

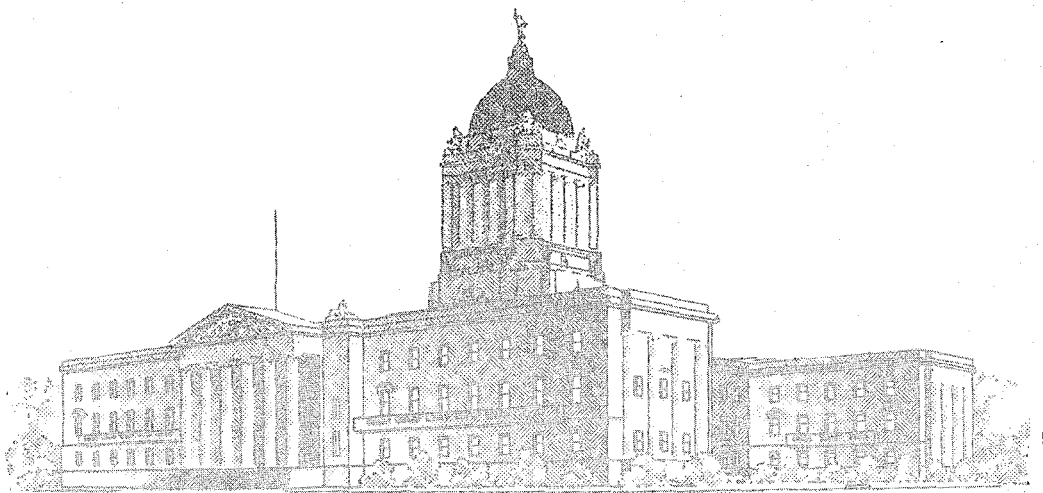


Legislative Assembly Of Manitoba

DEBATES and PROCEEDINGS

Speaker

The Honourable A. W. Harrison



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4th Session, 26th Legislature

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THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Thursday, October 19th, 1961

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions  
Reading and Receiving Petitions  
Presenting Reports by Standing and Special Committees  
Notice of Motion  
Introduction of Bills  
Orders of the Day

COMMITTEE OF THE WHOLE HOUSE

MR. GILDAS MOLGAT (Leader of the Opposition) (Ste. Rose): Before the Orders of the Day, Mr. Speaker, I would like to address some questions to the Honourable, the Attorney-General. Is it true that the RCMP are at present proceeding to register all the Chinese people in Manitoba? Is it true that they are asking Chinese people born in Manitoba, citizens of Canada, to make out listings of all their relatives and ancestors? Is it true that they are stopping Chinese people on the street and requiring the production of birth certificates? Has this been approved by the Attorney-General and is this within the rule of the Bill of Rights?

HON. STERLING LYON, Q. C. (Attorney-General) (Fort Garry): Mr. Speaker, I have no knowledge of any of the matters raised in the questions by the Honourable Leader of the Opposition. I will take that as notice and attempt to find out if there is any truth to any of the questions.

MR. J. FROESE (Rhineland): Before the Orders of the Day, I would like to remind and bring to the attention of the honourable members present that we are celebrating Credit Union Day internationally today. The movement that was first started in Germany by Mr. . . . . ., later was brought into the United States and then later into Canada by Mr. Desjardins and through this movement we have an institute through which millions of people are benefiting today. The philosophy of the Credit Union movement is to help our people to help themselves and to exercise brotherly love to one another. I am sure that we, in this House, wish the Credit Union people and its leaders well in the movement. I know they are putting forth a tremendous effort, a voluntary effort in keeping the organization going and organizing new societies and in practising what they are preaching.

We heard this morning from the member from Carillon that it was a day of mourning, however I think it is also a day of rejoicing when we can celebrate with the Credit Union people all over the world, Credit Union Day.

MR. MORRIS GRAY (Inkster): Before the Orders of the Day, I did not intend to bring it up, but as the Honourable Member from Rhineland has mentioned the credit unions, one of the credit unions among the immigrants has been organized 55 years ago, just at the beginning of the immigration to Western Canada, are celebrating their 55th Anniversary next Sunday, when they organized, call it the credit union or call it a helpful hand to the members, at a time when they could not get a \$5.00 bill from the bank without depositing as security another \$5.00, but this has helped them to get along by the mutual interest of each and everyone, which consisted at that time only one dollar and this is the Hebrew Sick Benefit Society, who are celebrating 55 years of their existence, exactly on the same basis as the last speaker has mentioned about the credit unions.

MR. SPEAKER: Orders of the Day. Adjourned debate on the proposed motion of the Honourable the First Minister on Bill No. 2. The Honourable the Member for Emerson.

MR. JOHN P. TANCHAK (Emerson): Mr. Speaker, I rise to make objection to Bill No. 2 and it is quite evident why. My colleagues have fully expressed the reason we object to it and I concur that. I have no objection to the lowering of the premiums, hospital insurance premiums, in fact I think - I am convinced that the premiums should be abolished. If you recall my first session in this House after the by-election in 1957, the papers commented on me -- I had certain reservations regarding the plan when it was first introduced in this House. I didn't like the compulsory aspect of it and I wasn't too much in favour of the premium system and I expressed that in this House and I well remember when the papers called me a rebel at that time. They said he has spoken against his party, but no wonder he is a new member and the Whip

(Mr. Tanchak, cont'd.) . . . hasn't had time to whip him into line - that's what the papers did say at the time, maybe they were right, but I simply spoke what I thought was right and today I am as thoroughly convinced as I was then that the people, that we could give the people of Manitoba these services without a premium, true the money has to come from some place. Now, lets return to this Bill. At last we have been summoned to a Special Session on October 16th, to legislate something that is very, very distasteful to all of us and I am sure when I say all of us, I am including the members of the government, because I am sure they would have liked to bring something better for the people of Manitoba. The first part of it, I am sure is distasteful to the members across, because they couldn't do any better, they couldn't convince their colleagues in Ottawa to give Manitoba a better deal. I am not so sure about the second part of the Bill, where an income tax is being imposed on the people of Manitoba - I am not so sure that that section of it is so distasteful, it is to me and it is to us on this side - the Opposition. I can't speak for the Government side, but I believe it isn't so distasteful. Why was the procrastination in calling this Session? I well remember the Premier telling us at the end of the Spring Session that probably we would be called to attend a Session sometime in July, later on, I can't accuse the Premier of that, the papers stated, they had articles in the paper that it may be in August, then it was September and finally in October, on October 16th, we got a call to come here to this Legislature. Why the postponement? Why the procrastination? I believe I have an answer to that. It is very hard to admit defeat and I must commend the Premier of this Province for whom I have the most respect for at last summoning enough courage to tell the people of Manitoba that he and his Government have miserably failed the people of Manitoba as far as the tax revenues from Ottawa are concerned. The teacher, Mr. Diefenbaker, helped the pupil, our Premier, to break faith with the people of our great nation. The Diefenbaker Government and the Roblin Government, both Conservatives and we know that Conservatives and taxes go hand-in-hand and today's legislation proves that, that Conservatives and taxes go in hand. Both promised no increase in taxation, but both have frequently increased taxes at the national level and at the provincial level; both have led the voters astray in their promises and both have broken faith with the people of our nation. What a wonderful Conservative team - they certainly pull together wonderfully well to fleece the people of our nation and that's just what they are doing by increasing the taxation.

In 1958 as some of you may recall, I said at that time that a "father and son" situation existed between our government or our Premier and the Prime Minister in Ottawa and acquiescing by our Premier to this new system of taxation dictated by his teacher, the Prime Minister, simply shows that that is true, simply shows that the stronger character prevailed all he had to say "Down my boy, down," and I believe that although there was some effort to improve the relations, I believe that more could have been done if there was more perserverance and more work with interest. I believe that the Roblin Government did some very careful planning when they increased the Manitoba Hospital Services Plan premiums by just about 50% last year - they must have been planning. Why do it at a time of surplus in the funds as it was then? I believe that that increase was unnecessary, it was unjustified. And not very long after the Premier himself could see the error of his ways when he did say at a public meeting that he had made a mistake -- we have made a mistake but we'll rectify it -- in other words we'll lower the premiums. We all know that this necessitated an increase in taxation, in order to reduce the premiums, so by his words then, when he said we will remedy that, the intention was probably to decrease the premium, but to do so a new tax must be imposed, so that's why I say there must have been some careful planning on the part of the Roblin Government. The Roblin Government knew last year, even before we on this side knew that the Diefenbaker Government would make it possible for the provinces to impose their own provincial tax. That was very simple, if the province could impose its own provincial tax, why not increase the tax, the income tax, to take care of this money which would be necessary to reduce the premiums back to their original level, just as they are, naturally a few cents - we won't know - but it's hardly worth mentioning. So now, the time comes when this is being realized, the people of the Province of Manitoba are to be taxed by the Manitoba Income Tax and the reduction in the premium, hospital insurance premium, is being used as an excuse to accomplish this. But I say that not all of this money, it doesn't say so in the Bill, is going to be used for that purpose alone. I believe that a lot of this money is going to be used to pay for the Roblin Government's irresponsible extravagance - part

(Mr. Tanchak, cont'd.) . . . of it. It doesn't say in the Bill that's the only purpose it will serve. I hope that certain clauses of the Bill will be amended to definitely state so. The Premier in his speech stated that the 1% provincial income tax will enable his Government to make a special grant to Manitoba Hospital Services Plan -- enable to make a special grant, it does not say that all the money that's collected will be used for that purpose. The Bill does not say that all this money collected must be used to reduce the Manitoba Hospital premiums. The Government could use this money for other purposes as I have stated before. That is why the Government is asking us to impose a provincial tax now. Again, I say that I am thoroughly convinced that the increase in premiums, the lowering of them and the Provincial Income Tax is just one well conceived Conservative master plan. Thank you.

MR. GEORGE JOHNSON (Assiniboia): Mr. Speaker, Sir. Up until last night, yesterday afternoon, it had not been my intention . . . (Interjection) . . . to enter into this debate, but I have found it increasingly difficult to sit and listen to contributors who for their own good purpose continually stray far from that for which we are here assembled and that item which is under discussion at the present time. I am quite sure that if we were to deduct from the speeches already made that portion dealing with condemnation of the Federal Administration, there would be very little left, taking or given over to their responsibilities and that of criticizing or offering constructive criticism to the present administration. Now I am one, Sir, that very seldom leaves this Chamber, because I do enjoy listening to those whose ability to speak, whose continuity of subject is good, I enjoy it, but Sir, when we consider the amount of political rhetoric that we have heard in the past few days, with little reference at times to the subject under discussion, one can only say that for my own part, I would forgive, I think much of what has been spoken is an insult to the very intelligence of the people of this Province. Why we have men getting up, the Honourable Member from Carillon this morning, with his halo on his head, telling us of the favoritism shown by the Conservative Governments. My, oh my! How long would it take if one or two exploit along those lines the performance of previous Liberal administrations, very little. I want to at this time, Sir, associate myself completely with the remarks made by the Honourable Minister of Agriculture, whom in my opinion, in a very businesslike and parliamentary fashion gave to this House -- very briefly, the real issues at hand. I am not disputing the fact that the former Premier of this Province, did put up good fights and did work along tax relations with the Federal Administration to his very best, but let me say, Sir, that the record of this Government and of our Premier in that respect stands above all others. And I say this, that one of the great troubles that the Opposition is faced with today and what's worrying them most of all is not particularly this deal, but they're so dismayed at the progressive -- economic progress of this Government and this Province during its term of office and I know they look with dismay as to the possible future of their being. I think that the Honourable Leader of the CCF was getting near to the, perhaps what history will tell us or give to us, insofar as what will happen to those who have in this occasion and I think every member contributing of which is their right, to not so much a condemnation of this Administration, they find it very difficult in that respect, but through a condemnation of the Federal Administration, of which we are not here to discuss. . . . (Interjection) . . . No we are not and you, Sir, everyone of your responsibilities according to my interpretation is that you are elected to constructively criticize this Administration. And when you, or anyone of you infer that this Administration or our Premier has not put up as good and better than any of the other Premiers of this Dominion, then you are very much off the beaten track and I assure you that many of your constituents will . . .

MR. M. N. HRYHORCZUK, Q.C. (Ethelbert): Mr. Speaker, on the point of order, I haven't heard anything said about Bill No. 2 yet by the honourable gentleman. I think that he should stick to the subject under debate.

MR. JOHNSON (Assiniboia): If you are unable to interpretate what I am trying to say, its further proof of what I am trying to tell you, because certainly as far as I am concerned, I have heard nothing, very little of any of the speeches made, in constructive criticism or as condemnation -- "You didn't do this, you didn't fight hard enough -- look what the Federal Government are doing." Well, Mr. Speaker, I certainly feel that the people of this Province will and do agree that our Premier, this Government, has done all that is possible to do and have received equally as well as any other Liberal, CCF Provincial Government and will so continue to do and I can think of nothing better than to say this, that for all we have heard here regarding Bill No. 2

(Mr. Johnson, cont'd.) . . . even though it may not be right in all details I want to know the number of bills brought into this House in their original form that are ever always right - very few. And so, I would say this and here I would give a little Biblical quotation to all these do-gooders and creators of ill for the future of our Province "Let us forgive them for they know not what they do."

MR. HRYHORCZUK: Mr. Speaker, will the Honourable Member permit a question? Do you favor the Bill as it is now without putting in a schedule of rates?

MR. JOHNSON (Assiniboia): I have every faith, Sir, in the Government to conclude this Bill with everything that is necessary to the entire satisfaction of all the people in this Province.

MR. E. GUTTORMSON (St. George): Mr. Speaker, may I ask the previous speaker a question? If it is wrong for the party on this side to criticize the Diefenbaker Government, is it right for the party on that side to praise the Diefenbaker Government for being so kind as to give to Manitoba \$32 million dollars in grants.

MR. JOHNSON (Assiniboia): Mr. Speaker, they are not hardly relevant. No, I really mean that. You are criticizing the Federal Government -- criticize this Government. You have slightly but we are presenting the best deal we got - in the best deal that any of the other Provinces got, so the question you ask though slightly coupled in reference, they are not very relevant.

MR. SPEAKER: Question before the House is the second reading of Bill No. 2. Are you ready for the question.

MR. DUFF ROBLIN (Premier) (Wolseley): Mr. Speaker, if there is no other member of the House who wishes to speak on this interesting subject, I will take the occasion to move seconded by the Honourable Minister of Industry and Commerce that the debate be adjourned.

MR. SPEAKER: Moved by the Honourable, the First Minister seconded by the Honourable the Minister of Industry and Commerce that the debate be adjourned. Are you ready for the question?

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

MR. SPEAKER: Adjourned debate on the proposed motion of the Honourable Member for Roblin and the amendment thereto of the Honourable the Leader of the Opposition. The Honourable, the Attorney-General.

HON. STERLING LYON: Mr. Speaker, while I know that other members of the House and I will include myself in that group shortly, have curtailed our usual references to your Honour and to other members of the House which are customary at the outset of the Throne Speech debate, I, Sir, would merely like to bring greetings to you and to express happiness at seeing you in your customary chair and looking as well and as happy and as comfortable and as healthy as you are and departing yourself as usual, Sir, with that degree of grace that has characterized your whole tenure of office as Speaker of this House. I should like as well, Mr. Speaker, I think I should make this mention while I am here, to pay passing reference to the position of the Leader of the Opposition and to wish him very sincere greetings in his new position in the House as Leader of the Opposition. I know we all welcome him there. We know that he has trusted aides on his right and on his left and that they will see that he doesn't get into any trouble and lots behind him while he is occupying that position and, of course, he knows very well I have had occasion to do this on a public platform elsewhere when we were together. I take this opportunity again of wishing him many, many long years in that office and I know that he will fulfill it to the highest of his ability. Mr. Speaker, since last Monday this House has been debating the new tax collecting agreement which embodies within it a new proposal for Provincial income and corporation tax. Proceeds of this latter tax are necessary to effect a considerable reduction in hospital premium and to substitute for this reduced sum that is not accruing to the Treasury from premiums, the income tax, and thereby introduce an element of ability to pay into the whole structure.

Three elements that are embodied in this legislation are each of long-term importance to the Province. There can be no doubt as to the justification I think, for this Special Session to implement the agreement alone. In fact sessions of this nature are being duplicated right across the country today in most other Provinces. It was interesting to hear, not so long ago in the House - just a few minutes ago - some comments to the effect of why were we having a Special Session. Well, of course, I don't think too many members require an answer to that. The

(Mr. Lyon, cont'd.) . . . answer quite simply is that the federal legislation was only passed in September. While it is true that some other legislatures dealt with the matter in a general way prior to that, it was felt better in this Province that it should be dealt with after the federal agreement had been brought down. So, we are merely following the pattern of most of the provinces which are holding special sessions this fall. The position of the Government of Manitoba vis-a-vis the tax collection agreement itself has been clearly and I suggest very concisely stated by the First Minister. He has described it as the best agreement possibly to obtain at this time from the Federal Government, an agreement which will benefit Manitoba financially over its full term, although not to the extent that we had advocated, or that we will continue to strive for. I don't think that any further words on my part are needed to embellish or to explain this clear statement of fact. The choice before us is clear; it is either this agreement or no agreement at all, and consequently with a loss to the province of many billions of tax dollars needed to support and to extend government policies.

In these circumstances, Mr. Speaker, I suggest that there is no real choice for the House but to approve the agreement while at the same time registering our caveat concerning those parts which do not fully accord with our own view. So far as the other two provisions are concerned, namely the provincial income tax and the reduction in premiums the imposition of the 1% personal and the 1% corporation tax on taxable income, it has been demonstrated that the proceeds from these sources, sources which were not available to this government before as most honourable members of this government will appreciate, are required to effect this reduction in premiums, this considerable reduction in premiums, from \$6. to \$4. and from \$4. down to \$2. for individual persons. So in all of these things to date I think we could possibly find some measure of agreement among all parties in the House. I think there is some further point upon which we could find some measure of agreement, namely, that this reduction is desired by all parties within the House, although I find that to my consternation and I must say to my surprise, that I believe it was only the Honourable Member from Emerson who expressed himself recently, or just a few minutes ago in this House, by saying that he at least in his party was in favour of the premium reduction. Well, that's a very interesting thing to hear from the Liberal Opposition because I think, to my knowledge, he is the first one who has said that, and we have been waiting for some time to hear what the view of the Liberal Party is with respect to premium reduction.

MR. HRYHORCZUK: Seeing that the Honourable Member for Emerson is not present, I think I should draw the Honourable Minister's attention to the fact that I believe that what the honourable member said was that he was opposed to the premium system not a reduction in the premiums.

MR. LYON: Well, we'll check Hansard; that was my understanding of what he said. We'll check in any case. I was giving him credit perhaps without realizing that he hadn't gone as far as he should have. I think that to deny that the premium reduction is desired by all of the citizens of Manitoba is either to be blind or to be partisan in one's outlook.

I would like to ask the question: where does the Liberal Opposition stand in respect to the question of premium reduction? Oh, it's true, we've heard a lot about premium abolition and they went into that animal pretty thoroughly last night, conducted a post mortem on it and found that there were no innards to it at all; but where do they stand on premium reduction? Are they in favour of this bill which is presently before the House on premium reduction which was one of the constituent elements in it? In the summer of 1960 when the premiums were raised, I recall the Honourable Member for Lakeside who was then the Leader of the Opposition, made a public cry for a special session to deal among other matters, with the premium increase. Its fine we hear to have a special session to deal with the increase, but what does he say when we call a special session to deal among other things with a premium reduction? He doesn't pay any attention. Why not? Does the Liberal Party not like to talk about a premium reduction? Are they afraid to admit that the premiums are going to be reduced? Don't they like this? Is this what is bothering them so much during this session? They are going to have this one little feather or one little arrow removed from their quiver that they won't be able to use against the government any more. Is this what is bothering our friends opposite? Why don't they come out and admit that they are in favour of this premium reduction and that they have no real alternative to it themselves? Why don't they do that? Do they realize that by the stand that they are taking

(Mr. Lyon, cont'd.) . . . on the Throne Speech and by the stand they are taking with respect to this Bill No. 2, they are voting against the premium reduction, so it's very interesting for us to notice this little movement that's going on. They're against the agreement. We have expressed caveats against the agreement of course. I don't think there is too much difference in viewpoint. But they are against the premium reduction, at least on the surface, because first of all none of them have said anything about it. I was trying to attribute to the Honourable Member from Emerson some credit for having said he was for it, and I was shouted down by the Member from Ethelbert Plains. Well, now, I want them to come out and tell us where do they stand with respect to premium reduction. Are they for it or are they against it? How are we to read their vote when they vote on the Throne Speech and when they vote on Bill No. 2? I don't consider that to be an unreasonable question to ask of reasonable people. In all of the time that has been spent talking about the principles of Rowell-Sirois, not a word about premium reduction. Aren't you for it fellows? That's what I ask them, Mr. Speaker. Are they for it or agin it and we'd like to hear.

The next thing that we have heard and I think probably one of the most interesting things that we have heard is the fantastic, and I suggest irresponsible proposal of the Leader of the Opposition with respect to premium abolition. He has come out with a proposition, and this is his first opening cannonade so to speak, as the Leader of Her Majesty's Loyal Opposition in this Chamber with a proposition to abolish premiums in the Province of Manitoba. Oh, it is true that he lifted the curtain on this approximately a week ago at a Grit meeting over in South Winnipeg; just enough to let everybody in and let everybody know what was coming on. Well, he comes out now and he says that first of all we should abolish premiums. That's his response as to whether or not he wants the premium reduction. And secondly he is opposing an agreement which financially will make Manitoba better off by several millions of dollars than any agreement that our friends opposite could ever have reached with the Federal Government, or ever did reach with the Federal Government in the years when they had responsibility on this side of the House. Well, what about this first item? Mr. Speaker, I say categorically that there is not a member in this House who would not like to see premiums abolished if in fact that were possible. We all know that. We would like to see premiums abolished if in fact it were possible to do. Our friends in the Liberal Opposition have no monopoly on this desire; none whatsoever. But his plan for achieving this ideal is a hollow sham. He talked to us about certain items that save, and if you total them up I think the figures that he gave himself, and I am only quoting figures that he used himself, were one and three-quarter millions of dollars with respect to deterrent charges and administrative costs which could be saved. Oh, it's true, he talked about inclusion of Mental and Tuberculosis patients under the plan. That's a very new and novel item isn't it? His former leader, the Premier of this Province in 1956, was talking to the Federal Government under the former Prime Minister St. Laurent, about inclusion of tuberculosis and inclusion of mental patients under the plan in 1956. He didn't seem to get anywhere from 1956 until 1958. This Government has continued to press the Federal Government at Ottawa for inclusion of these two categories; I don't think there is any basic disagreement on this point. We would all like to see them included. But, my honourable friend, the Leader of the Opposition, has wished them included in order to facilitate the development of his pet little scheme to abolish premiums in Manitoba. He's just wished this problem away, Mr. Speaker. It's not really a very tough problem, says he. Why we could accomplish this if we were in power in Manitoba. He's wished it away. Well, the high facts of reality will ring through to him one of these days. I suggest they will come to him not from any speeches we deliver on this side of the House but probably from some of his own people. Probably from some of those good, decent citizens of Manitoba who want good, decent government in Manitoba, and who will say to him why do you advance these high in the sky proposals that you do? I think that this is where the realization will come through to my honourable friend. Then he ties up this fantastic parcel with a bow and the bow on the parcel is the federal income tax that is going to be the real clincher in order to enable the province to abolish premiums. Mind you he doesn't like the provincial income tax for this but a federal one would be okay. He doesn't talk too much about ability to pay, or the inclusion of this principle as a result of the new agreement that is before the House at the present time; he doesn't talk about that at all, but he ties it up right at the close of his speech that federal income tax -- and I am sorry I did not have Hansard to check when I was preparing these few



(Mr. Lyon, cont'd.) . . . remarks just to see what his exact words were but according to my notes his speech trailed off right after he mentioned federal income tax and it was brought to a quite abrupt conclusion so we didn't have the benefit of any full explanation as to how this procedure was going to be carried out. I suggest Mr. Speaker, that this is rather an infantile proposition to put before a Legislature composed of adult men and women.

We heard something this morning about promises which are bad for democracy. I think the Member for Lakeside was talking about this subject. Promises that are made and not kept; promises that are bad for democracy. I wonder how he would class, he himself would class this proposition of the Leader of the Opposition. Is it not strange that the former Leader of the Opposition had very little to say about this plan when he spoke this morning? I would like very much to hear his comments on the question of abolition of premiums; to hear whether he feels as a former member of the Crown Bench of this province for some twenty-two years whether or not he feels there is any more merit in the scheme than those of us who have already spoken in this debate. I am equally sure, Mr. Speaker, that since the convention which I think was fortunate enough to elect the Honourable Leader of the Opposition as their leader -- and I say that truly -- since that convention he has had according to the papers an Advisory Committee of leading citizens of this province, some of them are well known citizens, advising him on different aspects of public affairs, and this in itself is a good thing. But I am sure that the Honourable Leader's Liberal advisors didn't give him that proposition on premium abolition. I know a number of his advisors personally, they are outstanding citizens, and I am sure that they didn't give him this piece of bad advice which he opened up in South Winnipeg and then brought into this House. I think he must take full credit for it, and I am sure he is willing; he'll take full credit for it personally.

We are continuing to ask, continuing to speak, will continue to strive for in this province, some realistic, some responsible answer to the whole question of the premium problem, the whole question of hospitalization finance, but I suggest if ever there was a proposition put before the House which favoured a political expediency, the one that we heard from the Leader of the Opposition probably takes the cake in that regard. We have resort of course to press clippings that relate to the convention at which my honourable friend was elected leader of his party. I noticed with some interest when I was going over them again that talking about a Universal Health Plan for the province, one of the committees brought back a very novel proposition, and that proposition -- if I can just put my hand on it here -- that proposition related to how they would finance a medical program in the Province of Manitoba, that is medical care for the people of Manitoba. "The policy committee" and I am reading from the Tribune of April 21st, 1961 under the headline "Grit Platform Takes Shape". "The policy committee on health came up with a surprise when they reported back to the convention on the proposed medical care scheme modelled by a special committee. The plan as proposed would be non-compulsory and on a prepaid basis with provincial participation to the extent that those in the lower income bracket would receive a rebate of all or part of their premiums. The scheme was predicated on the likelihood of a provincial income tax program. The policy committee approved the health plan, but opposed the provincial income tax on which the plan was based!" Now, are we beginning to see some of the tangled web coming loose? This is the Winnipeg Tribune reporting on the policy discussions at the Liberal Convention. (Interjection) Yes. Now, are we beginning to see what is happening? They realize, at least some of the more responsible ones in the Liberal Party realize, that you have to have money to finance these things, even when you are out of office, you have to have it; and they brought in a recommendation which tied it in to a provincial income tax, and predicated their medical care program on that, but once they got it before some of the -- well I don't know who it was before to tell you the truth -- once they got it before, shall we say, some of the political leadership of the party, what happened? Strike out that income tax bit boys, just go for the medical care plan, and I think we see, I think we can see some example of this following through in the House; go for the abolition of premiums, boys, but cut out any of the cost element; the people don't care about that anyway. Isn't that what we're seeing? I don't know, I'm merely asking the question. But I wonder when we see a plan like this trotted out before the Legislature of this province.

We see some other very interesting comments that came out from that Liberal Convention, with respect to health. "Liberals declared" -- and I am reading from the Tribune of

(Mr. Lyon, cont'd). . . . of April 22nd, 1961 under the headline "Grit Policy Tilts to Left of Old Line". There was a misleading headline if ever there was one. "The Liberals declared that hospital insurance premiums should be related to hospital costs, and should not be used as a form of taxation to supplement the Provincial Treasury. The party expressed concern that the present across-the-board premium rates are causing an undue burden on lower income families. The Liberal Government, the policy statement said would review the premium rates so attention is given to ability to pay principle". Well, there was the statement of the Liberal Party in convention assembled only last April. They would review the premium rates so attention is given to the ability to pay principle. Well, we have been reviewing this question for some time, in fact we have been committed for some time as a government of the people of Manitoba to do something about the imposition of premiums right across this province. And what do we find our honourable friends doing? Why they are going to review it and they are going to try to tie in the principle of ability to pay. Well, this government brings in a proposition which reduces the premiums, I suggest, to a much more reasonable level, not merely because it is lower than the premiums that were imposed by my honourable friends when they were in government; but to a much more reasonable level. We tie to it the financing for this reduction, and they say "Ah, but this is no good". Last April, last April, they didn't feel it was such a bad idea; but what happened to them in the interval? Where did this little strata of people come in who said: "Forget about the financing, boys, the people don't care about that. Cut out the part about the provincial income tax and medical care; cut out the part about where we will get the money to abolish the premiums. Where are these people? We would like to see them because these are the ones who are making a hollow mockery out of your proposition.

MR. HRYHORCZUK: Would the Honourable Minister permit a question?

MR. LYON: I'll just be finished in a few minutes. There is another statement that I noticed came out of the Liberal Convention. When we are talking about irresponsibility, I think it should be mentioned because of course that's all we hear from the other side, we hear that this government is composed of dictators, at least according to the view of the Honourable Member for St. Boniface, and we (Interjection) . . . I hope I quoted him right.

We heard a very interesting talk not so long ago, I think it was yesterday, from the Honourable Member from La Verendrye, and he was giving us the benefit of his advice on this matter. I suppose he was one who participated in the policy discussions with respect to the medical care program that we were talking about. He was talking about, of course, the irresponsibility of the government getting into spending programs and so on and so forth and that we are not so optimistic any more; deliberate efforts to confuse on part of the government, and so on, papers were confused, and altogether he made this tax deal sound something like the Munich Pact, or something of that nature. Well, here is the Honourable Member from La Verendrye speaking to this different forum, the forum of bright old faces shall I say, assembled at the Liberal Convention, looking up at him as one of the bright young contenders as leader, sitting beside the Honourable the Leader of the Opposition, trying to put on as good a show as he can -- and he is capable of a good show -- and here is what he said. "To obtain economic growth", Mr. Roberts warned, "a vigilant watch would have to be kept over spending and taxation". Oh, yes, you have to watch spending and taxation, catering to the old crowd. "The government that loses sight of this won't last long." That's the Member for La Verendrye talking about keeping an eye on taxation. "Irresponsibility of the present government will send it to the political wilderness for another forty years". There's the Member for La Verendrye talking about this government's irresponsibility. Here we go again. "We found waste and extravagance in the Conservative Government. We can win the next election in Manitoba". I don't know if he meant to tie the two thoughts together if they can be graced with the word of thoughts. Referring to Mr. Molgat's reluctance, Mr. Roberts stated, "I am not a reluctant candidate and I never have been". There certainly was one true part of his statement. "When our party is returned to power, as it shall be, I trust" -- and listen to these words -- "I trust I'll act responsibly in the handling of public money". It's true the Leader of the Opposition didn't say that, but the Member for La Verendrye did, and I presume that any member on the Liberal side of the House would say amen to those words.

Well, I put these words back to the Liberal Opposition, Mr. Speaker, and I say why don't you start acting responsibly as members of this House with respect to the handling of public

(Mr. Lyon, cont'd.) . . . . . money, because, the minute you do, then that is the minute you will abandon the sham scheme that you have brought in to try to delude a few voters as to what you would do if ever you got back into government. Well, I suggest, Mr. Speaker, that an Opposition to be worthy of it's name must represent a reasonable alternative to government. It must be a party with a philosophy which is based on more than political expediency, and with the greatest of respect, I think that's all we have heard in this session. It must be dedicated to something more than vote getting. It must not put on a display of political dodging, of side stepping, the awkward semblances of opposition that we have seen during these last three or four days; a display of political gymnastics, the likes of which I don't think this House has seen for many a year but I think more important a display of irresponsibility which is somewhat unique to this Chamber.

The other day we heard when the Leader of the Opposition was speaking, I think the Honourable Member from Carillon, somebody interjected and he said "Aw, well this is a new era - this is a new era in the Liberal Party in Manitoba". Well, I wonder if the first proposition they come up with -- and I use the phrase of the Honourable Leader of the Opposition, is a jerry-built proposition such as this one on hospital premiums abolition -- I wonder if it is such a new era. I wonder if its even quite as good as the era we just left, where at least we had financial responsibility, financial conservatism with a small "c", but I think it was still an attempt to be responsible, from the former Leader of the Opposition. And then we had not too long ago in this House, I think one of the most amazing speeches that I have heard in a long time from the honourable member, my good friend from Ethelbert Plains. (Interjection) Well, what did the Honourable Member from Ethelbert Plains have to say to us about this whole proposition which faces the House? This bill, he said was not introduced either to reduce premiums or to impart the doctrine of ability to pay into the Hospitalization Scheme. Well, if it wasn't introduced for those two purposes, I don't know what purpose it was introduced for, but that's the statement he made. But then he went on into this fantastic fairy tale whereby he piled assumption on assumption and built himself up onto a woodpile which conveniently fell over the minute he got on top of it. My honourable friend, I am told . . . I know, holds degrees from the University of Saskatchewan, I believe it is in Arts and in Law - - a Bachelor of Arts and a Bachelor of Law. If I had the power I should like to confer two other degrees on. One would be an "MA" and that would make him a Master of Assumptions, and the other would be a "PHDD" and that would make him a Doctor of Phony Diatribes. Because in effect, Mr. Speaker, I think that's what we have heard from him. (Interjection) -- The old saying you know that we have all heard, "oh, what a tangled web we weave when first we practice to deceive". Well, now, my honourable friend from Ethelbert Plains weaved a web, the likes of which no spider could match -- Why, they started it eighteen months ago, this bunch of conniving scheming -- he didn't say no good -- but conniving scheming people on this side of the House, to build up this whole facade -- (Interjection) -- I'm merely trying to paraphrase -- that this whole thing was just a fad or a front or a setup; the premiums were raised so they could be reduced. What utter nonsense! What utter nonsense! To think that any government; to think that any group of people responsible to the citizens of this province could even think of such a proposition, let alone do it. I stand in awe, Mr. Speaker, of a mind which can contemplate this type of tangled web. I really stand in awe! Usually, usually, one associates this type of thinking with somebody who flies on a broomstick around the moon, not with people like the Honourable Member from Ethelbert Plains. He went on and on. I think we're going to have to have maybe a witch hunt on the Liberal Party to eradicate all of these bad little gremlins that seem to be infesting it since the leadership changed. I don't know what happened. He says that there was no legitimate reason to increase the premiums in 1960. According to my notes, was he not in the special committee that was set up during the last session to look into the whole question of the financing of the hospitalization scheme? Did he not read it on paper? Did he not have the opportunity to question the commissioner in charge of the hospitalization plan to satisfy himself then? Where was he, if he can make a statement like this? He said the Cabinet took a gamble. It admitted the increase was unwarranted and unjustified. He said there was an overcharge and so on and so forth all the way through. Well, I suggest, Mr. Speaker, that that's so much eye wash -- so much eye wash -- and I think it will be treated as such by most people listening to it.

We have heard from the Honourable Member from Carillon and from others -- similar

(Mr. Lyon, cont'd.) . . . words -- the Federal Government concocted this scheme. The Honourable Member from Ethelbert Plains was talking about this fabrication of raising the premiums and then lowering them, and so on, as a pet scheme or a conniving plan of this government. I think it was the Honourable Member from Emerson who just sat down -- "Very careful planning on the part of the government!" says he, "in order to bring this situation about where we could reduce premiums". We're all schemers and connivers once we get onto this side of the House according to my honourable friends opposite. I think, and I say this sincerely, Mr. Speaker, that it's a very sad commentary -- a very sad commentary on the state of mind of the Liberal Opposition when all they can attribute to a government, which is opposed to them politically no doubt, but a government which is trying its best to serve the people of Manitoba, is that it is a government that schemes and connives and concocts. I don't think that this is proper thinking on their part, and I hope that they will come out of this shell that they are in at the present time and start giving true opposition in the position that they hold in this House.

We have heard some word about the impact on corporations. I am sure that the Honourable the First Minister will -- has already dealt with this subject. We are fully aware of the part that has to be played with respect to corporate development in the Province of Manitoba. We are equally aware, however, that corporations and labour are part of the fabric of Manitoba society. In turn, they have responsibilities -- social responsibilities to Manitoba society. I don't think that this is such a startling proposition -- not at all -- and I think that the bulk of reasonable thinking people in industry and in corporate business in Manitoba today would agree that they have this responsibility.

Well now, Mr. Speaker, I don't intend to take the time of the House much longer. Some mention was made of the fact that there should be a complete study of the whole hospitalization financing plan with the Federal Government so that we would know where we're going with respect to finance. I think the Honourable Member for Selkirk, for one, mentioned this; and one or two other members mentioned it -- I'm sorry if I attributed it to him and he didn't, but I heard from across the way that there should be this complete study of finance. Well I know that the honourable members opposite must find it extremely difficult to keep up with all of the varied and progressive activities of this government, but for their edification I will just read to them one small excerpt from the first brief that was presented by the Government of Manitoba to the Royal Commission on Health Services approximately two weeks ago, so that they will see that we are abreast of this problem and, as usual, are two or three jumps ahead of them in thinking about what should be done. And I excerpt this portion only -- "It is our opinion that federal participation is essential in achieving any comprehensive health plan. With this in mind we submit that this Commission should examine the feasibility of cost-sharing as applicable to specific health programs presently financed entirely by the province. We refer to programs such as care of the mentally ill, the care of tuberculosis, the long-term care of chronic illness, administration costs, home care programs, etc. The Province of Manitoba feels that as a prerequisite, this Commission -- and listen to these words -- "that, as a prerequisite, this Commission investigate the operation and financing of programs presently in existence before embarking on any expanded programs which would entail additional financial responsibilities for the province. The Commission should determine the total cost involved in any of the recommended plans; the impact of these costs on the nation as a whole in relation to the national income; and the extent to which these costs should be met from private as opposed to public funds." I mention that only, Mr. Speaker, to indicate that this is entirely in accord with the thinking of the government that there should be a long look taken at the present shared programs in the hospitalization field in order to determine how the financing can be improved, if at all.

Well, Mr. Speaker, I have very little else to say. I want to mention again my regret, my sincere regret at the proposition brought forward by the Honourable Leader of the Opposition. I wish him better luck in the future with other programs that he will bring in. I hope they won't be quite as hollow as the one that he has just brought before us. I express regret as well at the total reaction of the Liberal Opposition to this program that has been brought before them. You know it's something like an owl going to a chicken roost at midnight. You know what happens there. There's all cackling and fluttering and commotion in all directions, lots of commotion but no plan, and that's what we see opposite -- just like a chicken coop at

(Mr. Lyon, cont'd.) . . . .midnight -- lots of cackling and fluttering and commotion but very little else.

I say through you, Mr. Speaker, to the people of Manitoba, particularly to those who have been addicted in the past to voting for my Liberal friends opposite -- I don't count that a crime -- some of my best friends do it -- I say this, that by their stand in this House they're voting against a relief to the majority of premium payers in Manitoba. If not, let them stand up and say so. By their stand in this matter they are voting against the principle of ability to pay which they underlined and which they accorded satisfaction in at their own convention; and by their vote they are voting against, in effect, a proposition for the greatest good, which means the greatest good for the greatest number of people in Manitoba. That's what we're trying to do. Now if this is not their stand, let them stand up and tell us so in the House today, but I suggest to all of these people in Manitoba who are beginning, I am sure, to have some doubts about Liberal leadership in this province, I invite these rank and file Liberals to join a government that is progressively liberal with a small "l" -- to a government that has the needs of the people in mind; to a government that backs up its words with deeds; to a government which, when it says it will reduce hospital premiums, in fact does reduce hospital premiums at the first moment it is possible to do so. I am sure that many, many people, before the next election comes, will answer this call if my honourable friend the Leader of the Opposition continues to bring before this House propositions of the type we have heard in the last two days.

. . . . .(Continued on next page)

MR. GUTTORMSON: Mr. Speaker, when the First Minister spoke on Bill No. 2 during second reading, he said the following and I'll quote him on page 23: "Now, Sir, the effect of these measures will be to enable us to reduce the hospital premiums from \$6.00 for families and \$3.00 for single persons to \$4.00 for families and \$2.00 for single persons. This is a rate even below that which was originally established when hospital premiums were brought in by the honourable gentlemen opposite. I would like to say, Sir, that this measure of relief will be retroactive, it will be retroactive until July of this year, 1961, and any citizen who has paid premiums since July of this year at the old high rate of \$6.00 and \$3.00 will be entitled to a refund of the payments that are in excess of the rates of \$4.00 and \$2.00. This means, Sir, that while the reduction is retroactive, and I underline that word retroactive, until July of this year, the new tax will not come into effect until January 1st, 1962, which I think will be appreciated by those who have to pay it."

This morning when I spoke on Bill No. 2, I said the Premier should be censured for misleading the people when he appeared on television, for giving the impression that the tax on Manitobans would be 1% rather than 1% of the taxable income. Mr. Speaker, the First Minister misled the people of Manitoba when he said premiums will be retroactive to July 1st, 1961, because this is not true. Premiums will not be retroactive until July 1st, 1961 and he knows it, because I have taken the trouble to consult with the top officials in the Manitoba Hospital Plan and they have confirmed my own belief. As everyone knows, we all pay six months in advance. Those of us who pay on the payroll deduction plan pay six months in advance; those of us who pay semi-annually pay six months in advance. In effect, when I make my next contribution, which will be in November, I will have paid \$36.00 of the hospital premiums for 1962. Now he says it will be retroactive to July 1st. If that was the case I should be getting a refund of \$12.00, but am I going to get that refund? No. What, in effect, is going to happen, Mr. Speaker, is that during December, January and February of this year I will not have to pay a premium, and those three months will be deducted from my '62 premium which I have already paid, so in effect, Mr. Speaker, the payment is not retroactive to July 1st. Those of us who have paid in May for the six months will not be getting any money either. It's true that the Premier said that in November that they will be paying \$24.00. This is true, but \$24.00 for what? The first six months of 1962. So in effect, Mr. Speaker, there is no retroactive clause in this at all. Effective January 1st of this year we will be paying \$4.00 per month and not \$4.00 per month beginning in July. Now the First Minister shakes his head. I went to a great deal of trouble to find out if I was correct or not before I brought this in the House, and I checked with the hospital authorities who are at the top. I asked them about it and I asked them if there was any retroactive clause, and they said: "No, there is no retroactive clause to July 1st. The \$4.00 premium will begin on January 1st." Now if the hospital authorities have misinformed me I want the Premier to tell me so, but this is the plan as told to me, and I double-checked to be sure that I am right, and yet the Premier said on page 23: "This is retroactive to July 1st, 1961."

The last speaker, the Honourable Attorney-General, said this is "responsible government". Is it responsible to mislead the people into thinking they're getting something they're not getting? He chastised us for indicating we're going to give the people something for nothing. Is there anything more flagrant than this very thing that the people of Manitoba are going to get back premiums when they are not? If the Premier meant what he said on Monday then the people of Manitoba will be reimbursed, if my figures are correct on the statistics released by Mr. Pickering, roughly \$2 million. Now this is not true. They are not going to be reimbursed of any of this money and the First Minister knows it.

MR. ROBLIN: Mr. Speaker, if I may have the privilege of rising to a point of correction on my honourable friend here, because he has succeeded in leaving a completely erroneous impression in the House at which he has some skill, by the way, with respect to what I said. What I said was that any citizen who has paid premiums since July of this year at the old high rate of \$6.00 and \$3.00 will be entitled to a refund of payments that are in excess of the rate of \$4.00 and the rate of \$2.00. That is literally and accurately correct. If my honourable friend has paid his premium since July, if he has paid any premium since July at the rate of \$6.00 and \$4.00, he will be entitled to a refund of the excess over the rate of \$2.00 and \$4.00 which will be made retroactive until that date. Now I have not consulted with the Hospital

(Mr. Roblin, cont'd.) . . . Board to find out whether he's going to get a payment in cash or whether they will simply find it more convenient all the way around to forgive him his future payments until that refund is made up. But one way or another, those who have paid their hospital premiums, and that is the group on payroll deductions, those that have paid their hospital premiums from July at the old rates will be entitled to a refund under the new rates. It's a simple fact and there's no attempt to mislead. My honourable friend is, I think, misrepresenting the situation.

MR. GUTTORMSON: Mr. Speaker, it is not true, because we are not getting any rebate from July 1st until the end of this year, because we're paying a full \$6.00 for the entire year. You are giving us the rebate on the first six months of '62.

MR. ROBLIN: Mr. Speaker, I read the words that I used: "Any citizen who has paid a premium since July of this year at the old high rate of \$6.00 and \$3.00 will be entitled to a refund of the payments that are in excess of this rate of \$4.00 and \$2.00." Now I take that to mean a refund of the premiums in exactly the sense that I have given it and that those who have paid out the money will get it back. "This means, Sir, that while the reduction is retroactive until July of this year, the new tax will not come into effect until January 1st, 1962, and I think this will be appreciated by those who have to pay it."

Now, Mr. Chairman, my honourable friends raised -- and I'm rather looking forward to my opportunity tonight to deal with some of the points that have been raised in this discussion because I think there has been a concerted, and I suppose it's not parliamentary to say deliberate effort to deceive, but I think there has been an effort on the part of the gentlemen opposite to bemuddy the waters as thoroughly as they know how, for the very reason stated by my honourable friend here. They don't like the thought of premiums going down, but I'm setting my honourable friend right on this question of fact that there is going to be a refund of payments to July of this year.

MR. SPEAKER: Order! Order!

MR. ROBLIN: . . . . . what I said and that's what's going to happen.

MR. HRYHORCZUK: Mr. Speaker, with the permission of the First Minister, and I'm not doing this to criticize or anything, but when he is speaking tonight will he please make it plain that the deductions do not apply to those people -- or the retroactive feature does not apply to those people who pay their premiums semi-annually, because I understand there are a lot of people under the impression that they're getting a refund on the last payment.

MR. ROBLIN: The last payments, Sir, were paid before July of this year. That's perfectly clear, and the refunds are only applicable to those people who have paid in advance via the payroll system. Those people who pay in November, or whenever it is, will be paying at the new rate of \$24.00 and will therefore have that reduction effective on their premium at that time.

MR. GUTTORMSON: Am I to understand that they're going to get a \$12.00 reduction then because they paid for the six months from July 1st until the end of the year. Are they going to get \$12.00 back?

MR. ROBLIN: Well, my words are clear.

MR. GUTTORMSON: You bet they are clear.

MR. SPEAKER: Order! I might say that this question could be better discussed in committee where members would have the opportunity to talk back and forth rather than on the speech of the Honourable Member for St. George. He has the right to speak and if he's not through with his speech he should be allowed to continue at this time. I would think that this question of detail of the bill of The Hospital Insurance Act would be better dealt with in committee. Does the Honourable the Member for St. George wish to continue his speech?

MR. GUTTORMSON: Mr. Speaker, the Premier said in his statement that the premiums were retroactive to July 1st. I maintain that unless we get a reduction in the premium from July 1st to the end of this year there is no retroactive clause in it because . . . .

MR. SPEAKER: Order! Are you discussing the clauses of the bill?

MR. GUTTORMSON: No, I'm not. I'm talking to something in Hansard.

MR. SPEAKER: Beg pardon?

MR. GUTTORMSON: I say I'm quoting something he said in Hansard.

MR. SPEAKER: Oh, all right.

MR. GUTTORMSON: If it was retroactive until July 1st, then the people of Manitoba are entitled to a rebate from July 1st to the end of the year, and this is the impression that has been left with the people, that they are going to get a rebate and this is not so. The people of Manitoba are paying a full \$6.00 for the entire year of '61 and this statement indicates that they were going to pay \$6.00 for the first six months and \$4.00 for the last six months. This is not true because they're going to pay \$6.00 for the entire year and it is not retroactive to July 1st, because that payment is for the first six months of 1962. So, Mr. Speaker, the Premier can say all he wants about muddying the waters. There is nothing clearer than his statement in Hansard, and I think that if he isn't intending to pay those people the \$2 million back, he should apologize for his error and clear it up.

MR. ROBLIN: Give the \$2 million back?

MR. GUTTORMSON: Yes, not in '61.

MR. SPEAKER: Order! Are you ready for the question?

MR. STAN ROBERTS (La Verendrye): Mr. Speaker, I'd like to offer, as other speakers have done here, my congratulations to you on your usual good health and the fine manner in which you conduct the business of this House. My most sincere good wishes to the new Leader of the Opposition in his new role and my congratulations on the fine manner in which he has conducted his duties in the past three days, and I'm sure will continue to do so.

I'm sorry the First Minister has left the House. I hope that the Minister of Health will convey my questions to him -- two very brief questions concerning this bill, Bill No. 2, which is the main motion of the Speech from the Throne -- two questions which have caused some concern to me because I have not been able to determine them from the reading of the bill. First of all, when does the 1% provincial tax on taxable income become applicable to the people of Manitoba? When do we start paying this tax? I think this is a very important question because it has a great bearing on how it will affect the premiums of the hospitalization in Manitoba.

My second question is: Will the Province of Manitoba continue to vote? Will this government continue to present estimates to this House to be voted -- for \$3 million grant each year from the General Revenue to the Manitoba Hospital Services Plan? In other words, is this 1% tax in some way to let the government off the hook for that \$3 million grant which had been customary? I hope that this will be answered by the First Minister when he speaks on this particular bill.

As everyone has noted, the Throne Speech itself is extremely brief, and I think it is entirely too brief considering the cost of bringing 57 members into the Legislature for this session and considering the number of problems which faced the people of Manitoba this particular year. There are many questions which I think, while we are in session, should be answered. This is something that I have pointed out before and I still feel very strongly about it, and that is, whenever the opportunity arises for a Minister of the Crown or the First Minister to give information to the people about the Government of Manitoba and how it conducts its business, that wherever possible it should be given to the session and not delivered to the people through the media of the press. I think that the question of how the Province of Manitoba is faring on its Crop Insurance Plan through its Department of Agriculture should be mentioned in this Throne Speech, and I am presently calling upon the Honourable Minister of Agriculture to speak, before we close the debate on the Throne Speech, making some reference to the Crop Insurance Plan, the amount of money which the province is obviously going to have to raise in order to pay the claims this year; and how we are doing in our negotiations with Ottawa to have them stand part of the cost of this, the rightful part that they should be carrying. I think, too, that the Minister of Agriculture should speak on the Throne Speech -- because this is also of great importance to the people of Manitoba at the present time, of vital importance -- on the floodway, and what progress is being made in the negotiations with Ottawa towards the cost-sharing agreement on the floodway which is to be built around Winnipeg.

MR. HUTTON: When do you want to go home?

MR. ROBERTS: Some people could answer those two questions in ten minutes, but I doubt if you could. In the business of operating the Government of Manitoba at the present time, one of the really pressing problems, I'm sure, for the government to handle, is the problem of Metropolitan Winnipeg, and the problem of the Metropolitan Government of Winnipeg. There have been, as you note, no amendments of note to the bill which created Metropolitan Winnipeg --



(Mr. Roberts, cont'd.) . . . . one amendment of a minor nature and another one known as the procrastination amendment -- the amendment which will give this government time to make up its mind whether or no it has any opinion on how Metropolitan Winnipeg should raise its money for the services which it provides. We have had a report for some time which is familiar to us all, the Blake-Goldenberg Report, a report which this government has refused to pass opinion on except that it is a good report, I think the Honourable First Minister said, and one that he could take action on at this session if he so desired; and one that would, if he did take action on, I'm sure would have a great effect on the great uncertainty which exists at the present time in the financing of Metropolitan Winnipeg. I think that perhaps this procrastination, the postponement of the date on which Metro must have its budget prepared, will serve a purpose. It will serve the purpose of perhaps giving the government and those concerned a greater opportunity to study all the implications, all the ramifications of implementing a tax-sharing agreement between the Metropolitan government of Winnipeg and the municipalities of Greater Winnipeg. Well this is a very good time to be talking about tax-sharing agreements because we have heard some very impassioned speeches in the last few days about the importance of equalization and the importance of good relations between senior governments and junior governments and the relations between the provinces and the Dominion; and now we have an opportunity to see what this Government of Manitoba can do when they are the senior government and are in the position of setting up a tax-sharing arrangement between municipalities and Metro. There is no doubt about Metro being here. As Mr. Bonnycastle has said, "The egg has been scrambled". The problem now is to serve it properly.

The work to be done by this government, the most pressing problem, is to set up an equitable means, a means which will have worked into it a formula which will take into consideration ability to pay; which will take into consideration the equalization principle; which will take into consideration the level of services provided by various municipalities and which will provide to the Metro government of Winnipeg, and to the municipalities, a fair distribution of the tax money which is available through the usual sources. I think we're all aware of the way in which the Blake-Goldenberg has recommended how business tax be handled, and so this procrastination bill perhaps has value too in that respect, that it will give the government a greater opportunity to study perhaps a formula for the handling of the business taxes so that the municipalities themselves aren't necessarily done out completely of that revenue. I think that the House is all aware of how other provinces -- the Province of Ontario, I should say, rather than other provinces -- the Province of Ontario is handling their arrangements with Metropolitan Toronto. I think we should all know that Metro Toronto, for instance, gives a \$5.50 per capita grant, the Province itself does, to the Metropolitan City of Toronto in order to help them in their financing. I'm not exactly certain what the provincial grant to Metropolitan Winnipeg would consist of in any one year, but I suggest that it would be approximately 10% of that.

There are the problems of road construction and how this cost is to be equitably shared between the municipalities on one hand and, on the other hand, Metro Winnipeg and this Government of Manitoba. I feel that much of the traffic which is carried in the arteries, which are controlled by Metro, are a provincial problem as greatly as they are a Metro problem and, therefore, should receive considerable assistance from the Province of Manitoba. And not only in road construction, of course, in land acquisitions along with road construction in this work. I am sure the Minister of Education is probably very much involved in this too, in this problem of equalization of the tax-sharing of the municipalities and Metro, because if the Blake-Goldenberg Report is implemented, this means, of course, a loss of revenue to the people of Winnipeg in the operation of their schools and this, of course, must mean a great increase in the grants from the Province of Manitoba to the schools of Greater Winnipeg. And so perhaps rather than criticize it for being a procrastination bill, I shall say that it does give this government and all other people concerned an opportunity to study these things. I hope that when they are studying them they'll take into consideration all the speeches that have been made in the last three days on equalization, on fairness, on ability to pay, and on tax-sharing, and will act in a manner in which Metro and the municipalities and the school boards of Winnipeg won't point at the Province of Manitoba and say, "You were unfair to us". --(Interjection) -- Yes, do unto others -- (Interjection) -- Financial responsibility? Oh, of course.

It is not usually my rule to defend Metro, in fact it very rarely is. However, the Member

(Mr. Roberts, cont'd.) . . . . for Brokenhead brought up a point the other day which I do not think can be passed by as simply as it was. His remarks, in my opinion, were highly inflammatory. I think they were quite unbecoming a member of this House. I think they were completely unfair, and it is my own opinion, to Metro, to the people who live in East St. Paul and to the Province of Manitoba; because if he makes insinuations, as he did, of this sort without being prepared to back them up, then I think he should be called to task on it. I think, in other words, that this should not be passed by as simply as it was. I think that we have a situation here where a member of the House has made suggestions or insinuations, or whatever they are called, which cannot be overlooked. I think that this situation should be investigated because the references made to the province and to Metro, if they are true, are terrible; and if they are not true, should not have been made. I hope that this government will see fit to investigate the situation and I hope perhaps that the Member for Brokenhead will see fit to bring more light upon it rather than leaving it in the situation which he did. Not only was he making implications which, as far as I'm concerned, were unfair, he expressed matters of opinion, which I give him every right to, but I do disagree with. In other words, he said that Metro had taken away from the municipality the right to zone; the right to plan their municipality; and he said this was wrong. On this I do not agree. I think it is one of the greatest functions of Metro and one of the greatest reasons for bringing it in, is that of planning, overall city planning, the function of zoning, the function of looking upon Metropolitan Winnipeg on a general view rather than a parochial one.

MR. E. R. SCHREYER (Brokenhead): Mr. Speaker, on a point of privilege, I of course can't stop from making the honourable member -- obviously he's imputing motives to me. Obviously he's misconstrued what I had to say almost in its entirety, and I would ask him to refrain because at no time did I leave the implication that I thought it was not right that Metropolitan government should have the final say in zoning. What I did say was that for this area, which was so far out from the centre of Metro, it seemed that it was hardly necessary for Metro to be the final judge in the matter. It's a big difference.

MR. ROBERTS: I think the -- I haven't got the Hansard with me -- I have it with me, but rather than search for it I have the newspaper clipping here which has a quotation in it from the Honourable Member for Brokenhead which says, "Then came the advent of the Metro Act. Then with the passing of the Act the authority of zoning passes out of the hands of the local authorities. The company is thus secure in the knowledge that it has a better chance of having the property re-zoned for its own purposes."

MR. SCHREYER: I can explain that, Mr. Speaker. What I said there I meant to apply to the specific case, because if the authority for zoning had remained with the local board they wouldn't have had a chance of getting it re-zoned; whereas in its passing into the hands of Metro, there was somewhat of a chance -- naturally. Metro would have an open mind about it and there would be somewhat of a chance, whereas before there wasn't any.

MR. ROBERTS: I think while the Honourable Member for Brokenhead was speaking he destroyed, in my opinion at least, whatever argument he had that refinery X should not be located in East St. Paul or in that particular area, by saying, "There are already two refineries in the area, why should there be three?" This is why we have Metro planning, because if an area is suited to refineries, then this is where the third one should be located too, not in another part of the city. I know the part of the city very well. I also have a bulge into my constituency from Metro which is extremely similar to the one in East St. Paul and I don't object to it. I think it's a fine thing because it's a part of the city which -- a part of Metropolitan Winnipeg into which growth will occur and, therefore, there is a bulge in the same sense that this one takes place and one which I heartily approve of. However, we're onto subjects I think that

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A MEMBER: Six miles?

MR. ROBERTS: Straight south on 75 Highway on the Red River. I think, Mr. Speaker, that was all I wished to say on the Throne Speech at this particular time. I have asked two specific questions of the First Minister which I asked the Minister of Health to record for me, and I hope that they will be dealt with when he replies.

MR. SPEAKER: I hope the Member for La Verendrye is not attributing wrong motives to the honourable member who just sat down. You didn't attempt to attribute wrong motives to the

(Mr. Speaker, cont'd.) . . . . honourable member.

MR. ROBERTS: No, I accused the member of attributing wrong motives, or at least leaving with me the impression that he had attributed wrong motives to Metropolitan Winnipeg and to the Province of Manitoba. If the other members gathered the same impression that I gathered, then I feel that this matter should be investigated and should not be left hanging in air as it is at the present time, with so many words on Hansard spoken in an inflammatory manner — in my opinion, so many words left on Hansard and nothing done about it, because if what he says is true, it should be investigated; and if it is not true, he should retract it.

MR. SPEAKER: Are you ready for the question?

MR. N. SHOEMAKER (Gladstone): Mr. Speaker, I beg to move, seconded by the Honourable Member for Turtle Mountain, that the debate be adjourned.

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

MR. ROBLIN: I beg to move, seconded by the Honourable Minister of Industry and Commerce, that the House do now adjourn.

MR. MOLGAT: Mr. Speaker, before that motion is taken, due to the fact that a committee has been set up to deal with Bill No. 2, I wonder if the First Minister could give some indication when that committee might sit, because there may be people who would like to make representations to it, and the longer notice we give them the better it would be. If that was possible, I think it would be helpful.

MR. ROBLIN: Well I can give a general outline, Sir, and that is, that if the House lasts for a reasonable length of time tonight we will not proceed with the committee this evening. If it were over at an early hour we might give that consideration, but I would expect that falling that we would meet, say at 9:00 tomorrow morning, in committee.

Mr. Speaker presented the motion and after a voice vote declared the motion carried and the House adjourned until 8:00 o'clock in the evening.