledge of the problem nor do I have any solution to offer but would want it to be clear that I understand the problem exists, I am not unaware of the problem, although I, as I say, do not have at this moment any solution to offer nor do I anticipate that I will have any amendments in the Law Amendments Committee that will bear on this point.

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

MR. SPEAKER: Before I move on to the next item, I wonder having done so if the Honourable Member for Winnipeg Centre would take my place for a little while. If we are going to be here till 3:00 or 4:00 o'clock in the morning, I think the exercise would do me good for a moment or two.

So we're on to Bill No. 110. The Honourable Member for Burrows.

MR. HANUSCHAK: Mr. Speaker, my only concern about this bill was that here again is evidence of lack of government concern about the matter of portability of pensions - the portability of teachers' pensions. Now this is something that the Manitoba Teachers Society has requested time and time again, and not only is it a matter requested by the Manitoba Teachers Society but the general principle of the wisdom of allowing a person to transfer, to move from one place of employment to another, from one part of a country to another, is one that is accepted by industry, it's accepted in education, it's accepted by many of the school divisions within the province of Manitoba. Now it is quite true that in some cases a teacher may be able to move from the province of Manitoba to another and not lose his pension rights; in fact continue to contribute towards the Manitoba Teachers Retirement Fund. However, I would suggest, Mr. Speaker, that not only should this cover cases of teachers on leave of absence, but it should also enable a teacher, if he should so wish, to transfer to another province and teach there for a year or two or whatever, and then if he should decide to come back to the Province of Manitoba, he should be able to bring back with him into this province the pension contributions that he had accumulated there, and similarly, any teacher coming into the province who had commenced his teaching career elsewhere, should be permitted to bring with him his pension contributions accumulated wherever they may be.

That is one of the main points, Mr. Speaker, that I would suggest to the Honourable

(MR. HANUSCHAK cont'd.) . . . . Minister, that he do take into consideration and I feel that it is regrettable that in this amendment to the Teachers' Pension Act there was absolutely no mention of the matter of portability of pensions, which is something that I feel is of benefit not only to the people in the profession of teaching but of benefit to the community at large, because no doubt it is not only the teacher who may move from one community to another in the process or in the course of his teaching career, but also the recipients of the experience of this type of individual that do stand to gain, that do stand to benefit, and with that in mind I do feel, Mr. Speaker, that some provision should be made to enable him or her to transfer his or her pension contributions with him if he should choose to move from one province to another.

MR. SPEAKER: Are you ready for the question?

MR. JOHNSON: Mr. Speaker, in closing the debate on Bill 110, I just wish to thank the members who have spoken. Generally I think the provisions are met with favour. The question of portability is one on which the Provincial Treasurer addressed himself to the House previously. This is a matter that I think in the course of time we would like to, as you know, bring into general portability provisions and general portability of pensions in the province, and he has discussed this, as I said, on a former occasion. I just say that it's an evolutionary thing which I think is highly desirable in all pension plans, and I might possibly have some more specific information at the time of Law Amendments. However, I do feel that as the Honourable Member from Burrows says, generally I think the teachers themselves have been most pleased in the last few years with the tremendous improvement in the teachers' pension provisions, and they've been developed, almost each year that I've been in as Minister further amendments have come forward, and this is really all I can say at this particular time.

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

MR. DEPUTY SPEAKER: The adjourned debate on the second reading of the proposed motion of the Honourable the Minister of Municipal Affairs. The Honourable Member for Turtle Mountain.

MR. DOW: Mr. Speaker, in looking across at the interest of the government benches I was . . .

MR. MOLGAT: . . . the honourable member he is speaking for the party and will be allowed over 40 minutes if he . . .

MR. DOW: Thank you. In looking across at the seating arrangement of the government side I had some intention of moving that we now adjourn because very little interest is being taken by the members on the government benches in regards to these bills. However, as my honourable leader says, I have 40 minutes but I can assure you I am not going to take that long. -- (Interjection -- Do you think I should?)

Mr. Speaker, the Bill 115, several amendments to the Municipal Act, again points out the fact that we are very rapidly and I would say long overdue, to have a revision of the Municipal Act before us. I was reading Hansard here just yesterday. It's at least seven years ago that the same commitment was made that the Municipal Act would be revised and brought up-to-date, and I think more and more as we see these various amendments, it comes along to my thinking that in municipal councils -- and we seem to be having some difficulties in various councils, some of them possibly the fault of council and others the fault of Secretary-Treasurers. Mr. Speaker, the saying is amongst municipal men that ashes to ashes and dust to dust, that if the Council can't do it the Secretaries must, and so we end up in some various peculiar positions because of the antique Act, that in some of the Acts that I've seen it looks more like a tattered paper puzzle than it does of a document that's valid. I heard the Minister say tonight that they were working on it but after all this is seven years and we haven't seen it. So I suggest that this particular bill has some housecleaning, that's cleaning up, and it has taken care of one or two questions that I posed before in regards to extension of budget time and so on, which I'm quite happy. But I would like the Honourable Minister just to take a quick look at Section 906 (d), and this is one of the questions, depending how you read it, as to the difficulty a council might get into in regards to how quick you read it and the interpretation and the way you put on it, and I would suggest to her that it could be punctuated possibly a little better. I know what the meaning is but I think if it was punctuated so that you wouldn't have this possible danger that councils may run into. You have the factor here of - it's in regard to removal of top soil, and I'm going to suggest that this does present quite a problem, not any more - I mean it's more valuable land in the metro areas but it does present a problem in the rural areas where your removal of gravel pits and so on, and so I would like the Minister to take a

(MR. DOW cont'd.) . . . . look at that wording. I think it can be changed to make it very definite.

So, the definitions and changes of exemptions and so on come along each year in the Municipal Act and I agree with them; they're all legitimate; but here again I think if we had a revised version of our Municipal Act we would get into quicker administration by municipal councils and I think it would be easier to administer, because, I think I mentioned this at least seven years ago, that the Municipal Act as it stands now is one of the lawyers' dreams. They love to get into it; they can spend a lot of time; and I'm sure if we had some kind of type of insurance such as Medicare for a lawyer we would be paying quite a high bill, but we haven't got it so . . . But it may be one of the suggestions that may come through a little later. So, Mr. Speaker, I intend to vote for this bill. It is a housecleaning bill in regards to most of the work in the Municipal Act.

MR. MOLGAT: Mr. Speaker, before the Minister closes the debate, in view of the fact that my colleague did not use up his full time, I felt I should . . .

MR. SPEAKER: I want to thank the Honourable Member for Turtle Mountain for his brevity.

MR. MOLGAT: I'd just like to make one suggestion, Mr. Speaker, regarding the Municipal Act. I realize that this doesn't come directly under the Minister concerned, but there is a revision of the statutes now in process and we have been waiting for some years. I don't know how long it's going to take; we weren't able to get the answer so far this session. I wonder if instead of doing it simply from the beginning of the statute through to the end and then sending it to the people concerned, whether there wouldn't be, in view of the fact that it's going to be a looseleaf operation now, wouldn't it be a sound reason for taking the priority Acts such as this one, the Municipal Act, and I submit that it is a priority Act because it is one that is being dealt with daily across the province by all of the municipal corporations pretty well, and there have been so many additions to it that I know it's difficult for them and we've seen the difficulties arise in various municipal corporations where we have been passing enabling acts here and so on, and part of it I think is the confusion in the statutes. So I would like to recommend to the Minister that she speaks to her colleague who is in charge of the revision of the statutes, and suggest that the Municipal Act should be revised first of all, that it be sent out and then the balance of the Acts at a later date. I think this would facilitate greatly the work of the municipal people in the province and save some of the embarrassment that has arisen and lead to better government.

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

MRS. FORBES: Mr. Speaker, the Honourable Member for Seven Oaks presented some questions in respect to the bill which is before us. He mentioned to us that under Section 984 (3) certain lands were exempt from local improvement taxes, and he wondered if we were taking away the powers of the City of St. Boniface and Winnipeg here. I would like to tell him that this section, under Section 984 subsection (3), certain lands were exempt from taxation except for local improvement taxes levied under Section 8 of the Municipal Act. Now this didn't apply to Winnipeg and St. Boniface because Winnipeg and St. Boniface don't levy for their local improvement taxes under Part 8; they levy by virtue of separate provisions in their own Act, and this merely brings Winnipeg and St. Boniface into line with the other municipalities. There is no change here. In fact, what we have done really is strike out the words "Part 8."

Now the honourable member also asks if the exemption, whether these will be included in the assessment rolls and the equalized assessment.

Now the exemptions referred to in the Act here are exemptions which were in the Act before. There are no new exemptions. We are merely clarifying the definitions of the existing exemptions in the Act. So under Section 984, subsection (c) the amendment merely clarifies these exemptions; there are no new ones.

Now I think that probably the honourable member is confusing Section 984 with 994, because 994 of the Act deals with equalized assessment, and there's no change and no amendments made under 994 - and you will realize that 994, dealing with equalized assessment, tells us that equalized assessment is made up of taxable assessment plus exempt assessment converted in terms of grants in lieu of taxes. For instance, the Provincial Government pays grants in lieu of taxes, the Federal Government, Hydro and so on. Now I think there's an area of confusion in here and I really believe that you are confusing Section 994, which we are not amending, and the amendments are to 984 and not 994, as I think you are probably mixing up in this question.

(MRS. FORBES cont'd.)

The honourable member also had some remarks re pensions. Now the intention of the amendment is to place the insurers and the trust company inside the ambit of this section. When the Act was passed in 1966 to provide for the integration of municipal pensions with the Canada Pension Plan, it was believed that all contracts other than those provided for under Section 381 (1) were within the Manitoba Urban Association scheme, and we realized afterwards that some schemes were in existence with private insurers and trust companies, and the purpose of this amendment is to bring these schemes within the ambit of this section.

The honourable member also asked again, and tonight - I mentioned this to him too - he wondered whether municipalities would have more freedom in financial matters. For instance, if they wanted to build a fire station, should they have to go to the people for a referendum? Now I mentioned to him tonight, and I repeat again, that the Municipal Act is under active revision and the whole question of financial responsibility and authority has and is being reviewed, and it will be dealt with in the complete revision of the Act. There are a great many other areas of course that must be considered; as the honourable member the Leader of the Opposition said tonight, that I should maybe give consideration to speaking to my honourable colleague who is entrusted with this portion, that all of these -- maybe our Act should come out first and all of these other Acts or Statutes brought in line with it.

I was rather surprised when I heard the remarks of the Honourable Member from Turtle Mountain. Very surprised. Because I think that he of all people knows that the revision of the Municipal Act is a gigantic task, and I really think that he knows that the Deputy of Municipal Affairs has been entrusted with this along with a good many other people, and it does require a tremendous amount of consultation with other departments too. I think he referred to the fact that he first heard about it seven years ago. Well, I came into the House seven years ago when the Honourable Member came into the House, and I remember that they talked about this too, but over the years there have been many changes and I think that probably, to keep up with all of this and to do the duties that are required of the Deputy Minister, it has been a very taxing road. In fact, it has been so taxing that my Deputy Minister at the present moment is on holidays - a much needed rest. I think it's coming to him. He hasn't returned yet; we hopefully look forward to his return on the first of the month. He's been away about one month now, and I am sure that on his return he will complete the revision of this Act and that we will have it before the members for their perusal and study and suggestion, because we don't want it to go into an Act until we get the opinions of all people.

However, I can't help but repeat what he said: "Ashes to ashes, dust to dust. If the council can't do it, the secretary must." Mr. Speaker, now I am sure that he didn't mean this. I am quite sure he didn't mean this. I think he'd like to retract that really, and I think that probably one of the things that the Honourable Member for Portage la Prairie -- and when I see reference made to people not in the House, I notice that I would like to speak to a few over there who aren't in their seat either, but nevertheless he isn't here, but he did make reference that my Deputy had said that, in conflict with other statements, that we should depend more on secretaries, and I think that what my Deputy means is that we should, or did state, is that we should hire legal advice; that I think we do depend on secretaries too much. They are receiving a course now instigated, by the way, they instigated the course that is being set up, and they have in this way demonstrated that they would like to learn more about these things, but I really believe that it's a council's duty to have the secretary look after as many things as they possibly can, but they are not legally trained persons, and that they should be willing to seek legal advice when the time comes.

He tells us that the drafting of 906D is rather poorly drawn. I shall have to call to the attention of the drafters that the Honourable Member for Turtle Mountain thinks this and we'll see what the drafters have to say about that portion of it. I gather that he would like to have included in that, gravel as well as topsoil. It's a good suggestion. He thinks that the Municipal Act is a lawyer's dream. Well I don't share this with him. I think the Municipal Act is something that most municipal men really know a little better than we give them credit for, and I think that probably with the re-drafting of the new Act that we will have something that this province will be proud of.

Thank you, Mr. Speaker.

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

MR. JOHNSON: Mr. Speaker, I wish to move, seconded by the Honourable the Provincial Treasurer, that Mr. Speaker do now leave the Chair and the House resolve itself into a "

(MR. JOHNSON cont'd.) . . . . Committee of the Whole to consider the following bills: 59, 87, 89 and 96.

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

COMMITTEE OF THE WHOLE HOUSE

MR. CHAIRMAN: Bill 59. Are you ready to proceed? Section 1 . . .

MR. LAURENT DESJARDINS (St. Boniface): Mr. Chairman, on Bill 59 I would like to ask the Minister if he would clarify something for me. During his introduction on second reading of this bill, and I'll quote from Hansard of March 20, Page 1822, he said that "when they be available in the schools." That was the question: when would they be available in the schools? "It is expected that it will be implemented in Grades 1 and 2 beginning in September of 1967, and the program for Grades 3 and 4 ready for the September of 1968, and the course prescriptions for succeeding grades should normally follow progressively year after year, until a continuous program is established through the grades."

Now my question is this, Mr. Chairman: Is it the intention of the Minister to set definite periods? Is that what he meant? Or even restrictions? Or was I right in my interpretation of these remarks, that he was only suggesting caution and care in starting in piloting this program.

Did the Minister get my -- well what I was saying, quoting the remarks of my honourable friend -- my question was this: is it the intention of the Minister to set definite periods or even restriction, or was I right in my interpretation of his remarks that he was only suggesting caution and care in bringing this bill? I wonder if he'd say now that either it will definitely take six years to implement this legislation from Grades 1 to 12 at the rate of two grades a year, or can he say when he is sure himself, he's satisfied that a division is ready to offer this course on a sound basis, and I emphasize the word "sound". Will this be allowed?

MR. JOHNSON: Mr. Chairman, in much discussion with my departmental officials, and consultations I have had, we have a curriculum branch, as you know, who have the responsibility of preparing these courses and I think the implication from my remarks was we would introduce two grades a year or something. This is what came out. Actually what I did say to the House, or I thought I said, was that I had the assurance of the Department that they were pretty confident that in this initial year, this current upcoming year, they could get it into Grades 1 and 2, and they tell me that the same detailed careful planning and consideration will be given to this as to any other course, and our intent is to get on with the job -- you know, as fast as we can -- and we are aware that there are texts and -- Course outlines have existed for some time but we have the responsibility, as the Member mentioned, of ensuring that these new Science Sociale is it? -- parallel as closely as possible our courses in the English language, and much will depend on the -- the speed of it will depend upon our staff's capabilities and also, as the Act calls for an advisory board, I would hope to share their advice on this matter.

MR. DESJARDINS: Mr. Chairman, . . . to say that there will not be, definitely will not be any restriction or there's no such thing as a plan that will come up two grades a year for six years, and it would be safe to say that if the Minister is satisfied that a division can offer, as I said, on a sound basis, can offer this course, that he will approve this -- if it can be done on a sound basis?

MR. JOHNSON: I really with all frankness and forthrightness can say that we will get on with the job. I am not giving any particular targets at this time, except to assure him that I can get it into 1 and 2 in the coming year. But we'll do our best.

MR. CHAIRMAN: 241--passed; 2 (a)--passed; (b)--passed; (c) . . .

MR. GREEN: Mr. Chairman, on 2 (c) I'd just like clarification as to whether it's intended that under 2 (c) the schools would be available for use after regular school hours for the teaching of other languages than English and French, and if so, is there anything that the Minister can tell us about the possibilities of this occurring? Have there been requests of this kind? Does he envisage this becoming a fairly frequently noticeable program within the public school system?

MR. JOHNSON: Yes, this has been in the Act since 1916, Mr. Chairman, and is in (c) I believe.

MR. GREEN: And is that taking place in many places?

MR. JOHNSON: Yes, it's taken advantage of in many of our communities in the southern part of the province, especially in the German language.

MR. PETURSSON: ... just a question. I have been told - now, whether this is truth or gossip I don't know - that there are schools now in Manitoba in which subjects are being taught in French. That is, French is being used as the language of instruction. Is the Minister aware of anything of this sort? And that in these same schools, children who speak only English have difficulty in keeping up with the courses that are prescribed.

MR. JOHNSON: This has been brought to my attention from time to time.

MR. PETURSSON: Mr. Chairman, if I might -- is anything done in these schools, then, to accommodate the children that cannot speak French? In the new Act it is proposed that provision will be made for them to have English as the language of instruction.

MR. JOHNSON: It has been difficult in very small communities with one or two and three-roomed schools, where Français has been taught as an authorized subject in the schools - that's French for French-speaking students - where sometimes the instructress has, or the instructor has spilled over in the French language into other classes and has caused difficulties from time to time, but the department has been on top of the situation by and large, and we have had increasing co-operation in this respect.

MR. PETURSSON: ... children will be given equal opportunity with the French?

MR. PAULLEY: How about the Icelanders?

MR. JOHNSON: We sanctified the language at the University for those who wish it.

MR. PAULLEY: Mr. Chairman, if my honourable friend would repeat that, I couldn't quite catch him. I didn't quite catch what you said. You sanctified whom?

MR. JOHNSON: We placed the language of the Nordic peoples in the University for all time and enshrined it there.

MR. PAULLEY: I thought, Mr. Chairman, my honourable friend said that he and his ancestors were the cause of all the confusion that we're confronted with in Manitoba including these late hour sittings this evening, and I'm sorry that I misconstrued what my honourable friend had to say.

MR. CHAIRMAN: (The remainder of Bill 59 was read section by section and passed. Bill No. 87 was read section by section and passed. Bill No. 89 was read section by section and passed to Section 5 (9).)

MR. PAULLEY: Mr. Chairman, you mentioned something about an amendment. What was it?

MR. CHAIRMAN: After the word "Chairman" in the last line of 9, you insert the words "and where permitted under schedule (b) the Vice-Chairman."

MR. JOHNSON: ... which spells out the standard or the formula for the uniform indemnity provision, and it didn't specify Vice-Chairman here and we just added that there to clarify it.

MR. CHAIRMAN: Section 5, subsection (9). (9)--passed as amended; 5--passed; 6 (9) (a)--passed. (Sections 5 to 9 were read and passed.)

MR. HANUSCHAK: Mr. Chairman, with reference to Section 10 of the bill; with regard to Section 372A of the Act. Would the Honourable Minister be good enough to explain what would be the position with respect to collective agreements in existence at the time that the school districts come under the unitary division system; that is, collective agreements which may not have expired at the time of the transition, where there may be a discrepancy in the salary scales, a discrepancy in the various fringe benefits and so forth. Which collective agreement, if either, would take precedence? The one of the school district, of the elementary school district as such, or the one of the secondary school division embracing all of the school districts within it?

MR. JOHNSON: The boards take over the existing agreements - the new boards - takes over the existing agreements. This same procedure was followed in 1959. The new board takes over all the existing agreements, and this section provides that where a unitary division is formed and the local society has been certified as a bargaining agent for the teachers in that division, it will not be necessary to re-certify them. That's what this section says, but it will be -- it's strictly up to the boards and the teachers by means of collective agreements to re-view their agreements, etc.

MR. CHERNIACK: The question was: what happens if there are two agreements, both are taken over and there's a discrepancy in salaries, for example? Will two teachers side by side be on different collective agreements?

MR. JOHNSON: ... units, as I understand it, are taken over by the new board and it would depend which unit the teacher was within. I'm not just sure of that information I'm getting here, but generally my impression is - or understanding is - when the new division takes over it takes over all existing agreements, and any re-negotiations would have to be opened by the teachers and the particular boards concerned. Isn't that it?

MR. CHERNLACK: Well, Mr. Chairman, suppose you have two agreements with two school districts and they now form a unitary division, and one school district had an agreement which provided for a salary of \$4,000 a year to a teacher with certain qualifications, and the other district had a salary of \$5,000 a year for the same qualifications. Now, by taking over the two agreements, is it conceivable that one teacher will remain married to a lower agreement - a lower-paying agreement - than another teacher in the next classroom?

MR. JOHNSON: These were both different bargaining units before the unitary division came into being. They now come into a single bargaining -- no, the bargaining units will stay the same until the division -- yes, these same having bargained -- you see, in the first year you're going to have this in many divisions, where you're going to have unequal schedules, because of the different bargaining units. Now the new board absorbs all these existing bargaining units and they'll have to reorganize within, the bargaining unit within that division, in order to re-negotiate with the new boards, and that would be up to them ...

MR. CHERNIACK: Well, but if these collective agreements, let's say, are two-year agreements, are the agreements terminated as of a certain date, or do they run out at the same time, or do they run out on the date that the separate agreements run out?

MR. JOHNSON: I'm advised that most of these agreements are pretty uniform in time and ...

MR. CHERNIACK: As to wages and fringe benefits?

MR. JOHNSON: No, no, as to term; as the length of term. ...

MR. MILLER: There are some two-year and some one-year now that are in existence.

MR. JOHNSON: Yes.

MR. CHERNIACK: ... Mr. Chairman, if there's some two and some one year, and the question that has been raised poses an interesting problem. If a teacher in School District A is absorbed into the same unitary division as School District B, then once they're working for the same employer, that employer can surely put the teacher into any school, and therefore how will you recognize the teacher as being under a particular former agreement which is still in existence?

MR. JOHNSON: Well it is possible as it exists in some cases now that are apparently to have different bargaining units within one division. You know, you -- that exists apparently now in some divisions, I'm advised, but I don't know about that. ...

MR. MILLER: ... the divisions boards, where they have divisions boards, have the agreement of the Secretary ...

MR. JOHNSON: Well my general impression, my general information is this, that the different collective agreements that now exist are all taken over by the new unitary division - who all had different bargaining units. Right? They take over these contracts and see them out. The matter of re-negotiation is one between the board. I imagine they would have to reorganize at both ends at the divisional level.

MR. GREEN: I don't think the Minister is really getting the question that two people have tried. Perhaps I'll make a third try and see if I can be successful. What the members have asked is that we now have the new division. Let's say that they have taken over five districts and there are five contracts and, just as you have said, they take over the new divisions and they now have taken over these five contracts. In the contracts they have a job specification with a Class III teacher who earns a salary of \$300.00 a month, and the other contract provides for a Class III teacher earning a salary of \$350.00 a month. At that stage, does the division then continue in existence till the expiration of those contracts with one division paying two different salaries to the same class teacher?

MR. JOHNSON: They do immediately, as I understand it, but whether they wish to reopen negotiations is up to them at the local level by means of collective bargaining, but the division only has the responsibility, as I understand it, to see through that agreement as arranged unless something's reopened by mutual consent.

MR. SIDNEY GREEN (Inkster): Mr. Chairman, when these districts are dissolved doesn't that immediately cancel out those agreements? They're not?

MR. JOHNSON: No.

MR. FROESE: Well it would be, in my opinion it would be ineffective.

MR. JOHNSON: The agreements aren't cancelled on the dissolution of the districts into a unitary division. They carry on. But it's my general impression the unitary division will have to honour all these arrangements and it's up to negotiation between the two, and I understand this is what happened in 1959.

MR. GREEN: I would warn the Minister - I take it that you had this problem before - that you will have I think some morale problem if you have two teachers in the same classification working for the same employer with discrepancy in working conditions.

MR. JOHNSON: It would be up to the board and the Society, I'm sure.

MR. CHAIRMAN: (Sections 372A, 444A and sections 16 were read and passed).  
Section 17 (8)(a)...

MR. JOHNSON: Mr. Chairman, I would like to propose an amendment to Bill 89 that the proposed Section (8) of subsection 444C of the Act as set out in Section 17 - this is at the top of Page 5 - be amended by striking out the word and figures "and (11)" in the first line thereof, and substituting the word and figures "(11) and (13)", and that Section 17 of Bill 89 be amended by adding thereto immediately after the proposed subsection (12) of Section 444C of the Public Schools Act, as set out therein, the following subsection of Section 444C of the Public Schools Act, (13) section would read "Where a school district is partly within one school division and partly within another-school division, and those school divisions are declared to be school divisions within the meaning of Section 443, the assets and liabilities of the school district shall be apportioned between these two school divisions by the appropriate board of reference established under Section 471B."

The import of this amendment, which I missed at Law Amendments is to cover the situation, where you have a new situation, that is, where you have two unitary divisions where one district lies within two divisions who are adjoining and they wish to split up. This is a new situation. There are many combinations of this already covered in the Act. This one was omitted. This is to cover a particular thing that has come up recently and will probably come up again as we have more unitary divisions.

MR. SPEAKER: Are you ready for the question?

MR. MOLGAT: This is to permit the transfer of parts of one division into another?

MR. JOHNSON: ...they lie in two divisions.

MR. MOLGAT: Yes. Now, this will apply for the movement between a unitary division to a non unitary division and vice versa. Is this correct?

MR. JOHNSON: No, we've got that covered. This is just two unitary divisions...the district lies in two adjoining unitary divisions. We have covered all the other combinations. We missed this one.

MR. FROESE: Mr. Chairman, I always thought that the boundaries of the divisions were conterminous with the boundaries of the school districts within the division. Is this not the case then?

MR. JOHNSON: This can happen where a school district lies partly now in one ...

MR. CHAIRMAN put the question and after a voice vote declared the motion carried.  
(The balance of Section 17 was read and passed. Sections 18 to 22 (4) were read and passed.)

MR. CHAIRMAN: Section 22(5)...

MR. MOLGAT: Mr. Chairman, under 22 (4) and (5). This dissolves all the school districts within Frontier School Division. Now, Frontier School Division covers a tremendous amount of territory, some of it coming down fairly far south in the province. In some of those areas, the school districts, because they were in local government districts, did other things than strictly run schools. They were the only local body of administration; in a number of cases did road work at the request of the residents within the school district, because there was no other means of having it done. They did snow plowing and so on. Now will there be any method whereby these local areas will be taken care of by Frontier School Division, because Frontier does not operate any bus lines, any van lines. It is purely a residential school at Cranberry Portage and yet we are removing from certain areas -- this won't apply throughout the Frontier School Division but it will certainly apply in the southern portions and there could be some difficulties arise locally.

MR. JOHNSON: Yes, the plan is that the Commissioner of Northern Affairs would act as the municipality in these cases.



MR. MOLGAT: Mr. Chairman, what happens when this is in local government districts. I think the Minister himself has one that may be affected; I think Matheson Island, for example. I don't know what his structure there is; I know that in my area the LGD of Alonsa may be affected. I think that possibly the member for St. George constituency, possibly the member from Fisher, depending - I'm not too familiar with the boundary there, but there could be some difficulties in those areas.

MR. JOHNSON: Well, I think the Members from Ste. Rose, Gimli and St. George have most of these problems in our constituencies. The concept would be the same thing as happened in the past when you had a consolidation, a massive consolidation involving the LGDs, but with these now single-district divisions and outside single district divisions the plan is that the school authorities - legislation provides that the LGD, the assets and liabilities, the school assets and liabilities are turned over to the school authorities, and the road and other levies are turned over to the Local Government District for use within that particular district. You see, some of them have created some assets; they haven't spent the money. Now one particular school district in my area has collected something like \$6,000 out of which about 3,000 was collected really for school purposes and never used. That will go to the new division. The LGD will receive the other apportionment for use in that area for whatever purpose it was raised for, to be administered by the local government administrator in LDGs and by the Commissioner of Northern Affairs in northern areas.

MR. CHAIRMAN: (The balance of Section 22 was read and passed. Sections 23 to 30 were read and passed. Section 503 and 504 (1) to (6) as amended were passed.)

(7) as amended -- passed...

A MEMBER: ... amendment.

MR. CHAIRMAN: It's just a correction in spelling in the second line of the word "school".

MR. EARL DAWSON(Hamiota): Are you on No. (7)? I wanted to say something on No. (7).

MR. CHAIRMAN: Go ahead.

MR. DAWSON: I wanted to ask the Minister if he thought it may not be proper to change the two dates where we have April 1967 and January 1967, change these two dates to 1968. In view of the fact that we had the 19 divisions that did not vote in favour of this, and we do hope that by next year there will be another vote in most of these divisions, it would seem to me that it would be in order now to amend this in both cases to 1968, so it would read "the second day of April, 1968" and on the next line would read "the first day of January, 1968." I would so move, if it's in order.

MR. LYON: Mr. Chairman, I think that would have to be a money resolution because it would have an effect upon the Treasury.

MR. DAWSON: Well, if it's proper, I guess, consider the advisability of changing both dates to 1968.

MR. CHAIRMAN: All those in favour of the motion please say aye.

MR. MOLGAT: I just want to check with the Minister. I presume this doesn't mean that the ones that voted now, the 14 that have voted, would have to wait for a year to get their grant though, does it? This, I presume, applies strictly to those who have not voted in favour and would mean that when the vote does come, they will be also treated in the same retroactive way as those who did vote in favour - that is, in the year when they voted.

MR. JOHNSON: This section applies to those that are now unitary divisions, as was well publicized. The one thing we did look into very exhaustively was any possibility of, should divisions wish to come in this fall, how one might encourage this by examining the retroactive features of this section. On balance administratively it is not possible; we examined it very thoroughly and any division which decides, for example if they did have a vote this fall to come in, their new grants would begin the first of January next year if they came in this fall, and there are three or four mechanisms under Bill 16 by which they can bring this about, but this is the policy and that's all I can say about it.

MR. PAULLEY: Mr. Chairman, I would like clarification as what the Honourable the Member for Hamiota is suggesting that the grants payable to any unitary division which is - meaning now - or becomes a unitary division before the second of April 1967, which of course we have passed, shall be retroactive to the first day of January 1967 the way it reads now, and he is suggesting that the division shall not be paid until the first of January 1968; in other words, postponing the whole operation of this section until 1968. It seems to me, as I read the motion

(MR. PAULLEY cont'd)...introduced by the Honourable Member, that this is what he is suggesting, and shall be based, if I have got the amendment correctly - of course though we haven't got copies - and further to that, the last part of Section (7) shall be based on a full year beginning with the first of January 1968. Does he mean by this, by his amendment, that we are going to throw out the whole of the year 1967? That's the way it reads to me.

MR. CHAIRMAN: Are you ready for the question?

MR. PAULLEY: Mr. Chairman, please, in order that we might have this clarified, and if my honourable friend is suggesting that the legislation or at least the grants don't come into effect for a full year, I think you should read the motion so that we should know whether or not that is the motion as proposed by the Honourable Member for Hamiota.

MR. DAWSON: Mr. Chairman, I think that I made myself quite clear the first time. I am sorry that the Honourable Leader of the New Democratic Party does not understand. What I was simply doing was trying to make sure that the 19 divisions which we hope will have another vote before April 2nd of next year, would be able to obtain the grants retroactive to January 1st of 1968. The 14 that have voted right now, I thought were already taken care of in so much as that when they did vote they were told by the Minister of Education that they would receive the grants retroactive to January 1st of 1967. Now, not being a lawyer, possibly I have not figured this out properly, but when I read this I believed that by the motion suggesting that the two dates, on the second line April 1968 and on the third line January 1968, being changed would take care of next year's or any division which had another vote prior to April of 1968 of next year, the grants would be made available to them from January 1st of 1968.

A MEMBER: Are you withdrawing your motion?

MR. DAWSON: I'd like an interpretation...

MR. MOLGAT: Mr. Chairman, I think ...if the Legislative Counsel and the Minister can indicate whether or not the motion as proposed...

MR. JOHNSON: ...points out to me that this is a complicated section which is inserted in order to make retroactive the grants in the current year, but the way he interprets the motion of the Honourable Member it would mean in effect that the unitary divisions now in existence would only be eligible for partial grants in the current year.

MR. DAWSON: ...if I can ask the Honourable Minister, if this is the interpretation I'm prepared to accept that, but how would we get what I am after for those who will vote between now and next April?

MR. MOLGAT: ...I presume, reading as section (7) now reads and saying for those divisions, for those 19 divisions that did not vote in favour, and who do vote prior to the 2nd of April, the terms will apply as follows. Would that not do?

MR. PAULLEY: I would suggest that it might be, Mr. Chairman, and somewhat in line with what the Leader of the Liberal Party has suggested, that a Section (7)(a) that anybody that votes and accepts prior to April, 1968, shall be deemed to go back to January 1967 insofar as the grant structure is concerned.

MR. JOHNSON: Mr. Chairman, the Honourable Member for Hamiota can correct me. I think what he's trying to achieve is that if a division were to come in this fall, there might be a possibility of them receiving some sort of retroactivity in the current year. Is that right?

MR. DAWSON: I don't think anyone that came in this fall would expect to go back to January 1 of 1967. What I am thinking, that probably there will not be any more votes - there may be a few this fall but I imagine the majority of them will be in the spring - and I wanted to make sure that they would be retroactive to January and we wouldn't run into the difficulty of saying: Well, you have nine months coming to you, or six months; that anyone that voted prior to next April would get their grants from January 1st of 1968. That's what I meant.

MR. JOHNSON: The thing is this, that we have said in a companion bill earlier than this bill, that divisions that come in this fall will get grants as of the 1st of January next year. Certainly next year - we don't know exactly what will happen at the moment - but should divisions come in in the spring, as the Honourable Member says, we may well give consideration to such a matter in the ensuing year.

MR. RODNEY S. CLEMENT (Birtle-Russell): Perhaps, Mr. Chairman, it would be a good idea to set a date that this could take place up to the 1st of April or the 1st of May which would be retroactive, and if this was set up now they would know a year from now.

MR. DAWSON: Well shall I present the motion or shall we leave it like that?

MR. CHAIRMAN: Leave it like that.

MR. DAWSON: Pardon?

MR. CHAIRMAN: The Honourable Member withdraws his motion. (7)--passed...

MR. DAWSON: Mr. Chairman, I'd like to add a section (8) to that to read as follows: "Give advisability to the consideration that any division that becomes a unitary division on or after the 2nd day of January in April, 1968, the grant shall be retroactive to the first day of January, 1968, and shall be based on the full year beginning with the first day of January, 1968."

MR. JOHNSON: Mr. Chairman, I would have to recommend against this at this time because I think it's very important to encourage divisions to reconsider, and if they're going to reconsider and have them hold their votes next fall - this fall I mean - to begin their fiscal year the first of January and, depending on what happens, we certainly would give every thought to this for next year, depending on what happens, but I don't want to delay what might otherwise be the decision of a division to give consideration to the unitary system in the current year.

MR. CHAIRMAN: Does the Honourable Member withdraw his motion?

MR. DAWSON: I don't think so.

MR. CHAIRMAN: Well then, write it out.

MR. DAWSON: Well, if you're prepared to wait until I write it out I'll be very glad to write it out.

MR. CHERNIACK: Mr. Chairman, I'm sorry, but I'm not clear on what the Honourable Minister has just said about a possibility of a vote in the fall. He said something about the receipt of partial grants this year by a unitary division that's created after a vote in the fall. Where would there be authority for that?

MR. JOHNSON: Mr. Chairman, I said in Bill 93 I believe it was spelled out that any unitary division coming in in any year shall receive grants as of the first of the year; that is, a division decides to go to a vote this fall, they wouldn't be eligible for the new grants until the first of January, 1968. We were not able administratively, with the complications caused by the rebate, etc., and the 9-33 levy and what have you, to work out a system which would have enabled any division coming in, say this fall, to receive any consideration in the current year. So we have made the decision that we'd like to see these divisions give consideration to a vote again this fall for beginning grants the first of January next year.

I was just saying that the present motion before us is something that I'd rather not support at this time. I think it's something we can look at next year.

MR. CHAIRMAN: Are you ready for the question?

MR. MOLGAT: Mr. Chairman, the motion from the Honourable Member for ... I thought you didn't have it, you said? Mr. Chairman, I can understand your impatience but I might point out that the decision to proceed tonight was that of your colleagues and I have no objections to taking ...

MR. CHAIRMAN: ...that the committee give consideration to the advisability that any division that becomes a unitary division before the second day of April, 1968 shall be retroactive to the first day of January, 1968, and shall be based on the full year beginning with the first day of January, 1968. Are you ready for the question?

MR. DAWSON: Mr. Chairman, before you vote on that, I think I'd like to give a quick explanation. The Honourable Minister of Education has said that if any division did vote between now or this fall or next spring, they would receive grants from January of 1968. Well there's nowhere in this Act where I see that and I thought with this resolution that I have presented it would be covered.

MR. CHAIRMAN: Are you ready for the question?

MR. PAULLEY: Is this a substitution for the present (7)?

MR. CHAIRMAN: No.

MR. PAULLEY: Well, then, is not the proposed motion a new section (8) in conflict with section (6) which establishes that a principle in any case, "subject to subsection (7) where after coming into force of this subsection, a school division or school district becomes a unitary division on or after the second day of January in any year" - it's not confined to 1968; but any year - "the grants payable thereto shall be based on and paid in respect of the full year next following."

A MEMBER: Next following.

MR. PAULLEY: Next following, that's right.

MR. CHERNIACK: So if you ... voted this fall...

MR. PAULLEY: Next following will be January 1st, 1968.

MR. DAWSON: ... in the spring, what would happen? You see, this give you an opportunity to vote in the spring.

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

MR. CHAIRMAN: Subsection (7)--passed; new subsection (8)--passed. The way I read it: (8) From time to time the Minister shall instruct and advise the Finance Board as to the nature and character of the costs incurred by unitary divisions in respect of which grants are payable under this part and the regulations.

MR. JOHNSON: This is simply a clarifying section to make it --(Interjection)-- yes, to make it abundantly clear that the Foundation Program is what the Finance Board is primarily concerned with.

MR. CHAIRMAN: New subsection (8)--passed. (The remainder of Bill 89 was read section by section and passed.)

MR. FROESE: Mr. Chairman, I move that the bill be not reported.

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

MR. CHAIRMAN: Bill No. 96. Section 1 of Bill 96 was read section by section and passed.)

Section 2 (1) -- passed...

MR. MILLER: Mr. Chairman, I'd like to move this amendment: That subsection (1) of section 2 be amended by adding at the end thereof the following words: "of whom three members shall be appointed from amongst a list of 12 persons, four of whom shall be nominated by each of the following: The Manitoba Association of School Trustees, The Manitoba Urban Association, The Union of Manitoba Municipalities."

Mr. Chairman, the reason I'm moving this is that I feel it's very important if this new scheme is going to work is that the Finance Board have the confidence of the various elected officials of Manitoba, the school trustees in particular, and of course the Manitoba Urban Association, the municipal men. Without this confidence I don't think the entire setup as we know it, the Foundation Program, might not function too effectively. There must be complete confidence between the Finance Board and these organizations; there must be a feeling that the Board is more than just a watchdog board, as it may turn out to be if it's simply appointees by the government based on some other yardstick than what I'm suggesting. Experience has shown that the appointees by the government in the past have been based on, perhaps for political reasons, haven't necessarily reflected the activities of the people who are directly involved, and for that reason I think it's important, especially at the beginning when we start this thing off that the people on the Finance Board know what the school trustees are thinking, know what the problems are and are in daily touch with them so that they can evaluate the Foundation Program because that is the key to this entire setup we're talking about here. If the Foundation Program isn't kept abreast of existing costs, and if it isn't expanded every year to take in the increased costs of teachers' salaries and other costs that the school boards are always faced with then we know that within a year or two we'll be back where we were before we started on this; we'll be back to where the municipalities and the ratepayers are picking up the bulk of the costs for education, so that in my view it's essential that the Finance Board be more than just a watchdog board and be a board that can stand up to the Minister if need be and explain the school trustees' or the school board's position and the municipality's position. The only way we can achieve that is if the Finance Board has on it members from these organizations who are nominated by these organizations and - I'm giving the Minister some leeway - they will nominate not just one from each organization, but will nominate a number of people and the Minister of course can have a final say-so.

Really this amendment is very much in line with the bill on the medical services where - and I think the wording, I took the wording from that - where it is established that the board in that case shall consist of certain members of the medical profession. I think it was right to do it in that case; I think it's equally as right to do it in this case because if the doctors are entitled to representation on a Manitoba Medical Board, certainly the school trustees and the Urban Association members are entitled to representation on a Finance Board; so I would ask the Minister to give this very serious consideration and support it.

MR. SHOEMAKER: Mr. Chairman, I wonder if the government knows at this time who the members of the Board are going to be, would it not be helpful to name the members now; and I wonder too, if it is possible for a member of the House to be a member of the Board?

MR. FROESE: Mr. Chairman, while it might be advisable in some cases to have people of experience in school matters on this Finance Board, nevertheless I don't think I would support

(MR. FROESE cont'd)...the motion because the government is responsible in the final analysis of the operations of this Board and I think they should have a free hand.

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

MR. MILLER: Ayes and Nays, Mr. Chairman.

MR. CHAIRMAN: Call in the Members.

Bill 96. The motion before the Committee: "that subsection (1) of Section 2 be amended by adding at the end thereof the following words: of whom three members shall be appointed from amongst a list of 12 persons, four of whom shall be nominated by each of the following: Manitoba Association of School Trustees, Manitoba Urban Association and Union of Manitoba Municipalities." Are you ready for the question?

A STANDING COUNTED VOTE was taken, the result being as follows: Yeas, 16; Nays, 27.

MR. CHAIRMAN: Motion lost.

MR. PAULLEY: Mr. Chairman, I was paired with the Honourable First Minister. Had I have voted, I would have voted in favour of the motion.

MR. MOLGAT: Mr. Chairman, a question was asked of the Minister whether a member of the Legislature was eligible to sit on this Board and I don't believe he answered.

MR. JOHNSON: No.

MR. MOLGAT: Mr. Chairman, there appears to be a conflict. The Minister said "No". Is that the definite answer? --(Interjection)--

MR. LYON: ...restriction in the legislation. There has to be specific permission given in the legislation before it can be permitted.

MR. CHAIRMAN: (1)--passed; (2)--passed; (3)--passed; (4)--passed; (5)--

MR. CHERNIACK: No. 5 deals with the authority to the Board to make rules governing its own procedure. I had occasion to raise this question, I don't remember when, but at that time it dealt with an advisory board. This board has tremendous powers and I think that the rules of procedure which it establishes for itself must be such as to make sure that there is proper notice, that there is proper time given for examination of all the matters that come before it and I think it is important that the responsibility for the rules of procedure shall be that determined by the government. I therefore move that section 5 be amended by adding at the beginning thereof, the words "subject to the approval of the Lieutenant-Governor-in-Council."

MR. CHAIRMAN: We are just on Section 2, subsection (5). (6)--passed.

MR. CHERNIACK: Mr. Chairman, would you mind telling me what you've just dealt with?

MR. CHAIRMAN: Pardon?

MR. CHERNIACK: I just made an amendment to Section 5. Are you ignoring that?

MR. CHAIRMAN: No. We're just dealing with Section 2. We'll put it when we come to Section 5.

(7)--passed; (8)--passed; (9)--passed. Section 2 of the Bill --passed. Section 3--passed; Section 4--passed; Section 5--

MR. CHERNIACK: Here's my amendment.

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

The remainder of Bill No. 96 was read section by section and passed, up to "bill be reported."

MR. FROESE: Mr. Chairman, I move that the Bill be not reported.

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

MR. CHAIRMAN: Committee rise.

MR. LYON: Mr. Chairman...finish Bill 96? --(Interjection)--

MR. CHAIRMAN: Call in the Speaker. Mr. Speaker, the Committee has adopted Bills Nos. 59, 87 and 96 without amendment, and Bill No. 89 with amendments and requests leave to sit again.

#### IN SESSION

MR. JAMES COWAN, Q.C. (Winnipeg Centre): Mr. Speaker, I move, seconded by the Honourable Member for Pembina that the report of the Committee be received.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried. BILLS Nos. 59, 87, 89 and 96 were each read a third time and passed.

MR. LYON: Mr. Speaker, we have now reached the end of the government orders we wished to cover and I wish to thank the honourable members for their co-operation. The hour isn't quite as unreasonable as we thought it might be when we started. There was a suggestion that we might, because of Law Amendments sitting tomorrow morning, we might wish to consider Bill 107, and Bill 118, which are private members' bills. I merely voice that suggestion. We have no strong feeling one way or the other. If the members wish to consider these matters...

MR. PAULLEY: Mr. Speaker, we have no objections in this corner here. We've very co-operative at this time of the morning. As a matter of fact we're stupefied, or something of that nature.

MR. SPEAKER: I take it -- do we proceed? Order please. The adjourned debate on second reading. Bill No. 107. The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, I'm quite serious about this bill and I would prefer if the members are tired, that we proceed tomorrow. I intend to speak on this and I intend to express my views in as forceful a manner as I know how. So if that's going to be a great inconvenience to members of the House, let's have this one tomorrow.

MR. LYON: On the point of order. The only reason I made the suggestion was because it had been voiced on two sides of the House that it be heard. Now if there's no disposition - I understand that the mover of the bill is not here and if this is an inconvenience to him by no means should we proceed.

MR. PAULLEY: I think, Mr. Speaker, we hadn't better proceed.

MR. LYON: Bill 118 is ...

MR. COWAN presented Bill No. 118, an Act to Amend the Public Schools Act (6) for second reading.

MR. SPEAKER presented the motion.

MR. COWAN: Mr. Speaker, simply repeals a provision requiring the Winnipeg School Division to have its budget forwarded to the City of Winnipeg before the 15th of February in each year. This is now covered by an amendment that we have just passed in the new part 24 of The Public Schools Act; and the other proposal covered by the bill authorizes the Winnipeg School Division to enter into an agreement with Pan American Games Society to use the facilities of the school division without charge.

MR. MOLGAT: ...one question. Is it necessary to have a Bill to do this? Cannot the Winnipeg School Division enter into agreement with Pan Am Games for the use of their property without this?

MR. COWAN: The solicitor for the school board considers these are necessary.

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

MR. LYON: Mr. Speaker, I think we've completed a good day's work or a long night's work. I beg to move, seconded by the Honourable the Provincial Treasurer that the House do now adjourn and stand adjourned until 2:30 tomorrow afternoon. Law Amendments meets at 9:30 tomorrow morning. --(Interjection)--For tomorrow read "this" in both cases.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House adjourned until 2:30 o'clock Thursday afternoon.