

Name	Electoral Division	Address
ALEXANDER, Keith	Roblin	Roblin, Man.
BAIZLEY, Obie	Osborne	185 Maplewood Ave., Winnipeg 13
BJORNSON, Oscar F.	Lac du Bonnet	Lac du Bonnet, Man.
CAMPBELL, D. L.	Lakeside	326 Kelvin Blvd., Winnipeg 29
CARROLL, Hon. J.B.	The Pas	Legislative Bldg., Winnipeg 1
CHRISTIANSON, John Aaron	Portage la Prairie	86-9th St., N.W., Ptge. la Prairie, Man.
CORBETT, A. H.	Swan River	Swan River, Man.
COWAN, James, Q.C.	Winnipeg Centre	512 Avenue Bldg., Winnipeg 2
DESJARDINS, Laurent	St. Boniface	138 Dollard Blvd., St. Boniface 6, Man.
DOW, E. I.	Turtle Mountain	Boissevain, Man.
EVANS, Hon. Gurney	Fort Rouge	Legislative Bldg., Winnipeg 1
FORBES, Mrs. Thelma	Cypress	Rathwell, Man.
FROESE, J. M.	Rhineland	Winkler, Man.
GRAY, Morris A.	Inkster	141 Cathedral Ave., Winnipeg 4
GROVES, Fred	St. Vital	3 Kingston Row, St. Vital, Winnipeg 8
GUTTORMSON, Elman	St. George	Lundar, Man.
HAMILTON, William Homer	Dufferin	Sperling, Man.
HARRIS, Lemuel	Logan	1109 Alexander Ave., Winnipeg 3
HARRISON, Hon. Abram W.	Rock Lake	Holmfield, Man.
HAWRYLUK, J. M.	Burrows	84 Furby St., Winnipeg 1
HILLHOUSE, T.P., Q.C.	Selkirk	Dominion Bank Bldg., Selkirk, Man.
HRZHORCZUK, M.N., Q.C.	Ethelbert Plains	Ethelbert, Man.
HUTTON, Hon. George	Rockwood-Iberville	Legislative Bldg., Winnipeg 1
INGEBRIGTSON, J. E.	Churchill	Churchill, Man.
JEANNOTTE, J. E.	Rupertsland	Meadow Portage, Man.
JOHNSON, Hon. George	Gimli	Legislative Bldg., Winnipeg
JOHNSON, Geo. Wm.	Assiniboia	212 Oakdean Blvd., St. James, Wpg. 12
KLYM, Fred T.	Springfield	Beausejour, Man.
LISSAMAN, R. O.	Brandon	832 Eleventh St., Brandon, Man.
LYON, Hon. Sterling R., Q.C.	Fort Garry	Legislative Bldg., Winnipeg 1
MARTIN, W. G.	St. Matthews	924 Palmerston Ave., Winnipeg 10
McKELLAR, M. E.	Souris-Lansdowne	Nesbitt, Man.
McLEAN, Hon. Stewart E., Q.C.	Dauphin	Legislative Bldg., Winnipeg 1
MOLGAT, Gildas	Ste. Rose	Ste. Rose du Lac, Man.
MORRISON, Mrs. Carolyne	Pembina	Manitou, Man.
ORLIKOW, David	St. John's	179 Montrose St., Winnipeg 9
PAULLEY, Russell	Radisson	435 Yale Ave. W., Transcona 25, Man.
PETERS, S.	Elmwood	225 Melrose Ave., Winnipeg 15
PREFONTAINE, Edmond	Carillon	St. Pierre, Man.
REID, A. J.	Kildonan	561 Trent Ave., E. Kild., Winnipeg 15
ROBERTS, Stan	La Verendrye	Niverville, Man.
ROBLIN, Hon. Duff	Wolseley	Legislative Bldg., Winnipeg 1
SCARTH, W.B., Q.C.	River Heights	407 Queenston St., Winnipeg 9
SCHREYER, E. R.	Brokenhead	Beausejour, Man.
SEABORN, Richard	Wellington	594 Arlington St., Winnipeg 10
SHEWMAN, Harry P.	Morris	Morris, Man.
SHOEMAKER, Nelson	Gladstone	Neepawa, Man.
SPELLIE, Robert Gordon	Birtle-Russell	Russell, Man.
STANES, D. M.	St. James	381 Guildford St., St. James, Wpg. 12
STRICKLAND, B. P.	Hamiota	Hamiota, Man.
TANCHAK, John P.	Emerson	Ridgeville, Man.
THOMPSON, Hon. John, Q.C.	Virden	Legislative Bldg., Winnipeg 1
WAGNER, Peter	Fisher	Fisher Branch, Man.
WATT, J. D.	Arthur	Reston, Man.
WEIR, Walter	Minnedosa	Minnedosa, Man.
WITNEY, Hon. Charles H.	Flin Flon	Legislative Bldg., Winnipeg 1
WRIGHT, Arthur E.	Seven Oaks	4 Lord Glenn Apts. 1944 Main St., Wpg. 17

THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Thursday, March 30th, 1961.

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions.

Reading and Receiving Petitions.

Presenting Reports by Standing and Select Committees.

Notice of Motion.

Introduction of Bills.

HON. GEORGE JOHNSON (Minister of Health and Public Welfare) (Gimli) introduced Bill No. 85, an Act to amend the Health Services Act.

MR. E.R. SCHREYER (Brokenhead) introduced Bill No. 92, an Act to amend The Public Utilities Board Act.

MR. W.B. SCARTH, Q.C. (River Heights) introduced Bill No. 90, an Act to amend The Law Society Act.

MR. SPEAKER: Committee of the Whole House.

HON. GEO. HUTTON (Minister of Agriculture) (Rockwood-Iberville): Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Mines and Natural Resources, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee of the Whole to consider the following proposed resolutions.

Mr. Speaker presented the motion and following a voice vote declared the motion carried and the House resolved itself into a Committee of the Whole House, with the Honourable Member for St. Matthews in the Chair.

COMMITTEE OF THE WHOLE HOUSE

MR. HUTTON: Mr. Chairman, His Honour the Lieutenant-Governor, having been informed of the subject matter of the proposed resolutions, recommends them to the House.

MR. CHAIRMAN: Resolution 1. Resolved that it is expedient to bring in a measure to amend The Agricultural Societies Act by providing for the making of grants over a period of years to Class "A" agricultural societies and Class "B" agricultural societies in respect of the acquisition on improvement of certain capital assets of the societies.

MR. HUTTON: Mr. Chairman, the members of the House will recall that The Agricultural Societies Act was amended, permitting the government to make grants for construction purposes to agricultural societies. These monies paid in grants have been very useful to the agricultural societies. In the case of the Class "A" and Class "B" agricultural fairs, there seems to be a need to permit the Minister to make grants to a maximum of \$10,000 per year, and also to a maximum of \$60,000 in total, toward an approved project. That is toward a project that has received approval from the Minister. It will enable the Class "A" and Class "B" fairs to undertake major building programs which, at the present time, they are unable to do because I cannot make a grant or approve a grant in respect of a building project for more than one year. That is, I can only approve one grant to a maximum of \$10,000 once, in respect to a single approved project. This will enable the Minister to make these grants consecutively to a maximum of \$60,000 in respect to a program that has been previously approved by the department and by the Minister.

MR. D.L. CAMPBELL (Leader of the Opposition) (Lakeside): Mr. Chairman, I take it that these are building grants primarily, but I suppose other improvements are included. For instance, in some cases perhaps a racetrack or fencing or grandstand, or anything of that kind. And they're to Class "A" and Class "B" only, not Class "C"? Is there no provision for such assistance to Class "C" fairs?

MR. HUTTON: The grants in respect of Class "C" fairs are \$750.00 to fairs having a prize list over \$1,000; and a maximum of \$1,500 to an agricultural society having a prize list of over \$2,000. Now the difference between the grants given are, I suppose, two-fold. One is that the "A" and "B" Class fair in Manitoba, as elsewhere, has a particular role to play. They are serving the regional fairs and we have, say half a dozen within Manitoba of "A" and "B" Class fairs. They're regional fairs and they serve a much larger community than does the "C" Class fair; and so, naturally, since their financial responsibilities are greater in order for them

(Mr. Hutton, cont'd.) to carry out the job they have to do, our grants are naturally larger. But there's something else that differs between the two grants. One is that in the case of the "A" and "B" Class fairs, the Agricultural Society must put up \$1.00 for every \$1.00 that we put up in respect of a project. But in the case of the "C" Class fairs, the Minister can approve a grant of either \$750, the maximum or \$750, or a maximum of \$1,500 without the Agricultural Society meeting this. In other words, they might in some cases not put up anything and we would make a grant to them of \$1,500, so there is a distinction between the grants and the reasons why they are given.

MR. E. PREFONTAINE (Carillon): Mr. Chairman, may I ask if these grants might go to the construction of an arena where artificial ice would be provided for playing hockey?

MR. HUTTON: Yes, they could go for that. Our feeling is, in the department, that the more use that can be made out of a building in a community, the better for the community and the better for the people of Manitoba and the better for agriculture. If we were to withhold our approval unless these facilities were used exclusively for agriculture, I'm afraid that we would be wasting these facilities a good deal of the time in the year. We all know that a fair, for instance, only lasts at the most a week. It's true that it can be used for 4-H activities and so on, but where adequate arrangements are made, and remembering that the agricultural society must control the structure in a community, where reasonable arrangements are made and where the welfare of agriculture is ensured, then we have no objection. In fact, we encourage them to use the building all year round.

MR. PREFONTAINE: Mr. Chairman, it seems to me this is some kind of favouritism to people in these areas because in smaller towns where there are no Class "B" or "A" fairs, the local people, if they want a skating arena, they have to provide their own arena themselves. They wouldn't qualify for this assistance and it might be that, in some of these arenas that you might help to finance, it might go to provide artificial ice for curling rinks. Now I wonder if it's proper that under the disguise, that is to help agriculture, that the government could contribute a percentage of artificial ice for curlers. If that's being done I think I feel like objecting to it, because this would be preference shown to larger towns where these agricultural fairs are going to be held.

MR. M.A. GRAY (Inkster): Mr. Chairman, I agree with the last speaker and I'd like to find out whether this money could be better utilized for industrial buildings, for revenue-bearing buildings, or buildings that could house some of those who have no homes, rather than create it purposely for sporting organizations. I agree that I'm not opposed to sports, but there are other things more important now than giving the chance to communities to put up an arena, or put up a curling rink or put up something which -- it's important it is, but it's not so urgent as housing or improved industrial buildings or giving industry an opportunity to have a fire-proof and a modern building where they could house their employees and produce a product in a much better way. In other words, if you don't put a limitation on the suggestions I make, then probably all the money will be used for sporting organizations, which is important, but not as important as the others.

MR. E.I. DOW (Turtle Mountain): Mr. Chairman, I believe that the limitations or the minimum prize list that must be paid by "B" Class fairs is \$3,000 for an average of two or three years. There are quite a number of "C" Class fairs that come within that category and are in similar positions of projects and are not asking for the type of grant of "A" and "B" Class fairs, but they would like to have the same privilege of these projects, as approved, to be a continuing project; that is, the maximum for "C" Class fairs is \$1,500 for six years, I believe, or \$9,000 is their total amount. I would like to see consideration given to that part in "C" Class fairs, that projects approved by the Minister, qualifying that they could undertake a major project and qualify for the grant rather than an amount of \$1,500 a year. To achieve the purpose of a major capital expense on a "C" Class fair, \$1,500, even on a matching grant, doesn't go too far. I think the Minister will agree that there are quite a number of "C" Class fairs come very close in the expenditure of prize monies; and as far as regional shows, there are a number of the "C" Class fairs now, who specialize particularly in the cattle breeds, of holding regional shows authorized by the Beef Breeds throughout the province.

MR. HUTTON: Mr. Chairman, I would like to point out that if in the case of the "C" Class fairs we changed the Act to make them identical to the "A" and "B" Class fairs, I would

(Mr. Hutton, cont'd.) be in the position of requiring them to put up \$1,500 before they could get \$1,500. Under the present terms of the Act, as Minister, I am able to make an outright grant to them of \$1,500 for an approved project even though they have no money to put up themselves whatsoever; and for the smaller community fair, this is a tremendous advantage because they have difficulty in raising money at the local level. However, I wouldn't say it's something that we shouldn't look at, but there are a number of considerations. The grants of \$750 and \$1,500 are such that they shouldn't be used to encourage the community to go into the construction of a large scale building. They were designed to help them maintain the kind of facilities that are required for a "C" Class fair. As far as the Honourable Members from Inkster and Carillon are concerned, in their concern with the fact that the wrong people are going to gain control, it is a stringent rule in the department that the facilities that are provided must be, and remain under, the control of the Agricultural Society; and I think this provision safeguards the interests of the Agricultural Society and the agricultural community. I think that when you consider that the resources in a town such as Carman or Portage or Dauphin, where the resources are limited to put up the kind of facilities that you need for modern day fair, that we should welcome the opportunity when they can combine their efforts in the Agricultural Society with the efforts of other interested groups in the town in providing a better facility than either group could offer if they were compelled by the legislation to provide each their own plant. I think that we should be careful, that we make use of our monies today and not put obstacles in the way of people, at the local level, of co-operating in building something really worthwhile for themselves and their communities.

MR. GRAY: Mr. Chairman, one more question. I'm doing this with all sincerity, apology, and respect to the Minister. The Minister stated that the final approval will be by the Minister of Agriculture. In view of last night's misunderstanding -- I put it very mildly -- do you think that it's a good thing for the Minister to assume full responsibility?

MR. DOW: Mr. Chairman, I'm not arguing with the Minister in regards to the \$1,500 a year grant, but I'm wondering if some provision, and I thought I was pointing out what I had in mind, was that the "C" Class fairs be given the opportunity, on a major project approved by the Minister, to accumulate that \$9,000 and go towards it rather than the \$1,500 a year. I wasn't looking for anything in comparison to the "A" and "B" fairs, but I was wondering -- at the present time it's a yearly grant and it's difficult for these smaller fairs to build a major project. I think the Agricultural Societies would be very happy to have some type of a scheme whereby they could, with the approval of the Minister, have a building scheme to improve the facilities of Agricultural Societies, even though they had to match on a building program dollar for dollar. I was just wondering if some consideration couldn't be given to that in addition. The other is more or less of a maintenance cost per year which is very much appreciated, I will say that, but I'm looking at a little figure for the "C" Class fairs.

MR. CHAIRMAN: Resolution be adopted?

MR. PREFONTAINE: Mr. Chairman, I want to ask the Minister what is his estimate of the amounts of money that might be spent in the next five years because of this change?

MR. HUTTON: I don't expect there'll be any change in the amounts of money. All the fairs are able to make use of the grants, either in this form or in repairs and renovations and so forth or smaller buildings. The statute will still limit the grants to any fair in respect of a single year to \$10,000. There's no change whatsoever in that. All it means is that I can approve, or any Minister of Agriculture can approve of a project ahead of time and make consecutive grants in respect of that approved project, and it enables the "A" and "B" Class fair to undertake building programs that otherwise they couldn't do.

MR. CHAIRMAN: Resolution be adopted? -- Passed. Resolution No. 2. Resolved that it is expedient to bring in a measure to provide that a loan be made from and out of the Consolidated Fund to Farmers Co-op Seed Cleaning Plant Limited. Resolution be adopted?

MR. CAMPBELL: Does the Minister have an explanation of this one, Mr. Chairman?

MR. HUTTON: I think the members will recall that a year ago there was some discussion in the House on the financial position of the Farmers Seed Cleaning Plant at Rivers and some of the financial difficulty that they had experienced. Now this is a special Act which will apply only to this one plant, and it enables the government to increase the loan in respect of this one plant to a maximum of \$38,000 rather than the \$30,000 that the House has already approved in respect

(Mr. Hutton, cont'd.) of the general legislation covering this program. It will enable the plant to pay off the second mortgage and enable the government to assume the first mortgage.

MR. CHAIRMAN: Resolution be adopted? -- Passed. Committee rise and report. Call in the Speaker. Mr. Speaker, the Committee of the Whole House has adopted certain resolutions and directed me to report the same, and ask leave to sit again.

MR. W.G. MARTIN (St. Matthews): Mr. Speaker, I beg to move, seconded by the Honourable Member for Cypress, that the report of the Committee be received.

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

MR. HUTTON introduced Bill No. 86, an Act to amend The Agricultural Societies Act; and Bill No. 87, an Act respecting the Farmers Co-op Seed Cleaning Plant Limited.

MR. SPEAKER: Orders of the Day.

MR. D.M. STANES (St. James): Mr. Speaker, before the Orders of the Day, I would like to respectfully direct your attention to the gallery to your left, Sir, where you will see some 74 students from Deer Lodge Junior High in that fair constituency of St. James. They are accompanied here with their principal, Mr. Ron MacIntosh; and their teachers, Mr. Wieler and Miss Wiechman. I would like to say in introducing them, Sir, that the trip down here was underwritten by the St. James Kiwanis Club, famous for the St. James Kiwanis Corps. I know you'd wish me, Sir, to bid them a warm welcome here today and to the members, and I do hope that their visit may be both enjoyable and instructive.

HON. STERLING R. LYON, Q.C. (Attorney-General) (Fort Garry): Mr. Speaker, before the Orders of the Day, I too should like to call your attention to the presence in the gallery at your right, the second gallery immediately behind me, of 24 pupils from St. Avila Public School in the still further fair constituency of Fort Garry. These pupils are accompanied here today by their teacher, Mrs. Sisson, and I'm sure that you, Sir, and all the members of the House would wish to bid them welcome and hope that their stay with us will be an enjoyable one and that they will return to visit with us again.

MR. SPEAKER: Orders of the Day.

MR. M.E. McKELLAR (Souris-Lansdowne): Mr. Speaker, before the Orders of the Day, I'd like to bring to the attention of the House that a very important curling game was held yesterday between members of the press and members of our group. Members of the press were the very charming lady in the gallery, Mrs. L. Simmons, Mr. John Dafoe, Mr. Ron Chester and Mr. Jim Shilliday. Members of our group were our famous skip, the Member for Swan River, Mr. Bert Corbett, Mr. Doug Watt, the Member Arthur; and Mr. Forbes, the husband of the Member of Cypress; and myself. (Interjection) I didn't want to name myself first. We had a very good game and a very close score and I would suggest that we make that an annual affair. Also, I would like to thank the Granite Curling Club for their hospitality. Knowing that most of us were Scotchmen, they decided to let us have the ice free of charge for the game.

HON. DUFF ROBLIN (Premier) (Wolseley): Mr. Speaker, my honourable friend forgot the most important news of all. Who won?

MR. G. MOLGAT (Ste. Rose): Mr. Speaker, before the Orders of the Day, I would just like to say a few words of farewell to one of the members of the sessional staff who I think is a good friend of many of us here in this House. I'm referring to Harry Alexander, the gentleman who takes care of the telephones in the members' quarters here. Harry's been actually longer in the House, I would say, than the majority of the members here. He first came in 1951 and has been here every year ever since and I know that he has formed a close friendship with many members on both, or all three sides of the House if I can refer to it that way, during that time. This is his last day here at the session. I'm sorry to see him go and I'm sure that many members of the House will agree with that view.

MR. ROBLIN: Mr. Speaker, I thank the honourable member for raising this matter because we do value the associations that we form with those who serve the public with us here in the Legislative Assembly. Harry Alexander is a good friend to all of us here. We're sorry to lose him and we wish him well.

MR. RUSSELL PAULLEY (Leader of the CCF) (Radisson): Mr. Speaker, I would like to join insofar as our group is concerned and thank Harry for his very, very able conduct of the job that he had. Oft'times we saw him scouting around the corridors looking for individuals and the likes of that. He did a very fine job and, as the First Minister says, we are very,

(Mr. Paulley, cont'd.) very fortunate in having staff like we do in the Legislature here during our sessions and we of our group wish him the very best.

MR. SPEAKER: Orders of the Day. Committee of the Whole House.

MR. LYON: Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Public Works, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee of the Whole to consider Bills No. 26, 39, 40, 50 and 68.

Mr. Speaker presented the motion and following a voice vote declared the motion carried and the House resolved into a Committee of the Whole House, with the Honourable Member for St. Matthews in the Chair.

Bill No. 26 was read section by section and passed.

MR. CAMPBELL: Mr. Chairman, wasn't this Bill formerly passed? Wasn't this the one where we were waiting for an amendment?

MR. CHAIRMAN: Oh, yes.

MR. CAMPBELL: No, this wasn't the one. I beg your pardon, Mr. Chairman.

Bill No. 39 -- Sections 1 to 7 were read and passed.

MR. GRAY: Mr. Chairman, I'm speaking entirely for myself. I oppose Section 8 because I do not see the necessity in the first place; the advisability, in the second place, for an MLA, whether he is a member of the Crown or not or whether he is a Minister or not, to act on any board which is appointed by the government. They have full control over it anyway because the board, from time to time, reports to the Cabinet. The Cabinet is aware of what they are doing and they still have their control. I don't think it's democratic. I don't think it's fair to have an MLA, who is elected by the people true, but he's here today and may not be here tomorrow because the public are not always satisfied with the same members they elect once, so I think that this is very undemocratic and unimportant. At the same time it could create quite a danger, politically and otherwise. Let's keep our democratic system clean, fair, and in the interest of the public. So I thus move, Mr. Chairman, that Section 8 be deleted.

Mr. Chairman presented the motion and following a voice vote declared the motion lost.

Bill No. 39 -- Sections 8 to 38 were read section by section and passed.

MR. J.M. FROESE (Rhineland): Mr. Chairman, on Section 39 -- when the Bill was given second reading I asked the Honourable the Minister in question as to the rates. Could I please have an answer at this time?

HON. J.B. CARROLL (Minister of Public Utilities) (The Pas): Perhaps I should just have a clarification on the question, Mr. Chairman, if I could.

MR. FROESE: Mr. Chairman, I don't know whether I can repeat the question exactly the way it was put the other time, but I questioned the Minister on whether the rates of the two firms were identical that we have at present, the Power Commission and The Hydro; and whether any change in rates were contemplated with this amalgamation.

MR. CARROLL: I don't think that refers to this section at all, but just to answer your question, the two corporations don't have comparable customers at all. The only customers that the Hydro-Electric Board have are International Nickel Company, Manitoba Pulp and Paper, The Ontario Electrical Utility, the Saskatchewan Electrical Utility, and I think the San Antonio Mines; so they're not directly comparable to any customers that Manitoba Power Commission have at the present time. With respect to rates, there's no contemplation at the present time of any rate increase.

Bill No. 39 -- The balance of the Bill was read section by section and passed.

Bill No. 40 -- Sections 1 and 2 read and passed.

MR. GRAY: Mr. Chairman, on 23 (a), (b) and (c), the hospitals loans are usually -- probably not in this series -- guaranteed by the province. Why should we authorize them to borrow money anywhere in the world, even if the security is good, rather than stick with the province where the security has proven to be four times as good -- (Interjection) Well, I'd like to get a reply. I don't want to be ignored entirely. I have been ignored many times but I still insist on my rights. I get the same pay as the other fellows.

MR. JOHNSON (Gimli): Mr. Chairman, I don't know just what my honourable friend is getting at. All the intent of this bill is that where the hospital has money on hand at the present time not immediately required for retiring debentures and so on, they can place this

(Mr. Johnson, (Gimli), cont'd.) money in suitable bonds. We felt that by mutual agreement between the hospitals and the Hospital Plan, the suggestion has come up that it's probably in the best interest to have them buy local bonds, Manitoba Government Bonds or Dominion of Canada Bonds.

MR. GRAY: That's not what I am objecting to.

MR. JOHNSON (Gimli): I don't quite understand.

MR. GRAY: Well the investors stand on our knees for a loan occasionally. Why not confine it to the Province of Manitoba? It's our Manitoba hospitals.

MR. JOHNSON (Gimli): Well, I can't answer that.

Bill No. 40 -- the balance of the Bill was read section by section and passed.

MR. CHAIRMAN: Bill No. 50. There's a new section.

MR. CARROLL: Mr. Chairman, on Bill No. 50, The Fire Preventions Act, I'd like to propose an amendment to Section 1 of that bill. It's a rather lengthy amendment, but it's necessary to clarify the present Act, and to add to it the amendment that was requested by the City of Winnipeg in Law Amendments Committee the other day. The only section which is being added is Section (e) so if you'll take note of that when we come to it. Section 1 will read now as follows: "Section 53 of the Fire Preventions Act, being Chapter 86 of the Revised Statutes as amended by Chapter 23 of the Statutes of Manitoba, 1956, is further amended: (a) by striking out Subsection 1 thereof and substituting therefore the following: 53 (1) Upon complaint of any person having an interest in any building or property adjacent or without any complaint, (a) the Fire Commissioner or his Deputy or any of his subordinates, or (b) the Chief of the Fire Department of any city, or (c) where a Fire Department exists therein, the Chief of the Fire Department of any town, village or municipal district or of an suburban municipality as defined in the Municipal Act, or (d) where no Fire Department exists therein, the Mayor or Reeve of a town, village or municipal district or suburban municipality, or (e)" -- and I draw this to the attention of the Committee, this is the new section which is being added -- "any officer of a municipal Fire Department authorized in writing by the Fire Commissioner, upon the recommendation of the Chief of that Fire Department may, at all reasonable hours, for the purpose of examination enter into and upon all buildings and premises within his jurisdiction; and (b) by adding thereto immediately after Subsection 3 thereof the following subsections."

MR. CAMPBELL: Mr. Chairman, may I ask if this amendment was agreed to by the little committee that we -- is it the joint work of that committee?

MR. CARROLL: Yes. This amendment was discussed yesterday afternoon with the City Solicitor, Chief Beggs and Chief Dunnitt of the City of Winnipeg Fire Department. They feel that this will be acceptable.

MR. PAULLEY: Mr. Chairman, don't you think it would be better if we had copies of that for our consideration before we give third reading to this bill? It might be agreeable to the gentlemen that the Honourable the Minister has spoken of; but it may not be agreeable to some of us in the House. We haven't had an opportunity of looking at it and I suggest that the bill be held until we have had an opportunity of sitting in this, because it seemed to me a very long amendment.

MR. CARROLL: The only section in which there's any change is that section (e); and I must apologize to the Committee that I didn't have copies available.

MR. GRAY: legal phraseology from "may" or "shall"? If the building is in a dangerous condition, why not have it "shall" go ahead; not "may". If it's "may", he could stay away on a holiday for six months and not do anything.

MR. CAMPBELL: This section, Mr. Chairman, deals with inspection only? Isn't that right?

MR. CARROLL: Yes, Mr. Chairman.

MR. CHAIRMAN: Are we ready to proceed?

MR. PAULLEY: Mr. Chairman, I would like an opportunity and I think I'm entitled to it, to fit this in with the Bill. I respectfully suggest to the Minister that the Bill be held.

MR. LYON: In Law Amendments yesterday there was the one point on which there was some discussion and members of my Honourable friend's party were there. There's nothing very contentious. The Minister has brought in a compromised agreement which is satisfactory to everybody. I think it's understandable to everybody else. I don't know what's wrong with my honourable friend.

MR. PAULLEY: Maybe my honourable friend will recall the attributes to me he made last night as to my intelligence, and possibly that's the reason I want to hold it.

MR. ROBLIN: Mr. Chairman, I'm sure we would be delighted to give the Leader of the CCF Party ample time so that he may comprehend this difficult and involved measure. I therefore think we would be happy to have it stand if it suits his convenience.

Bill No. 68 was read section by section and passed.

MR. CHAIRMAN: Committee rise and report. Call in the Speaker. Mr. Speaker, the Committee of the Whole House has considered certain Bills and asked me to report as follows; Bills No. 26, 39, 40 and 68 without amendments; and ask leave to sit again.

MR. MARTIN: Mr. Speaker, I beg to move, seconded by the Honourable Member for Winnipeg Centre, that the report of the Committee be received.

Mr. Speaker presented the motion and after a voice vote declared the motion carried. Bills No. 26, 39, 40 and 68 were each read a third time and passed.

MR. SPEAKER: Second reading of Bill No. 46. The Honourable the Minister of Agriculture.

MR. HUTTON presented Bill No. 46, An Act to amend The Credit Unions Act, for second reading.

Mr. Speaker presented the motion.

MR. SPEAKER: Are you ready for the question?

MR. HUTTON: Mr. Speaker, this bill incorporates a great number of amendments to The Credit Unions Act and I doubt if the members want me to take the time to explain each section. Some of the more important ones are the provisions for the Credit Unions to hold property in excess of \$40,000, to which they are held by the present Act; and to permit them to hold as security an excess of 10 percent of \$40,000 where it has been acquired through foreclosure. In the past, some of the Credit Unions have been put in a very awkward position because The Credit Union Act forbade them holding property of this kind and, as a result, some of the members had to take title to the property; and then in the case of a death, this could lead to a very awkward situation. Provision is made in the amendments for the handling of small accounts under \$25.00 of people who are no longer active in the Union. After a termination of a time limit -- I think it's six years -- they give them notice and, if after six years from the time he's been given notice they haven't heard anything from the member, the society may transfer this amount which would be under \$25.00 into a special trust account and the member has no longer the rights and privileges of a member; but whatever amount of money he had in there is kept in trust for him. This obviates the necessity of doing an awful lot of bookkeeping on niggling items and sending out notices year after year. There are some provisions in the amendments for the setting up of the credit committees, supervisory committees within the local Credit Union; and I might say that these amendments were drafted after consultation with the Credit Union organizations and after their perusal -- I think we could make a little better time here if any of the honourable members have question in respect of any given amendment, I would be glad to try and answer them, but to deal with each one at this stage in principle would keep us here quite awhile.

MR. GRAY: Mr. Chairman, is it necessary for the Credit Unions to buy a building for themselves at the value of over \$40,000?

MR. HUTTON: At the present time they cannot. No.

MR. GRAY:to remove this?

MR. HUTTON: Well, it could be. Some of the Credit Unions are quite large and do a tremendous volume of business. In fact, it is necessary in this request that's come in. The staff who are working with the Credit Unions feel that there is justification for allowing this increase in the amount of security or real estate that they can hold.

MR. SPEAKER: Are you ready for the question?

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

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

MR. SPEAKER: Second reading of Bill No. 59. The Honourable the Attorney-General.

MR. LYON presented Bill No. 59, an Act to amend The Liquor Control Act, for second reading.

MR. SPEAKER: Are you ready for the question?

MR. LYON: Mr. Speaker, one finds it difficult to speak on the principle of this bill because, of course, there are a number of unrelated amendments contained in the bill itself. I will endeavour to go over the major ones that are contained in the bill. I think the first one of any import is that relating to the present agency system. It's a change in the connotation of that system from an agency system to a straight liquor vendor system. This will not affect either the opening of agencies or the present system of agency distribution that we have throughout Manitoba. This recommendation comes from the Commission based on the fact that at the present time all of the liquor that is sent to agencies throughout Manitoba is sent on a consignment basis. In other words, the Liquor Commission remains the owner of the liquor until it's sold and it is on consignment in the premises of the agent until such times as he dispenses of this liquor pursuant to the provisions of the Act. Under the present proposed amendment, it would merely change over this system from a consignment basis to a straight sale purchase arrangement -- (Interjection) -- No. C.O.D. doesn't come into it; a straight arrangement whereby, to liken it say to a hotel vendor who vends beer off sale, whereby he buys outright from the Commission and then sells, in turn, to the general public. While this is a substance of change in the form of the relationship between the Commission and the agency, there will be no change insofar as the public are concerned at all. It will save the Commission, not a large sum but some sums for auditing which they presently have to do because of course this liquor is considered part of their present stock; and will save them some money on insurance which they must carry on this; and will have the affect of slightly reducing the rate of commission which the agent presently gets. I may say that the Commission do not intend to implement this section, if it is approved by the House, immediately. They will do it over a period of time in order to enable the present agents to buy up the stocks that they presently have on hand and then to continue their purchases from that time forward on a straight purchase basis.

There is an amendment permitting the Head Office of the Commission to be outside of the City of Winnipeg. For a number of years The Liquor Act has said that the Head Office of the Liquor Commission and of the Chief Inspector should be in the City of Winnipeg. Well, when building is contemplated, of course, the City of Winnipeg is going now to Metro Winnipeg, and if I listen to some of my colleagues from time to time or members like the Honourable Member from Turtle Mountain, they might tell me that the head of the Liquor Commission should be located in Boissevain or some such fair city in Manitoba; so this amendment is merely being made in order to give the Commission a greater discretion as to the location of its Head Office should a change ever be made.

The next amendment of some import is the one respecting the days of sale for liquor in licensed premises and of liquor sold off sale through hotel vendors, liquor stores and agents. It also relates to days on which occasional permits can be taken out by members of the general public so licensed by the commission. The proposed amendment which you will see in the Act changes the present system. Under the present system, as you are no doubt aware, Mr. Chairman, if a municipal by-law, if a municipal election is held in a municipality, all liquor stores in that area must be closed in that municipality. If a school by-law or a school election is held in a municipality, all liquor stores, all outlets must be closed for the whole day. We've been looking at this for some time; have had some considerable discussions with the Commission and with the different organizations who are interested in this section; and we brought forward this proposed amendment which, in effect, says that liquor could be vended on municipal election days, on days on which votes take place on school by-laws. It would exempt those days from the present prohibition but it would still prohibit the sale of liquor, on or off sale, on days on which polling takes place upon a question submitted to all the electors of the province under an Act of the Legislature, that is a province-wide referendum or an Act of Parliament of Canada; a province-wide referendum conducted under a Federal Act; or it would still prohibit the vending of liquor in a municipality in which a vote is being taken pursuant to The Liquor Act itself, that is the local option by-law vote. Members of the House will note, Mr. Speaker, that this does not affect or remove the present prohibition against the sale of liquor on Dominion or Provincial election days.

Now this amendment is brought forward, and I dare say that we can have some discussion of this in committee, and we'll be quite happy to listen to any reasonable proposals that might

(Mr. Lyon, cont'd.) be put forward in this regard. It has been felt, I should say though, by the Commission for some time that the present restrictions whereby occasional permits, all licensed premises, all liquor stores must be closed in a municipality in which a vote is taking place, for instance on a school by-law in which only 20 or 25 percent of the people come out, has been rather a hardship not only on the general public but on those premises which are licensed to do business under the Act. The instance that comes particularly to mind, the most recent one perhaps, would be the instance of the second money by-law vote on the City Police Station last December. I advance that as only one example, where I think in the City of Winnipeg there were some 15 or 20 or 30, I'm not sure of the exact number, of social occasions that had been planned for weeks and months ahead not knowing -- of course nobody knew that there was going to be a by-law vote taken that day. Well, along came the by-law vote. Under the provisions of the Act all of these occasional permits had to be cancelled for that day, and that's what was done because the law required it. Well now, members might well argue that this doesn't cause too much of a hardship but we feel that in this day and age that section, which was originally put in the Act and I think put in for very good reason to prevent the mixing of liquor with politics on election days, we think that while it's probably had good validity at the municipal level in years gone by, that perhaps in this day and age we could take the opportunity at this time to see whether or not any abuse would result by lifting that restriction at the municipal level. That is all that is being attempted by this amendment. I wish to make it clear, Mr. Speaker, to the House, that when the Bill does get into committee stage we'll be quite happy to have comments upon it, and if this does not meet consensus, we're quite happy to consider any other proposals that the members might wish to put forward. This is brought forward as one proposal which we feel would be more in keeping with the habits of the people of Manitoba in 1961, and one which we feel would not do prejudice to the conduct of municipal elections in the Province of Manitoba.

There are other sections in the Act which I should refer to. Section 71 -- I'm committing the cardinal sin of referring to the section but I draw the honourable members' attention, Mr. Speaker, to the section which deals with tide houses. There is in the Bill an amendment to that section -- 2 parts. The first part is really to tighten up the present prohibitions against tide house control by brewers. Examples have come to our attention where, by reason of stock ownership in hotels, brewers have claimed that they did not come within the ambit of Section 71. Now quite a fine legal argument can be put up in this regard. I may say it's an argument with which I don't agree but, nonetheless, an argument can be put up because there may well be an ambiguity in that section. To better ensure that no such loop-hole or ambiguity exists, we are putting in the first amendment to the Tide House Section which makes it quite clear that an owner or a beneficial owner, whether directly or through the medium of a trustee or agent, of shares of the capital stock, is subject to the same provisions vis-a-vis tide houses as a person who owns a mortgage or has any other investment in a hotel.

The second subsection in that particular regard deals with the right of a mortgagee to foreclose or to purchase at a sale, under power of sale on a mortgage, or to accept a conveyance under a mortgage sale. Members of the House will recall, Mr. Speaker, that when the tide house provisions, the present ones were written into the Act in 1956, I think perhaps -- I'm advised by the department this was perhaps an oversight -- but where a brewery has a mortgage on a hotel, the Act of course prohibits it from enlarging this mortgage or in any other way increasing its investment in the hotel. But by implication, it was felt by the law officers of the Crown that this section might also go so far as to prohibit a mortgagee from foreclosing on his own mortgage, and it was felt that this should be cleared up because it was never deemed to be -- at least the department never deemed that it was the intention of the Legislature to prevent a brewer from exercising his normal legal rights, even though obviously the intention was to prevent him from increasing investment in the hotel. All that this does or purports to do is to restore, if indeed it was taken away, the power of a brewer mortgagee to exercise the same rights under his mortgage as any other private investor would have under any other mortgage against real property in Manitoba.

There's another amendment to the Act which will permit, and this was requested by the Liquor Commission to facilitate service in certain areas, this will permit the giving of a beer vendor's license for off sales, sale by the case, to any person who is a beverage room licensee

(Mr. Lyon, cont'd.) in Manitoba. At the present time a beer vendor's licence is given only to a hotel licensee. There are, however, communities in Manitoba where there are no hotels but where there are licensed outlets. It seems rather anomalous that the Act should actually require that community to have a hotel before it could have the service of beer vendors. Therefore, this proposal is brought forward to facilitate the giving of such licenses in areas where there is no hotel and where there is probably little probability of a hotel ever being erected.

There is another amendment which would permit beer depots, and by beer depots we mean hotel vendors, we don't refer to the brewer off sale outlets such as we have across the street, but would permit beer vendors to continue to sell beer until 11:30 at night. Honourable members will recall, Mr. Speaker, that in 1959 a series of amendments were made to The Liquor Control Act whereby beer parlors, where the hours of sale were extended until 11 P.M.; and to that was added the one-half hour tolerance for clearing out of the premises until 11:30. The Hotel Association of Manitoba, who represent of course most of the hotels in Manitoba, along with the Independent Hotel Association, have been advising the Commission over the past number of months -- as a matter of fact I think they made the submission to the Law Amendments Committee last year, that this system is really not working out in practice. The Commission are satisfied that the representations of the hotel groups are accurate in this regard. What is happening is this, that a person in a licensed beer parlor, if he wishes to buy a dozen or a two dozen carton of beer he must go out before 11 o'clock, buy his beer and if he's going home, that's fine. But if he's going back into the parlor to join his friends, he must take it back in or deposit it in some other place, some other legal spot until he is ready to leave. Well, you find quite a clutteration of beer cases from time to time, I am advised, in the beer parlors in Manitoba because people, under the present law, are required to buy their off sale beer before they're actually asked to remove themselves from the beer parlor. This proposed extension of a half an hour would merely then permit the beer vendor to continue selling beer off sale from the hotel desk, or whatever his vendor's spot may be, until such time as his premises are closed and the patrons are cleared out of the beer parlor. We think it will be beneficial in assisting the hotel people in properly administering their premises and keeping things in proper order.

There is a section which refers to the prohibition against selling beer containing more than nine percent proof spirits. At the present time, beer containing more than nine percent proof spirits cannot be sold in a licensed beer parlor or in a licensed beverage room. Beer containing more than nine percent proof spirits is usually imported beer. I don't want to give a plug to any particular brand, but there is a brand of beer that is made in the cow-town of Calgary which is greater than nine percent. A number of imported beers from outside of Canada contain more than nine percent. At the present time a beverage room, as honourable members will appreciate, can sell beer and wine; wine up to 14 percent British proof spirits and under the present Act beer up to nine percent. Cocktail rooms and liquor stores can all vend beer of greater than nine percent proof spirits. It was felt that because of the very small sale in this field that this privilege should also be extended to beverage rooms where you can already buy spirits, the proof spirit of which is higher than nine percent, namely wine.

There is another amendment which would require a person serving in licensed cabarets to become licensed beverage waiters; and there's a further amendment which would permit females over the age of 21 years to serve in beverage rooms and cocktail rooms provided that they were licensed. There's no change vis-a-vis beer parlors. No female is allowed to serve in a beer parlor unless she be the licensee named in the license. This would permit the present anomalous situation to be cured whereby you can go into a restaurant which has a beer and wine license and a beverage room at the back -- if you sit down at a table and are served a sandwich and a bottle of beer a female waitress can serve it to you. If you go back into the beverage room and order a sandwich and a bottle of beer, the beer must be served by a male and the sandwich can be served by a female. Well, it was felt by those particularly in the trade that this was an unwarranted interference with the rights of the female members of our population, and that this privilege should be extended to females to serve in beverage rooms and cocktail rooms. I might also mention perhaps what I've neglected to say is the greater benefit, I think, that will accrue from this is the lifting of standards. Because where you find, we have found this in

(Mr. Lyon, cont'd.) practice or the Commission advised me of this, that they have found in practice that where female waitresses are in attendance in licensed premises, the standard of conduct, generally speaking, is higher than in those premises where you find mostly male attendants.

There are some sections which remove onus sections, which results from the report of the Onus Committee. There's a section which permits licensed beverage rooms to open at eleven in the morning. Honourable members of the House will remember, Mr. Chairman, that the present hours for beer parlors are 11 A.M. to 11 P.M. with a half an hour tolerance. The present hours for a licensed beverage room are 12 noon to 11 P.M. with a half an hour tolerance. The Commission has been attempting to stimulate the conversion of beer parlors as much as possible into beverage rooms. One of the complaints that they have been running across from time to time is the fact that if a present operator of a beer parlor converts to a beverage room, he loses an hour's business in the morning from 11 to 12. I'm advised again, on reputable grounds and sources, that there are a certain number of people in the province who wish to go in and have a glass or a bottle of beer before their lunch. In the case of a beverage room this privilege is denied them at the present time, so the amendment is being proposed to bring the hours of sale in a beverage room into complete conformity with the hours of sale of a beer parlor and thereby, we hope, give some incentive for more conversions from beer parlors into beverage rooms. There's another amendment which will undoubtedly meet with the wholehearted approval of many of the

MR. SCHREYER: I wonder if the Attorney-General would explain that a little further. Does he mean that the hours of sale in beverage rooms will be changed from 11 to 11 or from 12 to 12? I missed that.

MR. LYON: There's another amendment which would permit licensed dining rooms and cocktail rooms to remain open until 1 a.m. on New Year's Eve. That's one day a year unless New Year's Eve fell on a Saturday or a Sunday. This has been requested, I'm sure not by any honourable members of the House who are quiet home bodies and don't go out on New Year's Eve, but apparently there is a large trade who frequent the dining rooms and cocktail rooms of the province on New Year's Eve and on other occasions and on this particular occasion all dispensing of liquor must cease at the witching hour of 12 o'clock. It was recommended by the Commission that this one hour extension be given on this one day of the year and perhaps in acknowledgment of the festive time that is being observed. There's a tightening up of the section relating of gifts of liquor by brewers and distillers. I believe that covers the main amendments. If I have overlooked any, Mr. Speaker, I'll endeavour to answer any questions that may be put.

MR. GRAY: Mr. Chairman, the honourable members know that I am so in favour of prohibition by education, but as long as we sell liquor I wish to commend the Attorney-General of coming here from year to year and make things easier and more probably humane. So what I'm going to say now is not in favour of selling more liquor. Once liquor is sold, let us do it in a more refined and proper way. My first question is, that I understand that the outside agents now, instead of buying liquor on consignment, that you are going to send them ten cases of Scotch and ten cases of Rye; bill him for it; and then get the money the same as any other merchandise house. My question is; why couldn't I get the credit? Why should I pay the cash? He's making a profit and gets credit; and I'm paying cash. That's question number one.

Question number two; No liquor to be sent to the vendors. Well supposing -- there could be a vendor and I invite him to the house for a reception. Now couldn't I offer him a drink? It's something which is not clear to me.

The third one is perhaps more serious, but I do not want the honourable members to misunderstand me, and this is permits for liquor on Sundays. I can assure the House that I have never, and I hope never will, disrespect the Sunday law. In this House I did not even support the sports on Sunday. At the same time there's a certain element in the city or in the province -- quite a few groups, nationalities, ethnic groups who have their weddings, some on Saturday and many on Sunday. They also have banquets, dinners, invite a speaker from outside -- famous speaker -- maybe the Prime Minister of Congo or maybe the Prime Minister of Israel, and they hold a banquet for them and the only day that they could have a success would be on a Sunday evening. Not on a Sunday morning due to church hours, and not on a Sunday early

(Mr. Gray, cont'd.) evening, but on a Sunday evening. Now what they are doing now -- I don't know whether they are or not -- but the only thing they can do, if they actually want some reception before the dinner, they either have to do it quietly and watch the door so the inspector won't come in or do without it. Now once liquor is sold -- I'm not suggesting that this will increase sales -- but once liquor is sold, once we have the evil or the good of it right now, why cannot a group of three or four hundred people obtain a permit on a Saturday, deliver the liquor on a Saturday to be used on a Sunday evening, either at a wedding or what have you? After all, weddings are here; liquor is being served at weddings, what's the difference whether it's Monday or Sunday evening. I think that some consideration -- I'm not suggesting anything because after all you are the boss, you know best -- but some consideration be given because many of them, very honest, respectable people, are breaking the law because you did not add two more lines in the amendment. Not because it's not good; not because it's a crime. If you add two lines in the amendment everything would be kosher and fine and everything else. I think that, in all sincerity, that this should be given consideration. Not breaking Sunday law -- people drink Sundays anyway whether you do it or not; they do drink on the golf courses; they drink at sport organizations; they drink at the clubs; and perhaps they drink at the weddings. What they drink here is illegal, so take something which is being done now, and make it legal.

MR. PAULLEY: Mr. Speaker, I would like to say a word or two in connection with this bill. I have no opposition of course in it going to the committee. I think that it is very desirable that it does. It does contain, in many cases, some departures from the Act that was established as a result of the Bracken Enquiry Commission. I would suggest too, Mr. Speaker, that insofar as this Act is concerned, that it will be treated by the members of this House the same as the amendments to the Liquor Act were at the time that we considered them before. That of course, as you recall, Mr. Speaker, was strictly on a non-partisan basis with every man for himself.

I do want to raise the question though of the -- and I suggest that as much publicity as possible be given to this -- I question the contents of the Bill in respect to the lifting of the restrictions of the closing of the liquor outlets on election days. I might say, Mr. Speaker, I've no objection whatsoever in my mind at the present time as to the restriction being lifted on days on which we are having by-law votes. I have observed too, that with the turnout that we get on by-law vote days, it's a very very small percentage of ratepayers or electors that turn out for them and it does seem to me prejudicial to the licensees who, after all, are in business, that they must close on those particular days. It does seem to me, as I look over the principle contained in the Act, that the departure as suggested in here of the restriction on days on which we are actually electing municipal councils and school board members, that the parlors be open and the liquor outlets be open may not be a very good feature on those particular days. I wonder, while the Act itself or the proposed amendment would make this possible insofar as municipal and school board elections are concerned, whether it could not just be a step forward -- not forward in my opinion but regressively -- in pressure for changing The Election Act of Manitoba to make it permissible to have the liquor outlets opened on election days for the province. I appreciate the fact that it's not contained in this Act at the present time, but it would only mean then an amendment to The Election Act. I wonder then if it would not be possible, or lead to a similar situation insofar as our Federal Acts are concerned, if it were permissible here in the Province of Manitoba. I'm looking at it from the viewpoint, Mr. Speaker, of possibilities, after a start has been made in the opening up of this, into the other fields. Now it's only after years of agitation and progressive thinking that, as I recall history and reading of events that took place on election days before we had laws like this, where there were a considerable amount of influence, under the influence of liquor, made on voters and I don't think that we will want to return to that. I have a fear, in all sincerity, insofar as the licensees are concerned who are carrying on their business, whether this would be a good step to take for us here. I suggest this, Mr. Speaker, if we, as members of this Assembly, think that it's okay to allow this insofar as our municipal and school board elections, then we must be prepared to say that it's perfectly okay insofar as our legislative elections are concerned. Now I think that we must view this and seriously suggest to the members of the House that they give that matter their full consideration. It might be possible, and I offer this just for thought, it might be possible that in order to be possibly a little bit more fair with our

(Mr. Paulley, cont'd.) licencees that say, an hour after the polls close, that they be open. I suggest something along that line as an alternative, if there isn't too much favour to this.

Now, Mr. Speaker, there's just one or two observations that I have in respect of the principle of the bill that we have before us at the present time. As I said in my opening remarks, I have no objection to the bill going to second reading and trust and hope that at that time that there will be a full debate and consideration on the proposals in the bill.

MR. DOW: Mr. Chairman, I have just one question for clarification. In regards to the liquor vendor going on a cash basis, that includes in addition to beer vendors all the outside stores, the store agencies of hard liquor and all?

MR. LYON: Only the agents.

MR. MOLGAT: Mr. Speaker, I think it was recognized by everyone in the Province of Manitoba, and certainly all the members of the House, when the major change was made in The Liquor Act a few years ago that we would be faced with further changes once the Act was in operation. While I haven't had a chance to check all the details in this proposed bill, I'm certainly in complete agreement with sending it to committee. It's obvious that with the major overhaul that was done then, circumstances would arise at a later date which would have to be looked into, and certainly when we reach the committee stage we'll have ample opportunity to go into all the details. It's difficult to discuss, as the Minister indicated, any one principle in this bill; it's a series of changes. I would, however, like to ask him a question on one change and that's with regard to the employment of female staff in beer parlors -- (Interjection)-- Is it not in beer parlors? I understood that it was.

MR. LYON: Beverage rooms.

MR. MOLGAT: Beverage rooms. Oh, is there not a section here prohibiting anyone from serving the beer parlor if it's a female? Section 14?

MR. LYON: Yes. Prohibiting females.

MR. MOLGAT: Yes, prohibiting a female. Well, my question is that it seems to me that in some of the small hotels in the country that fairly frequently the wife of the licencee does serve in the beer parlor, and it might create a problem for certain of these hotels if this were to be prohibited -- (Interjection) -- No change? I just wondered when I read Section 14. That's the only observation I would want to make at this time. We can make our detailed observations later.

MR. FROESE: Mr. Speaker, just one question that I'd like to ask the Honourable Minister. With regard to liquor outlets in the rural areas, what is the policy in granting these outlets? I had a case referred to me where they had asked for permission to have an outlet and they were refused. Could we have some information on that?

MR. MOLGAT: Mr. Speaker, I don't want to pursue this point, I know you do in the committee. I'm not a member of the Law Amendments, however, and I would just like to refer the Honourable Minister back to No. 14. The explanation given certainly says that it prohibits any person from serving. The only point I want to bring up is that this will cause a hardship in certain rural areas.

MR. LYON: If there are no other questions, Mr. Chairman. I'll endeavour to get that section for my honourable friend the Member for Ste. Rose, because we are aware of course of the situation that does occur where female licencees, or wives of licencees, are allowed to serve and certainly there's no intention on the part of the commission to change that situation. There is a section, I believe, in the Act covering it and I can't -- I would ask my honourable friend if he can put his finger on it for me. Going back to the Honourable Member for Inkster, he made a plea for the serving of liquor on Sundays. Well, as he is no doubt aware, occasional permits for the use of liquor on Sundays can be obtained by religious groups for picnics held on church grounds or for gatherings held in a building owned or leased by the religious organization. That amendment was written in, if not in '56 it was in '57.

MR. GRAY: Some people may not want to have their wedding on church grounds.

MR. LYON: Well, that may well be the case. Of course there are athletic clubs which are allowed, such as Golf Clubs and Curling Clubs, which are allowed to serve liquor on Sundays because, of course, they are patronized largely on weekends and on Sundays; and this amendment was written in I think in '57 or thereabouts. I think it's not in the original Act itself. So while there is a general prohibition against the commercial sale of liquor on Sundays, you can obtain the occasional permit for religious purposes -- or religious organizations can

(Mr. Lyon, cont'd.) obtain it subject to these conditions; and athletic clubs are open for the sale on Sundays. Now I don't know if that will help my honourable friend too much, but if he has any connections either with an athletic club, I know he has with religious organizations, he may be all right.

MR. GRAY: I want it legal. I can go to an athletic club and ask them to obtain a permit for me in order to attend a wedding or something, but we don't want to cut corners.

MR. LYON: I'm trying to assist my honourable friend, Mr. Speaker, in having his liquor legally on Sunday. I was giving him a few insights as to how he might do this. The Honourable the Leader of the CCF Party raised the question about certain departures from the Act. I think perhaps the Honourable Member for Ste. Rose made the answer for me when he said that you are bound to make certain changes, some fundamental, some of a more peripheral nature to the Act from time to time. I'm rather a believer in the principle that one should attempt to keep the Act up to date as the years go by because we saw, and I say this in no critical sense with respect to the former government because they brought in this present Act and it was a good Act to be brought in, but I think that if we don't attempt to keep this Act up to date; keep it more or less current with the habits and the thinking of the people; that come 15 or 20 years we're going to be faced with another commission and have to revise the whole thing again and take another long look at it. That is why I suggest that, as much as possible and within reason, without attempting to prejudice the main fundamental principles underlying this Act which are contained in the Bracken Report, that we should try to keep these amendments up to date as much as possible and keep a pretty sharp eye on what the practices and habits of the people are in order that we may make The Liquor Act correspond with the general will and consent of the people.

Now with respect to his suggestions concerning the lifting of the prohibition of the sale of liquor on municipal election days, and I stress that it is only on municipal election days, certainly I think his idea is well worth consideration and we could talk it over in committee. I would point this out to him, however, that whereas today we do have this prohibition written into the Act, my honourable friends will know just as well as I that unless the voting day in Transcona is the same as the voting day in Winnipeg and his outlets are cut off in Transcona on election day, all he has to do is drive over to St. Boniface or to Fort Garry or one of the other areas that sells liquor that is not having an election on that particular day. We know for a fact that some of our municipalities change their election days, alternate them, in order that the town wouldn't go dry. While the prohibition was written in for an area such as Greater Winnipeg, really it had no effect because if there was an election in Fort Garry, any resident of Fort Garry need only drive into the City of Winnipeg, go to a licensed dining-room or go to a liquor store and buy his supplies. I would say that the same situation prevails largely in our rural areas because if a rural municipality is having an election, all one need do is drive into one or two or more of the towns which are not part of the rural municipality and they can go into the beer parlor or go into the liquor store or whatever they wish to do. So while the prohibition is there, and while it has been acknowledged, still it was not, I suggest, a very effective prohibition; and I think that in the light of the experience that has occurred, that we might well take a chance on this. We might just try it out on an experimental basis to see how it works. I am quite prepared to listen to the suggestion of the Honourable Leader of the CCF and to any other suggestions that may come to us when we get to the committee stage on that.

Now the Honourable Member from Turtle Mountain mentioned the question of liquor vendors. This section refers only to liquor agents, that is those agents that have been established largely in drug stores since this new Act came in.

MR. DOW: Mr. Speaker, it didn't only apply to beer vendors, it applied to all liquor

MR. LYON: Actually what we are doing or proposing to do by this amendment is extend the same principle that presently, and has for all time applied to beer vendors, to agents. They will send in an order accompanied by their cheque or by cash. At the present time, if they send in an order the liquor is shipped out to them. It's still Commission liquor; they really don't pay for it until they sell it. It remains the property of the Commission. So this will put them on the same cash basis as the hotels.

(Mr. Lyon, cont'd.)

The Honourable Member for Rhineland asked a question about the policy concerning the establishment of agencies. By and large, the policy is to establish agencies in towns where there would be a sufficient demand in the town and in the surrounding area to warrant service being given to that community and, at the same time, in such an area as would not be large enough, by and large, to support a store. The cost of operation of stores vary of course across the province but, by and large, it's found that they can be operated at something less than 10 percent of their sales. The commission that is paid to agents is 10 percent on anything that they sell up to \$40,000; five percent on any figure over that. On a geographical basis they try to establish them say -- right now they've been working on a concentric circle business, roughly 25 to 30 miles from the nearest outlet. You will find some agencies closer together than 25 miles, and I stress the word "agencies" closer together. That may well be because the demand was so great on one agency that their sales were going up to \$40,000 or \$50,000, and another competing agency was opened at a nearby town to bring those sales down and meet the need in both of the areas. At the same time, the Commission does not like to establish agencies in too close a proximity to the stores because it then siphons off the trade that usually goes to that store, and makes the store operations uneconomic by setting up an agency in competition to it. But, by and large, that is the policy. The fundamental reason underlying it was to provide better service, particularly to rural Manitoba, through these agents. As you know, from reading the Annual Report of the Commission, there are now I think some 31 or 32 of them throughout Manitoba. It is not the policy of the Commission to extend them too far. I would say that the main extension of agencies has occurred. There will be odd ones set up probably from now on, but I think the first coverage of the province has pretty well occurred and they are now looking at other areas which may require service in the future.

I'm sorry, Mr. Speaker, there was -- I would refer the Honourable Member from Ste. Rose to Section 110, subsection 10, which states that nothing in this section prevents the licensee from serving liquor in his or her own licensed premises. It says, in effect, that notwithstanding anything else, that a man or a woman licensee may serve on their own premises at any time.

MR. MOLGAT: Would this protect the case where it says his, the wife of the licensee in that case too?

MR. LYON: I'll have to look at that more closely. I know of the situation you're speaking so I'll try to clear that up before committee. If we have offended against that we'll wipe it out, because we want to preserve the situation.

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

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MR. SPEAKER: Second Reading of Bill No. 72. The Honourable the Provincial Secretary.

HON. GURNEY EVANS (Provincial Secretary) (Fort Rouge) presented Bill No. 72, an Act to amend The Civil Service Superannuation Act, for second reading.

Mr. Speaker presented the motion.

MR. EVANS: Mr. Speaker, the principle of this bill has been described twice, once in the committee and once in the House, during this session. The principle is simple; to increase the pensions being paid to those now on pension and to increase the scale at which pensions will be paid to those who retire in the future. It also provides a different method of financing the government's share of these payments by enacting that one-half of all future superannuation payments be paid by the government and that all of the amounts by which pensions are increased for those now retired, after April 1st be paid direct by the government. This is in lieu of the government contributing a matching amount to the present Superannuation Fund. The third principle that is established in the bill is that the amounts required to be contributed by the civil servants while employed, are set at an even amount of six percent of the pay, six percent from each person's pay. That takes the place of varying amounts ranging from four and a half percent to seven percent according to the age at which the employee entered the fund. Those are the broad principles of the bill and I should be glad to try to clear up any questions that may not be covered by that statement.

MR. PAULLEY: Mr. Speaker, I'd like to say a word or two in connection with this matter. I'm very glad to note that the government is improving upon the superannuation agreement or understanding with the civil servants of the province. I think it's something that's over-due; a step in the right direction. We have one or two points, though, that I'd like to raise in connection with the changes that are being made. I think there is a reasonable explanation, or we can arrive at a reasonable explanation as to why the contributions at the present time should be of six percent. It's a slight increase, I think, over what has been normal, but due to the changing in the amounts of contribution and the necessity for maintaining the fund on an actuarial basis I'm not going to raise any objections to that. But I would like to suggest to the Honourable the Minister who has introduced this bill the possibility of further consideration being given to the basis under which the pension is computed. It seems to me that the period of 15 years, the last 15 years of salary as a criteria of the establishment of the pension, or the amount of pension at retirement, is too long a period in the first place. Most other pension schemes that I'm aware of have a far lesser period than that. I would like to see either the last five or ten years, or the best five or ten years of the employee's length of service during his period of employment as being the basis on which the pension is computed. It's quite conceivable, and indeed has happened in industry -- I don't know to what degree it's happened insofar as Civil Service is concerned -- but it's quite conceivable that an individual who renders 30 or 40 years of service to the government may in the last period of years be in a position in which the salary is far less than it was previously. Sometimes due to conditions of health individuals cannot carry on in the jobs that they formerly had and take other jobs of a less strenuous nature and for which correspondingly the payment is considerably less. So I'd like to suggest to the Minister that he take this matter under consideration and for a review in respect of the length of time of salary for the establishment of the pension. I think this is a practice, Mr. Speaker, that has been adopted by many other pension schemes. As far as we on the CNR are concerned and all of the railroads, under their pension scheme it is the best five or ten years of service, or the last five or ten, whichever is the greater amount, that I'm suggesting is a fair and reasonable one for the Government of Manitoba.

Now the other day I mentioned to the Minister the question of an endeavour to have portability of pensions between the various public groups and legislature, and he indicated to me at that time that he would make further enquiries with the other jurisdictions, so we'll leave it at that at the present time.

Another point that I understand insofar as our pension scheme here, the superannuation plan for our civil servants, is the question of the return of the contributions of a civil servant who is leaving the service. I understand that the contributions are refunded without payment of interest to the individual. I think, Sir, that that should be changed so that the individual concerned, over three years, I would suggest, in service, if over three years in service, that their

(Mr. Paulley, cont'd.) . . . contributions should be returned to them if they leave, plus interest.

I don't think there's any other points that I wish to raise at the present time. There may be a suggestion that's worthy of consideration -- now whether it should be done at this particular session seeing as they are changing a considerable amount in the act at the present time -- but I'm wondering whether there should not be written in to the act a minimum pension payable in respect of service rendered by our civil servants. I'm glad to see that there is contemplated a change regarding the allowance for leave of absence in computing years of service. I think that's a good start. Again I say, Mr. Speaker, I think that it is a step forward from the act as it was before, but I respectfully suggest to the Minister that we can still go a lot further yet without too great a cost, and be in a position, as I said, to give a better recognition of the salaries that the employee earned during his spell as a member of the civil service here in the province.

MR. J. M. HAWRYLUK (Burrows): Mr. Speaker, I just want to ask a few questions. I would like to make the comment that any way that one can assist the pension scheme of any employees is a good thing. Two questions: first, could you possibly give me, Sir, an idea of what the minimum pension would be to an employee of your government and the maximum that anyone would receive after so many years of service; and secondly, this might apply to -- maybe the Minister of Education could give me some idea whether this compares favourably with the pension scheme offered by the government to the civil service people with that of the teachers in this province. I mean is there a favourable comparison in your estimation, or possibly is there a discrepancy which possibly we'll have to work up to? But the reason I say this, Sir, is because I still feel that the teachers of this province or any province to some respect, should be considered as part of the civil service and I think the kind of treatment that the civil service people do get in this province should be accorded, I think, to some extent the same to the teachers of this province as well. And I'm just wondering whether this to some extent will compare favourably, or be better than what we have in the teaching profession at the present time.

HON. STEWART E. McLEAN Q. C. (Minister of Education) (Dauphin): Mr. Speaker, I'm unable to say what the comparative position would be. Certainly the pension plan applicable to civil servants will be taken into account as we consider the possibility of changes in the pension plan for teachers.

MR. SPEAKER: Are you ready for the question?

MR. EVANS: If there are no further questions, Mr. Speaker; I have listened with interest to the remarks of the Leader of the CCF with regard to the basis of computation. The formula used is recommended to us by the Mercer Company who were engaged for the purpose of making that study. It was submitted to the Civil Service Association, received their approval; received our approval, and was submitted back in that way. It is a considerable improvement over the basis that existed before. There are substantial rises in pension amounts for people at present retired and those who will retire in the future, in comparison with the old basis, is at least a step in the right direction. There are some cases to which my honourable friend draws attention that we are going to keep under review. Built in to certain jobs, I think is a natural liability to be employed in the last years at somewhat lower rates than during the more active years. I think of aircraft pilots, for example, who may be paid a high rate because they are young men and able to take on that kind of work, who, perhaps through a medical or advancing years, take a clerical or ground job at a lower rate. Those, nevertheless, are conditions of the employment that they take in the first place; they're aware of it. And it is a part of the conditions surrounding the employment. Nevertheless, there are anomalies of that kind that we are going to continue to study. It can be said that those now retiring will not receive a less pension. It's provided in the Act that those retiring now will not receive a less pension under the new formula than they would have under the old, had it continued. And that does include the rise of four percent which is provided for everyone. So with respect to that I think it's a matter of continuing study to see that injustice is not done, although pointing out that there are those fundamental conditions in certain jobs which should be contemplated at the time the job was taken in the first place. With regard to portability, I've undertaken with my honourable friend to continue to keep that matter under review and will do so. Refundability of interest has not been considered at this stage in our pension arrangements. We will keep all of these matters under review. I think it was only some year or so ago that even the contribution put in by the employee

(Mr. Evans, cont'd.) was refundable during the first two-year period. That's some advance in that regard and we will continue to review that matter.

With regard to the provision of a minimum pension, I take it my honourable friend meant a minimum fixed sum of money below which no pension would be allowed to fall. And my only comment is that that has not been studied; it is not contemplated to put it into the Act. He has raised the matter, and if any matter raised in this way deserves study, we'll study it. With regard to the comments from my honourable friend from Burrows -- a minimum and maximum pension. The maximum pension is easier to calculate, and that is 70 percent of the average salary of the last 15 years. The formula works out this way, that it takes the salary of the last 15 years, averages it, takes two percent of it, multiplies that sum by the number of years of service, limited to 35 of such years. Therefore it must be a maximum of 70 percent of the average salary of the last 15 years. As to the minimum, I can only refer to the same formula, and that is that if they have served only one year, I take it, it would be two percent of the salary of that one year -- if my mathematics standing here are correct. I'm afraid I'm not able to provide any more information beyond that. There are no other limits established of minimum salary beyond that.

MR. HAWRYLUK: there are no refunds; if an employee works a year, he's not entitled to a refund, is he?

MR. EVANS: He's entitled to a refund of his own contribution.

MR. HAWRYLUK: Oh, I see.

MR. EVANS: Without interest.

MR. HAWRYLUK: Yes.

MR. EVANS: I think my honourable colleague the Minister of Education has given you perhaps all the information that I have with respect to pension schemes for the teachers.

MR. SPEAKER: Are you ready for the question?

Mr. Speaker presented the motion and following a voice vote declared the motion carried.

MR. SPEAKER: Second reading of Bill No. 73, the Honourable the Attorney-General.

MR. LYON presented Bill No. 73, an Act to amend The Expropriation Act for second reading.

Mr. Speaker presented the motion.

MR. LYON: We discussed the financial implications of this bill at the resolution stage, Mr. Speaker. There is one other section which refers to an alternative means whereby expropriation can be effected. At the present time expropriations are effected by the making and filing of an expropriation plan in the Land Titles Office in which the land is situated. This alternative means has been recommended particularly by the utility corporations which come under the control of the government, and they recommended for this reason. Their usual practice in the acquisition of land is to go out and acquire right-of-way either by lease or outright expropriation and title of the property, but the usual practice is to go out, negotiate and come to an agreement and very often they get a transfer or they get a straight lease or acquire the leasehold interest that they may be after. In some cases where they can't negotiate, they are then forced to use the present expropriation section of the act, namely Section 10. This necessitates their having a complete plan drawn up and filed in the Land Titles Office. This is expensive to have these plans drawn up and it may only be required because one or two landowners will not come to agreement. What I'm saying is in no way meant as a criticism of the landowners at all, but what is provided here is that, in such cases where they continue to adopt this procedure, but in such cases where under the present section they would have to file a plan, this alternative section is set up whereby they can describe the land, if it permits of easy description, and if the description that is given in this notice of expropriation, which they then file in the Land Titles Office, is acceptable to the Registrar General, he can register this notice of expropriation and it will have the same force and effect as if a plan of expropriation had been filed. It does provide this alternative means, however, and I think honourable members should notice, Mr. Speaker, that it exempts from using this alternative means persons who are acquiring highways or drainage works. So you can see that it's pointed largely for the benefit of the utilities.

The other section, Section 23 (b) further on in the act, merely relates to this same section, and says in effect that an agency of the Crown, namely the Hydro-Electric Board and the Manitoba Telephone System shall have the same powers as the Crown is given in this new Section 10.

(Mr. Lyon, cont'd.) The third section is the section we talked about at the resolution stage, namely the section which permits 75 percent of the estimated value of expropriated land to be paid without doing prejudice to any agreement that may be arrived at or without doing prejudice to any arbitration proceedings that may be initiated by the person whose land is being expropriated. I should mention the Honourable the Leader of the Opposition asked the other day if the other procedure with respect to acquisition of land for highways, if it had been formalized by legislation under The Public Works Act. I have checked, and in 1955 and 1956 there were amendments made to The Public Works Act to accomplish much the same purpose, only it contemplated a situation where an agreement had been arrived at with the landowners before the plan of expropriation was filed. This present amendment comprehends the other situation where the expropriation plan is filed and where monies can then be paid after the filing of the plan.

MR. T. P. HILLHOUSE, Q. C. (Selkirk): The only point that I wanted to make, Mr. Chairman, was this, that I quite agree with the additional right that you're asking to file a notice of expropriation. I think that right is in the Dominion Expropriation Act. The only thing that I was concerned with was the owner, or the person having an interest in the land, applying to the Minister in the form prescribed for 75 percent of the compensation. And the Minister has an absolute discretion as to whether he'll grant that application or not. Now the point is this, I want to be abundantly clear that that application by the owner or the person having the interest in land, is not going to prejudice any right that that person may have. In other words there's going to be -- the law of estoppel is not going to operate, and I was just wondering whether or no this section 23 (a) 1, 2 and 3 as presently drafted, is sufficiently clear to show that the law of estoppel does not operate. In other words, all this simply says is that a person can make the application, and that Subsection 3 says that the application may be made notwithstanding that they had not agreed upon the compensation and notwithstanding that the person may have applied for an arbitration under Section 17, but it doesn't go far; it just simply says these two types of people may make that application. But it doesn't go on to say that if they do make that application that it's not going to prejudice their rights. And I would like to have that abundantly clear by reason of the little fracas we've had in here regarding the interpretation of the other sections of the Arbitration Act.

MR. HAWRYLUK: Mr. Speaker, just a matter of information. For example, in negotiations between the Crown and the owners of land, is there a set formula that is applicable for purchasing the land for one type of use as compared to another, say for expropriating property in Greater Winnipeg as compared to expropriating property for floodways and for bridges? Is there a different formula involved there as far as purchasing? And a second question is, in case of disputes between the Crown and the owner, what latitude does the Crown give in regard to settling this particular expropriation in order to be fairly satisfactory for the party concerned, especially those who possibly want to ask a very exorbitant price for property which possibly seems inadequate to them, but far too much by the government? I'm just wondering what procedure is involved in a case of that kind.

MR. SPEAKER: The Honourable Minister is closing the debate.

MR. LYON: I think the point raised by the Honourable Member from Selkirk is a very good one, Mr. Speaker. Certainly it is not the intention of this legislation to act in any way of an estoppel to the rights of the landowner to pursue any other legal right that he may have under this act by way of agreement or by way of arbitration to get what he things is a fair price. And certainly we can refer this to the Legislative Counsel again, and if he feels that it needs more tightening up, and it might be well just to state it in the affirmative that it shall not act in any way as an estoppel to any proceedings or any rights which are otherwise given to a landowner under the act. Certainly that could be put in; I think it's a very good suggestion.

With respect to the Honourable Member for Burrows, your second point was with respect to the disputes between the Crown and landowners. Actually, the machinery for this is all provided in The Expropriation Act and The Arbitration Act itself. What happens is that if they can't reach agreement, then the procedure that is open to the landowner is to proceed to initiate the arbitration proceedings. To do that he may say to the Minister, "Well we can't agree on this; you'd better send me the notice that we talked about in our earlier discussions offering me a fixed sum." And then these wheels are put into motion. He's got 30 days in

(Mr. Lyon, cont'd.) . . . which to reply to that and then 60 days thereafter before he gets on to court proceedings. In the meantime the Crown can pay into court the amount that it feels is a fair and equitable settlement for this, and the owner can either take it or he can leave it in court. The Crown says, "Well, we think we only owe you this much so we pay it into court." On the other hand in the final analysis, it goes right on to hearing before a County Court Judge; he hears the facts on behalf of the landowner and on behalf of the Crown and settles the matter judicially, and we always hope judiciously. Our actual arbitrations, though, which are carried through to full fruition to the hearing in court are very, very rare. Most often, and I would say in 999 cases out of 1000 where there is a dispute, settlement is reached somewhere along the stage, and I know in years when I was familiar with the actual day to day working of this, we never had a case, I don't believe, in eight years that went on to hearing for arbitration. Occasionally we had to go so far as to pay money in the court, but in my time we never had a case that went on to actual hearing; there was always a settlement negotiated without the necessity of carrying on with the actual hearing. Does that cover the point?

MR. SCHREYER: Mr. Speaker, I'm not entering into debate; I'm merely asking a question of the Attorney-General. In Section 3, the reference to estimated value. On what basis is that? The basis of appraisal or the basis of assessed valuation?

MR. LYON: What is contemplated here is that the Minister would have one of the appraisers on his staff give an estimated value of the land. That would be of the actual value of the land. That is why we say only 75 percent can be paid because there's always the danger that the actual value might end up to be slightly less than was anticipated, so we pay only three-quarters in order to give one-quarter as elbow room for any mistake that might be made. --(Interjection)-- Well, it would be based on whatever the qualified assessor -- on whatever basis he is making assessments throughout or appraisals throughout the area. Municipal assessment would be one factor that he would consider.

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

MR. SPEAKER: Committee of Supply.

MR. ROBLIN: I suggest that we deal with the proposed motion of the Honourable Minister of Health and Welfare about the Manitoba Hospital Services Plan, and then the proposed motion of the Honourable Member for River Heights, and then revert to Committee of Supply.

MR. SPEAKER: The Honourable Minister of Health and Welfare.

MR. JOHNSON (Gimli): Mr. Speaker, I beg to move, seconded by the Minister of Labour, that Whereas a report has been received from the Manitoba Hospital Services Plan respecting the financial requirements of that Plan for the years 1961, 1962, 1963 and Whereas it is desirable that an opportunity be provided for an examination of this report with the officials of the Plan, Therefore be it resolved that the said report be referred to the Public Accounts Committee for this purpose.

Mr. Speaker presented the motion.

MR. SPEAKER: Are you ready for the question?

MR. PAULLEY: Mr. Speaker, there's just one question I would like to direct to the Minister, to the First Minister. Can there be any indication as to when in Public Accounts Committee we may be meeting with the officials of the Hospital Services Plan? I understand that there will be another matter under discussion on Monday morning and I imagine that that might take priority, Mr. Speaker, over the normal procedure in Public Accounts of going through the accounts for the year ending March 31st, 1960, which may take a full day, or the full period in the committee, and I was just wondering whether it might be possible to have an indication as to whether this may be dealt with on Monday or a following meeting of the committee. I know it's rather hard to give an answer in connection with that, but I was wondering if there was any possibility.

MR. ROBLIN: Mr. Speaker, there's no means of knowing that. The committee will have to decide what its order of business is.

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

MR. SPEAKER: The Honourable Member for River Heights.

MR. SCARTH: Mr. Speaker, I beg to move, seconded by the Honourable Member for Minnedosa, that this House doth concur in the report of the Special Committee appointed on the

(Mr. Scarth, cont'd.) 21st day of March, 1960, to review and consider those Statutes containing Onus Sections, with a view to recommending such revision as may be deemed advisable, and received by the Legislative Assembly of Manitoba on the Twenty-seventh day of February, 1961.

Mr. Speaker presented the motion.

MR. SPEAKER: Are you ready for the question?

MR. HILLHOUSE: Mr. Speaker, I think that the House should unanimously adopt this resolution so that we can get the legislation which has been recommended before the House and get rid of these sections.

MR. SPEAKER: Are you ready for the question?

MR. CAMPBELL: Mr. Speaker, I agree with what the Honourable Member for Selkirk has said, and I would like only to add that I think this is a very good committee that operated efficiently, and I'd like to extend my compliments to the chairman. I think he acted very capably.

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

MR. McLEAN: Mr. Speaker, His Honour the Lieutenant-Governor is expected momentarily and if the House would be kind enough to just wait.

MR. SPEAKER: May it please your Honour, the Legislative Assembly at its present session passed several Bills, which in the name of the Assembly, I present to your Honour, and to which Bills I respectfully request your Honour's assent.

MR. CLERK: Bill No. 2, An Act to amend The Vital Statistics Act; No. 3, An Act to facilitate Cornea Transplants from the Bodies of Deceased Persons to Living Persons; No. 6, An Act to facilitate the Reciprocal Enforcement of Judgments; No. 7, An Act to facilitate the Enforcement of Maintenance Orders; No. 8, An Act to amend an Act to incorporate The University of Manitoba Foundation; No. 10, An Act to amend the Marriage Act; No. 11, An Act to incorporate The Manitoba Automobile Museum Foundation; No. 12, An Act to amend The Winnipeg Foundation Act, 1943; No. 13, An Act to amend An Act to incorporate the Town of Tuxedo; No. 14, An Act respecting The Royal Trust Company Mortgage Corporation; No. 15, An Act respecting The Department of Welfare; No. 16, An Act respecting The Department of Health; No. 17, An Act to amend an Act respecting The School District of St. James No. 7; No. 18, An Act respecting the Rural Municipality of Whitewater and The Minto Cemetery Company; No. 19, An Act to repeal The Health and Public Welfare Act and to amend Certain Other Acts; No. 21, An Act to amend The East Kildonan Charter; No. 24, An Act to amend The Business Development Fund Act; No. 25, An Act to amend an Act to incorporate Brandon College Incorporated; No. 26, An Act to amend The Real Property Act; No. 28, An Act to amend The Public Schools Act (1); No. 29, An Act respecting the Town of Winkler; No. 30, An Act to incorporate Les Soeurs de la Charite de l'Hopital General Saint-Antoine de Le Pas; No. 31, An Act to incorporate Les Soeurs de la Charite de l'Hopital General de Flin Flon; No. 32, An Act to validate By-Law 766 of the Town of Rapid City; No. 33, An Act to amend The Cancer Treatment and Research Foundation Act; No. 34, An Act to incorporate The Association of Assessing Officers of Manitoba; No. 35, An Act to amend The Public Libraries Act; No. 37, An Act to amend The Hospital Services Insurance Act; No. 38, An Act to incorporate Association for Retarded Children in Manitoba; No. 39, An Act respecting The Manitoba Hydro-Electric Board; No. 40, An Act to amend The Hospitals Act; No. 48, An Act to amend The Loans Act; No. 51, An Act to amend The Civil Service Act; No. 68, An Act to amend The Treasury Act; No. 70, An Act to amend The Department of Municipal Affairs Act.

In Her Majesty's name, His Honour the Lieutenant-Governor doth assent to these Bills.

MR. SPEAKER: We, Her Majesty's most dutiful and faithful subjects of the Legislative Assembly of Manitoba in session assembled approach your Honour with sentiments of unfeigned devotion and loyalty to Her Majesty's person and Government, and beg for your Honour the acceptance of these Bills: No. 64, An Act for granting to Her Majesty certain further sums of money for the Public Service of the Province for the Fiscal Year ending the 31st day of March, 1961; No. 65, An Act for granting to Her Majesty certain sums of money for the Public Service of the Province for the Fiscal Year ending the 31st day of March, 1962.

MR. CLERK: His Honour the Lieutenant-Governor doth thank Her Majesty's dutiful and loyal subjects and accept their benevolence and assents to these Bills in Her Majesty's name.

MR. McLEAN: Mr. Speaker, I move, seconded by the Honourable the Minister of Labour, that Mr. Speaker do now leave the Chair and the House resolve itself into a committee to consider of the Supply to be granted to Her Majesty.

Mr. Speaker presented the motion and after a voice vote declared the motion carried and the House resolved into a committee to consider of the Supply to be granted to Her Majesty, with the Honourable Member for St. Matthews in the Chair.

MR. CHAIRMAN: There was one item left over from the Department of Public Works. Item 2 (d) because they asked to let that stand until some further information -- I believe the Minister has it.

HON. JOHN THOMPSON, Q. C. (Minister of Public Works) (Virden): I think one of the items in connection with this, Mr. Chairman, was the question of the Honourable Member for Ste. Rose respecting the move to the new Norquay Building. I have very little to add to the statement which I made in answer to the question earlier in the House, that is that this move involved quite a considerable period of time. It was spread over several weeks. It involved moving during irregular hours of work. It was impractical to call tenders, and I think my honourable friend agreed to that. I want to now add the fact, and I think I mentioned it earlier, that it has not been the practice of this government, to the knowledge of our department, to contract for this type of operation. Accordingly, the department received what they felt was a favourable proposal to do this job and they engaged the contractor to do it. Some of the other items on the job, the lesser items involved specialized work which could not be done by the main contractor.

There was a question, I believe, by the -- it's not under this item but I think I promised to answer it, Mr. Chairman, in connection with the \$50,000 item at Selkirk Mental Hospital. As I stated last evening, this was a matter of renovation of the building and it does not involve any major operation or addition. It is concerned with the completion of the plumbing; tiling the floors in Wards "E" and "F"; conversion of the electric shock treatment room; some furnishings in Wards "E" and "F"; the completion of tiling of the floors, which appears to be a more or less continuous operation through the years. This supplies certain monies for continuing that, and it will be done on the second floor and in Ward "H", and certain improvements to the steam pipeline in the building. It involves these several items. As I say, no major item of construction, but several items of renovation. These comprise the matters included in that \$50,000 item which we were discussing.

Now I would like also to, if I may, although I notice that these items were passed in the Votes and Proceedings, I would like to reply to two other questions from the Honourable Member from Ste. Rose who asked what kind of road runs north from Moose Lake. And the answer which I'm prepared now to give is that this is a road built for forest access by the Forestry Branch of the Department of Mines and Resources. It is not one of our Public Works roads. And the Honourable Member also from Ste. Rose inquired into the maintenance in his constituency this past year, and questioned whether we were spending as much on maintenance in the year just closing as in former years, and I would like now to advise him that we spent in his area 25 percent more in 1960 over the expenditure and maintenance in '59. The unfavourable weather conditions in the spring of the year, as I think I mentioned last evening, caused a considerable amount of the monies to be expended early in the year, so that there was not as much in money available for the normal dragging during the rest of the year. But there was 25 percent more expended in his constituency on maintenance in that year than, in fact, any other year. Certainly in the previous year.

Now the Honourable Member for Fisher brought up the question of certain comparisons in the items contained in the Public Works Report of last year. He referred to the fact that this was supposed to be 100 percent work, and in some cases the figures showed in our report that 100 percent of the work was a certain figure and our share was less than the total. The explanation of this situation is that work done on this type of road in unorganized territory and disorganized municipalities include shareable work with the Indian Affairs Department where the Dominion of Canada contributes to the cost. In other cases where he was making comparisons, a boundary line between an organized municipality and unorganized territory could have been referred to, where the road was partly paid for by a municipality, by one of the municipalities adjacent to the road. So that the entire expenditure was borne either by the Province of

(Mr. Thompson, cont'd.) Manitoba which carried the major expenditure; the other part was paid for by certain organized municipalities or the Indian Affairs Branch of the Federal Government. I think those are the questions which were asked and which had not been answered when we concluded last evening.

MR. MOLGAT: Mr. Chairman, I want to thank the Minister for some of the explanations he has given me insofar as the maintenance was concerned. I was concerned because the school division had been told that there was no money left in the area for the dragging which they felt was required. And that was the reason for my concern. I'm pleased to hear that it was not the result of a reduced expenditure but simply difficulties in the spring. Insofar as the road from Moose Lake north, I wonder if the Minister could tell me whether this was planned strictly by the Forestry Branch or was it planned in conjunction with the Department of Public Works, Highways Branch?

MR. THOMPSON: No. I understand it was planned by the Forestry Branch.

MR. MOLGAT: Well, it seems to me that it would be better in the case of any roads in the province that they should be channelled through the Department of Public Works. After all, my honourable friend has had this report. . . .

MR. THOMPSON: I should mention -- I'm sorry to interrupt, but I do feel that they do advise the department of any work they undertake. We are informed, but they have full control of the road and they build it.

MR. MOLGAT: the location, the standard, and everything about it, is that established by the Department of Public Works or by Forestry?

MR. THOMPSON: It is established in consultation with the department but the decision on building it and the funds are provided by the Mines and Resources Department.

MR. MOLGAT: As long as it fits in the overall planning, I'm quite satisfied, but I don't think we should have one department building roads when the main work is undertaken by Public Works, because then we can end up in a position of some roads simply not fitting into the overall plans of the province. And my main concern there when I saw this piece of road, was that it seemed to me that it either covers the same territory or at least parallels very closely the proposed Mississippi Parkway, and I wondered what it was all about. I think the Minister also was to get me some information whether there had been a grant on the Roads to Resources basis on the Fairford Bridge. Would he have that by any chance?

MR. THOMPSON: There was a grant on that bridge. The Province of Manitoba puts up 40 percent. That is, the Department of Public Works is responsible for 40 percent, the Department of Agriculture is responsible for 30 percent, and the Federal Government under PFRA provided the other 30 percent.

MR. MOLGAT: This is under PFRA then, not under the Roads to Resources Program?

MR. THOMPSON: Yes.

MR. MOLGAT: What is the normal assistance from the Federal Government under the Roads to Resources plan. What proportion do they pay?

MR. THOMPSON: Fifty percent.

MR. MOLGAT: Fifty?

MR. THOMPSON: Yes.

MR. MOLGAT: Mr. Chairman, I don't want to press this point any further than that, except to say that it seems to me that Manitoba has a fair case in that bridge that it be considered on the Roads to Resources basis. Now I appreciate that the Federal Government is assisting with the Fairford Diversion so I won't make any more of that point, except that I want to be sure that the Province of Manitoba is treated just as fairly as the Province of Saskatchewan in the matter of roads to resources notwithstanding the location of the Prime Minister's seat in that other province.

Coming back to the new Norquay Building, Mr. Chairman, I appreciate the comments that the Minister made, and I realize there are some problems in such a move. Could he tell me why it was that the move was done over a long period of time rather than a quick move over, say, one weekend.

MR. THOMPSON: The contractor who was constructing the building and the sub-contractors in the building had not completed their particular work, and it wasn't completed in one day and ready to occupy at a single time. Work was going on while the move was being

(Mr. Thompson, cont'd.) made; work was proceeding while the move was proceeding.

MR. MOLGAT: Because we did have the example very closely here of another large move, the Great West Life Building for example, where it was done over a weekend and was, I think, as extensive a move. However, under these circumstances that's fine.

Coming back now to the bids or the requests. Did the government request prices from other firms before awarding the tender or the work to the one main firm that did the work?

MR. THOMPSON: No. No request was made. As I said earlier, it has not been the practice of the department to ask for tenders on this type of operation.

MR. MOLGAT: I appreciate the tender part of it, Mr. Chairman, because there are difficulties in getting it, but seeing it was not done on tender then surely there was some idea of what the basis of payment would be to the people who did the work. Was it established simply on an hourly rate, or so much for the whole move, or what?

MR. THOMPSON: Yes, it was established on an hourly rate and the contractor agreed to make no charge, as I believe I mentioned earlier, for overtime. It was an hourly rate according to the standard rates of the trade, less any additional expenses for overtime work.

MR. MOLGAT: But if tenders were not called surely we could have checked with other firms who are in this same line of business to find out whether they would give us a better price, or the same price, or what their offer would be by comparison to this one firm. How come other firms were not consulted?

MR. THOMPSON: I think I indicated, Mr. Chairman, that this was a job which was to be done. It was an irregular type of job; it was a continuous operation over a long period. The department decided that when this firm came along and discussed it with the department that they would give them the job because they thought the offer they made was quite reasonable. They did not ask quotations or they did not, as I have said before, offer tenders.

MR. MOLGAT: Mr. Speaker, I simply don't understand why the department simply say that the offer this firm made was reasonable without checking with other firms. There are many other firms engaged in this business in the City of Winnipeg. Why would they not be asked to either suggest what their basis would be, or give them an opportunity to get part of the business, or have it discussed with them? It appears, from what the Minister says, that there's simply this one firm involved; that they came in; no one else was consulted, and they were given the work. I can't understand that method.

MR. THOMPSON: One other firm approached the Deputy Minister earlier, but did not show up again. They said they'd be willing to do it, but I do feel that our department are quite familiar with the terms of the trade in this sort of business, and they recognized that they had a good offer, and they gave the business to this firm that called and explained their case. The other firm, I think one other firm, as I have said, came along and enquired about it, but they didn't follow up any further their enquiry.

MR. MOLGAT: Mr. Chairman, I simply don't see how the department can determine that this is the best bid, or the lowest bid, or the best offer, or the lowest price for the government to do a job if they don't check with other firms. After all, the department isn't moving people constantly and we certainly haven't had as large a move as this for many years in the Province of Manitoba. I fail to understand that the contract or the work seems to have been given to one firm without any consultations or opportunity for other firms. I'm sorry the Minister simply has not, in my opinion, made a case for this operation.

MR. R. O. LISSAMAN (Brandon): Mr. Chairman, the honourable member, if he was familiar with the building business would realize that there are many, many occasions in private firms in practicing this same method of business. If in a case such as this, where the actual costs are uncertain, where you have to provide the maintenance of services and things that you can't put your finger on and estimate specifically, if then there were three competitive firms bidding, you would have a price very likely miles above a cost plus basis job. Because they have to protect themselves; it's human nature, it's business. I know of countless -- in fact a great proportion of my own work is done cost plus. They call you in; you explain the terms to them, and there's nothing new about this, there's nothing dangerous about it. This is simply good practice because a private firm or the government in work of this nature gets the better buy. Unfortunately they can't call 50 firms in and spread it amongst them; one firm has to get the work. It's a matter of good common sense.

MR. MOLGAT: Mr. Chairman, a private firm may spend its money in the way it sees fit; I have no objection to that. But the Province of Manitoba spends the money of the public of Manitoba, and it has a responsibility to see to it that it's getting the best value for the money it spends. Now I submit that in this case the Minister has not made a case to indicate that the province got the best deal on this move. It appears that they have consulted and worked with one firm only. There appears to have been no opportunity for other firms; there had been no approach, from what the Minister tells us, to other firms to get their price. If it's to be done on a cost plus basis, we apparently only got the cost from one firm; we did not get the cost from other firms.

MR. LISSAMAN: cost is, that's the point.

MR. MOLGAT: Well then, why was this particular firm picked? How about all the other firms? Were they consulted? Apparently not! One firm only.

MR. THOMPSON: I mentioned that two firms came to ask the government. They knew that this move was to take place. The one called; it went away and never appeared again. The other one came back, I understand from the Deputy Minister, more than once, explained its case, and it appeared that they had a good, reasonable, favourable proposal, and the department acted in a manner which they thought was in the best interests of the people of Manitoba.

MR. MOLGAT: We have the statement of the Minister then, that there was another firm that did call, but that only two firms called on this whole process. No other firm made any representations. Well, I'll accept that statement from the Minister for the time being. I would only suggest that it seems to me that much of the purchasing of the department or of the government -- the government takes the initiative and calls other people in to get the prices. In this particular case, it seems that the government did not do so. It waited for people to come in and make a bid. That's not the normal method, as I understand it.

MR. THOMPSON: A normal method in this type of operation.

MR. MOLGAT: There is no normal operation in this. This is a once -- we haven't had a move like this for years now. There is no normal operation. . . .

MR. THOMPSON: You just said there was a normal normally.

MR. MOLGAT: I said in the purchasing there's a normal method, that you contact other people. Mr. Chairman, I still claim that in this case, the Province of Manitoba has not made a case that they got the best buy on this, and I wonder why this one firm got all the work.

MR. HAWRYLUK: With regard to that Item 5 which I discussed yesterday could the Minister tell us what the estimated cost is for tearing down the old university building across from us, and what will be the cost to build that park that was shown in the paper last night. I think that's part of this grounds improvement under your department.

MR. THOMPSON: I think the estimate so far has been \$25,000 in the current year just closing, and \$40,000 in the estimates for the coming year. That's the estimate. -- (Interjection) -- Yes, I don't know just what it will cost. I think I gave the figures; they're on record; I think you will find them on record respecting the sales of material, salvage, equipment and so on that we have received some revenue from in that operation. Those are the estimates.

MR. CAMPBELL: Mr. Chairman, the Minister may have answered this question earlier but, if so, I didn't hear it. I had asked about the number of additions to the vehicle fleet in the current year, the one just closing. And I also asked at the same time if the Minister would give us the figure as to the total fleet at the end of this fiscal year as well. Did the Minister put those figures on the record?

MR. THOMPSON: We have on the record the fleet as at the end of the fiscal year 1960. Forty-four additional motor vehicles were added during the current fiscal year.

MR. CAMPBELL: The one that we're in now.

MR. THOMPSON: Yes.

MR. CAMPBELL: Did the Minister get the total number of cars in the fleet now?

MR. THOMPSON: The total which you have of last year plus 44 will comprise the fleet as at the end of the fiscal year 1961, that is, tomorrow.

MR. CAMPBELL: That's right, but I haven't been keeping the total fleet up-to-date. Could the Minister give us what it was? I could add the 44 if I had what was -- you see, all

(Mr. Campbell, cont'd.) . . . that I had last evening was the additions in 1958-59, the additions in 59-60. I wanted to get this one, this year, but I haven't had the figure for some time as to what the total was before that time.

MR. THOMPSON: Yes. Well, we tabled a return in that connection. It's been filed before the House.

MR. CAMPBELL: The return was of vehicles purchased, and it didn't take into account, as I read it, and I read it very hurriedly, it didn't take into account vehicles disposed of, so that wouldn't be helpful in arriving at the total fleet as I understand it. That's all I'm trying to get, is the total number of vehicles now. If the Minister would undertake to get that for us later on and read it onto the record, it would be quite satisfactory to me.

MR. CHAIRMAN: Resolution 67 - passed.

MR. SCHREYER: Mr. Chairman, I have a short comment here on access roads. Now, if the Minister wishes to have this discussed under capital, I shall resume my seat, but if he's willing to have it brought out here I would like to do so now.

MR. THOMPSON: There is a return to be filed on access roads which I regret to say, as I advised the Honourable Member for Ste. Rose, earlier on access roads, which is not yet completely prepared. Therefore, I would be quite in favour of the honourable member bringing this question up on capital, as access roads are capital expenditure.

MR. CHAIRMAN: Resolution 67 - passed.

MR. EVANS: Mr. Chairman, before we adjourn there was an item left open under the Provincial Secretary to discuss the Superannuation Act. The second reading has now been passed and the bill is in committee, I wonder if the committee would agree, then, to pass that open item in the Provincial Secretary's estimates and have the discussion in committee, Law Amendments Committee.

MR. CAMPBELL: Mr. Chairman, I don't remember who asked for it to stand.

MR. EVANS: member of the Opposition did.

MR. CAMPBELL: Well certainly I've nothing further to take up on it.

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

MR. CHAIRMAN: Committee rise. Call in the Speaker. Mr. Speaker, the Committee of Supply have adopted certain resolutions and directed me to report the same and ask leave to sit again.

MR. MARTIN: Mr. Speaker, I beg to move, seconded by the Honourable Member for River Heights that the report of the Committee be received.

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

MR. ROBLIN: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Industry and Commerce, that the House do now adjourn until 2:30 Monday afternoon.

Mr. Speaker put the question and after a voice vote declared the motion carried and the House adjourned until 2:30 Monday afternoon.