

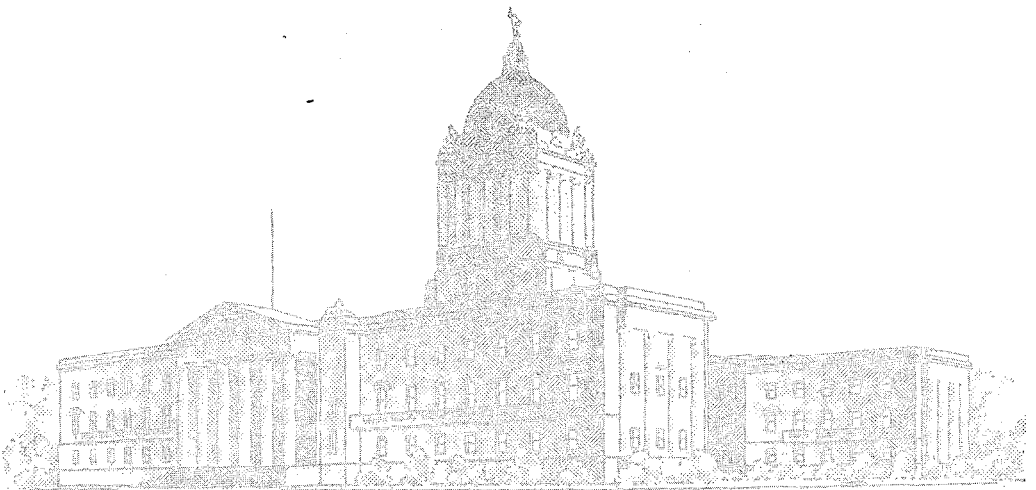


Legislative Assembly Of Manitoba

DEBATES and PROCEEDINGS

Speaker

The Honourable A. W. Harrison



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THE LEGISLATIVE ASSEMBLY OF MANITOBA

10:30 o'clock, Monday, October 16th, 1961.

The Sergeant-at-Arms, carrying a Mace, and followed by the Speaker, Mr. Abram Harrison and the Clerk of the Legislative Assembly, Mr. Charland Prud'homme, Q. C., entered the House.

His Honour Errick F. Willis, Q. C., the Lieutenant-Governor, entered the Chamber and seated himself on the Throne.

HONOURABLE ERRICK F. WILLIS, Q. C., (Lieutenant-Governor of the Province of Manitoba):

Mr. Speaker and Members of the Legislative Assembly of Manitoba:

I welcome you to the fourth session of the 26th Legislature of the Province of Manitoba.

My Ministers will place before you a measure respecting an income tax collection agreement and to provide the means to give effect to a reduction in the hospital premium rates. You will be asked to consider a Bill to amend The Metropolitan Winnipeg Act and also to make provision for the costs incident to this session.

I pray that you may have the guidance of Divine Providence in your deliberations and decisions.

MR. SPEAKER: Oh Eternal and Almighty God, from Whom all power and wisdom come, by whom Kings rule and make equitable laws, we are assembled here before Thee to frame such laws as may tend to the welfare and prosperity of our province. Grant, Oh Merciful God, we pray Thee, that we may desire only that which is in accordance with Thy Will, that we may seek it with wisdom, know it with certainty, and accomplish it perfectly for the Glory and Honour of Thy Name and for the welfare of all our people. Amen.

HON. DUFF ROBLEN (Premier)(Wolseley): Mr. Speaker, before you proceed with the Orders of the Day, there are a number of matters of personal interest to the members of this House which I trust I may have permission to refer to at this time.

It is apparent to members that there has been some change in the seating arrangements on the front bench of the Opposition side of the House and, as members know, this will reflect the retirement of the Honourable Member for Lakeside from the leadership of the Liberal Party and the accession of the Honourable Member for Ste. Rose to that important post. Mr. Speaker, this is not the occasion for me to refer to the remarkable political career of the Honourable Member for Lakeside nor to make any extended remark upon the undoubted contribution that he has made to the political life in this province, however, I believe that all members would wish me to say and to offer to him an expression of sincere goodwill and to hope for him many years of active service in the public life of the Province of Manitoba; because I think we should acknowledge our respect and, if I may say so, our affection for a gentleman whom we will look to as one of the elder statesmen of the Province of Manitoba.

Then of course, Mr. Speaker, I take pleasure in making reference to the fact that the Honourable Member for Ste. Rose now assumes the responsibilities of Leader of the Opposition in this House. I personally have no doubt that he will prove to be a very worthy choice for that post and for the leadership of the Liberal Party in the Province of Manitoba. I think we will all agree that he will give earnest, able and conscientious attention to the duties of his office and that his talents are indeed worthy of one of the most responsible posts in the political life of the province and certainly in this Legislative Assembly. I'm sure that members would wish me to offer this expression of good wishes to him on this very important occasion in his life and in his political career.

There is one other member in the House, Sir, to whom I wish to make reference, and that is the Honourable Member for Inkster, because on last Sunday he celebrated his 50th Wedding Anniversary, and I know that we would like to congratulate him on that outstanding milestone in his personal life. I had the privilege of writing a letter of congratulation to him and he was kind enough to reply, and in his reply he used these words: "I do not think it a very great achievement. However, I am happy to have it and appreciate very much your kind letter." Well I understand his modesty in that connection, Sir, but I wonder whether we shouldn't then offer our

(Mr. Roblin, cont'd.) . . . congratulations to Mrs. Gray, for whom it may have been an achievement. In any case, Mr. Speaker, I can only offer these good wishes from the relatively insignificant vantage point of three years plus of married life, so I'll have to continue to look to my honourable friend for guidance on that point. But before we began our serious deliberations this morning, Sir, I thought the House would wish me to express these sentiments toward the three gentlemen that I've mentioned.

MR. GILDAS MOLGAT (Leader of the Opposition)(Ste. Rose): Mr. Speaker, I wish to join with the First Minister in the comments that he made about my colleague, the Honourable Member for Lakeside. Having worked very closely with him for a few years, and being on the same side of the House as he is, my contacts may be somewhat closer than those of the First Minister and I echo heartily his comments. Here indeed is a man who has served Manitoba extremely well over a long span of years and whom I am sure still will contribute greatly to our province in the future.

I'd like to join as well in best wishes to the Honourable Member for Inkster. My only regret is that Mrs. Gray is unable to be here with us today to receive the good wishes of all of the members of the House. I'm sure Mr. Gray will convey those to her.

I wish to thank the First Minister as well for his comments about myself. I accept this post of great responsibility in all humbleness. I realize the importance of the position. My colleague the Honourable Member for Lakeside held this position for some time and, in my opinion, did an excellent job. Another well respected member of the House, the First Minister himself, was in this post as well and did an equally good job during that time. It is my hope that I can follow in the tradition of past Leaders of the Opposition and contribute to the welfare of the Province of Manitoba. During that time I will endeavour to do my work in a conscientious way, above personal recriminations and on the basis of policies. I will endeavour to follow the prayer which you read to us daily before our proceedings, Mr. Speaker.

MR. RUSSELL PAULLEY (Leader of the CCF)(Radisson): Mr. Speaker, I would like to add the best wishes of our Party to those of the First Minister and the new Leader of the Opposition in this House. Naturally, speaking from my position here, I can not wish the new Leader of the official Opposition much length of tenure in his present office. I'm sure, Sir, in my own mind--at least I have grave doubts that he will follow the lead of the present Leader of the Government and move across the House in short time. I would like to say to him that I think the Liberal Party of Manitoba has made a very distinguished choice in the Honourable Member for Ste. Rose. And as our deliberations in this House continue, not only in this session and in others to follow, I'm sure that there will be disagreements of principles and policies between the new Leader of the Opposition and our group, but I'm sure, Sir, that he will agree with me that once those differences have been expressed in the House or on the public platform that we will remain as we have been in the past, good friends in a good company.

I would like too, Sir, to join in the comments of the Honourable Premier of Manitoba to the distinguished career of the Honourable Member for Lakeside. I had the opportunity first of all of having some business with the then Premier of Manitoba, the Honourable Douglas L. Campbell, while I was Mayor of the now City of Transcona. He has always been held in my highest esteem as a statesman, as a man of principles, and I join with the Honourable the First Minister in wishing him many years of distinguished continued service to the Province of Manitoba.

Now, Sir, mention has been made of the fact that one of my colleagues, another illustrious Manitoban, yesterday joined in celebrating his 50th Wedding Anniversary. I know my honourable friend has said that he doesn't think too much of the fact--that he had nothing to do particularly with these 50 years. I thought for a moment my friend the Leader of the House was going to extend to Mrs. Gray sympathy, however he didn't go quite that far. I'm sure if the Honourable Member for Inkster were free to speak he would extend to his wife full sympathies. Indeed, Sir, I think it is an honour for us in this Legislature to have a man with us today, just after celebrating his 50th Wedding Anniversary, that not only has he during those fifty years given a leadership, by illustration, to how two people can battle the battles of life, but within those fifty years he, too, has given to Manitoba fifty years of devoted service. He is an outstanding example for all of us to follow, and we of our group join with the others in wishing

(Mr. Paulley, cont'd.) . . . him and Mrs. Gray all the best for their future years.

MR. J. M. FROESE (Rhineland): Mr. Speaker, since I'm not included in either one of the previous groups mentioned, I, too, would like to join with the First Minister in congratulating the former Leader of the Opposition, the Honourable Member for Lakeside. I think he has done a marvellous job. He's been active in political life for so long and I think it's an outstanding career that he has followed. I, too, wish to congratulate the new leader, the Honourable Member for Ste. Rose, in his new position. I think he will do justice to his job, knowing him for the time that I do. Further, I also wish to congratulate the Honourable Member for Inkster and concur in what has been said to him. Thank you.

MR. D. L. CAMPBELL (Lakeside): Mr. Speaker, it's an evidence of the way we follow tradition in this House, I think, that even such an enterprising and aggressive and progressive young man as the Premier of Manitoba, who believes in new things and new ways and new ideas, still closely follows the traditional procedures of this House, because it is usual when we gather after an absence to pay tribute to those members or former members of the House who have passed away in the interval, and I was pleased to be able to sit here and listen to my own obituary couched in such graceful and condolent terms. But I would want to say to my honourable friend the Leader of the House and to his colleagues, and some others in the House, that the situation is considerably similar to the case of a traveller in the hill country down south who met a hill-billy and the traveller was evidently impressed with the hard life that they had in that area; with the lack of comforts and conveniences and amenities of life; and after asking the chap a lot of things and having the doleful answers about what existence was in that area, he said to him quite sadly: "Have you lived here all your life?" and the hill-billy said: "Not yet". So I want to remind my honourable friend I'm not just through yet and you mustn't bury me because that's the only time that I would expect, with the record that I've got, that's the only time I would really expect such nice things to be said about me. I suppose that as the day's proceedings and the week's proceedings occur, we will find that there's quite a change in sentiment. However, that being the case, it still is one of the nice touches of the House that we can meet here as friends even though we have differences in matter of principle and policies.

Now I wish to say a very sincere word of thanks to the First Minister for his courtesy in his allusions to me. Certainly I join with him in his expressions of goodwill toward the new Leader of our Party. I'm happy indeed to be able to sit with him as a colleague, because I consider that he is a young man who can give a great leadership to this party and, in due course, and I think it won't be too long, in the position of the head of the government of this province; and I wish him well. I know it isn't an easy job that he has entered upon but he will do it better than I ever did because he has more capacity and natural aptitude for that sort of thing. It's nice to be able to make the transition in such an easy way, and now that I am just back where I started 39 years ago as a member for Lakeside, I look back at the intervening years and they don't seem to be very long. And when I think of the nice people that we associate with here and the fine folks that we serve in the Province of Manitoba, I am inclined and seriously considering starting all over again. Having gone from the back bench down to the front, and then across the way, and then to one seat and over to one side, I'm thinking that perhaps I'll get back in there and complete the circle once again. However, that's in the lap of the Gods and I do enjoy my association in this House. And even if sometimes I appear to have some slight differences of opinion, I certainly do feel that the fellowship and friendships that we make here are worthwhile, so I am very appreciative.

May I say, too, how greatly I wish to join in the expressions of felicitation to my honourable friend from Inkster. He has had a distinguished career in this country. Having come from another country he has done very well here and he has made a great contribution. Fifty years of married life--it is an achievement and I'm sure that all of us most sincerely wish he and Mrs. Gray many happy and prosperous years together.

MR. MORRIS A. GRAY (Inkster): Mr. Speaker, the medical profession tells us that the human mind starts functioning at its birth and quits when it has to make a non-political speech. That's exactly--I had not anticipated such glorious remarks given to Mrs. Gray and to myself. It seems to me that if this same spirit of friendship would exist and be in this House in the next

(Mr. Gray, cont'd.)... two or three days, I think we could get through with the business in a very, very short time in spite of the new Leader of the Liberal Party. All he has to do is smile and send congratulations. I wish to thank everyone for your kind words and I want to tell you that for the rest of my useful days I shall continue, whether in the House or outside the House, to make my contribution to a wonderful life that I have had due to the fact that the gates in Halifax had been open for me without finding out first my nationality, the place of my birth and my financial resources, which was less than less, because I had spent my last dime on a loaf of bread in Fort William before I arrived in Winnipeg in 42 degree below zero weather and my baggage weighed exactly 9 1/2 pounds. I weighed it purposely so I could have it in my I again thank you very much.

MR. ROBLIN: Mr. Speaker, there are some motions of a formal character which I'd like to propose at this time.

Mr. Roblin introduced Bill No. 1 - An Act respecting the Administration of Oaths of Office.

MR. SPEAKER: Orders of the Day. Proposed motion by the Honourable the First Minister.

MR. ROBLIN: Mr. Speaker, do you wish to make the announcement respecting His Honour's speech and the Sergeant-At-Arms?

MR. SPEAKER: Oh yes. Before we leave the Orders of the Day I would make the following announcements. In order to prevent mistakes I have obtained a copy of the speech from His Honour the Lieutenant-Governor and I wish to inform the House that Frank E. Skinner has been appointed Sergeant-At-Arms for the Fourth Session of the Twenty-Sixth Legislature.

MR. ROBLIN: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Education, that Votes and Proceedings of this House be printed, having first been perused by Mr. Speaker, and that he do appoint the printing thereof, and that no persons but such as he shall appoint do presume to print the same.

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

MR. ROBLIN: Mr. Speaker, I beg to move, seconded by the Honourable the Attorney-General, that during the present Session of the Legislature, the House may sit from 10:30 o'clock in the forenoon until 12:30 o'clock in the afternoon, and from 2:30 o'clock in the afternoon until 5:30 o'clock in the afternoon, and from 8:00 o'clock p. m. until 11 o'clock p. m., each sitting day and on Saturday, and that each such sitting be a separate sitting of the House, and that Government Notices of Motion and Government Orders shall have precedence over all other business, except Questions and Notices of Motion for production of papers.

Mr. Speaker presented the motion.

MR. ROBLIN: Mr. Speaker, I think the House is entitled to have some explanation as to why it is considered advisable to introduce such a motion at this time, because as members will appreciate, it affects the proceedings of this House and bears very closely on the facilities of members in the conduct of the business of the province. For that reason, I think it requires a reasonably full explanation from me. I could, of course, refer to the history in connection with special sessions and remind members that on the three special sessions which I had any experience of, this motion was introduced. This happened in 1950 on the occasion of the special session on the flood, and on the first day of that session the First Minister introduced a motion of this character, not quite the same, but generally speaking it had the same text, and I must confess that it did not receive unanimous approval at that time. Feelings were running rather high as an aftermath of the flood and there was quite a spirited debate on the propriety of the motion, and it actually came to a vote and it carried on a division of 37 to 18. At that time the First Minister gave an undertaking, however, that the motion would not be used in such a manner as to limit the rights of members and to interfere with their responsibilities in carrying out our business, and I must in candour say that he lived up to that statement in every respect, as the records of the House will show and the recollection of members present will testify. Then again at a special session in 1952 and in 1953, both dealing with power, the same motion was introduced on the first day by the First Minister. On those two occasions, no doubt with the experience of the first one in mind, no objection was raised and the motions carried without any dissent. Now I present this motion today in the same spirit.

There is, as members will know now from having heard the Throne Speech, only one item of importance on the government program at the present time and that is the bill having to do with tax collections and associated matters, and I think that perhaps the House might agree

(Mr. Roblin, cont'd.) . . . that with that sort of a limited program in front of us we do not need the regular full-fledged procedure that we normally follow. It seems to me that what we want to try and do consists of two things. First of all, to make a reasonable use of our time; and secondly, and just as important, to do so in such a manner that we do not tread on the rights of members of the Opposition, not only to debate the matters in the bill but also that they should have the usual time to give it consideration before they are asked to debate it. I would like to say that this is an important bill. It is a lengthy bill -- it has some 27 pages, I believe. Fortunately, the great bulk of the matter is not new, it merely consists in enacting into Manitoba statutes the provisions of the Dominion taxing arrangements, but there are a number of sections which I am sure will call for fullest considerations. Regardless of all that, the bill in itself will be new to members of the House as a whole, and they, I believe, are entitled to have full opportunity to give it their consideration. They have the right to have the time to digest it, and the time to debate it when they have made up their minds what they think about it. I think the importance of the subject justifies that full consideration.

Now I think, Sir, that with a little co-operation we can achieve both the goals that we seek. We can make the best use of our time and we can respect the rights of members, particularly in the Opposition, in dealing with this important matter, because if the resolution should pass, the program that I would propose to follow would be to proceed probably this morning with the Committee of the Whole stage in first reading and second reading as well, so that members of the House will then have the bill on their table and will have heard the explanation that the Government offers in connection with the bill. That is using the speed-up procedure to get the subject matter before us as expeditiously as possible. But after that, then I do not see any need for further speed-ups of that sort. I think that after that the House can adjourn, if we complete that program this morning, or perhaps this afternoon, it doesn't make much difference. The House would then adjourn to its regular time of meeting at 2:30 on Tuesday, with the hope that the Leader of the Opposition would be ready to continue at that time. However, as far as I am concerned, I would be quite willing to accord to him, and to the Leader of the CCF Party, whatever period of time they feel is required in order to be properly prepared to deal with this matter and, of course, that period of time being extended to them would also enure to the benefit of other members of the House who might want to make speeches on this subject as well.

I think we should consider what would happen if we did not adopt the resolution. If we did not adopt the resolution, all that we would do this morning is have the Throne Speech moved and seconded perhaps, and we would not proceed any further with this matter of business, because it would then be printed in the Votes and Proceedings which would appear tomorrow. Members would have notice tomorrow of the intention to proceed with this matter; Wednesday would go by, or possibly on Wednesday we would have the Committee of the Whole stage in first reading; then we would have second reading on Thursday and it would not be until Friday of this week, under normal procedure, that the Leader of the Opposition would be able to initiate the debate on this subject. In spite of all that time having gone by, he still would have no more real time to consider the contents of the bill and his reaction to it, than if we adopt the proposal that we have here before us this morning. So I propose, Sir, that by co-operating in this matter we will be able to make the best use of our time; the Government will put its side of the story on the table this morning or this afternoon, the bill itself, second reading and explanations and all that kind of thing; but that we should then adjourn until the regular time of 2:30 tomorrow afternoon. If the Leader of the Opposition is prepared to proceed then, well and good; if he feels that he is still not ready to proceed, I am sure that the House would be willing to make whatever arrangement would meet his convenience, because we want to make sure that we do not unduly trespass on any rights of the members in connection with this resolution. So I make this explanation, Sir, I hope it will commend itself to the House and no doubt members will wish to comment on what I have said.

MR. MOLGAT: Mr. Speaker, my first reaction on seeing this motion was that the spirit of agreement that we started off with this morning would terminate at this stage, not by any means that we wish to disagree with the Government, but we are very concerned that this bill do have full discussion. As the First Minister indicated, it is an extremely important bill. It affects somewhat over 40% of the revenues of this province, and furthermore, insofar as the

(Mr. Molgat, cont'd.) . . . Federal and Provincial arrangements of the whole Canadian concept, it has very important repercussions. We on this side want to be absolutely sure that the bill is complete in discussion and that thorough information is provided by the Government. Now the offer that the First Minister makes, as I understand it, is that we would have one sitting only today, one sitting only tomorrow.

MR. ROBLIN: Mr. Speaker, if I may have the liberty of just dealing with this, one sitting at 2:30 tomorrow and the Leader of the Opposition could speak then or not as he is ready. If anyone else was ready to speak on that evening we would meet again. If the Leader of the CCF Party was willing to meet that night, was ready to proceed, we would meet that evening. If not, we would lay over until he was ready. But after those two speeches have been dispensed with, then perhaps we would give consideration to whether or not we would meet three times a day or not. As far as I am concerned, I am making no stipulation with respect to that matter at all. I just want to leave ourselves free to see how we get along.

MR. MOLGAT: Well, my first reaction was that we would oppose this at this stage, and tell the First Minister that we are in complete agreement to proceeding today with Committee of the Whole on the bill, where I would hope he would make a complete explanation of the Government's position, first reading and second reading, which will certainly expedite matters and get all the information in the hands of the members. Now this to us is the important aspect. We believe there is a great deal of information which we must have before we can discuss this intelligently. On the understanding here in the House by the First Minister that we will have this information given to us in Committee of the Whole, where we can ask the questions; on the understanding that the speed-up will not be forced upon us; we are prepared to agree with this motion.

MR. PAULLEY: Mr. Speaker, I am glad to hear that the Honourable the Leader of the Opposition is in agreement on this matter, because we of this group are also in agreement that the rules not be changed, but this rule come into effect at this time in order that the business of the House be expedited. We have the assurance of the First Minister that every consideration will be given to the members of the Opposition for thorough study in this important respect. I am sure, Mr. Speaker, that we on this side of the House can take his word for that. At one stage, since the time when the first announcement was made in the public press of the suggested rules of procedure, there was some question as to whether or not the affairs of the Province of Manitoba may be somewhat curtailed, or at least the discussion on them. From the offset, Mr. Speaker, may I say that I, as Leader of the CCF Party, would not under any circumstances, despite the power of government, allow this important matter to go through without a full discussion. I am happy, Mr. Speaker, that the Leader of the Opposition agrees with that I believe at the present time as we do, and we have no objections at all to the passing of this resolution.

MR. J. M. FROESE (Rhineland): Mr. Speaker, originally I was inclined to object to this resolution being agreed to, however, as already pointed out, I too agree that we should have the information as soon as possible in order to go into the matter and, therefore, I agree to go along with this resolution.

MR. SPEAKER: Are you ready for the question?

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

MR. ROBLIN: Consequent on that, Mr. Speaker, there is a further motion which I move, seconded by the Honourable Minister of Public Works, that during the present session of the Legislature, rules of the House Nos. 2, 3, 8, 9, 48, 67, 89, 102, 120, 125 be suspended, and that the tabling of reports or periodical statements, which is the duty of any officers or Department of the Government, or any corporate body to make to the House is ordered by any rules, forms of proceedings of the House, or by the Journals or Statutes of the Province, be dispensed with.

Mr. Speaker presented the motion.

MR. ROBLIN: Mr. Speaker, I could give an explanation of each one of these rules of the House if the House desires it. I imagine the House does not desire it, because they are all contingent upon the former motion so I'll dispense with that explanation.

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

MR. ROBLIN: I beg to move, seconded by the Honourable Minister of Health and Public Welfare, that during the present session every bill shall be referred to the Committee of the

(Mr. Roblin, cont'd.) Whole and the House hereby appoints William G. Martin, Esquire, member of the Electoral Division of St. Matthews, as Deputy Speaker and Chairman of this Committee and the Committees of the House.

Mr. Speaker presented the motion.

MR. MOLGAT: Mr. Speaker, I have a question on this one. It seems to me that here a change would be wise in this particular resolution. On going over past special sessions, in each case instead of being referred to the Committee of the Whole, it was referred to a special committee comprised of all the members of the House. That has been the past practice. I believe there is a very distinct advantage in this procedure, Mr. Speaker, in that it is impossible for us to have representations made by people outside of the Legislature to the Committee of the Whole. We sit here in Committee of the Whole and we can not have people who want to make representations come to us. Now it seems to me that this is an important item in our whole legislative process. This assembly is obviously responsible to the people of Manitoba and one of their rights is to appear before us and have their views on any subject that we are discussing proposed before our committees. This I think is a good measure and something that we should retain. There is a further point here, that in this discussion of the tax rental agreements there may be some technical details that some of us would like to investigate further, and we may want to call some of the specialists from the Treasury Department in for further explanations and further advice. Under the Committee of the Whole, I believe this also would be prevented. It seems to me, therefore, it would be to the advantage of the House and of the proceedings if we were to follow the wording or the principle that was used in the past. There has to be a slight change of wording because under our new rules we no longer speak of Special Select Committees and so on, but I would propose this amendment, Mr. Speaker, to the motion. I move, seconded by the Honourable Member for Lakeside, that the motion be amended by deleting all the words after the word "to" in the first line thereof and substituting the following -- I want to make it clear this does not change the procedure, it simply adds the possibility of receiving people -- "a special committee consisting of all the members of the House and the House hereby appoints that committee and appoints William G. Martin, Esquire, Member for the Electoral Division of St. Matthews, as Deputy Speaker and Chairman of this Committee and of the Committee of the House."

Mr. Speaker presented the motion.

MR. ROBLIN: Mr. Speaker, it's a nice point that my honourable friend has raised here, but I am a little bit of a loss to know how to react to it at first glance. We might do that. We might very well do that. As a rule, if my recollection serves me, taxing statutes have not gone to a special committee but have gone to a Committee of the Whole. They go through that stage and I am not just certain whether it is appropriate to go to a special committee in this way with respect to a taxing statute. Respecting the information, naturally ministers have to assume their responsibility of supplying the information that is required by the House, and although we have never made a practice of bringing departmental people onto the floor of the Committee of the Whole, it is done in other legislatures and I suppose that it could be done here if it was deemed it necessary, but I hope to be sufficiently informed as to the subject matter of the bill as to be able to deal with those questions. I must confess I am a little puzzled by the taxing statute part of it because as far as I can recall, it has never been our custom to take that course. What I would like to suggest is that we let the matter lay on the table for the time being to give us a chance to consider this question of the taxing statutes and other matters. It is not necessary that we deal with it immediately, so that perhaps if the House would allow me to I would simply adjourn the debate on this and we could give it consideration and see whether it is acceptable. There is one difficulty, that we do need a Chairman of the Committee of the Whole House because we have to go into Committee of the Whole House for the time being, so why don't we accept the government motion and allow the Leader of the Opposition to consult with me afterwards and he might bring in a motion later on to alter that procedure. I think that would be well within the rules. That would enable us to have a Chairman of the Committee of the Whole now and then we could consider this suggestion, the necessity for which will not arise until such time second reading has been concluded with, which may be any time -- any number of days from now -- who knows. That will enable us to get on with the business and we can give consideration to this. Would that be agreeable?

MR. MOLGAT: Mr. Chairman, Mr. Speaker rather, I don't think it would be a good practice for us to get in the habit here of passing motions subject to subsequent motions to contradict the original motion. It just doesn't seem to me to be a proper procedure. Would it not be simply proper for the First Minister to propose a motion now that William G. Martin, Esquire, be Deputy Speaker and Chairman or Chairman of the Whole simply -- that motion and then we can proceed with another motion later on to take effect.

MR. ROBLIN: No, Mr. Speaker, I think we simply have to vote against the amendment at the present time and leave it at that, but I am quite willing to leave the matter open if we can arrive at some reasonable means of doing so.

MR. MOLGAT: I can't understand the position of the First Minister in this matter. If what he wants is a Chairman of Committees why not simply appoint a Chairman of Committees? It's simple.

MR. ROBLIN: Yes, well, in that case if we'll both have the leave of the House to withdraw our present motions I'll make a new one -- namely that this House do now appoint William G. Martin, Esquire, Member for the Electoral Division of St. Matthews as Deputy Speaker and Chairman of this Committee and of the Committees of the House.

MR. PAULLEY: Leave will be granted as far as we're concerned, Mr. Speaker.

MR. SPEAKER: Did I understand the First Minister to say that we would withdraw the original motion?

MR. ROBLIN: We have just received leave of the House, Sir, to withdraw the motion and the amendment thereto and I submitted a new one naming Mr. Martin Chairman of Committee of the Whole House.

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

MR. ROBLIN: I move, Mr. Speaker, seconded by the Honourable Minister of Labour that Mr. Speaker do now leave the Chair and the House resolve itself into Committee of the Whole to consider the following resolutions and I trust that the Whips of the Opposition Parties have copies of these resolutions.

1. Resolved that it is expedient to bring in a measure respecting an income tax collection agreement with the Government of Canada and for the imposition of taxation in respect of incomes earned in Manitoba in order to provide among other matters the means to give effect to a reduction in the rates of premiums payable under The Manitoba Hospital Services Insurance Act.

2. Resolved that the Standing Committee of the House appointed on the 9th day of March, 1961, as reconstituted and re-appointed on the 13th day of April, 1961, to examine all matters made under The Regulations Act from June 1, 1960 to February 14, 1961, be re-appointed for the same purposes and with the same powers and consist of the same members being Messrs. Lyon, McLean, Christianson, Groves, Hillhouse, Hryhorczuk, Orlikow, Scarth, Smelle and Wright.

And That this Standing Committee of the House have power to sit during the present Session and in recess, after prorogation, and to report to this House on the matters referred to them, at the next Session of the Legislature.

And That the Provincial Treasurer be authorized to pay out of the Consolidated Fund to members of the said Committee the amount of expenses incurred by the members attending the sittings of the Committee, in recess, after prorogation, as are deemed necessary by the Comptroller-General.

3. Resolved that the Special Committee of the House, appointed on the 14th day of April, 1961, to enquire into all phases of the livestock marketing system in Manitoba, be re-appointed for the same purpose and with the same powers and consist of the same members, Messrs. Shewman, Weir, Johnson (Assiniboia), Roberts and Wagner.

And That this Special Committee of the House shall have power to sit during the present Session, and in recess, after prorogation, and to report to this House on the matters referred to them at the next Session of the Legislature.

And That the Provincial Treasurer be authorized to pay out of the Consolidated Fund to members of the said Committee the amount of expenses incurred by the members in attending the sittings of the Committee or expenses incurred by the members in the performance of the duties ordered by the Committee, in recess, after prorogation, as are deemed necessary by

(Mr. Roblin, cont'd.) . . . the Comptroller-General.

MR. SPEAKER: Moved by the Honourable the First Minister, seconded by the Honourable the Minister of Labour, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee of the Whole to consider the following closed resolutions. Are you ready for the question?

Mr. Speaker presented the motion and after a voice vote declared the motion carried and the House resolved itself into a Committee of the Whole House.

MR. SPEAKER: Would the Honourable Member for St. Matthews please take the Chair.

MR. CHAIRMAN: Resolution No. 1.

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

Mr. Chairman, the first of these resolutions is made necessary because of the fact that the tax collection agreements which we are to discuss shortly are financial matters and require a message from His Honour the Lieutenant-Governor and his recommendation to the House. As I expect, in a few minutes, to make a pretty elaborate and extensive statement on the contents of this bill -- and I hope to give the figures that members will find desirable in assessing its merits -- I do not think that it would be advisable for me to make the same speech twice. So with consent, I'll refrain from doing that, simply to say that this bill replaces the tax rental agreement that expires on April 1st, 1962, and is not a tax rental agreement but a tax collection agreement. As members are well aware, the Federal Government is abating its rates of taxation on income tax for corporations and persons, and we require legislation to take up the slack that had thus been developed in this connection. It is necessary for us to do so now because these come into effect at the taxation year beginning January 1st next, and the federal people who are going to collect our tax for us require this kind of notice so that their forms may be in proper shape. We are also enacting in this statute quite a volume of material which duplicates, on our books, the collection machinery that Ottawa have been using for some time, and which is necessary if the collection agreement is to take effect. These are the bare bones of the Act, Mr. Chairman, and I am looking forward to making a complete statement on second reading, which I hope to do by leave within a minute or two.

The other two resolutions that I'm proposing now are simply those that reconstitute the committee looking into the regulations and reconstituting the committee looking into the matter of livestock marketing. Both those committees die when this House meets, therefore it's necessary to re-establish them and give them permission to carry on their duties now and during the interval until the House meets again.

MR. MOLGAT: Mr. Chairman, insofar as the two latter resolutions, there's obviously no disagreement on this side of the House. Insofar as the first resolution is concerned, I wonder if the First Minister would not be prepared to make his full statement at this stage rather than on second reading. I noticed that in Ottawa this was the procedure that was followed and the Minister of Finance made a very complete explanation in the Committee of the Whole. Now this permits questioning and bringing out the facts that we feel is necessary and would certainly expedite the whole procedure. If we could do that now, we would know -- either the government would give us the information or promise to give it to us, or refuses, whichever was the case, that we could put our requests for information and so on, subsequent on my honourable friend's comments; but if we go into second reading then we cannot question any further, we cannot ask for any further details; we simply have to get up and make another speech. Now it seems to me that if he were to make his statement now it would speed up the whole process.

MR. ROBLIN: Mr. Speaker, I think the reason why they did that in Ottawa was because they were about to adjourn and it was considered advisable that the provinces and other people know what was in the bill before adjournment. I think we should stick to our usual custom here. When I'm through on second reading if members make lists of their questions, I'll do my very best to answer them at the conclusion of that debate. But I would point out that we will have our own committee stage, at one time or another, at which time there will be opportunity to provide any details or any questions which are overlooked on the first occasion.

MR. MOLGAT: Mr. Chairman, I appreciate the comments of my honourable friend but I'd like to point out to him that when he says that Ottawa was on the point of adjourning, so is this House. We'll only be here a very few days, and the sooner we get the information the more rapid will be the progress of the whole legislative process. Now if this is what my

(Mr. Molgat, cont'd.) . . . honourable friend indicates he wants, we don't want to obstruct in the least; but we do want to make sure that any proposals that are made here gets a complete airing. We want to make sure that the people of Manitoba know whether this agreement is in their interests or not; we want to have a full projection of the figures over the term of the agreement and so on. Now if this were done now, we would then be in a position to go over those figures ourselves, this afternoon, tomorrow morning, and we would be prepared to proceed tomorrow, and I think the whole process would be speeded up.

MR. PAULLEY: Mr. Chairman, it appears to me as though there's not too much wrong with what the First Minister has proposed, providing -- (Interjection) -- well, it wasn't quite a coalition my honourable friend, that I seconded a motion of my honourable friend the Leader of the House to appoint you Mr. Chairman as Chairman of this Committee -- but apart from that, I would like to suggest to the Honourable the First Minister if we follow the procedure that he has suggested, that we may possibly have laid before the members of the Assembly even this morning, and as quickly as possible, the bill itself in its entirety, accompanied by all the charts and figures that the Honourable the First Minister may have, and may be using, when he introduces the bill for second reading. If this is done -- of course we haven't had second reading -- but if this is done almost immediately, we'd have a greater length of time in which to consider and follow more precisely the remarks of the Honourable the First Minister on second reading. I agree with the Leader of the Opposition that this is such an important matter that we must have full information. The First Minister, indeed, has said that we were going to get this. My point, Mr. Chairman, would be that we get that just as quickly as possible in order that we may study the charts and the bill itself.

MR. MOLGAT: Mr. Chairman, it still seems to me in spite of the comments of my honourable friend the Leader of the CCF Party, that if the First Minister were to make his statement now, we could certainly clear up any questions that we have much more easily than we can under second reading. If he's going to make a statement this morning in any case, surely it's a more acceptable procedure, if he wants the process to go along at a reasonable pace, and that the House do not waste any time, this would speed up the whole affair; we would get all the information we want; if there was any that we felt we needed in addition we could ask for it; and this would work out, I think, to the advantage of the House and of the people of Manitoba. I would particularly like to say that some of the figures that we want to see are projections over the whole term of the agreement. This is a five-year agreement and we want to know how Manitoba fares over the five years, so we would expect to have figures giving the total receipts, year by year over the five years, for the Province of Manitoba and for every other province in Canada. We would also expect to have projection on a per capita basis, because this after all is probably the most important aspect of the receipts over the five years in the Province of Manitoba and the other provinces. These are the sort of figures that we think are essential for a proper analysis of this agreement now proposed to us. This is the only way in which we can tell and the people of Manitoba can tell, if this is a fair deal for the residents of this province, which is what we are interested in seeing.

MR. CHAIRMAN: Are you ready for the question?

MR. CAMPBELL: No, Mr. Chairman. Mr. Chairman, I would like to urge the First Minister to accept the suggestion of the Leader of the Opposition. Evidently the First Minister is in a position now to make his statement because he indicated a moment ago that in a very short time he would be doing that. Now why not make it at this stage rather than on second reading? If my honourable friend were not prepared, that would be quite understandable; but he is prepared, and that being the case I think it would be much more helpful -- certainly more helpful to those on this side of the House who have not had the opportunity as members on that side of the House undoubtedly have -- of becoming somewhat conversant with the factors involved here. I think it would be helpful though to all the members of the House, because it would get the further information that anyone in the committee might ask for before us before the debate on second reading. As you know, Mr. Chairman, it becomes a formal debate once the second reading stage has come up, and we can't move along in the same way that we can in the Committee of the Whole. As my leader has mentioned that is the procedure that was adopted in Ottawa. The Minister of Finance gave a very complete statement covering many pages of Hansard in the Committee of the Whole, and several members of the Opposition,

(Mr. Campbell, cont'd.) . . . including representatives certainly of the Liberal Party and the CCF, spoke at that time, and I'm sure that that procedure would be advisable here.

Now my honourable friend the Leader of the CCF says that he doesn't see that it makes a great deal of difference which method we use, but I can assure him that the object which he desires of putting ourselves in possession of the fullest information in this can be accomplished much better by proceeding in the way suggested. And, in my opinion, it does not in the slightest way detract from the position of the Honourable the First Minister. It would, of course, if he were not ready to proceed; but when he is ready to proceed why can't he make, I ask him, exactly the same speech here that he would make on second reading, then if he wishes to, when the time comes, give the highlights or any amplification that he wishes to at second reading time as well. But it would certainly be more helpful to we folk in the Opposition here to have that procedure followed because then we could ask questions. We could ask what are the projections that the Leader of this Party has referred to. What are the projections over the whole five-year period, and what is proposed by the government now -- because the first reading of the bill will follow immediately -- what is proposed, and what is the expected revenue from any additional taxation that the government may be considering. Those are things that we want to know, and we would like to have the fullest information available now and also the opportunity to ask for more provided some of it is not given at the time. I would urge the First Minister to consider the request and if he's not prepared to accept it at the moment and do what he has done with the other matter of let it sit for consideration.

As the Leader of the Opposition has said, we not only want to expedite the conduct of this session but we want to be sure that we have got for our own purposes, and the public gets for its purposes, the very fullest information possible on this vital subject. This is the biggest thing to come before this Legislative Assembly in a long time. It's a most important piece of legislation. I say quite frankly at this stage that I don't think that the proposal that's made is in the best interests of the Province of Manitoba, but it may be that the Honourable the First Minister with the information that he has available to him, and the projected figures that must have been worked out in this matter, he may be able to convince us that it is to the benefit of the Province of Manitoba, but I think that we should proceed now to have the statement at this stage so that we can ask questions and bring out the very fullest and most complete information.

MR. CHAIRMAN: Are you ready for the question?

MR. MOLGAT: Mr. Chairman, I would like to appeal for a last time to the First Minister. It seems to me that our request is absolutely in line with his own request of us that we suspend the rules and agree to go into three sittings a day. Now while we don't like that procedure, we accepted it on the basis of his statement to us and we're not going to back down on that, but if he wishes to expedite the work of the House, if we're going to get this matter settled with full discussion in a reasonable time, this procedure we suggest is absolutely sensible. It's been followed in Ottawa; the discussion was held there, the questions went back and forth. I might say -- and I'm not saying that this is the intention of my honourable friend -- in Ottawa there was an objection on the part of the government to give projected figures. We wouldn't want to be in this position in this House and the time that we can get this done is when we're in Committee of the Whole. Once we're into second reading these things are very difficult to do because of the formality of the debate. This would speed up the procedure, ensure that all the members of this House have the information and that the people of Manitoba know where they stand. I appeal to my honourable friend to accept our proposal. It doesn't change at all the timing, he's going to give us a speech this morning in any case.

MR. PAULLEY: Mr. Chairman, just one more word on this. I did say that at first I thought that the information would be fully laid before us. After hearing the viewpoints expressed I'm wondering whether or not it might be possible that this matter lay in Committee of the Whole House at the present time and that after the Committee rises that the charts and tables that the Honourable the First Minister may be producing on second reading of the bill be laid before us now, or after the Committee rises, in order that we may study them, then we will have an opportunity of knowing what financial data will be forwarded to us, and then instead of the First Minister making his major speech on second reading, I doubt whether we'd reach that stage this morning anyway, Mr. Chairman -- that we will have this information before us for our consideration.

MR. FROESE: Mr. Chairman, I would support the Honourable Leader of the Opposition in his request. I think the First Minister should give this matter consideration and grant it. I feel that it's quite a fair request in all respects.

Mr. Chairman put the question. -- (Interjection) --

MR. MOLGAT: ... Oh, but you do. --(Interjection) -- Oh yes, you certainly do -- (Interjection) -- Well, we did last year. I moved last year that the committee rise and report. My honourable friend was away in Ottawa at that time unfortunately, but we had -- (Interjection) -- Well then let's have a count.

MR. CHAIRMAN: We can have a count but not record it. Those in favour kindly stand.

MR. CLERK: Thirty.

MR. CHAIRMAN: Opposed?

MR. CLERK: Twenty-two.

MR. CHAIRMAN: I declare the motion carried. Resolution No. 2 be adopted? Carried. Resolution No. 3 be adopted ...

MR. CAMPBELL: Mr. Chairman, I was thinking with regard to resolutions number 2 and 3 -- and I am particularly interested in 3 rather than 2 -- it would be only proper that we should have what might be called an interim report of the activities of these committees. My honourable friend the Leader of the Government has said that these committees die when the House meets. I was kind of wondering if they were already dead before the House met. Have they been doing any work? If so, what have they been doing? If not, why not? Wouldn't it be well to have reports of an interim nature?

HON. STERLING LYON, Q.C. (Attorney-General) (Fort Garry): On Resolution No. 2, Mr. Chairman, I'm happy to advise the Honourable Member for Lakeside that the committee has already met once during the last regular session of the House and completed about a third of its work. At that time by joint agreement of all parties represented it was left to the call of the chairman. I can advise members of the House that I did attempt to reconvene the committee again I think at a time -- and I think the Honourable Member from St. John's can tell me the time better than I -- but it was at a time unfortunately when a convention of another political party, which shall remain nameless, it has two names, was being held, and due to that problem members of his party were unable to attend. It was my hope that we would have a meeting of the Regulations Committee shortly after the adjournment of the House depending, of course, upon the will of the other members involved, and we are attempting to canvass that, or will be canvassing that thought among them during the course of the House proceedings.

MR. CHAIRMAN: Resolution 3 agreed? The Committee Chairman.

MR. H. P. SHEWMAN (Morris): The Committee on Livestock -- we had two meetings in May I think it was, one in May and one in June, of just the committee itself to investigate all phases of livestock marketing. Then we scheduled a meeting for the 8th of August, I think it was and on account of the drought situation we cancelled that meeting to the 21st of September. The meeting on the 21st of September was attended by 50 some odd persons and there was nine briefs presented at that time and we are holding a meeting on November 9th with the packing plants and all phases associated with the processing of meat, plus labour. I forgot to mention that the meeting we had on the 21st of September was at the producer's level, which was well attended, and the briefs presented at that time were excellent.

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

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

MR. SPEAKER: Are you ready for the question?

MR. MOLGAT: Mr. Speaker, I regret that on this point we cannot agree with Resolution No. 1 of the Committee. In our opinion the procedure we suggest is eminently fair; it fits in with everything the First Minister asks us to do; it gives the information to the House; it permits an orderly proceeding with the business. I'll not thrash over the whole procedure again but in my opinion this is a sound proposal that the Opposition has made. If my First Honourable Friend is not prepared to proceed with this, then I for one may not be prepared to proceed on second reading tomorrow, because I insist that this matter have absolutely full discussion and

(Mr. Molgat, cont'd.) . . . that all the figures be presented to us. The time to do it was in Committee. I move therefore, Mr. Speaker, seconded by the Honourable Member for Lakeside, that the report of the committee be not now received but referred back to the Committee for further consideration.

MR. SPEAKER: Moved by the Honourable Leader of the Opposition, seconded by the Honourable Member for Lakeside -- can I have the motion?

MR. ROBLIN: Mr. Speaker, I don't think that we need have it written out if you can recall it because I think we understand what my honourable friend is driving at. I simply want to say that he's going to get all the information that I have available to give him on second reading when that time arrives this morning, and that, after all, is the time in which the principle of the bill should be discussed and those important pertinent matters in connection with it which he would like to know, so that as far as I can see, I can't really see what difference it makes where I make my speech. He's going to get all the information that I can give him on second reading.

MR. PAULLEY: Mr. Speaker, in the Committee I made a suggestion that the matter be left in committee and the tables be made available for us prior to the major speech of the Honourable the Premier. That suggestion was not accepted; we voted in committee along with the Official Opposition in protest and I feel that as far as we're concerned we still must carry through our protest.

MR. EDMOND PREFONTAINE (Carillon): Mr. Speaker, just a word to mention the fact that on this important, and most important resolution, we haven't had today, now, the routine normal information that we generally get when the motion is made in Committee of the Whole. This is a special session; we were appealed to for co-operation and we are asking something that is reasonable; we are surprised that we are not receiving it. We should have had some explanation. We have nothing and the reasons are foremost that we should have a long explanation. I agree that we should not have two speeches but the speeches should have been made, I believe, in Committee of the Whole. It would have certainly expedited matters very much and made it easier for the Opposition to get the full information.

MR. M. N. HRYHORCZUK, Q. C. (Ethelbert Plains): Mr. Speaker, the Honourable First Minister gives us the assurance that he will give us all the information that is available to him. Well, that is just the point. We do not know what information is available to him nor do we know what information he will give us. Had we the information given to us at the stage suggested by the Leader of the Opposition then we would be in the position to look for such information as we deem necessary, which the First Minister couldn't give us. We do not know what information he will give us. He has only given an undertaking that he will give us the information that is available to him; it may only be a part of the information we want.

MR. CAMPBELL: Mr. Speaker, I would like to suggest to the Honourable First Minister that we might return to the committee for further discussion of this matter, because it seems to me that we should stick to the point that this is the proper way to proceed on a matter of such complexity as this session is going to deal with. The Honourable First Minister has said that so far as the principle of the bill is concerned that he will deal with that fully on second reading -- and I am sure he will, I have no doubt of that -- but, Mr. Speaker, regardless of the principle of the bill -- quite frankly I am not enamoured of it -- but regardless of the principle of the bill, what we're really up against here, is not only the principle of the bill, but the financial results of the bill. We need the details, the detailed information that is not easy to get perhaps, but that the House simply must have if it is going to form the right conclusions on this matter. The public should have that information too, but it's that detail: how this will affect the Province of Manitoba's economy; how it will affect the finances of this Government -- those are the questions that are important as the principle is important also. For instance, we want to know what will be the result or what does the government think will be the results of the proposal that is now made and will be recommended to the House by this government, vis-a-vis the present situation; What will it be on the basis of, vis-a-vis the other provinces. Is it better for Manitoba than the present one, is it better for the other provinces. What provinces are going to gain by this proposal and what ones are going to lose, and what ones are going to stay about even? We want to know, as the Leader of the Opposition said, what about the per capita payments that will be received by this province and by other provinces, and a multitude of detail that I am sure that the Honourable the First Minister is intending to give to us and

(Mr. Campbell, cont'd.) with projections into the future. But the point is that once my honourable friend makes his speech on second reading -- comprehensive though I have no doubt that that will be -- once he makes that speech, then all that any of us can do in Opposition, or any that my honourable friend's supporters can do is speak once more, and while my honourable friend says, quite properly, that if we ask the questions he will try and give the answers -- I am sure he will make that effort -- but we all have to assemble our questions, put them out at one time, he answers at one time when he closes the debate, and that's it, the discussion is finished. True, true there is still the Committee of the Whole stage after that when we go through the bill clause by clause, but by that time the principle of the bill has been decided, the principle -- and the chances of change at that juncture as the honourable members know, is very slight. The time to get information theoretically has passed; we should have it before we are asked to vote on the principle of the bill. So the only way, in my opinion that we can achieve the very best information for the members of this House, which is important, and for the public, which is very important in this matter, is by the procedure which we are suggesting. Why is the change being made? Why after all the years, after all the years that the tax agreements have worked so well and to the benefit of this province and other provinces, why is the change made now? Each question raises some other question, and those are the things that we want to ask in the informality of debate in Committee of the Whole. I would once again suggest to the Honourable the First Minister that if he is not prepared to accept our amendment now and go back into the committee stage for reconsideration of this matter, that he at least do what he did with our other amendment a little while ago and take it under advisement. It is 12 o'clock noon now; we can sit only until 12:30; why not, why not take it under advisement.

I assure the House, I think they know already, this is not an attempt to delay the work of the House, because we all recognize that it's important and it must be proceeded with and we are prepared to proceed with it. But while there is a certain amount of urgency and we must proceed with reasonable speed as the First Minister has mentioned, we must also be sure that not only ourselves, the members of this House who have the responsibility to agree or disagree with what the government is doing, are as well informed as possible, but in the process we must attempt to inform the public on a matter that's of vital importance to them. Because, Mr. Speaker, taxes are becoming pretty important to the people of Manitoba these days. We're in the high tax area here and the public needs to be well informed in order to decide whether these suggestions that are being made in this bill are in their interest or not. So the informing of the public is extremely important as well as the informing of the members of this House, and I suggest that both desirable objectives can be best accomplished by meeting our amendment.

MR. SPEAKER: It would seem to me that the procedure that has been suggested that the motion refer back to the Committee of the Whole House, if it's acceptable to the House, is possibly the proper way. The consideration of second reading of the bill of course cannot take place until the motion that the bill be read a first time is passed. On the other hand the reading of the bill a first time places it before the House, and you have conflict of jurisdiction at that point. I am prepared to listen to arguments that the bill is not formerly before the House until it has received first reading, and whether it is possible to refer it back to committee again after it has already been there is another question.

MR. ROBLIN: your point of order is well taken. The usual course of events is to give a very brief statement of the purpose of the bill on committee stage when it is a money bill. I have done that. It is not customary at that stage to go into the details of the bill because the bill itself is not before the members; they have never seen it. They can't see it until it has first reading and second reading; after that they have seen it and they know what's in it and they can deal with the details of it. Up until that time they are just indulging in speculation as to what may be in the bill and what information they may require and what information the government should be giving them in connection. So I think that your point is well taken that we have given a rough general statement of what is in the bill, which is customary at the committee stage, and that we now have to proceed to have first and second reading of the bill in order to place it before the members so that discussion may promptly continue. If my honourable friends opposite want to move a resolution to indicate that they are not happy with the Committee of the Whole and have a vote on it, that is fine with me, I would oppose it in that case. But it seems to me that we are actually following the correct procedure and that we should carry on.

MR. MOLGAT: Mr. Speaker, on the point of order, I would like to point out to the First Minister that we have made changes in the normal procedure this morning, at his request. We came in here not prepared to do that. He gave us an undertaking, we changed our minds and went along with him. I don't object to the change after his explanation. Here is another change in the routine. True it's not the normal practice, but in view of the special session, in view of his own request, I think ours is perfectly sensible. I would add further that this is the procedure that was followed in Ottawa. The changes that we made in our rules here a year or so ago, provided that we would follow the Ottawa rules wherever our rules didn't apply. We've got perfectly sound reasons for following what Ottawa has done in this regard. I simply cannot agree with my honourable friend.

MR. CAMPBELL: Mr. Speaker, speaking to what's called the point of order, let me simply mention once again the resolution that was before the Committee and with which the motion and the amendment deals, -- Resolve that it is expedient to bring in the measure respecting an income tax collection agreement with the Government of Canada for the imposition of taxation in respect of incomes earned in Manitoba, in order to provide among other matters the means to give effect to a reduction in the rates of premiums payable under The Hospital Services Insurance Act. That's the proposition that's before the House under this motion now, and surely, surely it's in order at that time, as it was in Ottawa, to have a full explanation by the Minister in charge. No question about that; I believe there is no point of order involved, it is just a question of which is the better procedure.

MR. T. P. HILLHOUSE, Q. C. (Selkirk): Mr. Speaker, regarding your ruling that the bill is not before the House until it has its first reading, I quite agree with you, but the point that my honourable Leader is trying to make is this, that there is nothing in this bill, which gives us the information which we require for a proper and intelligent study of the bill. In other words, if we are to determine whether or not this bill is in the best interests of the people of Manitoba, we should know in advance from the government, what this deal we are getting from Ottawa means to us in dollars and cents. We must have a projection of the revenues that we are going to get from the Federal Government under the new tax rental agreement. This is supplementary to it and I think my Leader's point is well taken in saying that we should be furnished with this information before we give this bill any consideration at all.

MR. SPEAKER: Did I understand the First Minister, that I should put the original question?

MR. ROBLIN: I think, Mr. Speaker, that the Leader of the Opposition wishes to indicate that he is not in favour of the motion and that he had amended it. I am not certain whether his amendment is in order, but we certainly ought to give him a chance to express his opinion on the resolution. If his amendment is in order then we can have a vote on it now and dispose of the matter.

MR. MOLGAT: Mr. Speaker, it seems to me that it is always in order to refer back to a committee any report from a committee.

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

MR. MOLGAT: Yeas and Nays, Mr. Speaker.

MR. SPEAKER: Call in the members. The question before the House is the motion proposed by the Honourable the Leader of the Opposition, seconded by the Honourable Member for Lakeside, that the report of the Committee be not received but referred back to committee for further consideration.

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

YEAS: Messrs. Campbell, Desjardins, Dow, Froese, Gray, Guttormson, Harris, Hawryluk, Hillhouse, Hryhorczuk, Molgat, Orlikow, Paulley, Peters, Prefontaine, Reid, Roberts, Schreyer, Shoemaker, Tanchak, Wagner, Wright.

NAYS: Messrs. Alexander, Bjornson, Carroll, Christianson, Corbett, Cowan, Evans, Groves, Hamilton, Hutton, Jeannotte, Johnson (Assiniboia), Johnson (Gimli), Klym, Lissaman, Lyon, McKellar, McLean, Martin, Roblin, Scarth, Seaborn, Shewman, Smellie, Stanes, Strickland, Thompson, Watt, Welr, Witney, and Mrs. Forbes, and Mrs. Morrison.

MR. CLERK: Yeas 22; Nays 32.

MR. SPEAKER: I declare the motion lost. Introduction of Bills.

MR. ROBLIN: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Mines and Natural Resources that leave be given to introduce a Bill No. 2, An Act respecting

(Mr. Roblin, cont'd.) . . . Income Tax and that the same now be received and read a first time, and, Sir, second reading immediately if the House wishes.

Mr. Speaker presented the motion and after a voice vote declared Bill No. 2 read a first time.

Mr. Roblin presented Bill No. 2, An Act respecting Income Tax, for second reading.

Mr. Speaker presented the motion.

MR. SPEAKER: Are you ready for the question?

MR. PAULLEY: Mr. Speaker, speaking to the question, I believe that that motion would have to be passed by leave. I note that the time is now a quarter past twelve, our rising time is 12:30, I would suggest to my honourable friend that possibly we could adjourn now until the hour of 2:30 at which time we may start on second reading of the bill.

.....(Continued on next page)

MR. ROBLIN: It's six of one and half a dozen of another. I think my speech will take three-quarters of an hour so that will bring us out of here by one o'clock and that would eliminate an afternoon sitting and let members get on with their study of it. On the other hand, if they'd rather hear it at 2:30, well, it's all right with me; I leave it with the House.

Thank you, Mr. Speaker, I appreciate the co-operation of the members. I must say that it feels like old times. We're back on the old stand getting all excited about points of order, most of which are inconsequential when the chips are really down, and we finally get to the root of the matter when we have the second reading of the bill before us now. I want to assure the members of the House that as far as we're able to do so, we intend to give them all the information that is at our disposal in connection with this matter, and as members know, there is another committee stage which takes place after the principle of the bill is discussed and after all it is the principle of the bill that we have to decide in the first instance, because unless we decide that we approve of the principle of a measure it never gets any farther and it makes nonsense of the suggestion that we should be discussing details of the matter before us at the committee stage, at the committee stage on the introduction before first reading, because how can we discuss the details of a matter which is not before us and which we have not decided as to whether or not we're going to accept it in principle. It seems to me that all the arguments that we've heard from the other side about not getting the information they need at particular stage in our proceeding is so much window dressing and I'm very happy to describe it as such. Because until we have decided the principle of the matter before us, it's obviously absurd to indulge in a discussion of the details. Now that comes down from the long history of the experience of the House of Commons, that comes down from the long history of the development of our procedures and it is the fruit of the wisdom of many centuries and it obviously makes sense today. That is why, Sir, I feel quite justified in proceeding as we have done to come to the second stage of this bill, to come to the second reading of it at this particular time. Now, Sir, we want to give the House the information that we have on this matter. I am not going to pretend at this moment that we have the answers to all the questions that they might choose to ask about it because some of the gentlemen here are very ingenious in the construction of questions and I'm perfectly certain they can ask better questions than I can think up and certainly are going to ask me some for which we do not know the answers and for which, indeed, the answers may not be available. But within the limits of the information that is available to me, I intend to give the House the details of this matter and its implications for the Province of Manitoba at the present time. That, Sir, is an entirely extemporaneous introduction which I never anticipated being under the necessity of referring to.

Coming to the matters that are before us now, I want to begin by saying that one of the most important financial matters, as members have said, that comes before this Legislature is the regular consideration which every five years we are under the necessity of according to the relationship that exists between this province and the Dominion of Canada with respect to our fiscal relations and indeed the relationship that exists between the Government of Canada and the ten provinces of our nation as a whole. And, Sir, it is simply to repeat the obvious to say that the introduction of these arrangements in any chamber in this land have been proceeded by a prolonged and elaborate and intensive negotiation between the Dominion on the one side and almost invariably all the ten provinces on the other. We find the provinces urging that their share of the available revenue should be increased and, on the other hand, we have the Dominion weighing what, in their view, the interest of the nation require. But I can say to you, Sir, that it is an axiom of dominion-provincial fiscal relations that to quote Rudyard Kipling "Never the twain shall meet." And it seems to me that a very concrete expression of this situation was given by the Honourable Member for Bonaville-Twillington when he spoke in the House of Commons on second reading of this matter a short time ago and I quote him: "I might say parenthetically right here and I'm looking at a former provincial premier when I say this - - and I pause from my quotation to do the same - - that as long as we live in this vale of tears where men are imperfect, we will never have provincial governments completely satisfied with a share of the total revenues that are available to them. If they were satisfied I'm afraid that many national services would be starved. This is something that anyone with any experience in these matters has to recognize." Well I think this is one occasion in which I can express some feeling for the sentiment expressed by the Honourable Member for

(Mr. Roblin con'd) Bonavista-Twillingate.

MR. PAULLEY: Would you mention the volume of that?

MR. ROBLIN: This is page 8946, September the 26th in the Proceedings of the House of Commons at Ottawa.

Well I'm here to say, Sir, that the current negotiations between this province and the Dominion of Canada are no exception to the situation that was so clearly expressed by Mr. Pickersgill when he used those words. We have felt and we feel now that we have made a sound and a logical case where a larger share of the revenues that are available to the governments of this country; where a larger share of the available revenues than those that are going to be provided in this agreement. And we say, Sir, that this is a point of view which we have continuously and strenuously advanced and I daresay that we shall continue to strenuously advance that point of view.

Mr. Speaker, I make but a short reference to the proceedings that have led up to the introduction of this bill and to the agreements which are now before us -- only a short reference -- because I know that the details of what has gone on in previous times have been very carefully reported in the Press. They're well known to members of this House; they have been the subject of statements by myself and by members on all sides over the past few months and that against that background you would not wish me to give you a detailed consideration of the history of these arrangements. But it is against that background that we have to consider the measure that is before us. Now, Mr. Speaker, the bill which I would now ask the Clerk of the House to distribute, if he's not already done so; the bill at first glance appears to be a bulky one. There are about 27 pages in it. But I hasten to reassure members that most of the bill is what one might call proforma. That the bulk of it simply re-enacts onto the statute books of the Province of Manitoba a detailed reproduction of the federal income tax collection arrangement. I only wish to make at this time a passing reference in this way to the bulk of that particular bill because members, who have been in the House before when these bills have been discussed, will recall that we are usually called upon to rewrite in our own statute books large sections of federal legislation if we expect them to collect taxes for us and that is the case in this instance. But there are at the beginning of this bill in the first three or four pages some five or six sections which are essentially new, and which are extremely important to this province and to this House and I intended to deal in some detail with that part of this piece of legislation.

I think the substance of the bill can be expressed in this way that effective for a five-year period beginning on April the 1st, 1962, we are being asked to substitute for the present tax rental arrangement what may be described as a tax collection arrangement. And I think one of the first things to do is to examine the difference between a tax rental arrangement and a tax collection arrangement. Let me say at the beginning that from the taxpayer's point of view there is going to be remarkably little difference insofar as he is concerned, because while it is true that the federal government have now refused to collect on our behalf the rented taxes in the way that they did before; that they have in a fact abated their rate of taxation to take into account the provincial share which they declined to include in their legislation as they have done in the past. That makes it necessary for us to take up the slack; that makes it necessary for us to replace on our statute books that portion of the income, corporation and succession duty tax which has now been abated from the federal income tax bill. But the total tax levied on our people both provincial and federal income, personal, corporation and succession duty tax is not increased by that fact alone. By that fact alone the weight of taxation on all our people remains the same -- though there is a difference in this bill which I will come to later on -- but as a matter of principle this does not disturb the general weight of taxes upon the people of our province. It simply means that the Federal Government declined to raise our tax for us; they insist on our passing legislation to that effect.

As far as the taxpayer is concerned he will still have one form. In fact probably the only difference that he will be able to detect in the making of his tax return is that there will be an added line which will show provincial income tax, as the case may be, so much. So from that point of view, and I think this is important, we are not asked here to approve of any major change in the rate of taxation on the people of our province. The province takes up the slack that the Dominion has now left. People are asking, "Does this mean extra cost and duplication? Will it be necessary if we have to set our own tax rate to set up our own tax collection system to

(Mr. Roblin cont'd)engage in the expensive luxury of an addition to our bureaucracy, and in other words be involved in additional expense that gives us no return for the money expended." Fortunately, that is not the case. Fortunately, I believe, the Federal Government have agreed to continue the collection of the Manitoba tax as they have done in the past. They will charge us nothing for it; they will collect that tax for us and it will represent no burden to the provincial consolidated revenue.

Then it may be asked: "Does this mean a return to the tax jungle? Does this mean a return to the situation that existed in the 1930's in respect of these fields of taxation?" I would venture the opinion that by no means does this mean a return to the tax jungle. I would offer in defence of that opinion the fact that the collection agreement which we are being asked to enter into most positively stipulates and makes it a condition of the whole arrangement that our taxing statute must fit the particulars of the federal taxing statute to the last comma and to the last word; that we are not allowed to set up under this any range of exemptions or any change in progressivity or any matter of basic taxation in that respect whatsoever; that we have to accept the federal taxing arrangements 100 percent just as we do now under the tax rental plan. Therefore, if we want the government at Ottawa to collect our tax for us we are barred from making those changes which might lead to an unsatisfactory situation in respect of variations on the terms of the details of the tax.

Now it is true, and I'm going to deal with this at some length in due course, that we can vary the tax rate but, Mr. Speaker, that was always possible under the old agreement as well. In fact Ontario and Quebec, which are by far the most important provinces economically, have for some years now set different rates on corporation tax and in the case of Quebec different rates on the personal income tax than those that were allowed under the so-called tax rental agreement. There is this difference, that under the tax rental if a province wished to set a differing rate than the one laid down by the Dominion then they had to move outside the rental agreement and make their own collection, but it was evidently possible for them to do so because it was done by two provinces. We never did it because it was not in our interests under those circumstances to do so. Under the new agreement we can vary our rates inside the arrangement and the Federal Government will collect for us. So it seems to me that the fears about a return to the tax jungle are perhaps exaggerated and I do not believe that we will see that measure of confusion in respect of this subject which some have feared when they first thought about it.

Another point that I would like to deal with because it has been raised is the question of corporation taxes. What about the fact that some corporations have head offices outside the Province of Manitoba? Are we going to lose under this agreement the right to tax those companies on the money that was earned in this province? Is there going to be a return to the days when a corporation with a head office or with branches outside the Province of Manitoba would escape their fair share of Manitoba corporation taxes, and will these revenues be lost to us? I'm glad to say that such is not the case because the present formula, the one that has been working quite well for the past number of years is not disturbed by these arrangements; it is still retained and we are able to collect our share of the money made in Manitoba by corporations regardless of where their head office might be or regardless of the fact that they may not be domiciled within this province. We are adopting the same formula that we've had in the past, namely that the gross company revenue allocated to this province is calculated by taking 50 percent of the wages and salaries paid in the province and 50 percent of the sales or business done within the province. That has been the formula that has been worked out over the years to make sure that there is a fair share of taxes paid by corporations out of profits made within the Province of Manitoba.

Now, Sir, there are two principles which demand examination, which are not in this bill at all. I want to talk about two very important matters as far as the interest of this province is concerned which do not appear in the legislation that a province passes. There's nothing strange about this because they have never appeared in provincial legislation; they appear solely in the Dominion Statutes but I am talking about the principles of equalization and the principle of stabilization. They're not in our bill because we can do nothing about it; they weren't in the tax rental bill that we passed five years ago because equalization and stabilization is something which only Ottawa can take action upon. But I want to point out to members - - and this is important because I've seen some indication in reading various statements that people don't quite understand this - - that just because equalization and stabilization are not in this bill it does not mean that

(Mr. Roblin cont'd) they are lost to us; they are in the legislation that has been passed by the Federal Government. (Interjection) I'm coming to that. If my friend will just contain himself he'll be able to give me my due mete of applause when I've finished my comment on that point.

The Ottawa legislation contains a provision respecting the provision of equalization, and as such, equalization payments will continue to be made to the Province of Manitoba. But the factors upon which equalization has been calculated have indeed been changed and it is with respect to those that I want to refer now. Under the former arrangement the equalization formula was based on taking provincial revenue on personal income tax, corporation income tax and succession duties and comparing the take in any one province with the take in the average of the two highest Canadian provinces, namely the Province of British Columbia and the Province of Ontario, and now this system has been changed.

There are two changes: one of which I approve of, one of which I do not approve of. The change that I approve of is including in the calculations a new factor, and that new factor is the return to the provinces in respect of their natural resources. Some provinces are very rich in their natural resources and they were never taken into account before in working out equalization. Some provinces were very poor in natural resources and these were not taken into account. Now it has been arranged that 50 percent of the take from natural resources in the various provinces will be taken into account in calculating the equalization payments. You will understand that this is important to us when I mention that one province has a per capita income from natural resources of \$112 -- some odd cents -- that's the Province of Alberta. One of the provinces has a per capita income of eighteen cents from natural resources and that's the Province of Prince Edward Island. Manitoba is somewhat in between with some four or five dollars per capita from natural resources. You know it is an ironic reflection for a Provincial Treasurer to note that the Province of Alberta obtains from its natural resources yield, in the last set of figures that I looked at, more money from oil and gas alone than we will obtain from all the revenues available to us, liquor, tax rental, equalization, gasoline, you name it and the per capita income in this province is less than the revenue received in Alberta from that one item of natural resource, and I suppose that one can only congratulate them upon their good fortune. But it does seem to me that the inclusion of this yield from natural resource taxation into the mix is a fair thing to do. But I come to the second change now, upon which I cannot give a favourable verdict, and that is that instead of equalizing the provinces of Canada to the level of the two highest provinces, we are now being asked to accept an equalization factor that equates us with the Canadian average only, with the national average throughout our country. Well, Sir, there may be some arguments in support of that from the National and the Federal point of view, but looking at it from the standpoint of the Province of Manitoba, I can only say that this is definitely contrary to our interests because we are going to get less money than we would if we had adhered to the former standard. In fact, we have advocated, and I think we should continue to advocate, that equalization should be to the highest of the provinces of Canada.

Now, Mr. Speaker, I must say to you that it is obvious that we must accept the new proposal that has been placed before us respecting equalization, even though we do not think that it is the right one for the Province of Manitoba. We shall continue to press for equalization to the highest of the Canadian province, but we acknowledge the fact that equalization with a growth factor does continue even though the formula has been changed as I have mentioned. Also in the Federal Act, but not in the Manitoba legislation, you will find the provisions respecting stabilization. That is designed to ensure that our revenues do not fall below reasonable standards with respect to the contributions that are made to us by the Federal Government. That continues in the Federal legislation which was passed at Ottawa the other day, and what it means for us is one of several possibilities. It provides for a floor that we shall not get less under the new formula than we got under the old, or it provides a formula that we do not get less in total than we received either in the last year of the new agreement after it had been going for some time, or the average of the last two years of the current agreement which expires next April 1st, 1962. Thus stabilization continues and it provides a real measure of protection, but it too, is affected by the change in the equalization factor in this matter.

Now Sir, I have touched on those points of principle in the bill which I think are of most importance and interest to the House and to the Province. Having considered the theory of the

(Mr. Roblin, cont'd).....

matter, and explained in, I hope, an understandable way, the theoretical factors involved, I now wish to look at the practical and to see what this means in terms of dollars and cents for the Province of Manitoba. I should start out in this comparison, I believe, by referring to the original 1957 formula which was recommended to this House by the Honourable Member for Lakeside as being a suitable formula to accept under all the circumstances, though I must admit that he took the same position as I do now that more money would be necessary for the Province of Manitoba. Under the original formula of 1957 the provincial share of the agreed tax field was 10% on personal, 9% on corporation income tax and 50% on succession duties. When the negotiations started the Province of Manitoba requested 15% on personal income tax, 15% on corporation income tax and 50% on succession duty taxes, and we still feel that that was a fair basis of settlement in respect to this matter. Under the legislation that is before us and in line with the terms of the Federal Act which has already been passed, what will happen is that in 1962 we will get 16% of the personal income tax and it will rise every year by one point for the next five years, so in 63 we will get 17%, in 64 we will get 18%, in 65 we will get 19% and in 1966 we will get 20%, so that at least in this field of taxation our share has doubled from 10 to 20 percent over these period of years. Our share of the corporation tax remains unchanged throughout the whole period at 9% and our share of the succession duty taxes will also remain unchanged at 50% over the whole of the period.

Now Sir, what does it mean in terms of dollars and cents? That is a very difficult question to answer with any accuracy. All I can tell you is the best estimates that we are able to form, and I may say that the figures given me by my own Treasury Branch do not agree in all particulars with figures that have been shown elsewhere by other governments and by other jurisdictions and I can accept no responsibility for their figures or for ours. All I can say is that, under the circumstances, they are the best estimates that we can achieve in respect of this matter. But I want to do this and to make this extension for you if I can by comparing what we think we would have got under the 1957 original agreement if that had been extended into the next coming five-year period, and compare that with what we think we're going to get under the 1962 agreement whose details I am in the process of explaining to you at the present time. In other words, what would we get in the next five years under the original 1957 agreement and what will we get in the next five years under the agreement proposed today? Well, I will be glad to give Honourable Members a breakdown of the position by years, but for the purpose of this Speech I will just give the added up total for the five year period. Under the original 1957 agreement the total yield to the Province in the next five years is estimated to be \$209 million and I underline that word "estimated". In the 1962 agreement the yield is estimated to be, over the next five years, \$230 million which gives an indicated advantage to the Province of \$21 million over the original 1957 agreement. But members will say to me that the 1957 agreement was amended in 1958 by the present Federal Government, and that is so, and if we were to extend the amended rate of tax the Federal Government brought in in 1958, then the advantage of the new agreement over the amended '57 agreement is very much less. I estimate that it will be in the neighborhood of two or three million dollars over the course of the next five years. To that, of course, should be added, when thinking of the revenue position of the province, the annual growth already in these agreements in the neighborhood of some two million dollars a year. I think these figures make it very clear that we have not got what we asked for with respect to a sharing of these revenues nor have we got what we think is adequate to our needs, but it is the arrangement that I think we will have no option but to accept. However, one must be fair about these things and while I am frank today to indicate my position with respect to the Government of Canada and the measures that are included in this bill, I would not be fair to them nor would I be candid to the House if I did not say that tax sharing in this way is not the only method by which the Government of Ottawa assists the provinces of this country in the joint task that we are engaged in. We receive from the Federal Administration grants of a variety of natures, some conditional, some unconditional, covering every range and aspect of our activities from the Department of Agriculture, Department of Health, the Public Works Department, the Department of Education, in every aspect of our provincial life, and, Mr. Speaker, there has been a most phenomenal increase in the measure of support that we receive from the Government at Ottawa in connection with these grants. In 1957 the total of

(Mr. Roblin cont'd).....

these grants to the Province of Manitoba was \$8,378,000. Four years later in 1961 it was \$32,688,000 - an increase over the four-year period of \$24 million or 400%. A large part of that, some \$15 million, has to do with the Manitoba Hospital Services Plan, but even taking that into consideration, one can understand the magnitude of the additional assistance we have been receiving from Ottawa in this field, and I say frankly that it is in this field of grants and joint projects that I look for further important expansion in Federal-Provincial fiscal relations in the time immediately ahead. It seems to me that in assessing the impact of our tax-rental arrangements on our Province and on our Treasury, and on our own taxpayers, and that's what's really important, then we must also weigh in our minds this very considerable increase of \$24 million in four years in the support we receive in grants of this nature.

Now, Sir, there is one other, and it is the final point that I want to make today, that is implicit in these arrangements. It is that under this agreement we have a power which was available to us before, but not available in such a way that we could make use of it. We now have the power to set our own tax rates at a rate above the level provided for in the standard arrangements or indeed below it if that should be thought good for the finances of our province, and we can have the Federal Government collect this additional tax without charge to us. As I explained this was not allowed under the old tax-rental. You could do it all right, you had to get outside the agreement to do it. Ontario and Quebec did do it, and you would have to collect for yourself, but now we are able to do it within the agreement. It will be collected for us by Ottawa at no cost to us. Thus under this tax collection agreement, Ottawa will collect whatever rate of tax the province desires to impose without charge, and I would like to say, Sir, that we are taking advantage of this provision to raise an additional tax of 1% on the taxable personal income of our people and 1% on the corporation tax in the Province of Manitoba, and we are going to use this money to reduce the hospital premium that we are asking our people to pay.

Now Sir, from the government's point of view this is important, because this is something very new. This was not possible for us under the old arrangement and I think it is advantageous that we are able to do it now, because we have long maintained, Mr. Speaker, that the present level of hospital premiums at \$6.00 for married people and \$3.00 for single people had a very serious defect among others. . . .(Interjection)...I did and we'll deal with that. That defect is, that it is the same rate of tax, the same number of dollars on all citizens, regardless of their ability to pay. Rich, and poor alike had to pay the same share. This rate was imposed when, in our opinion, at that time there was no alternative to doing so, because we did not have an alternative means of raising the money, and it must be raised somehow. We did not have an alternative means of raising the money, unless we introduced the sales tax, which some gentlemen opposite might be advocating, to find this money to pay our hospital premiums. We raised it with the greatest of regret, but we determined that at the first possible opportunity we were going to reduce these premiums and to invoke the principle of ability to pay.

Now, Mr. Speaker, when the hospital premiums were first imposed at \$4.10 for married people and \$2.05 for single, at the relatively low level it was considered by the House that citizens could pay these premiums without undue hardship, particularly as provision was made that those who were not in a position to handle the matter would have their premiums presented to them at the expense of the consolidated revenue, and members know that some 35 or 40 thousand people have free hospital premiums in that way. But that's not the case with the premium of \$6.00 and of \$3.00, and it underlined our determination to introduce the ability to pay principle in connection with hospital premiums at the first opportunity. We now have the ability to implement that policy in the way that I have suggested, because it seems to me that a 1% increase in taxable personal income on the people of our province, it does introduce that measure of ability to pay. Personal income tax is, so far as I can see, one of the best measures yet advised of ability to pay and we are going to take advantage of it. But, Sir, we also maintain that there should be an added contribution to the general from the consolidated fund to the cost of our hospital system, and for that reason we are raising 1% on corporate income taxes as well to provide that extra money. Thus we are able to introduce the ability to pay principle in our hospital premium system to a greater extent than ever before through the personal income tax, and we can increase the contributions from the general funds of this province through the corporation income tax.

(Mr. Roblin continued). . . . Now Sir, the effect of these measures will be to enable us to reduce the hospital premiums from \$6.00 for families and \$3.00 for single persons, to \$4.00 for families and \$2.00 for single persons. This is a rate even below that which was originally established when hospital premiums were brought in by the honourable gentlemen opposite. I would like to say Sir, that this measure of relief will be retroactive, it will be retroactive until July of this year, 1961, and any citizen who has paid premiums since July of this year at the old high rate of \$6.00 and \$3.00 will be entitled to a refund of the payments that are in excess of a rate of \$4.00 and a rate of \$2.00. This means, Sir, that while the reduction is retroactive until July of this year, the new tax will not come into effect until January 1st, 1962, which I think will be appreciated by those who have to pay it.

Now Sir, let me give you some of the figures in this connection. We estimate that the premium reduction from \$6.00 and \$3.00 to \$4.00 and \$2.00 in the year 1962 will cost the Hospital Services Plan about six and a half million dollars. We expect that we will raise on the 1% personal income tax five and a quarter million dollars, or thereabouts, and that we will raise on the 1% corporate income tax one and a third million dollars, so that you will see that we are raising just about the same amount of money on these forms of taxation than the Hospital Plan will be losing by means of the reductions that I have mentioned. I might say in passing that we gave some consideration as to the impact of these taxes, as members can imagine, whether a 1% increase in corporation tax would harm our verging industrial communities, and after consulting in well informed sources, we formed the opinion that it would not, particularly when we compare ourselves with a 2% extra corporation tax in Ontario and a 3% extra corporation tax in the Province of Quebec, and if the House is in session long enough I venture to predict we will be able to make some comparisons with the Province of Saskatchewan. The 1% personal income tax I think will compare favourably to the sales tax system which is in vogue elsewhere in the Dominion of Canada. Now let me tell you something about the people who will benefit by these changes. There are some three hundred and sixty-four thousand people who pay premiums: at the present time, or who are eligible to pay premiums at the present time. Of those some thirty-five thousand do not pay because they come within that portion of the Act which exempts them from payment. Of the balance, some two hundred and sixty-seven thousand premium payers will pay less under this combination of reduced premiums and increased personal income tax than before. Two hundred and sixty-seven thousand will pay less and sixty-one thousand will pay more, and that is where the ability to pay principle comes in. Thus the new collection plan that is before the House makes it possible as well for us to import into our hospital premium system this principle of ability to pay to a larger extent than ever before, and it enables us also to provide some money from the general revenues that we need to support the activities of this plan.

Mr. Speaker, those remarks I believe touch the main matters of principle which would be of interest to members in connection with the plan that is before us now. I may say, Sir, that we have made no comparisons in detail with what other provinces may get or may not get under these arrangements. Obviously they are outside our jurisdiction, we have no means of assembling any information on which to calculate such comparisons and we therefore must rely on the figures that have been presented by the Dominion Government itself. I am sure that some provinces will feel better off and some will feel worse off under these arrangements. I am happy that there is a little bit of favoritism shown, and certainly in respect to the Province of Nova Scotia, New Brunswick, Prince Edward Island and Newfoundland, because I think we would all agree that the changes made in the tax rental plan by the present Federal Government in their favour were certainly just and proper to be done.

I return to the theme on which I began, that these arrangements unfortunately do not arise from an agreement between the parties concerned. They arise from what the Federal Government believes after hearing all the pros and cons to be justified in the national interest. As far as we are concerned I will say that there are many factors of this agreement that we welcome and I have mentioned them to you, but that there are two points which we cannot welcome and which do not meet the views of the Province of Manitoba. We do not agree that the equalization formula now proposed is advantageous to us as the old one was; nor do we agree that the amount of money to be provided under these shared sources to us is satisfactory to meet our reasonable expectation. It must be admitted that the agreement does provide some more

(Mr. Roblin continued). . . . monies, a lot more than the '57 agreement, some more than the '58 amendment. . . . and we do admit that the increase in grants from eight million to thirty - two million does represent an essential factor in the finances of the Province of Manitoba. It is, therefore, with these thoughts in mind, Sir, that I place this important piece of legislation before the Legislature of our Province.

MR. MOLGAT: Mr. Speaker, I do not rise to reply, I rise to ask some questions. Does the Minister wish to proceed on this now or at some other time? Will he supply us with, well first of all copies of Hansard as quickly as possible -- whatever can be done in that regard would be appreciated. Secondly, tables giving us the projections for the Province of Manitoba on the basis of the 1957 agreements, the 1958 amendments, the 1962 agreement over the terms of each agreement on a yearly basis.

MR. ROBLIN: If I may have indulgence just to comment on this, not the terms of each agreement. I can give them to him for the five year period beginning 1962. I presume that is what you want.

MR. MOLGAT: Well if that's the best we can get at the moment. We would prefer to have it on a yearly basis each year; then, as well, the same figures for the other provinces on a yearly basis and the per capita figures for the Province of Manitoba and in the other provinces.

MR. SPEAKER: Are you ready for the question?

MR. ROBLIN: With regard to the questions, Mr. Speaker, I'll simply say that the questions dealing with the other provinces, I'm afraid I cannot provide. I haven't got it. I'll have to check on the population situation because that also is not in front of me at the present time. I'll do my best to get the information with those observations.

MR. MOLGAT: the figures on the other provinces from Ottawa. Were these not presented at the time that the discussions were held?

MR. ROBLIN: One year only.

MR. CAMPBELL: Mr. Speaker, I understand, and I'm asking this as a question of the Honourable the First Minister before he takes his seat, so that we both remain in order. Even if the Department here hasn't the figures for the other provinces, it's certain that Ottawa has the material on which those could be given and certainly some comparisons are made in the Ottawa Hansard. Now it's difficult for the members to all get copies of Hansard perhaps, but would it not be possible for the First Minister to get from Ottawa the comparisons that they have and can make available, or alternatively, or in addition, the First Minister here have copies of the material that has been supplied by Ottawa made available to each member of the House.

MR. ROBLIN: Mr. Speaker, we have asked for that information and they have not been able to give it to us in the past. It's simply not available to us. Hansard is in the Library and all members can see what figures were placed on Hansard there.

MR. MOLGAT: question, Mr. Speaker, not making a speech. If, in preparing this agreement, Ottawa surely must have had to proceed and make projections for all provinces. I don't see how they could possibly make an agreement or an offer to the provinces without making these projections. Therefore, these figures must be available. (Interjection). . . But they must be! How can you make an agreement unless you make those figures? If they made them for Manitoba they must have made them for other provinces, and we requested the information.

MR. ROBLIN: We made our own figures for our own province and the only information that you can get from Ottawa is the figure for 1962. My honourable friend will probably recall there was considerable hassle in the Federal House on this point and that's as far as anyone can get. We haven't been able to advance the matter any farther.

MR. CAMPBELL: Mr. Speaker, even though the Opposition at Ottawa was unable to convince the government there that those figures should be produced as a matter of course, and the logic of proceeding to discuss this measure, surely the Opposition here is able to convince a much more reasonable government in this province, to prove to us that they went into the questions very fully before they accepted the agreement. How could my honourable friend. . . (Interjection). . . Is it yours? Is it yours?

MR. ROBLIN: Well, I'd like to know.

MR. CAMPBELL: Am I taking your speech?

MR. ROBLIN: No, you're not!

MR. CAMPBELL: Was that not a question? Did I not phrase it properly, Mr. Speaker? Did I not ask the question : how could the government make a proper assessment of the interests of this province if they didn't have these figures? To continue the question, is the government not aware that we're Federal taxpayers? Do they not look at what will be the effect of these agreements and the new taxation policy on other provinces? Surely, (Interjection).. Yes, Certainly! Can we not assume, Mr. Speaker, that any reasonable government would have to have those figures before them, would insist on having those figures before them in order to arrive at a conclusion? Can we not assume that if they have them available they'll produce them for the information of the House and the public; if they haven't them available, that they'll proceed to get them.

MR. ROBLIN: Mr. Speaker, I'm now definitely about to take my seat, and I can reply to my honourable friend saying that we are indeed the most reasonable of people, as he described us, and we'll give him the best information we can. But he also knows that we're not responsible for what other governments do.

MR. MOLGAT: When can we expect this information, Mr. Speaker?

MR. ROBLIN: Pretty soon.

MR. MOLGAT: Well, this will affect when I'm prepared to proceed with my reply.

MR. ROBLIN: Well, I think if my honourable friend will give himself a reasonably short lunch hour, we might be able to get it to him by the time he has satisfied the inner man. We'll try!

MR. MOLGAT: Thank you! If there are no further questions, Mr. Speaker, I move, seconded by the Honourable Member for Carillon, that the debate be adjourned.

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

MR. SPEAKER: Is it the intention of the Leader of the House to adjourn the House?

MR. ROBLIN: Mr. Speaker, if it meets the convenience of the House, I would suggest that we adjourn until 2:30 tomorrow afternoon. Accordingly, I so move, seconded by the Honourable Minister of Industry and Commerce.

MR. PAULLEY: Mr. Speaker, before the question is put, might I ask the House Leader, what the order of business will be tomorrow afternoon?

MR. ROBLIN: The order of business tomorrow afternoon, Mr. Speaker, will be.. I imagine there'll be first reading of the bill on Metropolitan Winnipeg, which is of a routine character; and there will be moving of the Resolutions from the Committee of Supply respecting the two committees which have not been done yet; and there will probably be a message from his Honour respecting the expenses of this Session and the consideration of the Bill that has just been adjourned. That, I think, is the whole of our program for the balance of the Session as far as we're concerned.

Mr. Speaker presented the motion and following a voice vote declared the motion carried and the House adjourned until 2:30 Tuesday afternoon.