

THE LEGISLATIVE ASSEMBLY OF MANITOBA
2:30 o'clock, Friday, May 5, 1972

INTRODUCTION OF GUESTS

MR. DEPUTY CHAIRMAN: Before we begin I should like to direct the attention of the Honourable Members to the gallery on my left. There are seven students of Grade XII standing of the Mechanical Arts High School of St. Paul, Minnesota. These students are under the direction of Mr. Broderick and are the guests of the Speaker of the House, the Honourable Member for Kildonan. On behalf of all Honourable Members I welcome you here this afternoon.

Section 28 (b) (1) -- passed . . . The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Chairman, when the Committee rose for the lunch hour break I was just in the process of posing a couple of questions to the Minister on the subject matter of arts groups and non-profit organizations. The legislation is not clear to them or to me as to whether there is any change in the manner in which arts groups and non-profit organizations are treated where the Amusement Tax is concerned; and I was asking the Minister whether there was any intention on his part of making all the arts groups subject to the Amusement Tax; or whether any change was contemplated that would involve a bookkeeping process, perhaps a procedure involving some costs for them. The definition of amateur amusement as I suggested leaves something to the imagination in the legislation, and although I would assume that that covers the whole area of amateur athletics, I would not necessarily assume that it covers the activities that are carried on by such organizations as Rainbow Stage. So on behalf of those organizations who are concerned that they may now be responsible for collecting the Amusement Tax I would appreciate some direction from the Minister.

MR. CHERNIACK: Mr. Chairman, the section in no way distinguishes between sport or other forms of amusement and it is, as indicated by the honourable member, designed to define what is not presently defined in the Amusement Tax Act. And the problem, I think I have already described it before, the problem is where we had a definition in the Act it was not sufficient because amateur amusements themselves are not described. That is the subsection (b) where it read -- the present Act reads: "amateur entertainment or games", so that now that we are proposing to have a much better definition, I think one that gives us a clearer picture of what is intended. As I indicated in the presentation on second reading I believe, or as honourable members can see it is proposed that this section come in on proclamation, because it is certainly not the intent that anything be done to disturb the present situation without ample discussion as such discussions have already been held. It certainly in my opinion does not -- well it would have to apply once one can start defining whether or not a person is earning a livelihood out of the sale of the tickets. Whether profit enures, and the question of course may well be -- well, what about the performers and the extent to which they may or may not be professionals; and then you get into a judgmental discussion as to how much of their income derived from this source, what percentage would then make them professionals. What has really brought this forward is the fact that there are certain organizations which by their charter would appear to be amateur organizations where in fact they are not. And that doesn't apply to such as the cultural organizations that the honourable member mentioned, but really to some of the athletic or sports organizations that are actually owned, and probably for profit, but are owned under a charter or belong to a league, which would give a semblance of amateur status where in truth it doesn't exist. So our point is to have a definition which is understandable, but we do not at this time contemplate any change in policy whatsoever at this time.

Let me draw the attention of honourable members to the fact that at present most of the exemptions -- and I understand that there are really a very large number that come into the department every year -- most of the exemptions are provided under Section 11 (1) which reads: "That the Lieutenant-Governor-in-Council by Order-in-Council declares to be of such a kind that it is in the public interest that the admission fees thereto should be exempted from the tax imposed under Section 7." And that is how they come in for review and then are granted an exemption on the basis -- for example, I think the most obvious may be the Winnipeg Blue Bombers where I would guess that the players themselves are fully professional but yet the organization is non-profit; there is no profit for any of the people involved other than the, may I call them employees. Therefore they certainly don't qualify under the section we are now attempting to change, but they do qualify under that section which the previous government

(MR. CHERNIACK cont'd) . . . and the present government too now has considered to be in the public interest that admission fees should not be charged. So that there is no intent at this time to make any change from the existing; there is an attempt to clarify so that we are not boxed into the situation where somebody who is operating for profit as an employer is able to acquire a charter of a non-profit organization and qualify automatically because of lack of definition.

I should point out for those who are interested that what is already exempted in the Act itself is a school, college, church, building owned or leased by and operated by the YMCA, YWCA, YMHA, or a building or a hall operated or used for public concerts, plays, shows, dances, etc. and other descriptions, owned by a municipality or board of trustees of a school division or by a neighborhood or local community organization or association the -- it goes on more extensively but clearly, there is no change whatsoever in that. All of the other exemptions or all the exemptions remain. The only thing we want to do is to clarify what do we really mean by "amateur" -- sorry I have lost the exact wording again -- "amateur entertainments or games". We think it is well to have a better definition. I hope that is sufficient for the honourable member's inquiry.

MR. DEPUTY CHAIRMAN: (i) -- passed; (ii) -- passed; 28(b) -- passed; 28 -- passed; 29 -- passed; Schedule (b)(1) . . . The Honourable Member for Thompson.

MR. JOSEPH P. BOROWSKI (Thompson): I would like to say a few words on Schedule B where the exemption is being raised from 60 cents to \$1.00. The first question that comes to mind, will this saving to the public be passed on or will the theatre simply pocket it? I don't know if there is any way the Minister can do anything to make sure that the saving that we are providing in that is passed on.

The other thing that concerns me, Mr. Chairman, and perhaps I am just as much at fault as anyone on this side, as here we have what I consider an opportunity to pass a tax that would be acceptable to the public. We are attempting to get revenue to pay for some of the things that we're doing, and it seems to me if we can tax cigarettes or increase tax on cigarettes and liquor -- and I believe that the taxes on liquor are something like 150 or 200 percent all told -- wouldn't this be a good opportunity to put a special tax on movies, particularly pornographic movies? I think we have -- interjection -- well we have a Censor Board that this government has set up and if they don't have any faith in them they should fire them. We have to take someone's opinion -- and we do have that Board, and they tell us they restrict them, and there are restricted movies in this community; and it seems to me, Mr. Chairman, that if we can justify putting 150 percent or 200 percent tax on liquor that we should be able to justify the same type of tax on imported garbage or celluloid silt that's coming in from Denmark and from California and other places. And I am really sorry we didn't take this opportunity because I believe there is a great deal of money to be made on this area, and it is one that I am sure even the opposition would support us on. You see that -- the Minister of Finance -- the Minister of Finance just blew his chance to collect several hundred thousand dollars, badly needed dollars, on an item that we could get probably unanimous consent, with one exception possibly, the Minister of Finance himself. You know, I really don't know why we should treat movies the same as we treat -- now I am talking about any movies -- why we should treat them in the same way as we treat the other items, whether it's clothes or what have you. We put a five percent tax on clothes and various other items that we have to use, dry cleaning, laundry, and yet somehow when it comes to entertainment which I would say is about as necessary as cigarettes and liquor, somehow we shy away from putting a tax on it. So, Mr. Chairman all I wanted to do was rise on this point and to indicate that perhaps the Minister may reconsider at some future date to bring in a tax on movies.

MR. DEPUTY CHAIRMAN: Schedule B(1) -- passed; B(2) -- passed . . .
The Honourable Member for Charleswood.

MR. ARTHUR MOUG (Charleswood): On that Section 2 of the Schedule B, I would question on complimentary passes, etc. that go in on blanket coverage. I would like somewhat of an explanation from the Minister because, for instance, the Shrine Circus where they entertain two or three bus loads of people and they have to go out and get members of the Shrine to buy the tickets to -- or volunteer the bus -- the people -- to put them together to bring them in, they are going to be also penalized by a tax where there is no dollars changing hands. On one or two occasions, I think it is the first Saturday such as tomorrow, and a week the next day -- a week tomorrow -- where they have two shows they put on particularly for crippled

(MR. MOUG cont'd) children, retarded children, Indian groups, handicapped, several kinds, and underprivileged children -- so I question whether they should be taxed when there is such an effort put into it in the first instance to get them there and the show is put on for no other reason.

MR. DEPUTY CHAIRMAN: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Chairman, I must confess that I have an impression that I know the answer to the question asked by the Honourable Member for Charleswood, but I don't want to give my impression when I know that I should be able to get the answer sent down to me very soon. While I am waiting I will take the opportunity to respond to the Member for Thompson to tell him that we are taxing theatres at a tax of ten percent, as is indicated, thank you, in the amendment, and from my standpoint that is an acceptable level of taxation. We have by bringing this amendment in raised the exemption from 60 cents to \$1.00 which really involves mostly student tickets. And as I informed the House earlier the Motion Picture Association made a particular case on behalf of the small town theatres, and I now have a letter from one of the persons operating such a theatre saying that this is beneficial and meaningful to them, so I am glad we did that, it's recognition of the increased prices. I don't see that there is any guarantee as to what they will charge in the theatres. As it is now they have a charge and there is a tax on top of the charge so that if they want to increase the price they may do so. The indication from them is that they wouldn't, that they want to have relief on that; but I have no way to control, I don't even know that I am particularly interested in controlling it.

I am under the impression that the honourable member is almost suggesting that we should set up a Crown corporation to operate the motion pictures which are of a kind that the honourable member from Thompson wouldn't want to see, because he is talking about the fact that we should be making the profits out of that kind of film. I don't think he really means that -- what he really means is that we should somehow decide what is good for people to see and what isn't good for people to see, and charge them extra for what is good for them to see in our opinion, that of the Censor Board, or the Honourable Member for Thompson, or in my opinion -- and if he and I were sitting on the Censor Board, and no one else, then there would be no decisions made whatsoever, I should think, as our own opinions are vastly different about what should be available for the public to choose as to what it wishes to see or not. However, I should reassure him and tell him that the pictures the kind of ones he refers to all charge admission prices over a dollar and we are taxing them.

I want to point out to the Honourable Member for Charleswood that under the present legislation all passes are being taxed at the maximum price payable in that hall or arena. In other words, it is assumed that a pass is for a seat in the highest priced section and therefore they are all being taxed now at that highest price. What the amendment now does is to add the words: "for that accommodation", that's the last three words that are added; and that now means that where under the present law if somebody gets a pass, let's say to the same team I referred to -- the Blue Bombers -- and sits in the bleachers, the tax is by law taxable at the rate of the best seat in the House. That's the way the law now reads, and by adding the words "for that accommodation" we are relieving that and saying well, if you are sitting in a lesser priced seat by way of a pass -- let's say the bleachers -- then the tax will be on that particular portion. So that this is a relieving section both in respect to the prices up to a dollar and as to the price payable on the pass, and at least to that extent it is a reduction in taxation.

MR. DEPUTY CHAIRMAN: (The remainder of Bill No. 21 was read section by section and passed)

Committee rise. Call in the Speaker. Mr. Speaker, the Committee has considered Bill No. 21 and has directed me to report the same.

IN SESSION

MR. DEPUTY SPEAKER: The Honourable Member for St. George.

MR. URUSKI: Mr. Speaker, I beg to move, seconded by the Honourable Member for Point Douglas, that the report of the Committee be received.

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

MR. DEPUTY SPEAKER: The Honourable House Leader.

MR. CHERNIACK presented Bill No. 21 an Act to amend The Revenue Tax Act, The Tobacco Tax Act, and the Amusements Act, for third reading.

MR. JORGENSEN: Mr. Speaker, on a point of order, according to the rules of this House it is not permissible to move third readings of bills at this time. Citation 78 on Page 264 of Beauchesne states that: "All amendments made in committee are reported by the Chairman to the House and the same shall be received, and a motion for concurrence therein shall be disposed of forthwith before the bill is ordered for a third reading at the next sitting of the House." And our own rules, Sir, says, Rule 86 (1) says: "Every bill shall receive several readings on different days before being passed." Sir, in accordance with not only the rules of our own Chamber but in accordance with the rules of the House of Commons as set out in Beauchesne, which states that bills shall not be read a third time on the same sitting if there are amendments. There have been two amendments to this bill proposed by the Minister and they have been accepted so therefore I suggest, Sir, that it is not possible under our rules to move third reading of this bill at this stage.

MR. DEPUTY SPEAKER: The Honourable House Leader.

MR. PAULLEY: Mr. Speaker, in all due respect to my honourable friend I wish to make a comment in respect of the rules of this House. May I preface my remarks, Sir, by saying that when the rules of this House make provisions for procedures, they take precedence over Beauchesne or any other rules of any other parliamentary jurisdiction, because it is well known that where the rules of this House do not make provisions for a matter to be considered, we first of all go to Ottawa and the House of Commons for ruling and we cannot find a ruling there, then we go to the mother of parliaments at Whitehall.

But I say to you, Sir, in all due respect that we have a rule that was adopted by this House at this session dealing with the matter of proceedings on bills for third reading. And I refer you, Sir, to Rule No. 88, Section 14, subsection 14 which states, Sir, "that when a bill has been reported from a Standing or Special Committee and no amendment has been proposed thereto, at the report stage, and in the case of a bill reported from a Committee of the Whole," -- and I draw this particularly to your attention, Sir -- "with or without amendment, a motion that the bill be now read a third time and passed may be made at the same sitting." And I say to you in all due respect to my friend the House Leader of the Opposition that Rule 88, subsection 14 is the rule that is applicable regarding the motion proposed by my colleague, the Minister of Finance, and only that rule is applicable in this case.

MR. DEPUTY SPEAKER: The Honourable Member for Morris on the same point of order?

MR. JORGENSEN: Yes, Mr. Speaker. It's obvious then we have a very direct conflict in two rules. I was quoting from Rule 86, which is a rule of this House and I will close Beauchesne's, I will not require it -- and for the benefit of the House Leader, because our own rule very clearly states, 86 (1) states: "that every bill shall receive three several readings on different days before being passed," and I don't know what could be clearer than that, Sir. You will recall that Rule 88 was brought into this House not by the Rules Committee, it was brought into the House, introduced by the First Minister himself -- (Interjection) -- and foisted on the House, and, -- (Interjection) -- it's obvious that there is a conflict . . .

MR. DEPUTY SPEAKER: A point of order? The House Leader.

MR. PAULLEY: No. Mr. Speaker, may I raise the point of order -- (Interjection) --

MR. DEPUTY SPEAKER: Order, please. Order, please. The Honourable House Leader on a point of order.

MR. PAULLEY: -- (Interjection) -- then I raise it on a point of privilege which takes precedence over a point of order.

MR. DEPUTY SPEAKER: The Honourable House Leader on a point of privilege.

MR. PAULLEY: I, on a point of privilege as a member of this House suggest, Sir, that it is improper for the Member for Morris -- (Interjection) --

MR. DEPUTY SPEAKER: Order, please. Order, please.

MR. PAULLEY: It is rubbish on his part. I suggest, Mr. Speaker, that it is improper for the House Leader of the Conservative Party to impute motives and to cast aspersions against any other honourable member of this House, and in the language that he used, foisting upon this House his decision. Surely to goodness in this House, we are in control of what happens in this House and not the First Minister or anybody, including the Member for Sturgeon Creek.

MR. DEPUTY SPEAKER: The Honourable Member for Morris on a point of order.

MR. JORGENSEN: Mr. Speaker, you will recall the debate that took place when this rule

(MR. JORGENSEN cont'd) . . . was adopted and you will recall, Sir, that there were serious objections raised at that time to the advisability of adopting that rule because there would be some unworkable provisions in it. We accepted it on the basis that after it had been given an opportunity to see how it would work, we could then review it. We never had that opportunity because that provision has been in the speed-up portion of our proceedings ever since it was adopted, so we've never had a real opportunity to see how it works. But I suggest to you, Sir, that there are two obvious conflicts in our rules. Rule 86.1, that says it shall not be read on the same sitting, that it should read for the third time on an entirely separate sitting of the House; and Rule 88.14 is as my honourable friend the House Leader said. Now with an obvious conflict like that, Sir, it seems apparent to me that this is a matter that you shall take under advisement, and give a decision to the House at your earliest convenience, because I think it would be improper for us to proceed at this stage when there's such an obvious conflict in our rules.

MR. DEPUTY SPEAKER: The Honourable House Leader.

MR. PAULLEY: Mr. Speaker, may I in all due respect to my honourable friend the Member for Morris -- I appreciate his knowledgeability of the rules, I also, Mr. Speaker appreciate that my honourable friend knows what different sittings mean. And I draw to the attention of you, Sir, and also to the Honourable Member for Morris that we are dealing with a different sitting day. When this bill was introduced to the House it was given first reading on a certain day, then following that it was given the second reading on another day and referred to the Committee of the Whole House for its consideration; and we have been dealing with that in the Committee of the Whole House for a considerable period of time, certainly not at the same sitting in reference to Rule No. 86. And we are now dealing with a different day, so I suggest that there is no conflict in our rules, that we have dealt with this bill in accordance with Rule 86 and now the proposition before us, Mr. Speaker, is the third reading of the bill after it has come out of consideration in Committee of the Whole House. And that is the point.

MR. DEPUTY SPEAKER: The Honourable Member for Morris on the same point of order.

MR. JORGENSEN: Mr. Speaker, I have never heard such a perversion of an interpretation of the rules as that now given by the House Leader. The same sitting of the House is today. This bill was reported today, they're asking for third reading on the same day. That is the same sitting, and I don't care how the House Leader attempts to interpret that -- the same sitting day you are not permitted, according to the rules, to read the bill on more than one reading. Rule 86.1 is very clear: "Every bill shall receive three several readings on different days before being passed." This is the same day, Sir, the same day that the bill's reported from Committee. How the House Leader can interpret this as an entirely new sitting in five minutes is more than I can understand. His perversion of the rule is unbelievable, Sir, and I ask you again to make sure that before a precedent is established in dealing with these bills, that you take this matter under careful advisement before you pass a ruling on it, because your decision, Sir, will go as a precedent and if that kind of a precedent is established, it's a very bad one for this House.

MR. DEPUTY SPEAKER: The Honourable House Leader on the same point of order.

MR. PAULLEY: . . . to belabour the issue at all. I think anyone realizes what's happening and has happened, and I ask my honourable friend if he will recall what happened on second reading of the bill. And the motion then was that Bill No. 21 be now read a second time and referred to the Committee of the Whole House. It was introduced for first reading, it was considered on second reading and the motion that was proposed by my colleague, the Minister of Finance was that -- (Interjection) -- I don't give a continental whether it was by leave or otherwise. The point, Mr. Speaker, that I am raising is that the motion was that Bill No. 21 be now read a second time and referred to the Committee of the Whole House. Now -- (Interjection) -- it doesn't matter. -- (Interjection) -- Well, all right then. Let us say that my honourable friend is correct -- and I don't dispute that -- that it may have been by leave, but the motion was passed that Bill No. 21 be now read a second time and referred to the Committee of the Whole House, which was done. So surely, Mr. Speaker, my honourable friend can't say that it was not given readings on several days whether it was by leave or otherwise. To me, Mr. Speaker, the ruling is absolutely clear -- (Interjection) -- crystal clear as my colleague from Thompson says, and I'm sure that on reflection even my honourable friend from Morris will agree with me. So I say, so I say, Mr. Speaker, there's no conflict at all in the rules. They're clear, they're clear-cut, they were adopted by this House --

(MR. PAULLEY cont'd) I believe almost with unanimous consent, I'm not sure of the Honourable Member for Rhineland - but they were adopted, Sir, and the only proposition before us now is the third reading of Bill No. 21.

MR. DEPUTY SPEAKER: Order, please. I want to thank the honourable members for their contributions to the points of order. I have perused our House rule which I believe take precedence over any other rules. I've taken the point in consideration raised by the Honourable Member for Morris: "Every bill shall receive three readings on different days before being passed." I've also taken into consideration Rule 88, Subsection 4, Subsection 12, Subsection 14 speaking to Subsection 86.1 which states: "Every bill shall receive three readings on different days before being passed." This bill was introduced for first reading April 19th and passed first reading; this bill was introduced for second reading, debated on principle on April 27th and passed; the bill is now being introduced for third reading on May 5th. Therefore I would have to rule that Rule 88, subsection 14 is the section that would apply. "When a bill has been reported from a Standing or Special Committee and no amendment has been proposed thereto at the report stage and in case of a bill being reported from a Committee of the Whole with or without amendments, a motion that the bill be now read a third time and passed may be made in the same sitting." Therefore I am ruling the motion moved by the Honourable Minister of Finance, seconded by the Honourable Minister of Labour, that Bill No. 21, an Act to amend The Revenue Tax Act, the Tobacco Tax Act, and the Amusements Act be now read a third time and passed.

MR. JORGENSEN: It is with great regret that I must challenge your ruling.

MR. DEPUTY SPEAKER: Order, please. Order, please. The ruling of the Chair has been challenged.

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

MR. JORGENSEN: Ayes and nays, Mr. Speaker.

MR. DEPUTY SPEAKER: Call in the members. Order, please. During the absence of some members the ruling of the Chair was challenged. The motion was moved that Bill 21, An Act to Amend the Revenue Tax Act, the Tobacco Tax Act, and the Amusement Tax Act be now read a third time and passed. Upon taking points of order from several members of the House, the Chair has ruled that the motion is in order, and the ruling of the Chair has been challenged. All of those in favour of the motion that the decision of the Chair be confirmed, please rise.

YEAS: Messrs. Adam, Barrow, Borowski, Boyce, Burtiak, Cherniack, Desjardins, Doern, Evans, Gonick, Gottfried, Hanuschak, Johannson, McBryde, Mackling, Malinowski, Miller, Paulley, Pawley, Petursson, Schreyer, Shafransky, Toupin, Turnbull, Uskiw, Uruski, Walding.

NAYS: Messrs. Allard, Barkman, Bliton, Blake, Crank, Elnarson, Ferguson, Froese, Girard, Henderson, G. Johnston, Jorgenson, McGill, McGregor, McKellar, McKenzie, Moug, Patrick, Sherman, Spivak, Watt and Mrs. Trueman.

MR. SPEAKER: Order, please.

MR. CLERK: Yeas, 27; Nays, 22.

MR. SPEAKER declared the Chair's ruling upheld.

MR. SPEAKER put the question on the motion that Bill No. 21, An Act to amend The Revenue Tax Act, The Tobacco Act, The Amusement Tax Act be now read a third time and passed . . .

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, the government has control of the House and has decided on the procedure that they have. I would have hoped that they would have given the opposition the opportunity for the weekend to have examined a thoroughly significant amendment that the government proposed, to understand fully its implications. I do so -- and I suggest, Mr. Speaker, because the amendment that was proposed has certain implications that I do not think were really seriously considered in Committee, may not have even been seriously considered by the Minister, and they involve the question of discretion that should be given to the Minister by way of regulation to tell an industry one way or the other that they will or will not be paying tax on their lease arrangement. That amount of discretion which gives the Minister power to negotiate and to deal with industry and in fact pressure industry, I think, is a power that has to be examined very closely by the members of this Legislature. And I would have been happy, Mr. Speaker, to have had the opportunity to have been able to examine precedence with respect to it, to be able to understand fully the impact of what he was

(MR. SPIVAK cont'd) suggesting because, Mr. Speaker, the very important thing is that there was a recognition by him that there could have been some inequity and probably some considerations not fully understood by the members opposite when they drafted legislation that warranted a reconsideration of the particular tax with respect to production machinery and the lease arrangements in connection with that.

However, the government wants to proceed and we are going to accommodate them and I intend to accommodate today and in the debate yet to come. Mr. Speaker, the net effect of the taxation bill is to raise taxes in Manitoba. The declared purpose is to raise taxes to be able to meet the deficit that the government has budgeted for this year. We know that it does not meet the complete deficit because we know that there is some \$90 million that are put in general purposes borrowing, which realistically are part of the total deficit of the government. There will be some tax relief given by way of the 50-dollar rebate or up to a maximum of a 50-dollar rebate on education tax. This was announced very conveniently in the by-election in Ste. Rose, and it's come into effect now, but what was not announced at the time that the Ste. Rose by-election took place was that taxes were going to be increased to try and meet this particular tax relief that was going to be forthcoming.

And I want to examine the basic proposition, and the Honourable Member for Winnipeg Centre brought it in after we had passed the production machinery section of the bill in Committee -- but he brought in the position, and the Minister of Finance has brought it in, that in effect what we are doing here is raising taxes and shifting it and giving it by way of relief to the people of Manitoba. That has to be examined from several points of view. It has to be examined as to whether relief is really going to be given; it has to be examined as to whether the amounts that are claimed, those to be raised in taxation and to be given by way of relief, are accurate; it has to be examined in the light of the timing as to when relief will be given, and as to when are taxes are going to be collected.

Now let's talk about collection of taxes. The proposed bill is in effect already in Manitoba, and I think there's probably a need on the part of the Minister of Finance to try and get it through as quickly as possible, particularly as the momentum starts to develop among all the people in Manitoba who did not know that they were going to be paying the tax, and a number of people who did not realize that they were going to have to pass on the tax to the consumers in Manitoba or on to their suppliers and people whom they deal with outside of Manitoba. But there is also a necessity, because the tax is in effect, at least to minimize the retroactive effect of it. The truth of the matter is that we are going to realize \$12 million this year by taxation by this bill. -- (Interjection) -- No, well, you know it's very interesting, the Honourable Minister of Finance says no -- if I'm correct and if I look at the budget, \$7 million, \$3 million and \$2 million, -- (Interjection) -- Yeah, the total is 12 million, so I'm not wrong. We are going to realize \$12 million in taxation by this bill; and we are going to this year give a shift that was promised in the by-election of Ste. Rose before last year's budget was presented; we are going to give a shift in taxation which is in effect going to amount to \$12 million. So in effect the people in Ste. Rose and the people -- and I'm sorry the Member for Ste. Rose is not here -- the people in Ste. Rose and the people in Manitoba who were promised this relief, are now going to have to pay for it in a variety of different ways. And that's one proposition, and it's come to roost a year and a few months afterwards, and two budgets afterwards, but in addition we now have a promise for next year.

I have indicated that the tax is this year. We've also indicated on this side that relief was needed this year, not the kind of relief that the Honourable Minister of Finance is providing, but substantial relief. And there's no doubt that one of the reasons that the government want to rush this bill is because they do not want to face the rush; does not want to fact the statistical information that will be compiled when the Unicity taxes -- will meet the people in Unicity, particularly in the suburban areas where they are going to have to face substantial rises in their tax bill and find that the relief that is promised by the government is not substantial at all, and will not in any way compensate for the increased costs of this year, and God only knows what the increased costs will be next year, but they are going to be substantial. So we have to deal with this bill right away today, and we have to deal with it so that we are not in a position to make the kind of assessment as to what shift is being provided this year, and realistically what will be provided next year.

Now, we have already indicated that in our opinion the proposal for \$28 million to be shifted by way of an education tax rebate next year is not a real figure. We have produced the

(MR. SPIVAK cont'd) . . . figures that we believe were used by the Minister in arriving at that \$28 million. He has indicated that it was done in some other mysterious way and he has not yet produced any figures in this House, nor will he, because those figures were arrived at as we suggested. Now there may have been some mistakes and errors in calculations with respect to particular categories of people and groups of people that were presented as typical. But the basic contradiction that we stated existed in the education tax credit still exists, that relief was to be given to a maximum situation for people on low incomes, and people on low incomes are not the kind of people who are going to have up to \$140 education tax to pay. So the result is that the Education Tax credit that is claimed for next year which is supposedly \$28 million will not be \$28 million. And the Minister of Finance has not produced any figures, nor will he produce any figures because he says he cannot argue against that.

But now the other situation which has clearly developed from the answers that the Minister has given to the series of questions that have been asked of him when we dealt with this in the committee of last week, is the fact that in arriving at the amount of money that the tax would be generating this year and next year, that we have the same kind of simplistic arithmetic being arrived at by the Minister of Finance. In fact one gets the impression that what he has done in order to try and achieve a political figure that he can announce in an Wolseley by-election, we will be giving \$28 million -- what he has essentially done is he's arrived at a proposed tax increase that should in fact appear to be more and would give him the additional benefit of putting another \$6 million into the Foundation Program. And Mr. Chairman, this becomes more and more apparent -- with respect to liquor and tobacco tax, there is a base, there is some way in which those computations can be made. With respect to production machinery and the whole gamut of what is going to be taxed in this province, I don't think there is any way that anybody on that side or on this side can tell the overall effect; because we are talking about a situation that has not been measured; we are talking in real terms about dollars that will be collected in -- sales tax dollars that will be collected in a number of items that were never even considered in the category of production machinery or consumables used in production machinery. And I have to arrive at the conclusion -- and I must say that the Minister of Finance will dispute it but he will not produce any arithmetic to dispute it -- I arrived at the conclusion that what they have done is exactly what the Member from Winnipeg Centre has said and the Minister of Finance has said, we had to raise taxes because we made a promise a year and a half ago that we have got to live up to. And now we are going to make a promise for next year, and we won't know how we'll meet that one next year because maybe we'll have an election in between so we'll be in a position not to have to worry about it, we'll let some other administration worry about it -- and in the course of this, we are going to acquaint the amount of money that we have to give by the amount of taxes that we have to say that we are collecting.

Well, Mr. Chairman, again no \$28 million will be paid out by next year by education tax credit. I can say that as sure as I can say that auto insurance in Manitoba has not been decreased. I can say, as well, Mr. Chairman, I can say as well, Mr. Chairman, that I don't think the Minister of Finance has any idea of the amount of money that will be collected; and I think that one of the reasons for the kind of amendments that have been proposed for the discretion that could be exercised that he indicated, is because he didn't realize it and because, in effect, we may under the umbrella of this Act catch a great deal more in Manitoba for taxation than was realized. And so the Provincial Treasury and the Minister of Finance will be happy, there'll be more money in the coffers of the Province, but of course who's paying for that? The people of Manitoba will be paying for it, and the people outside of Manitoba, if they buy our goods. They may not buy our goods if their price is a little bit higher, and that I think is a very fundamental principle of economics for the members opposite to understand -- and certainly the Minister of Industry and Commerce understands because we have products that are being produced in Manitoba in which the government is involved which undersell existing prices in this province of other competitors; and is done deliberately for the purpose of trying to get volume and for the purpose of trying to make something go ahead, and for the purpose of making something grow in Manitoba in terms of an industry -- we undersell, we know that. Now, unfortunately the manufacturers in this province are not going to be put in the same position as the government enterprise because they have to compete on the market for the world and they have to pay the tax, and this becomes very significant, Mr. Chairman, in terms of a philosophy.

(MR. SPIVAK cont'd)

Now, I've had an interesting occasion -- and I'm glad the Honourable Member from St. Boniface is here, because we may have an occasion to read back some of his speeches -- I've had an interesting occasion to go through -- (Interjection) -- I will, oh I intend to, I intend to, -- (Interjection) -- I intend to -- (Interjection) -- Well, you know, I'm sure that the Honourable House Leader is listening because I can see his color getting up, or maybe it's just his natural color at this time of the day.

Mr. Speaker, I must tell you that in reading the debate in 1967 on second reading, and in the Committee of the Whole, and on the third reading, the honourable members opposite when they were in opposition, and they weren't the official opposition with the exception of the Honourable Member for St. Boniface at that time, we find that there were criticisms that were levelled against the government for introducing the sales tax. I know that -- and I remember and I think that the Honourable Member from St. Boniface will recall, that the Honourable Leader of the Opposition then in his opening address I believe stated to the Minister of Finance what your good friend has done to you I wouldn't have something -- I would not have -- I'm sorry I can't paraphrase it correctly but he said what the Premier, referring to the Premier, had done to his good friend by introducing this sales tax bill in his name. -- (Interjection) -- No, I'm not talking about that particular fellow, you are. But I suggest, Mr. Speaker, that after the sales tax bill was introduced there were many people who blamed the Minister of Finance and who blamed the Premier for it. And while the Minister of Finance, who appears to be an agreeable man, may not feel that he is going to be tagged as other Ministers of Finance are when a tax bill is introduced, I must say that I think that the same thing is going to happen to him and -- (Interjection) -- he's going to worry about it, I know that, but I must say that that will be the consequences. But in any case in reading the speeches it becomes pretty obvious that the members opposite now that they've become government have completely reversed their position and have forgotten all that they said in the past, and were not serious about what they thought about in the past, and are not really serious about the consequences of this particular Act, because they need money because a promise was made -- the Ste. Rose by-election -- we've got a promise now being made in the Wolseley by-election, and we'll worry about how we're going to pay for it, and we will then make more promises when we get into a general election.

Well the Honourable Minister of Education, the Honourable Minister of Education said, and I quote, when he was talking in connection with the sales tax bill, "But there's one other point, Mr. Speaker, that I would hope the Provincial Treasurer would provide some information on, and that is the manner in which he had calculated the amount of the sales tax that he hopes to collect this year. True he has given us the figure of \$33 million for a nine-month period and on that basis he estimates that the amount will be about 45 million on a 12-month period. However, Mr. Speaker, I think the members of this House and the public in general would appreciate if the Honourable the Provincial Treasurer would provide us with a more detailed accounting of how exactly he arrived at this figure because I suggest to you, Mr. Speaker, that there is some doubt as to whether this is a valid approximation of the amount of money that he could expect to raise." That was the statement of the Honourable Minister of Education, and he's shaking his head in agreement. That's interesting, Mr. Speaker, because that's our position. We would like the Honourable Minister of Finance to indicate how he believes that the amount will be raised. How does he believe that on the production machinery there will only be 12 million? Now, Mr. Speaker, there are two possibilities. One is that there'll be less, or the further one, which is the one that I would opt for is that we're going to raise substantially more money than \$12 million and -- (Interjection) -- Oh is that bad. Now the Honourable Member for Thompson as usual misses the point. Is that bad? Who is paying the tax? The manufacturers? The big industrialists? The big corporations? The giants? No, Mr. Speaker, the people who are paying it are the people in Manitoba and he says, "Is that bad?"

MR. DEPUTY SPEAKER: The Honourable House Leader.

MR. PAULLEY: Mr. Speaker, . . . and I apologize for the interruption to my honourable friend, he's really going hell bent for election. I wonder though if we have omitted to draw to your attention our Rule No. 88, subsection (4) which states that a bill reported from Committee of the Whole House shall be received and forthwith disposed of without amendment or debate. I apologize for not having noted this rule of this House earlier and I

(MR. PAULLEY cont'd) . . . wonder, Sir, in all due respect to the Leader of the Opposition, whether you may take that into consideration.

MR. DEPUTY SPEAKER: The Honourable Member for Morris.

MR. JORGENSON: Mr. Speaker, what the House Leader is referring to is a bill reported to the House. There is nothing that says in this particular citation about third reading. Third reading of a bill has always been debatable.

MR. PAULLEY: Under the previous rules.

MR. JORGENSON: Under existing rules as well. Third reading of a bill is a debatable motion. And I don't know how the -- I don't know how much further the House Leader is going to go in his attempt to stop debate in this Chamber, but surely this is a gross misinterpretation of that particular rule. Next thing we know the House Leader is going to come into the House and suggest that we are not going to be entitled to debate second readings. Now, Sir, I was suspicious of this Rule 88 when it was brought into the House and the more I see the use of it, the more suspicious I become of that rule, the more I realize how inapplicable it is to the conditions that exist in this Chamber, and certainly, Sir, if we by some mysterious interpretation of this rule are going to prohibit debate on third reading then we have lost the right of free speech in this Chamber just as surely as the Minister has indicated in his statement just a moment ago. Sir, under no stretch of the imagination can anyone suggest that that rule suggests that on third reading there is to be no debate. And if it is, Sir, -- (Interjection) -- I'd like to know what it means myself, but surely, Sir, if it is going to mean that third reading is to be discontinued on bills, then we have certainly lost the right of freedom of speech and if that is the suggestion made by the House Leader . . .

A MEMBER: You were on the Rules Committee.

MR. JORGENSON: Well my honourable friend says I was on the Rule Committee. I want to advise my honourable friend that the Rules Committee never brought this rule in. I say again that rule was brought in by the Premier, foisted onto this House and adopted reluctantly by the Opposition. I said it wouldn't work at that time, and the more I see it the more I'm convinced it won't work. And if it's going to suggest that third reading is not permissible in this House, then I know it won't work. And I can just tell my honourable friend right now that when the Rules Committee meets again to debate the rules, this one as far as I'm concerned is going to go out.

MR. PAULLEY: Mr. Speaker, if I may . . .

MR. DEPUTY SPEAKER: The Honourable House Leader.

MR. PAULLEY: I raised the question because of subsection (4) or our Rule 88. It is not my intention to attempt to prevent the Leader of the Opposition, the Member for River Heights, from continuing his discourse, his tirade, whatever we want to call it. I did raise this because it seems to me a rule of the House that should be given consideration because, Mr. Speaker, after all if we take a close look at that subsection (4) "a bill reported from the Committee of the Whole House shall be received and forthwith disposed of" and the key words are "disposed of without amendment or debate." Now then -- (Interjection) -- have you got a pain in your tummy again? And I suggest, Mr. Speaker, that this is a section I'm not asking you to rule at the present time, I think that it would be worthwhile for all members of the House to take note of that rule, and more importantly of course, Sir, you as the presiding officer of this Assembly.

MR. DEPUTY SPEAKER: The Honourable Member for Morris.

MR. JORGENSON: I would like to draw to your attention a further rule in our rules. Rule 36 listing debatable motions. "The following motions are debatable. That is to say every motion (a) standing on the Orders of the Day; (b) for the concurrence in a report of a Standing or Special Committee; (c) for the previous question; (d) for the second reading of a bill; (e) for the third reading of a bill." Now surely, Sir, under our rules third reading of a bill is a debatable motion.

MR. DEPUTY SPEAKER: The Honourable Member for Fort Garry. On the same point of order?

MR. SHERMAN: On the same point of order, Mr. Chairman. The government House Leader is too good a parliamentarian, and too much a respecter of the rules and the institutions of parliament, and the rights of parliamentarians, to suggest for one moment that he would be party to any kind of measure that eliminated a fundamental part of the parliamentary process. And I think it stands to reason on even the most superficial examination, Mr.

(MR. SHERMAN cont'd) . Speaker, that the government House Leader, and members on the government side as well as on this side, with the kind of tradition and knowledge of tradition in parliamentary procedure that the government House Leader has, would never be a party to any kind of motion that eliminated part of that process. So in pure logic, Mr. Speaker, in pure logic, one has to assume that that was not what was intended by that rule.

A MEMBER: He's been mixing with the wrong people.

MR. DEPUTY SPEAKER: Order, please. The Chair is in a bit of a quandary here, I think, as well as other members, because I do see a direct contradiction between Rule 88, subsection (4) and Rule 36, subsection (e), and the Chair will take the matter under advisement. The Honourable Leader of the Opposition. Order. The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I think that the point that has to be recorded here is that there is not leave that has been given for this privilege.

MR. DEPUTY SPEAKER: The Honourable Member for Winnipeg Centre.

MR. J. R. (BUD) BOYCE (Winnipeg Centre): May I suggest, Mr. Speaker, that as there is apparently some conflict, some difference of opinion in this matter, that we do proceed by leave so that we aren't setting a precedent in having debate and have the rules taken under the advisement of the Speaker.

MR. DEPUTY SPEAKER: The Honourable Member for Morris. On the same point of order?

MR. JORGENSON: Yes. On that particular point of order, Sir, you have made a ruling and I think you have agreed to allow the Leader of the Opposition to continue. I might just say that Rule 36 has been a long standing rule of this Chamber. Rule 88 is a new one and a bad one.

MR. DEPUTY SPEAKER: Order, please. I have already stated to the honourable members that I'm taking the matter under advisement. I am recognizing the Honourable Leader of the Opposition under our rules of the House. The Honourable Leader of the Opposition.

ORDER!

MR. SPIVAK: Well Mr. . . .

MR. DEPUTY SPEAKER: There is no leave. I am recognizing the honourable member. The Honourable Leader of the Opposition.

MR. SPIVAK: I wonder did the Minister of Finance say leave? Well, Mr. . . .

. . . . continued on next page.

MR. DEPUTY SPEAKER: The Honourable Leader of the Opposition. The Chair is recognizing the Honourable Leader of the Opposition. Would you please proceed.

MR. SPIVAK: Mr. Speaker, I am happy that you recognize me and I'm unhappy that the Minister of Finance still keeps yelling leave. --(Interjection)-- Yeah, but I think he also is parliamentarian enough to know that that was a discourtesy, but that's all right. --(Interjection)-- Yah.

Mr. Speaker, before this interlude we had the opportunity of examining what the Honourable Minister of Education said in the sales tax debate several years ago. And I would like to go on further with the next sentence or not the next sentence in order but the next sentence I'd like to quote from that page and when he says, "Now this is the reason why, Mr. Speaker, that I suggest to you that the Provincial Treasurer ought to disclose to us exactly how he arrived at this figure." Now let me, Mr. Speaker, explain the information that the Honourable Minister of Finance has presented so far in the Committee of how he arrived at the figure of \$12 million for the production machinery tax. After an introduction of some statistics which were last year's statistics, which were a breakdown of manufacturing and other industries, or other categories by DBS the Minister then introduced the combined 72 figures of capital and repair for machinery, and indicated that in some way a five percent application was made to that figure and that in turn if we examine the overall effect and recognize that the straddle effect meant that for all intents and purposes it would not come into operation until November 1st, indicated that that's how the \$7 million was arrived at for this year, and that's how the \$12 million would be arrived at next year.

And the figures over the previous years for machinery and equipment have been around \$400 million so that five percent of that was \$20 million and those that would now be paying sales tax or would not, it would approximately be that amount. And that was his explanation. No figures but that was his explanation. Now, Mr. Speaker, if that was the fact what he hasn't taken into consideration is that the consumables are not shown in the machinery and repair, capital and repair expenditure intentions; that the consumables that will be used in the operations are not even included in those figures; that in effect all the leasing arrangements that now exist in the province, which will be subject to a five percent sales tax, were also not included. So if he could arrive at a \$12 million figure on the basis of five percent of the DBS statistics on machinery capital and repairs, we then must add the tax on leases, and lease arrangements, we must add as well all the tax on consumables. So I suggest, Mr. Speaker, we face the reality that the tax that is going to be collected is substantially higher, substantially higher than is being proposed. The Member from Thompson will be very happy.

And although there has been criticism of the figures that have been presented from this side, as I have said before and I say again, we have at least put figures on the table. The Minister of Finance has put nothing on the table. He says that he has worked it out, and he and his department have worked it out, and that's good enough. And I suggest to you it is not good enough, because when we originally talked about a tax shift or a tax shaft, the shaft becomes even greater when you realize that they're not going to be paying as much money as they propose next year, and they're going to be collecting more taxes from the public. And that really is the shaft that is occurring in Manitoba, and the Minister of Finance has yet to produce anything in writing that would support his position. And that's where the people of Manitoba are going to be paying.

It's true that the attempt will be to hide it because it's in the production machinery tax but those costs the people are going to now realize are going up for them. In the service industry, in the things that they're going to buy, in the repairs that are going to be made. Those costs are going to be borne by the people in Manitoba or borne by customers of our products outside if the customers outside continue to buy our products.

Now there were a number of exemptions that have been presented in the bill and the government appears to be pleased for them. The Minister of Finance has indicated that he now accepts that some of the things that he said on this side administratively couldn't be worked out. But there are certain things that could have been worked out, certain things that he said and the other members said that have not occurred. And I'd like to refer to his speech on March 9th of 1967 when he talked about dry cleaning, and the sales tax on dry cleaning, and he said, "And of course the question of dry cleaning and laundry comes up as well. That's a matter of cleanliness and I doubt if it is proper to tax cleanliness in that fashion. And that recognition ought not to be given to the need." Now that's an interesting situation, Mr. Speaker. When the

(MR. SPIVAK cont'd.) Minister of Finance was in opposition he questioned the tax on dry cleaning. Now he's the Minister of Finance, he's presented a bill in which relief is given, changes are made, he has not changed the tax on dry cleaning. So he's obviously changed his opinion. He cannot argue as he would like to in children's clothing and that it's a difficult thing administratively to do. It's very simple. You take the tax off dry cleaning and that's all and it's very simple because the public who are the ones who are paying it, don't have to pay for it. But, no, he's not giving this exemption because he's not - because when he was not really serious when he was on this side. And this is true, Mr. Speaker, of the whole gamut, the whole range of arguments that were presented when the honourable members opposite were in opposition. You know there are those who believe that the New Democratic Party's function is better in opposition than in government, and I would suggest to you, Mr. Speaker, that the last three years have demonstrated that, and I would suggest that if one looks at the performance of those things that they have done when they've had the power, one realizes that they probably are better in opposition, because here they are in a taxing bill; here they are where there is a very simple way of eliminating a tax that they themselves were unhappy with, without any administrative detail, and they haven't done it. They brought in certain things and they have been influenced obviously by the Member from Thompson whose support they are still trying to hold, and for that reason they have provided some things that will accommodate him. But the truth of the matter is in terms of accommodating the people as opposed to accommodating the Member from Thompson, they are not really seriously interested.

Now, Mr. Speaker, we will now come to the question of clothing and I can recall, and the Honourable Member from St. Boniface can recall his speeches with respect to clothing, and his general feeling of how unfair it was because of the way in which the regulations were going to have to be undertaken. I assume that he and the members opposite had time to consider the possible exemptions that could be added to on the sales tax and I assume that he has looked at this and he, along with the Minister of Finance, has come to the conclusion that he was wrong all the time. He certainly wasn't right, because if he was right he would have provided that kind of exemption. He didn't. What he did he followed the footsteps of the Honourable Minister of Finance who said that it's so difficult to administer, that it would be so costly, that it would be better to continue as it was even though there are some inequities. And while it may be just an interesting debating point to mention it Mr. Speaker, the truth of the matter is that there are a lot of people who have been treated unfairly because of this and continue to be treated unfairly because of this and one wonders why with all the resources that government has and with the determination that they have they haven't changed it. Rather they have continued on with the same tax without any serious consideration being given to it.

Now we come to the next one which is workmen's tools, and I could read the speech back to the Honourable Member from Inkster, and I believe the Honourable Member for Riel has already done that, in which they indicated that a workman's tools should be exempt, and I could also read, and I want to read, the statements of the Minister of Finance when he said "I wonder" and he was now referring to a baker as opposed to a carpenter, "I wonder if the baker that is using tools in baking, other food processes will be given the same consideration in the great desire to keep down the cost of food to the consumers". And he was talking about farm implements being exempt and he said "whether tools of trade should not be exempt." Well he is now Minister of Finance; he had the power to exempt the tools of trade; he has seen fit not to exempt them. He along with his colleagues who were in opposition said it should be exempt; it could be exempt; it was only a question of having the will to do it. Obviously they haven't the will or the government was right in the first place, and it's easy to cop out, and that's what the Minister of Finance has been doing, and the Members of the New Democratic Party have done on the other side, to cop out about those things which they thought were inequitable, Mr. Speaker, let me suggest to you that the inequities that have arisen, and have arisen as a result of the advice that was given to the government of the day as to how and in what way the tax could be collected. It still could be corrected. It still could be done. And even though there may be administrative difficulties in cost, it still should have been done.

But the honourable members opposite are now in government. The honourable members opposite are not in . . . --(interjection)-- well let's try and say to the Honourable Member from St. Boniface, why didn't we do it? The New Democratic Party, thanks to the Honourable Member from St. Boniface, have been in power for three years. They came in in 1969, the application of the sales tax had not even been two years, if I'm correct, from the time it went

(MR. SPIVAK cont'd.) into operation. This is a review that's made five years afterwards and, Mr. Speaker, I think I've indicated, and I continue to indicate, that there was an examination that had to be required; there was a study that had to be undertaken. Fine. The government could have introduced this at the first session; they could have introduced it at the second session; they could have introduced it at the third session; they are now introducing in the fourth session, and they are not bringing in those exemptions, Mr. Speaker, because their arguments were hollow then; they were meaningless then; they were in opposition to government bills, and they really were not concerned at that time with the kind of principles that they liked to believe - and that's the big problem with the New Democratic Party - they like to believe - and that's the big problem with the New Democratic Party - they like to believe that they motivate them, because they are motivated by the very pragmatic consideration of trying to hold power, and the Minister of Finance by the pragmatic consideration of trying to raise money to cover government expenditures which should, and we insist, could have been pared.

Now, Mr. Speaker, now let's deal with the question of production machinery and consumables and let's understand whether - and I would like to again quote the Minister of Finance - whether the government has met the criteria that he has suggested had to be met when he discussed the sales tax in its introduction. Mr. Chairman, this is what the Honourable Minister said, "Again I repeat the challenges that have come from this side of the House", they were in opposition then, Mr. Speaker, "to all these people on the Conservative benches, and especially the backbench, who make up about half of the total Conservative party, I think the backbench is slightly less than half, to get up and say that this is the proper thing. I don't even want them to say it's a good tax. I want to hear them justify it." Let's see who's really justified it, The Honourable Member from Thompson - but usually he doesn't know what he's talking about. The Honourable Member from Winnipeg Centre is the only one that has stood up and said he's justified it. The Honourable Member from Winnipeg Centre says, "I justify it because, because we know that there is going to be a tax shift of so much money, and we know we are going to collect so much money, and what we've done is we have raised taxes, and we are giving relief that way."

But what the honourable members opposite, I think, now realize, and it must become apparent to them that the Minister of Finance sold them a fast bill of goods when he suggested that \$28 million was going to be given. They would like to rationalize by saying yes, now those people in need are going to receive some support and there is no doubt that there will be support received by older people and people on low incomes, but nowhere near the representations that I believe they thought were going to happen, there is nowhere near the \$28 million that's going to come. And for that the people of Manitoba are going to be paying taxes; and they are going to be paying taxes on liquor, and they are going to be paying taxes on cigarettes; and they are going to be paying taxes on production machinery; and they are going to be paying tax on everything that they will be receiving. So, Mr. Speaker, I do not believe that the Honourable Minister of Finance has justified this. I don't believe that the Honourable Members opposite have justified it. I think now that the honourable members opposite, and I talked about the backbenchers, have to have continuing distrust of their Ministers who continually come in with programs but they don't know what they are talking about like the Honourable Minister of Municipal Affairs with Autopac, and they have to suffer the consequences because of the bad management, the mismanagement and the non-management and misinformation that has been furnished to them.

Now, Mr. Speaker, with respect to the production machinery tax and the debate of the last week, we've said for some time that it was necessary for the kind of scrutiny to be undertaken so that there would be some understanding of what was really intended and you know, I want to quote, if I can, the Honourable Member from Inkster's remarks when he was talking to the Sales Tax, when he said, "Mr. Speaker, I would support the position that is presently being taken with regard to this amendment" - and this was the amendment of the Liberal Party, and I believe, and I have the speech of the Honourable Member for Assiniboia in front of me, and that would be the amendment as I understand which would have referred the tax bill to the Law Amendments Committee. And the reason it was going to be referred to Law Amendments Committee was to be in a position that there would be public scrutiny, and the Honourable Member from Inkster said "I would support the position that is presently being taken with regard to this amendment, and I support it not so much because I think that the reference of this bill to committee will result in improved sales tax, I support it because I think that if the bill

(MR. SPIVAK cont'd.) were exposed to the type of public scrutiny that is now being suggested by the amendment of the Leader of the Opposition, that the public scrutiny would result in this bill not being adopted by this legislature."

Well, Mr. Speaker, obviously our position was the same position as the government but they were in opposition then and they said it. Now when we have a tax bill the implications of which are not understood by the people, or the other members on the opposite side --(Interjection)-- Yeah. Now let's go through this, and the Honourable Minister of Finance can smile all he wants, but let's understand exactly what happened. The members opposite say yes we agree, there should be public scrutiny - they now become in charge of the public purse and what do they say? No public scrutiny. And then they argue - well what did we say? Well what have they done? I'll tell you what they've done - they have gone back on the arguments they advanced in opposition because they didn't mean it in the first place, and because - and if they did mean it in the first place, Mr. Chairman, if they did mean it in the first place, we would be being pushed to third reading on this bill today. Let me tell you that. We wouldn't be put in this position. Because they are not interested in public scrutiny on this. They are not interested in public debate on this, and they are not interested in the public being, for the public to understand at this point the consequences of the tax that they are imposing. They would have hoped, and in fact I am sure that they planned, and they probably considered that there would be the possibility of speedy passage of this bill. And they did this in the hope that they could maybe slip through so that there would be no knowledge of the consequences of it, --(Interjection)-- Yeah. Well the Honourable Minister of Labour says fiddlesticks, but I don't think --(Interjection)-- But I want to say that if there has been any obstruction at all in the proceedings with this bill, the onus and the fault lies entirely with the government for introducing an imperfect measure into this House, an imperfect measure into this House.

I wonder if the Honourable Minister of Labour, the Honourable House Leader knows who made that statement. --(Interjection)-- Yes I guess you could have. I say that if there has been any obstruction at all in proceedings with this bill, the onus and the fault lies entirely with the government for introducing an imperfect measure into this House. Well, Mr. Speaker, it's not a question of this measure being an imperfect measure, the consequences of this measure, . . . are not really understood, and as I have indicated there are going to be two groups of people who are going to be affected, the people of Manitoba who are going to be paying an additional amount of money, which in our opinion will equal the rise of a one percent sales tax, and the consequences of a one percent sales tax on them. In addition we are putting Manitobans in an uncompetitive position again in being able to compete in the markets outside of Manitoba. We have to relate that as we have suggested to the total tax load. The tax load, Mr. Speaker, of personal income tax, corporate tax, real estate tax, and sales tax.

Mr. Speaker, we want to talk about real estate tax for one moment because it relates to the question of the whole tax load. There is no question to . . . I just think of all the industries that are located in the suburban areas, particularly in the St. James-Assiniboia, and I think of the consequences that are going to occur to them as the increased taxes have to be absorbed by them. For most of them whose products are sold in Manitoba it's very easy, they have essentially a captive market in Manitoba, and all they will do is raise their prices. The increase in taxes in Assiniboia and St. James which is substantial in terms of the commercial rate that is going to go up, along with the personal income tax, along with the corporation tax, and along with sales tax on production machinery and consumables, is going to do a great deal for a jump that will take place in the cost of living in this province - and it will be borne out, and I suggest very simply Mr. Speaker, it will be borne out by the statistics to come next year when we deal with the consumer price index.

So, Mr. Speaker, the Honourable Member for Inkster suggested that there should be public scrutiny, and we of course do not have any public scrutiny. We have had an opportunity at this time --(Interjection)-- I wonder if the Honourable Minister of Finance has something to say, I would hope that he would wait. I would hope that he would wait until we finish, and I hope that it would be presented in a less sarcastic way than he's dealt with the honourable members opposite when they have attempted --(Interjection)-- your style, I never have - no, no, that's your style, Saul. I want to tell you, the only thing is - not that happens to your style.

MR. DEPUTY SPEAKER: Order please. I would draw the Honourable Leader of the Opposition's attention to that we do not refer to other members in this House by name. The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I apologize and I withdraw the reference to the name.

Well I suggest we could have had public scrutiny on this. I suggest that the rush on the bill is not to have public scrutiny. We have had a few announcements - they don't seem to be that significant to the members of the opposite side, but I think they are significant because notwithstanding the fact that one of them today involves a firm which has had dealings with the government and has had controversy over taxation generally. That firm happens to be a major producer in this province and in this community. That firm happens to be a firm that buys a lot of its component parts from many of the firms in Manitoba, and it draws from them. That firm basically supports a lot of small undertakings in this province whose very livelihood depends on the ability of the firm to be able to continue and grow. There are a number of people, Mr. Speaker, and there are a number of people whose jobs are involved who are dependant on the success or the failure of that firm and so therefore - notwithstanding the fact that they would like to downgrade it, Mr. Speaker, it would seem to me that there has to be some consideration given to their statement and these specifically Mr. Speaker, have indicated that the production tax is a consideration.

The Honourable Member from Crescentwood talks in terms of the DISC program as being a factor. Well there is no doubt that that is a consideration but at the same time the firm concerned mentioned production machinery.

Now, Mr. Speaker, we have talked of the fact that the Honourable House Leader stated that in trying to defend their arguments with respect to the sales tax bill, and I gather, if I'm correct, there was a three week debate that we had - I think it was a three week debate that we had that they participated in before the sales tax bill was passed - that insofar as obstruction was concerned, there was no obstruction. Mr. Speaker, based on the remarks that have been made in the last well I guess the last 36 hours by the Honourable Minister of Finance we can be very happy with the fact that we were in the position and were prepared, and have been prepared, Mr. Speaker, to be able to debate this bill, and to be able to at least get certain considerations from the Honourable Minister.

Now our concern with the production machinery sales tax is twofold. One, that consumers in Manitoba will be paying higher prices, and, secondly, that our industry will not be able to compete, and that as a result of it jobs will be affected. We believe that this is a hidden tax. We believe that it is a - and, Mr. Speaker, we believe that it will directly affect jobs, and jobs have to be, and unemployment has to be the main issue today. The government of the day that introduced the sales tax exempted production machinery. They did it because of a recognition of the position that Manitoba industry had with respect to world markets. They did it not to protect the industrialists and the entrepreneur --(Interjection)-- Oh no. All right, I see. The Honourable Minister of Finance would like to suggest in all conscience that their purpose was to protect the entrepreneur. You know it's one . . .

MR. CHERNIACK: On a point of privilege, Mr. Chairman. I think it's up to me to suggest what I'd like to suggest, and unless the honourable member is prepared to quote on anything I have said in Hansard, -

MR. DEPUTY SPEAKER: The Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, Yeah I will then say that the reference by "Oh no" by the Honourable - and that's what he said - "Oh no" by the Honourable Minister of Finance would allow me to draw a conclusion which is argumentative, and may not necessarily be the conclusion that the Honourable Minister of Finance wants to be drawn - and he isn't going to be entitled to speak on it - but that conclusion would be that the government today was concerned more about the entrepreneur than it was about the jobs in Manitoba. Well let me say to the Honourable Minister of Finance, the government of the day was concerned about jobs in Manitoba, they were concerned about the economy, they were concerned about the growth in Manitoba and its position with respect to its opportunities. They also recognized, Mr. Speaker, something that this present government has not recognized, that the great opportunity for growth in the manufacturing area was going to be in the mid-Western area of the United States, that the opportunities that that market presented were formidable for Manitoba, and that we were going to have to do everything we could to encourage our people by a variety of programs - and I'm not going to discuss them now - for a variety of programs to try and help them to be able to enter and compete in those markets. We were also aware of the fact, I think, and it's been pretty obvious that taxation is a factor as far as costs are concerned and will be ultimately passed on in the costs of goods to be delivered to the markets of the world, and with the

(MR. SPIVAK cont'd.) opportunities that could occur in the West this in itself would have had a retarding effect, for that reason, production machinery was exempt. It was exempt to try and give Manitoba industry an advantage, to try and be able to have opportunities for increased sales so that we could get into the scale and specialization in our manufacturing that will allow us to have rise of income in the hands of our working people, and at the same time to create new jobs. And that was the motivation, Mr. Chairman. That is the motivation of why Quebec today is going to take off the eight percent sales tax because they in effect are doing the same thing that was done in 67 by us. They are going to exempt production machinery, and that they're going to do it for the simple reason that what they are trying to do is raise incomes of their people and create jobs.

Now the Honourable Minister of Finance is correct in saying that a budget has declared this and it hasn't been placed in a . . . but at the same time from the information that we have and the information that he's presented, I think we can draw certain conclusions. We can draw conclusions that the announced purpose of the tax reduction in Quebec is to in effect spur industrial development. And it is to do this by reducing the selling price of goods manufactured in that province. Now it's true that the exemption is limited to certain exclusions --(Interjection)-- Well the ones that I have been able to determine are office fixtures, and miscellaneous heating, and lighting equipment - and obviously the Quebec situation is not comparable with Manitoba's. Well you know the Honourable Minister of Finance is not a good actor, and although he may attempt to try and at this point suggest that there is something so startling in this, based on the information that we've been able to obtain, and I admit that he appears to have some more confidential information than we have, the announced purpose is for industrial development and jobs, it is to in effect help in the reduction of the selling price of goods. In addition the proposals include a proportional sales tax abatement for sales by Quebec firms outside of Quebec, and there is provision for reduction in sales tax paid on certain taxable items purchased by Quebec-owned enterprises. Now they've done this, Mr. Speaker, for a three-year period.

When Dr. Weldon appeared before the Standing Committee on Economic Development and the questions were asked of him of what he thought would happen with the economy in Manitoba, and with the economy in Canada, he basically stated that the economy of Canada will have its direct effect on what the economy of Manitoba will be. If the economy of Canada is good it will obviously have an effect on Manitoba, and so much of what happens in Canada, or outside of Canada, inhibits on Manitoba's growth. But if anything he was not optimistic. If anything he, without trying to be pessimistic about our prospects, he tried to be realistic in the presentation of the fact that unemployment was going to be a severe problem for the next 18 months; that in effect the figures of unemployment of six percent really do not reflect the total figure and I think he reckoned that to be at eight percent, Mr. Speaker. He indicated the need for further government action, and he also, in answer to the questions that the Member from Crescentwood indicated, that that was really a government, a public policy as to whether what was being done was enough or not. And he also indicated that the total program of the government would have been equal to approximately one percent reduction in unemployment.

Now, Mr. Speaker, the question that one has to ask, because all one has to do is examine the statistical information of how many employees are in the private sector and how many employees are in the government sector to recognize, is there going to be anything that can be done to spur the private sector? Is there going to be anything to be done by government to assist them? Well I think there would be an opportunity for selective tax credits to be brought in but instead the government has opted for the option of raising a tax which comes at a time when there is a forecast by the top economic advisor to the government that there will be serious unemployment for the next 18 months; that we are not going to go through a particularly good period, and we are doing that recognizing that we are going to make it more difficult for our people to compete and that this along with all the other things that are happening will make them become very concerned, less likely to invest, less likely to expand, less likely to be concerned to risk in the development of enterprises. And who's going to be affected? The entrepreneur? The investor? No, Mr. Speaker, the people that are going to be affected are the people. The people who are working, the people who have not the jobs, the people who are going to have to --(Interjection)-- Oh, make up my mind. There is no inconsistency on this. The people who are going to have to go to other areas, the people who are going to go on welfare. And as we get more welfare we're going to require money, and we're going to have to raise more taxes to give to the people who are on welfare,

(MR. SPIVAK cont'd.) and the people are going to be on welfare - why? Why? Well because we haven't got enough jobs in this province. And there's no - well - all one has to do is look at the welfare rolls to recognize that this is a problem; and all one has to do is to recognize that the opportunities are not being developed, nor will they.

The Minister of Industry and Commerce stands up, Mr. Speaker, and he announces that we have so much industrial development, and when you say to him tell us how many jobs have been created in Manitoba - you know if he can count over a couple of hundred we're very lucky. He can't. He really can't. He talks nonsense about the actual job formation in this province because he can't quote any statistics, because there are none. They're not happening. And yet again what do we do for this particular situation? We sock it to 'em and we tax them. And that's what we are doing, Mister.

Now the other aspect about production machinery was the problem of the lease arrangements, and we've indicated, and I want to indicate to the Minister of Finance again there are three kinds of lease arrangement. There is a legitimate lease arrangement. There is a lease arrangement which has an option at the end to purchase at a nominal value. That lease arrangement is a financing arrangement. There is a lease arrangement which has an option to buy at fair market value. In some cases that's an actual lease arrangement, in many cases it is really a financing arrangement. And it is done not because, as the Minister of Finance would have us believe, people want to be able to write that off against income tax. It is done in Manitoba because people do not have the capital to invest in production machinery and its supplies. Now as a result, Mr. Speaker, we have a whole range of lease arrangements and the Minister of Finance has no idea. I suggest that there could be a billion dollars worth of lease arrangements. Well the Minister of Finance can say that that's not so. I would be interested in knowing what figure he thinks there are because all one has to do is look at the restaurant and cafe operations throughout all of this province in the small towns and recognize that all of them have lease arrangements, and all of those lease arrangements are now going to be taxed. And they've been arrived at years before. Now the income tax have provided a solution. If a lease arrangement provides that at the end a nominal amount can be paid, they say that's a financing arrangement, you can only take depreciation on that, you cannot write that off. They have made a stipulation which says specifically that no matter what kind of arrangement you made, we look at that and we deem it to be an actual sale. Mr. Speaker, if it's time I will quit; if not, I will continue.

MR. DEPUTY SPEAKER: Order, please. The hour being 4:30, the last hour of every day is Private Members' Hour. The debate will stand in the name of the Honourable Leader of the Opposition.

This being Friday the order of Private Members' business is Private Members' Resolutions.

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PRIVATE MEMBERS' RESOLUTIONS

MR. DEPUTY SPEAKER: Resolution No. 8. Moved by the Honourable Member for Fort Rouge, the Honourable Attorney-General, the Honourable Member for Charleswood having spoken, the motion -- the resolution is open. The Honourable Member for Charleswood.

MR. MOUG: Mr. Speaker, I spoke for ten minutes on the last day and it was time to adjourn the House. I have a few more remarks I would like to make.

MR. DEPUTY SPEAKER: Would the honourable member speak into his mike, I can't hear him.

MR. MOUG: Well, Mr. Speaker, I spoke two weeks ago when I was up on this about the Vaughan Street Detention Home and what I thought should be made in the way of improvements in that . . .

MR. DEPUTY SPEAKER: The Honourable Member for Winnipeg Centre.

MR. WALLY JOHANNSSON (St. Matthews): Does the Honourable Member for Charleswood have the right to speak again if he has already spoken?

MR. DEPUTY SPEAKER: It's not standing in anyone's name so I recognized the Honourable Member for Charleswood.

MR. JORGENSON: Mr. Speaker, if I may in response to the question that was raised by the Member for St. Matthews. The Member for Charleswood had spoken for ten minutes when the debate was brought to a close at the end of the hour and under the normal rules he then picks up the debate when it resumes, if there was no discontinuation of the debate. -- (Interjection) -- Yes, I understand that the Member for Ste. Rose did the same thing the other day. Well, Sir, the debate is continuing, it's not a discontinued debate. The Member for Charleswood has the opportunity to complete his speech.

MR. DEPUTY SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, Sir, I have the impression, speaking to the point of order raised, I have the impression that the Member for Morris is not completely clear as to the meaning and intent of the rules with respect to the very problem that's before us now. I am advised further by Mr. Clerk that the rules are not completely definitive in this respect. I think in the application of common sense to the rules here that it could be agreed that if 20 minutes is the time limit allotted to any speaker on any resolution during Private Members' Hour that if an honourable member -- and there is no adjournment of any resolution, so if a person is speaking and he has spoken less than 20 minutes at 5:30, or the hour of adjournment arrives then the resolution drops to the bottom of the Order Paper to come up again to the top in due course, and if the person has still some remaining minutes left of the 20 minute time limit, which is the only clear rule here, then it would seem that ordinary common sense should prevail and he should be allowed to exhaust the remaining minutes within the 20 minute time frame.

MR. DEPUTY SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Thank you, Mr. Speaker. On the same point of order I wish to concur in the remarks of the First Minister and to say that what he has said seems only eminently logical since if it were to be otherwise, if the ruling of the House were otherwise it would discourage anybody who had something they felt was important and worthwhile saying on a resolution from starting to speak after more than 40 minutes had elapsed on Private Members' Hour.

MR. DEPUTY SPEAKER: The Honourable Member for Thompson.

MR. JOSEPH P. BOROWSKI (Thompson): Mr. Speaker, I'd like to speak on the same point of order. I have no objection to what's been suggested here and perhaps we should do it by leave because the Member for St. Matthews and myself both ran the clock out and were prohibited from speaking when it came up, and I, you know, I don't think it's fair to have two types of rules. I have no objection if the member goes ahead by leave.

MR. DEPUTY SPEAKER: The Honourable First Minister.

MR. SCHREYER: I wasn't aware that this particular problem had arisen in the past and that the Chair had ruled on a previous occasion. If the Chair has ruled on a circumstance identical to this then we do have you might say case precedent to guide us. If what the Honourable Member for Thompson suggests has actually happened, that's been the case, perhaps we could clarify the present problem by just granting leave to allow the Honourable the Member

(MR. SCHREYER Cont'd) . . . for Charleswood to continue to the 20 minutes.

MR. DEPUTY SPEAKER: Agreed? (Agreed) The Honourable Member for Charleswood. You have ten minutes.

MR. MOUG: Thank you, Mr. Speaker. I hope now that after this leave has been granted that I have something constructive to say in this particular resolution. As I said I was speaking on Vaughan Street both in the juvenile and the adult sections of the Vaughan Street Detention Home two weeks ago, and I think I made myself quite clear as to what I thought the problems were in that area. In the juvenile area of detention, correction and homes, Portage Home for Boys is always considered to be by those that don't know what the facility is, it's always considered to be just somewhat of a terrible location, a terrible correctional institute, a place where you'd expect to see nothing but the real bad. Well I had occasion to visit that with some members of our caucus and I was quite surprised to see that it's a very fine facility. The administration there is real good. The grounds right from the outside when you drive up there and see no fence around it, doors open to walk in and out of, the grounds well kept, flower beds, and as you go through the buildings they're all highly polished, well painted. The facility, the mess hall, or the eating facility, the eating space is really well kept, nice and clean, and those working in the kitchen are also doing a good job. As I said there's no fences. There's nothing there of a maximum security or high security in any way you look at it. The boys that we spoke to there some of them were busy working on leathercraft and some of them were in school at the time, some of them were taking part in an ornamental concrete shop they have there for making bird baths and small ornamental stuff for front lawns, etc. There's some of the boys were busy painting buildings, and it shows because the entire institute is in real good shape. And I understand that if there's any boys there that they have any great problem with, they keep them over at the jail right in the Town of Portage la Prairie. I say the Women's Jail and I -- that's where they keep them because they have no maximum security at the Portage Home for Boys itself.

And I'm sure we've heard all of us some time or other, either on the radio, or by reading in the paper that boys broke out of Portage Home, out of that Portage Home. There is just no way you can break out of it because every door is open and there is no fences. Anybody that wants to walk away from that place is certainly welcome to except that they are going to be looked for after. They don't have to break out in any sense of the word.

The entire situation around there is well kept and all the boys that are there, I don't think they're pleased to be there but they're in good spirit and all seem to be happy. We visited the Women's Jail in the town and they had I think about five or six of the boys from the boys' home over there in tighter security, and these boys were quite satisfied with the situation at the jail there. They were being looked after well although they didn't have the freedom that they had been accustomed to at the Home for Boys. And they I'm sure were being taught their lesson and were going to go back and take advantage of the freedom and fine facilities they had at the Portage Home. The women's jail in the overall is well kept and orderly and clean and I don't think they are denied too many privileges although they haven't got the freedom of - walk in the street or yard per se. They have a certain amount of confines here that I am sure they are not all pleased with, but they have a good sense of humour. I was talking to one girl there, she said that she was in there for paper hanging and I didn't know - I thought she was in there decorating the place - she tells me that's for setting out bad cheques. I'll have to check that with the Member for Minnedosa here right away.

We went to Headingley jail and visited there and the facility there, it's really minimum security as well. The buildings are well kept and they are clean, everything is kept up and painted and highly polished floors, and at the present time the new superintendent there is doing away with all the conglomeration of bars that you first bump into when you walk in the front door of the building, and then the annexes of course were much the same. They're a poor style building, they're just a frame building and they haven't got as much to show, but they are well kept, clean - and the boys in there seem very happy, at least from what I heard from some of the people who were talking around there, they get a lot of repeats, so they must be reasonably satisfied with what they find when they go there.

The yard is not the same thing at Headingley - there is a lot of help around there but it seems to be . . .

MR. DEPUTY SPEAKER: The Honourable Member has four minutes.

MR. MOUG: Thank you, Mr. Speaker. The yard is rather untidy considering all the

(MR. MOUG Cont'd) . . . amount of help they have coming out there on a voluntary type basis, and certainly leaves a lot to be desired around on the riverbank side of the jail. But the institute itself I thought was well kept and a reasonably good jail for the purpose it is serving in our community. The superintendent told us that a good portion of the inmates of Headingley jail are farmed out to the different buildings throughout the City of Winnipeg where they can accept jobs and carry on and be of some help to the heavy costs of institutions today that serve this purpose. They are bring in, earning some money on their own and certainly cut down the high cost of the jail system and of our penal system in the province. Thank you, Mr. Speaker.

MR. DEPUTY SPEAKER: The Honourable Member for Swan River.

MR. JAMES H. BILTON (Swan River): Thank you, Mr. Speaker. I rise to support this resolution. Mr. Speaker, it's been some time making its way to the top again. Nevertheless it's not my purpose to take up too much time of the House, but I feel that I have some comments that I would like to make. I hope by virtue of having made them that some good will come out of them. I feel, Mr. Speaker, that the Honourable Member for Fort Rouge has brought forward a resolution and has outlined the problems to do with the correctional system in Manitoba, and she has most fittingly and extensively asked for remedies. She has called for correctional programs to be upgraded in many respects. The Attorney-General himself, in his remarks agreed with many of the thoughts of the Honourable Member for Fort Rouge and elaborated on the extensive thrust of the government. Mr. Speaker, this is all very well but I must say that in spite of this effort, the problems are still with us and getting progressively worse. As you know, Mr. Speaker, our jails and penitentiaries are full to the door as never before, and as was pointed out by the Honourable Member for Fort Rouge it is developing into a terrific financial burden on the people, some \$8 to \$10,000 per year per man we are told. This, Mr. Speaker, is a great deal in excess of what we are paying to a family on welfare and I for one, am not for that sort of thing. Nevertheless it is with us and remedies must be found.

Having spoken on this subject partially in the past, Mr. Speaker, I mentioned the subject to do with a brief signed by Chief and members of the Indian Council in Pelican Rapids, and I would ask the Attorney-General once more to give serious consideration to their request for the appointment of a special constable of native blood in order to keep peace in that area. And at the same time I would ask him to extend this protective necessity to areas elsewhere in the province. I don't have to tell you, Mr. Speaker, that from time to time, crimes are committed on reserves, as well as elsewhere, but unfortunately these people are often so far removed from protective help that serious consequences develop, and I would hope that the Attorney-General in his wisdom will see to it that some assistance in protection to these people is brought about.

Another point I would like to bring forward, Mr. Speaker, is the fact that for a long time now, the people of Northern Manitoba - that is those that run afoul of the law, are brought before the magistrate, judges and so on and ultimately committed. And these prisoners, Mr. Speaker, travel up and down this province regardless of the expense, but there is nothing in the way of retaining these people in the north, and I believe the population in the north at this particular time requires some consideration for the provision of reasonably proper quarters in Northern Manitoba for this purpose. I say this, Mr. Speaker, by the fact that in many instances when men are committed - or women are committed for that matter, and brought to the southern part of the province, many of the families of those individuals are isolated and penalized and unable to see that part of the family who is confined. I would remind you, Mr. Speaker, that jail quarters while they are small in - I think they are simply holding in The Pas; in Dauphin I think they can be committed there for a matter of months; and then of course we come to Headingley and then Stony Mountain. Need I say more - with possibly 100,000 people in northern Manitoba, I don't think this is good enough. I believe it is high time that an institution was considered for northern Manitoba.

You know, Mr. Speaker, I also went to Headingley Jail - and I have been in and out of jails many times throughout my life time, and I never took any pleasure in seeing men, and women for that matter, behind bars. I was always appalled to see that human beings had to be treated this way. But unfortunately this is still with us, and we haven't been able to come up with some other system that will confine those people as a way of punishment for crime against society. There is no question whatsoever but what society must be protected.

It reminds me that during the visit to Headingley Jail it was rather revealing to see that

(MR. BILTON Cont'd) . . . the majority, by far the largest majority of people in that jail were in the neighbourhood of anywhere from 20 to possibly 25 or 30. And there were a couple of chaps confined in their own particular jail, and I stood back and I passed the time of the day, and I said: "How are you getting along?" And he said: "Oh, not too bad". I said "How long have you been in here?" He said, "Oh, in and out for years and years and years. But," he said "when I get through with this sentence, I'm not coming back because I can't stand these young fellows any more." So this is the sort of situation that is developing, and I think it's unfortunate that the young men of that age should get into the habit of thinking this is an easy way to live and ultimately become habitual criminals for the purpose of living free of society.

I say again, Mr. Speaker, that unfortunately it has become a way of life with far too many people taking advantage of it. It seems a shocking thing to say, but there is no doubt about it but this has come about. I get a little concerned, Mr. Speaker, with these people - the do-gooders so to speak, the well being as they may - they take it upon themselves to rehabilitate people or endeavour to rehabilitate people, and a large percentage of the inmates, Mr. Speaker, are not in need of that sort of care or that sort of instruction. So far as I am concerned, what they need is a few good old sargent majors in those jails, men that they could look at and look upon as men that mean what they say, and do what they say and give leadership, and I think a great deal more would be accomplished.

I also think too, I also believe, Mr. Speaker, that somehow or other a way must be found to - and I know the authorities do to some extent, segregate one type of prisoner as opposed to another type of prisoner; and I feel that the habitual type of prisoner should be kept apart from those who are newcomers so to speak, to that field of endeavour; and those that are the newcomers, for the use of a better term, should be provided with some occupation or some trade or some work of some kind, not only to justify their existence but to make their contribution to society and in doing so, better their outlook on life. I remember so well in the Duck Mountains there was a camp in that area and I visited it many times - and the men were working in the bush doing different jobs, and seemed contented and quite happy and this is the sort of surroundings that I feel that these young men between the ages of 20 and 25 should be placed. You know, Mr. Speaker, we've got hundreds of thousands of acres in northern Manitoba that have been burned off, wasteland, nature will bring them back. It will take them a long time to come back, but in the meantime, Mr. Speaker, there's years and years of work there and I feel that these men could be serving a useful purpose by being spread out in these areas in proper organized camps, properly covered by medical attention, properly fed - and I think they would get much more out of life than playing around in a jail yard or the new gymnasium that the Attorney-General spoke of, in which he takes much pride that has been placed there. I was somewhat surprised to see that they had done away with the farm out here at Headingley. I see no reason for that whatsoever. I am talking very much as a layman, but it seems to me that they could have been growing their meat, they could have been growing their vegetables and at the same time, a crew of men would have been doing useful work. An effort should be made again, Mr. Speaker, to sort out those habitual criminals; endeavour at all times by all means to rehabilitate them, but to keep them away from those that are short-timers and not in there for any too long a time.

I believe, Mr. Speaker, that the Department of Education has a responsibility. I believe they should develop programs in our schools in co-operation with the RCMP and with the civil police forces; and I think they could do much in this way to bring home to the citizens of tomorrow the importance of our civil liberties and the importance of good living, and abiding by the laws of the land. And they would learn, Mr. Speaker, that a policeman is therefore a purpose, to defend and guard society and protect limb and property, and that they have a purpose in assisting these men to do the job for the good of all concerned. I would ask, Mr. Speaker, that the House would support the resolution which was intelligently put forward by the Honourable Member for Fort Rouge, and conscientiously put forward. And I believe if her speech is read and read well by those in the Department that are responsible for the improvement of affairs in the correctional program will learn much from it and get some thoughts from it - and if, by her efforts, only a small part of it is improved in the immediate future, it would be well worthwhile her effort. I thank you for your attention.

MR. DEPUTY SPEAKER: The Honourable Member for Thompson.

MR. BOROWSKI: Mr. Speaker, I too am glad the resolution is on the paper. I'm not sure whether I liked her resolution or not - that doesn't matter. I'm glad it's there because

(MR. BOROWSKI Cont'd) . . . it gives me an opportunity for the first time to give the government a square kick right in the pants, particularly the Minister of Health and Social Development who I think has been doing a pretty sloppy job in this area.

The resolution starts off by saying that "grave faults have been found in the system". Well, Mr. Speaker, I think that I have to agree with that - there are many grave faults, and as one who has spent five turns in jail, I certainly know what some of them are.

I have said it before in the House, and I would like to bring it up again so it would not be misunderstood, that when I was in jail I complained about the conditions - now that I am out, I am saying that we are doing too much. The things I complained about, Mr. Speaker, were sanitation in the building and in the washrooms, fire safety, clean sheets and clean blankets which we did not have, reasonable food which we had most of the time, and letters and newspapers. In The Pas, the two terms that I served there we found that you were given a sheet of paper and a pencil once a week and that's all you were allowed to do was write that one miserable letter. I complained about that, I thought that was unfair, and it caused anger and frustration among men for no reason at all. They couldn't even communicate with their family and friends. The other thing that I complained about, you could not get a newspaper; even though a prisoner may have a great deal of money he was not allowed to get the Winnipeg dailies, which was what I requested and some of the other prisoners requested. I don't know if it's been rectified, I haven't been back to find out; if it hasn't, I hope the Minister writes that down and rectifies it so that the prisoners can get the newspapers. After all, they are allowed to listen to radio and watch television, so there is media in there, and I don't see why there should be discrimination against the newspapers, or magazines for that matter.

The last item that I complained about bitterly, Mr. Speaker, was work, I felt that there should be work, which we were not allowed to have, for two reasons: one is to work off the energy and the other one is to earn a little money so when you come out and back into society you cannot be legally tapped on the shoulder and thrown back in because you're a vagrant. And what chance does a person coming out of prison have if you give him a lousy \$2.00 as has been the practice over the years? What chance does that man have? Even if he found a job the next day it takes a week or two weeks to get a payday. He hasn't got a chance. He'll end up in jail again. And another important aspect was as I mentioned is to work off the energy. Anybody who has been confined for any reason and has been eating regularly knows what it's like to be cooped up, whether it's in a hospital bed or at home or any place else. After a while the boys try to get into all kinds of mischief; they do all kinds of funny things. And instead of doing this thing here, Mr. Speaker, - I notice that our government has closed up the institutional farms and sold off the land that we have had for raising vegetables in Dauphin. I spent one month down there, we dug up 700 bags of potatoes and 300 bags of onions and the result was that at the end of the day we were tired and we were happy to eat a good meal and go to sleep. And at the same time in a small way we paid for the expense of keeping us in prison. These potatoes and onions obviously could not be eaten by Dauphin. They were sent out to others institutions, including I believe hospitals and other government institutions. And so there was a tremendous saving to the taxpayer, and there was a contribution which the men felt that they were making - and the attitude of the men when they left was not the type that prevailed in The Pas when they were just raring to get out there and get into devilment or to get into some kind of trouble.

Instead, these aristocrats of liberalism that we have running the department now, Mr. Speaker, what do we have? We have an introduction of tennis courts, softball diamonds, basketball, horseshoes, badminton and even a nine course putting course, golf course. Now, Mr. Speaker, I would venture to say there isn't a single member of this House with the possible exception of the Member for River Heights that has the facilities that they have at Headingly or some of the other jails in this province. Now let's -- (Interjection) -- Pardon? Well, he's not in jail but I'm saying that there's - - with one possible exception, no one has those type of facilities. And these are supposed to be criminals caught by the police, judged by our courts and sent to prison, and how are they treated? And the last term I put in was in 68, the fall of 68. -- (Interjection) -- At Headingly. I understand it's at Headingly. Perhaps the members of the Legislature should take an afternoon off, go out there and try it out. In addition to that, Mr. Speaker, we have chauffeured limousines for prisoners to come out to the City to play hockey or play ball, and as a matter of fact I understand they have tournaments.

Again I ask you, what team in this country has a prepaid chauffeured limousine to take you to

(MR. BOROWSKI Cont'd) . . . wherever you're playing ball? And to add insult to injury finally they give you passes which again gives you a chauffeured limousine to take you into Winnipeg, drop you off at your girl friend's place or the wife's place, you know, or mother's place for a weekend of fun and games, dancing, drinks, pot. I understand some of the prisoners going back were as high as a kite when they got back on marijuana.

And these are the people that are supposed to be sitting behind bars at public expense. Provincially I think it costs around 6,000 a year to keep them; federal prisons cost about 10,000 a year. This is the type of system we have in this province, Mr. Speaker, and these are the type of things that we as legislators have to consider. And we have to consider the skyrocketing crime wave that we're experiencing. Not just in Manitoba but in Canada and indeed in the United States. I notice that the resolution talks about updating the system and I'm sure that there's nobody in this House can disagree with that, but there is a question again of interpretation as there is on rules of procedure and everything else. I wonder what the - specifically or precisely what the member had in mind when she talked about updating the rules which some of them they brought in, some of the system; part of the system that's there was brought in by the previous government and some by the government before them and some of it by us - and I think we have to decide in our minds, Mr. Speaker, what are the causes and do we treat the causes or do we treat the effects.

Now I know during the Minnedosa by-election the Leader of the Opposition had made reference that he would - didn't say legalize marijuana, I believe take it out of the Criminal Code which would have the same effect. Well, Mr. Speaker, Mr. Speaker . . .

MR. DEPUTY SPEAKER: The Member for Fort Rouge.

MRS. INEZ TRUEMAN (Fort Rouge): . . . of privilege. Our Leader has not said that marijuana should be legalized; he said it should be removed from the Criminal Code, which leaves it under The Food and Drug Act. That's not legalizing it.

MR. DEPUTY SPEAKER: The Honourable Member for Thompson.

MR. BOROWSKI: Mr. Speaker, I'll accept that strange interpretation. I know when I had a debate with the abortionists and they said no we don't want abortion on demand because they knew that was offensive and would turn people off so they simply said: Let's take it out of the Criminal Code. The net result of course is the same - and I know that the Leader of the Opposition, and there are members in the front bench here that think that marijuana should be taken out of the Criminal Code. And like the Leader of the Opposition being clever politicians they won't say that, they'll simply say: Take it out from under the Criminal Code, instead of saying legalize it. But the Leader went up there and I believe that a party there chased him out of the constituency and told him: Look, people here are country people, they don't go for this nonsense. You better get back to the city and let us run the campaign ourselves. And I think they did very well because they elected the member there.

But the key, Mr. Speaker, is that marijuana and other drugs have been proven time and again to be one of the reasons and one of the causes of the crime wave. Our Chief of Police here, Mr. Stewart, had a group of people, or his department - I don't recall now, I have a copy of the report - commissioned a report to look into the causes of some of the problems in the city. And it comes out loud and clear as it has come out in many other cities in this country that drugs of various types do lead to various crimes. The hard drugs of course they have to steal in order to support the habit; the softer drugs like marijuana they make a person awful brave like the Minister of Education says - like a lochol, and we do foolish things when we get boozed up; and people get high on marijuana and they do foolish things also. The difference is . . .

MR. DEPUTY SPEAKER: Order, please. I think the honourable member is straying a bit from the resolution that's before us. I see no reference to drugs. We are dealing with the resolve here that the government consider the advisability of revising and updating policies and programs affecting penal and correctional institution systems currently being operated in the Province of Manitoba. The Honourable Member for Thompson. To the resolution, please.

MR. BOROWSKI: I hope the Speaker will deduct his admonition from my 20 minutes because I have considerable length to go here. I simply want to make the point, Mr. Speaker, we're talking about - what is the word? Updating and revising policies - that we have to consider what caused these people to get there in the first place. We talk about treating cancer but at the same time while we're trying to find a cure for cancer we're trying to find out what caused that cancer in the first place. One without the other is useless and I suggest to you, Sir,

(MR. BOROWSKI Cont'd) . . . that if we are not prepared to deal with the root causes then the other end of it is a waste of time and money. And those who advocate the loosening of laws regarding drugs are leading us down a path that will lead to social chaos and more crime. I think just in the last year and I'll be reading some statistics later on - what the crime rate increase was for Manitoba and Canada, and that's something we all have to be concerned with.

And jail fare, as the Member for Swan River indicated, must not be turned into another form of welfare - except in this case three times as high - and jails must remain a deterrent and disincentive for people who want to commit crimes in our society. If you take that away then you may as well do away with jails and forget about wasting time and risking the lives of policemen to go and apprehend these people. This is not to say that every person who is in jail is a criminal. I know some people go there because they can't pay a fine for some minor offence, and perhaps there should be segregation as the member indicated, and also there should be a system of allowing more time to pay the fine. That could be part of this updating and revising. But that is not what is happening in Manitoba, Mr. Speaker.

We have in Manitoba cases - I think I asked a question the other day where this person was committed to an institution as a habitual criminal. He had a record as long as a yardarm; he was released once on a weekend pass; he escaped; he was caught at great expense - I believe he was caught in the States - a few months later he conned prison guards, or the prison officials, to let him go on a weekend pass again. He escaped the second time. I understand he's still loose. Now here is a habitual criminal, a habitual criminal being released on to society which he just finished harming previously. Another person who was serving a life sentence was released on parole, I believe from Prince Albert. He was transferred here and he behaved himself real nice - maybe he said his prayers at night and maybe he even went to Mass on Sunday, I don't know. But he must have did something to convince the authorities to release him. He went out and he killed someone. While he was out he killed a person. They got him back in, and would you believe it? They're talking now about releasing him six months from now. Now is this the type of system that we want in our society? To get these thugs, these murderers out on weekend passes, release them amongst society whom they have already so grievously harmed. This is the situation that we have.

I would like to read a couple of the clippings, Mr. Speaker, while I still have time -- (Interjection) -- Yes, of course they do. Winnipeg Free Press, Thursday, April 27th, the headline: "Double Crime Rate Raises Questions About a Reform." And I'm taking this out of context. "Criminal Code offence rate rose 9.1 percent in 1970 compared with 1969. The continuing rise coincided with the trial suspension of capital punishment, more generous use of parole and probation fresh emphasis on a better life for prisoners and more permissive laws." Thanks to our Provincial Government and thanks to the idiotic laws of the Federal Government.

The other article I'd like to read is: "Crime Rate" - there's no date on it - "Crime Rate up 100 percent. The golden age for guilty seen." This was just - I'm sorry, April 29th it appeared in the local paper. And I'd like to read into the record some quotations, Mr. Speaker: "William Kelly listed lenient sentencing, emphasis on rehabilitation rather than protecting society and rules that hobble police actions as factors which make today a golden age for the guilty. The rule which most impedes the police and the courts is bringing about convictions, he said, is the accused's right to remain silent to avoid self-incrimination because the guilty, the person who knows most about the crime, has no responsibility to divulge them in court. He added, after judgments are made . . . in full knowledge. As a result thousands of guilty people go free to prey on the public" - and may I just interject for the moment - and those that we do catch, those that we do catch we release them ourselves on to the same public. And I go on to quote: "And it's rare in Canada for the innocent to be convicted, he added. The right of silence benefits only the guilty and doesn't help the innocent one bit. With those rules, he said, criminal courts are almost reduced to games with the judge as referee and the acquitted the one with the most points. He also suggested" - that's not relevant. "When the punishment of crime isn't as great or greater than the results of the crime, he said, it's no longer a deterrent." And finally, Mr. Speaker, I would like to read the . . .

MR. DEPUTY CHAIRMAN: Order, please. The honourable member has three minutes.

MR. BOROWSKI: I'll try to hurry it up, Mr. Speaker. The last one is a quotation also and it talks about crime rates in Canada - and the thing that shocks me, offends me, because

(MR. BOROWSKI Cont'd) . . . we are the government and we have to answer for it: Manitoba - 519 other secular offences, most of them in Winnipeg, amounted to the highest rate in the country. Now that's something to be proud of isn't it, Mr. Speaker? 519 other secular offences. We take the cake; we're number one in Canada. Manitoba led in the offensive weapon category, and 25 murders reported by police in 1970 gave us the second highest rate in the country. Manitoba also had the highest rates of rape, breaking and entering, theft exceeding \$50.00, narcotic offences, LSD offences and woundings, running third in all categories. That's something again this government has to answer for, Mr. Speaker. -- (Interjection) -- No you didn't commit them but I think, Mr. Speaker, we have to decide whether we want Manitoba to be the drug and the crime centre in this country. Do we want to give passes to murderers, and habitual criminals as is presently happening? And I fault both the Federal and Provincial Governments.

I suggest, Mr. Speaker, if we're going to change it that we should take the Minister and some of his empty-headed professionals, high-priced and misguided idiots and send them to the prison for a couple of weeks so they'll know what it's all about before they come into this Legislature and talk about bringing in some reforms which I say are taking us back 200 years. And finally, finally, Mr. Speaker, I suggest after the experiment that he hire some people with some common sense and some respect for honest people instead of the shallow romantic humanists that he's got on his staff now - and let's get on with the job of protecting the 99 per cent people, and not the one percent which this government and the Minister seems to be so concerned about.

MR. DEPUTY SPEAKER: The Honourable Member for Wellington. -- (Interjection) -- The honourable member's time has expired and the Honourable Member for Charleswood's time has also expired. The Honourable Member for Wellington.

MR. PHILIP M. PETURSSON (Wellington): Mr. Speaker, I rise to speak on this resolution but first I - well apart from complimenting the mover of the resolution, the Honourable Member for Fort Rouge, I felt that I had met a - what would you call it? At least a friend, in listening to the words that she presented not only in the resolution but in the elaboration of the resolution. But before going in on that I have just a word or two with reference to my friend and colleague, the Honourable Member from Thompson. He is talking about parole and people being let out on parole and I think in the class that he is speaking of most of them would be listed as long term, under long term sentence, because the criminal type to which he was referring and whose parole he was protesting are individuals that come under Federal Law and not Provincial Law - and we have really as a Provincial Government, no control over how the federal authority operates.

At the same time, I rather favour the parole system because after all, eventually every man who is sentenced to jail reaches the end of his sentence, whether he is sent out on parole in between times or not - and then he does come out into society and faces all the trials and problems of living with other civilized people. And the temptations that confront him there with everything that the Honourable Member from Thompson mentioned, the difficulties of being let out of jail, and even with getting a job of having no money in his pockets for the last couple of weeks - the first couple of weeks that he is out, if he happens to be fortunate enough to get a job immediately. But if he is let out at the end of his sentence, there isn't very much difference between that and being released on parole if he has justified that kind of confidence in him while in jail under the supervising officers.

The reason we know so much or hear so much about parolees breaking their parole is simply that that's the sort of stuff that makes news; it isn't news to know of the great number of men who come back who respect and observe the parole terms and conditions. As a result of that they are largely ignored, the papers never say anything about them because it isn't news that a man becomes honest and respects conditions under which he is given certain freedoms. We hear about the men who break parole and actually, statistically it is shown that those who break their parole are in very much the lower percentage brackets than those who observe their parole, and in the granting of parole, the authorities expect that there will be a few who fall by the wayside. But they feel also that it is worth taking that chance in the hopes and expectations that have been proven, that others and the great proportion, the larger proportion of those who are put out on parole will respect it and fit right back into society. And in that respect, the parole system can be regarded as a success rather than as a failure because of the few who break it.

I would go along with the Honourable Member from Thompson in the few things that he

(MR. PETURSSON Cont'd) . . . says about the conditions of certain jails - conditions in jails have been notorious for not being good, not only this year or last year or 15 or 20 years ago but as long as jails have been known. At one time jails were, to put it mildly, horrible. Later on as they improved - they were not improved very greatly but they were classified as being horrible and very awful or something of that sort which is still bad; but nevertheless however little progress was made, there is a difference between being horrible and a bit awful, and that in those terms and in whatever days the jails were classified in that way, then that was progress, and progress is still being made in our jail system and correctional system and rehabilitation. There are many faults to be found and I find myself in very much agreement with the Honourable Member from Fort Rouge, the Honourable Member from Swan River in being critical of jails. Even now, as I was three years ago - three years ago in 1969 in April I spoke on this same subject; there are six pages here in Hansard that I could quote, but I refrain from venturing out on that because I would be repeating in large degree what the Honourable Member from Fort Rouge has already said and it would serve no real purpose. But in the April 7th and - if anybody is interested enough to want to look it up - April 7th and May 5th Hansards, May 8th Hansard, that's where the record of my statement stands for anybody to see that has that much interest.

One of the first statements that the Honourable Member for Fort Rouge made was that it has taken this government three years to get going, while the government in power in the early part of 69 was ready to move that way and gave every indication they were ready to move. They had just done a remodelling job in the Vaughan St. jail; but we have only been in power for what is it 2, 3, months less than three years - and even within the second year of being government it took us no longer than that to get going on the Tuxedo Youth Centre, and that has been under construction now for many months, and it is an illustration of what this government can do in a single year's -- (Interjection) --

MR. DEPUTY SPEAKER: Order, please.

MR. PETURSSON: One year in power we did more in that time than the previous government did in ten. It had been, they had spoken of doing things, and according to the honourable member were ready to do things but they just didn't get around to it. I recall that they did such things as taking what was called the detention home from the corner of Portage and Sherbrook and putting it to other purposes; the Department of Welfare was moved into that building, and the inmates, the juveniles were transferred to Vaughan Street - and that's where they were, and that's where they continue to be and will be until the facilities in Tuxedo are completed; and the juveniles sent there to become the subjects of the very kind of treatment that the Honourable Member for Fort Rouge is calling for and that the Member for Swan River felt is so necessary. Then my friend from Thompson too, feels that there must be rehabilitative work done and the jails cleaned up, made sanitary, given radios and clean sheets so that they may even in jail, or in detention, live like human beings so that they will be prepared to become a part of society without having a barricade to climb over before they can really enter it and be accepted.

The rehabilitative programs, the correctional programs have been short of what we would have liked them to be, and that is why this government is taking action and continuing action. The police have been mentioned in connection with this program of rehabilitation, but they do not come under the direct jurisdiction of the department that looks after correctional programs, although at the same time the police are the first in line in the rehabilitative process. If the policeman making an arrest antagonizes the individual that he is arresting; if he hurts him, mistreats him in any way, then that arouses anger, vindictiveness in the person being arrested. The police have a tremendous responsibility and it's not an easy one to carry out, but it is in the police force's hands that the first steps towards rehabilitation lie and if they misjudge their authority, misuse it, then that's a backward step.

In a proposed white paper, mention will be made of methods to improve the inter-relationship. It is not recommended that there be a single administrative line. There are advantages to separation of the functions of apprehension, trial and sentencing from the rehabilitative process. The two segments are not in conflict but there are different points of emphasis that should be maintained, and once a person is apprehended there are many avenues that are followed. I am not going to begin to recite the number of different procedures but they range all the way from lock-up to remands, to sentencing - and we must keep in mind provincially that those who are sentenced for a term of over two years are under federal

(MR. PETURSSON Cont'd) . . . authority, not provincial authority, and therefore do not come into the provincial correctional system. For less than two years the provincial responsibility enters in - and let it be known that most persons are sentenced for less than 3 months, that is there is a vast majority that are sentenced for short periods; and therefore the correctional system deals primarily with a short sentence group, and we all understand in any kind of an educative process having a person for only a very short time, the process becomes that much more difficult, more must be done in a shorter time.

The temporary releases or paroles are part of the correctional program, whether that's day parole or probation, which is the provincial responsibility, along with the parole supervision. Juveniles are the provincial responsibility, and so on. The correction system therefore is responsible for only part of the criminal justice system, that is whatever provincial jurisdiction has authority over - in such areas as remands, probation and so on. To improve the ability to carry out these responsibilities there are certain steps that are followed which I won't take time to delineate. I see that my time is up, the Speaker has to send us home.

Mr. Speaker, with permission I'll follow along with the next few minutes that are available to me whenever the next opportunity offers, when this motion rises to the top.

MR. DEPUTY SPEAKER: The hour being 5:30 - I believe Friday the Honourable House Leader . . .

MR. PAULLEY: Yes, Mr. Speaker, it is a requirement under our new rules that the House Leader indicates the procedures as much as possible for the ensuing week. I think that it would be proper that we would continue to consider the third reading on Bill No. 21, and then hopefully we may go into consideration of the proposed amendment of Bill 23, that is the Queen's Bench Act; then Committee of Supply to continue consideration of Capital Supply; and if we stay in Committee of Supply, we would then continue on with the Highways Department which we have started; and then follow on as I announced previously, I believe, with legislation and the Executive Counsel. I think that's about as far as I can go at this particular time. There are a number of second readings of Government Bills, Mr. Speaker, that we may be able to process in order to get them into Committee, but just at this precise moment, Sir, I am not able to announce how they will be dealt with.

MR. DEPUTY SPEAKER: The Honourable Member for Morris.

MR. JORGENSEN: . . . question, Mr. Speaker. The House Leader did not indicate whether in consideration of Capital Supply, if we would complete the estimates of the Department of Finance at the same time. I think that was the original arrangement.

MR. SPEAKER: The Honourable House Leader,

MR. PAULLEY: In answer, I might say that I thought that that was in agreement and hopefully that that would be so, but I think, Sir, that we may have to play that by ear - to some degree at least. I'll be glad to consult my fellow House Leader from the Conservative Party early in the week.

MR. SPEAKER: The Hour being 5:30, the House is adjourned and will stand adjourned until 2:30 o'clock, Monday afternoon.