

THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Wednesday, March 29, 1967

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions

MR. JAMES COWAN, Q.C. (Winnipeg Centre): Mr. Speaker, I beg to present the petition of Robert Scott Cunningham and others, praying for the passing of an Act to incorporate Atkinson Centre.

MR. SPEAKER: Reading and Receiving Petitions
Presenting Reports by Standing and Special Committees
Notices of Motion
Introduction of Bills

HON. CHARLES H. WITNEY (Minister of Health)(Flin Flon) introduced Bill No. 80, The Air Pollution Control Act.

MR. SPEAKER: I would like to direct the attention of the honourable members to distinguished guests we have with us today. On my left, Mr. Donald McDonald, the Leader of the New Democratic Party for the Province of Ontario.

I should like also to take a moment and direct the attention of the honourable members to the gallery where, on my left, we have students from the Thames Sunday School under the direction of Mr. B.T. Friesen. This Sunday School is in the constituency of the Honourable Member for Rhineland. We also have with us today 20 members of the 118th Cub Pack under the leadership of Cub Master Mrs. Doreen Pikichyn. We also have with us today 25 students of Grade 10 and 11 standing from the Miles MacDonnele School under the direction of Mr. Drewe. On behalf of all the Honourable Members of the Legislative Assembly, I welcome you all here today.

I would also like to remind the honourable members of the picture that is being taken tomorrow of the Assembly and to let those know that are not in their places today, so that's 2:30 tomorrow afternoon.

MR. D. MORRIS MCGREGOR (Virden): Mr. Speaker, I rise on a point of personal privilege. As a member for rural Manitoba, I am concerned over the fact that no positive action has been taken to adjourn this House to allow us to recognize the sponsors of the Winter Fair Board, and also rural Manitoba's farmers that come from many prairie provinces to that Fair, but especially to the exhibitors who I think we have to keep encouraging in order to keep their product on an upgrade as they have in the past. Surely, Mr. Speaker, we cannot consider our centennial year an appropriate year to discontinue this long-established custom, or tradition, whichever you would choose. Surely the business of this province, or indeed the time of the MLAs, is not so pressing that we cannot adjourn the business of this House for at least a half a day on Friday, April 7th, to let us pay our respects to the industry of agriculture which has been the backbone of this province even before incorporation and still plays a major part of our economy.

I am concerned over the reluctance of this House to agree to give up private members' business for this one afternoon to allow farm members and city members alike to be where they should be. When I first came in here I knew very little except the rural aspects of the Province of Manitoba and I tried to associate myself with my city cousins here in the Legislature, to understand that even my northern friends, who may be slightly bigger in size and their territory also, but I tried to understand what the north is all about, even though I spent some years there some 20 years ago, and for this reason I took the junket up to The Pas. I could have done things for my own selfish interests much more to my advantage at home, but I believe this is the duty and I feel it is the duty of all MLAs to go to Brandon on Friday, April 7th.

The Brandon Winter Fair, Mr. Speaker, is undoubtedly one of the foremost farm promotions, at least in the western provinces. Certainly we won't enhance the Brandon Winter Fair's image if we as members of this Legislature pass it up this year. During each Session we spend many hours debating farm problems; we hear members expound on the theory of farming, many of them are based on solid foundations, some of them not necessarily on any great amount of foundation, and I think it is all right to go out there and talk to people at large to find out where the real problems lie. Let us give more than lip-service to the cost-price squeeze that we hear so much about today.

I appeal to members of this Assembly to reconsider the situation and I call upon all parties of this House to give unanimous consent to calling off the business of this Legislature for, as

(MR. MCGREGOR cont'd)....I say, at least the afternoon of Friday, April 7th, 1967. I appeal to my city and urban colleagues alike. It is all our duty to work, to build for all of Manitoba, and I don't think this junket is meant just for a social hour to take in a night show. I think we have got to have time to associate through the arena at Brandon to see the exhibitors, to talk to each and every one of them, strangers, and this is the only way. If we only go in our clique, the ones we know, we really find out no answers but what we knew long before we went there, and I do hope, and I urge the Department of Agriculture, knowing that our legislative time is pressed, that we lay on a plane if this is humanly possible. I have got no nod from the Minister of Agriculture but I am still at the very least hopeful that this can be done. We could be on that plane by a quarter to one, in Brandon by 1:30 or a quarter to 2, which would give us ample time to associate around the exhibitors.

I sincerely hope this answer will come today because I believe we do owe something to the Brandon Winter Fair Board to give them an answer, yes or no. If it should be that this answer is no, I sincerely hope the news medium will lay the blame at its proper place. I personally will be there whether I am paired or whether I am not. I will be at the Brandon Fair but I'll take the blame as a member of this Legislature if we do not see fit to bend our personal pride or whatever you might call it. Thank you, Mr. Speaker.

HON. DUFF ROBLIN (Premier)(Wolseley): Mr. Speaker, in the absence of the leader of the House, who I am sorry to say has had one of his molars removed this morning and is feeling something less than fit --(Interjection)--molars - teeth you know - I feel I should respond to my honourable friend the Member for Virden and to say that I think it would be a good idea if the Whips could make another stab at this. I know there has been some discussion between the Whips already as to the advisability of this arrangement and how it can best be done, and I know that we haven't had unanimous agreement so far but I think perhaps the Whips should try again. It may be that by changing the order of business on Thursday, for example, and meeting in the morning on Thursday and in the morning on Friday, we could, without sacrificing either government or private members' time, still have an opportunity to visit the Fair. So without knowing what the wishes of the various groups of the House might be, I would certainly ask the government Whip to be in touch with the Whips of the other parties to see if we can't come to some amicable and suitable arrangement.

MR. GILDAS MOLGAT (Leader of the Opposition)(Ste. Rose): Mr. Speaker, I feel impelled to put forward the position that we took in this matter all along. It was discussed with me and I in turn discussed it with my group and we were quite prepared to co-operate in any way that we could and were prepared to forego private members' day on Friday afternoon if the government were equally prepared to forego government business on Friday morning, which would have given all of Friday. This was not acceptable, I understood, and we made the alternative proposal then of splitting the Friday morning business into half government and half private members, which I think is a reasonable compromise. I don't think that we should be asked to forego merely private members if the government does not forego some of its own business, so we are prepared to co-operate. I recognize that the Brandon Fair is, in fact, an important element of our agricultural life in the province and it if were possible to make such an arrangement we would be very pleased to co-operate.

MR. RUSSELL PAULLEY (Leader of the New Democratic Party)(Radisson): I would say, Mr. Speaker, so far as we are concerned, we were not prepared previously to give the unanimous consent required because of the loss of time so far in this Session particularly in respect of private members' resolutions. However, in view of the appeal of the -- and may I say, Mr. Speaker, there was nothing meant derogatory insofar as the Brandon Fair is concerned, we have been there on a number of occasions and enjoyed it most thoroughly. I am sure there were some of my members going there in any case. However, in view of the appeal of the Honourable Member for Virden and the suggestion of the First Minister that the Whips get together to try and resolve the problem, I think that would be quite satisfactory so far as we are concerned here.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, I definitely will not stand in the way of any arrangement but I would prefer not to meet on Thursday morning. I have got homework to do on the many Bills that are coming forward, but I would go along with the other suggestions made by honourable members.

MR. SPEAKER: Orders of the Day.

HON. WALTER WEIR (Minister of Highways)(Minnedosa): Mr. Speaker, before the Orders of the Day, I wonder if I might share briefly the latest report of the Flood Forecasting Committee with the Members of the House. I don't propose to read it all because it is largely repetitive of what the former reports have been, and just the changes I think probably would be adequate for the members of the House.

The Flood Forecasting Committee met yesterday, March 28th, and the Committee advises that run-off is now underway in the upper reaches of the Red River basin. Reports received from United States Weather Bureau indicate that the Red River has crested at Wahpeton at a stage of one foot below flood stage. Furthermore, information has been received that the peak is expected to occur at Fargo in the next day or two at an estimated stage of 21 feet, which is 4 feet above the first flood stage but is more than 9 feet below the peaks attained in 1965 and '66. Indications are that stages over the remaining reach of the Red River in the United States will be well below those of 1965 and '66.

The Committee has concluded that the peak stage at Winnipeg will be between 18 and 21 feet city datum. Flows are expected to be contained within the banks of the Red River north of the International Boundary. This forecast is the same as that issued following the last meeting held on March 13th, and I might say with the same provisos about weather and so on that we had at that time.

Over the Assiniboine River Basin, snowfall during the last few weeks has been slightly above normal. The Committee advises that on the assumption that weather conditions from now on until the end of the break-up period will be average, minor flooding of some low-lying areas in the Assiniboine Valley could occur. However, the area involved is unlikely to be significant. Ice jams could cause local flooding between Portage la Prairie and Winnipeg as we sometimes experience.

MR. PHILIP PETURSSON (Wellington): May I ask the Honourable Minister a question? Does he know at this time what the lake level, the level of Lake Winnipeg is?

MR. WEIR: From memory, Mr. Speaker, 715.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, I would like to address a question to the Honourable the Minister of Municipal Affairs. When did the alleged illegal expenditures of the Swan River Council become known to your department?

HON. THELMA FORBES (Minister of Municipal Affairs): Mr. Speaker, the Council of Swan River has been in to see us on more than one occasion and we had talked with them, but on Wednesday, February 8th, I directed the Municipal Board to enquire into the affairs of the Town of Swan River and to report to me on October 8th.

MR. JOHNSTON: Mr. Speaker, my question was: when was the so-called illegal expenditures of the Council of Swan River known to the Department of Municipal Affairs?

MRS. FORBES: I wouldn't have all the material with me here. I wouldn't be able to answer that question.

MR. JOHNSTON: Mr. Speaker, would the Minister get that information please? Would you kindly obtain and give that information?

MRS. FORBES: I'll take it as notice, yes.

MR. NELSON SHOEMAKER(Gladstone): Mr. Speaker, before the Orders of the Day are proceeded with, I would like to direct a question to my honourable friend the Minister of Health. When can we expect to receive the legislation in respect to the denturists. Question number one. I asked that in December. No. 2. Has the House concurred in the report that was tabled a year ago from the Dental Services Committee?

MR. WITNEY: Mr. Speaker, I was rather concerned that for a while my honourable friend who keeps referring to me as his honourable friend had neglected me, but I see that I need not have worried about that. The second question, to answer it first, no, the House has not concurred in the report that was brought down last year.

The answer to the first question is simply that I am not sure at this present moment. Since I have had this matter under consideration for this past time and have still got it under consideration and have tried to resolve the problem which, as the honourable member knows, is a very difficult one, I think there's been a rather significant event take place. For the first time we have begun to hear from the dentists and I have had quite a considerable number of letters from the dentists and I'm sure that some of the members in the Legislature will have had some considerable numbers of letters from the dentists. In view of the fact that we have a resolution on the Order Paper by my honourable friend the Member for Gladstone - Neepawa that is concerned about the shortage of dentists in the province, I think that all of us

(MR. WITNEY cont'd)...in this Legislature had better listen to what the dentists have to say as they are getting in touch with us.

MR. SHOEMAKER: A subsequent question, Mr. Speaker: Does this prevent us from concurring in the report that was tabled a year ago? Will that be done at this Session of the Legislature?

MR. WITNEY: No, Mr. Speaker, because this is a new Legislature. That was a report of the old Legislature.

MR. MOLGAT: Mr. Speaker, I'd like to ask a question on this same subject if I may. Do I understand from the Minister that he is now receiving some letters from dentists and that is the reason he is not proceeding? Didn't his Committee ask for presentations from dentists? Didn't the Committee investigate both points of view when it sat? Why is it that there is now new information?

MR. WITNEY: Mr. Speaker, we did. We received official communication from the dentists and this is the first time that the dentists have started to express their viewpoints apart from the official presentation that they might have made to the Committee. This is the first time that they have started to go to people, like myself at any rate, with a whole series of letters expressing their position quite clearly.

MR. T.P. HILLHOUSE, Q.C. (Selkirk): Mr. Speaker, I wonder if the Honourable Minister would permit a question. In the interval, are the dentists being forced to police their own Act?

MR. WITNEY: There is no change in the legislation as it stands at the present time.

MR. PAULLEY: Mr. Speaker, may I direct a question to the Honourable the Minister. You state, Sir, that you have had representations or letters from the dentists; have you had representations or letters from the denturists as well?

MR. WITNEY: Yes, Mr. Speaker, over the past year and the year before that there have been many representations to me by letter and otherwise apart from official representations before the Committee.

MR. PAULLEY: May I ask a supplementary question, Mr. Speaker. Have you had any recent representations from the denturists?

MR. WITNEY: No, not recent. When you say recent, not within a period -- (Interjection) -- no, all I had was a letter from the denturists asking that they be advised if any legislation were to come forward so that they could make representation.

MR. RUSSELL DOERN (Elmwood): Mr. Speaker, I'd like to direct a question to the Honourable the Minister of Education. Once again at the Annual Manitoba Teachers' Society Convention there was a resolution passed, or a request made about portable pensions for teachers. Could the Honourable Minister tell me whether he and his government favour this idea of portable pensions; and secondly, whether he's doing anything about it?

HON. GEORGE JOHNSON (Minister of Education) (Gimli): Not at the present time, Mr. Chairman. I think that comes under the general provisions of portability of pensions, nothing specific with respect to teachers alone.

MR. DOERN: Might I ask the Minister whether it's government policy to promote the portability of teachers' pensions or are you just leaving it?

HON. GURNEY EVANS (Provincial Treasurer) (Fort Rouge): I think that's rather more of my subject. The idea of portable pensions appeals to us. It has to be, by its very nature, co-operative between provinces. When we tried to prepare a measure, we found there were changes in course being taken by Ontario and that it would be unwise for us to finalize any Bill to present to this House until the Ontario conditions and other provincial conditions were known, and it was under those circumstances that I think I had a Bill in the House and withdrew it. I think the idea is still a good one and we'll go ahead when we can.

MR. MOLGAT: Mr. Speaker, I'd like to address a question to the Honourable the Minister of Agriculture if I may. Could he advise the House when we might expect the report of the Vegetable Marketing Commission?

HON. HARRY J. ENNS (Minister of Agriculture and Conservation) (Rockwood-Iberville): Well, Mr. Speaker, as on previous occasions, I hope very shortly.

MR. MOLGAT: A subsequent question. Could the Minister indicate whether he has received any letters from any groups of one side or the other that might cause him to delay the presentation of the report to the House as my honourable friend the Minister of Health is doing.

MR. ENNS: Mr. Speaker, on the contrary, I received no letters requesting delay on this matter.

MR. SHOEMAKER: I want to get back -- I understand I'm allowed another question now to follow up with my honourable friend the Minister of Health. In light of the answers that he has given on this subject matter of dental services this afternoon, am I to assume that all of the work ...

MR. SPEAKER: I am sure the honourable gentleman realizes that he has exhausted his privilege of asking questions on that same subject. His original question and three other questions, I believe, is all he can...

MR. SHOEMAKER: No, I've only had -- I only asked one.

MR. SPEAKER: He's asked three questions, one in excess of what he's entitled to, and I hope he will be satisfied on this occasion. The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, I wish to direct a question to the Honourable Minister of Industry and Commerce. Is the Macdonald Airport for sale, and if it is for sale, how is the sale planned? Is it by public auction or by private sale?

HON. SIDNEY SPIVAK, Q.C. (Minister of Industry and Commerce)(River Heights): Mr. Speaker, I believe the Minister of Public Works has already answered this question in connection with his estimates.

MR. LAURENT DESJARDINS (St. Boniface): Mr. Speaker, I'd like to ask a question of the Honourable the Minister of Health. Is my honourable friend from Gladstone to assume, in view of the answer that you gave today, that all the work that was done in the last two years and the money spent will be thrown out the window? Is that it?

MR. WITNEY: Mr. Speaker, no, the report was a very valuable one indeed.

Mr. Speaker, I might answer a question now that was posed while I was not in the House by the Honourable Member for Rhineland who asked about the Southern Health Unit. He asked us where the headquarters will be. In the letter to the Secretary-Treasurers of the municipalities and the towns, we said that although the location of the headquarters is proposed for Morden, substations will also be located throughout the unit to meet local needs.

Similarly, laboratory and X-ray services will be provided to all hospitals consistent with requirements of medical practice in the area. Those that have accepted to date at any rate, have -- we have received resolutions from the Town of Altona, Town of Winkler, Town of Morden, the Rural Municipality of Pembina, the Rural Municipality of Stanley, the Rural Municipality of Rhineland, the Town of Emerson, the Village of Gretna, the Rural Municipality of Montcalm, the Town of Morris and the Rural Municipality of Morris. That is up to March 10th.

MR. PAULLEY: Mr. Speaker, I wonder if I might direct a question to the Honourable the Provincial Treasurer. In view of the answer given by the Honourable the Minister of Health of the delay in proceeding with the matter concerning denturists and dentists because of letters and representations made to him respecting that subject, my question to the Honourable the Provincial Treasurer: is he prepared to withhold the enactment of the legislation on sales tax because of receipt of letters in respect of the same?

MR. EVANS: Mr. Speaker, no.

MR. PATRICK: Mr. Speaker, I wish to direct the same question to the Minister of Public Works. I believe on his estimates he told us that there is some industry interested in the Macdonald Airport. My question now is: is the airport for sale and how is the sale planned, by public auction or private sale?

HON. STEWART E. McLEAN, Q.C. (Minister of Public Works)(Dauphin): Mr. Speaker, the airport at the present moment is not for sale. As I reported earlier, the Department of Industry and Commerce is seeking possibilities with respect to industry which may -- one cannot speculate the terms upon which they might establish there, and when that matter is known the question of what to do with anything that remains will be decided as a matter of government policy.

MR. SHOEMAKER: Mr. Speaker, I would like to direct a question, before the Orders of the Day, to my honourable friend the Provincial Treasurer. He informed the House last evening that the sales tax would not be imposed on the services of a denturist. Now this means then that they will be allowed to operate.

MR. EVANS: It doesn't necessarily follow at all.

MR. FROESE: Mr. Speaker, in connection with the reply given by the Minister of Health to my question that I placed earlier, who determines where the health unit centre is located?

MR. WITNEY: Mr. Speaker, we do.

MR. JOHNSON : Mr. Speaker, before the Orders of the Day, I would like to advise the House that the laying of the cornerstone of the R.B. Russell Junior Vocational School will take place next Tuesday, April 4th, at 1:30. The school site is 364 Dufferin Avenue, Winnipeg. I would just like to extend an invitation to all members who wish to, to attend. It will be a very short ceremony at this time so that it will be over in time for the opening of the House. The target date for the opening of the school for full operation will be the fall of this year.

MR. JOHNSTON: Before the Orders are called, Mr. Speaker, I would like to direct a question to the Honourable the Minister of Industry and Commerce. On January 26th, an Order for Return was passed asking whether or not the American paper firm of Parsons and Whitmore have done a feasibility study in the pulp and paper industry for Manitoba. Mr. Speaker, I'd like to know when this Order will be answered.

MR. SPIVAK: Mr. Speaker, the answer is soon.

ORDERS OF THE DAY

MR. SPEAKER: Order for Return. The Honourable Leader of the New Democratic Party.

MR. PAULLEY: Mr. Speaker, I beg to move, seconded by the Honourable Member for St. John's, that an Order of the House do issue for a Return showing:

The number of employees on pension from government services who are in receipt of less than \$100.00 per month, broken down to show number in each category of \$10.00 units up to \$100.00 per month, showing length of services in 5 year multiples and pension paid in each grouping.

MR. SPEAKER presented the motion.

MR. PAULLEY: Mr. Speaker, I rise to explain to the House the reason that I'm asking this question. A year ago I asked for an Order for Return similar to that being asked today, and at that particular time the Order for Return showed that there were 255 superannuated employees of the Government of Manitoba whose pensions were less than \$100.00 per month and the amounts varied considerably. There were a total of 92 whose pensions were less than \$40.00 a month, 50 of whom had relatively short periods of time in service of one to five years. There were 20 with service from five to 10 years who received under \$40.00. However, there were 12 whose length of service in the employ of the government, who had had 15 to 20 years' service, who were still in receipt of a pension of under \$40.00 per month. There were only 23 of the 255 superannuated employees who were receiving between \$90 and \$100.00 and their length of service varied from two of the 23 having had from 10 to 15 years, to the highest case in point of years of service of between 35 and 40 years service in the Government of Manitoba whose pension was not over \$100.00 per month.

The whole question of pensions to the citizens of Canada has been under review in various levels of government and we're all aware of the fact that recently on a means test basis the Government of Canada introduced a plan for up to an additional \$30.00 per month over and above the \$75.00 a month pension for the citizens of Canada. Efforts have been made, and I believe with some success at the federal level, to get the federal authority to take a look at the pensions being received by superannuated employees at the federal level and in the federal civil service, and I want to use this occasion, on asking for the Return as to the numbers, to make an appeal to the Government of Manitoba to take a close look at the pensions that are being paid at the present time to those who have rendered such service in the past to the citizens of Manitoba.

It is my understanding, Mr. Speaker, that there are a number of people on pension in Manitoba who were former employees of the old Winnipeg Electric, which was taken over of course by Manitoba Hydro, whose pensions were reduced as soon as they become eligible for the Old Age Security pension at age 70. I don't think this is fair or proper, and I would like to have the Minister of Public Utilities in his capacity as Minister of that department to look into that aspect, and then of course in his capacity as Provincial Secretary, to look into the other areas in respect of pensions of our superannuated employees.

I've had a number of representations made to me by real old-timers who aided in making the firm foundation that we have in our civil service here in the Province of Manitoba who are only receiving pensions of 30 and \$40.00, based of course, Mr. Speaker, on the earnings that they were earning at that particular time. I suppose that some might take the attitude that this is just the luck of the draw, that they were born just a little bit ahead of the time when

(MR. PAULLEY cont'd)...pensions may be considered a little more generous than they were then, but I think, Mr. Speaker, that if the Province of Manitoba and its agencies take a look into this whole problem, they can become recognized as better employers and more considerate employers.

Now I do know that in some private corporations - and I'm sure the Minister of Labour is aware of this - that in some private corporations those corporations have taken a look at the inadequacy or otherwise of the pensions of those that rendered services some considerable period of years ago.

So I want, Mr. Speaker, in asking for this information, to make an appeal to the Government of Manitoba, and through the Government of Manitoba to its agencies, to review the pensions that are being paid at the present time and the inadequacy of some of those pensions in light of the service that was rendered previously by many, as I say, of those people who aided so well in laying the firm foundations for our civil service and made their contribution, to the public utilities particularly, that we enjoy so much here in Manitoba.

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

MR. SPEAKER: Adjourned debate.....

MR. ROBLIN: Mr. Speaker, may I ask you to call Bill No. 56 for consideration next.

MR. SPEAKER: The adjourned debate on second reading of Bill No. 56 and the proposed motion of the Honourable Member for St. John's in amendment thereto. The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, we're discussing the amendment to Bill 56 which would give it a six months' hoist before it be read a second time, and under this we have had very full discussion. Last night, both the First Minister and the Leader of the Official Opposition as well as the Treasurer spoke and certainly the Honourable the Treasurer spoke in great detail in giving explanations on the questions that we were having and that we put to him. However, there are a number of questions that I feel have not been satisfactorily answered in my opinion and I would like to make a few more and then also make some general comments.

In connection with commissions that will be paid to the people that will collect the tax, I think he mentioned something like three percent on the first 200 and two percent on everything after that. Is that on the tax collected? Because it appears to me that this is only a very small commission that the collectors will be getting if that is the case, or is it three percent of the five percent? I'd like to get some clarification on this point because I think it is very important, and certainly if it's going to be part of the regulations, then the more we know of this the better for all of us.

Also in connection with auction sales, about which I asked previously, he mentioned auction sales would be subject to tax. I'm just wondering who is going to do the sorting on the items that will be sold at an auction sale. Is this the responsibility of the auctioneer and who is going to check these out? Certainly I think this is going to be a big nuisance, in my opinion.

Another matter that I feel is of importance, and I've received calls in connection with this matter, and this has to do with bonding. What is the cost and what will the cost be of bonding? Then, too, we find under Section 11 that this is a requirement and a condition that the Minister can place on collectors. How prevalent is this going to be? Will the majority or most of the collectors have to be bonded and to what extent? I could read part of Section 11 (1) which says in part: "And the bond shall be in such sum with such sureties and subject to such conditions as the Minister may require, but in no event shall it be in an amount greater than an amount equal to six times the sum or the estimated sum of the tax that would, in the opinion of the Minister, normally be collected by the vendor each month under this Act." This could be a very substantial amount, Mr. Speaker, and this could be a real hardship on some of the collectors, and certainly I think we should know whether this is going to be implemented or whether this is just going to be used as a last resort where he will have trouble. I know there's other sections connected with this same bonding. Under Section 21 (4) we find the deputy collectors. Will these also be bonded -- will they also be required to be bonded? And who just are the deputy collectors? Are wholesalers going to be deputy collectors or who is termed a "deputy collector".

Then under Section 6 (2) we find here the note -- and this is to manufacturers to have registrational certificates. I know this was mentioned on an earlier occasion but I also feel that this is a very important section and we must be sure that certificates will not be withheld on light matters or on light objections. Certainly we should not try to obstruct business in

(MR. FROESE cont'd)....this province in any way.

Then, I would like to deal once more with the matter of regulations. I feel that too much is left to regulations and last night the explanations that we heard from the Honourable the Treasurer, most of these fall into the category of regulations. I'm sure if they were tabled we would have had this information before us and would not have had to question the Minister on as many points as we had to. These should be tabled, in my opinion, so that we could discuss them properly. There are so many things that are left to the regulations to be prescribed, and, Mr. Speaker, I think this is where the government is going to play politics. He accused the Opposition of playing politics with this Bill but I'm sure the government will play much greater politics with the regulations than this House will ever see during this Session. They can make changes whenever it suits them, and when we hear that the dry-cleaners and laundries ask to be exempted, they didn't give us a final answer whether this would happen or not. They can do this under regulations and exempt them. So that we as Members of this House will have no say in the matter, but they as the Cabinet, the Lieutenant-Governor-in-Council, will take on themselves these responsibilities and the obligations and make these changes whenever they see fit. I feel that we have too much government by regulation as it is. Far too many of our bills require regulations which are later made and will not be discussed until a year hence, and I feel this is very wrong indeed. Certainly we should have less of that, especially in a piece of legislation of this type.

Last night we were told through certain questions that were raised that this tax might be in effect as long as our provincial debt is in effect, or would not be lifted till the provincial debt is paid. Mr. Speaker, on that basis, we have at least 33 years to go and if the government makes any more debt during the next number of years, this time will just be lengthened and therefore there is no great hope in Manitoba to ever see this sales tax, or revenue tax as they term it, to be lifted.

Mr. Speaker, these are a few of the comments that I wanted to raise at this particular time and I might have some more questions later on.

MR. PAULLEY: Mr. Speaker, I endeavoured last night to follow the First Minister in the usual line of the distribution of speakers on a matter of such importance but was unsuccessful. However, I do appreciate the fact that the Honourable the Provincial Treasurer was enabled, as a result of that, to give some indication to the House as to why the proposition suggested by my colleague from St. John's for a six months hoist to this Bill should be supported even by the government, because I think that in the discourse of my honourable friend the Provincial Treasurer, he made amply clear that he as Provincial Treasurer was not aware of what was in the legislation at the time comments came from our side of the House. As a matter of fact if I recall correctly, and I don't want to take his remarks out of context, he on one occasion at least admitted that he did not know what was in the Act when he was referring to the tax on properties that had been paid for but not delivered, and then he went on in many fields and provisions within the Act to indicate that if and when the Bill is referred to the Committee of the Whole House, he will be bringing in amendments to the legislation that we have before us at the present time.

Well, Mr. Speaker, this is fine - this is fine - I appreciate the fact that my friend has rather belatedly apparently taken a look at the Act that he introduced, but what guarantee have we that the amendments that the Minister might propose in the Committee of the Whole House might be just as cock-eyed as the provisions contained within the Bill at the present time? Are we going to have the time to consider those amendments?

My honourable friend incidentally too, Mr. Speaker, talking yesterday, accused we on this side of the House of being obstructionists. He suggested that we may be costing the Treasury of the Province of Manitoba considerable sums of money by each day's delay - which I don't accept and I'm sure no one in their right mind would accept - because the history of this Bill, Mr. Speaker, is that it was introduced by the Provincial Treasurer for consideration on February 23rd. It is now the end of March and yet he is complaining because of the obstructionists on this side of the House. I say that if there has been any obstruction at all in proceeding with this Bill, the onus and the fault lies entirely with the government for introducing an imperfect measure into this House. Not that I think Bills of necessity are always perfect, because they are not; we do amend them from time to time. But, Mr. Speaker, to take all the way from February 23rd until March 28th for a spokesman on the other side of the House to explain the deficiencies and the errors within the Bill, is irresponsible in my opinion of government, and by the same token, for the person that introduced the Bill nearly well over a month

(MR. PAULLEY cont'd). . . . ago to at this late stage attempt to levy the accusation of irresponsibility and delay to us, is inconceivable in my mind.

The First Minister when he was speaking yesterday evening raised the question of responsibility. He says government has the responsibility to collect or to enact legislation in order to obtain the needed revenues to conduct the affairs of the province. With this there is no argument - there is no argument at all - but I say coincidental with this the government also has the responsibility to see that their measures of collection of the revenues are clearly stated so that there cannot be the confusion that is being created by their legislation at this time. And were my honourable friend the First Minister here this afternoon, I would say to him that Opposition also has a responsible job and a responsible position in Manitoba, and the speech of my honourable friend the Provincial Treasurer yesterday indicated how responsible we are in our position because he had to admit the deficiencies in the proposition of the government.

My honourable friend the Provincial Treasurer, talking last night, spoke of regulations and spoke of the number of pages - page after page after page of regulations of other jurisdictions -- and if I recall correctly, made some passing reference to the fact that he may have to have regulations similarly in Manitoba. The indication in this respect to me, Mr. Speaker, is that they are not learning the lessons that they could from other jurisdictions. He indicated that when the sales tax propositions were introduced into other jurisdictions it was in a slap-happy sort of a manner and then stands up and says we are most likely going to follow suit, and I say that my honourable friend is not justified or not fair in accusing us of obstructionism. We accept our responsibility on this side of the House. We in this New Democratic corner accept our responsibility. I almost felt that I had received the "kiss of death" yesterday evening when the First Minister said that I'll give my friends in the New Democratic Party credit for being responsible, at least they had offered an alternative proposal which we rejected. Well it might sound very nice coming from the First Minister and it may be an endeavour to pour oil on the troubled waters, but I want to say to my honourable friend the First Minister when he used it in the context he used it in last night, it's a bunch of guff. We don't want any oil on troubled waters by just saying that he figures that we are sort of responsible in this corner. We are responsible and we don't need the First Minister to tell us that we are, and we will continue to offer suggestions and proposals to government as alternatives to their cock-eyed proposals.

We know full well that if our proposition of increased income tax and corporation tax to pay for the needed services, that those taxes would go up, of course they would go up. We suggest however, as my colleague from St. John's so adequately pointed out, that they would be on the basis of ability-to-pay. Despite what my honourable friend the Minister of the Treasury said yesterday insofar as the taxation of services are concerned, despite the fact that he was able to prove or establish that there were deficiencies in the advertising campaign of the dry cleaners in the approach to the tax and the taxation of services, despite the fact that the Honourable the Provincial Treasurer has indicated that this is not a regressive tax insofar as the people on lower incomes are concerned, he didn't answer the question of the taxation on the resoling of a pair of shoes as a service. And I ask my honourable friend, normally and generally speaking, which group in the economic levels in this community and other communities as well have their shoes resoled rather than the old ones thrown away if it is not the lower income group. Is not this then regressive insofar as this respect is concerned? I suggest that it is, and I suggest, Mr. Speaker, that it is not sufficient for the Provincial Treasurer to say that because of administrative difficulties it would be hard to differentiate between the services provided. If we did not tax the shoemaker and the people who have their shoes resoled, then what about TV and the likes of that? I think this is a ridiculous statement of the Honourable the Minister, and I'll say why I say it is ridiculous. He is going to create, as I read the Act at the present time, similar administrative difficulties, and I'm referring at the present time to the market gardening industry in the Province of Manitoba, and I don't think this has been touched on.

I have had a number of market gardeners ask me are they going to be taxed? According to the wording of the Act, as I interpret it, Mr. Speaker, it all depends. If they sell a petunia they won't be taxed; if they sell an onion -- excuse me -- if they sell a petunia they will be taxed; if they sell an onion they won't be taxed. So if the Members of the Assembly go to a market gardener's stand in the springtime when they are out planting their acres of land or their little garden, that market gardener, according to the Act the way it stands at the present

(MR. PAULLEY cont'd)....time, will have to have more than one pocket, because if we buy half a dozen petunias, as I say, the market gardener is going to have to tax us on that half a dozen plants, providing of course they are over 26¢, but if you buy half a dozen tomato plants, it's not taxable. What administrative difficulty is this going to create? I wonder if my honourable friend the Minister of Agriculture has taken a look into this? If he hasn't, may I suggest he look at Page 7 of the Act where the exemptions are in respect of plants of a kind which are the products of which ordinarily constitute food or drink for human consumption, or the feeds of the kind mentioned in clause 1 which is agricultural feeds and seeds, tubers, bulbs, corms, rhizomes to raise plants of that kind. These plants are exempt from taxation but the same market gardener who is going to be selling celery along with geraniums has got to have a dual system of accounts in order to accommodate my honourable friend the Minister of the Treasury who says that it can not be done in the service industry. I say this is ridiculous.

My honourable friend yesterday when he was dealing with the regulations and the question of drugs, says that if you go to a drug store or go to your doctor and you get a prescription for aspirins then you won't pay a tax on the aspirins, but if you don't belong to Medicare or MMS and have to pay for every prescription you get, then you're going to pay the tax on the same aspirins that the fellow who happens to be on MMS doesn't have to because he wouldn't have to pay for a prescription or he would have to pay the doctor for the prescription. Ridiculous? Of course it's ridiculous!

My honourable friend the Provincial Treasurer made reference the other day - yesterday - to the purchasing of saccharin. The same thing -- in a sense he says that we won't be taxed on saccharin because it's a food. But what about insulin? There are many hundreds and possibly thousands of people in Manitoba that have to continuously take insulin. I don't think it's necessary on every occasion to have a prescription for insulin, or if it is, is the person that requires insulin going to be required on each and every occasion to go to a doctor and obtain a prescription in order to get the insulin that is so much required?

The fact of the whole matter is, Mr. Speaker, that the only reason that the Provincial Treasurer has not given full consideration to alternative taxation proposals for Manitoba is because of the fact that they have panicked and he has panicked along with them. Why do I say panicked? I ask my honourable friend the Provincial Treasurer to read his speech of yesterday evening and that will firmly establish that this is panic legislation, because it's ill-conceived; it has not been given the consideration insofar as the content of the legislation is concerned or the application thereof. My honourable friend can point his finger and so can his boss and talk about responsibility or irresponsibility as long as they like, but I say, Mr. Speaker, that they have proven conclusively that this Bill should be delayed for at least another six months so that if the people of Manitoba are going to have to pay a sales tax, be it 5 percent, 6 percent or whatever it's going to eventually be, it will be clearly delineated on what they pay with the absence of an over-abundance of confusion which is contained in the proposals which have been laid on our desks by the Provincial Treasurer.

Now I realize, Mr. Speaker, that my honourable friend the Provincial Treasurer, because of the fact that he spoke yesterday evening on the amendment of my colleague from St. John's can not speak again at this time, but I do respectfully suggest that there a few Cabinet Ministers in the House just now - not many of them I'll admit - but there are a few Cabinet Ministers in this House at the present time that have a responsibility to this House if they are going to act as responsible Ministers of the Crown who have not exhausted their right in this resolution to indicate how they stand. Appeals have been made, Mr. Speaker, to the backbenchers of government to stand up and to be counted. That's fine. That's fine, Mr. Speaker, but I want to say to the backbenchers in this stage of the game, I can appreciate and realize possibly why they are not standing up, because this monstrosity has been imposed upon them and the people of Manitoba from the front row - from the Treasury benches of this government.

I don't know, I think it would be a good thing for Manitoba if you, Mr. Speaker, could arrange for a public tapping device to be installed in the caucus room of the Conservative Party and wired outside of it so that we would know how little consideration the front benches of the government give to their backbenchers. I feel sorry for the backbenchers in government. I appreciate sincerely why they can not take part in this debate. --(Interjection)--Yes, my honourable friend the Member for Morris indicates that I have drawn tears from his eyes. Far better for me, Mr. Speaker, to draw tears from his eyes than them extract the pennies and the tithes from the poor people of Manitoba as they're going to do by the innocuous 5 percent sales tax.

(MR. PAULLEY cont'd).....

So I say to my friends in the front bench, those of you who are here at the present time, for gosh sakes show some gumption! Show some gumption and tell this House why you have joined ranks with the First Minister and the Provincial Treasurer in the imposition of this tax. You accept your responsibility. If you do not allow your backbenchers - may I say to you members of Cabinet - if you do not allow your backbenchers to have their say, for gosh sakes in the interests of democracy in Manitoba, you say something. For too long they have acted as dumb mutes on this very important question of taxation. Two speakers - two Cabinet Ministers, the First Minister and the Minister of the Treasury - from the introduction of the Bill on February 23rd until today.

Yesterday, my honourable friend the Provincial Treasurer said, "Well I haven't had a chance, I would have been closing the debate." That's right - that's right - he would have been, but not the other members of the Cabinet. They may have been opening the eyes of us in this House to those supporters of the Conservative Party, they may have been opening the eyes of their followers to the lack of understanding and knowledge of this proposition. So I say, Mr. Speaker, there's no question of doubt at all that the motion proposed by my colleague of a six-month hoist should be supported so that even the government can take another look at this ill-begotten baby that they have created.

MR. DESJARDINS: Mr. Speaker, yesterday the First Minister said that my Leader would vote against this Bill come what may. Mind you, he did acknowledge his right to do so, but he said that at least he should be honest and that our taking part in this debate would not serve any useful purpose.

Well, Sir, as you know, my Leader can speak for himself, but I had no intention at all of taking part in this debate. I know how anxious the government is to have this Bill passed and I did not want to delay them at all. But the First Minister was kind enough to include me in his remarks yesterday, in fact he invited me to speak. He said -- he started out, "The Honourable Member for St. Boniface, and I feel sure we're going to get a speech from him on the subject, so I'm going to give him something to talk about." So he would probably feel that I was rude if I ignored him and this would hurt me very much if he was left with this feeling. I know that he's very busy these days, this is why he's not spending too much time in this House, but apparently, from what he said yesterday, he does read Hansard occasionally so he might be able to get the answer that he was asking for.

Now, Sir, the First Minister covered the waterfront yesterday. I will try to address myself to the amendment in front of us, but I'm sure, Sir, that you will want me to answer all the points that were brought in yesterday by the First Minister. When he was speaking yesterday I took some notes, some of the points I wish to answer. One I have -- "Opposing this Bill is not serving any useful purpose; it is a waste of time." Then I have another note here that we are always suggesting here, the members of the Liberal Party and the opposition, that more money should be spent. And of course he repeated his Throne Speech: "The Federal Government was responsible." The big, bad Federal Government was responsible for this; they were not giving the money to the province. "We did not offer any alternatives." That was another point. And of course we had a lecture on the responsibility of the members of the opposition. Now he tried to explain why the sales tax and why the sales tax at this time. And finally I took note here - it was a little more personal - he spoke about some of the remarks and the demands that I've made while debating the health estimates.

Well, first of all, we were told yesterday that my Leader was talking from both sides of his mouth and he was two-faced. We'll look into this. First of all, we'll see what the First Minister of this House, of this province, thought about a deal that he made with Ottawa when the man that he's trying to replace, Mr. Diefenbaker, was the head man out there and now they've been replaced by the Liberals. And I'll just read from Hansard because there's no better way to find out who is speaking from both sides of the mouth than by quoting these gentlemen. And I will quote the Honourable Duff Roblin, the First Minister of this province, explaining to us the special Session of 1961, and this is Page 17 of Hansard on October 16th, 1961.

This is what he felt, this was his way of explaining what was done in Ottawa when you had these conferences, and I quote: "Coming to the matters that are before us now, I want to begin by saying that one of the most important financial matters, as members have said, that comes before this Legislature is the regular consideration which every five years we are under the necessity of according to the relationship that exists between this province and the Dominion

(MR. DESJARDINS cont'd) of Canada with respect to our fiscal relations and indeed the relationship that exists between the Government of Canada and the ten provinces of our nation as a whole. And, Sir, it is simply to repeat the obvious to say that the introduction of these arrangements in any Chamber in this land have been preceded by a prolonged and elaborate and intensive negotiation between the Dominion on the one side and almost invariably all the ten provinces on the other." This was in 1961. "We find the provinces urging that their share of the available revenue should be increased and, on the other hand, we have the Dominion weighing what, in their view, the interest of the nation requires. But I can say to you, Sir, that it is an axiom of Dominion-Provincial fiscal relation that, to quote Rudyard Kipling, 'Never the twain shall meet.' And it seems to me that a very concrete expression of this situation was given by the Honourable Member from Bonavista when he spoke in the House of Commons on second reading of this matter a short time ago and I quote him: 'I might say parenthetically right here, and I'm looking at a former provincial Premier when I say this' -- and I pause from my quotation to do the same -- he was looking at the Member for Lakeside -- 'that as long as we live in this valley of tears where men are imperfect, we will never have provincial governments completely satisfied with a share of the total revenues that are available to them. If they were satisfied, I'm afraid that many national services would be starved. This is something that anyone with any experience in these matters has to recognize.' Well, I think this is one occasion in which I can express some feeling for the sentiment expressed by the Honourable Member from Bonavista." And Mr. Paulley asked would he mention the volume of that.

Now this is what the First Minister said in 1961. We had a special meeting to approve the deal that he had made. Nothing in the Throne Speech, and, Sir, I'm sure that you had a chance to read the Throne Speech of this year. I don't know, maybe "cowardly" is a word you couldn't use here, but it's not somebody too brave that spends all the Throne Speech, when they're supposed to look after the affairs of Manitoba, blaming the Federal Government. This is of course 1967; of course the Liberals are in power; of course he would like to lead the Conservatives in Ottawa; and of course this was 1961 when Mr. Diefenbaker was the Leader of the Government, and I dare say the deal that we received, the last deal, was much better than the one we received from Diefenbaker in 1961. Now, I don't know if this gives you an idea, Sir, one speaks from both sides of his mouth.

Then we of course we received a lesson on democracy. "Opposing this resolution," he said, "served no useful purpose; we were wasting time." Well, Sir, I think we understand the responsibility of the Opposition. I think that we have proven in the past that by debating things, by shaming the government, we certainly have accomplished certain things. Here's an example here: "Roblin's No Sales Tax Stand Delights Tories." No, that's the wrong one, excuse me. No, I'll come to this one. "Two Bodies Oppose Land Transfer Tax." This was something that was well thought out, well prepared, and this is something that the First Minister said on this subject at the time. He said that "One percent land transfer tax was something that home buyers can live with. He didn't think it would mean an increase on the down payment on houses. The only basic problem with the transfer tax would be the few who try to avoid it by incorporating separate companies." This is what he said, but this was never proclaimed because the people had a chance to come and present their case and I dare say that the First Minister did not bring this in because he felt that it was wrong.

Then there was the famous pension plan in 1965. Now I think the Leader of the NDP touched on this today. I'll give you an example, Sir, of how well this government prepare their work. There was a famous Bill 110 that was brought up on May 3, 1965. We received our first set of amendments on May 7, 1965 - and it wasn't in committee either, it was another resolution on it. We received two pages of information - the information that we're asking for now that we're so awful because we're delaying everything by trying to get information - we received this, and we never asked for this, on May 10th at 2:30; we received a second set of amendments at 5:20 p.m. of the same day; and a third set of amendments at 8:10 p.m. of the same day. This is the government that was so careful.

Then we're told, "Well, there is no point, you're losing time." This is the same thing we were told on this pension bill. Oh, the Attorney-General then was saying: "When I say that the Honourable Members from the Liberal Party" - and I'm quoting from Hansard here - "let them search their hearts, their consciences and their minds, and see if they can't think of the cases that I know of, not only from their own party but from all parties in this House." That was the real appeal for the pension. And he ridiculed us for wasting time and so on, but, Sir,

(MR. DESJARDINS cont'd). . . . what happened? Did we waste our time? Did we do our duty? We never had this famous pension bill. We never had that at all. It was never proclaimed because we shamed the government.

Now, Sir, there's another thing - another time that we fought and we were told we were obstructing. That was when this government imposed a sales tax on -- I mean a tax on heat on the people of Manitoba, and it was the same thing, nobody would speak on it but -- and I think you have to give him credit for this, the member for St. Vital who since then has tired of this government, didn't like the way -- the former member of St. Vital I should say -- well, he spoke on this, and if you want to find it, it was March 2, 1965 on Page 557. He said that defending taxes was not easy. He said that the members of the Opposition were criticizing the taxes and he thought that this was fair game. He expected this of the members of the Opposition because if they didn't give any of this criticism, then he felt they weren't doing their duty. But he said these criticisms must be fair, sensible and must take into account everything, and he felt this wasn't the case when we criticized heat tax.

Now he himself criticized the federal sales tax on clothes at the time. I don't know what he thinks of this. But he defended the heat tax. "Granted", he said, "it hits the low income groups, but when alternative sources of revenue are available, this will be the first tax to go." And he brought in an amendment. This was a debate on a resolution asking that this tax on heat be withdrawn, and this is the operating part of his amendment: "Therefore Be It Resolved that while recognizing the incidence of the tax on heat, this House regards it as preferable to the institution of a general sales tax." He says the tax on heat was better than a general sales tax. Well, the government voted for that motion. All the members on this side voted against it but the members on the government side voted for this. This, the tax on heat, was better than the sales tax. Now we have no tax on heat. They didn't withdraw it right away, a few months after -- they had to save face, of course -- they withdrew the tax on heat. And now, well, I don't know what they meant, they meant this was better at the time than a sales tax. Now they've got a sales tax and no tax on heat.

Now the only other member that spoke on this was the Honourable Member from Churchill who said that the members of his constituency didn't care about that. Then we received pages -- telegrams -- pages and pages and my honourable friend learned his lesson, and we saw the way he voted on the road to Churchill in this session. He was the only one from the government side, and I think that he's learned his lesson on this. I think he did the right thing.

These were the only two members that spoke. We're having the same thing again, and we're certainly not wasting our time, we've brought in certain points and the Minister said the books -- he said, "Don't take any credit for the books, it's because we've got the Book-of-the-Month Club. Well, I suppose there's records -- isn't there such a thing as the Record-of-the-Month Club? I guess we can't collect that so that's the next thing we'll hear; there won't be any sales tax on records.

Can we sit here and listen to the Honourable Minister who says there will be tax on clothes but not on children's? We asked for the definition. Well, it'll go by size. What kind of a decision is this, it will go by size. The Honourable Member for Churchill and the Minister of Highways and myself will be penalized if that's the case. Why? Why? Will we run around without clothes? Pretty cold in here you know. So I think there's no such a thing as -- why should you exempt clothes for the children, we'll say at 12 or 13 or 14? Why don't you exempt -- wouldn't it make more sense, Mr. Speaker, to say we exempt clothes of dependents? Doesn't that make more sense if you're worrying about the ability-to-pay principle, which apparently my honourable friends aren't?

Now, we were asked why the sales tax -- we were told why the sales tax and the First Minister was quite mad, quite incensed yesterday because we dared question. Well, Sir, he wanted to bring in a sales tax before. We didn't stop him. It was in the days when the backbenchers had a voice in this Party. The backbenchers of that Party in 1964 prevented him, but that was in the day when he used to listen to them once in a while. They had a chance to say something and I'll just quote this article, I'm not making this up: "The Premier said" -- this is the Tribune of August 27, 1964 -- "The Premier said he would give some consideration to" -- this isn't the one, I've got the wrong one again. It's the Tribune of August 15th, "Roblin's No Sales Tax Stand Delights Tories." We're wrong when we're fighting for the sales tax but the backbenchers stopped him in 1964. This is what they say. "Premier Duff Roblin will tell a caucus of Conservative MLAs Sunday that the retail sales tax" -- here it is -- "not to be. To the joy of some Conservative backbenchers, the Premier will confirm speculation that he has

(MR. DESJARDINS cont'd).... decided not to implement the three percent tax he talked about at the last Party caucus on June 11th in Brandon, but at the same time he will have to explain why he has called a harvest-time special session of the Legislature to begin the next day." This is when we were nine days and I think we got \$2,000 or something like that - it was a cheap session.

And in the same article: "Summing up his Party's reaction, one Conservative MLA said, "We're delighted to report that we won't have to support an unpopular sales tax but we're awfully confused about what's going on. What's the session for?" Sir, you probably remember that; this was the days when you attended the caucus. In fact you might have made this comment yourself, I don't know. But this was the days when backbenchers had something to say and they stopped it, but now we voice our opinion and this is wrong. This is in 1964 what they did. This had nothing to do with the big bad members of the Opposition.

We're changing this now; it's a tax on those people -- the poor people are affected by this. They say we've never proposed any alternative and they say this is the only way, the only thing left - it's all right for you, the members of the NDP Party; it's all right for you members of the Liberal Party to complain, but this is the only thing we have left. Why are you so cruel? Well, let's see, Sir. Again we'll see who's talking from both sides of their mouth. I'll quote from Hansard, that famous special session again on October 16, 1961. Now the First Minister explains how good a deal - this is a new set-up that they've been waiting for - this is when he was bringing in his red herring to cover up this bad deal that he had with Diefenbaker, but of course this was understood then. He says: "Now, sir there is one other" - he was talking about the ... point - "and it is the final point that I want to make today, that is insisted in these arrangements. It is that under this agreement we have a power which was available to us before, but not available in such a way that we could make use of it. We now have the power to set our own tax rate at a rate above the level provided for in the standard arrangement or indeed below it if that should be thought good for the finances of our province, and we can have the federal government collect this additional tax without charge to us. As I explained, this was not allowed under the old tax rental. You could do it all right, but you had to get outside the agreement to do it. Ontario and Quebec did it, and you would have to collect for yourself, but now we are all able to do it within the agreement. It will be collected for us by Ottawa at no cost to us. This under the Tax Collection Agreement." And then he goes on: "Ottawa will collect whatever rate of tax the province desires to impose without charge, and I would like to say, Sir, that we are taking advantage of this provision to raise an additional tax of one percent on the taxable personal income of our people, and one percent of the corporation tax of the Province of Manitoba," Well we found out that was six percent, - remember every day they had an extra -- explaining it was going up all the time. That's the ... "and we are going to use this money to reduce the hospital premiums that we are asking our people to pay." This was in 1961. But the fact is that it is the same rate of tax, the same number of dollars on all citizens regardless of their ability to pay, rich and poor alike had to pay the same share - he's talking about the premiums and you could certainly substitute the sales tax. "We did not have an alternative means of raising the money and it must be raised some how. We do not have an alternative means - unless we introduced a sales tax - see they had no other way - which some gentlemen opposite us might be advocating. At the time he was saying we were for it, now he's mad because we are against it - to find this money to pay for our hospital premiums. We raised it with the greatest of regret but we determined that at the first possible opportunity we were going to reduce these premiums and to invoke the principle of ability-to-pay - this is what he says in 61: principle of ability-to-pay.

Mr. Speaker, when the hospital premiums were first imposed it was 4.10 for married people and 2.05 for single, at the relatively low level it was considered by the House that citizens could pay these premiums without undue hardship particularly if provision was made that those who were not in a position to handle the matter would have their premiums presented to them at the expense of the consolidated revenue, but that's not the case now, and it underlined our determination." - this is the important part - "to introduce" - this was in 61, they introduced - "the ability-to-pay principle in connection with hospital premiums at the first opportunity. We now have the ability to implement that policy in the way that I have suggested because it seems to me that a one percent increase in taxable personal income of the people of our province does introduce this measure of ability to pay. Personal income tax is so far as I can see one of the best measures yet devised of ability-to-pay and we are going to take advantage of it. Thus we are able to introduce the ability to pay principle in our hospital premium system to a greater

(MR. DESJARDINS cont'd).... extent than ever before through the personal income tax." And there's much more but I think that after you get the point, Sir, that in 1961 this government was so proud that it had instituted a tax while thinking of the ability-to-pay.

Two years after, Sir, what did they do? They reduced this income tax by one percent corporation tax. --(Interjection)-- Oh yes at election time. Well of course that goes without saying. This is a government - that they reduced this - they say we had no alternative. The NDP have been telling them to do that, I have been mentioning this every year and they're the ones that said we are - first chance we wanted this, we wanted to bring in this principle of ability to pay and this is our chance. The great chief in Ottawa, Mr. Diefenbaker, has given us this chance, we are taking it, we are happy. Then they reduced it. What did they say - why did they reduce it? Oh they made much more money than they thought they would; now we are told that they are going bankrupt that the hospital cost them so much. This was a hospital tax that they reduced. Then just before election time we've got to reduce this, because we are getting away more money than we thought. My leader said this yesterday that you'll get much more on this sales tax. "Ah this is ridiculous again." Well what did they say? This was ridiculous. All right you'll see this is in '64 when they brought in this ability to pay principle. Answering the Liberal Leader Gil Molgat's charges that the government would be collecting more money than forecast Mr. Roblin said "I'll be the happiest man alive if we get more than we ask for" but that was not possible. Yesterday my leader was crazy because he had said this and all the other members said it was this. It's the same repetition of everything ... in '64 than we've had now.

We had an amendment Sir, you remember, not so long ago asking that this, that the regulation come out and that it would go to Law Amendments. Do you remember that, Sir? All right. Is that so bad? Is that so bad? Let's go back to 1964. We asked the same thing; at least we're consistent. What did the Premier say - the one that accused others of speaking from both sides of his mouth - the Premier said he would give some consideration to allowing public representation on the tax bill before it is given final approval. Isn't this what we're asking? In '64 it was all right. He made the promise after opposition members pressed him to allow the bill to go to the special committee on the whole house where public representations are welcome or to delay passage until the public had the opportunity to make submissions. This is what we are asking now. Aren't we doing our duty, Sir?

MR. EVANS: Surely my honourable friend must have strayed into the subject matter of a debate already concluded in this House.

MR. DESJARDINS: Touché, touché, Mr. Speaker. The First Minister covered the waterfront yesterday and I'm answering everything and I'm certainly in order when I'm quoting the reason why when they are telling us that we're wasting time and are proving to us that it is our duty when the First Minister is going to stand up in this House and lecture us on the duties of the Members of the Opposition.

MR. SPEAKER: Order please. I wonder if the Honourable Minister was not alluding to the amendment which of course has been disposed of, which the honourable gentleman was bringing into his discussion? I think that was the point taken by the Minister, nothing more and nothing less.

MR. DESJARDINS: Yes, Sir, but I mean this is why we have got this other amendment because they did not agree to this, because they will not go to the public, because they will not give us the information, we the people of Manitoba, the taxpayers of Manitoba, that we are entitled to. This is why we are saying you are not ready. Take this bill and come back in six months but be ready. So I think I am in order, Sir. But anyway this point has been made now, so I'll go to something else.

Now there is something that I find quite ridiculous that is always brought in in this House when we lecture the members of the opposition. We say that the members of the opposition are always advising us, wanting us to spend more money, so therefore -- you know, Sir, they've got this stall now of anticipation with the Throne Speech and they put all their garbage in the Throne Speech. We can't talk about anything. Now if we would listen to my honourable friends we could never suggest anything because you need the money for that, or if we did, we should never oppose any taxes at all. What is the way that you bring in a money matter? You ask the government respectfully to look into this matter, because they've got the staff, because they accepted the mandate, because they have the responsibility of deciding what the priorities are. We are dealing with one thing at a time and if it's good, we are suggesting this. If they cannot take this responsibility I'm sure that the NDPs are and I'm sure we are. I am sure that we will

(MR. DESJARDINS cont'd)... take our responsibility, we will decide what comes first, and this is so ridiculous and asinine to make statements like this in this House. Well of course when you are weak, when you have nothing else, what can you expect, Mr. Speaker.

They've accused - on one hand they say we are always spending money. They accused the former First Minister the Campbell government of penny pinching. Oh he was so bad. Maybe they were right. Some people - enough people of Manitoba thought so; they turned him out of office. We've accepted this. They turned him out of office. But those people are waking up today. They heard from these people that we will do so much more but we won't raise any taxes, won't cost anything at all. They spent this money that this tight penny pinching Campbell government saved; they got rid of that in a heck of a hurry Sir, and now they've got to scratch to find the money, and oh please, please leave us alone, don't be so cruel. Do you remember the words "Why didn't you do it then?" We heard that before. Well now we're saying to the people, we have an alternative, we are ready to offer responsible government; and I daresay that if the government, the Minister, want to go to the people we're ready any time because the people are fed up of being railroaded into things they don't want and not being given what is rightfully theirs, when we spent their money; they are not given the information. The Minister said yesterday, you better watch out, you're costing - oh I don't know - what was it a million and a half, or I don't know what it was --(Interjection)-- how much? Three quarters of a million a day, you're costing that to the people of Manitoba. And he says you're playing on words when he said that's not true - we're saving that for the people of Manitoba. Oh, mind you it's costing the government, all the Ministers might not have all their increase, we might have to borrow money for that, but we are saving money for the people of Manitoba. This is what we are doing.

I showed that we asked for a regulation on the pension bill and we finally got that and what happened? The First Minister himself got up and said, no we are not going to go through with this. And I'll debate that pension with the Minister, with the First Minister and with any members of the cabinet. Boy if that wasn't an example of what these people are trying to do. They are ashamed of that one and they should be. So they say we have no alternative. We are talking about ability-to-pay; we say why did you take that -- well what did he say, you would have to increase this by 25%. Start somewhere ... or you could have maybe brought a combination of both. I don't know, you might not agree with my ideas or with those of the NDP but they did bring an alternative, and we did. --(Interjection)-- What did I say? Oh well I'll write it for you if you don't know the verbiage.

MR. SPEAKER: ... if I may interrupt the Honourable Member and tell him that there are five minutes left.

MR. DESJARDINS: Already, Mr. Speaker, gee whiz I've just started. Gosh I've got pages here that I ... If anybody can take shorthand, I'll ... --(Interjection)-- I don't know which page.

We were told that the sales tax - well what about the other provinces; what about the other provinces. And we talk right away Quebec 8%. Well they're pretty sharp in Quebec. They've got this Expo coming and they'll make a killing but it won't be on the people of Quebec. Maybe it's not right but they are doing it and they have tourists. What kind of tourists do we have here? What kind of tourists do we have? We'll have Pan Am Games; we'll probably have less people in here, because we have more Mayors and Reeves and Alderman that are leaving around that time to go to Quebec; we'll probably have less people here if it goes like that. This is what they are doing in Quebec. But he was saying at the time you know when he had this ability to pay principle, well we don't want the sales tax, it is so bad - it's a lot worse to pay on all these things - it's a lot worse than to pay 3¢ on cigarettes and to pay 17¢ on gas. Well now we've got both. What do you think of that? This is what we said. Sir, we said we'll have both pretty soon - and we've got both. This is what we are faced with. We're in a terrific position. They were laughing awhile ago. You have no sales tax in Manitoba, people from Ontario come and buy things in Manitoba and they skip across. Well I think he is going to have detectives in all the ports, he's so afraid. We are changing the tobacco act and everything because it's the opposite, we're going to buy outside the province to bring it here. This is what we are doing. No wonder he is advertising for inspectors and detectives, we'll have a career opportunity. We'll have a career, because they'll be here a long time.

Well, Sir, it's all so clear what I have here to show who's speaking on both sides of their mouth and this two-face and so on, but the time went pretty fast and I guess I'll have to give the chance to somebody else.

MR. EARL DAWSON (Hamiota): Mr. Speaker, I move, seconded by the Member from LaVerendrye, that the debate be adjourned.

MR. EVANS: Mr. Speaker, I think at this point, on a point of order I should say, that I think it is not right to allow further adjournments of this debate and it would be our intention to vote against the motion.

MR. PAULLEY: if the honourable gentlemen opposite wish to vote against the motion for adjournment that is their prerogative but it's certainly not a point of order.

MR. SPEAKER: Moved by the Honourable Member for Hamiota, seconded by the Honourable Member for LaVerendrye that the debate be adjourned.

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

MR. DAWSON: Ayes and Nays, Mr. Speaker.

MR. SPEAKER: Call in the members.

A standing vote was taken, the result being as follows:

YEAS: Messrs. Barkman, Cherniack, Clement, Dawson, Desjardins, Dow, Doern, Fox, Froese, Green, Guttormson, Hanuschak, Harris, Hillhouse, Miller, Molgat, Patrick, Paulley, Petursson, Shoemaker, Uskiw, Vielfaure.

NAYS: Messrs. Baizley, Beard, Bjornson, Carroll, Cowan, Craik, Einarson, Enns, Evans, Hamilton, Jeannottee, Johnson, Klym, Lissaman, Lyon, McGregor, McKellar, McKenzie, McLean, Masniuk, Roblin, Shewman, Spivak, Stanes, Steen, Watt, Weir, Witney, and Mesdames Forbes and Morrison.

MR. CLERK: Yeas, 22; Nays, 30.

MR. SPEAKER: I declare the motion lost. Are you ready for the question?

The Honourable Member for Elmwood.

MR. DOERN: Mr. Speaker, I just wanted to make a few points. I was happy to see that when we finally did get an explanation from the government on the question of books that the government had decided to remove the sales tax on books. But I was rather disappointed on the reasons given. In other words we weren't told, for example, that since they had a series of principles or a guiding or rule in principle upon which to make these exemptions, that they were going to say, for example: "Exempt educational materials." The Provincial Treasurer never said that at all. He simply said that they were going to make an exemption of books on the grounds that it was an administrative impossibility to tax books.

But I think that's quite a different argument from the argument that I think that some of us were trying to put forward, that it was in effect not a desirable thing to tax books because books were educational material, and educational material should be given preferences. And then it was pointed out in that debate - and I know that I pointed it out - that it was almost impossible to make a distinction between, say, a textbook and a book that would be just for general purposes. But if the government is now going to talk about exempting certain items on the basis of the fact that it's administratively impossible to carry out certain taxes, then I wonder whether or not they shouldn't again take a close look at some of the items that they talked about. For example, they have now decided that on out-of-province purchases they are going to exempt everything under \$100.00. But I even question that particular point. I think first of all it's idiotic to suggest that people should make a claim against themselves for purchases out-of-province on small items. I mean who's going to, for example, buy a \$10.00 sweater or a \$10.00 item in another province and then, say, drive in their car to some center perhaps at the Legislative Building, declare the item, pay the tax and then leave? The government obviously is putting a pretty strong onus on the public and it's not just a question of truth, I think it's also a question of convenience. If you're going to use the argument that it's administratively impossible to administer certain taxes, then I suggest you look very closely at this question of purchases out-of-province. So now they're putting it up to \$100.00 and they're expecting people to declare on items over \$100.00, but even there I wonder whether they're going to be successful. Why do you expect people to come forward, to drive to some self-appointed place, make a declaration, presumably fill out a declaration slip, and then pay a tax on it? I don't see how you expect the public to do this; I say that they won't. And the alternative to this means either you simply do not bring this in or else you set up your own customs units. I hardly think it would be desirable for Manitoba to have their own customs union. I can see this in the question of goods coming into Manitoba from other countries or international travellers, but travellers going over a provincial boundary - it seems to me this is impractical and unenforceable, so that the Minister should either examine this section of the Bill a little more carefully or simply throw it out. We've gone now from, in effect, any

(MR. DOERN cont'd). . . . purchase up to \$100.00, but even there I just wonder whether they really think that they can enforce this.

Then he talks for instance about personal transactions and they say that in this particular instance you don't have to - if I understand him correctly - you don't have to report personal transactions except for automobiles. But what about furniture? What about things like boats and so on? I mean, one can sell an automobile. If you're unfortunate enough to drive an old car like I do, it's only worth \$100.00 or \$200.00, and one can easily have personal items that are worth a great deal more. For example, tape recorders. So why single out cars? I don't quite understand the principle, or is it because of the registration of cars and the fact that it's easy to check somebody up? Perhaps that's the reason. But again I see no principle.

Then the Honourable Minister suggested they're going to make exemptions for children in regard to clothing and so on. Then he tells us that they're going to tax items like baby carriages and other such items, and he calls a baby carriage a piece of furniture. Well I don't know whether it's a piece of furniture or not; it seems to me it's a vehicle of transportation. Maybe it should be given an automobile tax assuming that it's a transaction between people or even on a retail basis. But how on earth do you classify a baby carriage as a piece of furniture and what is your reasoning? Why do you exempt clothing - baby clothing - and not items that are, say, used by babies? I don't see any particular logic here.

The other point that I would like to draw to the attention of the Minister is this whole question of the taxation of services. The Minister refers to the Carter Commission Report as being in favour of a taxation on services, and undoubtedly it is. But as I understand it, and I've only read a few pages out of the 2,500-odd, they call for a tax on all services. So I don't see any particular logic in the Minister defending the fact that the Carter Commission supports a tax on services because they're putting a tax on some services. You might just as well quote a report that is opposed to a tax on services and then say, "We, too, are following this principle," because you're not following the Carter Commission there. You're sort of using it to back up those taxes you're implementing and you're not following it to a very large extent.

So if you're going to talk about exemptions, then I think the Minister must face the fact that he must justify the taxes on those areas on which he is implementing a sales tax and those on which he isn't. For instance, why didn't the government go all the way? Why didn't you tax all services? Why did you stop at the ones you did? Why didn't you tax haircuts and shoe-shines and so on? But you selected certain items, presumably on certain grounds, and then you didn't select others, and I think that -- although I listened to the Minister and his comments on laundry and dry cleaning services, I'm not convinced that he put up a valid case. I don't know whether the Minister seems to -- there seems to be a principle entwisted in some of the legislation that you shouldn't tax and re-tax an item, that an item should be more or less taxed once and then shouldn't be continually taxed. At least that's how some of these items on it read. And yet in some areas he is putting in a repetitive tax and the best example of that is the laundry and dry cleaning tax, which I think will affect people at all levels but will, to a very large extent, affect the average person. I don't regard laundry and dry cleaning services as a luxury. It's the same as soap. I don't think we should tax certain things; I mean, if cleanliness is next to godliness then we shouldn't put a tax on cleanliness. So on the point of the Carter Commission and on the point of services I don't think the Minister has much of a leg to stand on unless we're now getting an inkling as to what the government is intending to do, namely to implement the sales tax on certain services and then to, once it's established, to open it up and to cover every single service in the business.

Now I think that the reason that the New Democratic Party is concerned about some of these exemptions is that we feel in principle that a sales tax is regressive. I think it is regressive, and the whole question then comes down to what are you exempting. So once the government gets on to the question of exemptions, once the government opens up certain exemptions, then it must answer for all its exemptions. It must show why these items have exemptions and certain others do not. So I'm very very happy to see that the government has given some second thoughts to its legislation. I think it should not look upon the Opposition as simply obstructionists, simply as attempting to filibuster or delay. I think if anyone stands accused on the score of whether the government is ramming through the legislation or whether the Opposition is filibustering, I think the government is the party that is eager that there be little debate and eager that the Bill go through with the greatest possible speed. And I think it is unfair that many of these organizations which presented briefs and had comments to make were not give a chance to present their case.

(MR. DOERN cont'd)... .

Now I know that some of them, for instance the laundry and dry-cleaning people, who are fortunate in having one able representative in the House and fortunate in being well organized in sending us bags and buckets and barrels of mail, they got their point across. They had money; they had organization; they got to the public and they made their case. But I mean there are many other smaller groups who also sent letters, etc., and I'm not sure their case was well presented. We heard of the shoemakers and so on, and we did hear people refer to them but I'm not sure their case was very well put or whether it was listened to by the government or not. So the government is apparently giving some consideration to some of the comments of the Opposition. I think they should continue to do so and I think they shouldn't look upon this as being simply conversation for the sake of conversation, but I think there are many good proposals that I have heard put forward in this House and I think that the government should give serious consideration to them.

MR. SPEAKER: Are you ready for the question?

MR. ELMAN GUTTORMSON (St. George): Mr. Speaker, I move, seconded by the Member for Gladstone, that the debate be adjourned.

MR. EVANS: Mr. Speaker, I think the matter is out of order, the question having been put once this afternoon.

MR. GUTTORMSON: On his point of order, the Provincial Treasurer is absolutely incorrect. The Member for Elmwood has spoken and I have a right to try to adjourn the debate if I wish.

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

MR. GUTTORMSON: Ayes and Nays, Mr. Speaker.

MR. SPEAKER: Call in the members.

A standing vote was taken, the result being as follows:

YEAS: Messrs. Barkman, Cherniack, Clement, Dawson, Desjardins, Dow, Doern, Fox, Froese, Green, Guttormson, Hanuschak, Harris, Hillhouse, Miller, Molgat, Patrick, Paulley, Petursson, Shoemaker, Uskiw and Vielfaure.

NAYS: Messrs. Baizley, Beard, Bjornson, Carroll, Cowan, Craik, Einarson, Enns, Evans, Hamilton, Jeannotte, Johnson, Klym, Lissaman, Lyon, McGregor, McKellar, McKenzie, McLean, Masniuk, Roblin, Shewman, Spivak, Stanes, Steen, Watt, Weir, Witney, and Mesdames Forbes and Morrison.

MR. CLERK: Yeas, 22; Nays, 30.

MR. SPEAKER: I declare the motion lost. The Honourable Member for Hamiota.

MR. DAWSON: Mr. Speaker, I certainly, when I stood up earlier and asked to have the debate adjourned, I certainly don't want to leave the impression with the Provincial Treasurer that I was trying to do any obstructing. I simply wanted to make a comment and I did want to have the First Minister present when I made it. It seems that last evening he mentioned that a number of people on this side of the House had proposed a number of resolutions and none of them in any way were to make money but they were all to cost money. Well, I was deeply hurt when he said this about me, the Member from Hamiota. I proposed that they give out loans to the various communities and charge interest, so I hope that you will convey that message to him, Mr. Provincial Treasurer, and tell him that I did offer some way of getting some money into the coffers.

In the course of last evening, the Provincial Treasurer mentioned that the tax in other provinces has proven to be tolerable, and I would be inclined to agree with the First Minister that it has proven to be tolerable, but the only reason why it is that way is because they are getting something for their dollars. When one visits other provinces such as Quebec, Ontario, these other provinces, you're very impressed with what is going on and we're impressed with the number of people that are moving into the communities. I can recall a few years ago when the people in Manitoba used to consider Saskatchewan our poor country cousin, but I believe this is no longer true. The shoe is on the other foot now and we're the poor country cousins.

Now there are a number of things on the tax that I feel that we have not had a proper explanation on, and one is the exemption of tax for some of the children's clothing. I'm at a loss to understand why you are wanting to tax the clothing of any child that attends school, because anyone that is a parent will tell you that it costs money to keep a boy or a girl in school; regardless if they're five or six or seven, eight, nine, ten, sixteen years of age, it costs plenty; and the sizes that cost the money are the sizes that are definitely over 14, and I feel that if we are going to have a partial exemption we should certainly have an exemption

(MR. DAWSON cont'd).... all the way, for any boy or girl who attends school should be exempted.

There is another thing that confuses me a little and I'm sure it confuses many of the people that are in the dry-cleaning business. You are prepared to make an exemption on children's clothing on sizes under 14; are you prepared to exempt their clothing when they're dry-cleaned? He shrugs his shoulders. Well, probably I can get that answer some other time but I think it's very important because the dry-cleaners will be trying to set up some way of answering to their customers or imparting the information to their customers, and I'm sure this is one of the questions they'll be stuck with every time: How come there's no tax on children's clothes yet you want tax for dry-cleaning?

Now one of the other things that confuses me is the statement that the Provincial Treasurer made last night, was that coin-ops would not be taxed. This is what he said about three weeks ago and last night he said that coin-ops would be taxed. Anything over 25¢ in a coin-op would be taxed. Now for those who are familiar with coin-ops, they are self-service. Can you explain to me how you are going to collect 10¢ tax on every \$2.00 worth of quarters that goes into that machine? Most of these places are unattended and it's beyond me how they are going to be set up without a lot of expense to the people who are in the coin-op business. They are going to have an extra meter, I guess, to collect the 10 cent tax on these. Well, the Member from St. Boniface says maybe they're going to have 10 percent come out dirty; but I'm sure this would not be satisfactory to the people that are involved. I think that this is very important to the people that are in this industry. If they're going to have to start collecting the tax in coin-ops on June 1st, you're going to have to give them an opportunity -- or I should say provide them with an extra meter so people can drop in their 10 cents for every \$2.00 they drop into the coin-op.

Now another thing that has me a little confused, and I'm sure it has other members in this House confused too because from the first time that I mentioned it, the case of the diabetics in the Province of Manitoba, I have heard three other members mention the same thing, so I suppose that the Provincial Treasurer has not given up the proper answer. As many of us know, diabetics may obtain insulin without prescriptions. Even though the Minister of Health says this is impossible, the diabetics and the Vice-President of the Diabetic Association for Canada says it is not impossible; that they can. A doctor gets to know their case or the diabetic gets to know his own case and he walks into any drug store and the druggist does not hesitate to give him what he needs, because they know that insulin is important for these people to live. Therefore, I think that an answer should be given to us if insulin is going to be tax-free or not regardless if it's on a prescription or not.

Now these are just a few of the things that I wanted to get some answers to. I'm sure that in the course of the debate in the next two or three weeks, that many of us will be asking you other questions.

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

MR. SAUL MILLER (Seven Oaks): Thank you very much, Mr. Speaker, I haven't spoken on this particular debate because I had hoped that last night we would get some answers from the Minister, answers that would satisfy me and some of the questions that have been put to me. Some he did answer. One of the most important ones, I think, or I feel, has been completely ignored. That is the matter dealing with municipalities. How can this province, this Provincial Government, impose a tax on the municipalities? How can they on the one hand give grants towards certain functions, increase the formula for educational purposes, and at the other hand impose a tax which would be very costly to the municipalities, knowing full well that the savings that they're giving on the one hand to the taxpayer, they're going to have to be taken up again when the municipalities have to collect the extra amount which they must pay out because of this five percent tax. This is double taxation, and I'm wondering whether they think that by doing this they're going to make the municipalities look silly and therefore the average ratepayer will say, "Well, here we are; you've been given more money by the Provincial Government and yet our taxes are not going down. So therefore it must be due to your municipal inefficiency that the taxes are rising."

I feel that what the province is doing is shunting the problem off on the municipal shoulders once again. I think it's wrong in principle. This province does not pay the federal 12 percent sales tax. They are exempt. The Federal Government has recognized its responsibility. It said quite clearly when they passed the Sales Tax Act that the provinces should not

(MR. MILLER cont'd). . . . be asked to pay the federal sales tax; it would not be fair; and they didn't impose that sales tax because they, too, recognize that if they tax the provinces, the provinces then in turn have to turn around and tax their local people to raise that money. And so they exempted them. They've exempted hospitals. So the Federal Government, which is only partially concerned in health matters because it is a provincial responsibility, had the foresight to protect hospitals from sales tax. But this provincial government doesn't seem to care. They're going to increase the health grants, then they're going to tax the hospitals. This to me is the most inconsistent, the most irresponsible type of legislation.

I didn't receive an answer last night to a question that has been frankly bugging me somewhat: the term "production machinery". I was told by the Minister that production machinery was not going to be taxed but on the other hand municipal purchases were going to be taxed. A motor grader, a tractor, a back-hoe, various equipment used by a municipality, and this is not cheap equipment. We're not talking about a hundred dollar or a thousand dollar deal. We're talking about machines that'll run from \$20,000 to \$40,000, and higher. They're going to be taxed. Is the same equipment going to be taxed when bought by a private contractor? Because he could argue, and I think quite properly, that this is production machinery. It's used in the production of his business; it's used to build roads, to do certain type of work as part of his business, and it's production machinery. So that --(Interjection)-- build golf courses, yes. If, therefore, he is not taxed and the municipalities are taxed you're imposing a very unfair burden on the municipality. And even at that I question the rationale. It's true the private contractor makes a deal to perform certain work and he gets paid for that work, and I suggest the municipalities are in no different position. They, too, are performing a function for the rate-payers in the municipality, only instead of being paid on a contract basis after the completion of the job, they are being paid by the taxes that are charged against that property. So whether you pay it in the form of tax or you pay it in the form of an agreement whereby after certain work is done I will pay you 'X' dollars, I don't think there should be any differentiation. Now if I am wrong in this interpretation I would certainly like to hear about it. As I say, I hoped that the Minister would have an answer last night in his explanation but he perhaps didn't know that this was being posed as a problem and he simply didn't cover it. But if it is the intention of this government to impose a tax on municipal equipment and not to impose it on private contractors' equipment, then I suggest to them they're being very unfair both in the principle of it and in the cost or the charge to the municipality.

There's one item I would like to go back on that the Minister brought up last night, and it was in reply to the position stated by a member of our group, the Member for Inkster, where he pointed out the possibility that instead of the sales tax, revenue could be raised by income tax, and the Minister got up and suggested that we were way off base and by using 'scare' figures - and that's the only way I can . . . it - he put it in such a way that it sounded completely ridiculous, and I'll go back to what he said here. He said, "To raise \$45 million, the need for a full year to replace the sales tax, we would have to add 26 1/2 points or nearly double the provincial tax rate and five times the surtax rate; that's the basis of my calculation." And in the case of corporation tax, 21 times - "we'd have to go up to 21 times from the surtax." These are scary figures. But 21 times of what, and 26 1/2 times what? The key is what are you multiplying? Ten times nothing is still nothing. And basically we would go down to this. \$70 million is raised in other years. We are looking for \$35 million. That's a 50 percent increase no matter how you cut the cake and no matter what kind of figures you use to becloud the issue. So that if the income tax that I pay -- if I pay \$100.00 income tax last year and if my income tax is increased 50 percent, I would pay \$150.00, and I suggest to you that therefore the increase would be \$50.00. The Member for Inkster pointed out quite clearly that this \$50.00 increase would be far less than I will be paying under the present 5 percent sales tax. It's true that if my sales tax is \$5,000, if my income tax is \$5,000, I would pay \$2,500 in addition to the \$5,000. Frankly I am shedding no tears for that individual. Those individuals do not go broke paying income tax. They never have. I just thought I would bring that up because at the time I was listening to the Minister I felt that he was, perhaps not purposely, perhaps inadvertently, but he was beclouding the issue and I think taking away an understanding that I think had been very clearly placed before the House by the Member for Inkster.

But, Mr. Speaker, I'd like to go back to the first point I made. I sort of went off it for a moment because I didn't want to miss this other. But I want to go back to this question of charges on the municipalities, and I don't know how to impress how serious this matter is and how unfair it is, that the municipal governments and the school boards and the hospitals and

(MR. MILLER cont'd), . . . the universities and all these institutions should have to be paying a sales tax; to increase their cost of operation, to impose additional burdens when time and again we hear various Ministers get up and deplore the fact that costs are going up and bemoan the fact that they can't give more money where more money is needed. They recognize this. The Minister of Health recognizes it in dealing with hospitals. The Minister of Education is the first to recognize it when he talks about the increased costs facing the school boards. The Minister of Welfare recognizes it dealing with other institutions; and yet here we are imposing a tax on these institutions to make it doubly difficult for these same Ministers to then make ends meet or to give the kind of services that they should. It just makes no sense whatsoever, and particularly when the Federal Government has established a precedent, when it's recognized the principle that one should not tax the provinces, one should not tax even institutions which one should assist rather hinder, one should help to grow rather than to discourage; when we have this as a precedent established by Ottawa, how in tarnation can we today sit here and ignore what's gone before and ignore a principle established elsewhere? And I would urge the Minister to look at this section again, look at it very carefully and reconsider whether or not the municipalities and the school boards, the hospitals, the universities and libraries, and public libraries, should not be exempted from this tax because it is an iniquitous tax on them; it imposes an unnecessary cost on them; it's inhibiting on their operations; and it will dampen their growth instead of encouraging their growth.

These are just a couple of matters that I wanted to bring up, Mr. Speaker, and I hope the Minister will be able to answer them and explain his rationale so that the people, the municipal people of Manitoba, who are very concerned about this matter, can more fully understand what he has in mind and why he is doing this. The Metro Corporation I know is very concerned that the cost of this tax on their operation is going to be fantastic. On the one hand you have the Provincial Government who finally acceded to the pressure and is allowing a grant to the Metro Corporation to help in its urban transit problem. It's a very minimal grant but it's a grant nonetheless. Now we're imposing a 5 percent sales tax which is going to nullify that grant completely. The right hand pays it out and the left hand collects it back. Now, as I say, this is completely unrealistic to me, very unfair, and I would like to hear from the Minister on this well before we close debate on this matter.

MR. SPEAKER: I wonder if I might ask the House to pause for just a moment in order that I may direct their attention to our guests in the gallery. There are 105 students, members of the Ebb and Flow Upgrading Class, conducted at the Hill Ridge School. This school is located in the constituency of the Honourable the Leader of the Opposition. They are under the direction of their principal, Mr. Knappen. On behalf of all the members of the Legislative Assembly I welcome you all here today.

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

MR. SAUL M. CHERNIACK, QC (St. John's): Ayes and Nays please, Mr. Speaker.

MR. SPEAKER: Call in the Members.

A standing vote was taken, the result being as follows:

YEAS: Messrs: Barkman, Cherniack, Clement, Dawson, Desjardins, Dow, Doern, Fox, Froese, Green, Guttormson, Hanuschak, Harris, Hillhouse, Miller, Molgat, Patrick, Paulley, Petursson, Shoemaker, Tanchak, Uskiw, Vielfaure.

NAYS: Messrs: Baizley, Beard, Bjornson, Carroll, Cowan, Craik, Einarson, Enns, Evans, Hamilton, Jeannotte, Johnson, Klym, Lissaman, Lyon, McGregor, McKellar, McKenzie, McLean, Masniuk, Roblin, Shewman, Spivak, Stanes, Steen, Watt, Weir, Witney, Mesdames: Forbes and Morrison.

MR. CLERK: Yeas, 23; Nays, 30.

MR. SPEAKER: I declare the motion lost. Are you ready for the question?

MR. SHOEMAKER: Mr. Speaker, you will be happy to know that there's only 20 minutes left in which to listen to me, and if it does cause anyone a headache you'll be happy to know that the Honourable the Provincial Treasurer told us last evening that all you've got to do to get aspirins tax-free is to get a prescription and . . .

MR. JOHNSON: It takes more than aspirins.

MR. SHOEMAKER: It takes more than aspirins he says. Well it will sure take a lot of aspirins for the people of Manitoba to console themselves and put themselves at ease after June 1st, and Mr. Speaker, I was a little disappointed to see the government effect closure today in the debate, because one of the things that I think this whole debate has demonstrated quite clearly since it was first introduced on when? February 10th I believe, Bill 56 was

(MR. SHOEMAKER cont'd).... introduced - nearly six weeks ago - and in that entire six-week period we have been attempting to get information, information that was absolutely necessary if we were to be expected to vote intelligently on the Bill, and it was only in the course of the last two days really that we got any information at all. And how did we go about getting some of that information? By putting on the Order Paper an Order for a Return, and after considerable debate we got three lectures - I think that's probably the way to describe it - three lectures from the front bench opposite, one by the Honourable the First Minister and two from the Provincial Treasurer, and the one from the First Minister even tied into me for suggesting that, along with others, that we voted for everything in the last seven or eight years and offered no alternatives.

Well, my honourable friend the First Minister certainly knows what the word "alternatives" means because not only did he but the Minister of Health, I think last year, and probably the Deputy Minister of Health, because I think that three of us were in on this one. I think we had a Big-Four Conference following defeat of the Bill 100. Not guilty? Maybe not. Maybe not the Deputy Minister, but the First Minister and the Minister of Health met with me following the defeat of Bill 100 out in the hall here on April 22nd last year, and as a result of that meeting there was a story came out in the paper, "Neepawa can proceed with Medical Building as a result of a hint that was dropped by the First Minister." On the same day, on the same day I dictated a two-page letter to my honourable friend the Minister of Health and asked him if he would care to elaborate on the alternatives that were discussed and referred to. Do you know when I got a reply, Mr. Speaker, to that letter that I wrote on April 22nd 1966? Do you know when I got a reply? August 5th. That's fairly prompt, though, for this government, and no alternative set out in that one, so these people that talk about alternatives after about four or five months of talking out of both corners of their mouth, they have failed to come up with alternatives.

I see my honourable friend the Minister of Welfare, he knows about alternatives as well, because when we were discussing Bill 100 in Law Amendments, he said he was agin it; the next thing the people would want would be homes for the dogs and homes for the dog catchers. Do you remember that, Mr. Minister of Welfare? And I said, "Well, if my honourable friend that represents The Pas wants to build homes for the dogs up there that's his business, but what we want is homes for the doctors and medical staff in Neepawa. "So they have alternatives, my honourable friends opposite, plenty of them.

I think when I am talking on this field of alternatives, of one friend of mine and the members opposite, who is no longer here, by the name of Maitland Steinkopf. I would just love to read to my honourable friends what he had to say about alternatives if you would like me to read it to you, because I slipped a little note across to him and asked him whether he thought -- and incidentally, Mr. Speaker, he and the Honourable Member for Brandon were the two members that voted with me on Bill 100 last year. I sent a note to both of them. No, I didn't send a note to my honourable friend from Brandon; I did thank him. But I did send a note to Maitland Steinkopf and I said, "Do you think I made a fair presentation of Bill 100 in the House? Do you think I did?" Because I knew he had voted for it. Do you want me to tell you what he said? He said, "My reasons for allowing Neepawa to proceed as they wished were the same as yours plus," and then he's got a, b, c, d, e. "Neepawa has for years been able to look after themselves; (b) If those hard nuts on their council would pass a proposition such as this, who are we to say nay? (c) If it got by the council surely the ratepayers should be entitled to have what they feel they need; and (d) and lastly, I don't believe that we build this country if we are too impressed with the sanctity of precedent, and if this House was in any other mood your presentation would have been much more than adequate."

That's what he said, and now Mr. Speaker, I'm just saying to my honourable friends opposite, when they are talking about alternatives, that they should have some alternatives and I'm looking forward to the alternatives that they propose to the resolution that's presently adjourned in the name of my honourable friend the Member for Lac du Bonnet. So we'll see what alternatives he has at that particular time.

Now this whole field of sales taxes, Mr. Speaker, as far as I am concerned, should have been the number one plank in the platform on June 23rd last, and if it had been, then I certainly say the Members opposite would have been sitting over on this side of the House. There was no hint of a sales tax. In fact, in May and June of last year, it was as dead as a dodo. My honourable friend the First Minister has reincarnated this dodo bird now in the form of a sales tax. Even on June 20th, two days before the election, he said, "I'm going to call a

(MR. SHOEMAKER cont'd). . . . special session if you elect me once again, and we've had these special sessions, quite a few of them in the past, but there was no mention of their purpose. There was a mention of the purpose of the fall session and here's what it was: "Roblin Plans Fall Session," from the Free Press of June 20th: "Special sitting would deal with Medicare, farm gas and school tax rebate." No mention at all of sales tax. I just wish they had announced three days before the election last June that there would be a 5% sales tax. Why didn't they do it when? That's what they have been telling us for a long time, "Why didn't you do it when?" Why didn't they do it when? Why didn't they say, "If we are elected we will have a 5% sales tax." Why didn't they say that? I have searched through a lot of the propaganda that was put out prior to June 23 election last and I cannot find anywhere where they said there was going to be a sales tax. They said a couple of years ago we put on this \$23 million of taxes on specific items, that revenue tax, to avoid a sales tax. They said Michener recommended that we should have a sales tax. I don't believe we should. I believe that we should have this - what was the term he called it? It was a revenue tax on specific items. We should have that. We shouldn't have a sales tax. We shouldn't have it at all.

And so I say, Mr. Speaker, that if you want to be fair with the public and fair with the people, they should have run the election on this; on this whole issue. It should have been fought then, not now. And what we need, what we need is more information; more information on this, before we can vote intelligently. We've been asking for it for six weeks. And incidentally, Mr. Speaker, following the defeat of the referendum, one of the classes in Gladstone put a question to the students, 48 in number, 48 in number - Grade 11 class - and they just put two questions to them: What do you think caused the defeat of the referendum? And do you know what about 90 percent of them said? I see my honourable friend the Minister of Highways he's thinking I'm going to say a certain thing. I'll bet you he doesn't know what they said. They said, "Because we lacked information." Every one of them. And how can you vote intelligently if you're lacking information? Why the referendum did not carry? Not enough information. One after another you can go through the . . .

MR. SPEAKER: I trust the honourable gentleman doesn't wish to proceed along the same matters to do with the referendum.

MR. SHOEMAKER: No, I don't, but what I'm doing, Mr. Speaker, is just saying that the reason that the referendum was defeated in 19 divisions was because of lack of information, and one of the reasons that we are holding up Bill 56 is because of lack of information. The same reason. That's all. The same reason. Now we're getting it by little dribbles and little drabbles. For instance, my honourable friend last night said that the services of a dentist would not be taxed. I asked him before the Orders of the Day. He said he didn't say it, or something like that. Well, let's find out just what he did say last night on this subject matter. --(Interjection)-- Pardon? Services of a bootlegger are not taxed either? They may not be. I'm quoting my honourable friend the First . . . what page? 2051. One Page 2051, half way down the page: "The denturists are not named as a taxable service." That's what he says. They're not named. Now they're still in business and probably so are the bootleggers, as far as that's concerned, but my honourable friend knows full well where the denturists are and he doesn't know where all the bootleggers are. --(Interjection)-- Well, he may know where both of them are. But what's he going to do about it? That's what I'm going to say. What are they going to do about it? --(Interjection)--

He goes on in the next sentence, I believe, to say that the "material used by a dentist will be taxable but the services of the dentist will not be taxable." Now, I suppose that if you go in and have a tooth filled, not one taken out like my honourable friend the Attorney-General today, but if you go in and have a tooth filled after June 1 they will tax you on the 15 cents worth of magnum - isn't that the term they use, Minister of Health? - for a filling; so they'll tax you on the 15 cents worth of filling they put in your tooth --(Interjection)-- I'm getting lots of second hand information here, Mr. Chairman, which will be helpful if it goes on Hansard, but if it doesn't go on Hansard I will have an awful time paying any heed. But how ridiculous can this be? I mean the services of a dentist will not be taxed but the material that he uses in your mouth will be. That's what my honourable friend says, and there's lots of other things. Aspirins will be taxed as patent medicine but if you get a prescription to them they won't.

MR. DONALD W. CRAIK (St. Vital): I just wondered if you had any of those tax-free aspirins in your drawer that a person could borrow right now?

MR. SHOEMAKER: If I had some tax-free aspirins that you can borrow? I don't know.

(MR. SHOEMAKER cont'd).... If you need some, I'll tell you where you can get some. From the Honourable Member for Souris-Lansdowne. He took a couple of pills yesterday and it knocked him right out and he was out of the House all day, so I suggest to you that you can get a couple from him, and anyway you won't have to pay tax on them till June 1st.

But I'm just trying to point out, Mr. Speaker, some of the things that we still need some information on. For instance, I'm one of the fellows in this province that make quite frequently a trip across to the United States. We go down to the Mayo Clinic about twice a year. I understand from the comments of the Provincial Treasurer last night that you can bring back \$100.00 per trip from anywhere outside of the province that will not be taxable. I asked him on a page here: "I wonder on this particular point - my honourable friend has permitted questions from other members - on this \$100.00 exemption per trip and there's no limit on the number of trips?" I say, "Can you make a trip a week or two trips a week and bring back \$100.00 exemption?" And Mr. Evans says, "Well, we haven't set out yet any quota for the number of trips." Well, this is a pretty important thing because you will find a lot more people that will be going outside of the province making trips for the specific purpose of bringing back goods. There's no question about that, if it's permissible, and I take from what my honourable friend says that it is permissible, and as my honourable friend says, the only way that he can get a job as one of the inspectors is to run against himself in St. Boniface and then he'll qualify for an inspector's job. We're going to need a lot of inspectors to police this whole program.

Now I noticed on the Order for Return that the Provincial Treasurer spoke on yesterday, that he was talking about the selling ...

MR. SPEAKER: I wonder if I might remind the honourable gentleman that there are a few minutes to the half hour, if he had any thoughts of winding up or ... go on a little further.

MR. SHOEMAKER: Mr. Speaker, I now find that it will be impossible for me to wind up at 5:30. I simply can't do it and make a job of it, and I hope that the motion will then stand in my name. Fine and dandy. --(Interjections)-- Thank you very much. I'm getting a lot of good information here, Mr. Speaker.

Now the Honourable the Provincial Treasurer, in speaking on this Order for Return yesterday, said - Page 2009, for the benefit of my honourable friends opposite: "Well, what kind of information is necessary?" He is supporting the fact that a sales agency is needed. This is the whole purpose of him speaking on this Order for Return. He's justifying the fact that it is necessary to have a public relations program; it's necessary to hire the best possible sales agency that you can buy. He's got a product that is not palatable; he's got a bunch of peaches that have gone bad and he needs a lot of sugar and cream on them and he's going to hire the public relations men, the sales agency, to pour on the cream and the sugar so they'll be more palatable. And then he's saying, "Well, what kind of information is necessary? It's necessary to say with complete accuracy what the exemptions will be, to describe them in such a way that the details are given," and he goes on and on and on. Well, I'll say it is necessary but we're not getting this information. We're not getting it. He says they're necessary. We say they're necessary. He voted for the Order for Return but we're not getting the information, and how in the world can we discuss this bill unless we have the regulations in our hands? which he says later on, down on the same page: "When the regulations are eventually passed by Order-in-Council." Are we going to have the regulations? And he has suggested they are going to be so numerous and quoted the number of regulations that they have already introduced in Ontario. No doubt there will be, but are we going to get them? He says they're necessary. Are we going to get them? We concur in ...

HON. STERLING R. LYON, QC (Attorney-General) (Fort Garry): I rise on a point of order to point out to my honourable friend Rule 31 of the House, which is that no member shall revive a debate already concluded during the session or anticipate a matter appointed for consideration of which notice has been given. It appears to me my honourable friend is attempting to revive a debate that was concluded yesterday on an Order for Return having to do with the ...

MR. SPEAKER: It is now 5:30. I am leaving the Chair. The House is adjourned and will stand adjourned until 2:30 tomorrow afternoon.