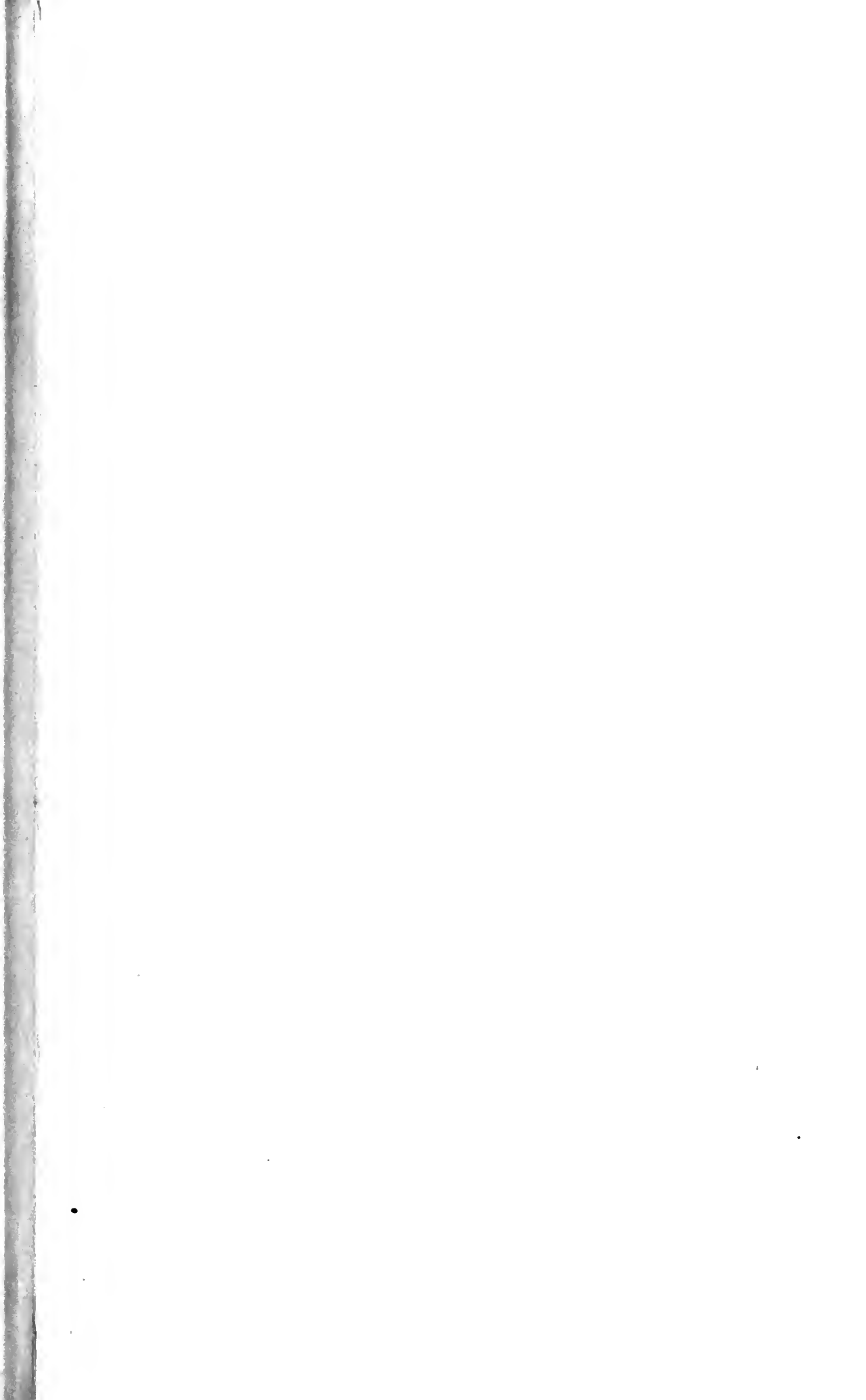


ONTARIO
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DEBATES AND PROCEEDINGS

of the

1st. SESSION OF THE 22nd. LEGISLATURE

OF THE PROVINCE OF ONTARIO

1945

Volume 1

THE LEGISLATIVE ASSEMBLY

FIRST DAY

Speaker: Honourable William J. Stewart, C.B.E.

Toronto, Ontario,
Monday, July 16, 1945.

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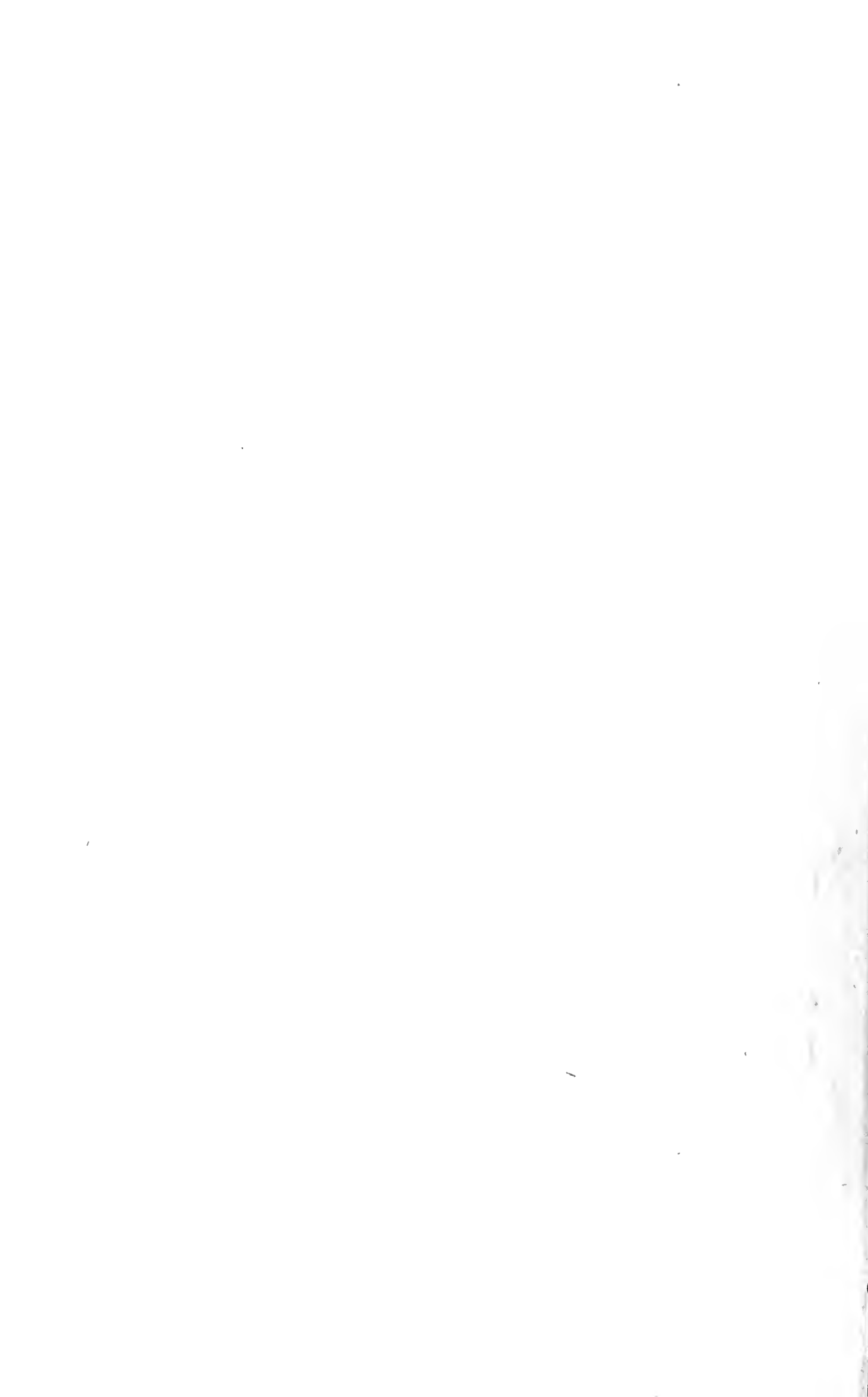
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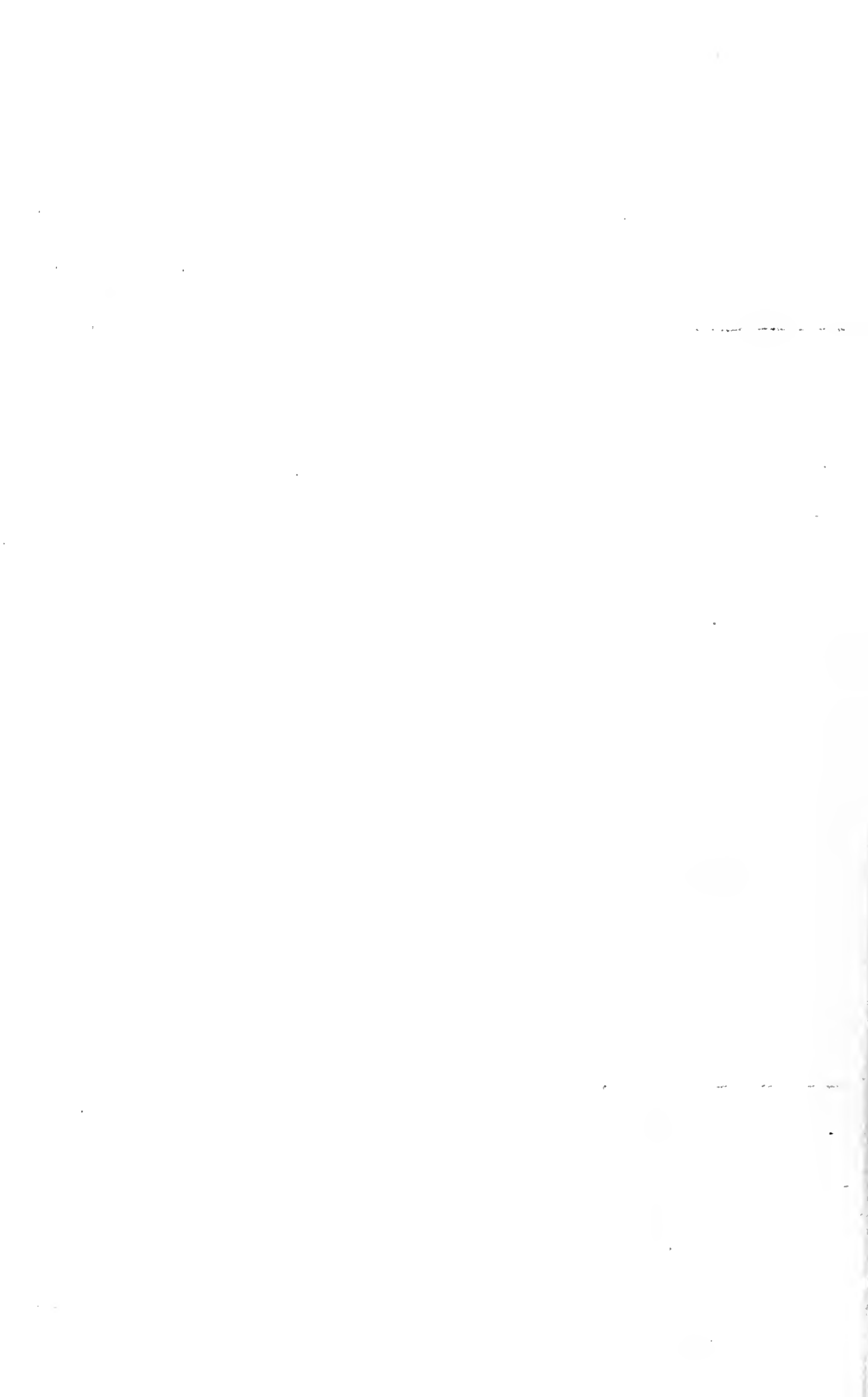
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P R O C E E D I N G S

of the

First Session of the Twenty-second Legislature of the
Province of Ontario.

Honourable George A. Drew, K. C.,
Prime Minister,

Honourable William J. Stewart, C.B.E.,
Speaker,

Major Alex Lewis, Clerk.

F I R S T D A Y

Toronto, Ontario,
Monday, July 16, 1945,
3 o'clock, p. m.

And the House having met,

The Honourable the Lieutenant-Governor, having entered the House, took his seat on the Throne.

Mr. Dunbar, the Provincial Secretary, then said:

"I am commanded by The Honourable the Lieutenant-Governor to state that he does not see fit to declare the causes of the summoning of the present Legislature of this Province until a Speaker of this House shall have been chosen according to law, but to-day at a subsequent hour His Honour will declare the causes of the calling of this Legislature."

His Honour was then pleased to retire.

And the Clerk having called for nominations for the office of Speaker, the Prime Minister, Mr. Drew,

addressing himself to the Clerk, proposed to the House for their Speaker, W. J. Stewart, Esquire, Member for the Electoral District of Parkdale, which motion was seconded by Mr. Oliver, and it was

Resolved, That W. J. Stewart, Esquire, do take the Chair of this House as Speaker.

The Clerk having declared the Honourable W. J. Stewart duly elected, he was conducted by the Premier and Mr. Oliver to the Chair, where, standing on the upper step, he returned his humble acknowledgements to the House for the great honour they had been pleased to confer upon him by choosing him to be their Speaker.

And thereupon he sat down in the Chair and the Mace was laid upon the Table.

The House then adjourned during pleasure.

The Honourable the Lieutenant-Governor then re-entered the House and took his seat on the Throne.

Mr. Speaker then addressed His Honour to the following effect:

May it please Your Honour.

The Legislative Assembly have elected me as their Speaker, though I am but little able to fulfil the important duties thus assigned to me.

If, in the performance of those duties, I should at any time fall into error, I pray that the fault may be imputed to me

and not to the Assembly whose servant I am, and who, through me, the better to enable them to discharge their duty to their King and Country, hereby claim all their undoubted rights and privileges, especially that they may have freedom of speech in their debates, access to your person at all reasonable times, and that their proceedings may receive from you the most favourable consideration.

The Provincial Secretary then said:

Mr. Speaker,

I am commanded by The Honourable the Lieutenant-Governor to declare to you that he freely confides in the duty and attachment of the Assembly to His Majesty's person and Government, and not doubting that the proceedings will be conducted with wisdom, temperance and prudence, he grants and upon all occasions will recognize and allow the constitutional privileges.

I am commanded also to assure you that the Assembly shall have ready access to His Honour upon all suitable occasions, and that their proceedings, as well as your words and actions, will constantly receive from him the most favourable construction.

The Honourable the Lieutenant-Governor was then pleased to open the Session with the following gracious speech:
Mr. Speaker and gentlemen of the Legislative Assembly:

The Twenty-Second Legislature of Ontario meets to-day in Special Session, and I wish to extend my greetings and cordial

good wishes to each one of you. I particularly wish to welcome those newly elected members who are present for the first time.

It is with a profound feeling of thanksgiving that we recall the unconditional surrender of Germany since the last meeting of this Legislature, and already we are welcoming back to their homes many thousands of young men and women from this province who have served with the Armed Forces overseas. But glorious though the victory in Europe has been, it must not be forgotten that Canada still faces a ruthless enemy in the Pacific and that there will be stern and bitter fighting in the months ahead before peace becomes a reality.

It will be a source of general satisfaction that a Dominion-Provincial Conference is to be held in the near future. It is of the utmost importance that the relationship between the Dominion and Provincial Governments be clarified as soon as possible. This is particularly so in the case of rehabilitation and postwar construction.

This Session has been convened for the purpose of dealing with legislation requiring immediate attention which had not been disposed of at the dissolution of the last Legislature.

Among the Acts or amendments requiring urgent consideration are some pertaining to:

- (a) Education.
- (b) The payment of cheese, hog and sugar beer subsidies.
- (c) Loans and mortgagors' and purchasers' relief.

(d) Statutes Amendment Act.

(e) The Supply Bill for the current year to provide for the orderly administration by the government of the affairs of the province.

While these matters were of such urgency as to make it necessary to call this Special Session of the new Legislature, I wish to advise you that my Ministers will place before you for your consideration many other legislative proposals when next you meet.

In conclusion may I express my earnest hope that Divine Providence will so guide your deliberations that they may promote the security and happiness of the people of Ontario.

His Honour was then pleased to retire.

Prayers.

3:25, P. M.

Mr. Speaker then reported,

That, to prevent mistakes, he had obtained a copy of His Honour's Speech, which he read.

MR. SPEAKER: Motions.

HON. GEORGE A. DREW (Prime Minister): Mr. Speaker, I move, seconded by Mr. Kennedy, that as the Legislature has been convened in this Special Session for the purpose of voting supply for the current fiscal year, and for the consideration of certain important legislation which was unavoidably not completed during the final Session of the Twenty-first Legislature, owing to the dissolution thereof, this House hereby resolves to dispense with the customary

formal debate on the subject matter of the Address by The Honourable The Lieutenant Governor, as such matters will be open to debate during the consideration of the legislation presented to the House.

Motion agreed to.

MR. SPEAKER: Motions.

HON. LESLIE M. FROST (Provincial Treasurer): Mr. Speaker, I beg to move, seconded by Mr. Drew, that this House will to-day resolve itself into the Committee of Supply.

Motion agreed to.

(Page No. 7 follows.)

B 1

HON. L. M. FROST (Provincial Treasurer): Mr. Speaker, I move, seconded by Mr. Drew, that this House will to-day resolve itself into Committee of Ways and Means.

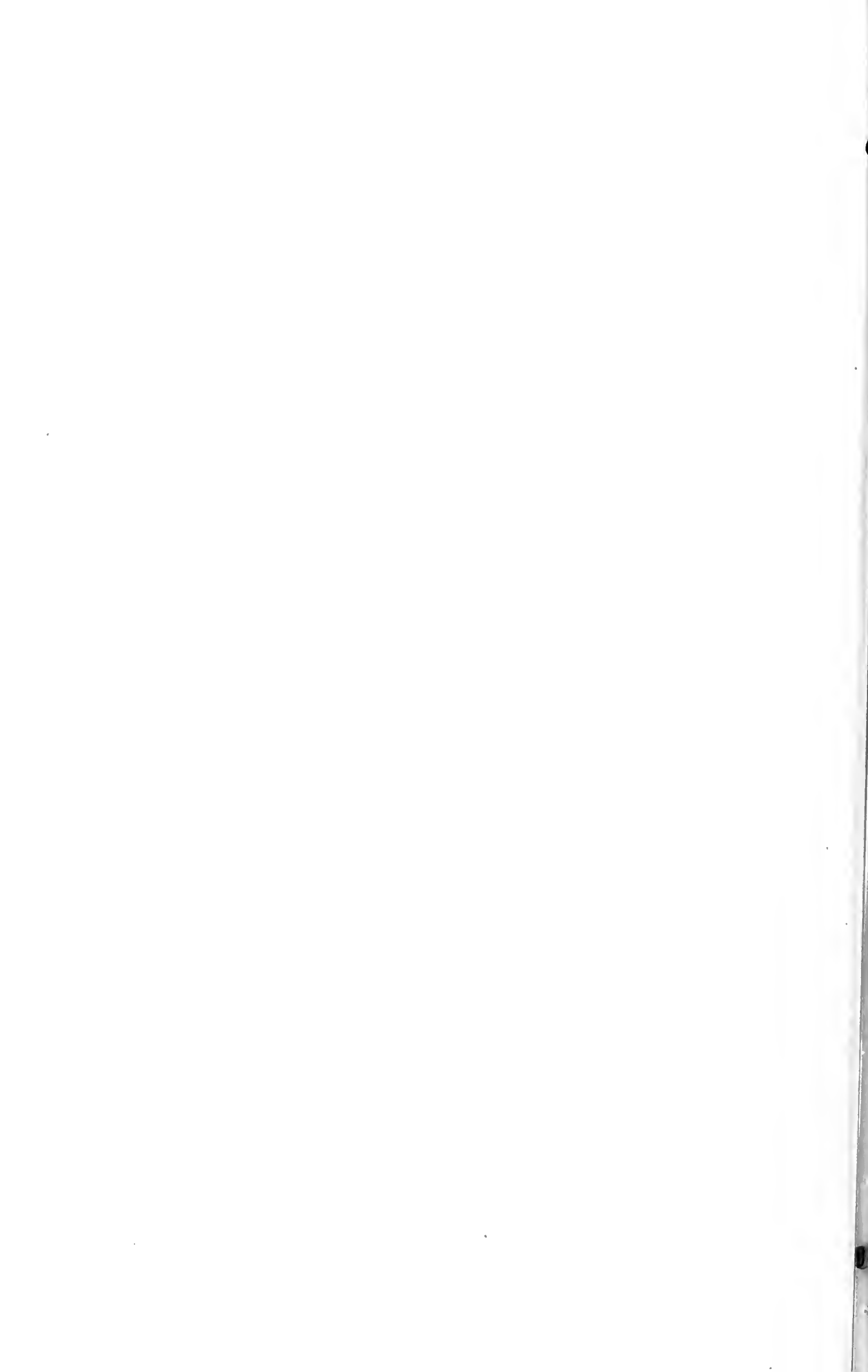
Motion agreed to.

MR. FROST: Mr. Speaker, I move, seconded by Mr. Drew, that the Provincial Auditor be and is hereby authorized to pay the salaries of Civil Service employees and other necessary payments following the close of business on July 16, 1945, and until Supply is voted by this House; such payments to be charged to the proper appropriations following the voting of Supply.

Motion agreed to.

HON. GEORGE A. DREW (Prime Minister): Mr. Speaker, I move, seconded by Mr. Frost, that during the present session of the Legislative Assembly provision be made for the taking of stenographic reports of debates and speeches, and to that end that the Hon. the Provincial Treasurer be authorized to employ the necessary stenographers at such rates of compensation as may be agreed to by him, copies of the said stenographic reports to be supplied to the leaders of the various parties represented in the House, to the Clerk of the House and to the Legislative Library.

MR. J. B. SALSBERG (St. Andrews): Mr. Speaker, am I right in understanding that this motion will result in a change of the practice followed in the last Legislature when every member of the Legislature received a copy of the official report of the proceedings? If I am interpreting the motion correctly,



it involves the departure which I believe is unwarranted and therefore this new practice should not be instituted. I would appreciate an answer from the Prime Minister.

MR. DREW: Mr. Speaker, the motion is the same as last year's. The arrangement will be to furnish every member with a copy of the record of the proceedings, the same as last year, and I assure the hon. member that that will be carried out.

Motion agreed to.

HON. GEORGE A. DREW (Prime Minister): Mr. Speaker, I have a message from His Honour the Lieutenant-Governor, signed by his own hand, transmitting Estimates and certain sums required for the services of the province for the fiscal year ending March 31, 1946, and recommending them to the Legislative Assembly.

INTRODUCTION OF BILLS

HON. GEORGE A. DREW (Prime Minister): Mr. Speaker, I move, seconded by Mr. Kennedy, that leave be granted to introduce a bill entitled The School Law Amendment Act, 1945, and that the same be now read for the first time.

Motion agreed to; Bill read for the first time.

HON. L. M. FROST (Provincial Treasurer): Mr. Speaker, I move, seconded by Mr. Blackwell, that leave be granted to introduce a bill entitled An Act to amend The Mining Tax Act, and that the same be now read a first time.

Motion agreed to; Bill read for the first time.

MR. NIXON: Would the Minister indicate the purpose of the Bill?

MR. FROST: The bill is the same as the one introduced at the last Session. It brings the time for payment of mining taxes into line with the end of the fiscal year ending March 31. That is the general effect, but a further explanation can be given when the bill is read a second time. It places our fiscal position in line with proposals that may be put forward at the Dominion-Provincial conference.

I have another bill to introduce, Mr. Speaker. I move, seconded by Mr. Blackwell, that leave be granted to introduce a bill entitled An Act for Raising Money on the Credit of the Consolidated Revenue Fund, and that the same be now read a first time.

Motion agreed to; Bill read the first time.

HON. T. L. KENNEDY (Minister of Agriculture): Mr. Speaker, I move, seconded by Mr. Frost, for leave to introduce a bill entitled The Cheese and Hog Subsidy Act, 1945, and that the same be now read a first time.

Motion agreed to; Bill read the first time.

MR. KENNEDY: Mr. Speaker, I move, seconded by Mr. Frost, for leave to introduce a bill entitled The Sugar Beet Subsidy Act, 1945, and that the same be now read a first time.

Motion agreed to; Bill read the first time.

HON. R. P. VIVIAN (Minister of Health): Mr. Speaker, I move, seconded by Mr. Dunbar, for leave to introduce a bill entitled An Act to provide for an Annual Grant to the University of Toronto School of Nursing, and that the same be now read a first time.

Motion agreed to; Bill read the first time.

HON. GEORGE H. DUNBAR (Provincial Secretary): Mr. Speaker, I move for leave to introduce a bill entitled An Act to amend the Companies Act, and that the same be now read a first time.

Motion agreed to; Bill read the first time.

MR. GRUMMETT (South Cochrane): Would the Minister explain the purpoer of the bill?

MR. DUNBAR: It is to make it possible for three insurance companies which are provincially incorporated to advance money under the Dominion Housing scheme. A Dominion incorporated company can lend money under the housing scheme, but these three companies have a provincial charter, and this bill is to make it possible for them to advance money for housing purposes.

HON. L. E. BLACKWELL (Attorney General): Mr. Speaker, I move, seconded by Mr. Frost, for leave to introduce a bill entitled The Mortgagors' and Purchasers' Relief Act, 1945, and that the same be now read a first time.

Motion agreed to; Bill read the first time.

MR. BLACKWELL: Mr. Speaker, I move, seconded by Mr. Frost, that leave be granted to introduce a bill entitled, An Act to amend The Statutes Act, and that the same be now read a first time.

Motion agreed to; Bill read the first time.

MR. BLACKWELL: Mr. Speaker, I move, seconded by Mr. Frost, that leave be given to introduce a bill entitled, An Act to amend The Insurance Act, and that the same be now read a first time.

Motion agreed to; Bill read the first time.

MR. BLACKWELL: Mr. Speaker, I move, for leave to introduce a bill entitled An Act to amend The Loan and Trust Corporations Act and that the same be now read a first time.

Motion agreed to; Bill read the first time.

HON. GEORGE H. DUNBAR (Provincial Secretary): Mr. Speaker, I move, seconded by Mr. Vivian, for leave to introduce a bill entitled An Act respecting the Erection of Houses and Housing Accommodation for Veterans and their Dependents, and that the same be now read a first time.

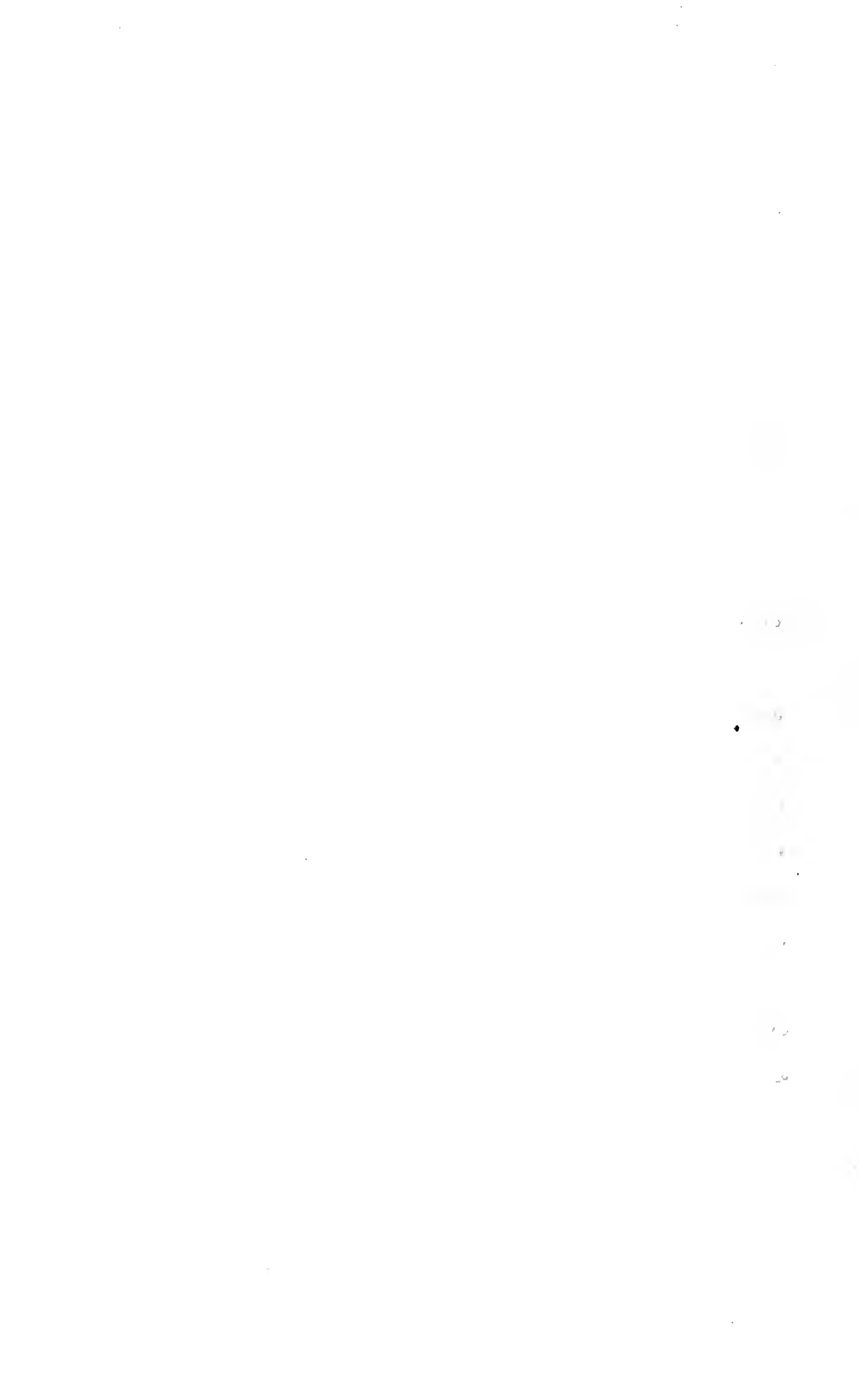
Motion agreed to; Bill read the first time.

MR. OLIVER: Would the Minister give a short explanation of the bill?

MR. DUNBAR: I shall be glad to give a full explanation on the second reading. Briefly, it is to make possible the construction of roadways, sidewalks, sewers and water works, by municipalities outside of the municipality itself, provided a satisfactory agreement has been entered into between the two municipalities concerned. For instance, suppose the city of Toronto is going to construct houses outside the city. By entering into an agreement with East York, North York, and other municipalities, they will be enabled to expend money by the city on local improvements in these other districts.

MR. GRUMMETT: Is the numbering of this bill "No.00" an error? I do not catch the import of that numbering.

MR. DUNBAR: When the bill was ready for printing its order on the list was not known; the proper number of the bill is Number 12.



COMMITTEE OF SUPPLY

HON. LESLIE M. FROST (Provincial Treasurer): Mr. Speaker, in moving that you do now leave the chair for the House to resolve itself into Committee of Supply, I do so under most unusual circumstances for which there is no parallel, so far as I know, since 1867.

On the 9th of March, 1945, in the Second Session of the 21st Legislature, on moving a similar motion I introduced the budget which has since been widely publicized. It may be fairly said that the same has been since approved of by the people. Copies of the same have been sent with the Public Accounts to all of the members elected to this assembly. Additionally, copies of the budget address are on the desks of each of the members.

I might refer hon. members to the Budget address itself, Pages 26, 27 and 28, where a summary is given. It is not my intention to go again into the budgetary arrangements which were announced at that time, but I might refer hon. members to the summary at the end showing that we had achieved a surplus for the fiscal year ending March 31 last of \$8,922,400 of which we were to appropriate \$8,800,000 to educational grants, leaving a surplus of \$114,000.00.

Secondly, that we had decreased the gross debt of the province by \$18,400,000. in round figures; thirdly, that we were decreasing the net debt of the province in that same year by something in excess of one million dollars; fourthly, that we were adhering strictly to the pay-as-you-go policy

and budgeting for a moderate war-time surplus; that we had fully implemented the pledge to assume 50% of the cost of education; that we had provided for the expansion of administrative, developmental and social services. I would refer members particularly to pages 26 and 27 where they will note a very large increase, particularly for the developmental purposes. Provision was also made for the payment of one mill on the general assessment to every municipality in Ontario. Provision was made to subsidize the northern municipalities, which will be taken care of in the budgetary arrangements. The teachers' super-annuation fund had been placed on a sound financial arrangement, and adequate retiring allowances assured for the teachers. That is taken care of by the bill that was introduced by the Prime Minister this afternoon. We are budgeting to reduce the gross debt of the province and to reduce also the net debt of the province for the fiscal year ending March 31, 1946. I also stated that we had taken constructive action in post-war planning by conserving our credit and imposing no new taxes, adding no new debt, and balancing the budget to March 31, 1946, thereby leaving our way clear for the Dominion-Provincial conference. Beyond those references which I have just made to the budget, I shall not deal with the figures and facts there outlined.

It is, however, my intention to reintroduce this budget at this first Session of the 22nd Legislature. In so doing I shall give to the House an outline of what has taken place. As stated, the budget was introduced on the 9th of March 1945 for the year ending March 31st, 1945. It contains a

statement of ten months certain expenditures and two months forecast. I may say that our position shows a slight improvement over that which was forecast at that time but essentially the final result will be the same as then outlined. The definite figures will not be available for a few weeks and will be in the hands of the members before the next regular Session to be held early next year. The budget also contained a forecast for the year April 1st, 1945 to March 31st, 1946. At the time the budget was introduced a supplementary estimate for the year 1944-45, involving the payment of \$8,808,000 to the School Boards of Ontario, was introduced and passed the House after division on the 14th of March.

Before the House resolved itself into Committee of Supply to consider the main estimates for the year ending March 31, 1946, the government was defeated on a motion of want-of-confidence on March 22nd, and as a result dissolution followed on March 24th before supply had been voted.

Since April 1st the government has carried on by means of Lieutenant-Governor's warrants. The government has been scrupulously careful during that period to confine its expenditures to those which could be classed as urgently and immediately required for the public good. In so far as I am aware, the situation was quite unprecedented in our province. The procedure followed was in accordance with the Audit Act, Revised Statutes of Ontario, 1937, chap.24, sec.13, subsec. 1, para. (b). For this procedure there are a number of precedents in other jurisdictions.

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The above section is essentially the same as the Consolidated Revenue and Audit Act (Canada) 1931, which is contained in the Dominion 1931 Statutes, 21 and 22 George V, chap. 27, sec. 25, subsec. 1. The provisions of this section were invoked in 1940 by the King Government. The House of Commons was dissolved on January 25th. The fiscal year ended March 31, 1940, and the new House could not pass interim supply until the latter part of May 1940. It was necessary, therefore, to resort to Governor-General's warrants for the most pressing expenditures.

There are other precedents at Ottawa for the procedure followed in Ontario after the dissolution of the Legislature on March 24th. In 1896 the House of Commons dissolved before the end of the fiscal year; supply for the ensuing year had not been granted. The government was defeated at the general election and the Laurier Government assumed office. The new Prime Minister of Canada requested the advice of the Minister of Justice concerning the carrying-on of matters "urgently and immediately required." The Minister of Justice gave it as his opinion that Governor-General's warrants might properly be issued relying upon the language of sec. 25 of the Consolidated Revenue and Audit Act. He stated; "I think that the payment of the employees mentioned in your letter is 'urgently and immediately required' for the public good within the meaning of the said enactment and that under the circumstances which have occurred and the consequent present condition of public affairs that the governor-in-council may properly on the reports mentioned order a special

warrant to be prepared to be signed by the Governor-General for the issue of the amount estimated to be required."

The government then proceeded to use Governor-General's warrants until Parliament assembled and supply was voted in the usual course.

In 1911 the Laurier Government was dissolved before the main estimates had been passed. Following the election on September 21st, 1911, the Borden Government assumed power. In the interval between dissolution and the voting of supply by the new Parliament, expenditures urgently and immediately required were authorized by Governor-General's warrants.

In 1926 the Meighen Government was defeated in the House a few days after assuming office. Dissolution was granted before supply had been passed and the precedent of 1896 was again followed.

It should be noted that a portion of the estimates which are on your desks have to be approved by the Committee of Supply. The remainder of the estimates are statutory and have been previously authorized by the Legislature under specific statutes. The votes and items contained in the estimates are the ones which are subject to approval by the Committee of Supply, and after authorization these are later incorporated in a supply bill.

The current expenditures of the government, such as salaries, office maintenance and other items are authorized each year under a supply bill, which was not passed owing to

the defeat of the government and the dissolution of the House on March 24th, 1945.

After dissolution the government referred the matter to the Budget Committee for consideration and recommendation as to the proper legal procedure. The Budget Committee had been set up by order-in-council, dated February 21, 1944, and consisted of the Prime Minister, the Treasurer, the Attorney-General, the Deputy Provincial Treasurer, the Provincial Auditor and the Provincial Statistician. On the 28th March, 1945, a sub-committee of the Budget Committee consisting of the Deputy Provincial Treasurer, the Provincial Auditor, the Chief Accountant of the Treasury Department and the Provincial Statistician was directed by the Prime Minister and the Provincial Treasurer to instruct all departments to prepare a forecast of ordinary and capital payments based upon one month's requirements, keeping in mind the provisions of sec. 15, subsec. 1, paragraph (b) of the Audit Act, which refers to matters "urgently and immediately required for the public good." The subcommittee reviewed the forecasts under twenty-one different schedules; each item was examined thoroughly and only items which could be classified as urgently and immediately required for the public good were passed. On the 7th April the subcommittee reported to the Provincial Treasurer a recommendation that application be made to the Lieutenant-Governor-in-Council for a special warrant in the amount of \$5,611,603.50, covering the period ending 30th April. In accordance with this, a special warrant, dated 12th April, 1945, in the above

sum was issued in favour of the Provincial Treasurer, "to be placed by him in a special account against which cheques may be issued for the payment of salaries and wages of the several permanent and temporary employees in the several departments named in the schedules attached for the payment of old age pensions, pensions for the blind, mothers' allowances, cost of living bonuses, accountable advances, travelling expenses, contingencies and other expenditures required to be made by the several departments as detailed in the said schedules."

The same procedure was followed exactly in the months of May and June. On the 12th May, 1945, a special warrant was issued authorizing the expenditure of \$5,391,328.41, and on 1st June the third special warrant was issued authorizing the sum of \$7,103,389.08.

This procedure has not been followed for the current month of July owing to the fact that the Legislature itself was convened for the 16th of the month, and a resolution has this afternoon been presented to authorize the payment of salaries and other necessary payments until Supply is voted by this House.

I may say, for the information of the members of the House, that complete detailed records have been kept of all expenditures which have been made under these exceptional circumstances and under the procedure outlined. These expenditures will be incorporated in the budget statement which will be made at the next regular Session for the year 1945-1946.

The procedure proposed to be followed at this point is that the main estimates before you for your approval include all expenditures for the complete current fiscal year 1945-1946, and after approval are to be incorporated in the form of a supply bill previously mentioned. I would stress again that in following this procedure and adopting the estimates brought down on the 9th of March, 1945, we are following the precedents which have been followed in other jurisdictions.

The supply bill will be in two schedules, first,-

- (a) To provide for the expenditure of \$8,808,000 which is a portion of the educational grants charged to the expenditure of the year which ended March 31st, 1945, and to which previous mention has been made.

Secondly,-

- (b) Will provide for the amount of \$81,317,476.30, which is the amount to be voted as shown on page 3 of the estimates previously mentioned for the year ending March 31st, 1946.

Schedule (b) providing for the latter amount will be worded so that the items authorized by special warrants dated April 12th, May 12th, and June 1st, 1945, will be included but not added to the amount of the Estimates of \$81,317,476.30.

The government is submitting to the House for passage the budget as it was submitted to the House on the 9th March, 1945. We all recognize that we are living in unusual days. Since the introduction of the budget the

war with Germany came to an end on the 6th May. Of necessity changes may have to be made in our plans and in the budget forecast for the year which will end March 31st, 1946. In so far as possible, however, we intend to adhere to the pattern of the budget and we are hopeful that despite all of the unusual conditions with which we are confronted that we shall be able to accomplish the general objective set out in that document.

Mr. Speaker, I move that you do now leave the chair and that the House resolve itself into Committee of Supply.

(Page 21 follows)

Oliver, F.R. - 21 -
MR. ~~BRADY~~ ^{Grey} (Mr. L. M. Frost): I wonder would the Prime Minister indicate whether it is the thought of the government that we should proceed with the budget debate? We have dispensed with the debate on the Speech from the Throne today. Ordinarily an hon. member on this side of the house would move the adjournment of the debate following the address of the hon. Provincial Treasurer. (Mr. L. M. Frost)

HON. GEORGE A. DREW (Prime Minister): I thought we might proceed with the Estimates. These estimates, as has been pointed out in the speech of the Hon. Provincial Treasurer, have been before the public for several months; and if we proceed with the estimates by departments, we can have the debate in that way.

MR. ~~BRADY~~ ^{Oliver}: When will we have the budget debate?

HON. MR. DREW: If the members wish a separate debate, we can proceed with that, starting to-morrow.

I might point out to the hon. member (Mr. Nixon) that the actual introduction of the items of the estimates will give every opportunity for debate in regard to any detailed items the hon. members may wish to discuss.

Perhaps we might do it in this way, if the hon. member will see me afterwards, we can discuss the time when he would wish to proceed with any debate. But the estimates have been in the members' hands for several months, and I think it would be well to proceed with them.

Mr. Speaker, I move that Mr. W. B. Reynolds (Leeds) be Chairman of the Committee of the Whole House.

Motion agreed to, and Mr. Reynolds took the Chair.

HON. MR. DREW: I might explain, particularly to the new members who are here, that on every desk is a blue book marked "Estimates of Ordinary Expenditure and Capital Payments of the Province of Ontario for the Fiscal Year, Ending March 31st, 1946," and at page 5, at the beginning of the book, are the various departmental headings under which the

estimates come; and the department to be dealt with will be called first.

We will proceed, first, with the estimates of the Lieutenant Governor, XI.

THE CHAIRMAN: Number XI, Vote 135, page 72, Office of Lieutenant Governor.

Motion agreed to.

HON. MR. FROST: Page 71.

THE CHAIRMAN: Department of Legislation, Vote 133, page 71.

Motion agreed to.

HON. MR. DREW: Page 80, Office of Provincial Auditor.

THE CHAIRMAN: Vote 134.

Motion agreed to.

THE CHAIRMAN: Office of Provincial Auditor, Vote number 150, page 80.

Motion agreed to.

HON. MR. DREW: Page 86, Department of Provincial Treasurer.

THE CHAIRMAN: Page 86, The Department of Provincial Treasurer, Vote 161.

Motion agreed to.

THE CHAIRMAN: Vote 162.

Motion agreed to.

THE CHAIRMAN: Vote 163.

Motion agreed to.

THE CHAIRMAN: Vote 164.

Motion agreed to.

THE CHAIRMAN: Vote 165.

Motion agreed to.

THE CHAIRMAN: Vote 166.

Motion agreed to.

THE CHAIRMAN: Vote 167.

Motion agreed to.

MR. A. BELANGER (Prescott): Mr. Chairman, on Item 165, there is a very large item of \$174,000.00. Is that for postage for just that department?

MR. MR. FROST: All departments.

MR. BELANGER: Of the whole of the administration.

HON. MR. DREW: Of all government administration.

MR. W. J. GRUMMETT (Cochrane South): Mr. Chairman, instead of calling out the vote number, I think we should also have the item number afterwards. The vote number is split up into different items, which give you a different picture altogether.

HON. MR. DREW: It is really a question of choice. If, under the calling of the vote, any individual item arises which needs to be questioned at that time, it has been customary just to call the vote and then to raise the question in regard to any particular item.

MR. GRUMMETT: Mr. Chairman, some of these votes contain a large number of items and we have not time to glance down them and see what it is that is referred to. It seems like passing it over without giving it due consideration when we take it by the vote number, instead of by the item number.

HON. MR. DREW: If it is preferred, we can call the item number after the vote number.

THE CHAIRMAN: Vote number 168.

MR. BELANGER: Mr. Chairman, I noticed in the item of the Cost of living bonus, some of them are statutory, and others are to be voted on.

The Department of the Provincial Treasurer, Item 161, that is to be voted on, and it is not mentioned as being statutory; while in the Savings Office you have the cost \$314,000.00, and that is put down as statutory.

HON. MR. FROST: A living bonus on a statutory basis.

MR. BELANGER: In certain cases it is statutory, in one particular department, and then on another item in the same department it is not statutory, but it is to be voted on. I would like to have an explanation of that, just to keep the records straight.

HON. MR. FROST: Are you referring to Item 167?

MR. BELANGER: I notice Votes 161 to 167. 161 is "Main Office" and we have there the cost of living bonus on Vote 161, Item 6, \$49,000.00, in the first column. And in the Savings Office we have Cost of living bonus, statutory.

HON. MR. FROST: Mr. Chairman, I think the explanation of that is this, that in the items that the hon. member mentions in Vote 161, the Cost of living bonus is the Cost of living bonuses that attaches to items that have to be voted. However, if you turn to Vote 167, the Cost of living bonus is statutory, and the Cost of living bonus is merely added to the statutory amount authorized by an Act of this House. That is the explanation.

MR. A. H. ACRES (Carleton): Carried.

MR. BELANGER: Mr. Chairman, I think we might at this stage ask the Government, in order to give us a chance to get ready to discuss intelligently the different items, to give us a sleeping space on this, so that we can go over these items and be able to speak and vote on them intelligently. I think this is a very good day for the first day in this House, and that we might stop here.

HON. MR. DREW: I do not want to raise any objection to adequate consideration, but I might point out that the hon. member has had these things in his possession since the first week in March.

MR. BELANGER: I would point out, Mr. Chairman, that I was far from sure of coming back to this House, and perhaps

the hon. Leader of the House was not just as sure then as he is now. So that many of us did not take the trouble required to go over these Estimates for the purpose of future discussion and reference.

The Government, I think, should consider the question raised.

HON. MR. FROST: I thought I took good care to send you a copy of these estimates a week or ten days ago.

MR. ~~GRUMMETT~~^{Oliver}: I would like to support the hon. member from Prescott (Mr. Belanger) because a good many of these members are new, and perhaps are not able to discuss these estimates, as the older members might do. I think we might take time this afternoon to peruse these estimates; and we would have time to talk these items over with our new members. I think we might make progress in that way.

HON. MR. DREW: If it is the desire of the Hon. Leader of the Opposition (Mr. Oliver) to have time to discuss these items, I would agree.

I would suggest that he take time not only to consider them in detail, but also to determine how they should be dealt with.

I would therefore move, Mr. Chairman, that you rise and report progress.

MR. GRUMMETT: I would ask the hon. Prime Minister what departments we will be dealing with to-morrow. It will not be possible to discuss them all to-morrow. If the Hon Prime Minister would give us that information, we would have time to look up the material in those departments.

HON. MR. DREW: We will start with the Department of Mines to-morrow, and then Agriculture, and then Highways; and then we will take them in the order in which they appear in the Index, unless any special circumstance should arise in

connection with other estimates, which I should indicate during the progress of the presentation.

Mr. Chairman, I move that the Committee now rise and report progress.

Motion agreed to.

Progress reported.

MR. SPEAKER: Mr. Reynolds has made a report, and asked leave to sit again. Is it the pleasure of the House that the motion carry?

Motion agreed to.

HON. MR. DREW: Mr. Speaker, I move that the House do now adjourn.

Motion agreed to and House adjourned at 4.45 p.m.

THE LEGISLATIVE ASSEMBLY

SECOND DAY

Toronto, Ontario,
Tuesday, July 17, 1945.

SPEAKER: Honourable William J. Stewart, C.B.E.

The House met at 3 o'clock.

Prayers.

MR. SPEAKER: Presenting petitions.

Reading and receiving petitions.

Presenting reports by committees.

Motions.

Introduction of bills.

MR. SPEAKER: Honourable members, before the Orders of the day, may I most respectfully draw your attention to procedure. I have had a number of requests left in my office to-day expressing a desire to rise before Orders of the day on certain matters alleged to be matters of public importance.

It has been the established practice to furnish the Speaker, in writing, with the subject matter, and to obtain the consent of the Speaker, and not simply leave a message in the office and assume you have that consent.

I want to cooperate one hundred per cent. with all

the hon. members, and I might accord the privilege, to-day, to those who have left a request at my office, but my attention has been drawn, from various sections in the House in previous legislatures, to the fact that there has been some abuse of this privilege and that matters which are alleged to be of public importance are nothing but personal privilege, which can be dealt with on the Order paper and in dealing with the estimates.

I invite the cooperation of all hon. members to expedite the business of the House, and please do not abuse the privilege when rising to speak.

I accord the privilege of the House to the hon. member for Bellwoods (Mr. MacLeod).

MR. A. A. MacLEOD: Mr. Speaker, I want to assure you that I will be amongst those who will do my utmost to abide by the request that has just been made, and may I say that while the matter that brings me to my feet is one of personal privilege, I did everything in my power to have this matter disposed of without having to bring the matter to the attention of the House.

The hon. members of the Twenty-first Legislature, — those who returned, — will recall that when we entered this House in 1944 there was some discussion as to the seating arrangement, and a number of reports were carried in the Press to the effect that we were to be in some part of the hinterland here, and I took occasion, here, to write to the hon. Prime Minister, objecting to what appeared to be a state-

ment from him, and in reply to that representation I received this short note from the hon. Prime Minister. He might, if he had wanted to, have addressed me as "Dear Sandy," but he did not do that. This letter said:

"This will acknowledge your telegram of to-day's date. The Press report appearing this morning was not a statement of mine, and I said nothing to indicate that the Labour-Progressive members would be seated at the rear of the Chamber. On the contrary, I understand that you have already discussed the matter with Major Lewis, and that it was agreed you would sit in the front row.

"It will not be necessary for you to discuss this matter with me, as I am sure that is the arrangement which is to be carried out.

"If there is any other matter, however, you would care to discuss with me, I would be very glad to see you if you would telephone, and we can arrange an appointment which will be mutually convenient."

HON. GEORGE A. DREW (Prime Minister): What was the date of that letter?

MR. MacLEOD: January 14, 1944. Now, Mr. Speaker, --

HON. GEORGE A. DREW (Prime Minister): There have been a few changes since then.

MR. MacLEOD: Yes, I know times have changed, and that is what I am coming to.

I did take advantage of the very kind invitation to visit the hon. Prime Minister, and, while this matter was not discussed, there was a very pleasant discussion on a number of things. At

any rate, we were accorded party status in the Twenty-first Legislature, and we were accorded all the privileges and all the courtesies that flowed therefrom.

Now, before this Session opened, again the stories appeared in the Press to the effect that there was to be a different seating arrangement, and we would be moved to some other part of the House.

I came up and attempted to discuss the matter with you, sir, and I was told, quite properly, that you had not been installed in office as Speaker, and that you were in no position to discuss this matter with me, and you referred me to the then Acting Prime Minister.

I took the matter up with the Acting Prime Minister, and was told by him that I should take it up with you, sir, so I had no other alternative than to go to my office and address a communication to both of you protesting this arrangement, which by that time had been definitely fixed. I have had no reply from you, sir, nor from the Acting Prime Minister, in response to that communication.

Now, as the members will see, the sitting arrangement is fixed, and we have been duly partitioned as a Party, in somewhat similar manner, presumably, to the Munich style, - one part of the Party is in the Liberal bloc, and I am here in the CCF bloc. I do not know whether the hon. Leader of the Opposition (Mr. Oliver) was consulted about the arrangement, or whether the Leader of the CCF Party (Mr. Grummett) was consulted.

I do want to say, however, that I regard as quite an unnecessary departure from the arrangement fixed in the last Session, and, while it is true that times have changed, and the Government now has a hegemony over the House, nevertheless, I think it is evidence of bad manners to try and "throw your weight around" simply because you have the other people at your mercy. And I hope, therefore, that it will be possible to restore to us the status we enjoyed in the Twenty-first Legislature.

The other point, — and I will be very brief on it, — is that as a part of that status we enjoyed we were given an office on the fourth floor of this building. After we were there for a short time we were approached and told that the former occupant wanted to move in, and we were asked if we would be willing to give the offices up. Knowing the shortage of space, we gladly agreed to that, and I want to say that the then Whip of the Party, the hon. member from Essex South (Mr. Murdoch), was kind enough to give us his office during the period in between sessions, a courtesy which we appreciated very much.

When the Session resumed, we were moved to still another office, which we have occupied up until a few days ago. I was in the building on Thursday, and talked with the superintendent of the building, and there was absolutely no suggestion that we were to be moved out of that office. However, when my colleague, the hon. member for St. Andrews (Mr. Salsberg), went to the office yesterday he found that the

place had been occupied by someone else, and our papers and records, and other personal effects, were tossed out some place where we have not yet been able to find them, and we were unceremoniously thrown out on the street, so to speak, without even the usual courtesy of an eviction notice.

Now, Mr. Speaker, I do not think that that sort of thing is going to help relations in this Legislature, — if people are going to be treated that way. Had the hon. Minister of Public Works (Mr. Doucette), who has jurisdiction in these matters, suggested to me that he would like to have that office for some other person, I, on my part, would have been only too willing, and too eager, to cooperate with him, but to simply take the documents and correspondence and records which we had accumulated over a period of two years, and toss them out some place where we cannot find them, is, I suggest, a most unusual procedure. I may say that I was almost tempted yesterday to endeavour to employ the services of "D-208", to see if we could find the missing records.

I appeal to you, Mr. Speaker. I understand amongst your other duties it is your duty to protect the things of the members of the House, and I suggest that we have been treated in a most shabby fashion, and I do not think that kind of treatment will help in the establishment of the amicable relationship that we all hope will exist during the life of this Parliament.

MR. SPEAKER: The Chair accords the privilege to the hon. member for Sudbury (Mr. Carlin).

MR. ROBERT H. CARLIN (Sudbury): Mr. Speaker, I rise to

bring up an issue which, in my humble opinion, is of importance to the interests of the people of the province and the dominion, because I feel anything that affects organized labour affects all the people of our province.

The matter I wish to discuss concerns, or involves, the International Brotherhood of Electrical Workers, and the alleged company union and the Ontario Hydro. I understand that last November the mentioned union, the International Brotherhood of Electrical Workers, applied to the Board for certification, having with them a number of applications, but which were, perhaps, insufficient to establish their claim. However, the union involved was not certified, nor was the alleged company union, but we find that to-day it is alleged to be happening that the union dues are being deducted from the payroll of the employees who are members of the company union and turned over to the secretary of that organization, while, at the same time, the legitimate organization has requested the same privilege, that their dues may be deducted from the payrolls, and have been refused that privilege.

Now, perhaps the hon. Ministers involved in this should state if that is correct, or not.

HON. GEORGE H. CHALLIES (Minister without Portfolio):
In reply to the enquiry of the hon. member for Sudbury (Mr. Carlin), my understanding is that dues are not deducted from the cheques of the employees.

MR. SPEAKER: I will accord the privilege to the hon.

member for Prescott (Mr. Belanger).

MR. BELANGER (Prescott): Mr. Speaker, only a very few minutes will be required for what I have to say on a question that concerns the privilege of this House and every member thereof, past, present and future.

It has been the experience that after the dissolution of the House our railway passes, held by the members of this House, have been called in and rescinded. Now, I am quite aware that the Railway Act allows the granting of passes by the different railway companies to the hon. members of the House, and that as soon as there was dissolution there were no members of this House, except the Ministers, sitting on the Treasury Benches, and that strictly and legally speaking the Board of Railway Commissioners were justified in calling upon the Clerk of this House to contact the members and get the passes back. But there are two aspects on this question which I would like to lay before the Government in the hope that some action may be taken at Ottawa to have the Act changed so as to allow railway passes, even in the case of dissolution of the House, to be granted to those members who have been sitting before dissolution, until an election and they are replaced by somebody else.

My first point is that we continue, even after dissolution, to be the intermediaries between the Government, which continues to sit, administering the affairs of this province, and our constituents. As a matter of fact, my experience in the past has been, (and I think it is the experience of most of the hon. members of this House,) that there is more work for

us to do, and more occasions and more necessity for coming to Toronto and to travel, in order to keep carrying on the business of our counties, than there was before.

My second point is this, Mr. Speaker: I want to call the attention of this House to the discrimination which has taken place. I have enquired from members of the Dominion House of Commons as to whether their passes have been called in, and I was assured by everyone from whom I sought advice that theirs were not, and that those two hundred and forty-five members of the House of Commons at Ottawa continued to enjoy free transportation across the whole country, while we were denied the privilege even within the province of Ontario.

Now, the Railway Act does not make any difference; the wording is a little different, concerning the hon. members of the House of Commons and the hon. members of this Legislature, but they cease to be members. They are referred to in this Act as "members", and they have the right of free transportation on the different railways as hon. members of the House of Commons, but upon dissolution of the House at Ottawa, while they cease to become members, they retain their transportation, and, therefore, do not come within the purview of the Railway Act, so that they stand exactly in the same position as we stand ourselves, except they have their transportation, so that if the Railway Board at Ottawa has to see to it that upon dissolution of the House the passes of the hon. members of the Legislature are rescinded, then the same thing should apply to the hon. members of the House of Commons at Ottawa.

My point, Mr. Speaker, is that these passes should be continued to both the members at Ottawa and the members here, of the Legislature, until a subsequent election.

I thought this was a matter of privilege of this House of some importance, sufficiently so to be raised at this time.

MR. SPEAKER: I accord the privilege to the hon. member for South Grey (Mr. Oliver).

MR. FARQUHAR R. OLIVER (Leader of the Opposition): Mr. Speaker, I would like to ask the hon. Prime Minister if it is the intention of the Government to hold the Fall Session of the Legislature.

HON. GEORGE A. DREW (Prime Minister): Yes. I think it is necessary that there should be another special session later on in the year. That would not have been necessary had it not been that a Dominion-Provincial Conference was called for August, and as the members who were in the Legislature before will recall, we have been, for some time, pointing out the desirability of a conference as soon as possible, and we welcome the fact that at least the first week is to be held commencing August 6th, and many of the matters that were before us in the last Session, and many of the matters which should be dealt with, will be much better understood if we know before we deal with them what general principles are to apply following the preliminary meeting with the Dominion Government and the Governments of the other provinces. That is the reason we are only presenting at this special Session those bills which will validate immediate payments which should be made, and amendments

that require immediate attention. The other matters that require attention may then be prepared in the light of what takes place at Ottawa, and we will have a later special Session this year.

MR. SPEAKER: Orders of the day.

HON. GEORGE A. DREW (Prime Minister): Order No. 1.

THE CLERK OF THE HOUSE: First Order; second reading of Bill No. 1, the School Law Amendment Act, 1945. Mr. Drew.

HON. GEORGE A. DREW (Prime Minister): Mr. Speaker, in moving the second reading of the School Law Amendment Act, 1945, I would explain that this is the longest of the Acts which are before us. I think the hon. members will find that this, for some reason, has been omitted from the books, but a copy was placed on every desk yesterday. I do not know, myself, why it was omitted, but we arranged for the placing on every desk of a copy of this Bill, and there is no change in the Bill which was placed on the desk at that time. If any of the hon. members have not brought theirs with them to-day, or have taken away the copy of the School Law Amendment Act, 1945, which was on the desk yesterday, I would point out that we will go into it section by section in Committee, and I can deal with it in the broad principles involved in my explanation on second reading.

This School Law Amendment Act deals with certain changes that are necessary in connection with our School Law Act, particularly having reference to grants that are being made this year. This carries forward proposals that were be-

fore the Legislature at the time of dissolution, and carries out the necessary amendments to the Act itself to conform with the regulations which were adopted for the payment of additional school grants. I would suggest that we will deal more effectively with that, going through it section by section in Committee, and, if it passes second reading to-day, it will go into Committee tomorrow.

It also deals with the new arrangement for teachers' superannuation. You will recall that in the Budget Speech, and in the explanation that was given publicly, it was announced that there was to be increased provision for superannuations, and certain changes to the advantage of teachers, for the extension of superannuation payments, and this Act carries out the necessary amendments in that respect.

The Act also includes certain changes which flow from those two basic divisions.

In regard to the grants: there are amendments to other Acts which limited the amounts which could be distributed by School Boards and other bodies, which limitations became unnecessary in certain cases because of the size of the grants which are now paid.

The various amendments which are necessary to the Act involved are included here to carry out the provisions for improved superannuation payments to teachers.

Then there are also amendments to the Adolescent Act and the various School Acts which require to be changed, having regard to the regulations which were adopted.

That, in a broad way, is the effect of this Act, which is the longest Act before us, and if that explanation is agreeable to the hon. members, if we could take the second reading to-day, and then go through it section by section to-morrow in Committee, I can explain each section in detail and its purpose.

MR. NIXON: Mr. Speaker, there are a number of sections which deal with the use of unauthorized text books, to which the hon. Prime Minister did not refer. What is the reason for legislation with respect to that at the present time?

HON. GEORGE A. DREW (Prime Minister): I assure the hon. member for Brant (Mr. Nixon) that there is no idea of restricting the use of books; it is merely to establish the basis of uniformity in the text books which are adopted. We have set up a new department governing the use of text books, and there has been a certain amount of confusion as a result of the difference in text books, and this is only for the purpose of restraining that, and I assure the hon. member for Brant (Mr. Nixon) this is not in any way applying a measure of censorship, or anything like that.

MR. NIXON: Was there not some explanation by the Wartime Board, that you censored, to some extent, or which became more or less of an issue? This has no application to that?

HON. GEORGE A. DREW (Prime Minister): No. As a matter of fact, I think there was a little bit of exaggeration as to that. It just happened that certain instructions went out regarding the use of materials in schools, which happened to

coincide with the very extensive delivery of copies of the speech. Well, I have no objection to the speech's being circulated, and there was some Press comment at the time, I recollect. This has no relation to that incident, whatever.

MR. GRUMMETT: Mr. Speaker, I would like to ask the hon. Prime Minister if it would be possible, after the regulations are drafted, to have them come before the next Session of the Legislature and be approved. From what I see in this Act, there are provisions made for a great many regulations. Now, the Legislature has no say over those regulations. The Hon. Minister and the Lieutenant Governor in Council have full say over the regulations. Would it be possible to arrange, at a subsequent Session of the House, that these regulations come up for approval by the House?

HON. GEORGE A. DREW (Prime Minister): In effect, that is the result. I am sure you all know that all regulations in regard to these matters are printed as matters of record, and any regulations which have been adopted are available and can be presented and discussed by the House, and approved or disapproved upon motion.

I know that the hon. member for South Cochrane (Mr. Grummett) has had an extended experience himself in connection with schools, and he will realize there are many regulations affecting the administration of schools which must be made from time to time, particularly for the guidance of the teachers and others in the schools, and that these resolutions must be fairly fluid, within the statutory limitations imposed by the Act

itself. But the effect would be the same, because any regulations which have been passed will be available to the hon. members, as they are printed as matters of record, and they can then be discussed or raised here, and if there are any questions they can be presented for discussion and criticism in the Legislature.

MR. GRUMMETT: I grant that, Mr. Speaker, but I think these regulations are more or less passed over by the members. How many hon. members would consider looking up the regulations, and puzzling out their exact meanings? If we had them brought here before us, and discussed at a subsequent Session of the Legislature, then they would meet the approval of a full House, and there would be no question as to any ulterior motive in the regulations. I grant you that the hon. Minister of the Lieutenant Governor in Council must have full power to make these regulations.

(Page No. 42 follows.)



At the same time I think we ought to have some method of checking on and passing approval of the regulations.

MR. DREW: I might point out that if the regulations were to be dealt with in the same way as they were previously, we might just as well wait and include the details in the provisions of the Act itself.

I am quite prepared to admit that there can be too wide a use of regulations, and I have myself been critical of too wide a use of regulations, but there are cases where it is essential that there be power to make regulations to be part of the continuing administration.

As to the details of regulations, and how many read them, I am not prepared to offer a guess, but I would suggest that there would be probably just as many read them now as there would be if the regulations were introduced in an act at another session. I think the hon. member has been here long enough to agree with me in that estimate of the situation.

There are certain members interested in particular subjects, and they will follow those subjects. The regulations are all printed in the Gazette, and the Gazette goes out every week. I do feel it is the duty of the members to follow the Gazette to the extent that it contains the things that are of direct interest to them, and if they will do that, I believe they will be able to keep themselves fully informed on these subjects which are a matter of direct and personal interest to them.

I simply say this, the system of making regulations is useful, but of course it can be abused. But the passing of regulations is a system of continuing administration to

provide for adjustments, to changing conditions. When I say changing conditions, I refer to problems that arise from time to time such as have arisen over a great many years in the administration of our school affairs, and it has been found necessary to have some flexibility in passing regulations for administrative purposes. The regulations are printed in the Gazette after their adoption and can be read by everyone receiving a weekly copy. I shall be very pleased, where the request is made, to see that the regulations are tabled so that there will be every opportunity to discuss them.

MR. J. B. SALSBERG (St. Andrews): Has the Teachers' Federation been consulted with reference to this bill, and has the Federation agreed to the recommended changes in the pensions or with respect to the use of textbooks?

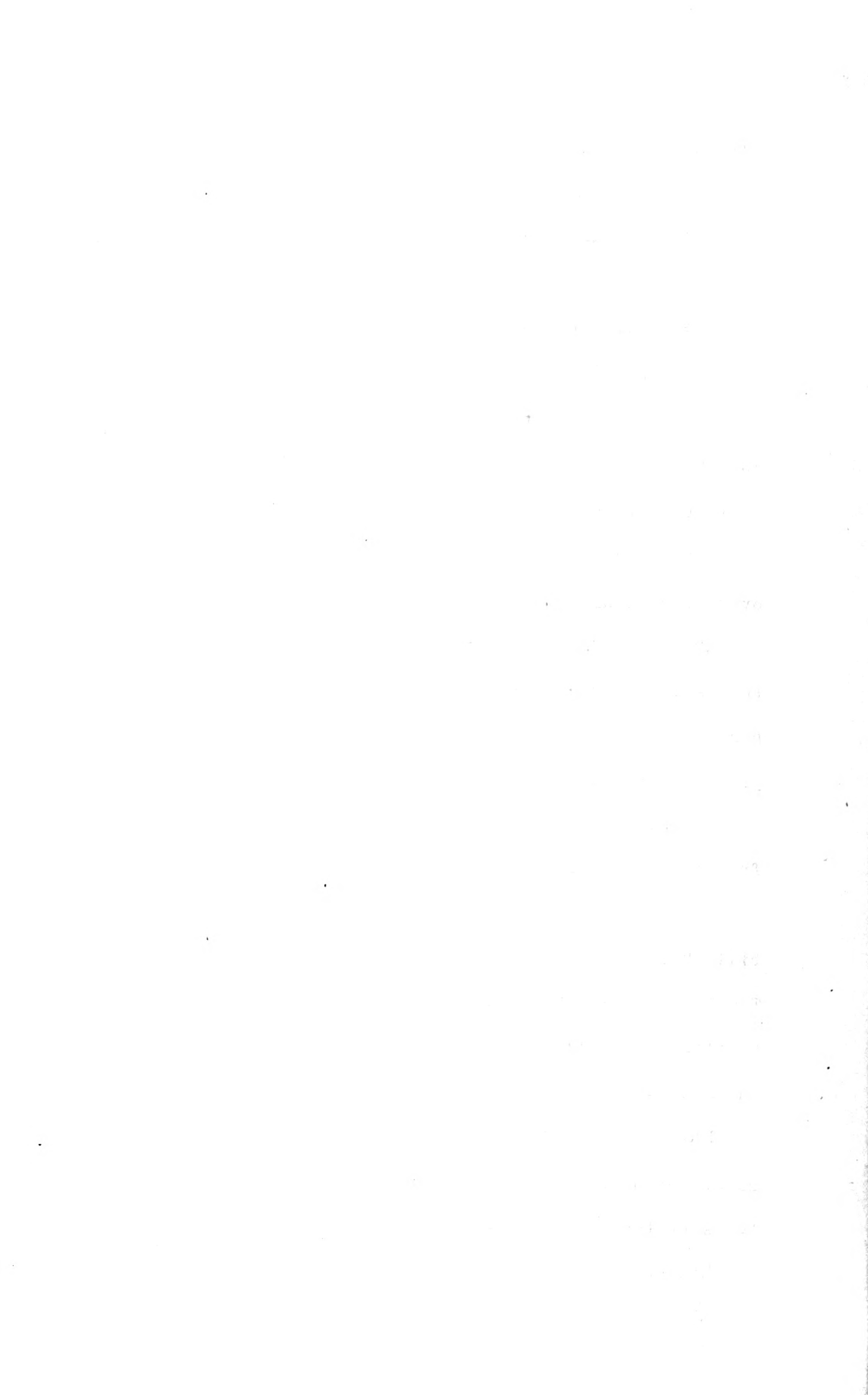
MR. SPEAKER: I think the hon. member is getting away from the principle of the bill.

MR. SALSBERG: I am not discussing the details of the bill, Mr. Speaker, but I would like to know whether the Teachers' Federation has been consulted, whether their opinions have been canvassed, and whether they agree in the main with the recommendations that are now before us.

MR. DREW: The changes proposed in the pensions and super-annuation plans were based upon recommendations made to us by the Teachers' Federation.

Motion agreed to; Bill read the second time.

MR. DREW: Second Order.



HON. LESLIE M. FROST (Provincial Treasurer): Mr. Speaker, I move the second reading of Bill No.2, The Mining Tax Amendment Act. Yesterday the member for Brant (Mr. Nixon) asked a question concerning this bill. In brief, the effect of the bill is this.

The assessments are made on the mining companies through what we term our royalty tax, and at the beginning of the year the mining companies generally set aside the amount of the tax. It is really ready to be paid to the province at that time. The old provision was for the payment of the tax on October 1 or 31,--I forget which,--but it was in the month of October, anyway. The companies are all prepared to pay the tax on March 31. We introduced this same bill in the session of the Legislature that terminated by dissolution on March 24.

There are certain reasons for advancing the date to March 31. Under the Dominion-Provincial tax suspension agreement, it is provided that we are unable to levy taxes on corporations or personal income tax until the following year. It is desirable that the year should terminate with our fiscal year for that particular purpose. The corporation tax suspension agreement as such did not suspend our collection of the mining tax. The province has always taken the view that the mining tax belonged to us as a royalty upon our natural resources, and therefore the collection of that tax was not suspended by the Dominion-Provincial tax suspension agreement.

It also seemed very desirable that we should have our hands free to make any arrangement suitable in that regard. I know some of the members opposite will remember that many of the northern mining municipalities have been asking for adjustments of the mining tax, and therefore, I say, Mr. Chairman, it is very desirable that we should have our hands free to take whatever course seems proper after the Dominion-Provincial conference.

Another reason is this. When the Dominion Government accelerated the payment of income tax, it will be recalled that they introduced a sort of Ruml plan of accelerating the payment of corporation tax. The effect of that was this. For the year 1942 we had a deduction of 18 months Dominion income tax in place of one year. The Hon. Mr. Laurier was Minister of Mines at that time and he entered into an agreement with the mining companies that they should only deduct twelve months Dominion income tax instead of eighteen months. The result was that under that agreement we owed about half a million dollars in income tax to the mining companies. The Provincial Treasurer at that time, the Hon. Mr. Hepburn, found that if that deduction was made then, it would throw his budget out of balance, and accordingly the mining companies agreed that they should take only one year's income tax instead of the eighteen months to which they were entitled under the arrangement which the Dominion Government made for accelerating the payment of the tax.

At that time we were receiving about three million dollars

a year in mining taxes and our payments to these companies were based on that amount. Actually we owed to the mining companies at that time about half a million dollars or perhaps a little more. The effect of carrying it along has been this, that our mining taxes have been reduced by the very heavy Dominion income tax which is a deductible item before the payment of the mining tax, but by working out under the same Ruml plan at the present time, we only owe to the mining companies about \$230,000 instead of \$500,000.

We intended to make this adjustment last year, figuring that the mining tax was at the lowest level we would hit, and we are introducing it now for the reason that a number of mining companies have agreed with us to advance the money, and they have not asked us for a refund, which would cause a lot of difficulty and complications.

There are certain other advantages. In the years to come we shall receive the use of that money, from October 1 or 31,--whichever it is,--up to March 31. So there is a definite gain in that regard. The effect is to accelerate the mining tax payments by one year. We settled with the northern mining municipalities, and it does not cost the mining companies any more money, and so it is really like pulling a rabbit out of a hat, and everybody is satisfied.

MR. GRUMMETT (Cochrane South): The northern Ontario mining municipalities are widely interested in knowing when the mining tax is going to be adjusted, and when they are going to be paid. I have discussed this question with the

Minister on previous occasions, and when I heard of this bill being introduced, I had hopes that it would include a few of the necessary amendments. Can we have the assurance, Mr. Minister, that at the next session, after the Dominion-Provincial conference, the very pressing questions now hanging over the Northern Ontario mining municipalities will receive attention?

MR. FROST: That is a matter which has caused us very great concern. As the hon. member knows, the amount that is payable to the northern municipalities is a proportion of the mining tax. The situation was this. In 1917 when the corporation tax and personal income tax were first introduced, the province of Ontario at that time agreed,-- and in the light of history, I think mistakenly agreed,-- to allow the Dominion income tax to be a deductible item before the calculation of the mining tax. In those days the corporation tax was very small. Now it is a tremendous item, and the result is that most of the income of the mining companies is taken in corporation tax before we get a chance to tax them at all, and so, instead of having an income from the mining tax of three million dollars, as we had a few years ago, we are down to about one million dollars. That means, of course, a great reduction in the amounts which the northern municipalities receive. We can only pay the northern municipalities as we have the money to pay them.

In answer to the hon. member's question, what we can do



depends a great deal upon how successful we are at the Dominion-Provincial conference at Ottawa next month and in succeeding months. The principle is this: These taxes are really a payment to us for the ore that is taken out of the ground. It is a rough way of calculating the value of the ore at the pit's mouth. We claim that that is coming to us, and we do not think that the Dominion Government should enter into that field and reduce the revenue we are getting in that way from our natural resources.

We are all sympathetic with the position of the mining municipalities and we are trying to fight their battles in connection with this as well as fighting the battles of the other people of the province of Ontario. But our revenues have been cut to nothing, as I have explained, by reason of the present arrangements. We are hopeful of a solution and a sensible solution. We have been pressed by some of the northern mining municipalities to take what is known as the terms of the Ilsley amendment. The effect of the Ilsley amendment was this, that we gave to the northern municipalities more money, but we gave it partly out of our own pocket and partly out of the Dominion pocket, and it does not provide a real solution, and we have been paying the total amount ourselves because we did not want anything to get in the way of a solution of the real issue to be brought up at the Dominion-Provincial conference.

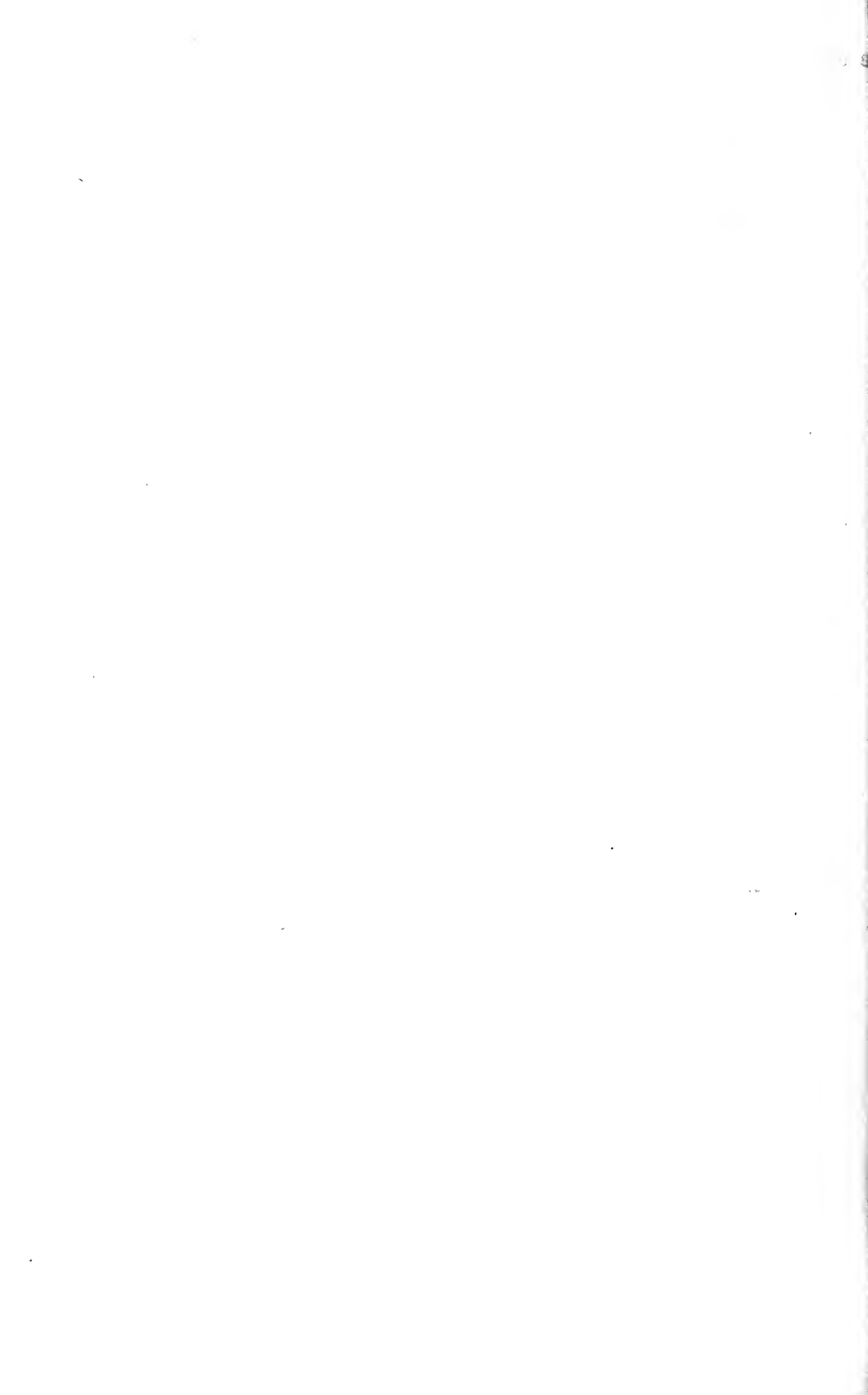
MR. A. A. MacLEOD (Bellwoods): Mr. Speaker, in connection with this bill, I think this is a proper time for me to recall a question which I directed to the Minister of

Mines and the Provincial Treasurer at the last session, which of course was not answered for reasons for which the Minister is not responsible. My question was in three parts and reads as follows:

- "1. What is the method used by the mine assessor in determining the Pit's mouth value of gold ore and the Pit's mouth value of nickel copper ore in assessing mining taxes.
2. Why are the 1944-45 mining tax revenues so large compared with those estimated for that year.
3. Why are the taxes estimated from this source so low for year 1945-46."

I have the figures before me, and they show quite a discrepancy. In the first case the figure is \$2,570,000 for 1944-45, as compared with \$1,360,000 for the succeeding year. I went through the Estimates very carefully and through the speech very carefully to see if I could find the answer to my question and the only thing that occurred to me was that the Provincial Treasurer may, quite legally and properly, have made arrangements with some of the mining corporations, to pay that tax on their 1944 earnings before March 31, 1945. That might explain the discrepancy to which I have referred.

MR. FROST: I will explain the last two points my hon. friend raises about the increase in revenues. In the year ending March 31, 1945, the taxes are payable as it stands now on October 1 or 31.--I forget just which it is.--but for purposes of argument, let us say October 1. Last March we



introduced a bill to accelerate the payment to March 31. The effect was this. It was the Ruml plan all over again, to pay two years' revenue in one year. It did not make any difference to the mining companies. It was only a question of when they paid us because at the beginning of the year they set aside a reserve to take care of the tax, but it placed us in the position of getting the two amounts in the one year. The bill was not passed at that time. My understanding of the present situation is that the two years' revenue will not come into the year 1944-45, as we intended, but will appear in 1945-46. That is the explanation. There is no mystery about it. It corrects the situation that was created by the Dominion Government in advancing their Dominion income tax in the year 1942. Many members will remember the effect of that so far as they were concerned, in that it relieved them of paying a portion of the tax.

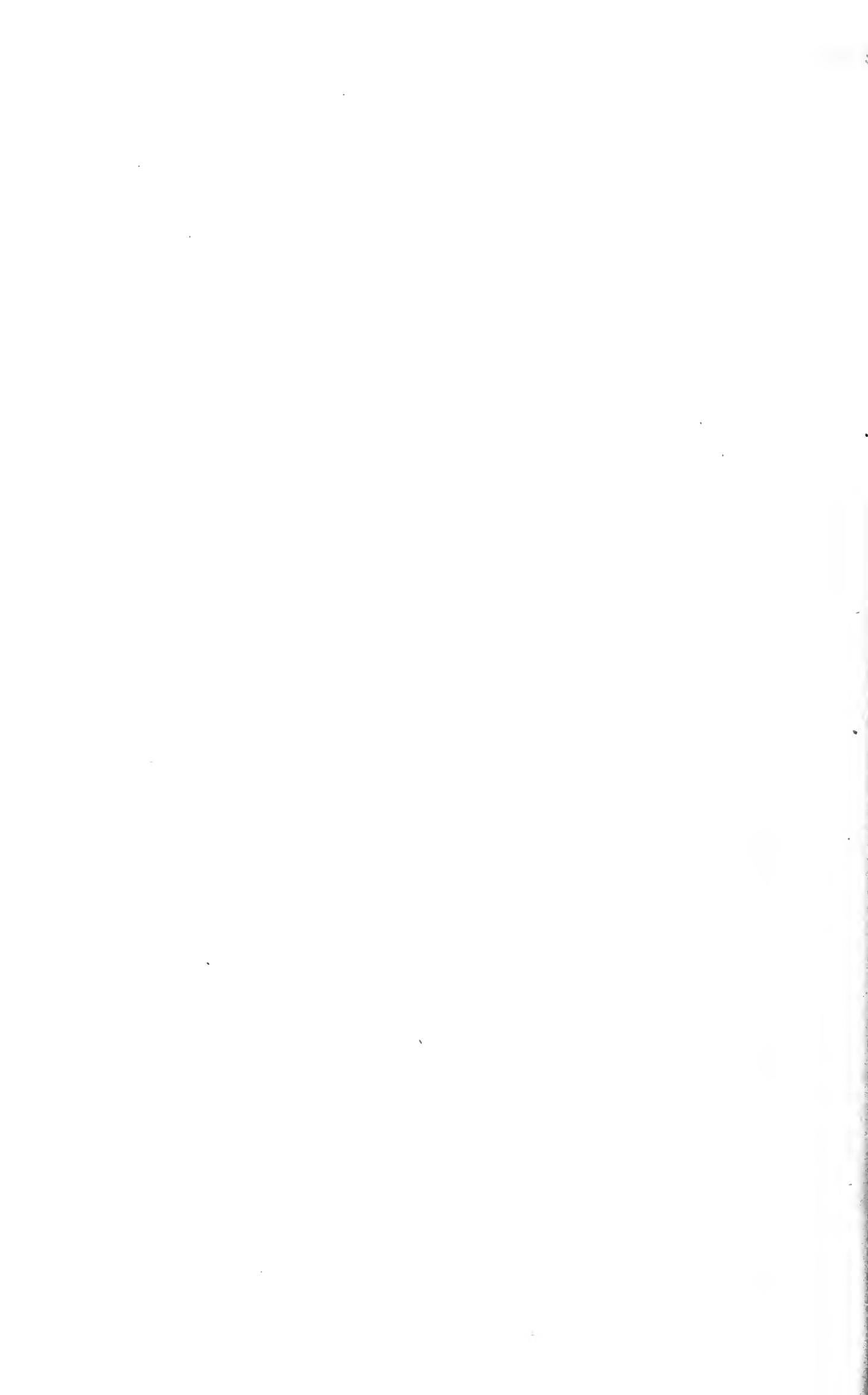
As to the second point, there were good reasons for the government not taking this course. They waited until the revenues reached a low level, so that the adjustment would be less than it had been undertaken in 1942.

As to the other point, the calculation of the mining tax on gold and nickel, that is a difficult and complicated matter. I do not know whether I can make a very good explanation, but let me put it this way. The basis of the tax is the value of the ore at the pit's mouth, the value to the Provincial Treasury of a ton of ore, as taken out of the mines and put on the ground at the mouth of the pit. There is no difficulty in computing that value so far as

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gold is concerned, for there is a standard price for gold. I have forgotten what it is, but a magnate behind me has just prompted me that it is \$35.50, so there is no difficulty in computing the amount. The only differences are these. There is a milling allowance. That arose in the old days when custom milling was done when there was not a mill on the mining property itself and the ore was milled elsewhere. But the milling allowance is comparatively small. Secondly, we allow them a deduction for outside exploration, and allow a certain amount also for donations. That brings us down to an amount we can easily compute as the value of the gold at the pit's mouth.

But with nickel it is a different problem altogether. There is no standard price for nickel. The price depends upon the world's market, and it is difficult to work back and ascertain what is the value of a ton of nickel at the pit's mouth. The way that is done is to take the profits of the company and work back through the various processes of fabrication until we arrive at an amount which can be taken as a yardstick. There are many difficulties in computing that, and it may be that the yardstick we use is not as good as we could devise. We have been working on that problem for some time past, and I know that our predecessor government in office was trying to meet that same situation. We take various items, directors' fees, for instance, and a lot of other items which are not allowable, and then deduct from that depreciation, costs of exploration, Dominion tax, and so on, and then we take as a rough yardstick, 35% of the



fabricated value as the pit's mouth value. That is perhaps an inadequate explanation, but if the hon. member sat down with an auditor and debated with him as to the method of computing the value of the nickel at the pit's mouth, he might find the auditor's explanation no more adequate.

Motion agreed to; Bill read the second time.

MR. DREW: Order No.3.

HON. LESLIE M. FROST (Provincial Treasurer): Mr. Speaker, I move the second reading of Bill No.3, An Act for Raising Money on the Credit of the Consolidated Revenue Fund. This bill is the routine bill for borrowing which is put through every session.

Motion agreed to; Bill read the second time.

MR. DREW: Order No.4.

HON. THOMAS L. KENNEDY (Minister of Agriculture): Mr. Speaker, I move the second reading of Bill No.4, The Cheese and Hog Subsidy Act, 1945.

This morning there came to my desk from England The Farmers' Weekly, dated June 22, 1945, from which I quote the following paragraph:

"Yet, it is a fact, as given to the recent Food Conference in London by the Danish Minister of Agriculture, that, by the end of the current crop year, Denmark will probably be in a position to export 37,000 tons of butter, 25,000 tons of bacon, 7,300 tons of meat, 5,000 tons of eggs, and 800 tons of cheese. Still more bacon and eggs will be available if pig and poultry feedingstuffs and coal can be imported."

In meeting that competition we have to go some distance, more than we have ever gone before in raising A-1 hogs.

In moving the second reading of this bill, I feel there are some vital facts which should be placed before the members of this House. It should be noted that the primary purpose of this Bill, which renews the hog subsidies which have been paid during the last three years, is to encourage the greater production of hogs in Ontario to meet the demands of Britain for bacon; but what is even more important is the fact that it is paid on a quality basis to encourage the production of higher quality hogs in the Province of Ontario so we will be in a better position to hold the British market for bacon in the years after the war period is over. During the period of the war, on account of the needs of Britain, there has been a spectacular increase in the number of hogs produced in Canada and Ontario. In 1939, 3,706,000 hogs were marketed in Canada; and in 1944 the number had increased to 8,862,000. In Ontario, the increase was from 1,667,000 in 1939 to 2,108,734 in 1944, with a peak production of 2,326,000 hogs in 1941.

Today, Ontario stands second among the Provinces of Canada in the quantity of hogs produced, and stands first in quality. In the last three or four years, the western Provinces have gone in heavily for hog production, partly because of the wartime demands and partly because until about eighteen months ago the price of wheat was such that it was possible to feed it to hogs, and there were also difficulties in delivering wheat to elevators and being paid for it. But in the last eighteen months, on account of the higher price for wheat and the ease with which they could deliver wheat to the elevators, hog production has gone to pieces in the west; and during the first five months of this year had declined by more than thirty-eight per cent, while in Ontario it has decreased only nineteen per cent. The 1944 production



in Ontario was 3.9 per cent greater than in 1943, and 4.2 per cent greater than in 1942. So while in Western Canada hog production has been an in and out business, the province of Ontario has consistently been a hog producing province over a long period of years and hog production is a vital part of Ontario farm economy.

So far as quality is concerned, 36.5 per cent of the hogs marketed in Ontario last year graded "A" and 46.4 per cent graded "B1", a total of 82.9 per cent in the grades that are now accepted for export. For the whole of Canada, 28.3 per cent graded "A" and 44.7 per cent "B1", or 73 per cent in the export grades; so that Ontario is about 15 per cent better than the average for the whole of Canada. In the western provinces, Manitoba and Alberta each had 23.9 per cent in grade "A" and Saskatchewan 26.9 per cent; so that the burden of maintaining a relatively high proportion of export hogs under war conditions had been carried by Ontario. That was largely due to the payment of the hog subsidy by this Province, introduced as a wartime measure to get bacon for England, in which it was highly successful. I think it is quite fair to say that the bonus of \$1.00 on grade "A" hogs and .50 cents on "B1" hogs was largely responsible for the better quality as compared with the other provinces, and also to a large extent responsible for Ottawa last year providing an additional bonus of \$3.00 on "A" hogs and \$2.00 on "B1's".

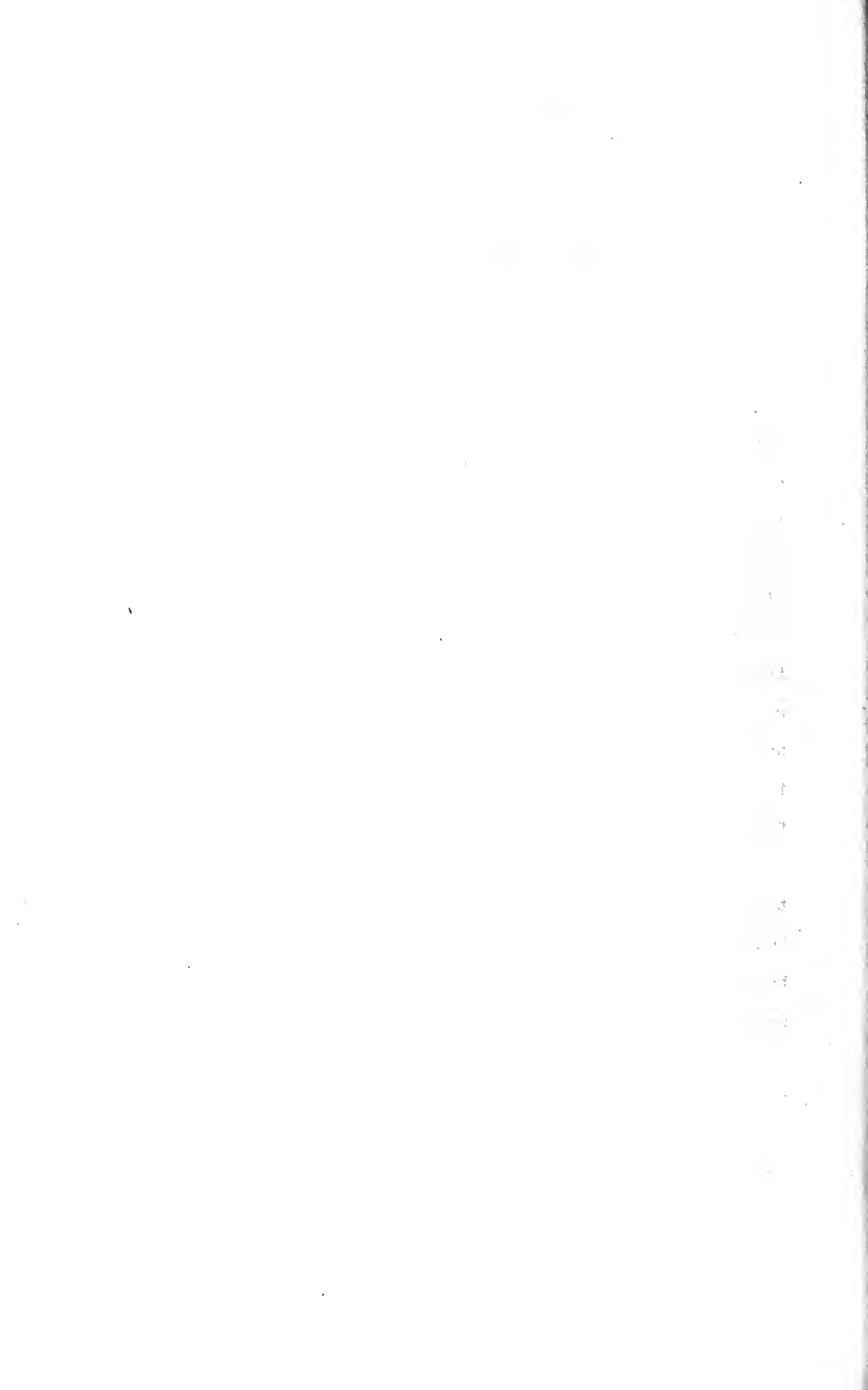
But, even although the quality of Ontario hogs is better than that of the other provinces, it is far from being good enough for the future in which we will have to meet keen competition from other countries. And it is also very far short of what can be done by our hog producers, if they will follow the best methods of feeding.



We are satisfied that we have the right type of bacon hog stock in this Province to produce twice the percentage of grade A's that we are now producing. That has been proven by the records kept at the pig testing station at Waterloo, where pigs from a number of herds throughout the Province are fed a balanced ration and given proper care and attention.

The results of the work at the Waterloo Test Feeding Station are very significant. In the period from January 1st, 1940 to March 31st, 1945, one thousand, eight hundred and thirty-three hogs from fifty four herds in Ontario, were marketed from this station. These graded 86.2 per cent A's and 13.1 per cent B1, a total of 99.3 per cent in the top two grades. Compare these figures with the 36.5 per cent A's and 46.4 per cent B1 in the general run of hogs throughout Ontario, and you will see how far we can go, using the same type of hogs but with better feeding methods, towards improving quality in our product that seeks a market in Britain for the future.

In making this comparison, we have to keep in mind the fact that while, in order to secure quantity, Britain has been willing to accept our B1 hogs in wartime, there will be a different story when we return to a peace-time competitive market, and our hogs will have to compare with those of Denmark and Sweden. The B1 hog is not good enough to meet competition. In the great majority of cases, it is graded down to B1 because it is too fat for the export trade, has too much weight to come within the A grade. That is largely due to the fact that our feeding methods have not been right and there has not been sufficient care

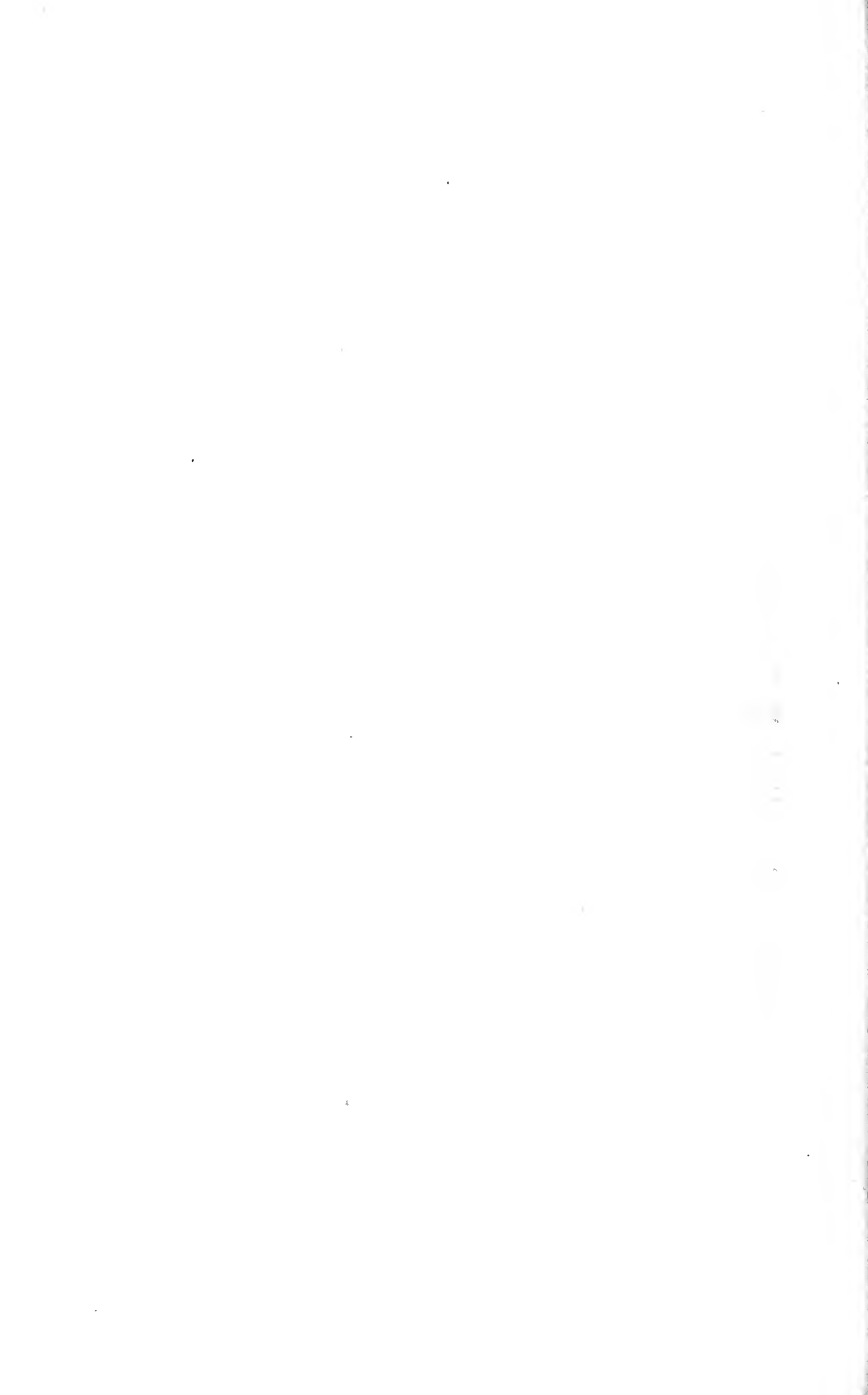


to see that the hogs were marketed at the right weight.

Two or three weeks ago I went to the packing plant and saw a very striking demonstration of what the difference between a Grade A carcass and a Grade B1 carcass means in dollars and cents. The B1 carcass which we saw dressed was too fat, and in order to make it an "A" and fit for export the hog should have been marketed with ten pounds less fat on the carcass. The fat is worth only six cents a pound, whereas the lean parts of the carcass were worth, to the packer, as much as thirty-six and a half cents a pound, and to the consumer fifty-three cents a pound. For the domestic market, even more severe cutting of the B1 carcass had to be done, and they had to take out even more fat and bones before it was suitable for the Ontario consumer. In the test which I saw made, the difference in the return between the Grade A hog and the B1 hog was \$2.47, for a carcass of one hundred and fifty pounds, which was lost to the producer, in addition to the difference in subsidy paid for "Grade A" over "Grade B1" amounting to \$1.50 just because the B1 carcass had been sent to the market too fat.

And when that is true of over fifty per cent of all the B1 hogs that go to market, it represents a very serious loss, as well as being detrimental to our position in the export market.

Now, it may be that we are not feeding our hogs correctly in order to get the lean type of side that the British consumer wants. In addition to what has been done at the pig testing station at Waterloo, I have asked the county committees in some counties to make experiments under the supervision of the director of the Live Stock Branch, to determine whether we can feed our pigs in such



a way as to produce the lean side that is desirable. It is necessary that something be done about it, because only the "A" grade of hogs will enable us to hold the British market; and our own people do not want to eat the B1 hogs. The only solution to the problem seems to be the elimination of the B1 animals.

How important this is to the future of our hog industry can be seen from the facts of the situation in Denmark and Sweden. Denmark has still sixty per cent of her pre-war hog population. In July of 1944, there were well over two million hogs in Denmark, and the number is probably higher to-day.

George Paterson, Canadian executive officer of the United Nations Combined Food Board, in an address to the Agricultural Representatives' conference in Guelph last month, gave a clear picture of the situation in Denmark. This is what he said:

"In Denmark the cattle population has been maintained. The policy there was to maintain numbers, feed what they could and be in a position to go ahead when feed is available.

They have sixty per cent of their pre-war hogs. They need feeding stuffs. They already have available for export butter, bacon, meat, cheese and eggs. Of all the countries in Europe that were occupied, Denmark is best able to take care of itself. They are not only well fed but are already in a position to export, and, given feeding stuffs, will be on a substantial export basis."

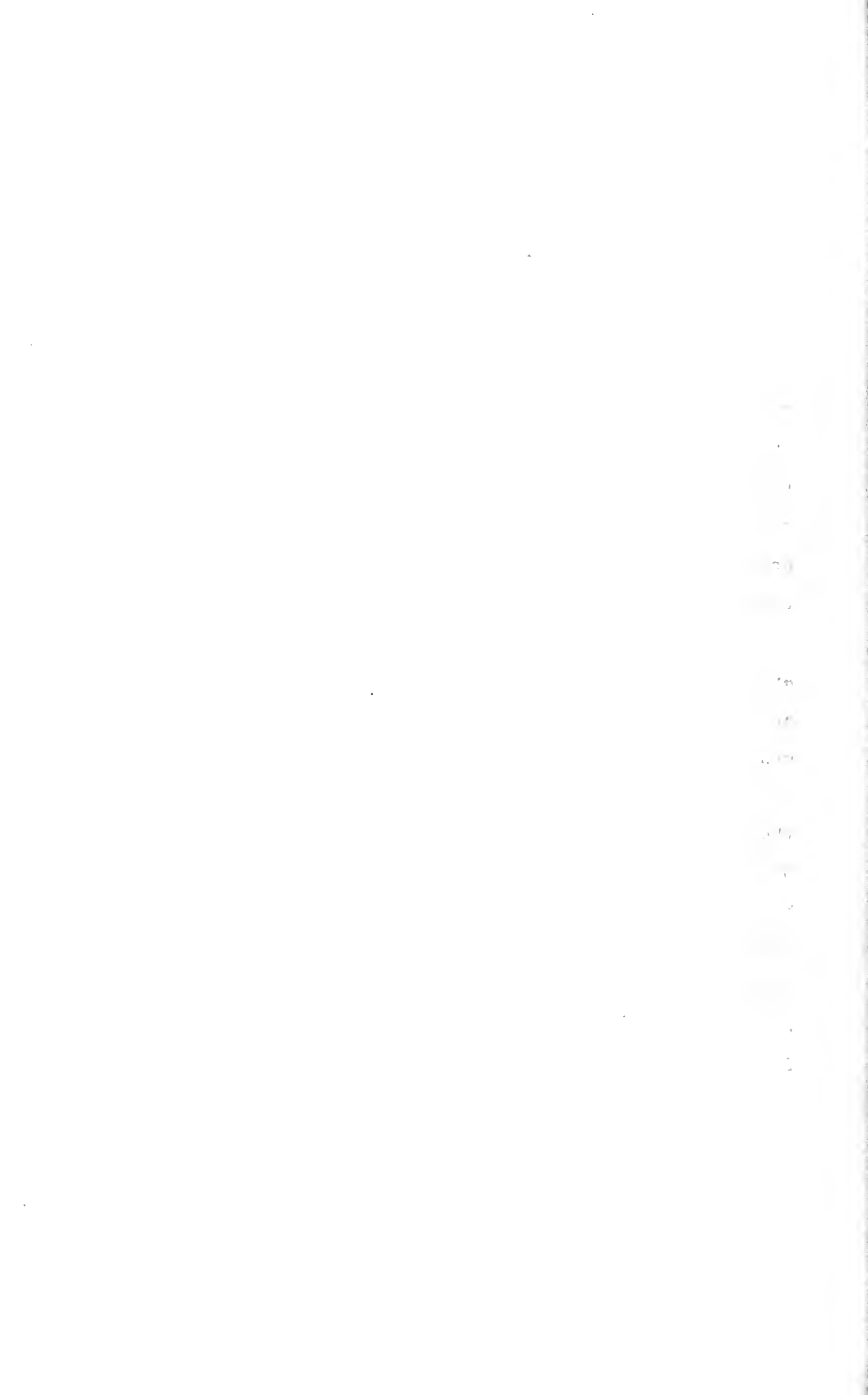
Sweden is in about the same position. They have there

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over one million pigs, about one third less than in 1939, and they already have been making overtures with a view to entering the British bacon market.

That places squarely before the farmers of Ontario the job they have to do in better feeding, as well as in breeding, in order to be able to compete on a basis of quality and of continuity of supply, with these two countries which do have the quality, for they will not be shipping any B1 bacon, and they are so much closer to the British market. That is why the subsidy provided for in this bill is placed on quality, to give an additional premium to the farmer who is producing Grade A hogs, with a smaller premium for B1 hogs during the period when quantity is still required to meet British needs.

There is evidence that the hog producers themselves are beginning to realize the necessity of doing something about increasing the percentage of Grade "A" hogs. At a conference last fall at Ottawa in conversation with a number of people interested in keeping the British bacon market, they said they felt that there should be a higher subsidy on Grade A hogs and less on B1's, in order to enable Ontario hogs to meet the competition of Denmark and Sweden. Three weeks ago, at a conference of representatives of twenty county committees from the counties of old Ontario, a resolution was passed unanimously asking that the subsidy be removed from the B1 hogs and the amount added to the subsidy on Grade A's. I am not convinced that the time has come as yet to take that action because we still need to ship to Britain in large quantities. But I believe that the time is coming when the subsidy on B1 hogs will be abolished, and I think it would give better value to use that money for experimental work to produce a better pig and to discover better feeding



methods. For the present, however, we are providing that the subsidies of the last three years be continued, with quality the basis of subsidy, in an effort to maintain the quantity required and at the same time effect some improvement in quality.

This bill also provides for the continuance of the bonus on cheese, also established three years ago, as a wartime measure for the increase of production of cheese to supply the British people with as large a quantity as possible. Britain needed from Canada larger quantities of cheese than ever before, and the cheese producers of Ontario have done a splendid job in giving it to them. I want to pay a high tribute to those cheese producers who have done this job of increasing production and at the same time improving quality during the difficult years of the war. In 1939, Ontario produced 89,000,000 pounds of factory cheese, and this was increased to a peak of 218,000,000 pounds in 1942. Last year's production was 105,665,000 pounds. With reference to quality, in 1938, 94.26 per cent of Ontario cheese was in the first grade. In 1944, 95.86 per cent was in the first grade, an increase of 1.6 per cent of top quality cheese. This is a splendid record for our cheese producers, who have enhanced the already high reputation of our cheese and have given Britain the supplies she needed.

As a result of the bonus of two cents a pound on cheese, we have been able to maintain the price of cheese to the producer at 22 cents a pound, exclusive of the Federal Government premium on quality and the cheese milk subsidy of 20 cents per hundred pounds. We are not going to let the price of cheese to the producer go below that ceiling of 22 cents, regardless of what any other Province might do.

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In 1941, shortly after this Province established the cheese bonus, Quebec provided a somewhat similar bonus of two cents a pound, but it was confined to first grade cheese. In 1943, that bonus was cut off from December to May. Quebec decided to go into the production of butter, instead of cheese, for export to Britain, and the cheese bonus was discontinued altogether. But, irrespective of what may be done elsewhere the Government of this Province will keep the fresh cheese at 22 cents a pound this year, both during the period when cheese is being requisitioned by the Federal Government for export and when it is being distributed to the domestic market. By providing this bonus, we believe we are helping in the war effort, for we are still in wartime production of our agriculture commodities, and it will act as an incentive to our cheese producers, who have done so well in continuing their outstanding efforts.

I have had a letter this week saying that the ration has been cut again; along with the winning of the war, it has had a very bad effect upon the women; they wonder when the war will end and they can have more food.

Mr. Speaker, I move the second reading of the Bill.

Motion agreed to.

HON. MR. DREW: The fifth order.

CLERK OF THE HOUSE: Second reading of Bill No. 5, The Sugar Beet Subsidy Act, 1945. Mr. Kennedy.

HON. MR. KENNEDY: In moving the second reading of this Bill, I would like to take a little of the time of the House to give a few facts and review the situation which has led the Government to the decision that this is a necessary measure at the present time.

It must be recognized that sugar has a value in winning this war, as a necessary munition of war, and apart



from its food value, it has a definite place as one of the morale-building foods, and therefore its production must be maintained at the highest possible level in all the sugar producing areas throughout the world. Unfortunately, the fortunes of war have placed the world's most important sugar producing areas under the control of the enemy; and, in addition to , causing a severe loss of supplies to the United Nations, it has, in some parts of the world resulted in the destruction of the means of producing and refining sugar. In considering this Bill, therefore, it is necessary to look at the whole world picture as to sugar supply.

Before the war, sixty-two and one half per cent of the sugar produced was cane sugar and thirty-seven and one half per cent was beet sugar. In general, the southern countries produced cane sugar and the northern countries beet sugar. Java has for years been one of the great sources of sugar supply, and in Java sugar could be produced more cheaply than anywhere else. Before Japan entered the war and occupied Java, we were able to secure from that source some three million tons of sugar. We were also able to secure from the Phillipine Islands a million tons of sugar a year. Both of these sources have been lost to the United Nations for the last three years, and we cannot expect any production from them this year. Both these sources have been denied us by the enemy.

In Russia, the Ukraine produced the largest amount of beet sugar of any country in the world, amounting to about two and one half million tons. With these areas of Russia in German hands since 1941, that production of sugar has been lost; and, even although the war in Europe is over, the destruction of factories and even of the soil fertility by war, and the removal of machinery from the Russian sugar beet

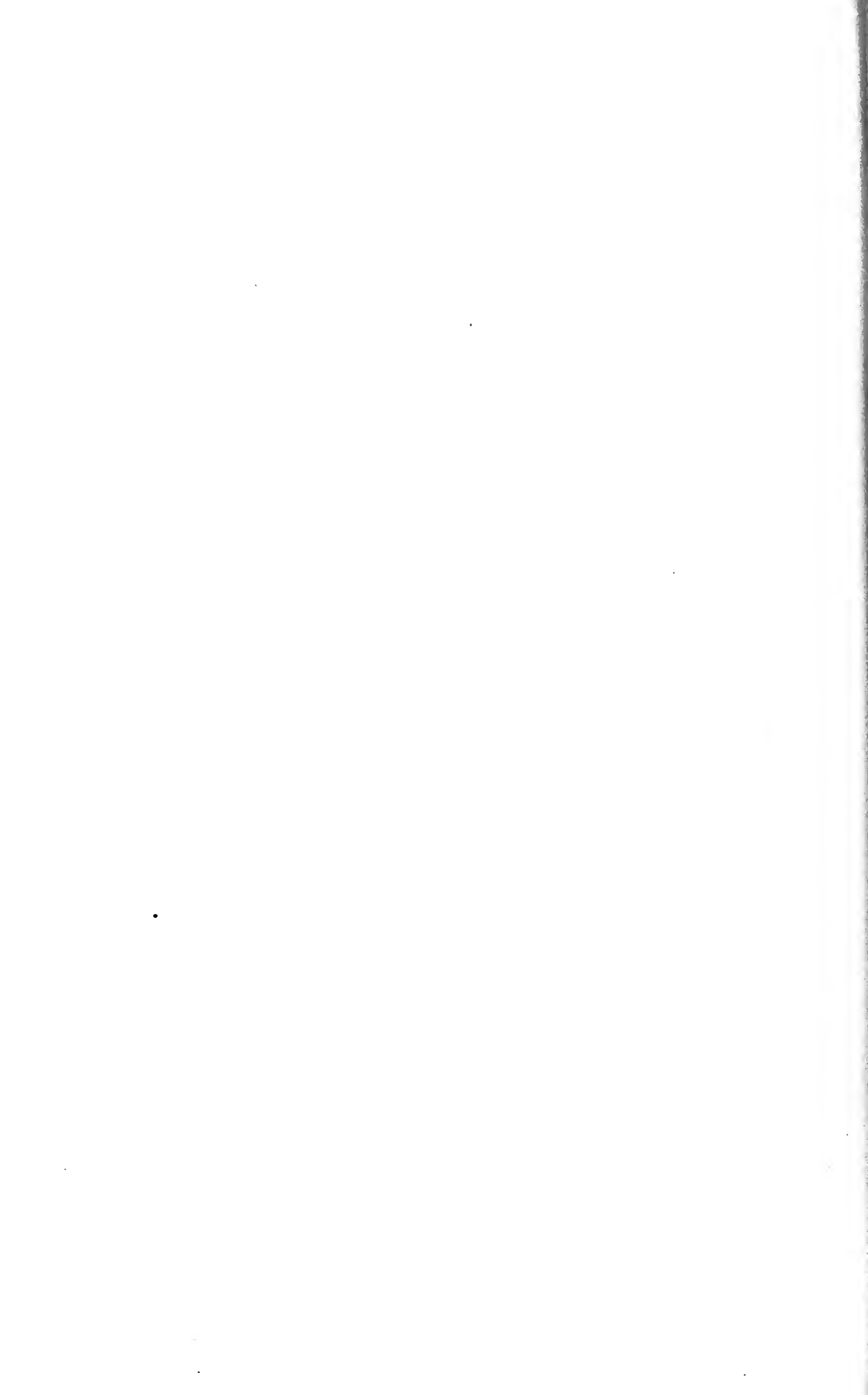


factories to Germany does away with the possibility of securing any worthwhile supply from that source in 1945.

Britain, by giving a subsidy amounting to sixteen million pounds a year to the farmers to grow more sugar beets, have increased their acreage, and today they are almost self-supporting in the matter of sugar, although their ration has been on a lower scale than Canada. The British farmer today is paid \$19.00 a ton for sugar beets of sixteen per cent sugar. That government subsidy has given them an increase in sugar beet production, which formerly was about five hundred and forty thousand tons of beet sugar a year.

In the United States there has been a Federal subsidy on sugar beets for some years. It started at \$3.50 a ton. In 1943 it was increased to \$4.50 a ton and in 1944 to \$5.50 a ton paid to the farmers to secure higher production. These subsidies are all based on beets of sixteen per cent sugar, which is the standard sugar content on which prices are fixed. If the sugar content goes up or down, the price goes up or down accordingly. In spite of this, the people in the United States, according to a report presented to the House of Representatives Special Committee to investigate food shortages, face the most critical famine in their history; and the same thing is true of Canada. This is what they said in their report:

"Unless remedial steps are taken at this eleventh hour, fruits will rot on the ground; milk, instead of being processed and preserved, will run down the drains; housewives, unable to bake at home because of the lack of sugar will find the commercial bakers' shelves



bare of baked goods. In fact, the many industrial products will be very difficult to find."

This situation in the United States is stated in the same report, to be due to the Government's failure, when it took over complete control of sugar, to appreciate the vital importance of sugar to the war effort, and its failure to take advantage of advice and counsel of the experienced men in the sugar industry. As a result of these factors, it is stated the potential sugar production in 1943, 1944 and 1945 was lost, leaving the country in a desperate plight. That was the situation in the United States, and the same is true, to a very large extent in Canada.

Now, let us take a look at the world sugar situation, as it is today. Two weeks ago, George Paterson, Canadian executive officer on the Combined Food Board of Britain, United States and Canada, presented to a conference of Agricultural representatives at Guelph some startling figures on the world food supply situation. These figures are right up to date, because they had been presented the previous week to a United Nations food Conference in London England. He gave the following figures:

1944 production,..... 9,200,000 long tons.

1944 consumption in countries under jurisdiction of the Combined Food Board,.....9,400,000 long tons

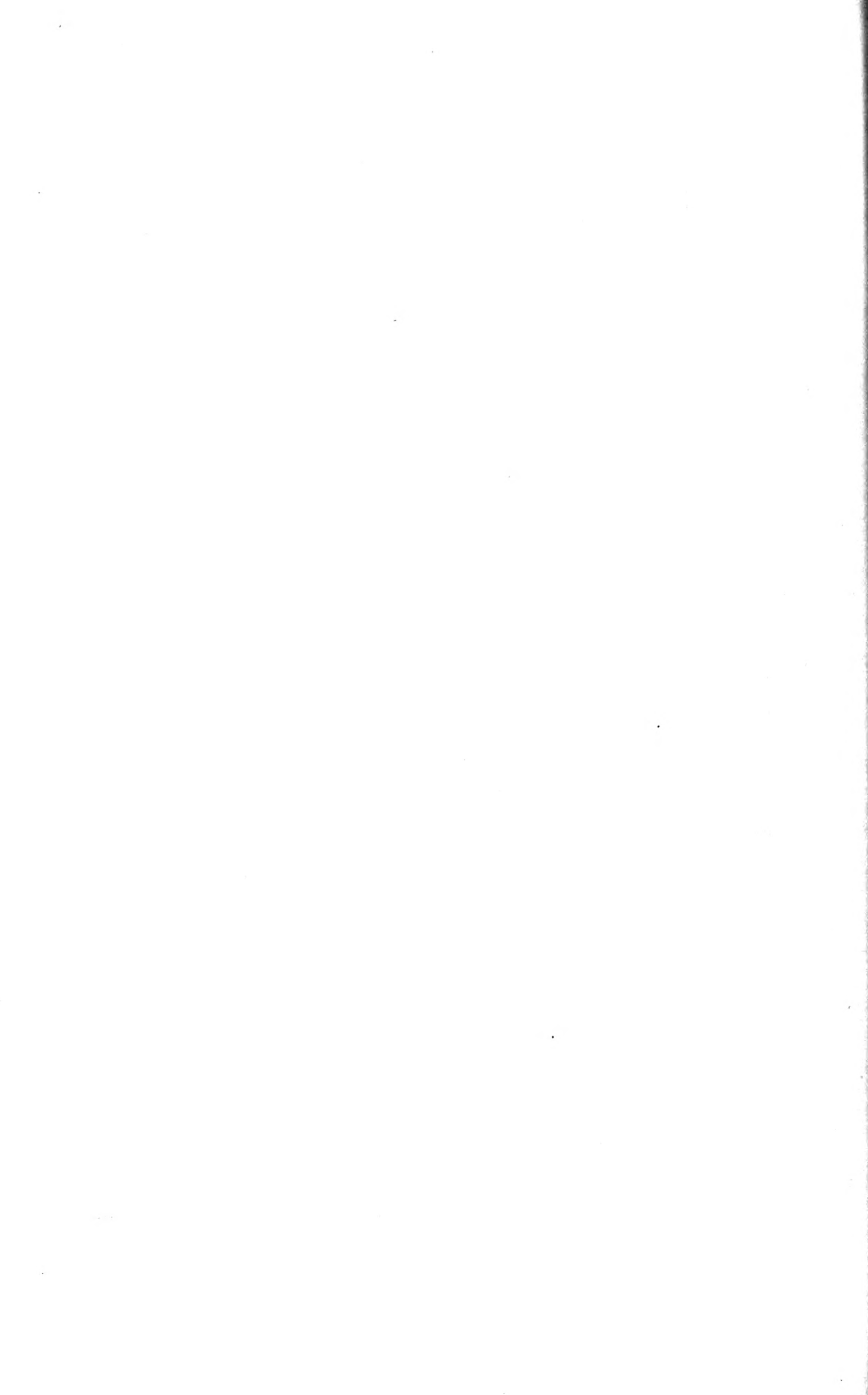
I am quite sure that they had a supply on hand.

The production is estimated at 8,300,000 long tons.

Estimated 1945 requirements, 10,700,000 long tons.

leaving a shortage of 2,400,000 long tons.

This shortage exists in the face of enormous demands for sugar from the liberated countries of Europe. To meet the situation, the overall sugar ration in the United States has



been dropped from 89 pounds per capita per year to 71 pounds. In Canada, it has been dropped from 85 pounds to 71 pounds per capita. That is the level at which the ration has been maintained in Britain for the greater part of the war.

One of the solutions suggested in the United States is that the growers produce all the sugar they can within their own country, and that steps be taken to aid in the largest possible production of sugar beets in other countries. That is exactly the situation as applies to Canada today. It is vital that this country produce all the sugar beets possible in order to bolster up the shrunken supplies.

Canada has four sugar producing areas, one in Quebec, one in Western Ontario, one in Manitoba and another in Alberta. Even at their best production, these areas produce only twenty per cent of the sugar consumed in Canada.

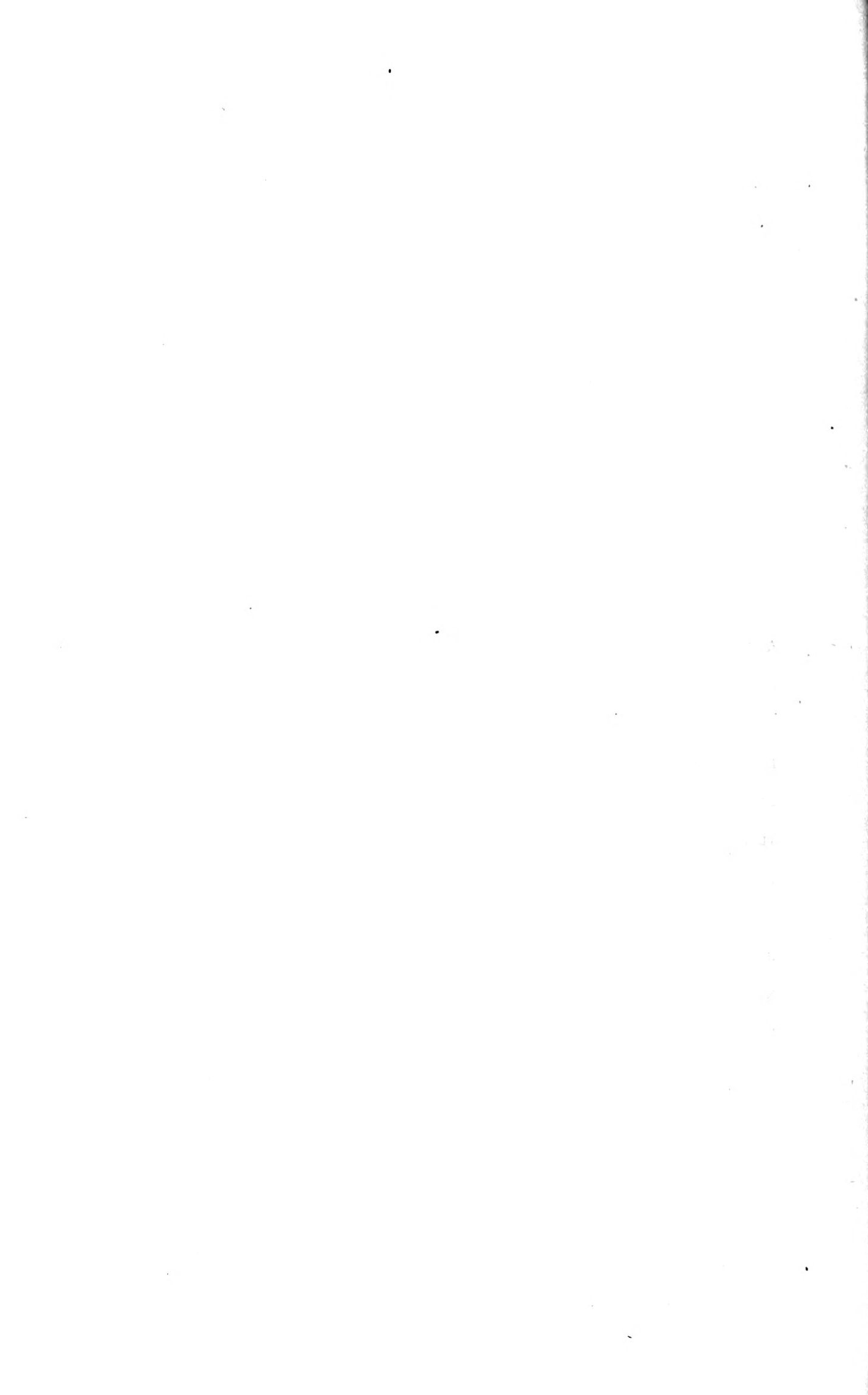
In 1940, the last year for which accurate figures have been made available, Canada imported approximately 850,000,000 million pounds of sugar. The balance, approximately two hundred million pounds was produced in this country.

It is interesting to note the fluctuations in Ontario's sugar production since 1940. In 1940, thirty-eight thousand acres of sugar beets were grown, and produced nearly one hundred million pounds of sugar.

In 1941 there were thirty-thousand acres, producing 85,061,681 pounds of sugar.

In 1942, which was a very bad year, the acreage dropped to 20,739 acres, and 59,934,920 pounds of sugar.

1943 was a bad year for weather, and labour was scarce, and we started this subsidy; only 9,287 acres were grown, producing 18,657,550 pounds of sugar.



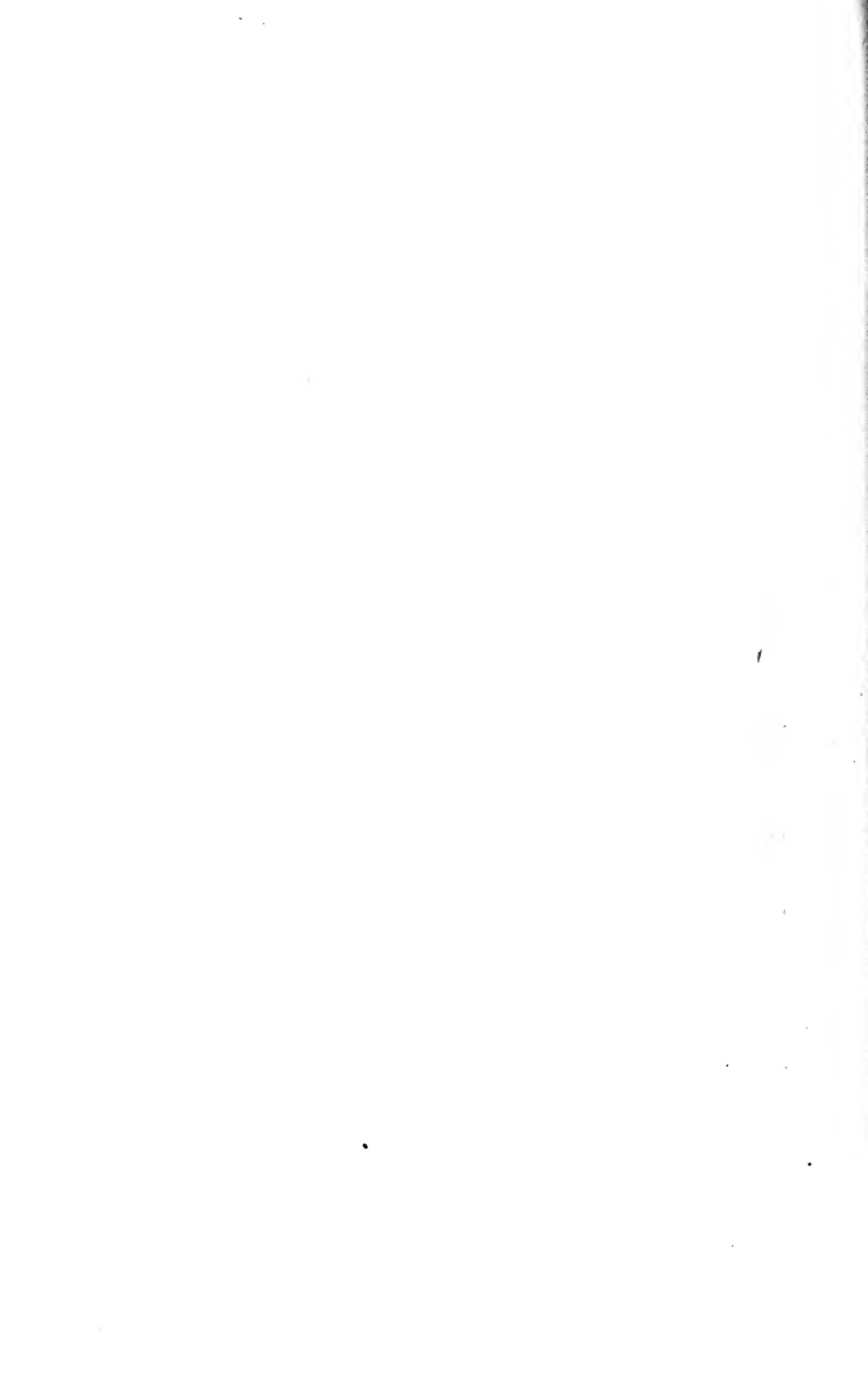
Last year 14,473 acres of sugar beets were grown and the production was 39,489,400 pounds of sugar.

This year there will be between eighteen and twenty thousand acres of beets planted. There would have been much more planted but for the very wet spring.

In Western Ontario there are two splendid sugar factories, one at Chatham, and the other at Wallaceburg. During the last three years only one of these has been able to operate because there was not enough sugar beets to keep them busy. The factories are well equipped to take care of a much larger crop of sugar beets than we have been producing, and, unless there is a progressive and substantial increase in acreage these factories will not be able to operate to full advantage and make their proper contribution toward meeting the serious world sugar situation.

In 1943 the Government decided that it had to subsidize the sugar beet growers or run the risk of closing the two plants. So, we decided to give a subsidy of 55 cents a ton. Experience showed that this was not sufficient to bring out anything like the desired acreage, so, last year, after extended negotiations with the company and the sugar beet growers, a subsidy of \$1.55 was passed by the Legislature, to be paid by the government up to a maximum total of two hundred and twenty-five thousand dollars, the company taking the responsibility for any subsidy payments required beyond that amount. That subsidy is even more necessary today than it was a year ago, and in the Bill now before the House the government proposed to make it effective on the 1945 crop.

Some people may ask why Ontario should have to pay a subsidy on sugar beet production, while the Provinces of Alberta and Manitoba do not. The answer to that question



that, because of the freight rate situation the Alberta and Manitoba growers received for their sugar beets a higher price than the amount of the subsidy, while at the same time their production costs, because of the extensive use of Japanese labour are lower than they are in Ontario.

In the United States the ceiling price on sugar is \$5.50 per hundred pounds, whether it is refined in New York, Philadelphia, San Francisco or New Orleans. In Canada, the ceiling price is fixed at \$5.75 at Montreal, with a freight rate from Montreal added, so far as the price in the Prairie Provinces is concerned. The price at Chatham receives no freight protection because the logical markets for sugar produced there are Toronto and Hamilton, and Montreal can lay down sugar as cheaply as the plant in Chatham.

With the freight rate added, however, the price in Winnipeg is approximately \$6.50 per hundred pounds, which means that the sugar growers of Manitoba will get from \$1.25 to \$1.50 a ton more than we pay our growers here.

Another thing, and this is a fact which Mr. Gordon, the late member from West Kent, brought up. We proposed to pay a subsidy of \$1.55. Ottawa put an excise tax on sugar of one cent a pound on beet sugar. They have a dollar on foreign sugar which comes in. At that one cent per pound, they get from one to three dollars a ton, according to the sugar content of the beets. So that while we pay \$1.50 per ton subsidy, Ottawa takes from two to three dollars a ton excise tax. The tax was originally \$2.50 a ton; Mr. Gordon got it reduced to 50 cents a ton, and



now is asking that it be reduced by another fifty cents.

The government, in presenting this Bill, has had in mind the urgent reasons why the sugar beet subsidy should be continued. First, there is the desperate world shortage of sugar. Second there is the desirability of retaining for the farmers and workers of Western Ontario this well established industry. If the two plants, at Chatham and Wallaceburg, were supplied with sufficient sugar beets to keep them running, it would mean a return of \$5,000,000.00 a year to the farmers of that area for sugar beets of an average sugar content, and also it would mean the payment of about two million and one half dollars a year in wages for labour employed in the handling and processing of the sugar beets. That is an industry which is worth maintaining. Then there is the third reason, that in order to grow sugar beets the farmer must have a fair return for his labour and investment; and with the present sugar ceiling price fixed at \$5.75 per hundred pounds, such a return is impossible without the subsidy.

Then, from the standpoint of a permanent and sound agriculture in Western Ontario, the sugar beet industry is of the greatest importance. It is a good thing for the farmers in that area to grow sugar beets; it is a good crop to have in the rotation because of its beneficial effects on the soil, because it feeds and cleans up the soil and leaves it in excellent condition for other crops. It is also important from the standpoint of providing a longer working period for farm labour; and it fits in very well with the other crops grown, because it provides work at seasons when other work is not available.

It is our duty as members of this Government and this House to do everything that can be done to assist this industry in a period of wartime emergency, which still exists, in order that it may be preserved to play its full part in the post-war period when it may be of great value in absorbing the men and women who are released from the armed forces and from war industry.

Mr. Speaker, I move the second reading of the Sugar Beet Subsidy Bill.

Motion agreed to.

HON. MR. DREW: Sixth Order.

CLERK OF THE HOUSE: The Sixth Order, Second reading of Bill No. 6, An Act to provide for an Annual Grant to the University of Toronto School of Nursing. Mr. Vivian.

HON. R. P. VIVIAN (Minister of Health): Mr. Speaker, the purpose of Bill No. 6 is to assist financially the School of Nursing in Toronto. This amount of \$250,000.00 is only a part of the amount required for the six or seven hundred thousand dollar project. The balance of the money will be forthcoming from private donors and from the Rockefeller Foundation.

I move the second reading of Bill No. 6.

Motion agreed to.

CLERK OF HOUSE: Second reading of the Bill.

HON. MR. DREW: Seventh Order.

CLERK OF THE HOUSE: Seventh Order, Second Reading of Bill No. 7, An Act to Amend the Companies Act. Mr. Dunbar.

HON. G. H. DUNBAR (Provincial Secretary): Mr. Speaker, I move the second reading of Bill No. 7, An Act to Amend the Companies Act.

Motion agreed to.

CLERK OF THE HOUSE: Second reading of the Bill.

HON. MR. DREW: Eighth Order.

CLERK OF THE HOUSE: Eighth Order. Second reading of Bill No. 8, The Mortgagors' and Purchasers' Relief Act, 1945.

MR. G. ANDERSON (Fort William): Would the Hon. Minister explain this Bill?

HON. MR. DUNBAR: The Government did not have power to say to the companies chartered in Ontario that they could loan money for a housing scheme. There were three companies which had that authority from the Dominion Government. And this Bill is in order to give Ontario companies the same power as the Federal companies have, under the legislation which was introduced in the Federal House.

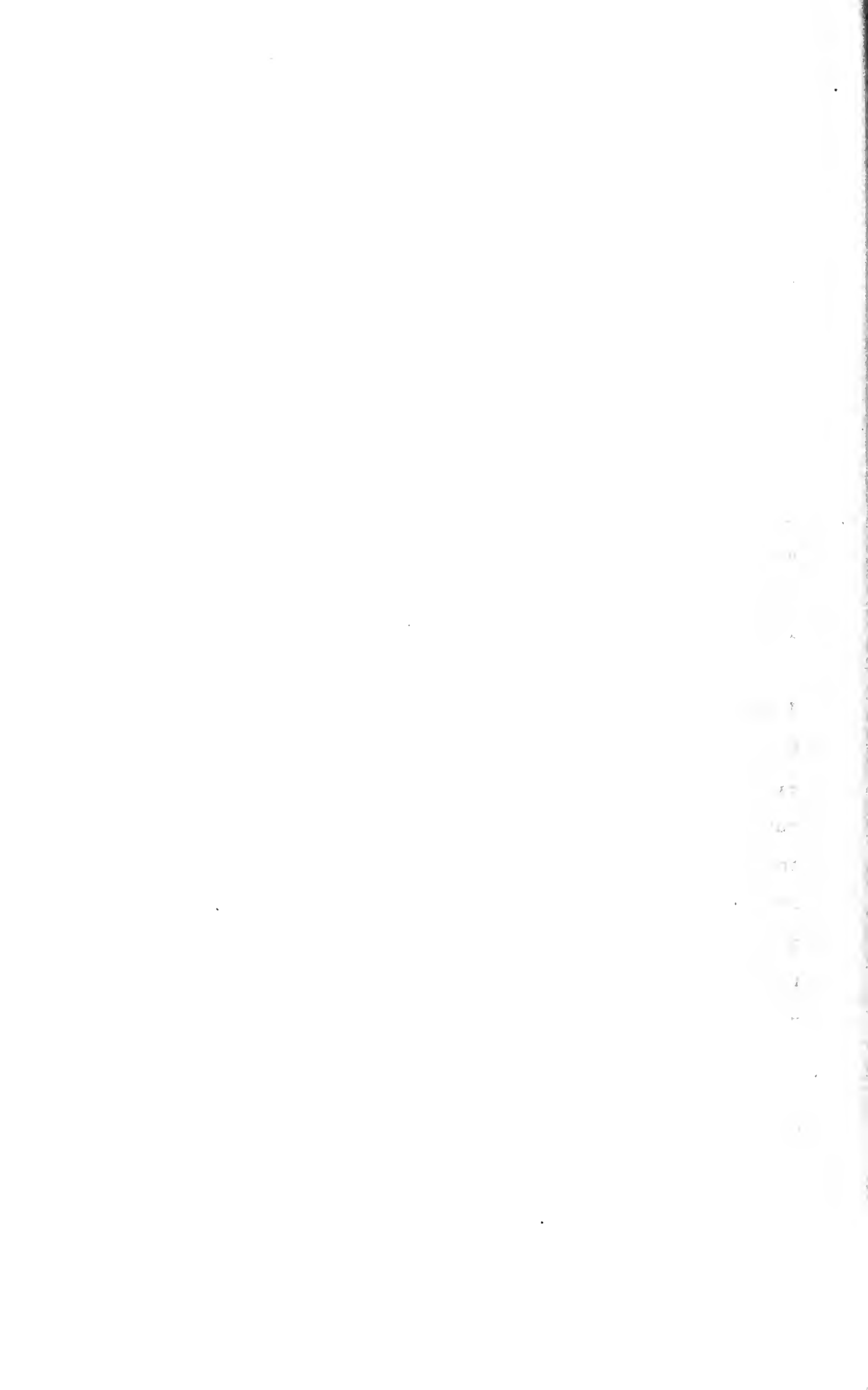
HON. MR. DREW: In the absence of Mr. Blackwell, I will be moving the second reading of Bill No. 8, The Mortgagors' and Purchasers' Relief Act, 1945. I might explain that this is only a renewal of an Act which has been enforced for several years. The last act terminated at the end of June, and for that reason this act will be retroactive to the first day of July. It continues the provisions of the Mortgagors' and Purchasers' Relief Act for another year. I move the second reading of Bill No. 8.

Motion agreed to.

MR. HARRY C. NIXON (Brant): I might ask the Hon. Minister (Hon. Mr. Drew) if he has any knowledge as to the relation of the total debt.

HON. MR. DREW: This has nothing to do with the obligations to the Province.

MR. NIXON: I know that. This is a continuation of the Act of 1932.

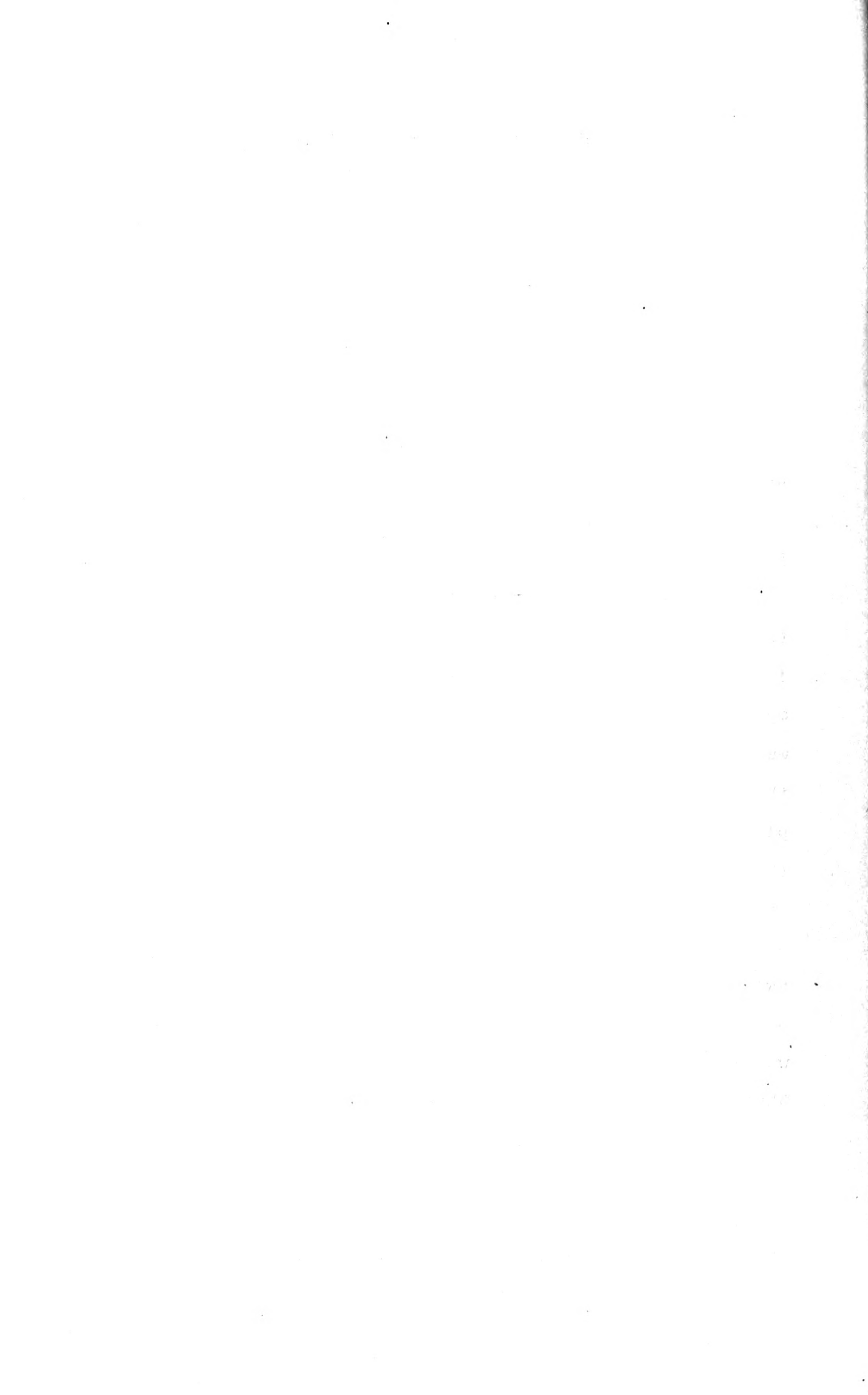


HON. MR. DREW: Yes, we are continuing the previous Act which was in force while my Hon. friend was in power. I could not give the total, because the payments vary from time to time.

MR. HARRY A. NIXON: (Brant): I was wondering whether the continuous effect of it is that mortgagors will take advantage of this when they are well able to pay off the mortgage.

HON. MR. DREW: I have made inquiries as to that and there is no evidence that that is what occurs. From conversations with the officials I am quite sure that this is not improperly made use of by any of the debtors.

~~Mr. R. BROWN (Russell)~~
Mr. A. Chartrand (Ottawa East): Mr. Speaker, I would like to make a few remarks in regard to that Bill. As I understand it this Bill has been in force for some twelve years. If my recollection serves me right I think the original Bill was in 1933 passed by this House, and subsequently I think that the Bill was cancelled and a new one enacted in its place in 1935 or 1936. There is a provision in this Bill that the Act shall be continued for a full year, and at every Session it may be renewed for a further year. This Bill was enacted to meet a situation in 1934 whereby the small owners of farms were in the middle of a depression; and the purpose of the Act was that a bona fide small proprietor would be enabled to hold on to his real estate, in spite of the fact that there was a ^{mortgage} ~~depression~~ on. And the gist of the Act is, if I am correct, that provided the interest is paid, and the Insurance is kept up to date, and provided the taxes are kept up, and provided that the subject of the mortgage is not depreciated in value, the mortgagor shall be at liberty to keep up the yearly expenses but shall



be free from the payment of the capital.

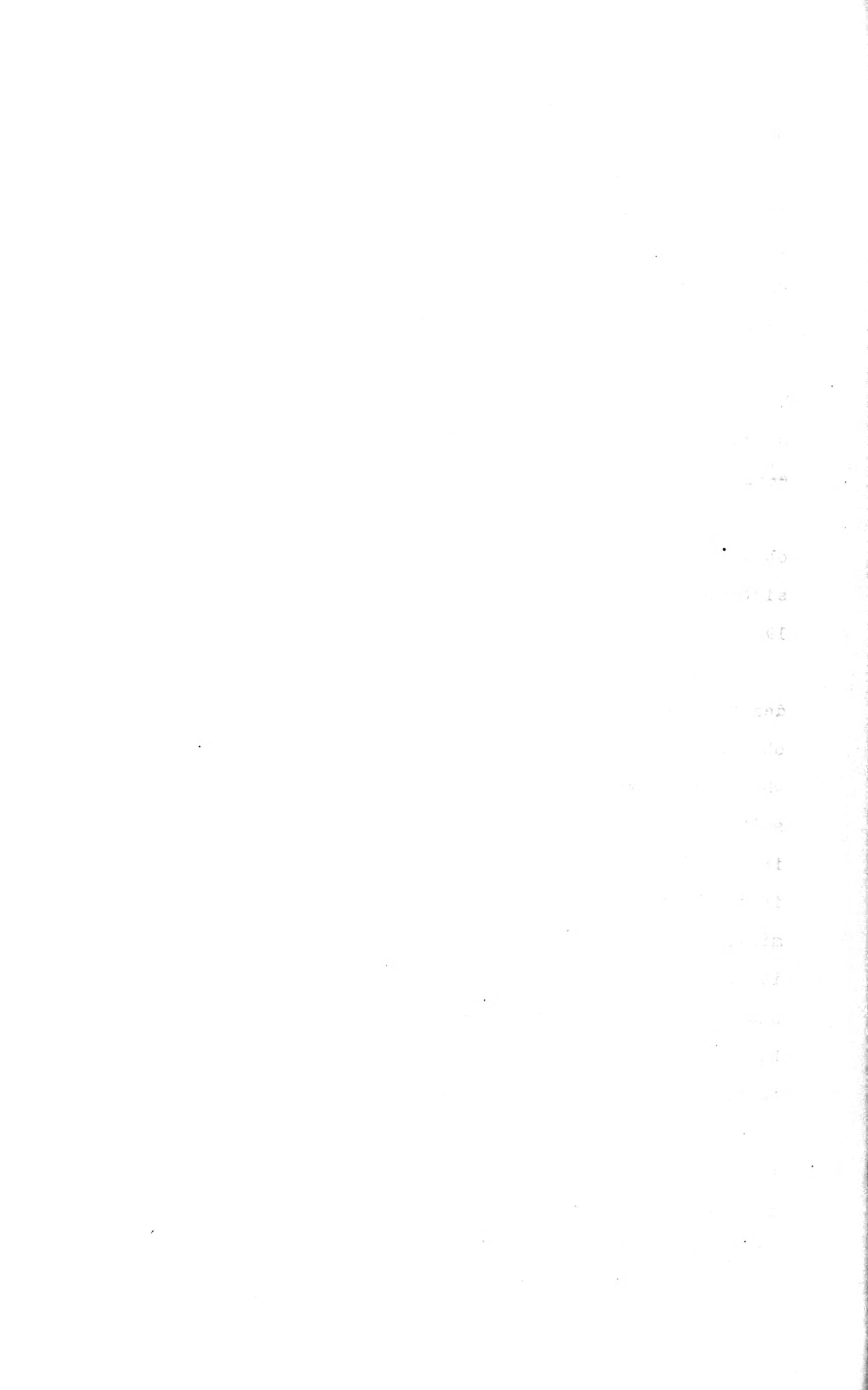
This Legislation has been renewed from year to year since 1933 with the result that it has ceased to be a negotiable security. I think that the present government will agree with me that the really deserving cases were dealt with later on under the Farmers' Preservation Act, so far as farm holdings were concerned. And to-day we have a situation whereby, if a mortgage has been signed or executed before 1933, we are unable to collect the ~~Principal~~ ^{Principal} capital.

I do not want to disagree with the principle that obtained in 1933 or 1934. I think it did meet a real situation; but I wonder if the reason that did obtain in 1933 does obtain again in 1945.

Mr, Speaker, I have in mind a case with which I dealt whereby a certain party had mortgaged the farm and obtained about \$3,000.00 by mortgage in 1934. In 1940, when the ~~present Act came into effect~~ ^{Farmers' Credit Arrangement Act was in}, there was a consultation between the purchaser and mortgagee that the interest should be reduced to 3%; and ever since that date it has been on the basis of 3%. The mortgagor, to my mind, -- although I have not the evidence before me, but it could be forthcoming, -- is well able to pay that mortgage. But he would be unable to negotiate any loan today on the basis of 3%; and therefore he continues from year to year to make payment of the capital.

The mortgagee is a widow and would like to obtain the principal so she could afford a home for herself, but she is unable, due to the fact that the mortgage is under the Act renewed from year to year.

Of course I quite understand that the answer,

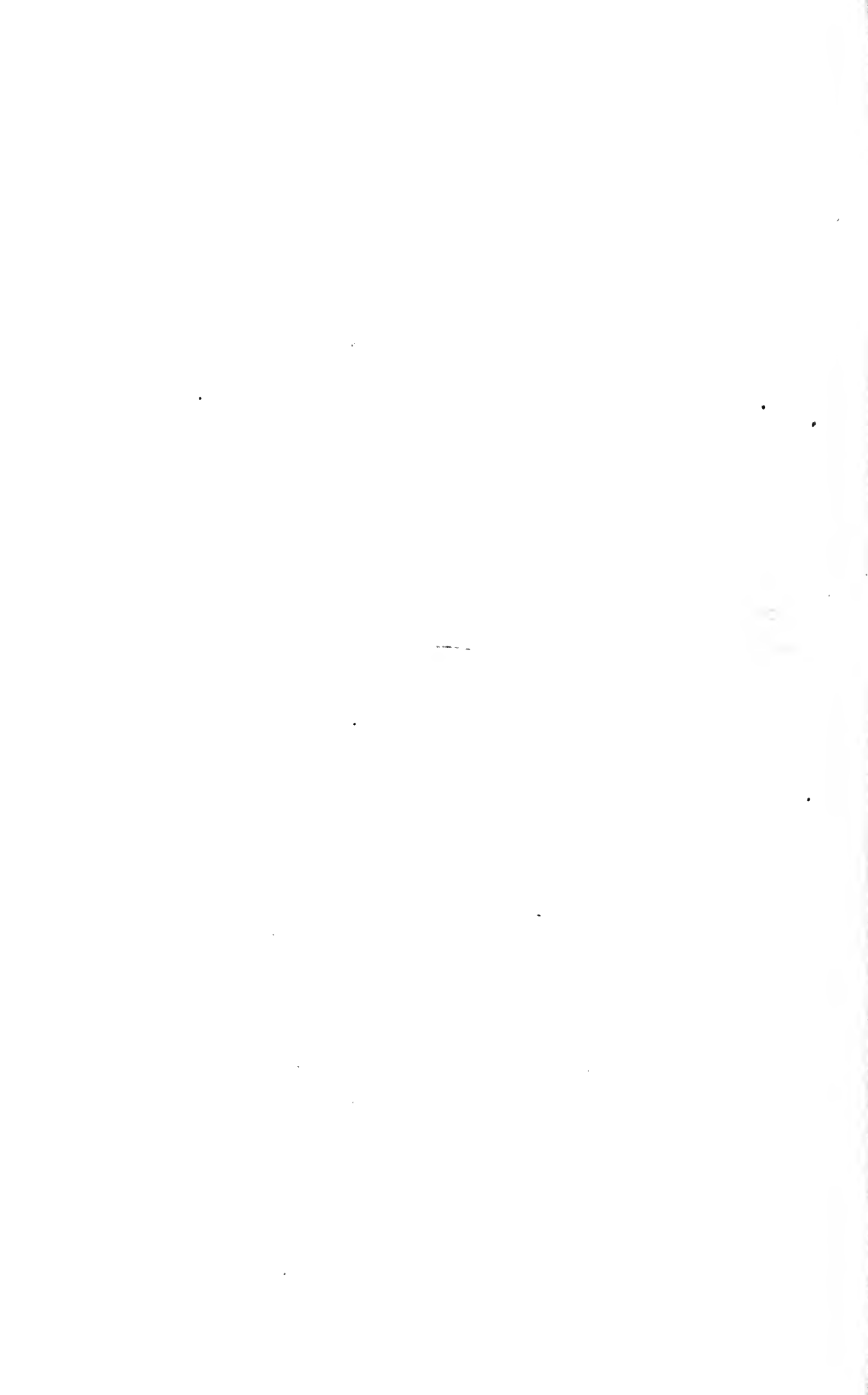


generally, to that objection, is that it is within the power of the Judge of the County Court to grant relief. But, as there are about ninety judges in the Province and as each of them has his own conception about what should be done in that regard, we have about ninety rulings.

I remember at one time I took it up with the Court, and their opinion was to the effect that if the Legislature saw fit to extend relief to the Mortgagor, it would be impossible to extend relief to the mortgagee.

I do not want this Act to be abolished; but, somehow, I think there should be some intimation as to when this Act will cease to go into effect, -- whether the Government believes it should be after one year, two years, or three years. If they put a limit upon the Act, a mortgage which was given in 1934 might be ^{renewed} ~~renewed~~.

(Page 73 follows)



I know of another instance whereas in an estate there is a mortgage that existed in 1934 and we do not know how to wind up the estate because nobody wishes to purchase a mortgage of that kind. We know, of course, that the mortgagor will always get his interest, but I think the principle has lost its sight and I would therefore ask the proper authorities if they have in mind as to when in the future this Act ^{ceases to be} ~~will come into effect~~.

HON. GEORGE A. DREW (Prime Minister): I take it, the hon. member is not asking that we propose to discontinue it right away, but is asking our attitude towards an extension beyond the present Act before the Legislature. I may say we have given very serious consideration to the problems raised by the hon. member and there are undoubtedly reasons for considering it further with a view to indicate a definite date of termination. I would suggest we pass the Act as it now stands and I would be very glad to take it up, myself, or I know the hon. Attorney General would, with the hon. member, the points raised, and we can take up at a later date the determination as to how long this Act should be extended.

Motion agreed to; second reading of the Bill.

HON. GEORGE A. DREW (Prime Minister): Order No. 10.

CLERK OF THE HOUSE: Tenth Order, "Second Reading Bill (NO. 10), An Act to amend the Insurance Act."

Mr. Blackwell.

HON. GEORGE A. DREW (Prime Minister): In the absence of the hon. Attorney General, I propose to move second reading of Bill No. 10, "An Act to amend the Insurance Act."

Bill No. 10 really is one of a series of Bills in line with the amendment to the Companies Act just



adopted on the motion of the hon. Provincial Secretary. Bill No. 10 provides that Dominion incorporated insurance companies and other companies not incorporated by the Province of Ontario, but registered in Ontario, which would now be prevented by existing legislation from investing their funds in the building plan under the National Housing Act, that they be given that authority. That is the whole effect of this Bill.

Motion agreed to, second reading of the Bill.

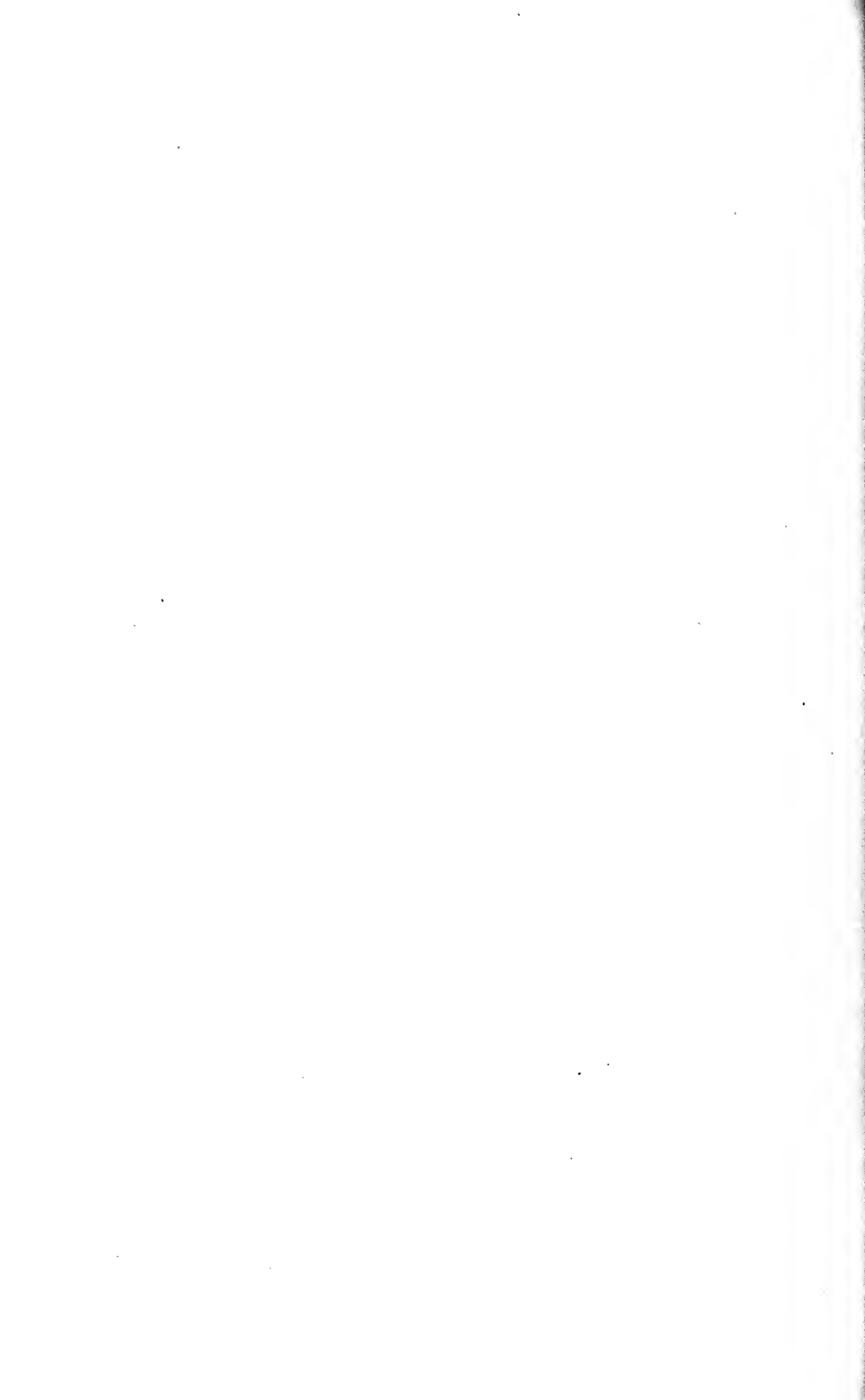
HON. GEORGE A. DREW (Prime Minister): I omitted Bill No. 9.

CLERK OF THE HOUSE: Ninth Order, second reading of Bill No. 9, "An Act to amend the Statutes Act." Mr. Blackwell.

HON. GEORGE A. DREW (Prime Minister): Also, in the absence of the hon. Attorney-General, I propose to move second reading of Bill No. 9. That is not dealing with quite the same subject. It is a situation that arises out of the dissolution of the Legislature. Our Statutes provide for any Bill automatically coming into effect a certain number of days after the prorogation of the legislature, and that is where a definite date has not been fixed, and the statutory wording did not include dissolution. The only effect of this is that it would make Acts which would come into effect so many days after the prorogation also come into effect so many days after dissolution. The Act merely provides that the same principle apply and these Bills already passed by the Legislature go into effect by dissolution.

Motion agreed to; second reading of the Bill.

HON. GEORGE A. DREW (Prime Minister): Order No. 11.



CLERK OF THE HOUSE: Eleventh Order, second reading, of Bill No. 11, "An Act to Amend the Loan and Trust Corporations Act?" Mr. Blackwell.

HON. GEORGE A. DREW (Prime Minister): In the absence of the hon. Attorney General, I propose to move second reading of Bill No. 11, "An Act to Amend the Loan and Trust Corporations Act." That achieves exactly the same result in another group as the Bill introduced by the hon. Provincial Secretary and as the Bill I moved in regard to Insurance Companies. This removes the limitation imposed upon Loan Corporations and Trust Companies in the Province of Ontario under which at the present time they are not able to invest their funds in the building program under the National Housing Act. This amendment would make it possible for Loan Companies registered in Ontario and Trust Companies registered in Ontario to invest their funds in the National Housing Scheme. I move second reading of Bill No. 11.

Motion agreed to; second reading of the Bill.

HON. GEORGE A. DREW (Prime Minister): Order No. 12.

CLERK OF THE HOUSE: Twelfth Order, second reading of Bill No. 12, "An Act respecting the Erection of Houses and Housing Accommodation for Veterans and Their Dependents." Mr. Dunbar.

MR. DUNBAR: Mr. Speaker, I beg to move second reading of Bill No. 12, "An Act Respecting the Erection of Houses and Housing Accommodation for Veterans and Their Dependents."

Motion agreed to; second reading of the Bill.

HON. GEORGE A. DREW (Prime Minister): Thirteenth Order.

Mr. Speaker, I move that you do now leave the chair and the House resolve itself into a Committee of the Whole.



MR. A. A. MacLEOD (Bellwoods): Do I take this to mean that an agreement has been arrived at between the hon. Prime Minister and the hon. Leader of the Opposition on the question which arose yesterday as to the discussion on the Budget itself, rather than a discussion on the individual estimates? The matter was left "up in the air" yesterday. Perhaps the hon. Prime Minister would enlighten us.

HON. GEORGE A. DREW (Prime Minister): If anyone wishes to make a speech on the subject, they certainly are at liberty to do so. The hon. Provincial Treasurer indicated yesterday these somewhat unusual circumstances in this Budget which was presented to you. It was presented to this Legislature several months ago, it was widely publicized throughout the Province of Ontario and the subject matter of the Budget was not only open to discussion at that time, but all these details were for consideration before the people at the time they were called to decide upon that, as on other matters, so this is a much wider field of discussion than will prevail here in the Legislature and if any member wishes to make any extended speech on the Budget or the principles involved, I do not question their right to do so, but there was a fairly extensive opportunity to do so at an earlier date.

MR. MacLEOD (Bellwoods): I want to say that I have no desire whatever to interfere with the plan which I think is generally accepted by all the members of this House and that is to get through the business before us with despatch so that those hon. members from the rural areas can get back to the farms that they are so anxious to attend to.

At the same time, I must say that the procedure being followed with respect to the Budget is very unusual. It is true the hon. Provincial Treasurer presented to the



Twenty-first Legislature a Budget and a Budget Address which, of course, was never considered by the Legislature at all and no opportunity for that. I think all the hon. members of the Twenty-first Legislature were perfectly willing to dispose of the Budget, but it was agreed when we last left here we would come back on a certain day and finish up the business, but we did not have an opportunity to do that. I cannot follow the hon. Provincial Treasurer when he says that the election disposed of the Budget.

HON. LESLIE M. FRUST (Provincial Treasurer):
I did not say that.

MR. MacLEOD (Bellwoods): I think you put it this way, that -- I do not want to put words into your mouth, -- but I got the impression you felt the people of Ontario had passed judgment on the Budget.

MR. FRUST (Provincial Treasurer): That is right.

MR. MacLEOD (Bellwoods): The results of the election are open to different interpretations. The Government has a different interpretation. I am of the opinion 56 percent. of the people of this Province did not see fit to place their approval on the present Government nor its Budget to the extent the Budget entered into the campaign.

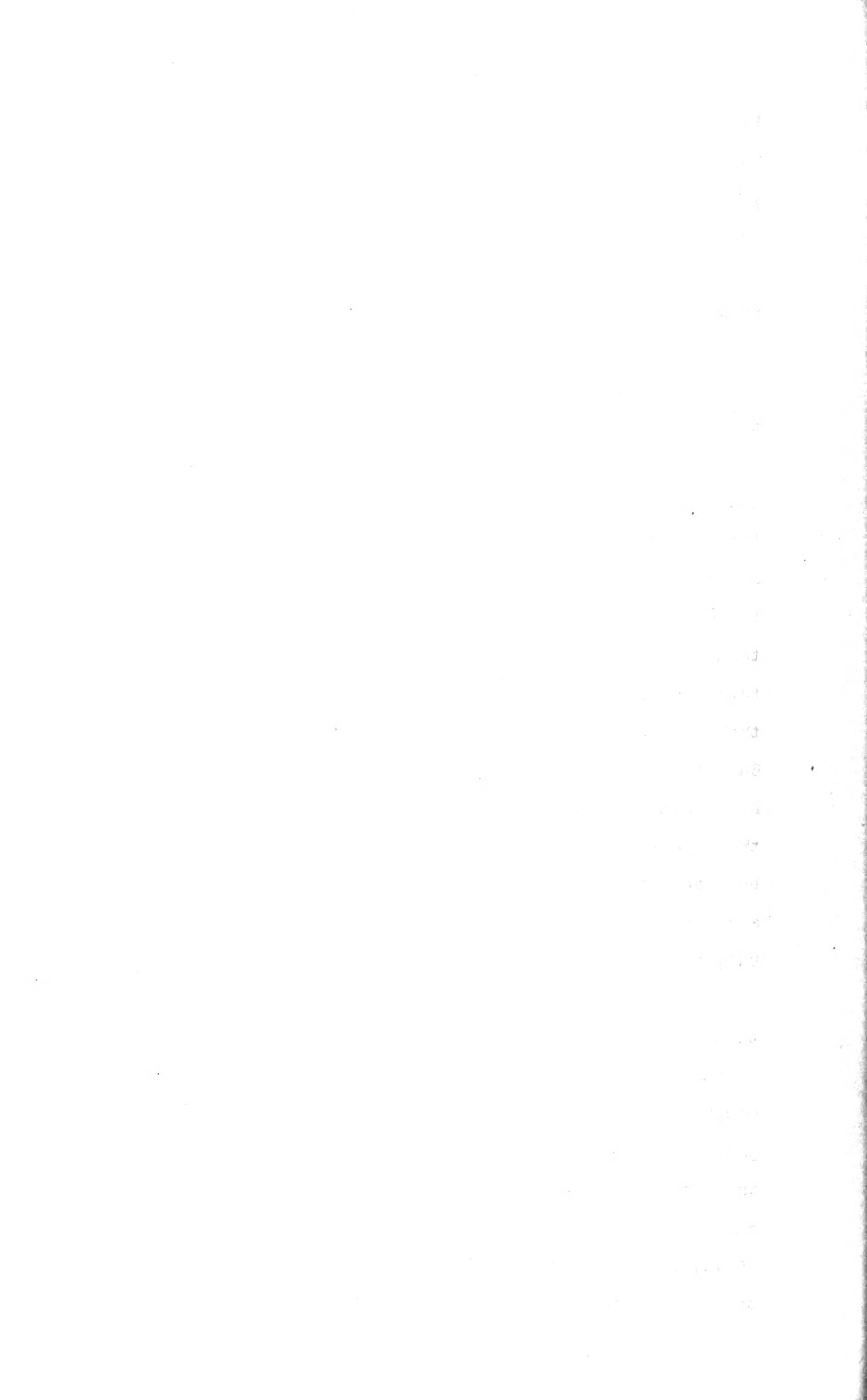
Now, Mr. Speaker, in making this proposal, I think the plan put forward yesterday by the hon. Prime Minister took the hon. members of this House unawares. I do not think there was any thought in anyone's mind ^{that} having dispensed with the usual Debate on the Address from the Throne we should proceed from there to rush the Budget through without any discussion. Now, I know the hon:



Prime Minister said there is ample opportunity for discussion when the estimates are being dealt with, but, Mr. Speaker, you cannot deal with the fiscal policy of the Government in its totality when you are dealing with individual estimates. After all, the Budget Address which the hon. Provincial Treasurer "pulled out of the barrel", as a clergyman pulls the proverbial sermon out of the barrel, was submitted to this House in entirely different circumstances than the circumstances which face us to-day.

It was a war-time Budget and it was delivered under conditions of war and those conditions have changed, in a large measure, and that fact is highlighted by what is occurring in Berlin to-day, and it is highlighted by what is happening in this city every day in the week with thousands upon thousands of soldiers returning to the towns and cities of Ontario. This produces conditions that the Government ought to take cognizance of in its Budget. I would therefore make this proposal to the hon. Prime Minister and to the hon. members of the House: that, perhaps, to-morrow or Thursday a brief opportunity be given to those members of the House who want to take advantage of it to discuss the overall character of the Budget.

I am not suggesting for one moment that this latitude which is referred to on Page 84 of the Rules should be the authority in these extraordinary circumstances. I would not think that one speech that we have heard in years gone by that delved into biology, eugenics, and gynecology and matters related thereto should be the subject of discussion during the short period we are here, but I do think if any hon. members of this group or that group or even the hon. members of the Government group would like to have



twenty minutes or twenty-five minutes to express their opinions on the Budget in its totality, they should be afforded that opportunity.

HON. GEORGE A. DREW (Prime Minister): I do not want to interrupt the hon. member, but I would suggest instead of telling us why he should speak that he go ahead and speak right now.

MR. MacLEOD (Bellwoods): Well, Mr. Speaker, I was not altogether prepared to speak on a matter of which the hon. Provincial Treasurer had a very long time to prepare and had the assistance of many expert statisticians and a very able Deputy Minister, but since I have been given the opportunity to express a few opinions on the Budget, I will do so now, and I will try to keep myself within the time limit.

I said a few moments ago that this Budget was presented under very different circumstances than those which face us to-day. Last March we were, of course, very deeply involved in a war, the outcome of which could not be predicted at that time, and no one would have hazarded a guess as to when the armies of Nazi Germany would be finally defeated. The fact is, however, that since this Legislature last met, the Nazi armies have been defeated and the Allied cause in Europe is victorious. The leaders of the three great powers are to-day holding important conferences amid the ruins of what once was the Capital of Germany. In addition to that, this country of ours and this Province of ours is being confronted with new conditions. Thousands of people are returning to this Province who will be looking for jobs, who will be looking for decent homes in which to live, and who will be looking for the fulfilment of those promises which were a part



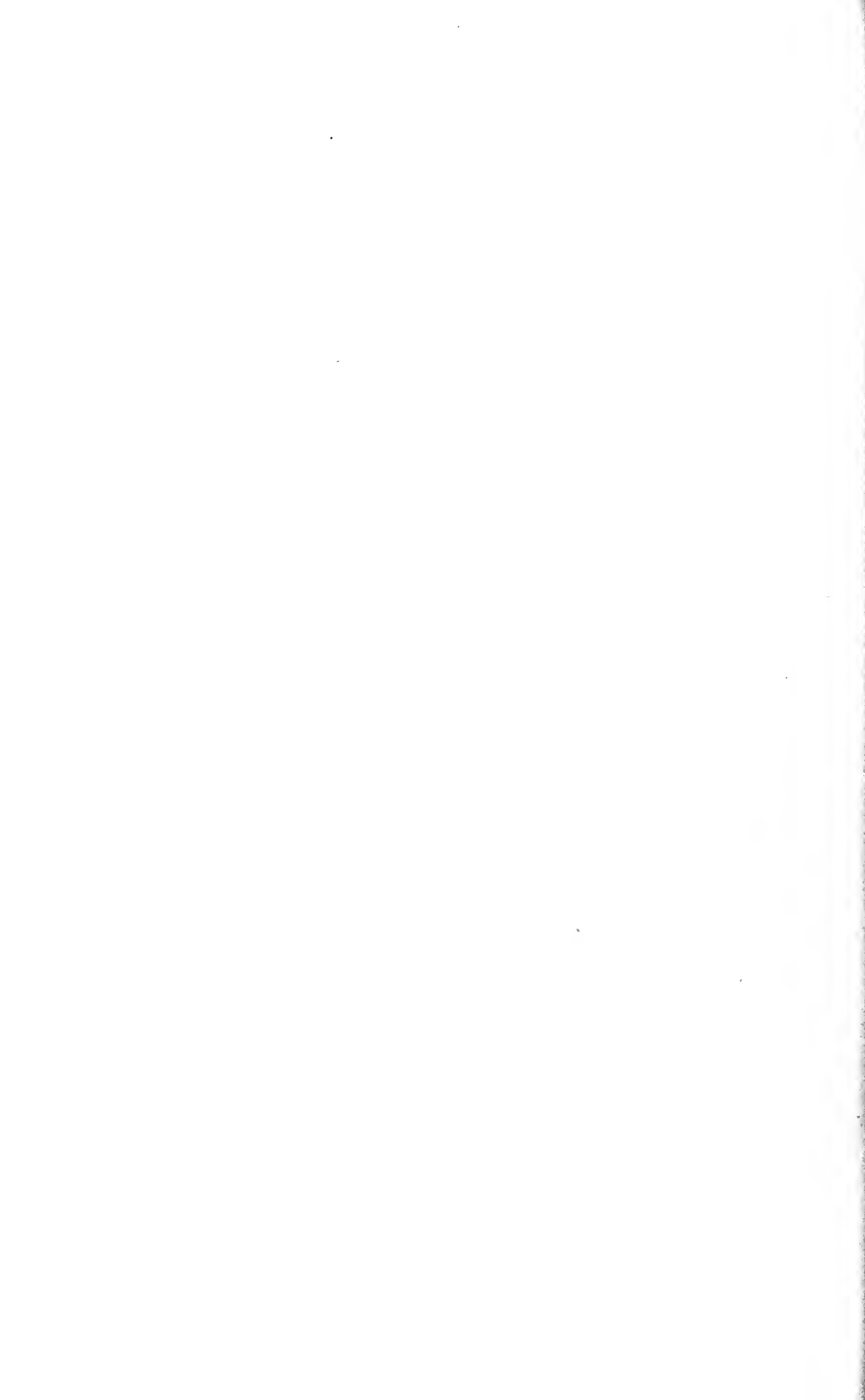
of all Dominion Charters that have been written during the course of this conflict.

I think that the kind of Ontario that we should be aiming at to-day and which should find some expression in the Budget was summed up in the peroration of the hon. Provincial Treasurer in his budget speech of 1944, from which I will read a line or two. He said, "For the fine, old Province of Ontario there will be a great future for our soldiers, sailors and airmen. There will be a fit place for heroes to live in. We are building not only for these times, but we are planning for a greater population for industrial expansion for prosperous firms and for a happy and healthy people. We are laying the foundation for a greater and stronger Ontario."

That is a very fine statement and I am sure it took all the genius of the hon. Provincial Treasurer himself and his able Deputy to "polish that one off", and I agree with him. I do suggest, Mr. Speaker, that in the Budget before us now there is nothing to suggest that the Government has any plans for the next period ahead that will lead us to the fulfilment of the high hopes expressed in that peroration .

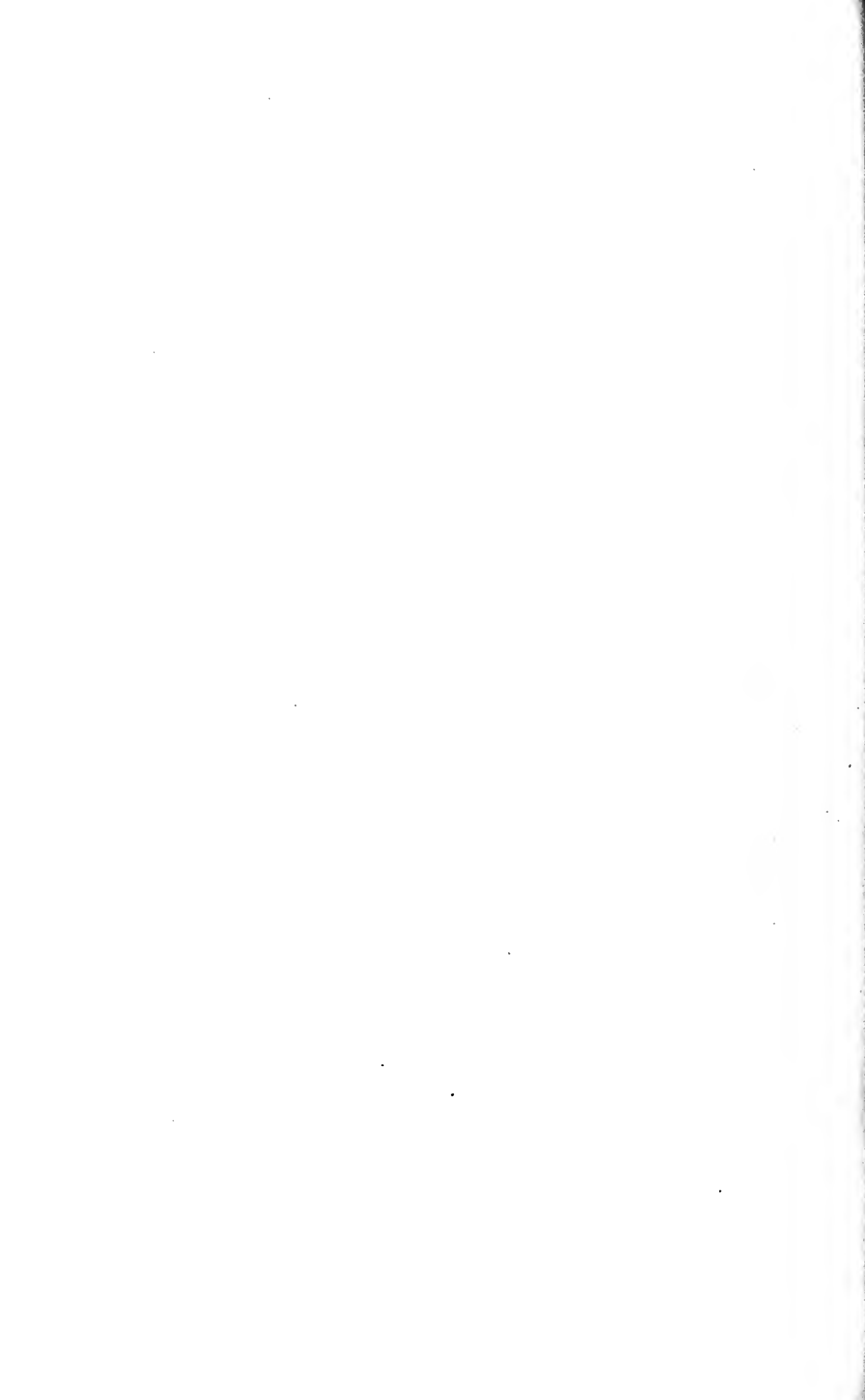
With respect to homes, among other things, this Government was committed to the establishment of a Housing Commission which would, among other things, launch a large-scale housing program to create employment in the post-war period, and more particularly to remove the shameful and disgraceful slum conditions to be found, not only in the cities, but in the rural areas of Ontario.

Now, most of us during election campaigns get to see a little more of our Province than we do when there are no elections. I spent some time up in the constituency represented



by the hon. member in front of me, the hon. member for Cochrane North (Mr. Habel). That is a great country up there, they are people of a splendid race, French-Canadians largely, who have lived there for many years. After travelling over hundreds of miles over a period of days I am frank to say I did not see half a dozen houses, outside of Kapuskasing, that were fit for human beings to live in, in this day and age. What is true of that North country is also true of many other parts of the Province of Ontario. There is a very great need for this Housing Commission, which is spoken so much about, and a very great need for plans now to get under way as quickly as possible housing schemes that will put decent roofs over the heads of hundreds and thousands of people in the Province of Ontario.

But, Mr. Speaker, the point is this, not only faced with these deplorable slum conditions in our cities and on the countryside, we are faced with that situation in the Province of Ontario to-day, and in the City of Toronto, where stores upon scores of men who are returning from the field of battle do not have homes to go to and the families of many of these men who are returning are in the very days that we sit here being evicted from these homes. I had my attention called yesterday to a woman with two children, one two and a half years of age, and the other seven years of age, Mrs. Hurley, whose husband is overseas. Yesterday that woman with her two children was put on the street under the orders of the authorities of this Province. And, that is not an isolated case, by any means. We have been trying for some time to bring this matter to the attention of the Government. I remember on the 9th of August of last year

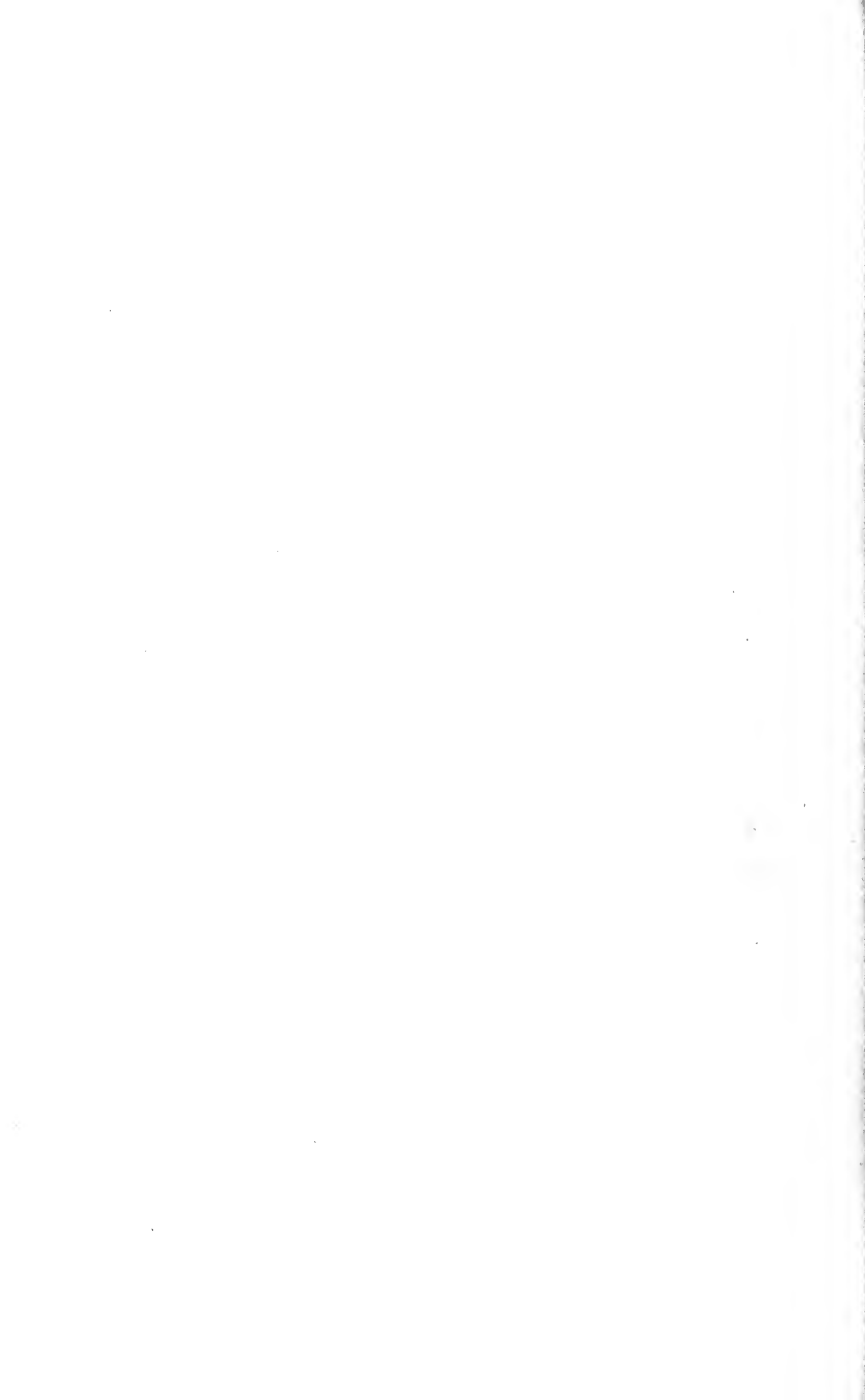


sending a very lengthy telegram to the hon. Prime Minister giving a detailed account of the acute housing problem that faced the City of Toronto at that time. I pointed out that people were being evicted, that the sheriff had eviction orders in his hands at that time, and that this Government could do something to see that the situation of amending the Landlord and Tenants Act to give the sheriff, at least, discretionary power to permit people to stay in these homes when putting them on the street might cause impairment of their health. I received a very curt reply from the hon. Prime Minister on the 11th of August, 1944, in which he says "As already explained on more than one occasion, the municipalities of this province have the widest possible powers to build houses under both Dominion and Provincial legislation. In addition to that, you will have read in the press, still wider powers have been conferred by the Dominion Government. In addition to statutory powers, the Dominion Government is the only authority with full power under the War Measures Act to meet any war emergency?"

Well, I don't know, that may be partially true, and I think it is only partly true, but I do say that a Government which asserts itself on so many occasions as the protector of the people of Ontario against those who rule in another jurisdiction, should at least take some steps to see that the good citizens of this Province, members of whose families are fighting overseas, are not subjected to the humiliation of being cast on the street without a place to live.

The Government of Ontario was authorized by the hon. Minister of Finance, Mr. Ilsley, to take whatever steps were necessary to amend the Landlord and Tenants Act along the lines suggested, and nothing was done with that at all.

I noticed the hon. Minister of Planning and Development,



(Mr. Porter), made a speech reported in the *Globe and Mail* of July 4th of this year in which he recognizes the existence of a very serious problem and admits that veterans are returning by every boat and they have to have roofs over their heads. Existing conditions are intolerable, and the Ontario Government is greatly concerned over the situation. If the Government of Ontario is greatly concerned over the situation, I suggest the Government of Ontario should do something about it, and this has nothing to do with such matters as covered in the Bill just passed, which is a lengthy proposition. I say, this Government and this Legislature have the responsibility to take extraordinary measures, if necessary, to see to it that no family of any ex-serviceman is put on the sidewalk, evicted from their home, with no place to go. That is a responsibility of this Government and the Government should be prepared to discharge it.

Now, Mr. Speaker, I want to take a moment or two to deal with what, to me, is ^{the} most striking feature of the Budget before us, and it is this: I would like to discuss now the question of owner grants. The hon. Provincial Treasurer assured us again yesterday, as other spokesmen have covered it on so many occasions during the election, that the Government had completely fulfilled its pledge to assume 50 percent of the cost of education. I, among others, take issue of that because I point out that that pledge was made in 1943, July, and this Government did absolutely nothing to implement that pledge in 1944. It did give a paltry \$3,000,000, and on the basis of the pledge, the Government assumed 50 percent of the cost of education as an initial step, etc., etc. I say that under the terms of that pledge, this Government owes the people of Ontario something like \$23,000,000 for the year 1944.



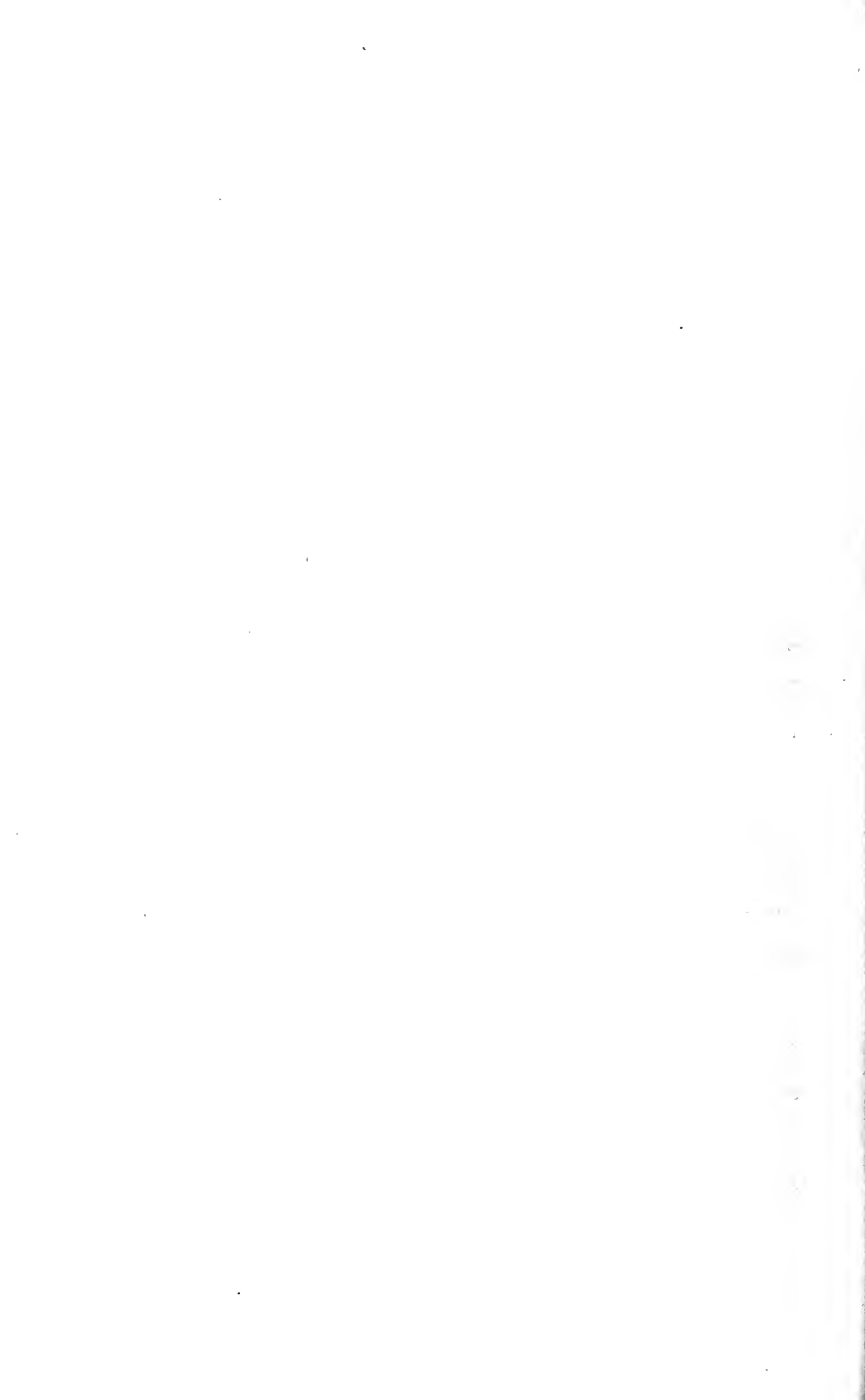
However, during the calendar year of 1945 the school grants will amount to approximately \$26,000,000, as compared to approximately \$9,000,000 in 1944. I think that is correct, is it not? There is, however, a deficiency in the provision for these grants in the 1945-1946 estimates of approximately \$8,200,000.

HON. LESLIE M. FROST (Provincial Treasurer): \$8,800,000.

MR. MacLEOD: Now, just let me finish it off. The result of the operation for 1944-1945 has resulted in a surplus of almost \$9,000,000, and the Government will pay out, within the fiscal year, 1944-1945, \$8,800,000 on account of the 1945 school grants. That is correct, is it not? Is that correct? \$8,800,000. This will leave about \$17,192,000 of the required 1945 grants to be paid out of the 1945-1946 revenue. I think that is correct.

The total provided for education in the 1945-1946 estimates is \$25,400,000, and of this approximately \$8,208,000 is provided for educational costs, and so forth, of the municipal school grants, such as the costs of maintaining the universities and provincial normal schools.

Now, that makes it clear, I think, that if the province is to pay a school grant of \$26,000,000 in 1946, all of this will have to be provided out of the revenue of 1946-1947. The Government, for understandable reasons, has avoided new taxation in 1945-1946, by paying 34% of the grants for one calendar year out of the revenue of the year 1944-1945, and 66% of the grants for the same year out of the revenue of the following provincial fiscal year.



Now, Mr. Speaker, I do not know whether the hon. Provincial Treasurer (Mr. Frost) will agree with this, or not, but I think that this comes dangerously close to what he calls, and what most of us understand to be, "deficient financing".

HON. LESLIE M. FROST (Provincial Treasurer): Oh, no.

MR. MacLEOD: Let me continue now. If the grants at the new rate were provided in full out of the revenue of 1945-1946, there would be, instead of a surplus of \$69,000, a deficit of approximately \$8,731,000, unless it happens, as was the case of the 1944-1945 figures, that the revenues are buoyant enough, to the extent of being greater than it is estimated by almost \$8,900,000. Then, at this time next year the Government will be able to ask the Legislature to pass supplementary estimates out of the 1945-1946 revenue for the 34% of the 1946 grants. There can be only two alternatives with regard to the grants, in my opinion, if they are to be paid out of the new rates. (1) There will have to be some taxation, or (2) the debt of the province will have to be increased by the amount of the deficiency that will result.

The estimated revenues for 1945-1946 seems to me to be far from conservative. In total, they are \$4,600,000 greater than they were estimated at this time last year, for the fiscal year just closing. I am speaking now as though I were speaking in March.

Making allowances for increases in grants of approximately \$8,000,000, the estimates of expenditures are approximately

\$4,000,000 less than they were in 1944-1945.

Now, I just want to look at those figures for a moment. The big increases in estimated revenues are to be found in the following: Motor Vehicle Licenses, an increase of \$2,000,000; Lands and Forests, \$400,000; Provincial Secretary's Office, - I do not know what that would be for, - \$200,000; Liquor Control Board, an increase of \$1,600,000; Succession Duties, \$200,000; Race Tracks, \$250,000; Security Transfer Taxes, \$350,000. Those are the estimated revenues, - the increases in estimated revenues.

Now, let us look at the big decreases in estimated expenditures, which we find to be as follows: there will be a decrease in health expenditures to the extent of \$1,300,000, according to the Budget, as I understand it; there will be a reduction of \$3,000,000 in the Department of Municipal Affairs, and I know the reason for that; there will be a decrease in Public Welfare estimates to the extent of \$700,000; Public Debt Interest, \$600,000, and Foreign Exchange, \$1,000,000.

Now, offsetting these decreases, the main increases are as follows: Attorney General, \$300,000; Labour, \$100,000; Lands and Forests, \$200,000; Mines, \$130,000; the Prime Minister, \$170,000; the Provincial Secretary, \$170,000; the Provincial Treasurer, \$120,000; Public Works, \$150,000, making a total of \$1,740,000.

Now, it would seem highly probable that some of these estimates of both revenues and expenditures will not materialize. There would be, it seems to me, little chance of Motor

Vehicle Licenses, for instance, increasing by \$2,000,000. That appears so, even though this increase was attained in the current year over the original estimate. The same applies with regard to revenue.

The decrease of Municipal Affairs, \$3,000,000, is, of course, the deletion of the one-mill subsidy that was paid during the current year on account of education, and which is now replaced by the increase in grants for the year of approximately \$8,200,000.

Now, I am sorry the hon. Minister of Health (Mr. Vivian) is not here, - the hon. Minister of Health and Welfare. I have been unable to find, on the examination that I have made of the estimates, any information for the decrease of \$2,000,000 in Health and Public Welfare, which I regard as a very shocking thing, - that is, that Health and Welfare estimates should be decreased by \$2,000,000.

Now, Mr. Speaker, I think the House will agree with some of the points that I have raised here with respect to the Government's fiscal policy, constituting, to a degree, at least, a reason for the hon. members of this Legislature, who do not happen to belong to the Government's Party, expressing their opinions of the Government's fiscal policy. The hon. members on the Government Benches do not show any disposition to raise these questions, and the rest of us must either question some of these policies or be accused, in the minds of the public, of acquiescing in policies which we believe to be absolutely inadequate to meet the requirements of the postwar period in which we suddenly find ourselves.

Of course, I know that in the back of the hon. Provincial Treasurer's mind there is this thought, that there is going to be a Dominion-Provincial Conference, and there is a possibility that a situation will be produced here that will enable us to give notice of the termination of the Dominion-Provincial Tax Agreement. I do not know, (and I do not think anybody else on this side of the House knows,) what the policy of the Government is going to be at the August 6th conference, with respect to these matters. I would, however, point out to the hon. Provincial Treasurer, that unless he is going to abrogate that agreement, and terminate it, or give the required notice of termination, he can expect no additional revenue from that source, according to the agreement itself, until April 1st of the second calendar year after the calendar year during which hostilities cease between Canada and not only Germany, but Japan. Under that agreement, therefore, this Government cannot expect to have the ordinary sources of revenue available to it until the fiscal year of 1948-1949.

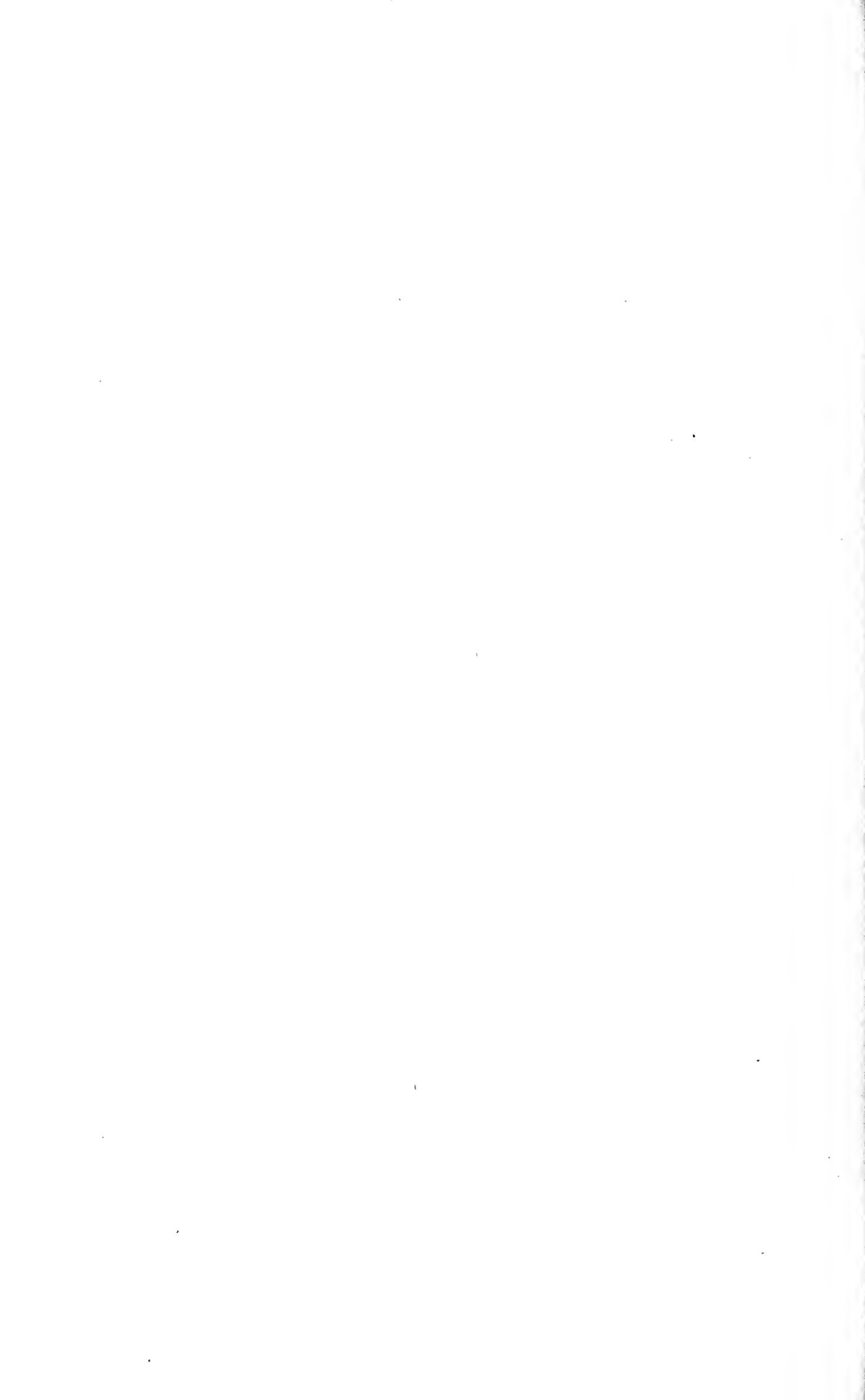
Now, of course, this Government has assumed responsibility for the health and welfare, education and general well-being of the people of this province, three and one half millions of them. The Government certainly did not indicate in its 1943 manifesto, its 22-point programme, nor in the supplementary programme that came forward in 1944, that there were any serious obstacles in the way of carrying out all these various promises which were made with respect to better

homes, better health, better education, more adequate social security for the people of Ontario, and I say that, by and large, those vital matters affecting the life of our people are very largely ignored in the present Budget, especially when one takes into account the new situation in which we find ourselves as the result of the termination of the war in Europe, and the return of hundreds of thousands of soldiers to this province, and as the result of the reconversion that will have to take place in industry, and as a result of the large-scale temporary unemployment which will result in the months ahead.

Now, Mr. Speaker, I feel that it is necessary for anyone who has a sense of obligation to the people who send us here to deal with these matters. If we were not meeting under these unusual circumstances I think perhaps more people would be inclined to discuss the Budget a little more fully. I am not going to carry the matter any further at this point, but I am going to move an amendment to the motion before us, which sets out in the estimates some of the points I have raised.

I, therefore, move, seconded by Mr. Salsberg, that the motion now before the House be amended by adding thereto the following words:

"This House regrets, however, that the Government has failed to make Budgetary provision for a housing programme for the purpose of creating postwar employment, and to bring to an end the unsatisfactory housing conditions in rural and urban Ontario; that

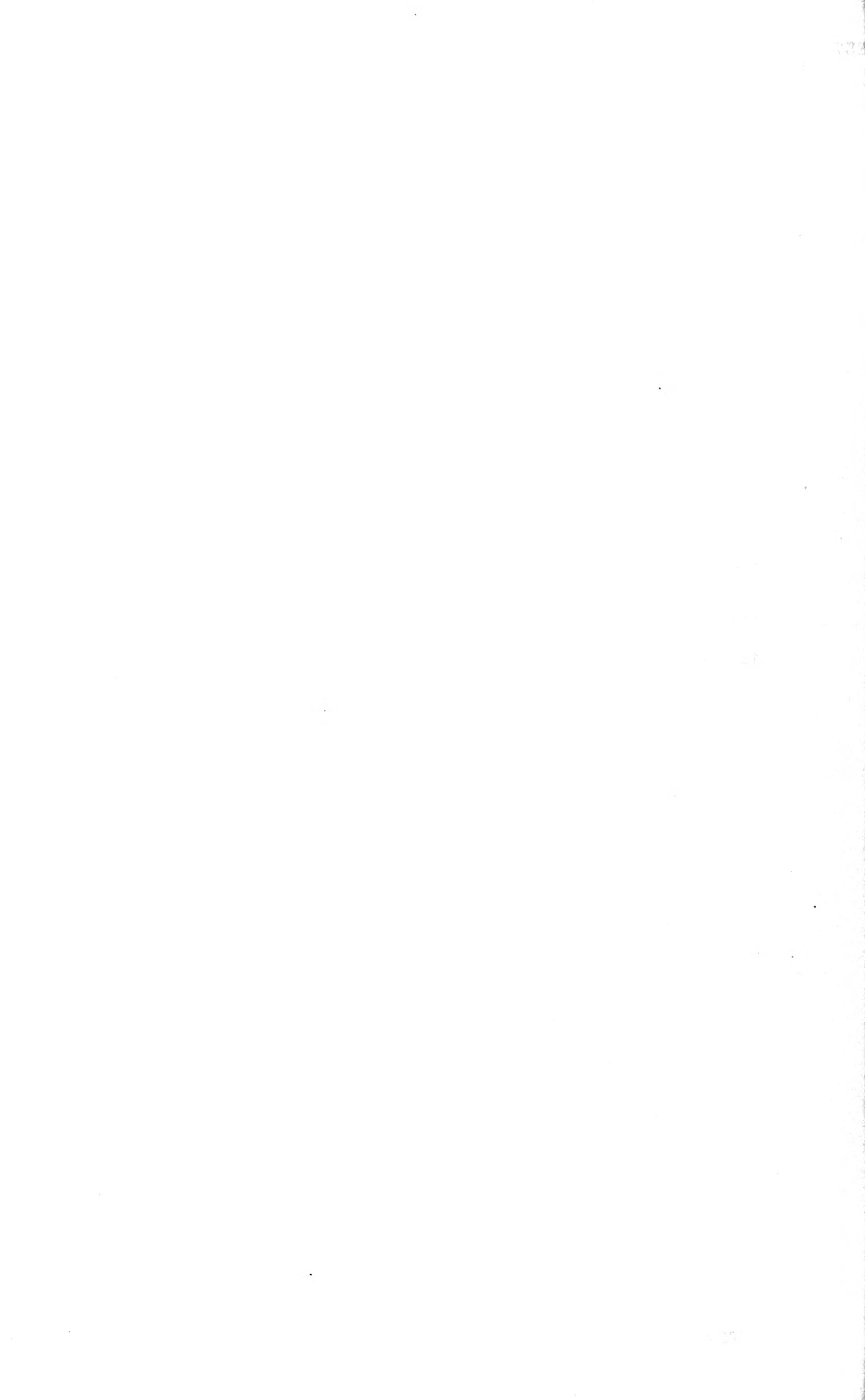


the Government has seen fit to reduce health and welfare appropriations to the extent of \$2,000,000; that the Budget contains no provision for public works projects to create employment during the period of post-war readjustment, and that the Government has failed to increase old-age pensions and mothers' allowances, as a step for a greater measure of social security for the people of Ontario."

MR. SPEAKER: Mr. Drew moves that I do now leave the Chair and the House resolve itself into a Committee of Supply. Mr. MacLeod (Bellwoods) moves an amendment, seconded by Mr. Salsberg, that the motion before the House be amended by adding thereto the following words:

"This House regrets, however, that the Government has failed to make Budgetary provision for a housing programme for the purpose of creating postwar employment, and to bring to an end the unsatisfactory housing conditions in rural and urban Ontario; that the Government has seen fit to reduce health and welfare appropriations to the extent of \$2,000,000; that the Budget contains no provision for public works projects to create employment during the period of postwar readjustment, and that the Government has failed to increase old-age pensions and mothers' allowances, as a step for a greater measure of social security for the people of Ontario."

I am doubtful whether this amendment is in order at this stage. I will reserve judgment on the amendment until tomorrow.



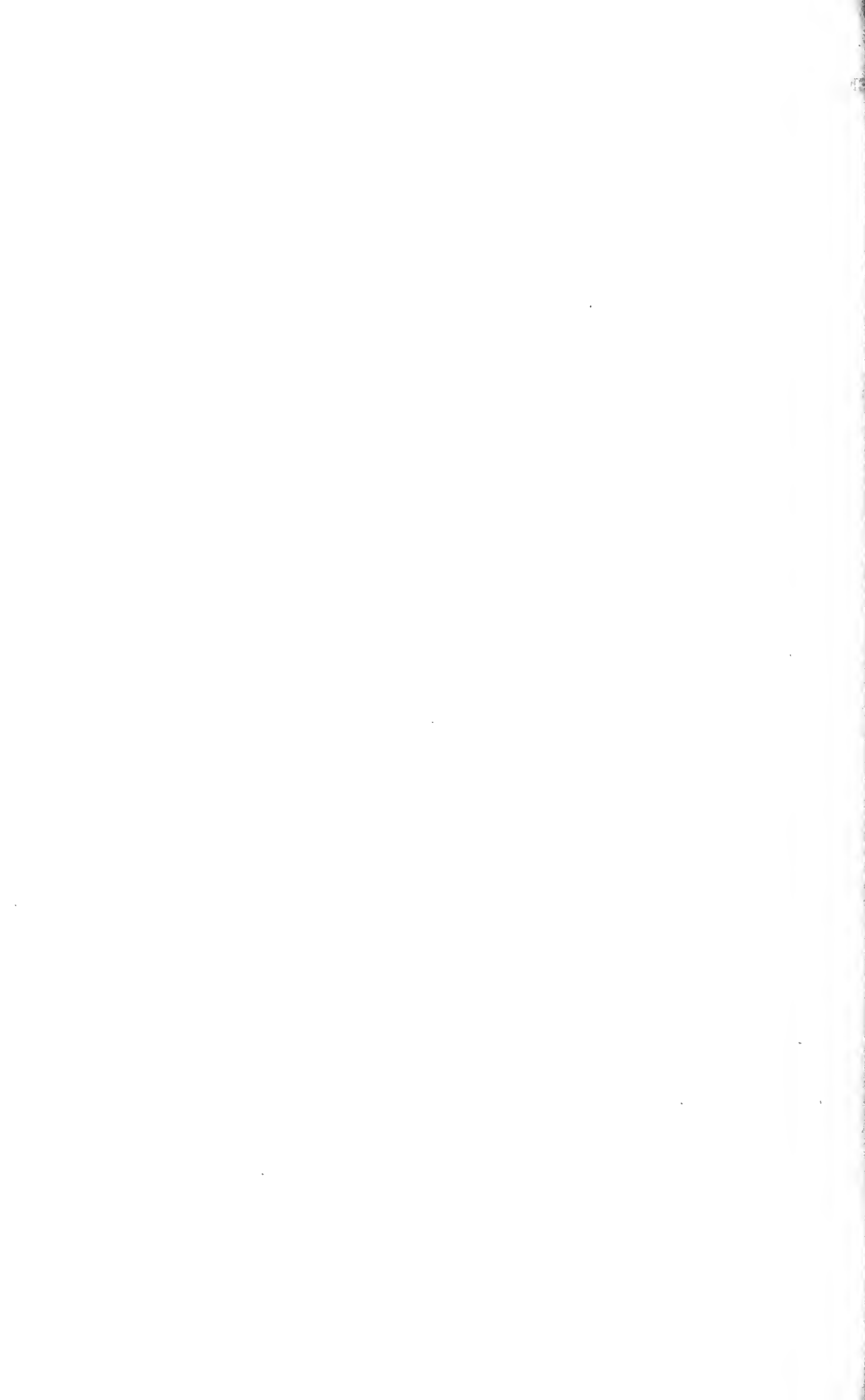
HON. GEORGE A DREW (Prime Minister): Mr. Speaker, without in any way questioning the ruling, perhaps the simplest way, if there is no objection for consideration, would be to take the vote on it right away.

MR. SPEAKER: I had in mind doing one of two things, either ruling the amendment out of order or reserving judgment. I am prepared to give a ruling now, and will rule that the amendment is out of order.

MR. MacLEOD: I am sorry, Mr. Speaker, but I followed the procedure adopted in previous Parliaments with respect to the framing of the amendment. It is precisely the same in form as the amendment introduced in 1943 by the then Leader of the Opposition, and I must, therefore, challenge the ruling of the Chair, as I believe it is quite in order.

MR. SPEAKER: I have ruled the amendment out of order. You declared your policy yesterday when you decided to resolve yourselves into a Committee of Supply. The Government, during discussion in Committee of Supply, might see fit to increase or decrease an estimate now prepared. This is not the time to pass judgment. Therefore, I rule the amendment out. Do you appeal my ruling?

MR. MacLEOD: Mr. Speaker, all I do, with all respect and deference, is to say that the procedure I followed here is precisely the same as the procedure followed in 1943. The amendment moved by the then Leader of the Opposition, the former hon. member for South York, was moved before the motion was put that the House go into Supply, and was disposed of at



that time.

MR. SPEAKER: I would say to the hon. members, — and I repeat again, — that you made your decision yesterday to resolve into Committee of Supply. I have given my ruling that the amendment is out of order, and I say, with respect, that the ruling is not debatable. You have the right of appeal, if you see fit.

MR. MacLEOD: With all respect to you, Mr. Speaker, I must challenge your ruling.

MR. SPEAKER: No one has asked for a division, so I will ask for the ayes and nays. Shall the ruling of the Chair be sustained?

Several hon. members: Aye.

Several hon. members: Nay.

MR. SPEAKER: I declare the ruling of the Chair sustained.

MR. SALSBERG: Mr. Speaker, that does not rule out the privilege of hon. members' continuing a discussion on the Budget in a manner that is very difficult when you limit it to a consideration of the estimates.

MR. SPEAKER: I am ruling that you will have ample opportunity in Committee to discuss the estimates --

MR. SALSBERG: Mr. Speaker --

MR. SPEAKER: I have ruled.

MR. SALSBERG: Well, Mr. Speaker --

MR. SPEAKER: Do you wish to appeal the ruling by the Speaker?

MR. SALSBERG: All I wish to do --



MR. SPEAKER: Please; I am speaking. You know better than that. You decided your policy yesterday. Your colleague offered an amendment, which I declared out of order, and the House sustained the ruling of the Chair.

MR. SALSBERG: Mr. Speaker, I am not raising the amendment which was introduced by my colleague and myself, which you ruled out of order. I am rising, however, on this occasion, to participate in a discussion on the Budget Debate, which is my right, and which the hon. Prime Minister acknowledged yesterday will be granted to every hon. member of this Legislature, and which I, as a member, feel in duty bound to participate in because of the importance of the problem. I submit, Mr. Speaker, that it is quite in order that I be permitted to proceed.

(Page No. 94 follows.)

1. The first part of the document
 2. describes the general situation
 3. and the main objectives of the
 4. project. It also mentions the
 5. names of the participants and
 6. the dates of the meetings.
 7. The second part contains the
 8. detailed description of the
 9. work done during the first
 10. meeting. It includes the
 11. agenda, the topics discussed,
 12. and the conclusions reached.
 13. The third part describes the
 14. work done during the second
 15. meeting. It follows the same
 16. structure as the first meeting
 17. report. The fourth part
 18. describes the work done during
 19. the third meeting. It also
 20. follows the same structure.

The remark made by the Premier was very significant. He suggested that the vote be taken immediately before the Speaker had an opportunity of ruling on the amendment. In other words, confident of commanding an absolute majority in the Legislature, the Premier thought he would get rid of the discussion quickly by voting on it and thereby disposing of it.

MR. DREW: I do not propose to interrupt the hon. member, but I am going to insist upon him having some little regard for accuracy. The motion was before the chair and it was quite natural that we should call for a vote on it. There was no question of trying to prevent any discussion that was within the rules of this Legislature.

MR. SALSBERG: I submit that in reality the vote would have meant a choking-off of the discussion.

MR. SPEAKER: I will ask the hon. member to withdraw that word.

MR. SALSBERG: If it is unparliamentary, sir, I withdraw it. But I do say that the vote would have deprived us of the discussion of this very important subject.

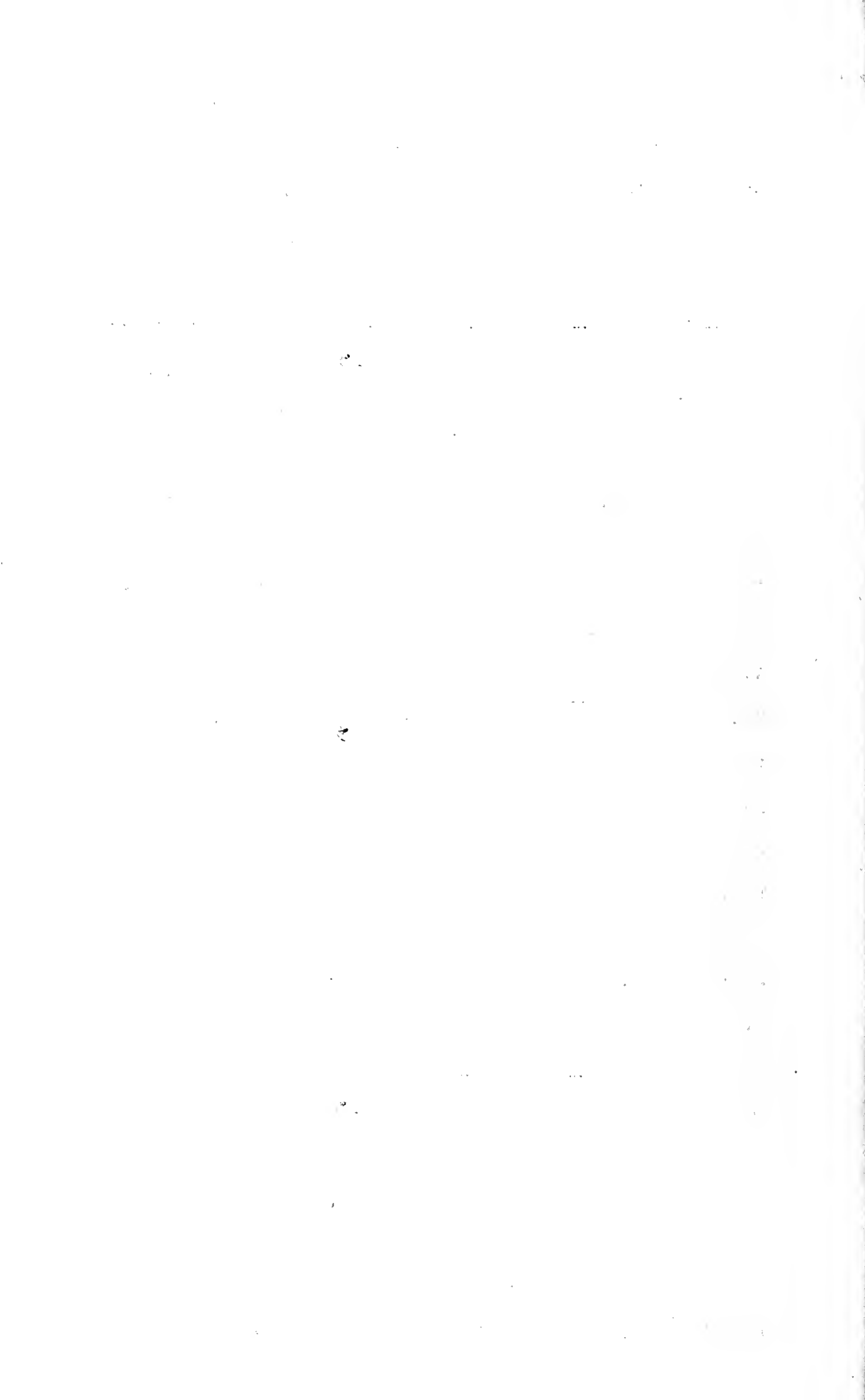
In a previous discussion on the budget I made a remark which I think can stand repetition, and that was this. Budgets have a language of their own, and budgetary figures very often speak more impressively and more decisively than all the honeyed speeches that are frequently made by heads of governments. It requires very little but a knowledge of language to talk about grandiose schemes, speeches such as are made by members of the government when they speak of

planning and development and so on. But it is the budget that reveals the sincerity or otherwise of the government in carrying through such promises and pledges. It is the budget that decides their sincerity--not their speeches, and not even occasional pieces of legislation. It is from that point of view, Mr. Speaker, that I submit to you that the budget, as presented to the Legislature, before its dissolution, is in reality a Tory budget.

MR. KELSO ROBERTS: Hear, hear.

MR. SALSBERG: The hon. member for St. Patricks says hear, hear. I agree that this is a Tory budget. It is reflective of Tory mentality, reflective of the Tory reactionary attitude to social problems and social change. I maintain, Mr. Speaker, that the members of this Legislature are in duty bound to analyze this budget from that point of view. It is very easy as the hon. member for Bellwoods, the House Leader of my party, has said, to talk about post-war conditions. But the fact, however, is, that no amount of smiling on the part of the Premier,--and I am glad that at long-last I have the opportunity of looking him straight in the face instead of seeing him from the rear,--no amount of smiling and smugness because he has a majority behind him can alter this fact, that the budget fails utterly to provide the financial means for the achievement of those things which the people of this province desire. The fact is that in so great a matter as housing, the budget provides nothing for it, and it does not do so because this government is wedded to the idea that housing

was a private affair, the governments have nothing to do with it. This government has quite deliberately steered away and is steering away from the housing problem. Its policy was revealed by the hon. Minister for Planning and Development (Mr. Porter) immediately after his appointment to that very important post when, in a public speech, he stated that the government would not engage in housing. In that regard the budget is an expression of the policy of the reactionary Canadian Manufacturers' Association as expressed at its last convention. I wish to quote from the Montreal Gazette of June 8 last, reporting the convention of the C.M.A. The heading of the article is, "Government Asked to Lead Housing. C.M.A. Decides ~~Private~~ Enterprise to Handle Matter as far as possible." That is the approach of the most reactionary and I submit the most selfish interest in the country with respect to the housing shortage. This government is doing nothing to help solve that problem. This government has even dodged the bill which the city of Toronto has been seeking from this Legislature now for two years. It has not introduced the legislation; it has not carried the bill which the municipality desires. Only to-day are we given a bill authorizing the municipality to undertake certain housing projects outside of the city limits. But what is the government of the province of Ontario doing about it? Nothing. How does the budget propose to meet the housing shortage? It indicates a policy of doing nothing about it. That is a reactionary policy; that is harmful policy; it is a policy which I am convinced the people of this province do



not desire. I agree with the statement made in a local weekly not unfriendly to the Premier, the Toronto News, when it says that powerful opposition is working over-time to prevent the municipalities undertaking public housing. The leaders are social delinquents. Not all potential mortgage money in Ontario but most of it is involved in the opposition.

I maintain that this budget shows a callous disregard of the social problem of housing and slum clearance. The best that we could get from this government when I was with a deputation in the office of the Minister of Municipal Affairs (Mr. Dunbar) was an assurance the government would legalize the measures which the Toronto city government may take.

The fact is, Mr. Speaker, that 2,300 Toronto families now have orders from the court to vacate before September 30 of this year. The fact is, Mr. Speaker, that 900 Toronto sericemen's families live in converted stores in Toronto. The fact is, Mr. Speaker, that 200 eviction orders have been issued. I have all respect for the Minister of Planning and Development,--I am sorry that he has been put in that position, and I am more sorry that he does not fight,--he is supposed to have been the Port Hope Conservative, one of those who hyphenated the old Tory party and put "Progressive" before it. I am sorry that he does not fight if he disagrees with the Government policy. I am sorry to see him continue as head of a department which is nothing but a promising department and has neither authority

nor has it any intention of doing anything. It has done nothing on housing. Maybe the Premier has put the Minister of Planning and Development in a position where he is a captive and cannot get out, but the fact is that the budget provides nothing for slum clearance, nothing for housing, nothing to help the municipalities at a time when we are in a most critical stage of the housing crisis. This government has done nothing.

I at one stage suggested in the office of the Minister that the families of servicemen without housing accommodation should be camped in Queens Park right in front of this Parliament Building in order to force attention from this government upon this program. It is one that cannot be dodged. We have soldiers' families in the city of Toronto living in stores, thousands face the threat of eviction, yet the budget reveals a total disregard of this serious problem. This government must do something about it, even if Ottawa fails.

There is another serious problem, that of hospitalization. The hon. member for Bellwoods has spoken of the reductions in the budget on health and welfare items. This is a very serious matter. We are approaching a period, indeed, we are in a period now, when all governments have to come to grips with things as they are, and when they must no longer content themselves with talk. In Toronto the Hospital Association has announced that as a result of the wage increases granted to its employees, hospital rates will be increased. The increased wages granted to the hospital



employees are long overdue. I believe that that increase was due to the workers, and I believe also that the hospitals will be justified in seeking to increase their rates. We have experienced the situation in this province and elsewhere of allowing working men and working women to carry the main burden of hospitalization. They work for starvation wages,--and I challenge anyone here to deny that. I was for quite a while helping these men and women when they tried to organize, and we were told that the hospitals could not afford to pay them more. That was true, too. What is this government doing in that matter? The city of Toronto pays \$2.25 per patient per day to the hospitals. There is an hon. member in the Chamber here who was with me on the Toronto city council and is now sitting on the government side of the House. I might remind him of what he said in council of the failure of the provincial government, this and previous provincial governments, to help the municipalities, failing to assume their responsibility for caring for indigent hospital patients. While the city of Toronto pays \$2.25 per day, the province pays only 75 cents per day. The wage increases will result in increased hospital rates. The budget reveals a total disregard of this problem. It does nothing to reduce the cost of hospitalization. Instead, we see in the budget a reduction in these very important departments.

The same is true of a number of other problems which the budget ignores. Let me say, Mr. Speaker, in my opinion this

budget is a deficit budget.

I am revealing nothing to you, Mr. Speaker, nothing that is not known to every member of the House, when I say that this Government, when it decided on grounds of political expediency to assume a greater share of school costs, was even then planning increased taxation; It was known throughout the province that the government had already prepared certain new taxes to impose upon the people at large.

MR. FROST: That is quite incorrect.

MR. SALSBERG: I am prepared to accept the assurance of the Minister when he says that it is incorrect. In that case I will only say that I was led to believe, as were thousands of the people of this province, that that was the case.

MR. DREW: You led them to believe it.

MR. SALSBERG: The Prime Minister is giving me some credit, something he rarely does. He says that I led them to believe it. I say that considerable numbers of people in this province were aware of what the government was planning. The motion picture industry was very active in its efforts to prevent a new amusement tax being imposed, and the Toronto Trades and Labour Council, hearing of the new taxes that were going to be imposed upon the people, sent a deputation to interview the government. In fact, I was told that the Provincial Treasurer made a very clever remark in the presence of the deputation. When he was told that the new taxes would be very unpopular, he said, "Will you please tell me of any tax that would be popular?" I

thought that was a very clever remark of the Provincial Treasurer, for whom I have always had a very high regard. But the government at that time was planning additional taxation.

MR. FROST: That is quite incorrect.

MR. SALSBERG: I was led to believe that was the case.

MR. FROST: The hon. member did his best to mislead the people of Ontario. The Labour Progressive Party, if you can call it a party, had notices put in the papers saying that the government was going to introduce an amusement tax, when, as a matter of fact, we were going to do no such thing.

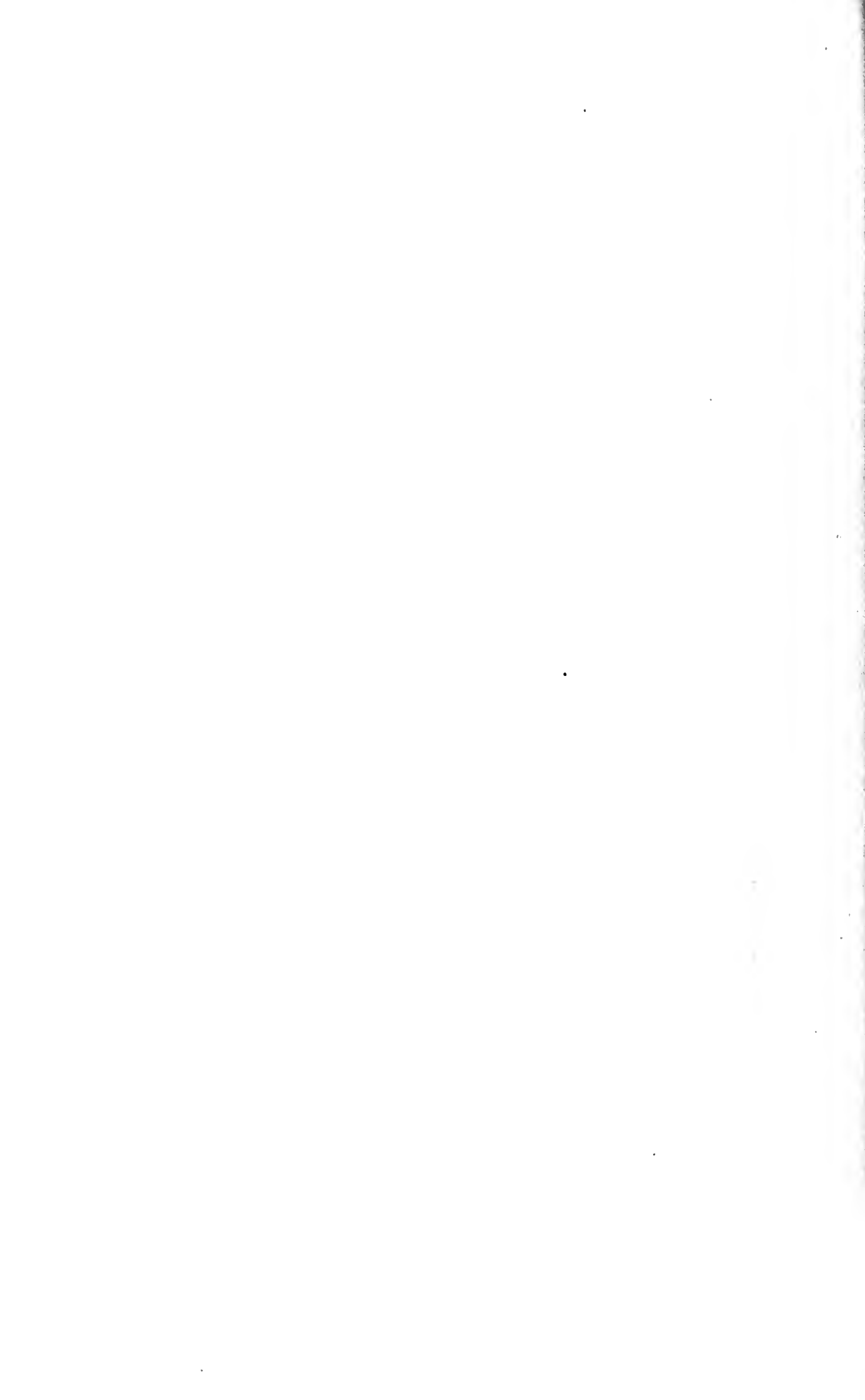
(Page No. 102 follows.)

MR. J. B. SALSBERG (St. Andrews): I want to say here that the Labour Progressive Party in its advertising was only stating that which was commonly known and which the motion picture industry charged the government with in a public statement. All that the Hon. Premier (Mr. Drew) or the Hon. Treasurer (Hon. Mr. Frost) had to do, at the time, was to come out with a straight denial in the face of the Labour Deputation; but he merely said that there is no tax; but he did not say that there was going to be no tax. It was only when it became clear that the government would have to go to the Province that they stopped introducing those new taxes which they were prepared to introduce.

I do not want to belabour the point. I think the hon. member for Bellwoods (Mr. Macleod) has made it very clear that the surpluses have been used and there will be a deficit; and I think the government will introduce new taxation now that they have over sixty members in this House.

I think, Mr. Speaker, we would be guilty of a great many things if we members of this House were to sit through the consideration of estimates involving tens of millions of dollars and fail to speak on the general principles involved in the Budget, and on the particular items in the estimates. But I want to appeal to the members on the government side that they too owe a debt to their constituents to speak up and ask questions, and not to sit here as if they were gagged, because it happens to be that their party has a majority, and therefore they are the government.

This is an important item. Everyone has promised great reforms. These promises can be revealed only in a budget; and I submit that this budget does not reveal policies which are necessary for the period of reconstruction, and



policies are necessary for dealing with other important matters. Therefore, I fully agreed and was glad to second the motion. I am sorry to say that the hon. Speaker has held it out of order at the present time.

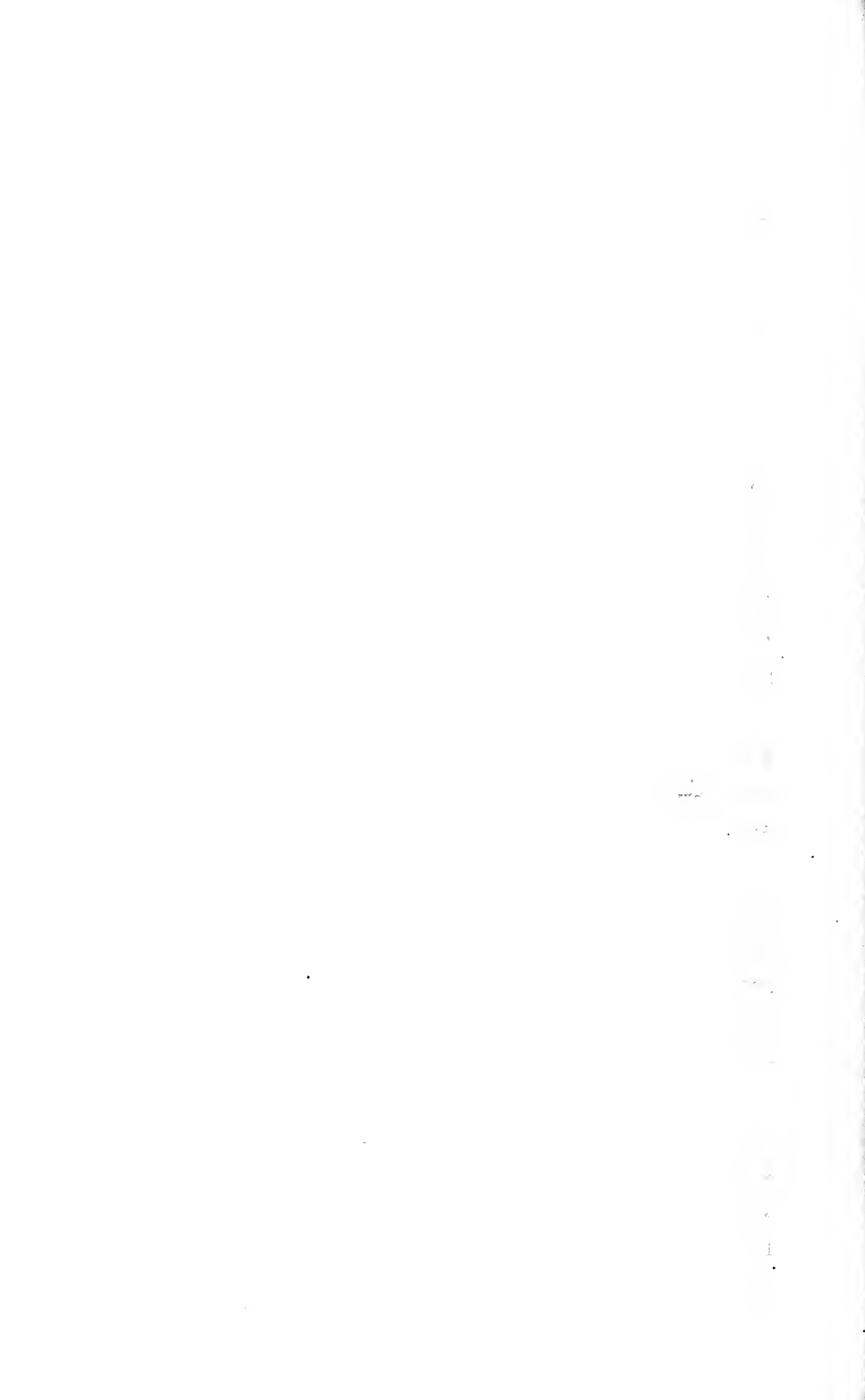
HON. MR. FROST: Mr. Speaker, I would just like to say something in reply to the two speeches which we have heard from the hon. member for Bellwoods (Mr. MacLeod), and the hon member for St. Andrew (Mr. Salsberg).

In regard to the suggestion of the hon. member for Bellwoods (Mr. MacLeod) I think he admitted that he had canned that speech last March, -- that that was what he intended to deliver last March, when these gentlemen pulled the plug. I might say that the action was brought on by the members of the opposition, and you can see what Old Man Ontario thought of it, when you look around this Chamber.

As regards the address of the Hon. member for St. Andrew (Mr. Salsberg) I think he has been carried away with the ^{exuberance} ~~elements~~ of his ^{own} verbosity, -- was ^{not} ~~it~~ that ^{not} what Mr. Gladstone said?

I can only come to the conclusion, having heard these gentlemen speak, although I believe they were in the House when the budget was introduced on the 9th of March, yet I do not believe they have ever read it, and I do not think they realize what great reforms were introduced in the Province of Ontario.

The hon. member for Bellwoods (Mr. MacLeod) speaks very slightly about what I said to him, that we would fully implement our pledge by increasing the grants to the schools from about \$8,000,000 up to \$16,000,000.00. We implemented that pledge to the limit that we were able to do. We are in a very difficult situation in Ontario. We have over nine thousand municipalities, and have many



thousands of school boards and many necessities.

These gentlemen say we have done nothing. We have given to the people of this Province, I think, nineteen million dollars in educational assistance more than any of our predecessors ever did and we have put into being the Hope Commission, which is very wide in its personnel, which will look into the very complicated situation of taxes in all its phases; and it is our intention that this is only the initial step in what has been overdue for a generation in Ontario.

I submit that our educational legislation has been the most far reaching ever undertaken in Canada, let alone the Province of Ontario.

Let me say something on the other side of it. We are not only looking after the matter of education, giving the fullest opportunity of education to every child as our objective, which we expect to accomplish; and we have realized the difficulties of its accomplishment in this Province from the state taxation of a hundred years since Ryerson's day.

But I will take another reason for this great adjustment, which has been to reduce the excessive burden of taxation, which has been injuring real estate.

These gentlemen say we have not done anything to relieve the housing situation. In my own town, in Lindsay, taxation has been reduced over a hundred thousand dollars. Do you not think that will help the returning men? But these gentlemen say we have done nothing. I submit that is the greatest advance in policy of taxation ever introduced into this Province. The burden of real estate has been increased and the relative value of real estate has decreased. I said at that time and I say now that the general adjustment



of the tax load will furnish the stimulation necessary to provide for the full development of our country, and work for our people. I say that the greatest thing with which we are faced as a government and a legislature is to adjust taxes so that we will encourage industry to go ahead and develop our country.

This government with only thirty-eight members in the House was able to pass legislation, which, I believe, was the most far-reaching of any ever introduced in the Province of Ontario. I say this and say it with some pride, that when the people of Ontario endorsed the budget, -- out of ninety members that Old Man Ontario had a right to elect, sixty-six supported this government.

AN HON. MEMBER: By a minority.

HON. MR. FROST: Let me say this, Mr. Speaker, and this is why I say the voters sustained this budget. The expenditure for health and welfare in 1943, excluding relief amounted to \$187,000.00. Now, Mr. Speaker, do these hon. gentlemen know what this government has proposed in relation to the Department of Health and Welfare? In place of \$187,000.00 actually spent two years ago, this government is planning to spend \$24,100,000.00. I ask my friends opposite to get down and read the terms of this, and see how far reaching it is. I think by good financing and saving, and cutting down any waste, we accumulated \$900,000.00 for the people of Ontario and these gentlemen say we have done nothing.

(Page 107 follows)

They voted against it. Now take, for instance, the Department of Labour, just to give a few items: do you think we have robbed some other Department in order to provide for these things? We did not. We have saved the money, and made the money available.

For instance, in 1943, for youth training, we spent \$300,000; by this Budget we are going to spend \$558,000. In regard to the matter of mines, — and what a tremendous employment that gives our people, — some of my hon. friends opposite know the great value of the mining industries of the province of Ontario, — we have planned to spend more money to develop metal matters, in order to provide employment for our people, and I am hoping that the mining industry, instead of producing in new wealth in the province of Ontario some \$250,000,000, will produce a great deal more than that in the near future, and that is the way we are casting our eyes, to fulfil our pledges, and to make Canada, and Ontario in particular, a fit place for heroes to live in.

In regard to the Department of Mines, instead of spending \$320,000, we are spending about \$200,000 more than that in connection with geological matters and other things of a developmental nature.

Take the Department of Lands and Forests: for the year that is just closed, we spent about \$3,120,000 in that Department; this year we are going to spend \$3,800,000, to provide for a start in connection with the re-forestation matters, soil conservation, preservation of water levels, and all of those



things which we think will produce vast employment in the province of Ontario and tend to produce happy conditions, good wages and fine homes for our people.

Now, Mr. Speaker, I just mention these matters to my hon. friends opposite, and I say this, that the criticisms which they have raised are quite unjustified, and I think only come from the fact that they have not given a study to what I think is the most advanced Budget which was ever introduced in the province of Ontario.

Mr. Speaker, there are so many things that I forget some of them while speaking. For instance, consider the matter of extending electrification to rural Ontario, and the reduction of rates. \$50,000,000 is to be spent in extending hydro to rural Ontario, (and I am sure the hon. Leader of the Opposition (Mr. Oliver,) will be pleased with that, because on many occasions he has spoken of it,) and, may I say, in five years' time it is our plan that 85% of the farmers in Ontario will have electric power, and this will provide thousands of jobs for men and women, in producing the necessary equipment.

Mr. Speaker, these are only a few of the things which this Budget touches.

Now, with regard to housing: I want to say that within our constitutional limits we have been approaching this thing from a sound standpoint. We hope to adjust real estate taxation, to reduce real estate taxes, in order to make it easier for people to buy their own homes without buying a mortgage with them in the form of excessive taxation.



I believe that the Mayor of Toronto has spoken with approval of the action of this Government in the matter of its housing plans, but it must be recognized that the end of the constitutional limitations leads down to Ottawa.

Now, just in conclusion, Mr. Speaker, my friend, the hon. member for Bellwoods (Mr. MacLeod), mentioned that this was a "deficiency budget". Well, I ask him, again, to turn to page 22 of the Book of Words, and let me point out this, that we have used a surplus of \$114,000 under a "deficiency budget", that we have paid off \$18,400,000 of gross debts under a "deficiency budget", that we have reduced the net debt of the province of Ontario by more than \$1,000,000 under a "deficiency budget".

Now, Mr. Speaker, I maintain that that meets all the tests of a sound budget, which pays its ways, pays as it goes, balances itself, and pays off its debts.

I do not know what they would call a budget that was not a "deficiency budget", if they feel that this Budget does not meet the tests sufficiently.

With regard to the coming year, I may say this, that I do not think that any Treasurer of this province has ever been asked to introduce a budget one year, and forecast what he will do two years from now. But this Government is prepared to take that in its stride, when we come to it, and are satisfied that the hon. members of this House, and the people of Ontario, will be satisfied with our financial programme.

MR. SPEAKER: Hon. members, yesterday I believe the hon.



Leader of the Opposition (Mr. Oliver) discussed the point as to whether the Budget should be discussed at this time. At that time you resolved yourselves into the Committee of Supply, and reported to me that you had made some progress, and asked to sit again. You made your policy at that time, when the House went into Committee of Supply. At that time I put the motion that the House resolve itself into a Committee of Supply, and the motion was carried.

MR. GARFIELD ANDERSON (Fort William): I think there was some understanding yesterday between the hon. Prime Minister and the hon. Leader of the Opposition (Mr. Oliver) that thought would be given as to whether the hon. members would be given an opportunity to take part in the discussion. I notice now that the hour is late, and I would like to say a few words myself, in a general way, not in any way to prolong the time here, because I feel sure that most hon. members, if not all of them, are very anxious that this short Session will be as short as humanly possible, but there are a few points in the Budget I think it would be well to bring to the attention of the Government, and this is the only opportunity we will have to do it.

We are promised we will have a Session this fall, and yet there are some things at the present time that I think should be drawn to the attention of the Government, and I would like to have just a few minutes, sometime during this discussion, to say just a few words. I am not particular whether it is tomorrow or the last day, or when it is, but I



would like just a few minutes to bring some of these matters to the attention of the House.

HON. GEORGE A. DREW (Prime Minister): Mr. Speaker, I have no desire to suggest any variation from the rule that has been made, and my own feeling was, —and I raised it yesterday, — that there should be no attempt to limit the opportunity, and, in fact, no such limit existed, because under the very procedure we followed by going into the estimates we opened wide the door for discussion, and, as we will be sitting this evening, I would suggest that the hon. member (Mr. Anderson) proceed now, or carry on at eight o'clock, when we meet again.

MR. ANDERSON: Mr. Speaker, did I hear the hon. Prime Minister correctly to say that we were going to sit tonight?

HON. GEORGE A. DREW (Prime Minister): Yes.

MR. ANDERSON: I was not aware of that.

HON. GEORGE A. DREW (Prime Minister): As I indicated yesterday, the necessity for sitting in the evening depends on the course followed, and as the head of the Government I must now make the decision, if we are going to get ahead, that we should sit this evening.

MR. ANDERSON: Then I would move the adjournment of the debate now, and we will take a few minutes after we meet at eight o'clock.

HON. GEORGE A. DREW (Prime Minister): There is no occasion for a motion. The Speaker simply declares it six o'clock.

MR. SPEAKER: It being six o'clock, I do now leave the Chair.

--- The House recessed at six o'clock, p. m.

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The House resumed at eight o'clock.

MR. GARFIELD ANDERSON (Fort William): Mr. Speaker, I should like to mention the acute housing situation at the head of the lakes. I know that the housing situation is bad all over the country, but I believe that in the part of the country where I live, it is possibly worse than elsewhere.

At the outbreak of the war, indeed, for some two or three years before the war, we had a large industry there engaged in the production of aeroplanes. A large number of people came into the district to work there, and in our sister city of Port Arthur, a shipyard was opened up, and a lot of people came in there from outside places, many of them from western Canada. As mayor of the city of Fort William I am confronted day after day with young men returning from the armed services who can find no place to live, but I will mention only one case.

Three young men came to see me the other day. Two of them had been naval officers, local boys who had been away from home for five years. Their young wives were there with their families, and they had no house to move into, and I was not able to suggest any place for them. I realize that this is a difficult problem to cope with at the present time. I realize that the federal government has control to some extent over materials and labour, and yet I believe that in this critical housing situation, the province of Ontario itself, should do something to relieve the situation.



Following the last war we had a situation that was to some extent the same. We went through a period where building materials were very, very cheap, and labour was plentiful; in fact, we had large numbers of unemployed. But we did not seem to be able to build houses even then. Why? In my opinion, the answer is very simple. High taxes have already been mentioned here to-day as being one evil, and I think they are an evil. Private industry did not see a profit in building homes, particularly for those in the low income brackets. But we must realize here in Canada that whatever attitude we take with regard to social ownership, we must in this day and age, if we are going to house our people, engage in public undertaking, and we must get all governments, provincial, dominion, and even municipal governments, interested in the problem and working together to solve it, because I do not think that any one government can make the job of it that it deserves.

I am going to say a word about agriculture. This is not in the Estimates, but I mention it because it is very important. We have in the part of the country where I live, considerably fairly good agricultural land, and we have a large number of people who have left the farms and gone to work in the war plants during the war. Many of them will be unable to re-establish themselves on the land unless they get some assistance from the government. I think it is important that they become re-established on the land, because I do not think there is going to be work in the



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towns and cities for all those who have come in to them to work in war plants. To assist these men to get back onto the farm, I think it is important that the provincial government should establish something in the nature of agricultural machine depots, at least for the heavier types of farm machinery. These people who have come into the cities from the farm, and I knew many of them before the war, will be unable to buy the necessary farm machinery they require to re-establish themselves on the land, and so I say that the provincial government, with possibly some help from the federal government, should assist these men by establishing machine depots. That is not something new. It has been tried out in other parts of the world, and the time has come, I think, when we have to do it in Canada if we are going to place these men who have already had experience on the land, back on the farm.

I know that it may be said that many of these farms could be made available for men who are being discharged from the armed services, but I believe that the man who has had experience on the land and has worked on a farm before, is more likely to make a success of it.

There are other types of machinery, machinery for drilling wells, for instance, that could be handled in the same way.

There is another matter. The province should pay some attention to the establishment of cold storage plants. We have at the present time a fairly good market for most of

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all our agricultural products, but it will not be long, in my opinion, until the farmers will once again have a surplus, and in many parts they have not got the facilities to take care of these surpluses at the time they occur. I think if the government provided assistance in the establishment of cold storage plants, it would not only help the farmers but the province as a whole.

Now a word as to school grants. I think the government should be commended for making money available for the schools. That is certainly a good thing, and it will help, but that dollar cannot be made to do two different things. It cannot be used, as has been often stated, to increase educational opportunity, and at the same time lower taxation. I see by looking through the annual reports of many municipalities, that some municipalities have lowered their tax rate. In many others that is not the case, and in some municipalities the taxes have been increased, even although the government has given quite a handsome amount towards the cost of education.

There were some points brought up this afternoon in the budget debate in connection with the department of the Provincial Treasurer. I am not an expert in finance by any means, but in looking over the budget address of last March, it does strike me that we can expect an increase in taxation. I quote from page 10 of the Minister's budget address, where he said:

"We have made a very careful survey of further sources of revenue which could be derived by way of direct taxation,

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which include such as amusement tax, further taxes on tobacco and liquors, meals tax and sales tax. In taking the long view of our situation the question presents itself as to whether we should impose new taxes prior to a Dominion-Provincial conference which may radically alter the tax structure generally."

I do not know what the Minister had in mind, but I take it that he contemplated that it would be necessary to impose new taxation. If we can receive the help we are receiving now towards the cost of education, and no new taxes are imposed, we shall be very thankful. But I am one of those who have come to the conclusion that it is difficult to pull a rabbit out of a hat, and it is rather difficult to have profits in industry go to a few stockholders, on the one hand, and be able to govern a province like this without taxing the people when you give towards one purpose or another something in the nature of a subsidy, when you have to take it from some other group to make it up.

I have taken only a few minutes, Mr. Speaker, because I realize that we are here for just a brief session and that we cannot survey all the problems confronting us in the short time we expect to be here. I do believe, however, that at the first opportunity, when the provinces meet with the federal government, something should be worked out to solve the housing situation in particular, because it is very acute at the present time. I do not believe there is a member of the House, regardless of party, who would not like to see the returned men have a proper place to live with their families. We are all interested in wanting that,

and so I urge that the government take every means at their disposal to establish more homes in this province, particularly for the men who are returning home from overseas.

Motion agreed to; and the House went into Committee of Supply, Mr. Reynolds in the Chair.

MR. GRUMMETT: Mr. Chairman, I raised the objection yesterday, and I raise it again to-day that we cannot consider the estimates properly unless we consider them item by item. I think that is the only fair way to deal with the estimates.

THE CHAIRMAN: Where there are a number of items in a vote, I will call the items separately.

Item 136 (4) Fees--Legal, Professional, Investigations and Miscellaneous Services, \$5,000.

MR. MacLEOD: Would the Minister tell us a little about this item for legal, professional and miscellaneous services? Five thousand dollars looks like a lot of money.

MR. FROST: This item has been put in to take care of the expenses of investigations such as the investigation into the Paymaster disaster.

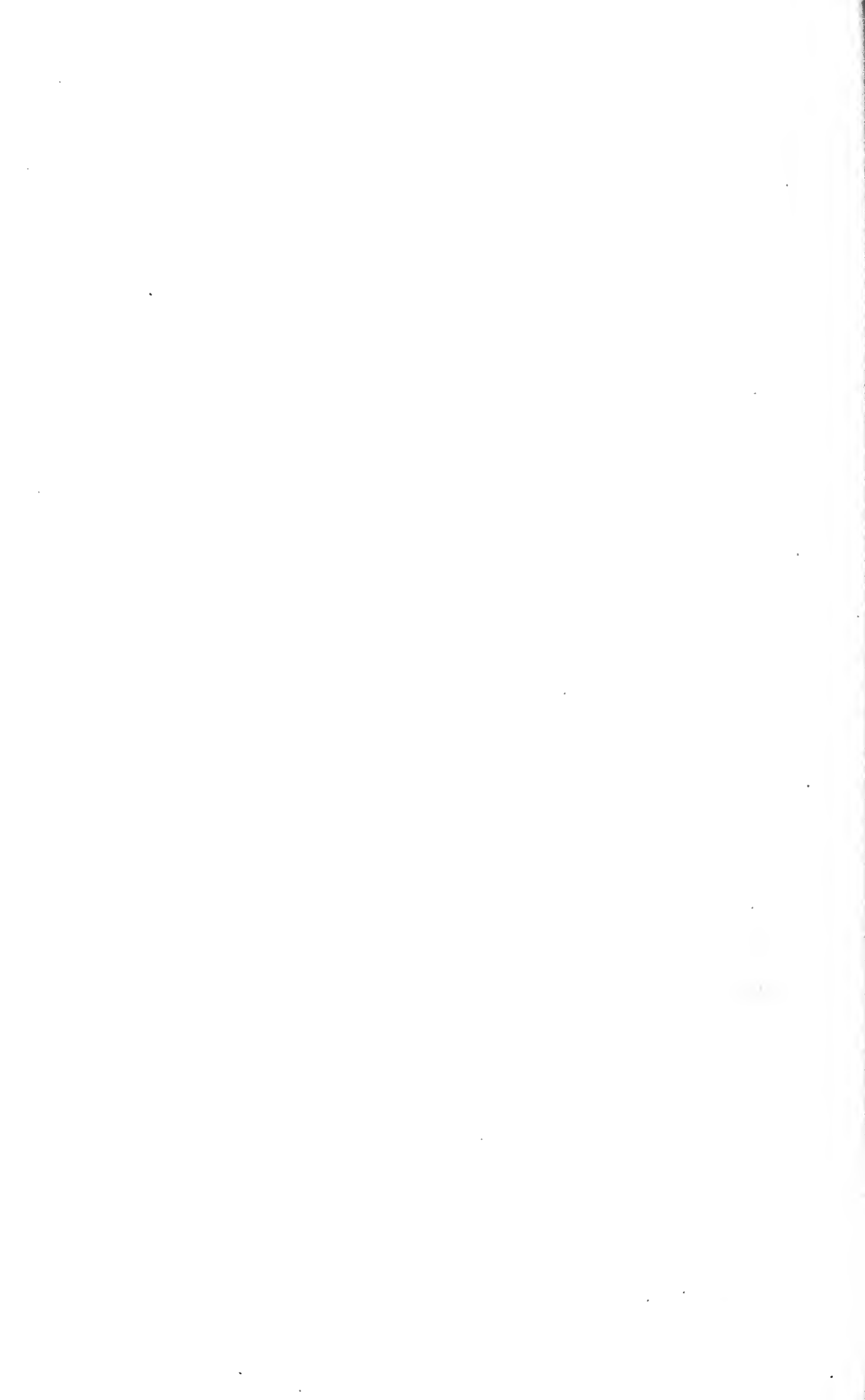
MR. NIXON: This is a new item, is it not?

MR. FROST: I think it is.

Item agreed to.

Item 141, Sulphur Fumes Arbitrator.

MR. CARLIN: I should like to say a word on Item 141, Mr. Chairman, and to have a word of explanation from the Minister. It will be recalled that I have mentioned on two occasions in this Legislature, the effects of sulphur

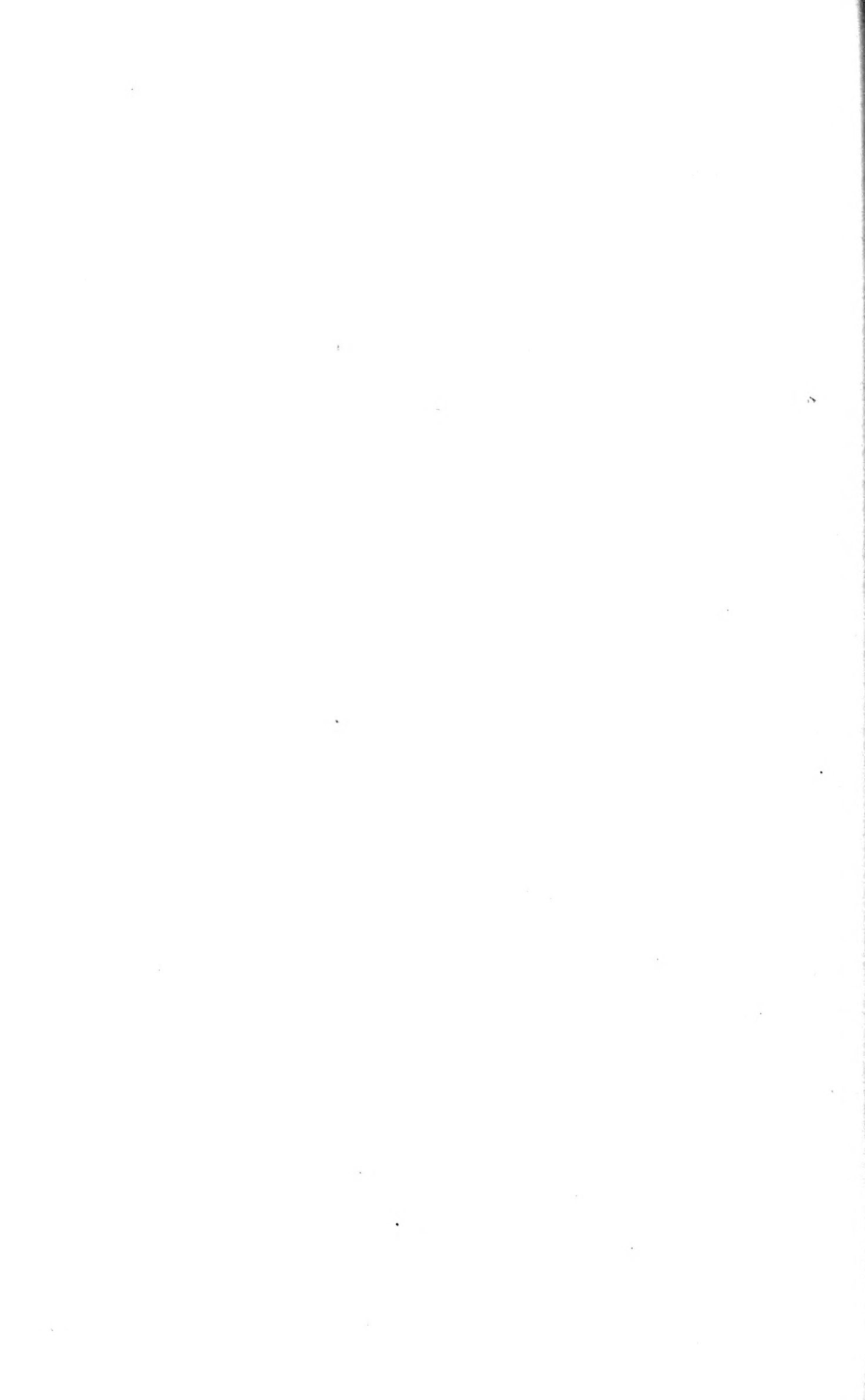


fumes in my constituency, and I asked the government last session if they were not prepared to insist upon scientific processes being installed in International Nickel such as have been installed elsewhere in the world, to eliminate sulphur fumes--for instance, in Russia, Finland, Sweden, and certain parts of the United States. Since that time I have had considerable correspondence with certain parties in the United States to see if I could ascertain whether it is really authentic that these processes are in operation there and that they have been working satisfactorily in removing the gas from smelter smoke. I find that they have been successful. I find that in Trail, B.C., for instance, the gas from the smelter smoke of Consolidated Smelters has been reduced to a minimum, I forget the exact percentage, but the gas is nothing now compared to what it was before, through the installation of scientific processes for its elimination. The first time I mentioned this matter, the Prime Minister stated this was one of the reasons why he was going to establish a scientific bureau of research. What I urge upon the government in this respect is that they see if it is not possible to have the gas removed completely instead of having a system of compensation after the damage has been done to a farmer's crop. I have attempted to get the opinions of farmers up there in the Sudbury district as to what they would consider a fair arbitration tribunal and they feel that a proper board would consist of equal representation of farmers and the International Nickel and Falconbridge Companies, say two representing the mining

companies and two representing the farmers, and that these four get together and agree upon a fifth man as a neutral. They believe that would be a fair solution of representation on the board. I am afraid that very few people appreciate the amount of damage that has been done to the farmers' crops up there, let alone what is being done to machinery, metal fences, and the topsoil itself. Talking to the farmers up there I learn that their crops are nothing to what they used to be some years ago. They believe,--and far be it from me to dispute that,--that the topsoil is disintegrating because of the sulphur fumes.

I wonder if the Minister has given consideration to either of these two matters, first the installing of this scientific process in these smelters of International Nickel, and secondly the setting up of a board on which the farmers would have equal representation with the mining companies, instead of having an arbitrator as we have now, who is very arbitrary in his opinions.

MR. FROST: I have given a good deal of consideration over a period of two years. I have visited the Sudbury area and went over the countryside there, and as I said at the last session of the Legislature, I was amazed at the productivity of that area. The Minister of Agriculture might not have been, but my idea of that area had formerly been that the country around Sudbury and Coppercliff was a rugged area in which there was not much agricultural development, but I found on visiting the area in the last two or



three years, that there is an area there of very fine agricultural land, and I believe one of the leading potato-growing areas in Ontario.

My hon. friend complained about the damage the sulphur fumes are doing, but the damage is not in any way comparable with the damage done in the days of which I had some knowledge first of the Sudbury area. Then the smelting was done by open roasting and the sulphur fumes from that process had devastating effects on the countryside. In the Sudbury area in the old days, there would not be a solitary living thing in the countryside except human beings. The foliage was taken off the trees and the land was bare and barren. But the situation to-day cannot be compared to that.

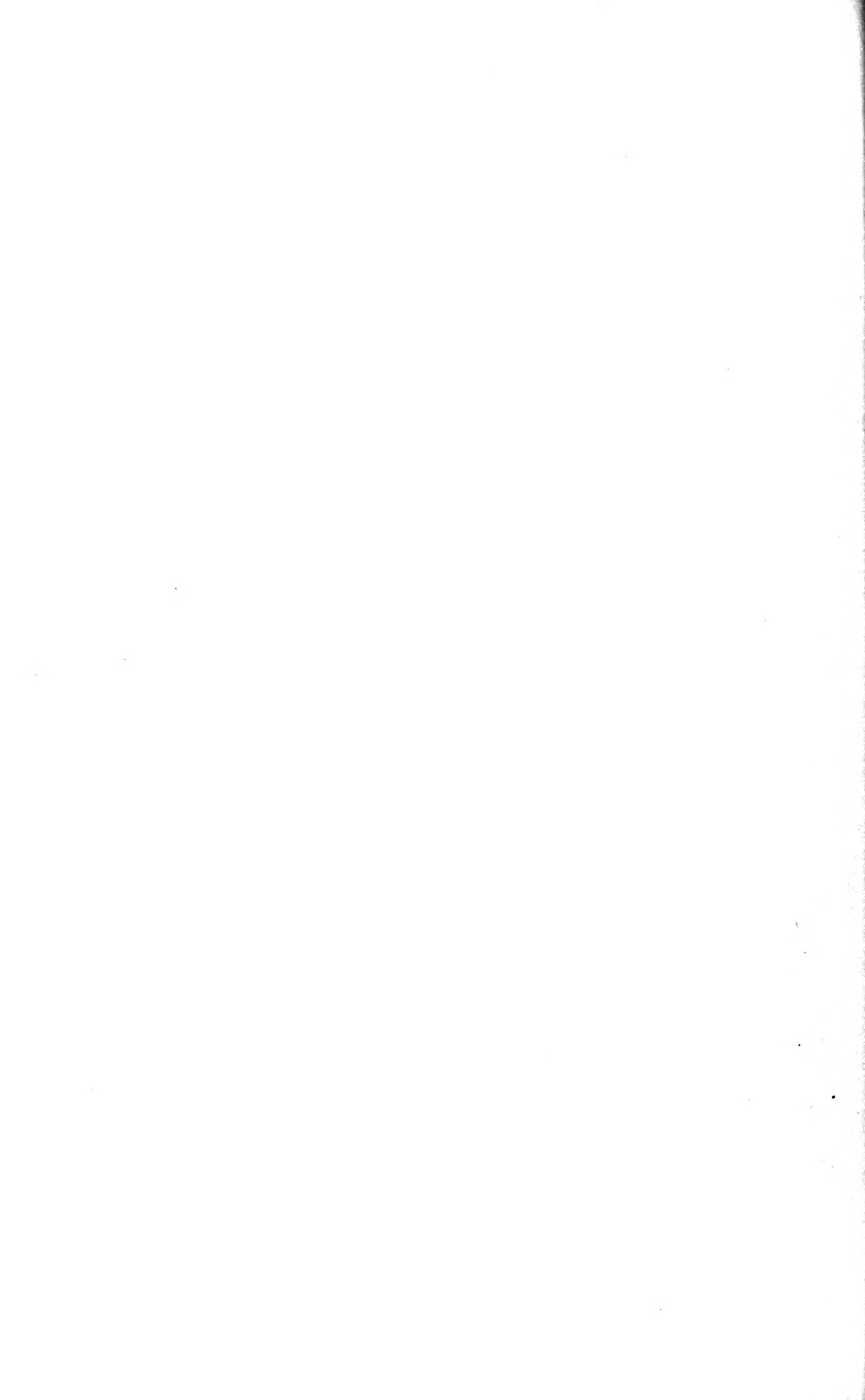
It is true that in the great development at Trail, B.C., they have the means of taking the sulphur fumes out, eliminating it as a damaging agent. In the Sudbury area you have a tremendous development, employing, I think, twelve thousand people, the last time I was at International Nickel. Some years ago they abandoned the open roasting system and built huge smoke stacks, said to be the highest in the British Empire. I do not know just what the height of them is, but they are several hundred feet high, and the smoke floats off a great distance, perhaps fifty or sixty miles away; in fact, the Department of Lands and Forests have been after us, suggesting that it may be causing damage to timber fifty or sixty miles away, and provision is made in the estimate for an investigation into that. The Sudbury area to-day, instead of being burnt out, is a magnificent

agricultural area, and I think my hon. friend will admit that the conditions that exist in the Sudbury area to-day cannot be compared with the conditions that existed previously.

Coming to the question of damage and compensation, in the old days, the farmer would make his claim against the International Nickel Company, or against Falconbridge, or whatever company was concerned, and he had to go to court and claim his case. That led to litigation and expense. The government many years ago appointed a sulphur fumes arbitrator and took the matter out of the courts altogether. The arbitrator was a graduate of the O.A.C., Mr. MacMurray, and when there was any indication of damage from fumes, he would go out and investigate. In the year 1942, 287 farmers notified the Sulphur Fumes Arbitrator of sulphur fumes damage. ~~The Sulphur Fumes Arbitrator~~ keeps records and knows the direction of the wind and all that sort of thing, and he goes out and investigates. In the year 1943, for example, farmers notified the arbitrator in 567 cases. Claims were paid to farmers who did not notify the arbitrator in 193 cases, amounting to \$10,199. 570 claims were settled in 1943 by the company without any arbitration at all. The claims arbitrated amounted to 3, and the amount paid was \$670. The 570 claims settled by the company without arbitration amounted to \$44,154. That is, in addition to the \$10,199, which was paid to farmers who did not notify. The 570 claims settled by the company without arbitration, for \$44,154, and the 3 claims arbitrated amounting to \$670,

give a total of 573 cases amounting to claims paid of \$44,824. In 1944 the number of claims settled by the company was 506. In 1942 it was 631; and in 1941, 423. The claims arbitrated in 1944 amounted to 7, 3 in 1943, 11 in 1942, 10 in 1941, and 6 in 1940. Inspections are made promptly and often on the day the notice is received. The average claim paid would probably amount to less than one thousand dollars, perhaps \$45,000 a year in all. ←

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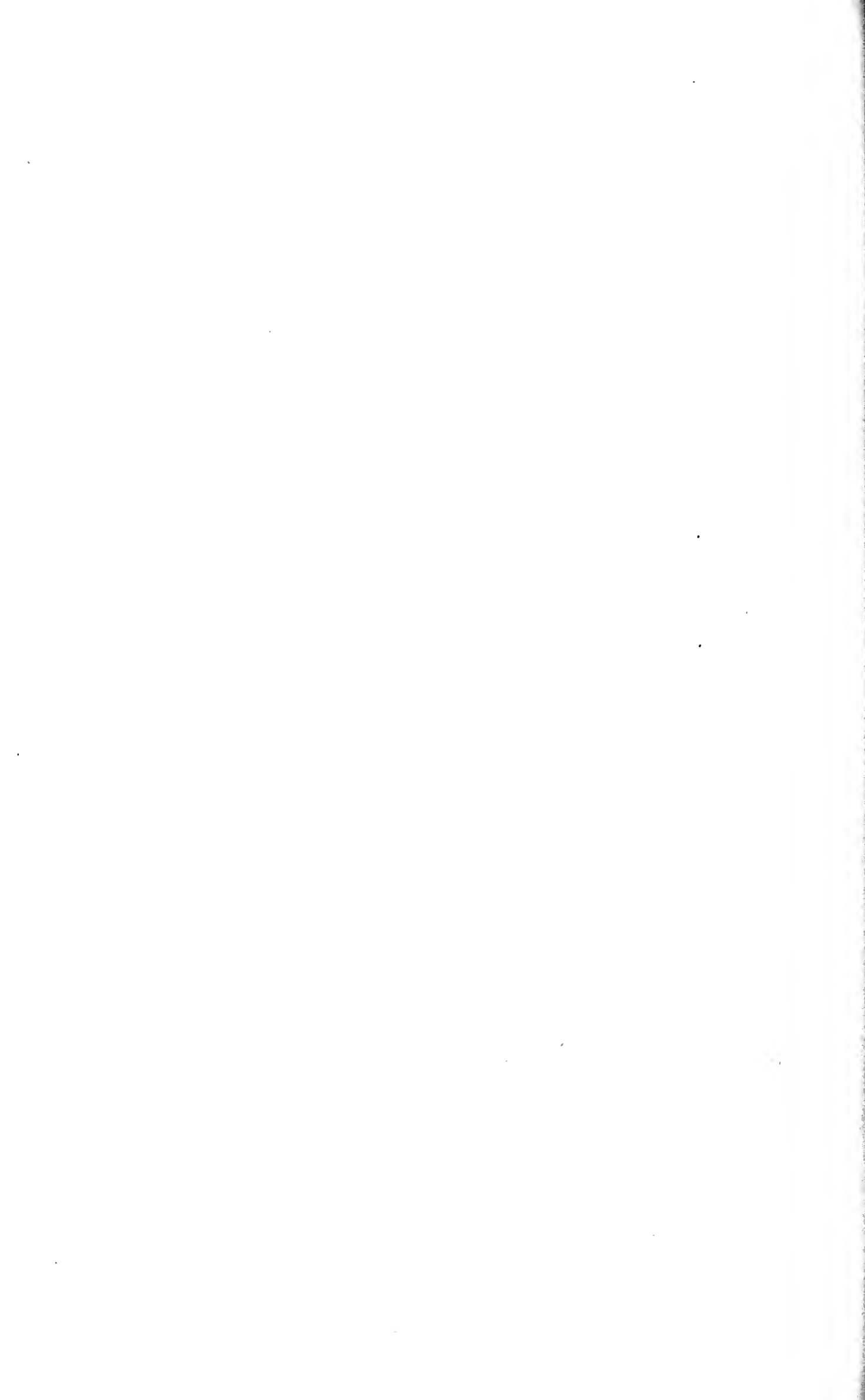
Here is the situation, I think the whole tendency of that community was, first of all, to keep out of court proceedings, and to put it into the hands of an arbitrator who would do a good job for the community in a neutral sort of way. I would say the fact that there are so few cases go to arbitration is an indication of the fact there must be general satisfaction in the community. If we were saved by a board of arbitration such as mentioned, every one of these things would be in fact litigated and you would have to have arbitrators chosen,--I suppose you would have to have machinery set up to appoint the arbitrators,--two for the farmers and two for the company involved, and I would suppose you would have to have a chairman and you would have to have four or five men sitting on the claims which amount actually to comparatively little, and any amount are being settled with great satisfaction. I know, I went up to that community,--I know you never get 100 percent satisfaction, particularly, in a debatable question such as this where there are bound to be some feelings aroused.

In looking at the question of appeal, there was some objection raised,--my hon. friend mentioned it,--the question that we appoint an arbitrator and his decision is final. This Government has always taken the position the people should not be denied their access to the court and we have extended Bills and a great number of statutes in the last few years and we felt sympathetic to the method of appeal from a dissatisfied person. As I was saying, in 1943, 570 cases settled satisfactorily, 3 went to arbitration. What we were trying to do was protect these 3 and see that they were satisfied. The difficulty was this, we may, for instance, make an appeal to a county judge. The difficulty with making an appeal to a county judge is this; on these sulphur arbitrati n cases, the matter of sulphur fumes is a



technical matter and you may get several different judges involved. For instance, there is the judicial district of Sudbury, the judicial district of North Bay. My hon. friend from Temiskaming (Mr. C. H. Taylor) said there has been some material projected in their area and we may get another judge involved, and in that method of appeal, you might get a whole host of different types of statements all bearing no relation to each other.

Our suggestion was this, that we introduce legislation to this effect at the last session, but it was not gone into because the House dissolved before the Bill could be considered in all of its stages, but we decided to have an appeal made to the Ontario Municipal Board. They are peculiarly suited for that. Remember, an arbitration before a sulphur fumes arbitrator is not a court of record, it is not a court where you have sworn evidence and that sort of thing taken, and, therefore, we felt if we were to make them to a county judge, the thing would be adding to the expense of the people going to arbitration, and if we take it to the Court of Appeal, they would probably throw it out. So, we decided to make it to the Ontario Municipal Board who have their own system peculiarly suitable for an appeal of that sort. I am hopeful, Mr. Chairman, of getting that appeal provision through and providing for these people to submit their claim for sulphur fume damages to arbitration and, if they are not satisfied with the decision of the arbitrator, then they can go to the Municipal Board. We had a discussion with that Municipal Board and we felt perhaps the Board might offer to make a visit to Sudbury to save those people the expense of coming down here on things that might be incidental to ordinary litigation. That is one of the difficulties of having an appeal to a county judge, you might



have to take some of these people long distances. The fact is, if we had a Municipal Board to take care of this situation, they could hear these appeals in the local areas where the expense for these people would be very much lessened.

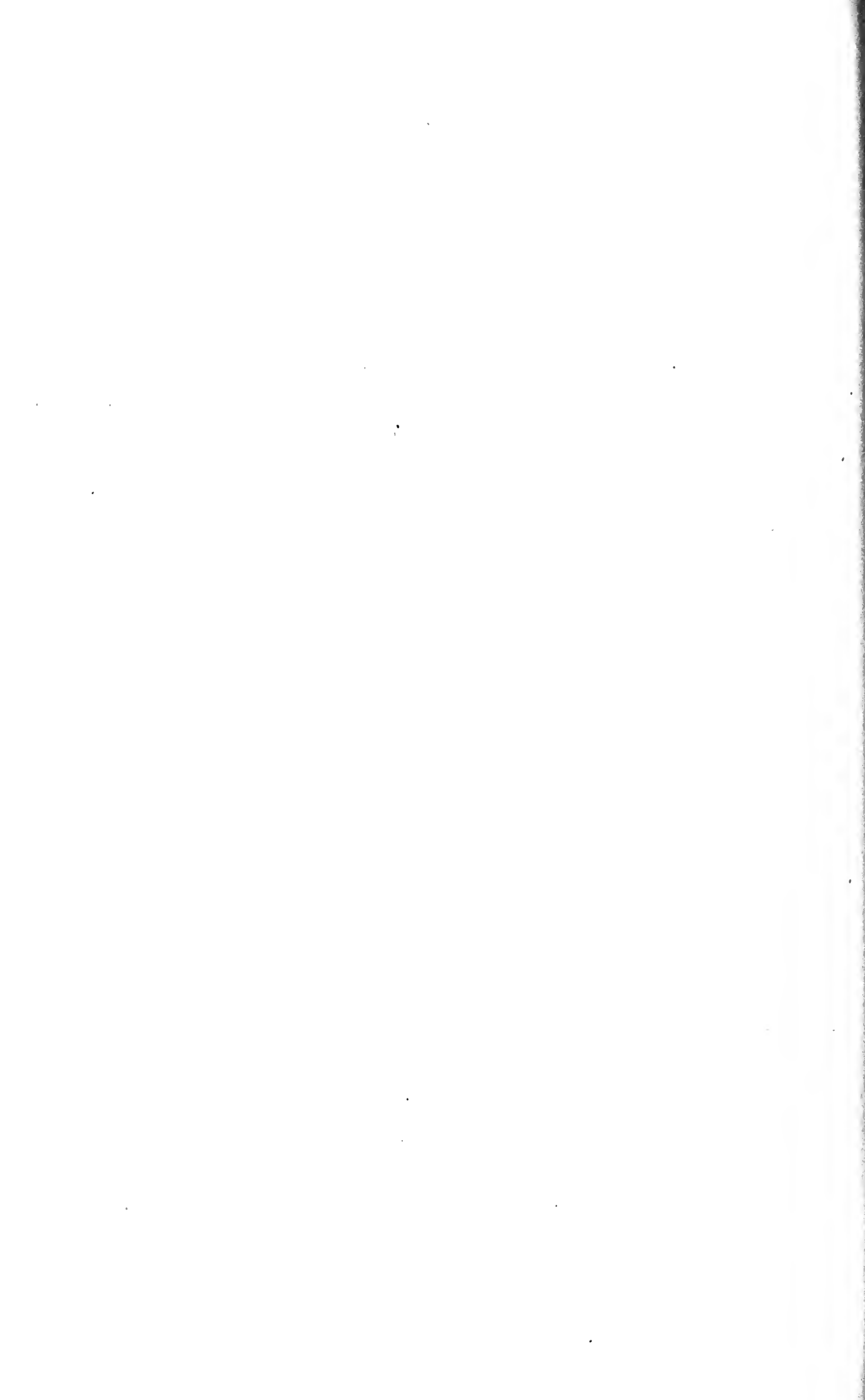
THE CHAIRMAN: Vote No. 141. (Carried)

Vote No. 142. (Carried)

Vote No. 143.

MR. WILLIAM J. GRUMMETT (Cochrane South): Mr. Chairman, I think that under this item we might have a report from the hon. Prime Minister as to the present progress of the lignite in Onakawana. We have heard rumours about part of the plant burning down and other rumours about some of the machinery slipping into the pit. We would like to know the present situation at Onakawana. I see this estimate is in the sum of \$72,000. I believe last year we voted \$110,000, and, if the project is of any value, then we should certainly know pretty soon that we will carry it on, and if it is not, why go on spending \$100,000 each year? I think it is time now to know whether or not this field will ever be developed and I believe the hon. Minister (Mr. Frost) has much more information than we have at the present time. We would like to know the present situation at the Onakawana field.

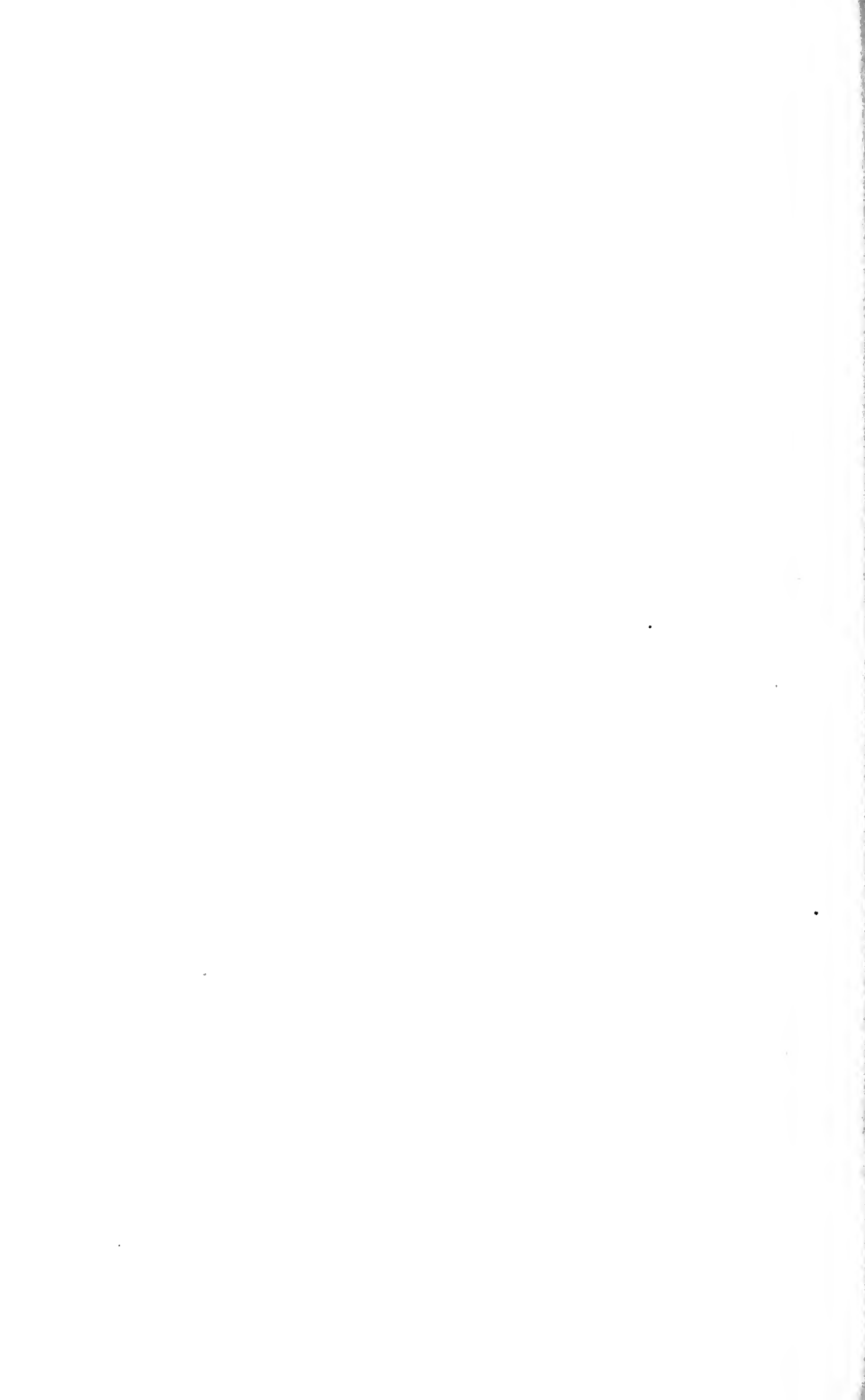
HON. LESLIE M. FROST (Minister of Mines): I was afraid somebody was going to ask that question. The lignite development, of course, is quite familiar to several of the hon. members of this House who were on the Select Committee in connection with that last year and the year before. The Committee of this House went up to the Onakawana project and saw for themselves,--and their report is available for the hon. members of this House to look over and read. I might say this, the Chairman of that Committee, the hon. member for St. Patrick (Mr. Roberts), who is not here, but he went



into the thing in very great detail. I would like to say, Mr. Chairman, as far as I am concerned, I went up there with the Committee and I went up previously and looked at the project and I read the reports which date back to 1929 and I could only come to the conclusion after seeing the whole proposition, that it was not a feasible proposition from a fuel standpoint. On the other hand, I am only one of a number of people that have looked at this affair. If you go back and read the reports of the ^{Speakman} Commission of 1929, and that report was given around 1931. They made a summary and at that time they said it was not an economic proposition, and, in my judgment, there is nothing since that time to change the basis of this statement in that report and I believe the report of the Select Committee of the House,-- and a very admirable report it was--presented at the last Legislature, I think in fact it is not under present conditions an economic proposition.

I might say to the hon. members of the House the lignite project is full of difficulties, I mean unimaginable difficulties. You might say, "Why not use it on the railway?" Well, remember that lignite, I think, takes about two and a half times the volume of a ton of coal and I think one point six tons, by weight, of lignite to produce what a ton of coal does. The result is you would have to enlarge the tenders of the railway and enlarge the fire boxes and get new rolling stock, new cars, extend the length of the engines, put in turntables, extended turntables. The result is, I think, the railway estimated to make the railway ready to use lignite, if it could be prepared, it would cost in the neighborhood of some \$3,000,000 and they ruled it out, put a blue pencil through it. That is the economic picture of that situation.

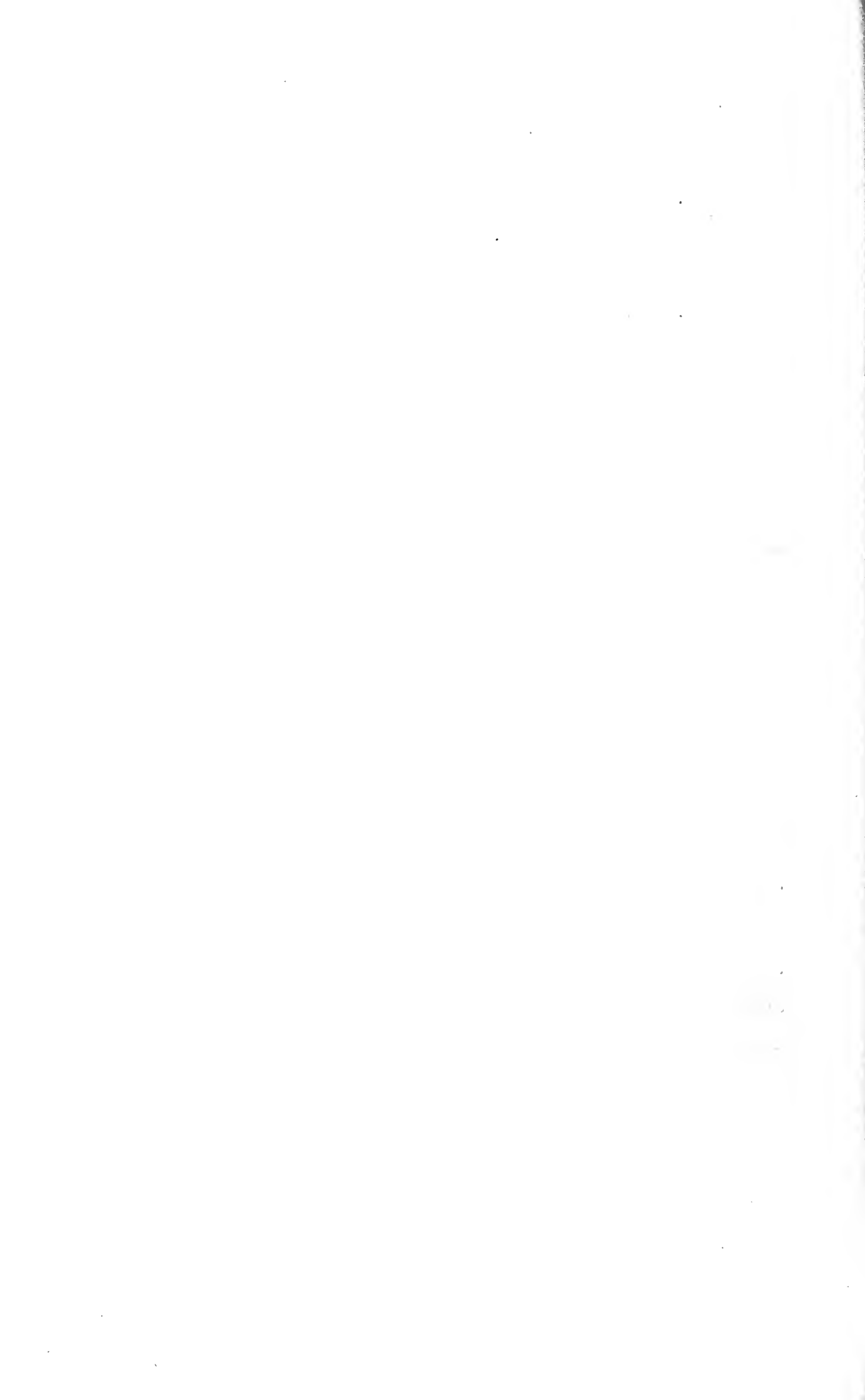
Here is the position I think the Committee found themselves



in. Over a period of years about \$1,000,000 had been spent on this proposition and in the Fall of 1943 when I went there I found a huge mining outfit erected, a large smoke stack, a big building, and expensive machinery. Remember 30 percent of this lignite is water and it has to be dried. It cannot be used in its present state, it would not be economical at all and actually the deposit itself is beneath the level of the Abitibi and the Onakawana Rivers. So, when I went up there I found here was a project erected there but they had not started to prove their mine. Some of you gentlemen know that this is not an unusual thing to have happen in mines. As a matter of fact, they start to build the mill before they prove the mine.

MR. HARRY C. NIXON (Brant): There has been a great deal of drilling done.

MR. FROST (Minister of Mines): Yes, it was not proof in the Onakawana upon which they could fall back. They made drill holes with centres 200 or 100 feet apart. There would be a drill hole here (indicating) and another drill hole over there by the door (indicating) and they might imagine the course of this seam would be level, but the fact is when they started down they found the glaciation and other things had made that seam very uneven and added immeasurably to the cost of mining it and added immeasurably to the wastage that would be in it. That stuff would be full of clay and would not burn. All of these things added together to a proposition of this million dollars put into buildings and equipment which was put there before the mine was proven as a lignite operation. I think the Committee felt themselves, they said "Here, we have put all this money into this thing, would it not be possible to conduct experiments in connection with this to see what we can bring about



and, in any event, we would have the benefit of these experiments for future reference."

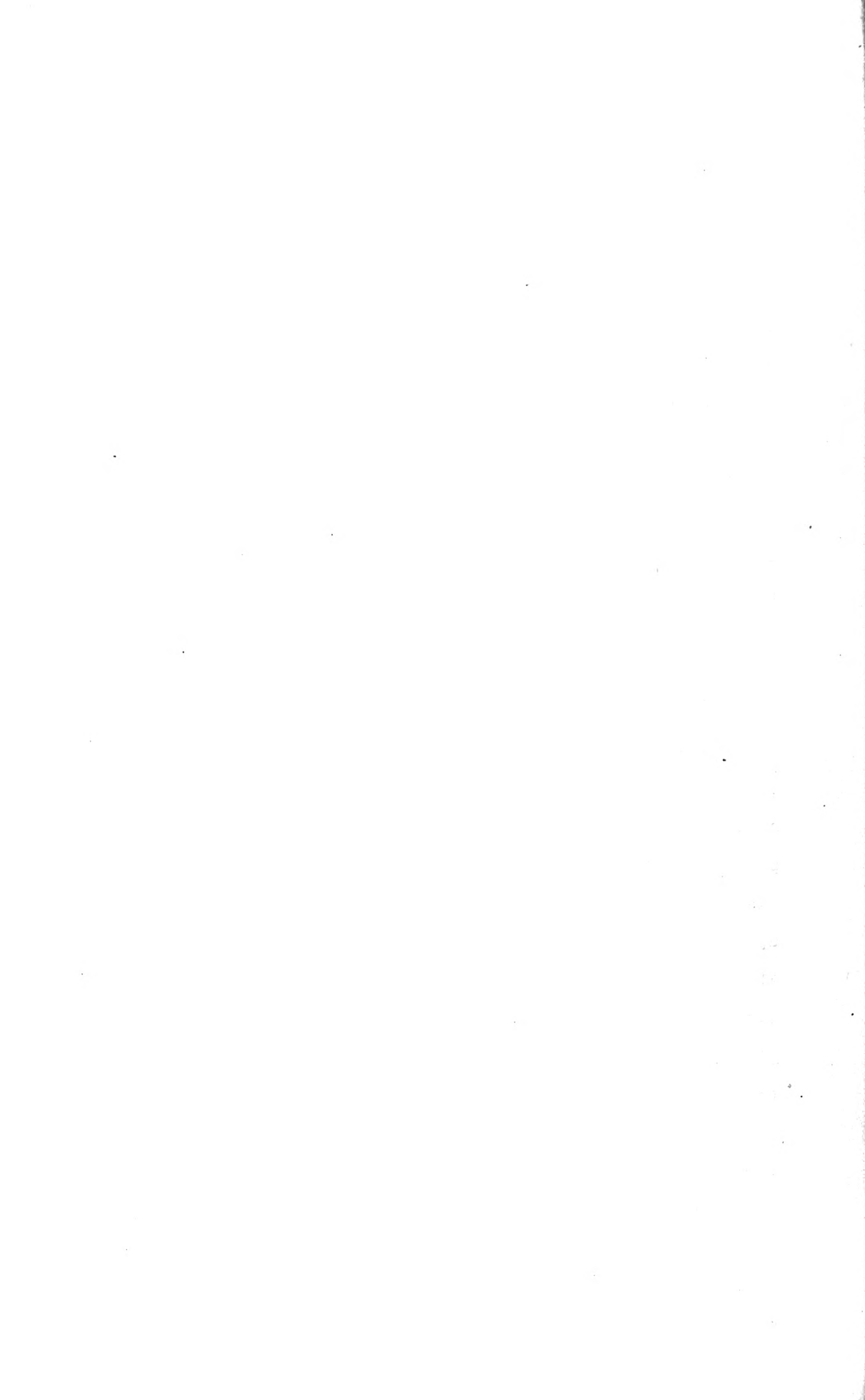
Now, that is the reason for this \$72,000 that is here. I might say, the Chairman of the Committee afterwards rather took me to task for the amount of \$72,000. He said the Committee did not intend that much money to be spent, but we could not carry out what the Committee recommended for any sum less than that. In fact, as Mr. Sinclair, the Assistant Deputy Minister of Mines in charge of this, actually asked him for more money so that we proceeded on that basis.

Now, Mr. Chairman, since the time the Committee were up there, we were visited by a fire and at the instance of the Committee we insured the buildings and some of you gentlemen remember ~~very well~~ ^{the} reports made when we insured the plant. There was a fire--

MR. HARRY C. NIXON (Brant): Did the lignite burn?

MR. FROST (Minister of Mines): The fire only did \$16,000 worth of damage. We got that, but it rather hampered operations and the result was at the moment we have a large portion of that unexpended. But, Mr. Sinclair, who was in charge of the operation, tells me it might be largely taken up in carrying out the experiments which they have in mind at the present time. That is about the best information I can give to the hon. members of the House. I would be very glad to have the hon. members here who are interested in that proposition come to the Department of Mines and look over the reports, and look over the situation. We will give them any information we have in connection with it.

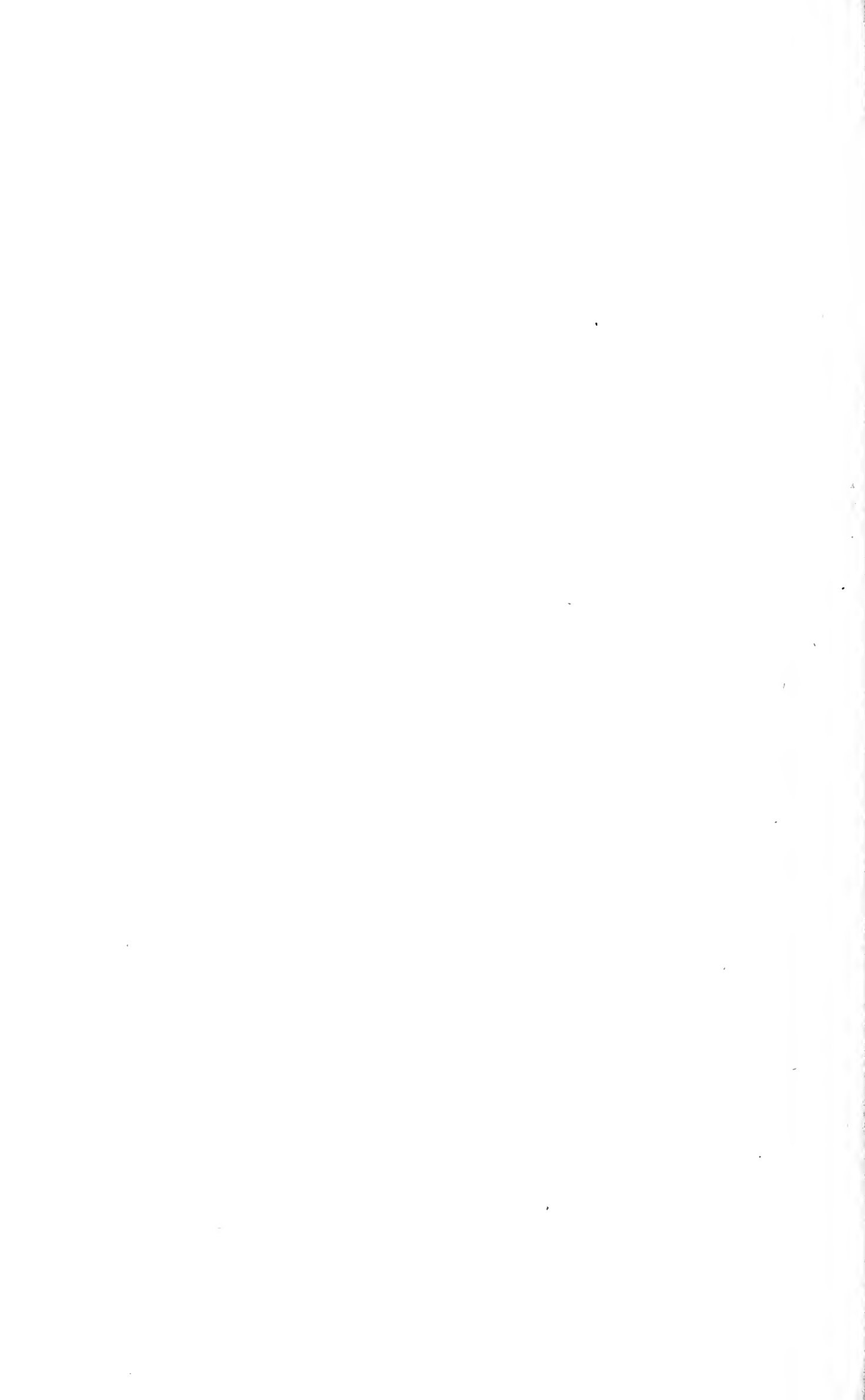
My own judgment in regard to this is I do not look at that deposit as being something you can write off. I think it is just one of those matters of development that we are wise in not pressing too hard at the moment. Remember,



these things will be of more value some day and if you press the development of natural resources beyond what is economical at the time, actually it results in great waste.

You take the iron ore deposits on the North shore of Lake Superior; many years ago they were not economic, but they have since increased in value as other iron ore mines have become depleted. I think most of the James Bay area, the Onakawana deposit, the Gypsum deposit, will all be some day of some value. It has been there for a million years and another twenty or twenty-five years will not make any difference. You leave it there as a potential asset, it will not minimize its ultimate value to the Province of Ontario. As regards this item, personally, Mr. Chairman, in response to the question of my hon. friend for Cochrane South (Mr. Grummett) I would like to take the item out, but the Committee gave very serious consideration to this matter and we want to try and carry out their recommendation. We have a lot of money in it now and we are trying to bring the experimental stage of it to some kind of an end so that we will have a valuable record. I think we should do that.

MR. WILLIAM J. GRUMMETT (Cochrane South): Having been a member of that Committee, I had no intention of giving the hon. Prime Minister the impression that I wanted the item taken out. I wanted to know just how far the expenditures have been proceeded with and the amount of work that has been accomplished, or the stage to which that development has reached at this time. You will remember, Mr. Frost, when the Committee made its report we recommended a certain amount of work proceed in order to see whether or not we could prove it. We felt, having spent \$1,000,000 we might as well spend a few thousand dollars more in order to definitely fix whether or not it could be proved as a coal field. My idea was to know if you had any



further information than what we had at the last session of the House. What progress has been accomplished in the interval? Just how far has Mr. Sinclair proceeded with developing his auto-claves and putting them into operation? What is the present status of the field?

MR. FROST (Minister of Mines): I do not think I can give an answer to these questions at the moment. I will get the information for the hon. member and any others interested in that project.

As far as the auto-claves are concerned, I think they are there and installed, but there is some other machinery that is necessary in connection with this that we will have to obtain, that is, carriers and belts that we have tried to get and we cannot get priorities to get them. All of this machinery had to be specially designed. These auto-claves that the hon. member mentions are an arrangement that would enable, by way of pressure, underneath steam pressure, to take the moisture out of this lignite by means of high pressure, steam being compressed into these auto-claves and the water pressed out of the lignite. Now, I cannot very well give my hon. friend the answers to the questions he asked as to the present stage of the experiment, but I would be very glad to get that for him and give it to him at a later date.

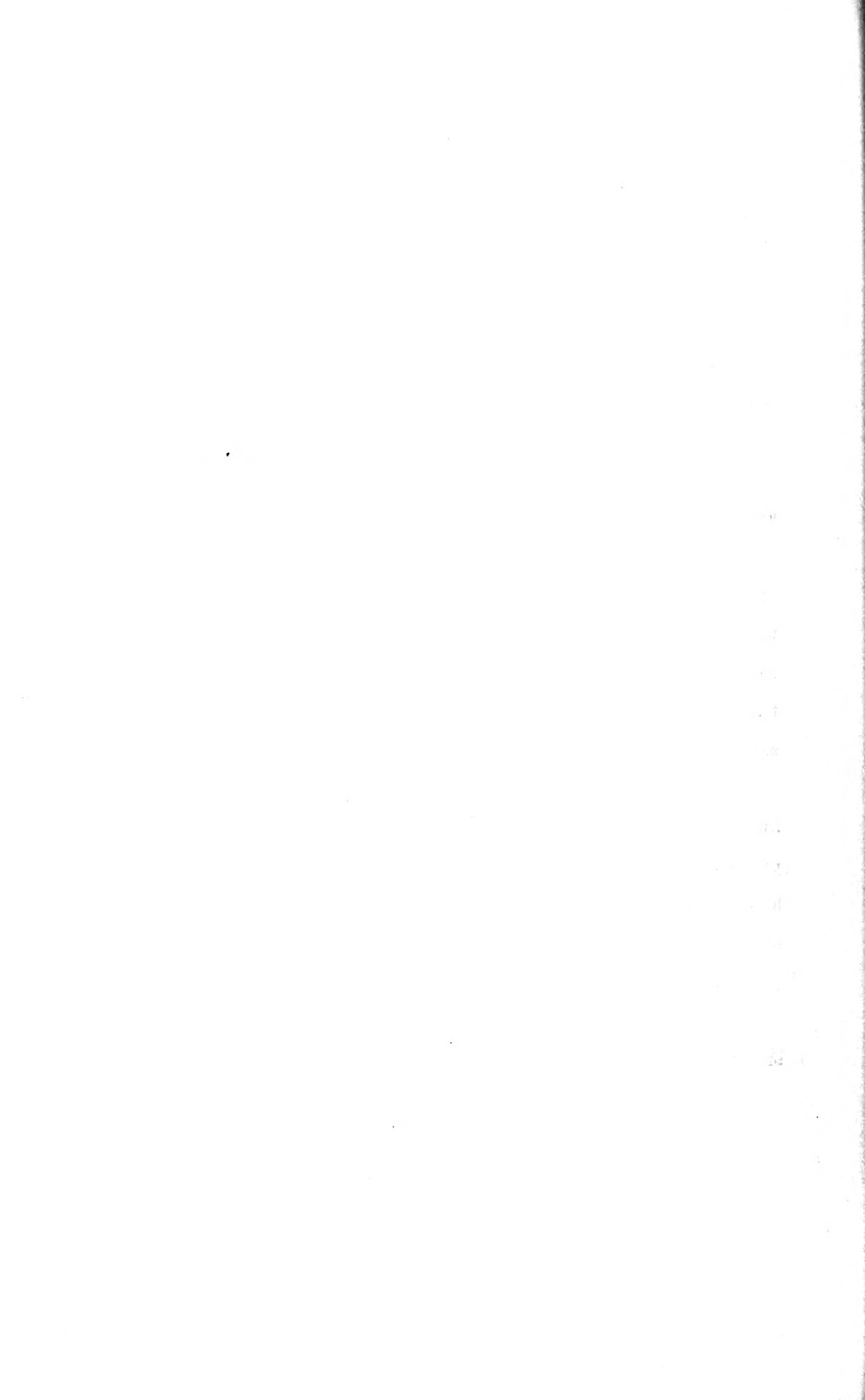
MR. HARRY C. NIXON (Brant): You have all the stuff on the ground there and work is being carried on continuously.

MR. FROST (Minister of Mines): Yes.

MR. NIXON (Brant): I suppose my namesake is out of there long ago.

MR. FROST (Minister of Mines): Yes, I think he is.

MR. J. BELANGER (Prescott): Might I ask the chairman is his department in a position to say whether something is going on regarding peat, the possible exploitation of the peat bogs?



MR. FROST (Minister of Mines): That is another question which is not covered by this particular item.

MR. BELANGER (Prescott): Just before we leave this department, what information have you on the peat situation?

MR. FROST (Minister of Mines): I looked into the question of peat and I think they are conducting some investigation from Ottawa through the Department of Mines.

MR. BELANGER (Prescott): There is some investigation going on.

MR. FROST (Minister of Mines): The Fuel Commission has been looking at that, Dr. Speakman and Dr. Langford of the Department of Planning and Development and Dr. Tolshard, Secretary of the Board of Trade. I think the work is being done by Dr. Speakman and Dr. Langford and Dr. Weston of the Research, but of course, that is another big question. There are reports in this House relative to that which the hon. member might like to read.

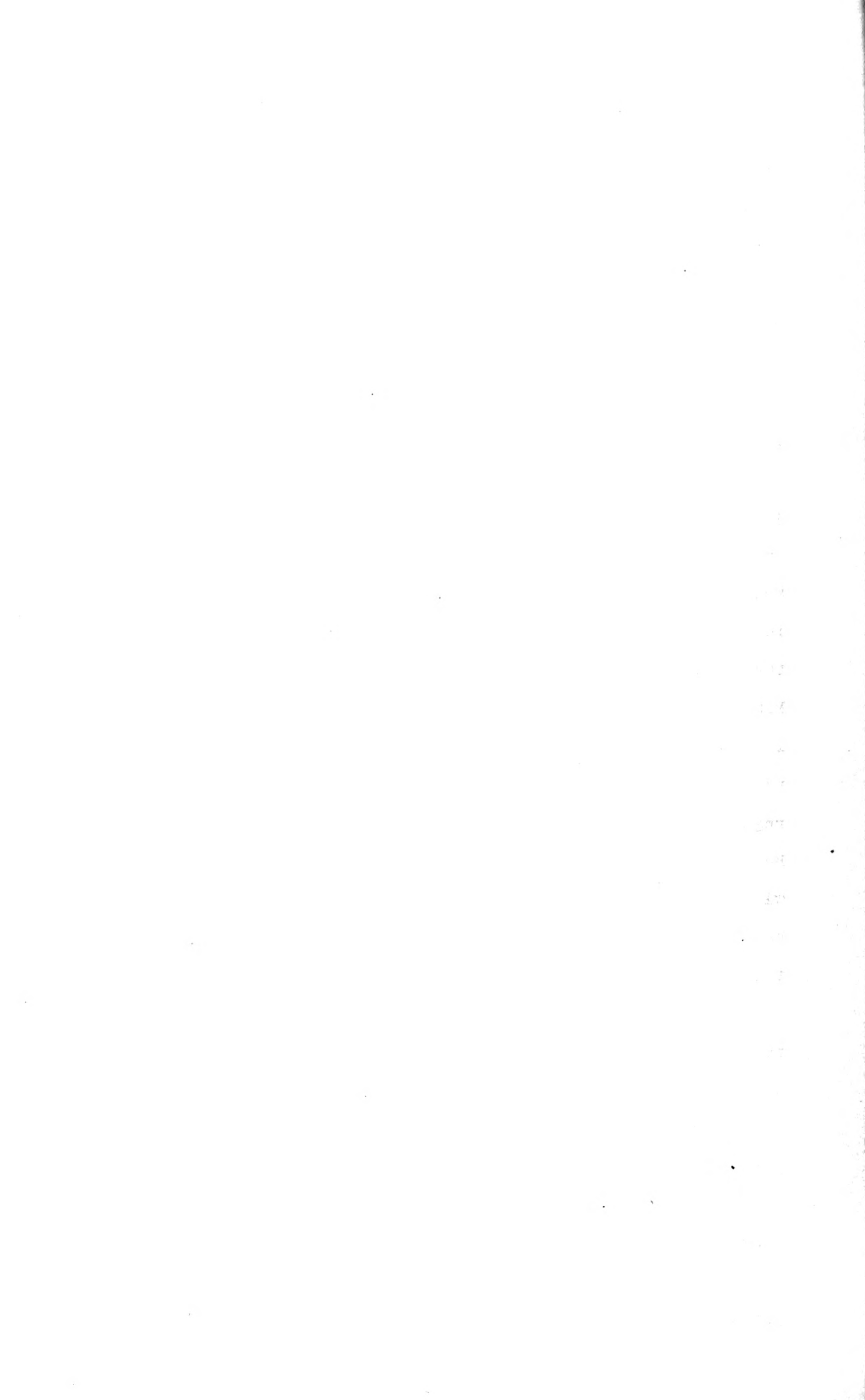
MR. ROBERT H. CARLIN (Sudbury): I wonder if I could ask the hon. Minister of Mines a simple question relative to what provisions are there made in your department for examining safety devices for mines, such as taking care of the cage if a cable was to break, such as happened at the Paymaster Mine. Why I ask that is because I know of some parties in the North country that claim they have a patented device whereby if the cable were to break they could save the lives of the people in the cage. I wonder what provisions there are in your department for testing and proving whether or not such an apparatus is worth putting in a mine?

MR. FROST (Minister of Mines): I might say the Mines Department maintains a staff of inspectors all of whom are graduate engineers. I gave the members of that staff in the House here at the last session and I think the hon. member was

here. We have that staff under a chief inspector and all of those men are highly-qualified men and men who have had experience in the Mining Industry in the Province of Ontario. As far as inspections are concerned, I refer the hon. members to the Mining Act which has regulations set out in detail in section, I think, 163, which sets out in detail what the regulations are.

Up to the time of the Paymaster disaster, we thought that we had probably the finest mining regulations in the world. They had all been revised for joint consultation between the mines, between the labour in the mines, the Department of Mines and other scientific people, and we had these regulations enacted in the Mining Act. I think they were all enacted in the year 1939 or 1940 when the Hon. Mr. Leduc was Minister of Mines. As regards the Paymaster situation, I must admit, as far as I was concerned, having read the regulations, and in my inexperience, I thought that the regulations were entirely fool-proof in that regard. But there were many things that happened in connection with the Paymaster disaster, many unexpected things happened, the unpredictable occurred and this disaster took place.

The present safety devices on cages operate by reason of a release which takes place the minute the cable breaks. Now, it has always been felt that the cable would break at the place where there is the greatest strain, that is, immediately over the cage, and the safety catches would engage and the cage would come to a stop. And, it was always felt that the break would occur when the cage was going up, when the greatest strain was on the rope, and immediately after



the cable broke the cage would come to rest before it started on its descent downward, and the safety catches would engage at that time. Instead of that, in this particular instance, the rope broke about one thousand feet above the cage, and it happened when the cage was going down. So, you had an acceleration in the movement downward of the cage, and the rope broke one thousand feet above the cage. The weight of that rope one thousand feet above the cage, and with the cage falling, that would prevent those dogs from engaging and before the dogs did engage the cage had attained a speed which made it impossible for anything to stop it, and the dogs simply tore the channel to pieces. The cage ultimately gained great momentum and crashed on the bottom of the shaft killing sixteen men.

What we have done is this; first of all, we looked at the situation critically. We wanted to find out where we were in error, whether we could possibly remedy the situation. Now, if we take our own men from the Mines Department they may be sitting in judgment on themselves, and if we take the Mining Industry, it may not satisfy public opinion, although we have the finest mining engineers in the north country available anywhere in the world, and I am satisfied we can get some of these men with the greatest experience, who, no doubt, know more about shafts, and hoists and lifts, than any other people in the world.

However, what we decided to do was to get efficient miners and we went to the Toronto University and asked Dr. Young to sit on a committee. He is dean of the Department of Mines. He sat up on a committee, assisted by Dr. Pigeon and a number of other experts on the operation

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of mines, - I think there were five or six of them altogether,-- and they then asked everybody for information. I might say, the hon. member for South Cochrane was asked for his co-operation in this disaster because it took place in his riding, and he was good enough to give us the names of some men there who were experts on hoists who might be consulted. I believe those gentlemen went to the area and discussed this thing impartially with everybody.

In the meantime, my hon. friend from Sudbury (Mr. Carlin) mentions the possibility that someone else might discover the cure for this thing. I have been very much interested in this, and I noticed at the time of the investigation some young university student over here had received praise for inventing an electronic device to keep the ropes in test, which was, I suppose, a chart to show the strength of the rope from time to time. We have here in the Mines Department a huge rope testing machine that can break a rope up to a million pounds in test. The hon. Minister of Public Works (Mr. Doucett) objects to it because, he claims, it shakes all the surrounding country when it is in operation, but we have it there.

(Page 135 follows)



But we had, the other day, one of the well-known mines in Northern Ontario submit to us a proposal whereby the safety device would operate as a brake. Instead of something that would engage and stop the thing abruptly, it would operate as a brake, and we have been much interested in that, and the Committee have looked it over, and the Department of Mines' officials have examined it, and now the mine is installing that particular arrangement in their mine, with the idea of testing it out under actual conditions. That is about the fullest information I can give the hon. member at the present time.

MR. GRUMMETT: I believe Dean Young will present a very valuable report when he has finished his investigations. Would it be possible for us to obtain a copy of that at the next Session?

MR. FROST: Oh, yes.

MR. GRUMMETT: I think it would be very interesting to those of us from the mining area.

MR. FROST: We will be very glad to do that.

THE CHAIRMAN: Item No. 143.

HON. GEORGE A. DREW (Prime Minister): Department of Highways, page 59.

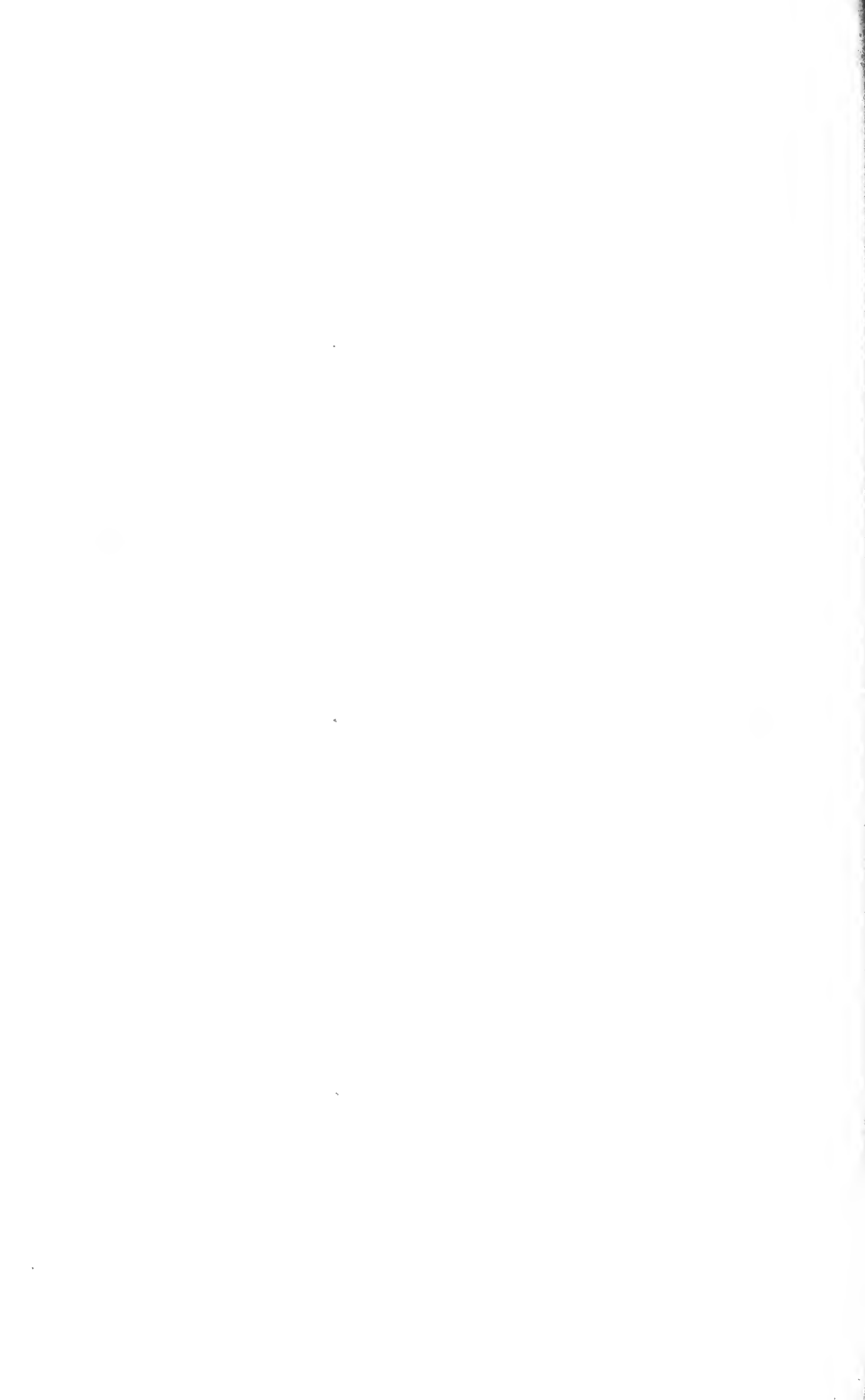
THE CHAIRMAN: 107; item 1.

Item agreed to.

THE CHAIRMAN: Item 2.

Item agreed to.

THE CHAIRMAN: Item 3.



Item agreed to.

THE CHAIRMAN: Item 4.

Item agreed to.

THE CHAIRMAN: Item 5.

Item agreed to.

THE CHAIRMAN: 108; Items 1 and 2 agreed to.

MR. NIXON: Is that Item 2, Mr. Minister, the annual contribution that will be made indefinitely?

HON. GEORGE H. DOUCETT (Minister of Highways): Yes, that \$12,000 was made some time ago in lieu of the property which the Department took over at the building of the Niagara Falls Bridge and the property in the city.

MR. NIXON: For what length of time is the arrangement made?

MR. DOUCETT: To compensate for the property, - all the time, yes.

THE CHAIRMAN: Item 109.

Item agreed to.

THE CHAIRMAN: 110.

Item agreed to.

THE CHAIRMAN: 111.

Item agreed to.

THE CHAIRMAN: 112.

Item agreed to.

MR. ANDERSON: Mr. Chairman, I would like to ask the hon. Minister a question. It is not immediately under discussion, but it is in his Department. The question is, To what extent

is the Department prepared to help what you might term rural municipalities, in paving the roads? I am not talking about a situation within the limits of a town or city, but what you might term rural municipalities?

I have in mind, as a matter of fact, the border line just adjoining our little city, between us and the township of Needham, and I thought this was an opportune time to find out if in paving that borderline they might expect some help from the Provincial Government.

HON. GEORGE H. DOUCETT (Minister of Highways): Mr. Chairman, I might say that as far as rural municipalities are concerned, we have a system which has been carried out. The minimum is 50%, which we pay any municipality, and then they are paid a subsidy according to their assessment and the road mileage, and in the north country some of the municipalities paid as high as 70% or 75% of whatever money the municipality decides to expend, after approval by the Department.

THE CHAIRMAN: 112 is carried?

MR. NIXON: You are providing for a new market again next year?

MR. DOUCETT: Yes, one, - a single market.

MR. ARMSTRONG: Mr. Chairman, I would like to ask the hon. Minister of Highways (Mr. Doucett) if he cannot stretch this money a bit, and get us back our highway office in the district of Parry Sound. Have you any intention of putting it back? I think the hon. Minister was probably ill-advised when he took it away. There is a good-sized population there; the area is about

6000 square miles, and I do not think they are saving any money, and I would like to ask if it was just a temporary measure, taking it away, or do you intend to leave it as is?

MR. DOUCETT: In reply to the hon. member for Parry Sound (Mr. Armstrong) I might say I was not acting on any ill advice, I do not think. I took into consideration the matter of closing the Parry Sound office, and had gone into all phases of it before it was closed.

I had made a statement some time previous to that that it was my intention to keep the service of the people of the province of Ontario as efficient as it was heretofore, and, if at all possible, to make as much saving as I could in the Highway Department. We did not only close the Highway Office at Parry Sound, but we made many changes in the patrol system and maintenance system of the province of Ontario, which has made a showing of over \$300,000 saving to the people of the province of Ontario, and, after the office had been closed for some time, I am informed by those who are in close touch with it that the service in that territory is just as good as it ever was before, and the efficiency of the maintenance of roads is not impaired, at all. If that condition continues, we will not consider re-opening it.

I might say to the hon. member (Mr. Armstrong) that it is only a policy which has been carried out over a period of years. As roads become built, some of these services are not necessary; in fact, in the town in which I live we had a district office there a number of years ago, and as the

Highway Department progressed it was closed, and I would say that our services and the efficiency of road maintenance is just as good as it was during the time that office was there.

It was moved, at that time, to the town of Brockville, and later they found, as the roads became paved and developed, that it would be advantageous to the people of the province of Ontario and to the Department of Highways to close that office, and move to Kingston.

I am just pointing that out to show that in the days gone by they had many of those offices, and we can operate now with less and with a great saving to the people, and I think the people of the province, and the hon. members of this House, will agree that is the right policy to follow, - that is, to get the most we possibly can for our money.

MR. ARMSTRONG: Would the hon. Minister (Mr. Doucett) mind checking that up? You say the roads are as good as they were. I think they are not. Under the system now, the same engineer looks after the district of Parry Sound as Muskoka, Ontario. I think you will surely agree that is a very great area. The northern end of it is looked after by Nipissing, and that is a big enough job for one man to do. I think you will find it is better to have the district of Parry Sound separate, the one in Muskoka separate, and the one in Nipissing separate.

Now, in the old days of relief work, we had on the road to Parry Sound and Sudbury anywhere up to one thousand men. I anticipate --

MR. DOUCETT: We are not going back to that.

MR. ARMSTRONG: I think before very long you will have to put these men back to work again. Our defence plants, up there, are closing down, and are practically closed, and there is nothing for these men to do. You will certainly have to go ahead again as you did in the old days.

Do you mean to tell me that you can run that whole project from a highway office either in Nipissing or Muskoka? I would like the hon. Minister (Mr. Doucett) to think that over. If the hon. Minister does not mind, I would drop over to his office, and I would like to see what the savings are.

MR. DOUCETT: Of course, you are talking in the future, when you are anticipating you are going to have relief again, and I am talking about the present, and that is what happened all over the province of Ontario; many of the offices were closed, and were never re-opened.

When we come to the day when we are getting into heavy construction in the north, it may be necessary to open an office at some point, and at that time we will be glad to open the office where it will be the most convenient to serve the purpose, but at the present time the division is divided between the North Bay Division and the Huntsville Division, and as far as I can find out from our engineers, and those working in the Department, it is working out very, very satisfactorily, and I might say that the people from your own town, who waited upon me at the time this office was going to be closed, when I showed them the set-up we had in mind, agreed that while they hated to see the office leave Parry Sound, they thought it was a move in

the right direction.

MR. ARMSTRONG: I am glad to hear that, because the people who came down to see you said they could not get any satisfaction from you, at all.

MR. SALSBERG: May I ask the hon. Minister of Highways (Mr. Doucett) if he will enlighten the House now, or at a later hour or day, on the postwar projects in connection with highway work.

During the election campaign we heard a great deal about the millions of hours and the hundreds of millions of minutes of postwar work that is lying in wait for the people of this province. I have been asked a number of times, — and I am quite sincere when I ask this question, — Is there a plan available anywhere prepared on the projects that will be put into operation which will provide these astronomical number of hours or days of labour? If so, could it be made available to the House? I, for one, do not know the highway, or where, or the exact number of days or hours of labour that will be provided; all I know is that figures were thrown all over the province, and "9000" became "9,000,000," and nobody knew whether it was hours or days, but there was a great day coming in so far as road-building was concerned. Can we know what and when?

MR. DOUCETT: Yes. It will be just as was said. I might say to the hon. member for St. Andrew (Mr. Salsberg) that it was not at the time of the election that the statement was made regarding highways; it was made in this House in the Throne Speech in 1944, and again in 1945, with regard to the man days'

labour.

Now, as to bringing to the House the plans and profiles, well, we would have -- I don't know just how much, but we would have many hundreds of yards of them, and I do not think you would understand them if they were piled here, but I want to tell you this --

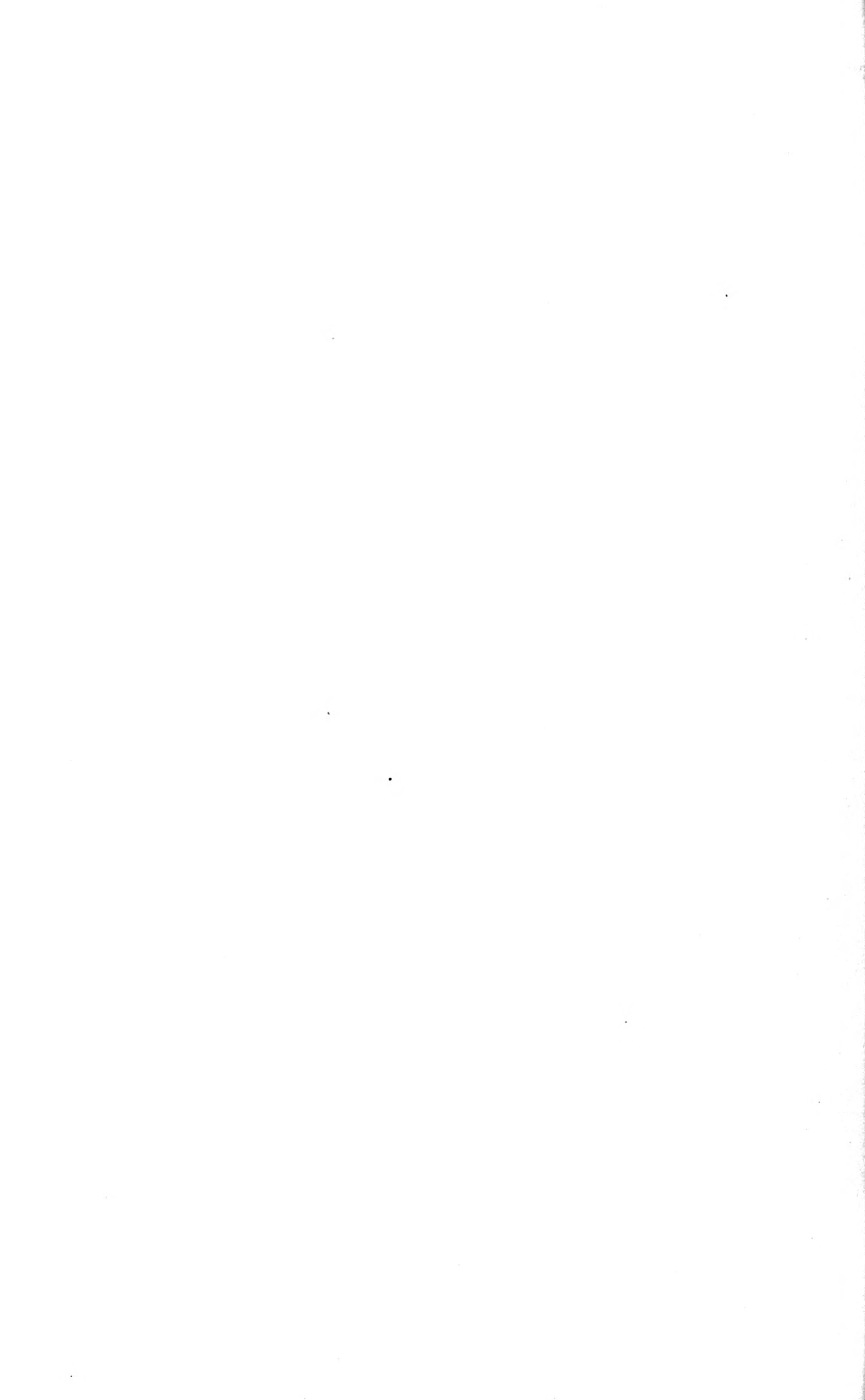
MR. SALSBERG: Mr. Chairman --

MR. DOUCETT: I have the floor, if you don't mind. Please give me a chance --

MR. SALSBERG: You also have the highways. Give somebody something:

MR. DOUCETT: I was about to say that we set out to develop postwar plans, and we have plans, and very extensive plans, for postwar work, and I think I said in this House last year that in all those plans we had not forgotten any part of the province of Ontario. As well as developing plans for the King's Highways, we have encouraged and assisted the counties and townships throughout Ontario, and also have not forgotten those unorganized sections of Ontario that are in need of further development in their highways.

Now, as to when this developing will be done, I think that I have been very fair in that. I made many statements before there was any thought of an election. I was across the province of Ontario, and met with all the county councils in the province, and the unorganized municipal districts. I told them what we had in mind, and what we were going to do in the way of assisting them, and there was a time when this work would be done, that we



were anxious to get value for our dollars, and that time would be when labour would be available. I cannot tell you the night, — and I do not think there is any man in this House could tell you, — when there will be one thousand men or five hundred men available to do highway work.

I made a statement very recently, — probably you saw it in the paper, — where it was my intention to give every possible assistance we could this year to agriculturalists of Ontario, and I notified every division office and every superintendent in charge in Ontario to let every man he had in his employ go to the farms for work if he would do so voluntarily, to help the farmers. That was done last year, and I might say within a short time of notifying our divisions over four hundred men volunteered to go to farm work, and it is happening again. Every day I am getting requests from farmers to see if we cannot let some of our highway men off for farm work. So whether we wanted to start into any huge highway programme to-day, or not, I do not think we could get help, but when the help is available we have our plans ready, I assure you, and they are developed and profiled, and everything complete, ready to go.

MR. SALSBERG: Mr. Chairman, I can understand we can afford, occasionally, to be a bit humorous about it, but I do not think the hon. Minister (Mr. Doucett) was justified in saying that hon. members of this House would not understand. I am not a member, here, seeking any special highway extensions. I, like most other hon. members in this House, am anxious to know what the postwar highway construction programme of the



Government is; that is all. I am not asking for details, and I made it clear I did not ask for a detailed answer. I do want to know, — and I am certain that many other hon. members would like to know, — what the plans on a province-wide scale are, and I see nothing wrong in having such a plan presented to the hon. members of the Legislature, so that each one of us will be acquainted with the general outline of the plans and as to what highways will receive first priority, and so on.

I think the hon. Minister (Mr. Doucett) and the Department can prepare something like that, and put it in the hands of the Legislature, so that it will become our property. I have no special axe to grind, but I am seeking information, and I think every hon. member should be able to impart such information to the citizens who ask about this postwar project.

MR. DOUCETT: I might say to the hon. member for St. Andrew (Mr. Salsberg) that I endeavoured to answer him in saying I think the plans are quite adequate, and I tried to point out that it would be utterly impossible to give him a plan for the whole province of Ontario or to tell him just exactly what is going to be done, because just a few minutes ago the hon. member for Parry Sound (Mr. Armstrong) mentioned what happened in that section.

We have plans for the first, second and third years, and so on, but it is quite possible that instead of developing some of the roads in Eastern Ontario or Central Ontario, there would be a greater amount of unemployment, or men needing employment in some other section of the province of Ontario, and we might

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turn to that section and develop it first, in order to give employment, and yet leave them within reasonable distances of their homes. That is what may happen. No person knows exactly what roads will be treated first.

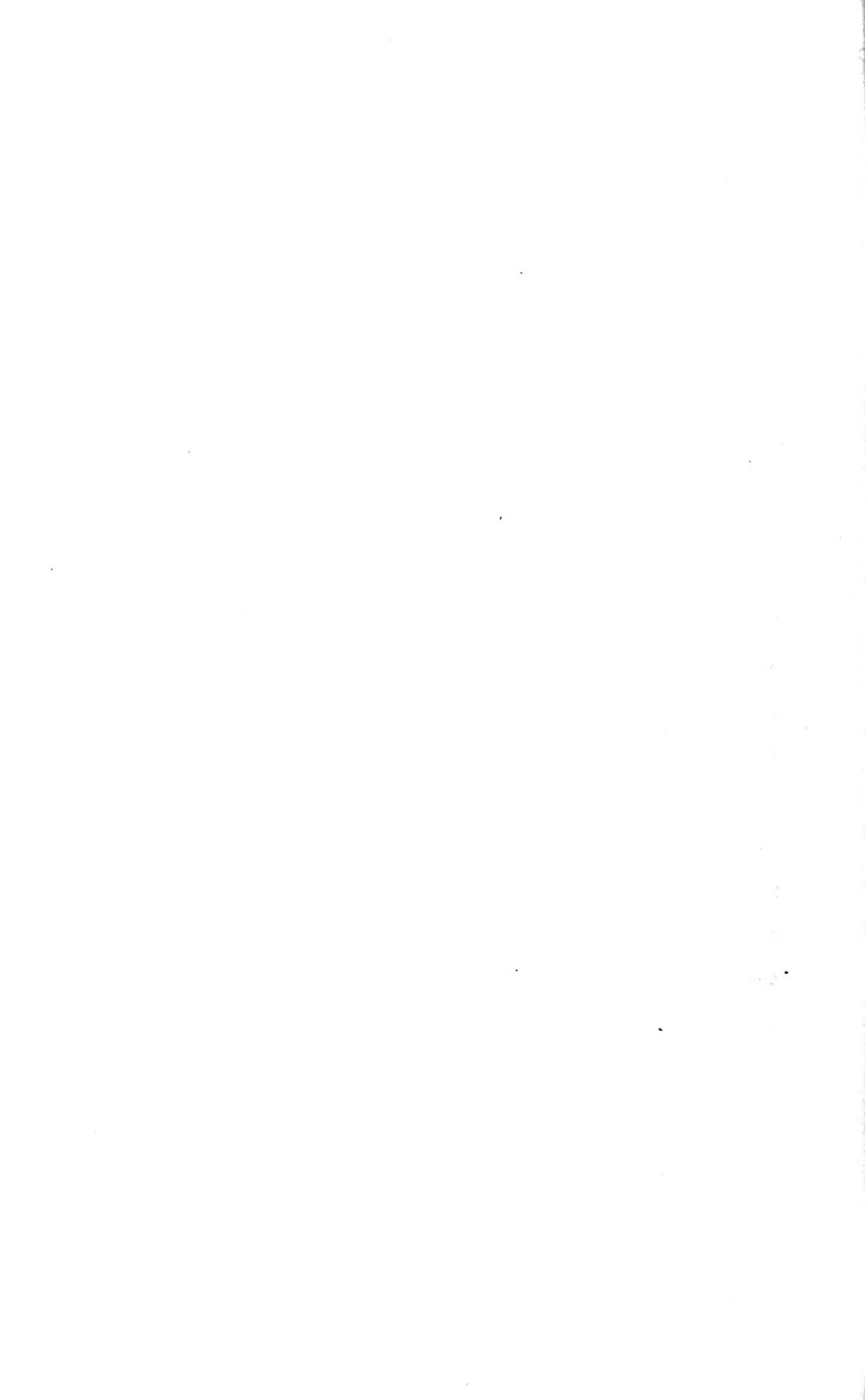
I may say that our plan is, first, to bring back the roads which have deteriorated during war time, and to fill in connecting links and gaps which were left incomplete when the war started. That will be our first move, if the plans are not changed.

MR. WILLIAM H. DOCKER (Kenora): I have a programme here in my hand in connection with Division No. 20 of the Kenora district. Most of the hon. Cabinet Ministers were up and around my territory, and they realize we surely need roads, a great many roads. The total amount shown here, on this document, comes pretty close to \$2,000,000.

MR. DOUCETT: That is only a starter.

MR. DOCKER: Just a minute. This is a proposed first-year postwar programme, as prepared by Mr. W. B. Hutchison. I got it from the Department of Highways. However, as I say, the northern district needs roads, and it is a country where we can create jobs when the jobs are necessary, and that time is not very far off.

We have part of the country north of Kenora, the Red Lake District, that is isolated, and they cannot get into it unless by plane, and you all realize how expensive that is, in getting into it. We had quite a disaster up there lately, and we were promised a Red Lake Road --



MR. DOUCETT: When?

MR. DOCKER: Just during the last election. The fact of the matter is there is an editorial, or an open letter, written to Mr. Docker by, no doubt, the interests of the defeated candidate, telling me that I was to come down here and fight for all these things which you have promised. I believe, personally, you are sincere --

HON. GEORGE H. DUNBAR (Provincial Secretary): What was Peter Heenan doing all those years?

MR. DOCKER: I am not worried about Peter Heenan. But, joking aside, I got this from the Department, and I would like to know if this is authentic, Mr. Minister.

MR. DOUCETT: The hon. member for Kenora (Mr. Docker) mentioned the Red Lake Road. It is quite natural that things might get into the papers, but I cannot see how any man could go up there and promise a road to Red Lake, because I have been contacted regarding the Red Lake Road at different times, and I do not think that was any intended promise, whatever, as far as I know.

I have gone into the matter of the Red Lake Road, and I was up in your territory, and met you when I was up there, and a deputation waited upon me, and I was most frank with them when they discussed the problem of the Red Lake Road.

MR. DOCKER: Is this report authentic?

MR. DOUCETT: I cannot tell you from here.

HON. DANA H. PORTER (Minister of Planning and Development): Is it on Ontario House stationery?

MR. DOUCETT: I say this, that the gentleman you mentioned had no authority to hand out any postwar programmes, and so I do not know what it is. It may be some Santa Claus, which was developed up there.

We have a very extensive postwar programme prepared for your division, I may tell you that.

MR. SALSBERG: I am sorry to rise again, but I want to ask the hon. Minister (Mr. Doucett) if he will give a straight answer "Yes" or "No". Is it possible to present to the Legislature, at your convenience, a general plan for postwar highway construction? I do not suggest that that includes dates or preferences, but could we have a plan, we will say, that will say, "We will extend the highway to the Quebec border," or, "The Sudbury-Timmins Highway," or "The Red Lake Highway," and so on and so on, that all these projects have been studied, mapped, and approved, and they will be put into operation at the proper time? That is all. Can we be acquainted with that plan, or must we accept your statement that you have a plan, that it is a very good plan, but we cannot even see it?

MR. DOUCETT: Mr. Chairman, that statement is quite unfair. I have been most courteous to any hon. members who came to my office and discussed the different plans for their different sections. If I was to bring to this House the plans that are prepared, we would have such a pile of plans here that I do not think these hon. members would even be interested in looking them over. They are interested in



their sections, and we have plans developed in counties and in districts and divisions.

MR. NIXON: Mr. Chairman, there was one road that was designated as the "Trans Canada," and I believe only one was so designated by Federal and Provincial Order in Council. That was from the Soo, along the Lake.

MR. DOUCETT: That is right.

MR. NIXON: There were millions spent on that, but it was left entirely in the air, because of the costly nature of the work through that particular area, and the province, on its own orders, took the responsibility of going west from Cochrane. I know there are many interested in the development of the designated road, and I was wondering what the policy of the Department is to-day on it. Will that work be resumed at some time in the future, or is it largely abandoned and the northern road taken for the Trans Canada?

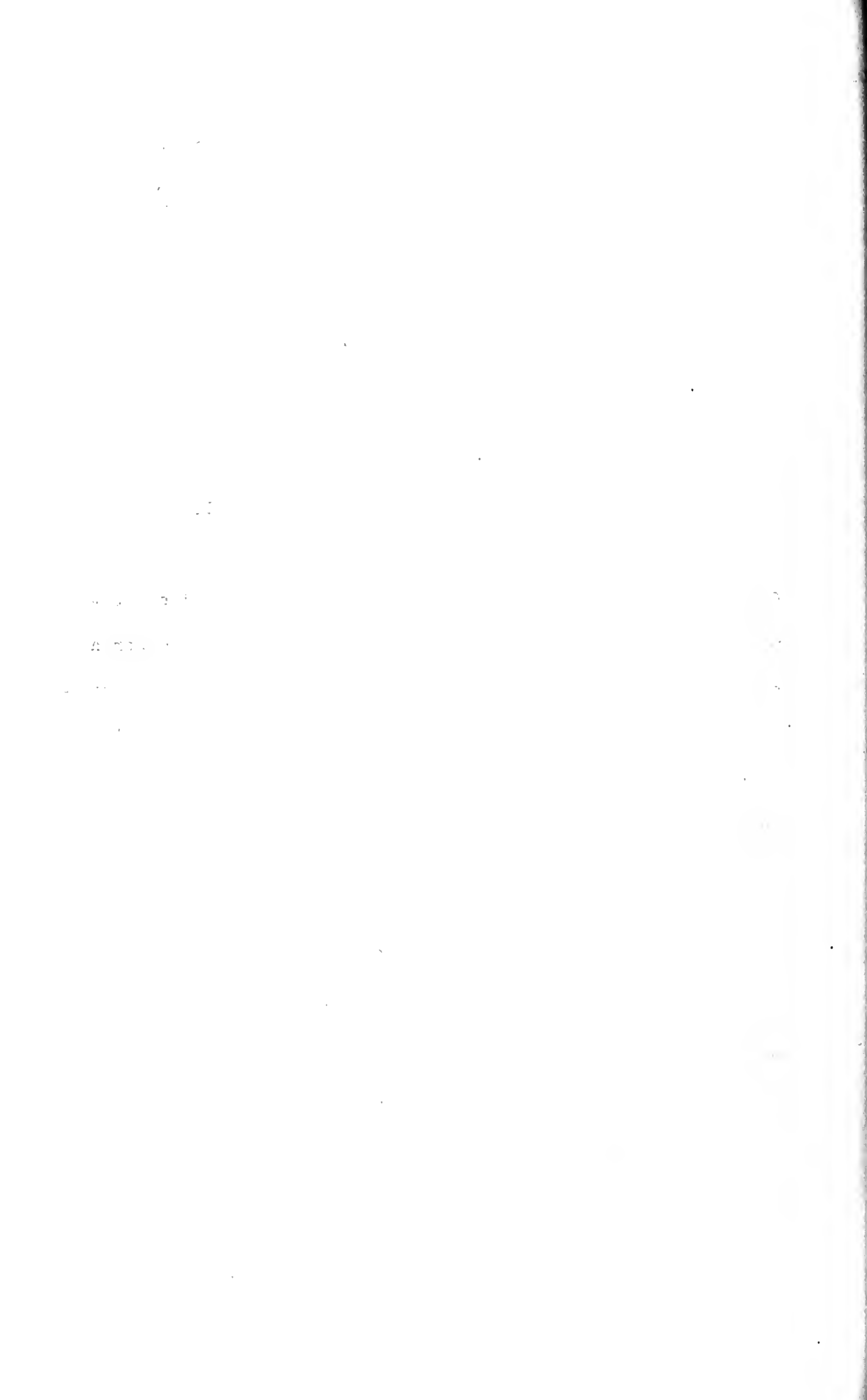
MR. DOUCETT: Mr. Chairman, I might say that this road was started during my hon. friend's term in office, and abandoned during that time, and at the present time there is no intention of going ahead with No. 17, because we have many other miles of road which I think are more urgent at the present time. It is not, of course, thought that this would be abandoned. I look forward to the day when No. 17, along Lake Superior, will be developed, but it is, as the hon. member from Brant (Mr. Nixon) well knows, a very huge project. The last figure we had on this road was, roughly, \$50,000,000 or \$60,000,000. As I say, with the small amount of money we are

spending at the present time, that cannot be thought of, - that is, of going ahead with that road in the very near future.

MR. FREDERICK O. ROBINSON (Port Arthur): I would like to say, Mr. Chairman, in support of this road question, that I realize, as the hon. Minister (Mr. Doucett) has pointed out, there are many other more important highways, in the sense of their improved service, which will have to be built before this road becomes a reality, but I would like to say, also, that I do not think there is any piece of road in all of Northwestern Ontario, and extending, even, down to many of the United States, which interests more people than that highway along the north shore of Lake Superior. Many American tourists have asked me, - some have stopped me on the street, without knowing, at all, who I was, (because there are a lot of people up there still in that category, but still enough to elect me with quite a nice majority,) - they have asked me when this road will be completed, and I would like to point out that there are many, many American citizens who are really interested in the day arriving when they can drive down the north shore of Lake Superior, and any who have travelled over that portion have noticed the beauty of this piece of Ontario, comparable with any other part of Canada. And so I urge, when the day arrives when we can go into big projects, that that particular road receive favourable consideration.

THE CHAIRMAN: Carried.

(Page No. 150 follows.)



HON. MR. DREW: Department of Public Works, Page 94.

THE CHAIRMAN: Public Works at Page 94, Vote 176, Item

1.

Motion agreed to.

Items 1 to 10.

Motion agreed to.

Vote 177, Item 1 and Item 2.

Motion agreed to.

THE CHAIRMAN: Vote 178, Item 1, Item 2.

Motion agreed to.

THE CHAIRMAN: Vote 179, Item 1, Item 2, Item 3 and
Item 4, Item 5; Item 6 and Item 7.

Motion agreed to.

THE CHAIRMAN: Vote 180. Item 1, Item 2.

Motion agreed to.

THE CHAIRMAN: Vote 181, Item 1.

MR. F. R. OLIVER (Grey South): I presume these buildings
are still with the Federal Government for war purposes, are
they?

HON. MR. DOUCETTE (Lanark): With the exception of the
Toronto Normal School; that has come back.

MR. OLIVER: But the Ottawa Normal School has not?

HON. MR. DOUCETTE: No.

Motion agreed to.

THE CHAIRMAN: Vote 182.

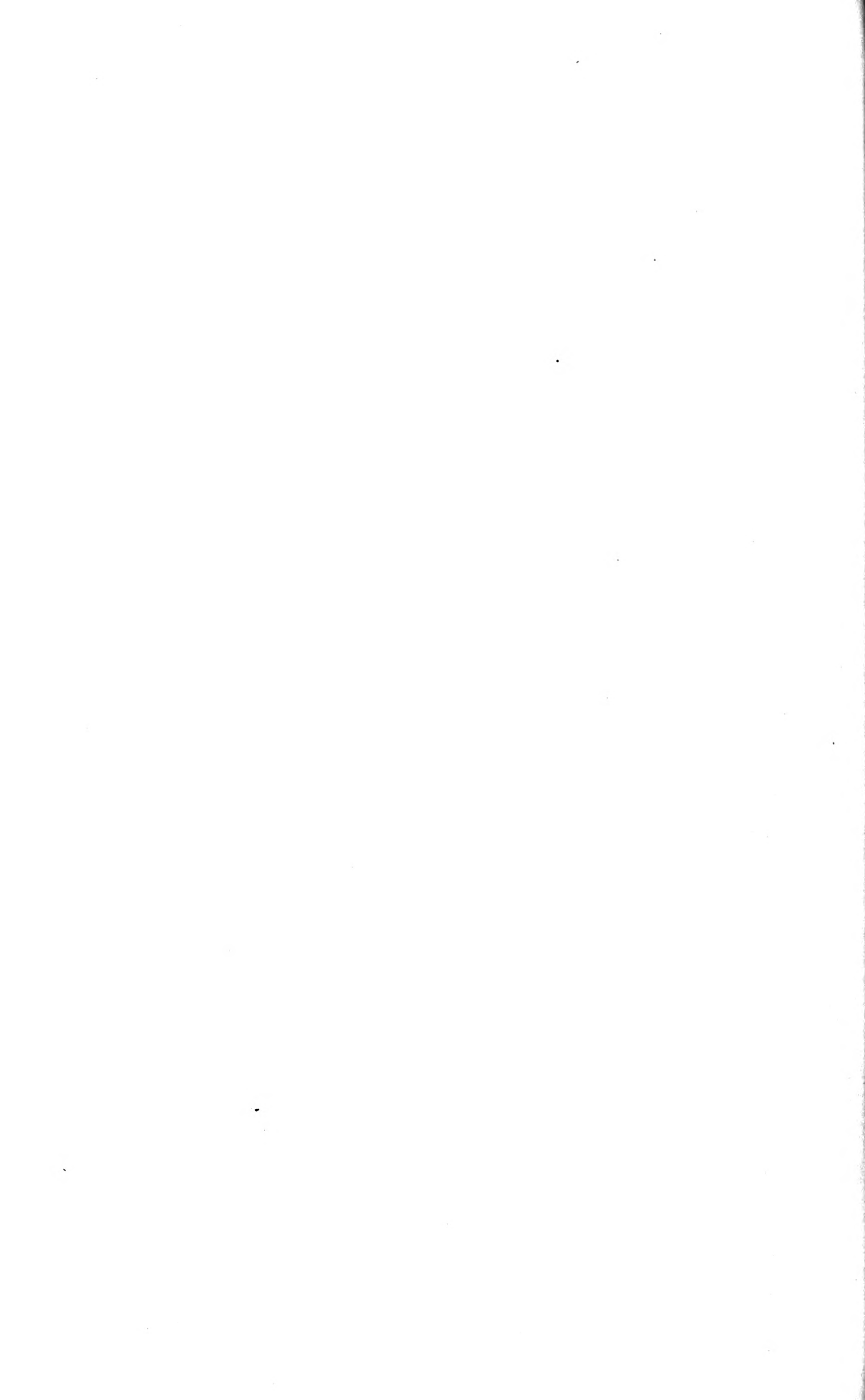
Motion agreed to.

MR. F. R. OLIVER: What is being done about the Bowman-
ville School?

HON. MR. DOUCETTE: I might say that the Bowmanville
School is being turned back to the government.

MR. OLIVER: For normal purposes?

HON. MR. DOUCETTE: That is not my business to say,



but I understand, the Hon. Minister of the Department that it is.

HON. R. P. VIVIAN: Yes, for the same purpose.

THE CHAIRMAN: Vote No. 182.

MR. C. H. TAYLOR (Temiskaming): I would like to ask the Hon. Minister (Mr. Vivian) what is the present status of the old Provincial jail at Cobalt?

HON. MR. VIVIAN: You live there, and should have a very good idea.

MR. C. H. TAYLOR: I have a very good idea. Some folk up there made an offer and then the election came on.

HON. MR. DOUCETTE: We did not think it was a good idea to do anything about it while the election was on.

THE CHAIRMAN: Vote 183, Item 1, Item 2, Item 3.

Motion agreed to.

THE CHAIRMAN: Vote 185.

Motion agreed to.

THE CHAIRMAN: Item 186.

Motion agreed to.

THE CHAIRMAN: Vote 187.

Motion agreed to.

THE CHAIRMAN: Vote 188. Item 1, Item 2.

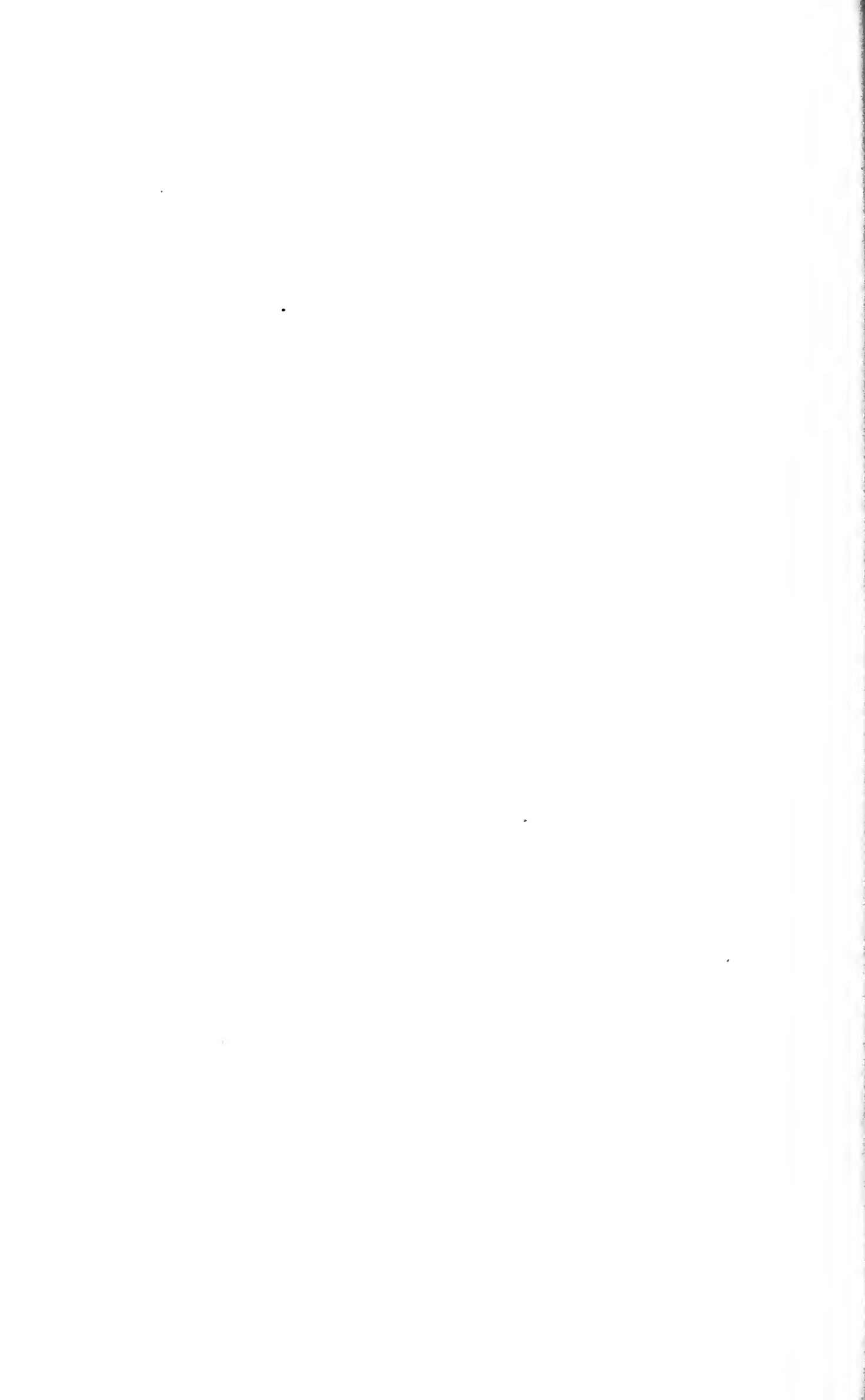
Motion agreed to.

THE CHAIRMAN: Vote 189.

Motion agreed to.

MR. G. ANDERSON (Fort William): Before you leave that, there is one thing in 185 which I think is a promise. Is there any question now as to when the properties will come back from the Dominion to the Province?

HON. MR. DREW: I am the one who had the communication. We had a promise that that would be vacated in August and that it would be made available to us at that time. I communicated with Ottawa when I heard that it was being vacated by the R.C.A.F.



I have not the final word as to the day when it will be turned back to us.

THE CHAIRMAN: Vote 190.

Motion agreed to.

THE CHAIRMAN: Vote 191.

Motion agreed to.

THE CHAIRMAN: Vote 192.

Motion agreed to.

THE CHAIRMAN: Vote 193.

Motion agreed to.

THE CHAIRMAN: Vote 194.

MR. C. R. TAYLOR (Temiskaming): Mr. Chairman, may I ask, under the Fish Hatchery Department, what are the chances of Fish Hatcheries in Northern Ontario?

HON. MR. DOUCETTE: Of course you notice by Vote 194 that there is nothing provided in the estimates for any construction; this is merely for repairs.

If you want to find out about the immediate development of fish hatcheries, you better seek the information from the Minister.

HON. MR. DREW: I think the maintenance will be in the Department of Game and Fisheries.

Motion agreed to.

THE CHAIRMAN: Vote 195.

Motion agreed to.

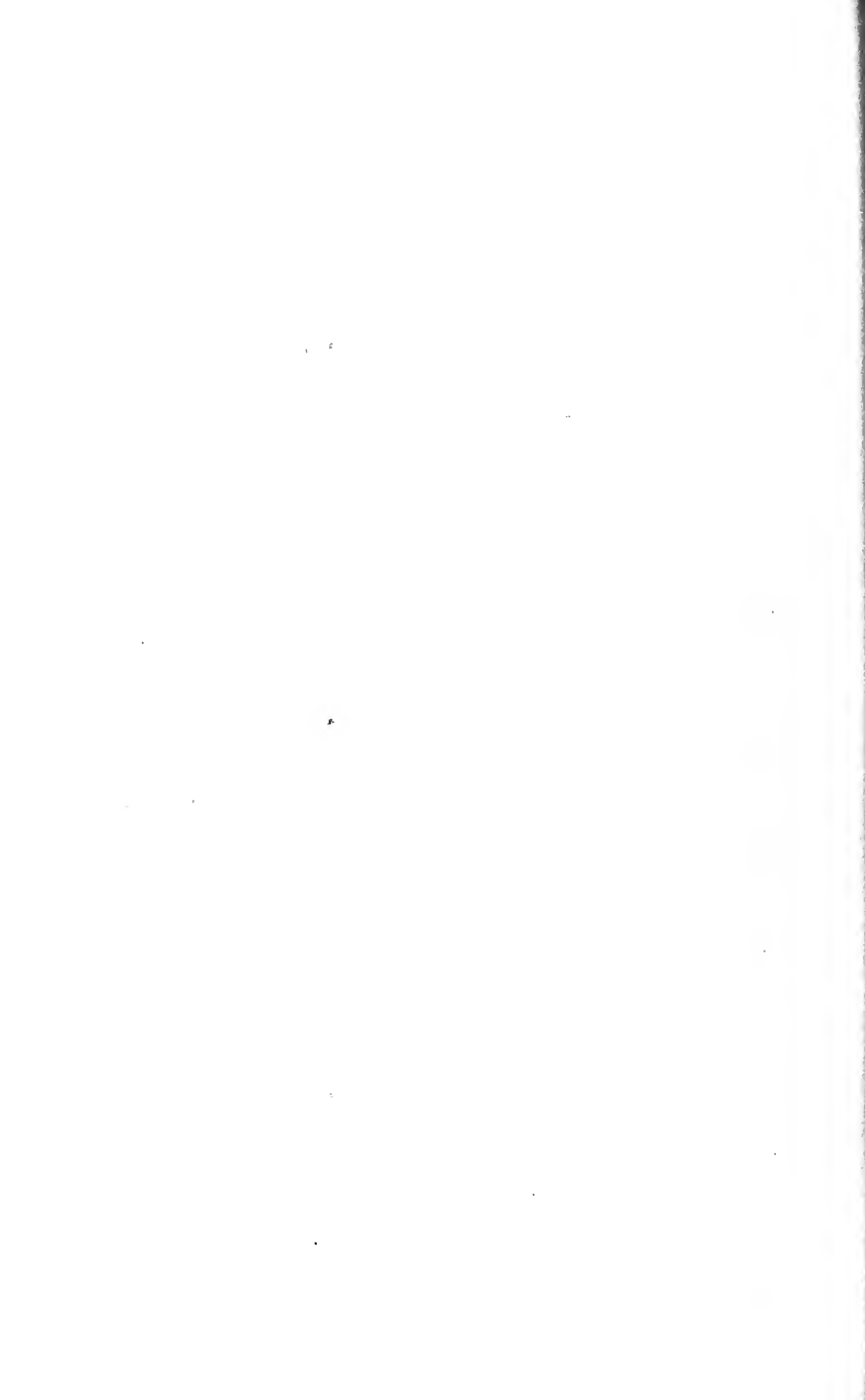
THE CHAIRMAN: Vote 196.

Motion agreed to.

THE CHAIRMAN: Vote 197.

Motion agreed to.

MR. R. A. McEWING (Wellington North): Will the Hon. Minister be able to give us any information in regard to the



new dam being built at the watershed?

HON. MR. DOUCETTE: You will notice under Vote 197 it provided for surveys and anything that the counsel might decide to grant aid to. They have got permission to go ahead, but they have got no money from the Department as yet.

HON. MR. DREW: Education, Page 29.

THE CHAIRMAN: Department of Education, at Page 29, Vote Item 34.

Motion agreed to.

THE CHAIRMAN: Items 1, 2, 3, 4, 5, 6, 7, 8, 9 and 10.

Motion agreed to.

THE CHAIRMAN: Vote 35, Item 1, 2,

Motion agreed to.

THE CHAIRMAN: Vote 36, Item 1, 2, 3, 4,

Motion agreed to.

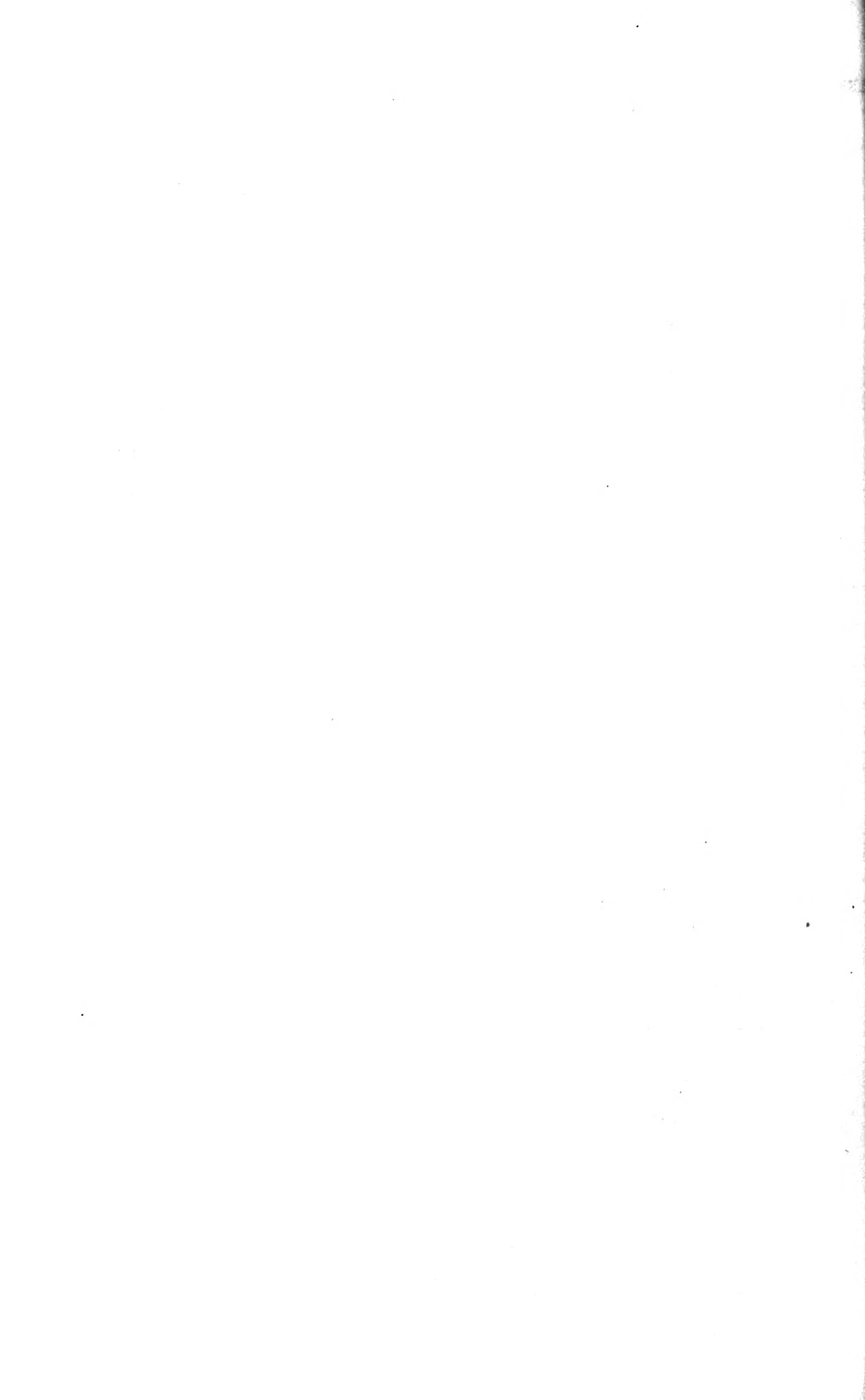
THE CHAIRMAN: Vote 37, Item 1, 2, 3, 4, 5, 6, 7, 8 and Item 9.

(Page No. 154 follows.)



MR. SALSBERG: Mr. Chairman, at the last session, the Committee on Art carried a motion which I moved, and of which I am quite proud, as I am sure the former chairman of that committee was, and it was adopted by the House, perhaps hurriedly so that many members were not just aware of what they were voting for, asking the Department of Education to organize annual art exhibitions in every important community in the province utilizing worthy and valuable works of art now owned by the province and other works that might be loaned, and in conjunction with municipal governments and other bodies, arranging for lectures for adults in the schools as well as exhibitions of these works of art. The House, as I say, adopted the report of the Committee, which was a unanimous report, and I would like to know whether anything has been done to implement that decision of the Legislature growing out of the recommendations of the Committee on Art.

We also made another recommendation, that at least one outstanding painting be purchased annually and added to the government's collection of paintings. A great many people in the world of art felt very kindly towards the government, and incidentally towards me, because of that action of the Legislature in adopting the motion which probably most of the members of the House were aware of when they voted for it. I have been asked what is being done about that decision of the Legislature. I do not know whether the Premier who is also Minister of Education, has had time to look into the matter, but I would appreciate any information he can



give me as to when we may expect the decision of the Legislature to be implemented and this thing be really organized.

MR. DREW: On this occasion, Mr. Chairman, I am not in disagreement with the views expressed by the hon. member for St. Andrews. We are most anxious to carry forward any suggestions of this nature. I agree with him that we as a people in this province have been perhaps not sufficiently advanced in stimulating the development of our own art, although we have every reason to be proud of the art that has been developed within the province.

Some start has already been made. An extensive collection of Reid's paintings has been brought together and has been moved for exhibition at certain places, but I will say most definitely that that is only a start. We have an extremely competent Art Director in the Department of Education, and we are doing our utmost to create interest along the very lines suggested of getting the municipalities to take an interest in the presentation of our exhibits which would make use of privately-owned pictures in the community. I may say that in many communities we have magnificent pictures, either in institutions or owned privately which could be brought together for occasional exhibitions. That is the way most of the world's great art exhibitions are arranged. We certainly are developing along the lines recommended and have made a start, but there have, of course, been very real limitations because of the shortage of staff



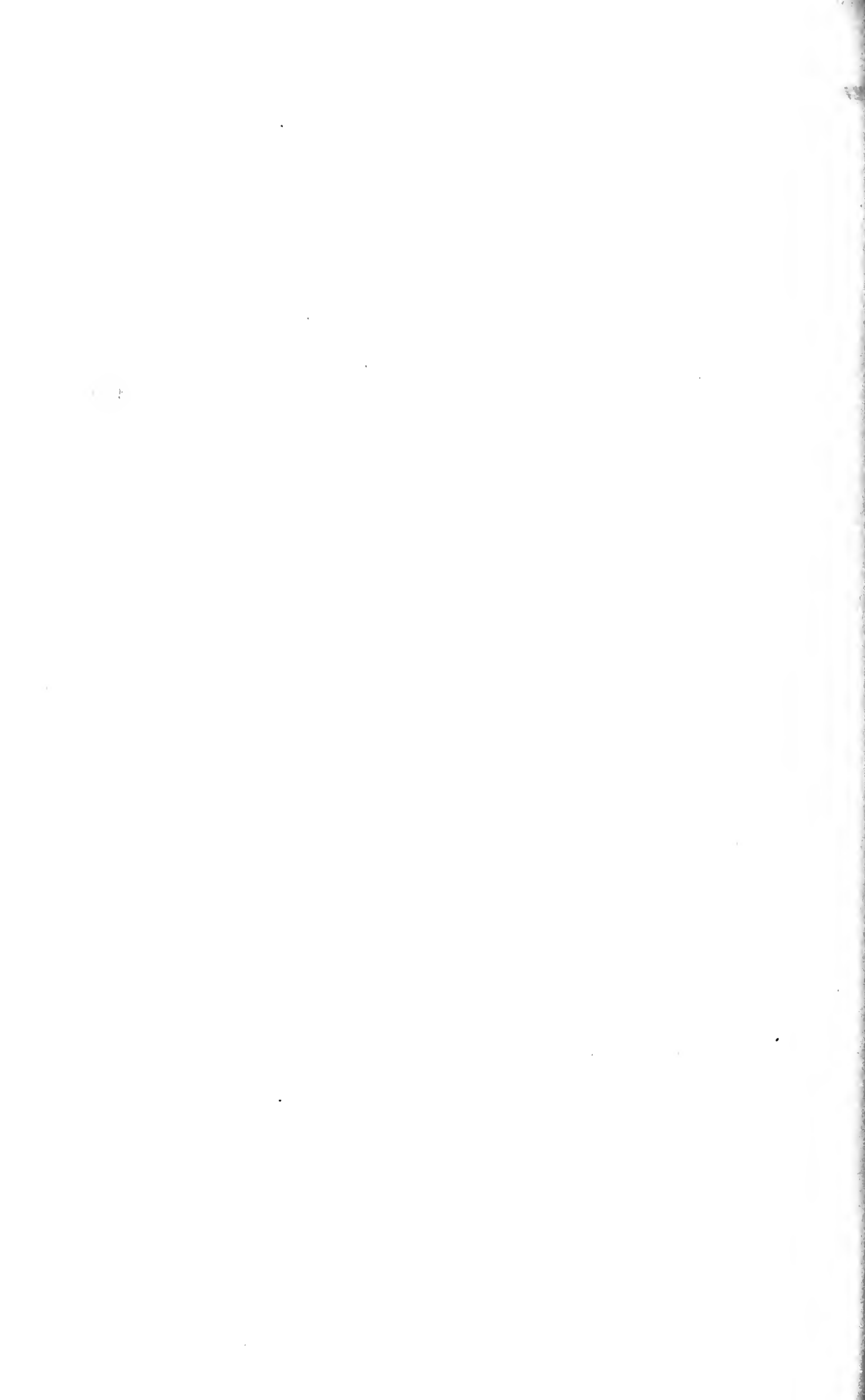
from which we have definitely suffered in the Department of Education, not only a shortage of teachers in the academic classes, but in art itself.

Since we last met, we have made arrangements, through the generosity of an organization outside of the government, for scholarships in art. The province has been divided for the purpose into four areas as evenly as possible on a population basis, and the children in those areas will have the opportunity of competing for these scholarships to give those who show special skill in art an opportunity to forward their training. That is a start, but I will make no pretense of suggesting that it is something with which I am satisfied, or something with which anyone here should be satisfied. As to making use of the art that already exists within the province, we have made a start, and I hope that that will speed up as more teachers and more staff become available in the Department of Education.

MR. DUCKWORTH: As Chairman of the Committee on Art, may I say that we were to have another meeting, but unfortunately the House adjourned before we had that meeting. We are going to have a great collection of art, and when the House resumes we shall have another meeting of the Arts Committee, where my hon. friend will be able to get more information as to what is being done.

MR. SALSBERG: I hope you will use your influence.

MR. DREW: I might say that we have some particularly fine Ontario art already owned by the provincial government on behalf of the people of the province. We found many fine



paintings--I am not attaching blame in any quarter--stored and covered with dust, and we have taken steps to have them cleaned. Some of them are magnificent pieces of Ontario art which, after renovation, have been placed in different parts of the building, and some have been sent out as exhibits to the schools of the province.

MR. SALSBERG: May I suggest to the Minister of Education that arrangements be made to enable the Clerk of the House to get some assistance so that he may devote some time to the gathering of works of art. He is not only an expert in art that I am sure would be very helpful in stimulating an interest in art through picking out the best pictures; I refer to Major Lewis who is a connoisseur of art and would be an asset on any sub-committee that was struck to handle this work.

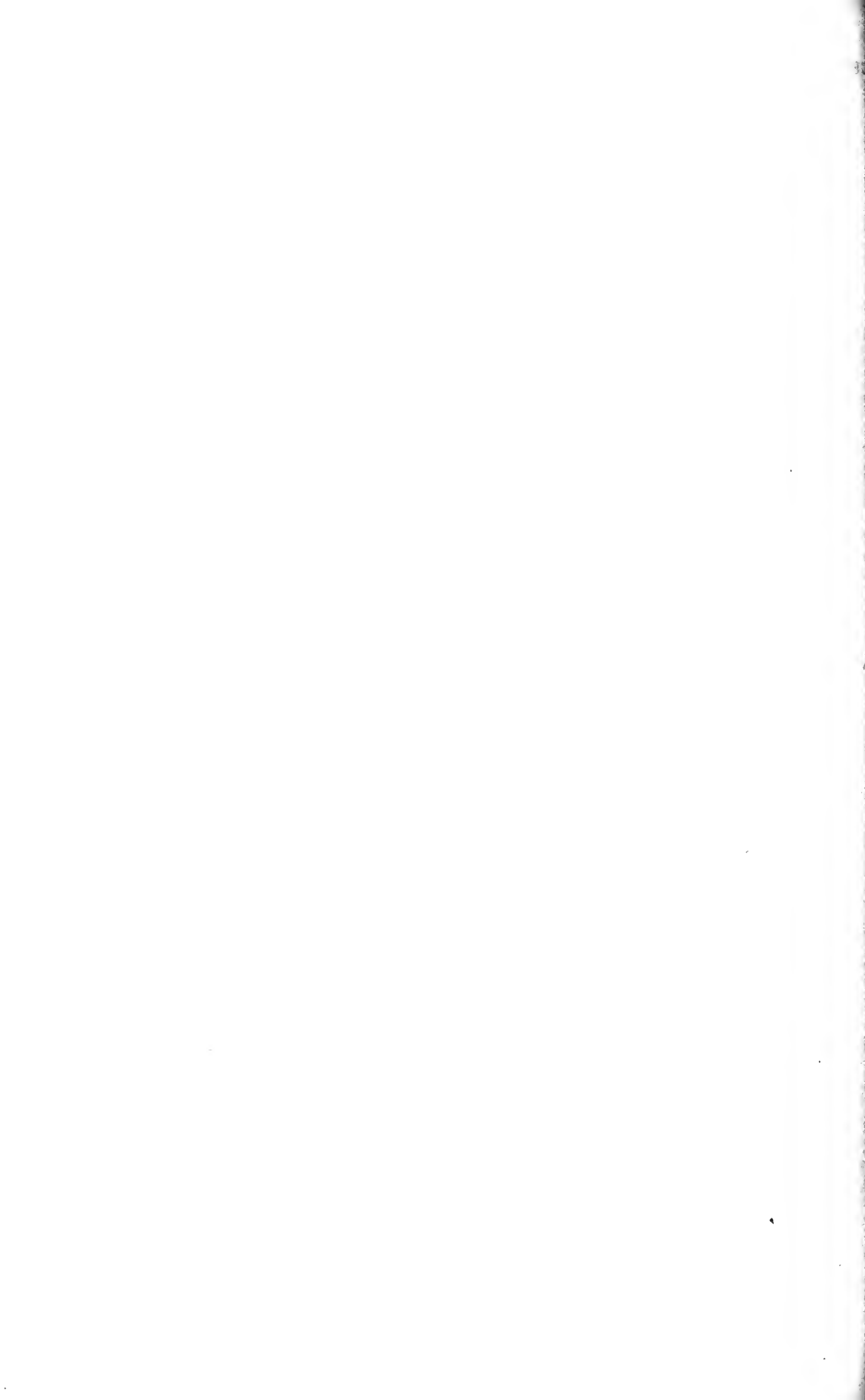
MR. DREW: The art collection is being indexed at the present time, and the index will be available very shortly for all who are interested.

MR. DUCKWORTH: We have an art collection, and when the time comes when the Toronto Exhibition is again held, we are going to have an art exhibition out there/^{of}which everyone may feel proud.

Item agreed to.

MR. BELANGER: I would like to refer to Item 9 of Vote 40 which provides:

"Grants to teachers who have completed successfully the second year course in an Ontario Normal School, \$200.00."



That is a very small amount, hardly worth considering, except as an indication of what is taking place. Does it mean that there are very few teachers who take a second year at Normal.

MR. DREW: The second year at Normal was discontinued some years ago, but teachers who took this second year course received a grant of \$25.00 a year for four years. It is not that the number of teachers is small. It is limited to those teachers who have successfully completed the second year course in the Ontario Normal Schools. This amount is adequate for the present requirements.

Item 55 -- Provincial Technical Institutes.

MR. ROBINSON: I am interested in an educational institute for North-western Ontario; I might almost have said for Port Arthur, but I realized that there are other sites in that country that would be satisfactory for such an institute. I welcome this proposal to establish a technical institute in our part of the country, and I urge the government to press forward with all possible speed with this project.

There is one point I would mention, and that is the need for a field school in Forestry in connection with the institute. The technical training in Forestry might be given in the technical institute in North-western Ontario, and at the field school the pupils could receive training in actual Forestry conditions. This is not only my own personal opinion, but it is held by those in the



Forestry industry in that part of the country. I urge that this be gone ahead with and that in the days that lie ahead we do not lose sight of the trade unions and labour organizations in connection with the technical institute. Quite definitely it is understood that every man that graduates from a technical institute will find a place in industry; he does not go on to University. I think it is important that throughout the development of this institute, and especially throughout its administration, labour should be given a full voice and be taken into confidence in the conduct of the affairs of the institute because definitely they occupy an important place in that connection. As the apprenticeship system in industry stands to-day, because of the agreements labour has, a boy coming out of technical institute cannot enter industry and get credit for the time he spent in the institute. Those agreements have been made by labour unions to protect their various crafts, but if they were taken into the confidence of such institutions as the technical institute and the value of this instruction was pointed out to them, they would be glad to give some credit for the time a young man spends in the institute. For that reason I urge that the labour unions be taken into confidence with respect to this work.

I have also pressed hard for a junior university in North-western Ontario, and I hope that one will spring from this technical institute.

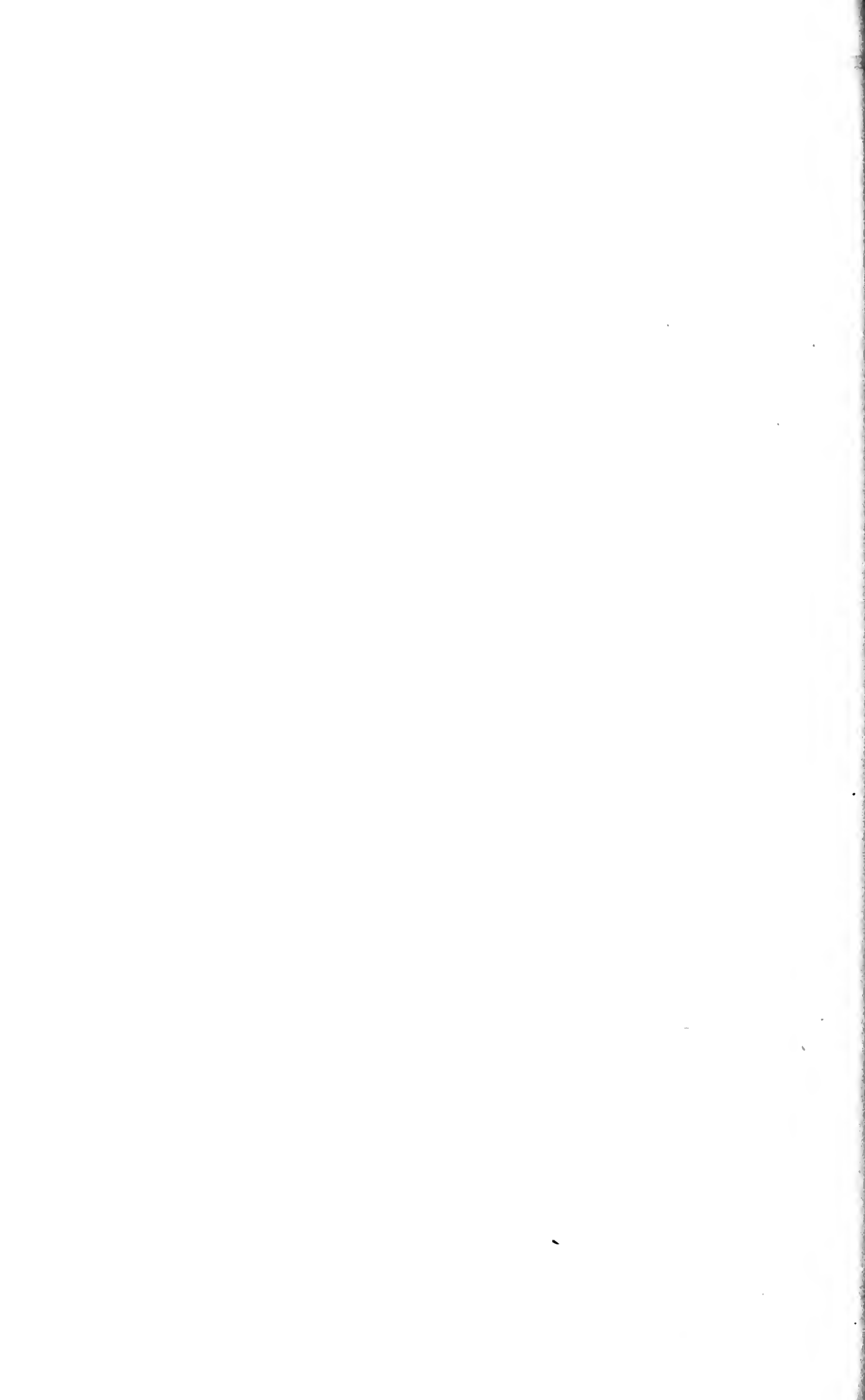
MR. DREW: We have already indicated our intentions of

proceeding with the technical institute as soon as possible. I am glad that the member for Port Arthur has indicated one of the problems that does exist in deciding where an institute of the kind should be located, but that is a problem we shall have to solve when the time comes.

I am very much in accord with his idea that there should be training on the ground in Forestry in connection with the institute. After all, Forestry is one of the great basic industries of that area, which is one of the greatest areas in the world in the field of that activity, and it should be closely associated with this institute. We shall have a representative of labour on guiding board of the institute. We have already representatives of organized labour on the guiding board of Haileybury Technical Institute, and I know that it will produce very satisfactory results and be of great help to those who are taking that special type of training.

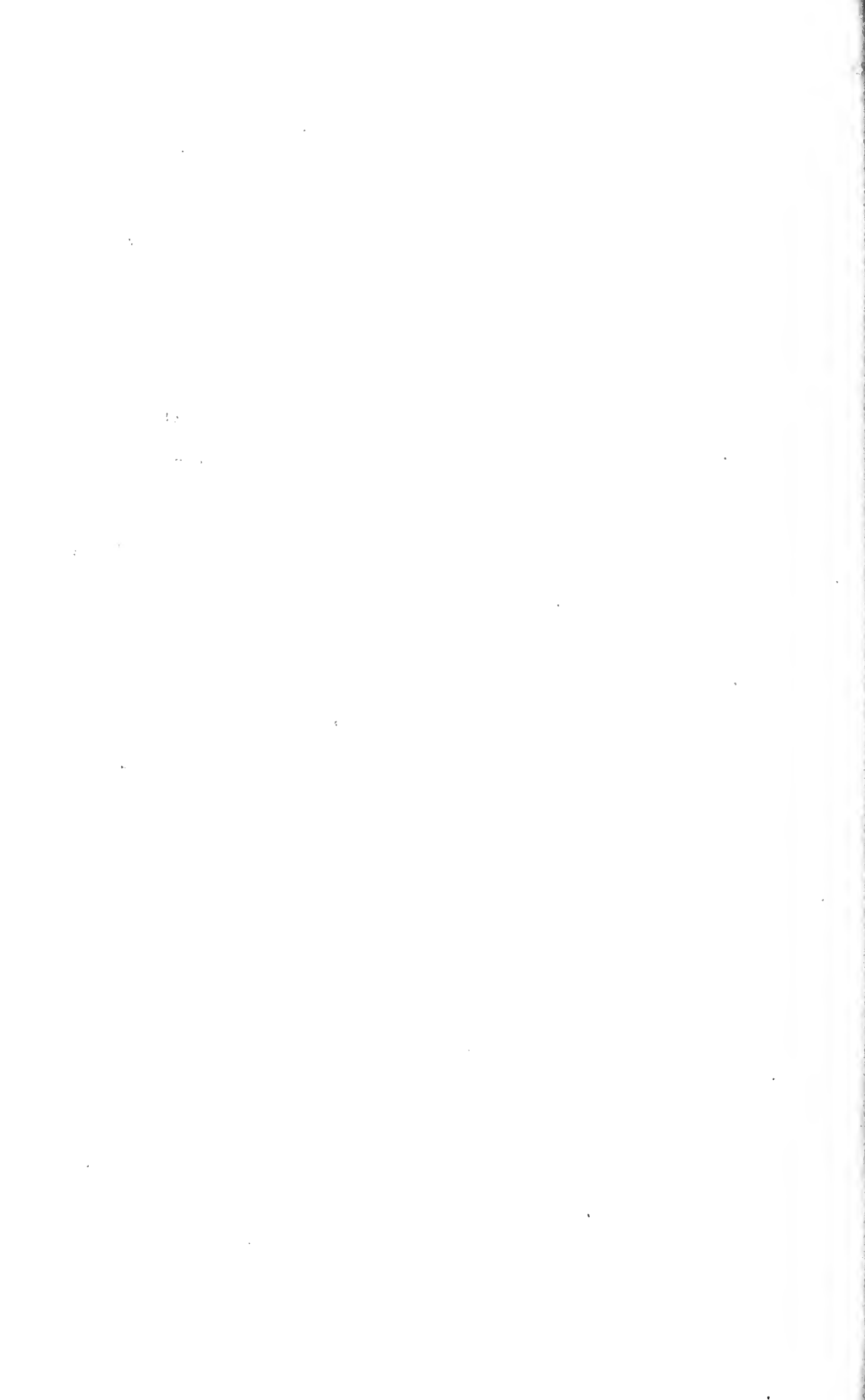
As to a junior university, sometimes I think there is a slight confusion in the use of that term. Along with the desire to give the best possible training, must always be the assurance that the training is what the pupil expects to get, and when a pupil has decided to go ahead and take advanced training, you must be sure that the advanced training gives the qualifications that the pupil is seeking.

We have taken a long step in the development of the technical institute and out of that will grow further advanced training. That may be what is in the minds of those who are speaking of a junior university.



MR. ROBINSON (Port Arthur): I am very glad to hear the Prime Minister support my viewpoint. I have before me the figures showing the disposition of Grade 13 Students of Port Arthur Collegiate Institute for next year. To Toronto University will go four in Arts, one in Forestry, three in Medicine, and three in Engineering; to McMaster, two in Pharmacy and one in Telegraphy; to Queens, two, making a total of sixteen from that one school who will attend university in the coming year. At a time when the attendance at secondary schools in this province is down because of the employment situation, if you take a survey of North-Western Ontario, you will be surprised at the number of students that are possible prospects for the university. In the meantime I would urge that the government give consideration to aiding students living in North-western Ontario by granting them railway fare to the university.

(page 162 follows)



HON. GEORGE A. DREW (Prime Minister): I might say that this very point is under consideration. We, of course, as you know, are up against a very serious railway situation at the present time and for some little time ahead, but I believe that it is going to be possible to at least get a very advantageous consideration in regard to the charge for that. Without labouring the point, I just would like to indicate what the figures you have given do show, and that is the population within any one area, and after all, the lakehead is a popular area, and we feel that it is more important that we give the pupils an education on a higher field than if we try to cover too wide a field. But even in the early stages you will see from those figures that that covers a very wide field and not in any special branch or skill, and there does^{not}/seem to appear to be sufficient time for a full university course. I am only saying, perhaps we come very close together in our ideas of a junior university in the rural areas with a technical institute to cover practical engineering in that area, in the very things that require special local skill. And, as that develops, the opportunity to expand into higher education, undoubtedly, will emerge.

MR. AURELIEN BELANGER (Prescott): Mr. Chairman, with leave of the Hon. Minister, I would like to revert back to the 53rd item, "Dominion-Provincial training, scholarships and Bursaries." I think it would be most interesting to the hon. members of this House to have an idea of this institution, what body is awarding the scholarships and the conditions, and where application is made. In other words, the technique of how that is being organized. I do not know anything about it and I think there are many hon. members in this House who do not know anything about



the awarding of the scholarships and how the thing works out in practice.

HON. GEORGE A. DREW (Prime Minister): Item No. 2 of Vote 53, "Provincial scholarships and Dominion-Provincial bursaries for admission to Universities and other educational institutions."

MR. BELANGER (Prescott): Yes.

HON. MR. DREW (Prime Minister): Well, this is a thing of joint agreement between the Dominion and Provincial Governments and a committee is set up by the Department of Education here. Five hundred and fifty-five of these scholarships have been awarded and I would ver glad to give any detail that is required, and I would be pleased to go into this with the hon. member or any person here and give you a complete record of those 555 which I think have produced the desired results. I might say, scholarships are awarded on the combined basis of ability and need. I would be glad to go into detail with any hon. member.

MR. BELANGER (Prescott): I think it would be interesting to know that.

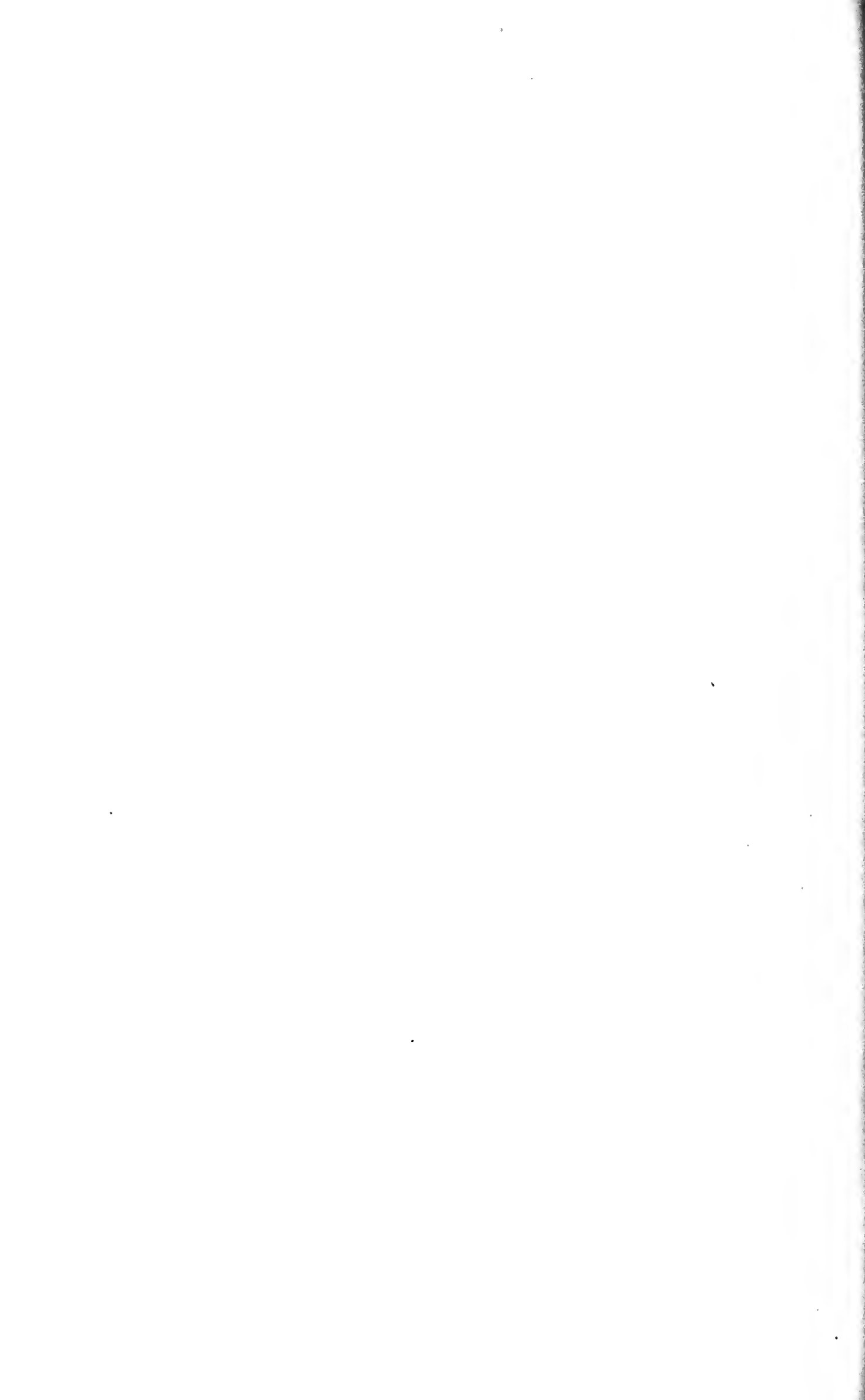
HON. MR. DREW (Prime Minister): There is a scholarship committee which determines these on the combined basis of ability and need.

MR. BELANGER (Prescott): Is that committee made up of officials of the Department of Education or an outside committee?

HON. MR. DREW (Prime Minister): That is all officials.

MR. FARQUHAR OLIVER (Leader of the Opposition): In item 2 of Vote 56, the payment of \$115,000 for the cost of education of non-resident pupils. What does that entail?

HON. GEORGE A. DREW (Prime Minister): This is item



MR. OLIVER (Leader of the Opposition): Item 2 of
Vote 56.

THE CHAIRMAN: We have not reached that.

MR. OLIVER (Leader of the Opposition): I am sorry.

THE CHAIRMAN: Item 1, (Carried). Item 2.

MR. OLIVER (Leader of the Opposition): Wait a moment
on item 2, Mr. Chairman. "Payments for costs of education
of non-resident pupils".

HON. GEORGE A. DREW (Prime Minister): Those are
pupils living in unorganized districts, and arrangements
are made for them to get to the nearest available school.
I might explain that that includes the bus and expenses
involved in travelling and so on.

MR. OLIVER (Leader of the Opposition): I was
wondering if the hon. Minister could give the House the
total educational cost for the province, what the province
pays and what the municipality collects from the ratepayers.

HON. MR. DREW (Prime Minister): I can get it for you
in a few moments. I have the provincial figures here.

MR. OLIVER (Leader of the Opposition): I would
appreciate that.

HON. MR. DREW (Prime Minister): I can get it for you
in just a moment, if you will just give me one moment, please.
Do you want the total cost to the province?

MR. OLIVER (Leader of the Opposition): Yes.

HON. MR. DREW (Prime Minister): The total cost to
the province is \$53,450,717. The total of legislative
grants, \$27,000,048.

THE CHAIRMAN: Item 2 (carried). Item 3 (carried).
Vote 57, item 1 (carried). Item 2 (carried).

Vote 58, Item 1 (carried). Item 2 (carried). Item
3 (carried). Item 4 (carried). Item 5 (carried). Item



6 (carried). Item 7 (carried). Item 8 (carried). Item
9 (carried). Item 10.

MR. JOSEPH B. SALSBERG (St. Andrew): Mr. Chairman, on item 10, has any progress been made in organizing this special phase of educational work that the Legislature was informed of before the conclusion of the last Session? I remember the hon. Prime Minister made an announcement at that time in regard to item 10 at the bottom of page 39. If I am not wrong, that refers to a new department, a special department that the hon. Prime Minister spoke of at that time.

(Page 166 follows)



so that we may develop and combine and coordinate and simulate adult education. May I ask if any progress has been made under the set-up that we have?

HON. GEORGE A. DREW (Prime Minister): Yes. This is a new item, and the adult education board has been set up with representatives of the University, the Department of Education, and also the Canadian Association on adult education, and I might say that two of that Board are women, and we will cover a very broad field. They have already proceeded in a very satisfactory way with their plans, and I am hopeful that very positive results will be obtained this coming fall. They are devoting attention not only to the question of a particular plan of adult education in every community, but also to a special field of opportunity for what we have come to call "new Canadians" of the adult group, who will be given opportunities to receive education not only in language, but in the various subject matters they would be interested in in this country.

MR. SALSBERG: Mr. Chairman, pursuing that, I did not know that there was going to be any special attention given to the education of the new Canadians. I recall an item of \$5000 included in the estimates a year ago, — more than a year ago, — at the Session before this last one, ear-marked specifically for education of new Canadians. I remember, also, expressing some doubt as to the wisdom of that, and I see it is no longer included. May I ask the hon. Prime Minister (Mr. Drew) if that money was ever expended?



HON. GEORGE A. DREW (Prime Minister): No. I might say that I agree that it is not wise to emphasize a separate type of adult education, and I am not suggesting there will be a separate type of adult education, as I do not think that is desirable, but what is desirable is that those who by their own experience have not been able to develop their knowledge of our language and our customs, as far as they would, have special opportunities to take the type of training which would not be needed in other cases.

This Board covers a very wide field, with wide experience, and it is its purpose to develop the broad field of adult education, with special application not only to the various parts of the province and the differences there, but also to the obvious difference in the needs of those who will seek that type of education.

THE CHAIRMAN: Vote 59; Items 1, 2 and 3. (Carried)

Vote No. 60; Items 1, 2 and 3. (Carried)

MR. ROSS A. McEWING (Wellington North): Has the school of Belleville been returned to the Department of Education?

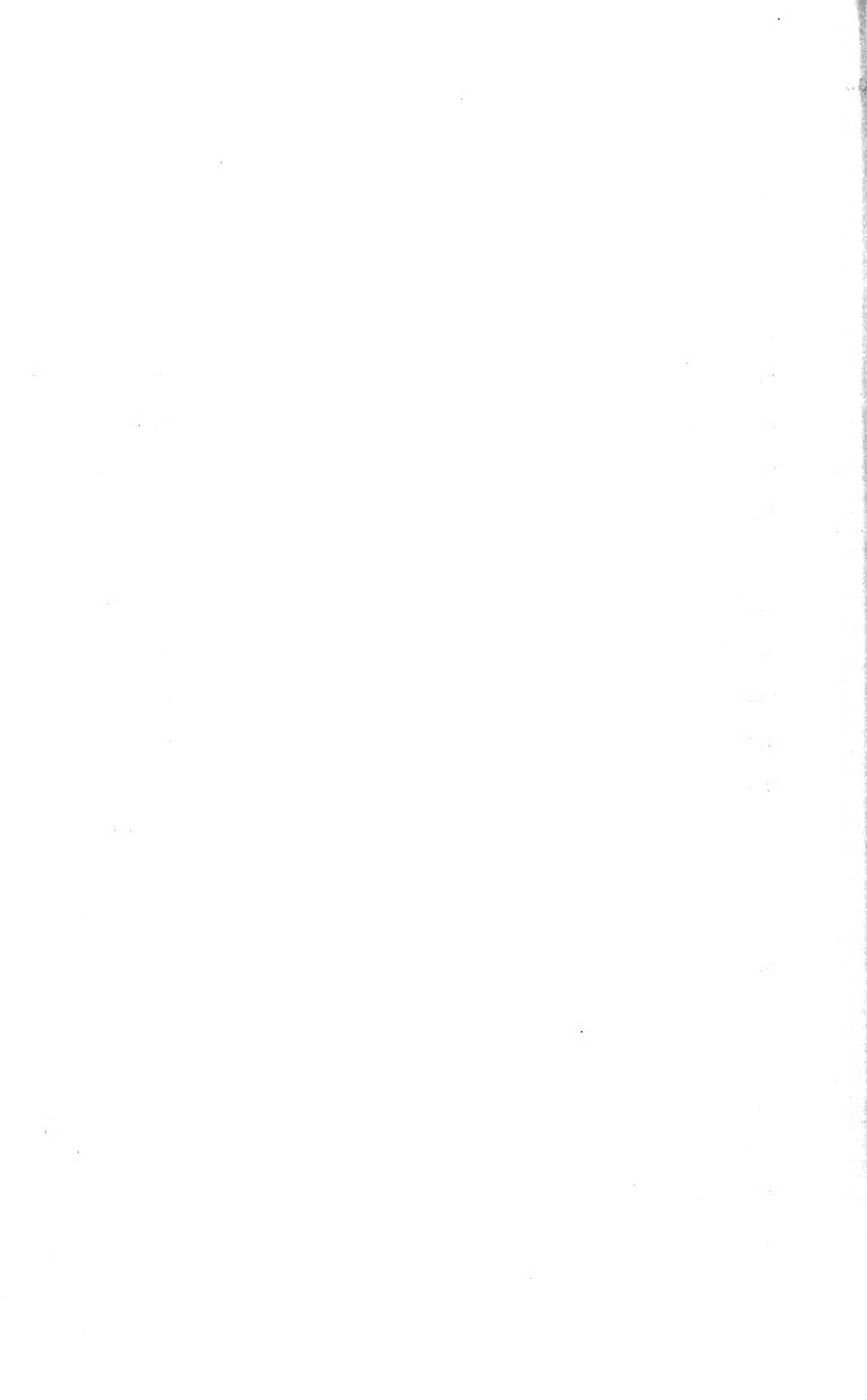
HON. GEORGE A. DREW (Prime Minister): For the deaf?

MR. McEWING: Yes.

MR. DREW: Yes. That was returned and opened last September, and it has been in operation in the old building ever since last September, and I might say it is working very satisfactorily.

Health, page 44.

THE CHAIRMAN: Department of Health, page 44. Vote No.



70, Items No. 1 to No. 11, inclusive. (Carried)

Items 12 to 29, inclusive. (Carried)

THE CHAIRMAN: Vote 71; Items 1 to 5, inclusive.

(Carried)

Vote 72; Items 1, 2 and 3. (Carried)

Vote 73; Items 1, 2, 3 and 4. (Carried)

Vote 74; Items 1, 2, 3, 4 --

MR. OLIVER (Leader of the Opposition): In regard to Item No. 4, I would like to ask the hon. Minister (Mr. Vivian) to what extent the dental service has been extended to the schools of the province. Do all the schools have it?

HON. R. P. VIVIAN (Minister of Health): Mr. Chairman, apart from the dental car which is operated in Northern Ontario, to which I believe the hon. member (Mr. Oliver) does not refer, there is provision for assistance in the school grant for dental services where the municipalities apply to have an appropriation, in which case they will receive assistance from the Department.

MR. OLIVER (Leader of the Opposition): How many municipalities have applied?

MR. VIVIAN: I can get the figure for you.

MR. OLIVER: Thank you.

THE CHAIRMAN: Vote 75; Items 1, 2, 3 and 4. (Carried)

Vote 76; Items 1, 2, 3 and 4. (Carried)

Vote 77; Items 1, 2, 3, 4 and 5. (Carried)

Vote 78; Items 1 to 24, inclusive. (Carried)

Vote 79; Items 1, 2 and 3. (Carried)



Vote 80; Items 1, 2 and 3 --

MR. MEINZINGER (Waterloo North): Mr. Chairman, I am very much interested in this item. As a new member, I might say I have more or less received a mandate from the people in my constituency to make an attempt to solicit the support of the hon. members of this Legislature to rectify a very serious condition, which comes under the Department of the hon. Dr. Vivian. I have discussed this matter with the hon. Dr. Vivian, and with past hon. Ministers, together with most of our council members throughout the riding.

We have a neighbouring municipality which is sadly neglecting its particular sewage plant. We have industries there which are not treating their sewage, but are pouring it into the river, and at times, in order to deceive the public, they divert it into a creek which eventually finds its way into the river. They are not only polluting the river, but are contaminating the air. In fact, we have been given instructions by the underwriters not to attempt to underwrite any business across the river, at all. That is how bad this condition is.

Now, this body has spent a lot of money, year after year, improving the health not only of the older men and women, but of the youth, which is a very important and worthy expenditure, but, on the other hand, they do not make any attempt to rectify this condition. We have had Dr. Bury up there, from time to time, and about the only thing said was, "Well, the municipality has some power." That is true; we

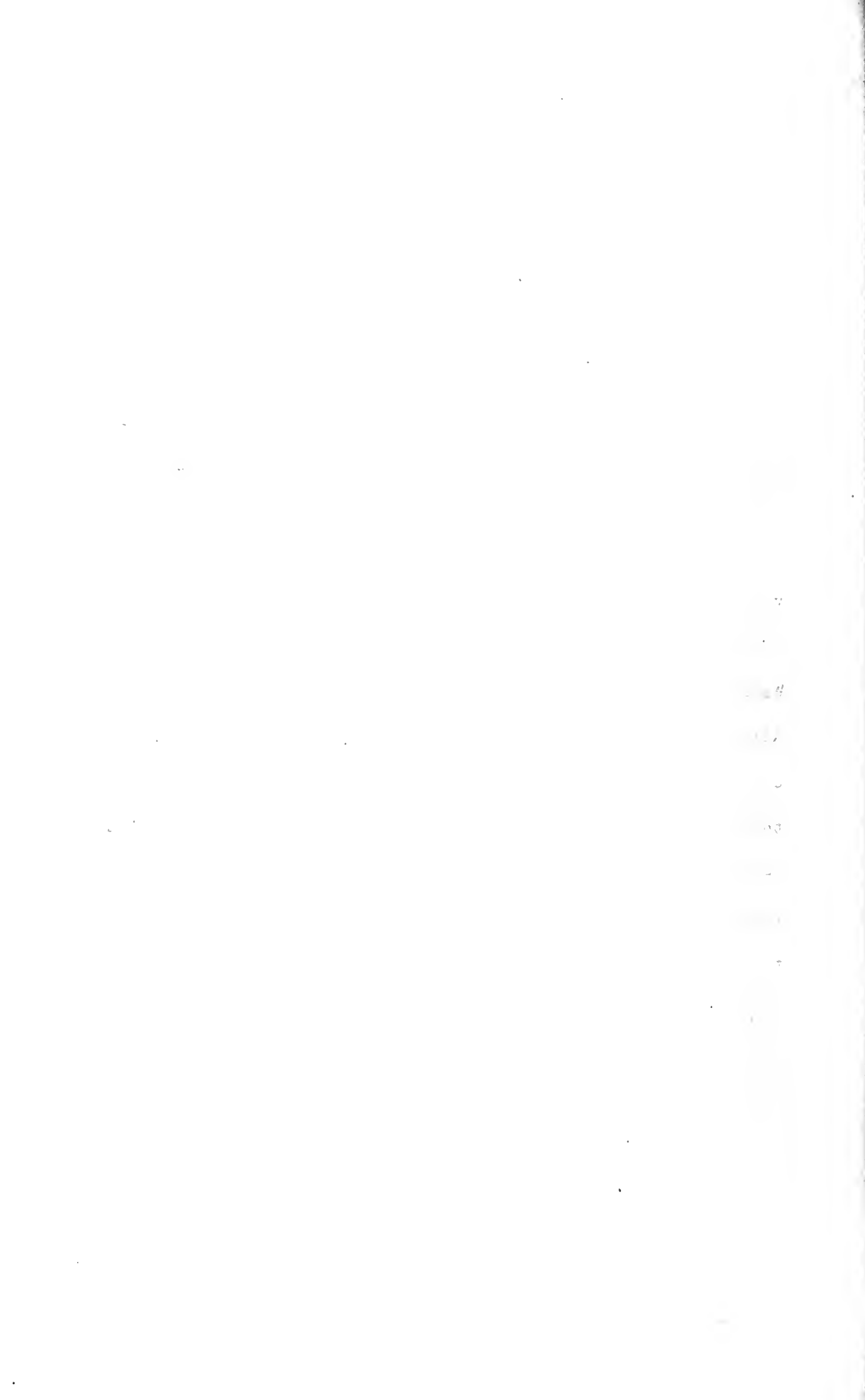
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have power to force industries to give their sewage proper treatment, but, nevertheless, the municipality is very negligent in enforcing it. In fact, I might say that we have a distillery up there, a large brewery, and they are not all Conservatives up there, and I feel that these people are entitled to some concessions.

I am very sincere, Mr. Premier (Mr. Drew), Mr. Chairman and my colleagues, in saying that this condition must be rectified.

I discussed this matter with hon. Dr. Vivian to-day very briefly, and all along the line the most encouragement I received from some of the men was, "Why don't you sue them?" Well, we don't want to sue our neighbouring municipality. All that is necessary is to do what they did with Kitchener back in 1929, when they had a condition similar to that, and the Department issued a mandatory order, and we had to build a new sewage plant, and I say, without fear of contradiction, that your Department knows that the Kitchener Sewage Plant, to-day, is second to none. We have received a clear bill of health from the township health authorities, and our own local health authorities, and yet a mile and a half from Kitchener we have this nuisance, and I appeal to you, Mr. Minister, to have a representative come up there immediately, and I will call a township council meeting from every municipality to see if this condition cannot be rectified.

While I am on this subject, I might say that the hon. Minister of Game and Fisheries (Mr. Dunbar) should interest



himself in this particular case. On the one hand, we pass a Budget of thousands of dollars to restock our rivers and creeks, which I am all in favour of as a sportsman, and then we permit a sewage plant to kill thousands of fish every year for the past fifteen years, and that is the condition which I ask you gentlemen to consider, and to see if that condition cannot be rectified.

HON. R. P. VIVIAN (Minister of Health): Mr. Chairman, perhaps a word of explanation would be in order, (and I am holding no brief for the method of dealing with these things,) but I would like to point out to the hon. members of this House that the fault of this thing primarily lies in the local area. The Board of Health in the two municipalities to which you make reference is an organization which is charged with certain responsibilities. The Sanitary Engineer Division of the Department of Health is a supervisory and consultant agency to assist the local Boards of Health, but the local Board of Health has it in its own power to correct the difficulty of which you spoke.

I am afraid this is a little too much like asking somebody else to "pull your chestnuts out of the fire".

MR. MEINZINGER: I do not agree with the hon. Minister (Mr. Vivian). After all, if the health authorities in a municipality do not take the proper measures, is it not the duty of this Government to take some action to protect its citizens? That is my contention.

THE CHAIRMAN: Vote No. 81; Items 1, 2 and 3. (Carried)

Vote 82; Items 1 to 21, inclusive. (Carried)

Vote 83; Items 1 and 2. (Carried)

Vote 84; Items 1 to 8, inclusive. (Carried)

Vote 85; Items 1, 2 and 3. (Carried)

(Page 173 follows)

THE CHAIRMAN: Vote 86, Item 1, Item 2, Item 3.

MR. G. ANDERSON (Port William): Mr. Chairman, I wonder if I might ask the Hon. Minister of Health a question. We had hoped to get a report from his Department as to what we might expect by way of assistance towards increasing our hospital facilities. And I just wonder if he might give us any idea as to when we might expect something in the way of a report.

I might elaborate that a moment for the benefit of the Hon. the Minister. I understood from a conversation with him last Fall that a number of hospital centres throughout the Province had asked for assistance, and his Department at that time had it under advisement and would be able to make a report later on.

I wonder if he has anything on it at the present time.

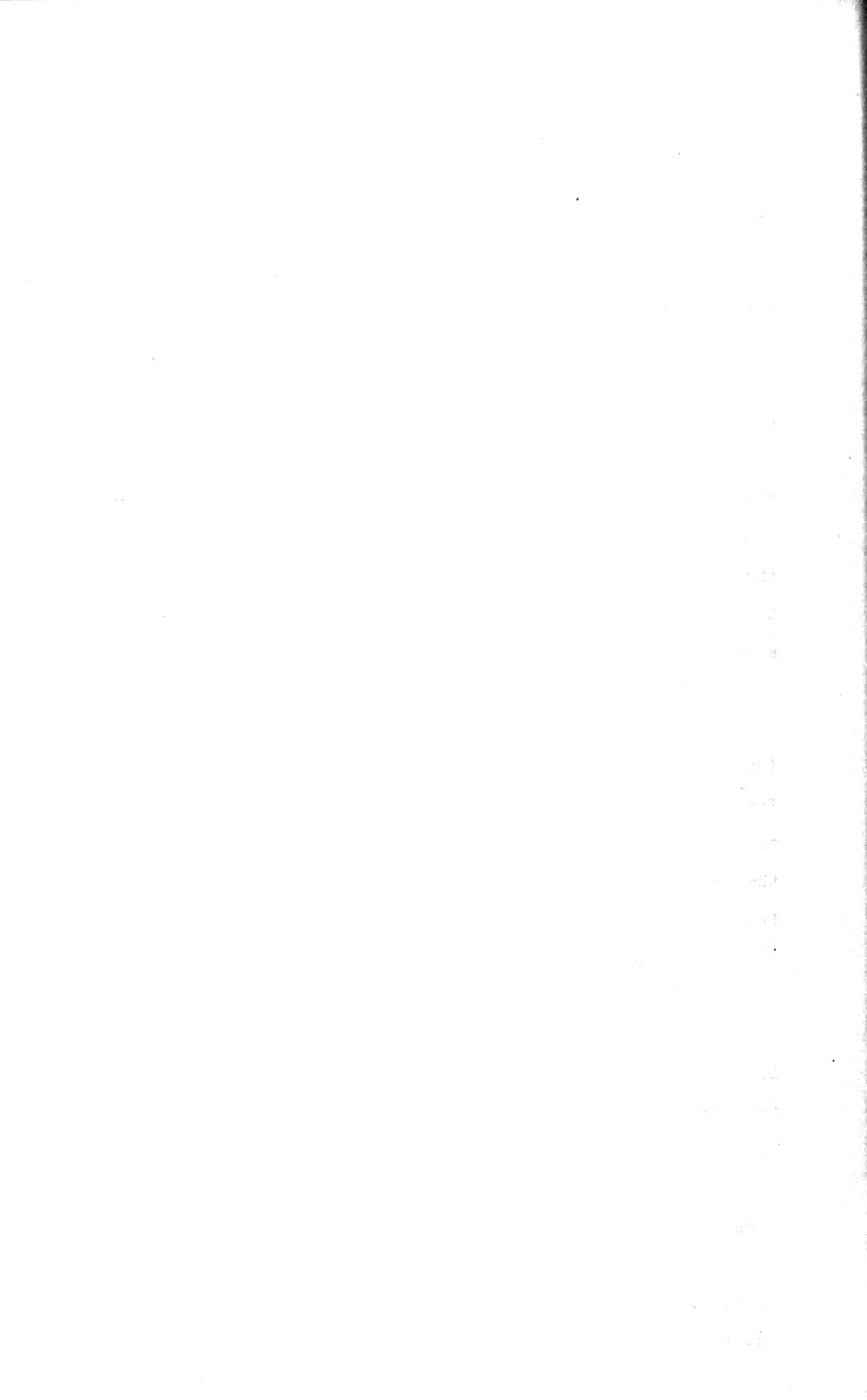
HON. R.P. VIVIAN: I might reply to the Hon. member (Mr. Anderson) that the report is really in three parts. The preliminary reports have been here, but we have not had time to screen them properly yet. I think by the time of the next following Session we may hope to be able to give a full report on the situation. Does that answer you?

MR. ANDERSON: Thank you.

THE CHAIRMAN: Vote 86, Item 4.

MR. J. B. SALSBERG (St. Andrew): Mr. Chairman, I wonder if this is the Item on which I could raise the question that I referred to earlier in the day in the absence of the Hon. Minister of Health (Hon. Dr. Vivian) about the Provinces's care in caring for indigent patients in hospitals? Is this the Item on which this question can be raised?

Now, Mr. Chairman, I submit that the policy of this Province towards the support for indigent patients is antiquated and it is unjust to the municipalities and should be



changed. It is quite evident that the amount of seventy-five cents per diem per patient is insufficient. It places upon the municipality the enormous task of paying, in the City of Toronto, \$2.25 and, with the increased cost of maintaining the hospitals, that amount undoubtedly will increase.

I was glad to receive support, even from such a quarter as the Toronto Evening Telegram a quarter from which I never, never expected any support for anything I am interested in. Today they in an editorial called upon the Province to assume additional hospital expense, or at least the responsibility for it. And that is correct.

The City of Toronto has figures here which are shocking. For the period between 1925 and 1944 they spent millions and millions in the maintenance of indigent patients. I do not know what the total is of the figures which I have received from the Toronto City Clerk, because that part of the statement is cut off; but it runs into many millions. In 1937 it was \$1,238,000.00. In 1938 \$1,150,000.00. With increased wages the hospital employees, -- a thing which was necessary, -- the costs to the City will most likely be increased. And I am suggesting Mr. Chairman that this appropriation be increased. I am not offering a motion. I do not know on what basis the round figure can be arrived at; but I do suggest that this item should be increased, to enable the Province to assume a greater portion of the cost for indigent patients. Otherwise, while we are doing a great deal of talking about real estate and helping the manufacturers, you are burdening them with an amount which the taxpayers and property owners of the municipalities should really not be called upon to bear. And this Province can and should relieve the local taxpayers by assuming a greater share of the cost for indigent patients.

I would like to hear what the hon. Minister (Hon. Mr. Vivian) will say about it.

I have no right to move an increase I know; but the Hon. Minister may; the government can; and I suggest, therefore, that this item be increased, and that, at any rate, as a start, that the Province share on a fifty per cent basis with the municipalities the cost of caring for indigent patients.

HON. R. P. VIVIAN: Mr. Chairman, the Hon. member for St. Andrew (Mr. Salsberg) has expressed an opinion and he is perfectly entitled to his opinion, and I can understand why he has that opinion. On the other hand, he has not given any justification for the opinion which he holds and has expressed.

I would like to tell the House, as I have on previous occasions, that this is an amount of money which is paid to the hospitals for their share of the cost of the indigent patients in this Province. And, if the hon. member wishes to go back into the history of hospitals in this Province, the problem of caring for the indigent was totally a municipal responsibility until fairly recently.

I quite understand his anxiety to relieve the municipality or that portion of it which he represents, from what he considers to be a burden. But I would like to point out to him that the increased grant to the hospitals which the hospital now receives, of \$3.00 per day, has been increased in the same ratio as the previous grant of \$2.25 per day. The Province at that time was paying 60 cents and the municipality was paying \$1.75. The increase has meant that the municipality is asked to pay \$2.25 and the Province pays seventy-five cents.

As far as the municipalities are concerned, and relieving them of costs the endeavour of the government has been



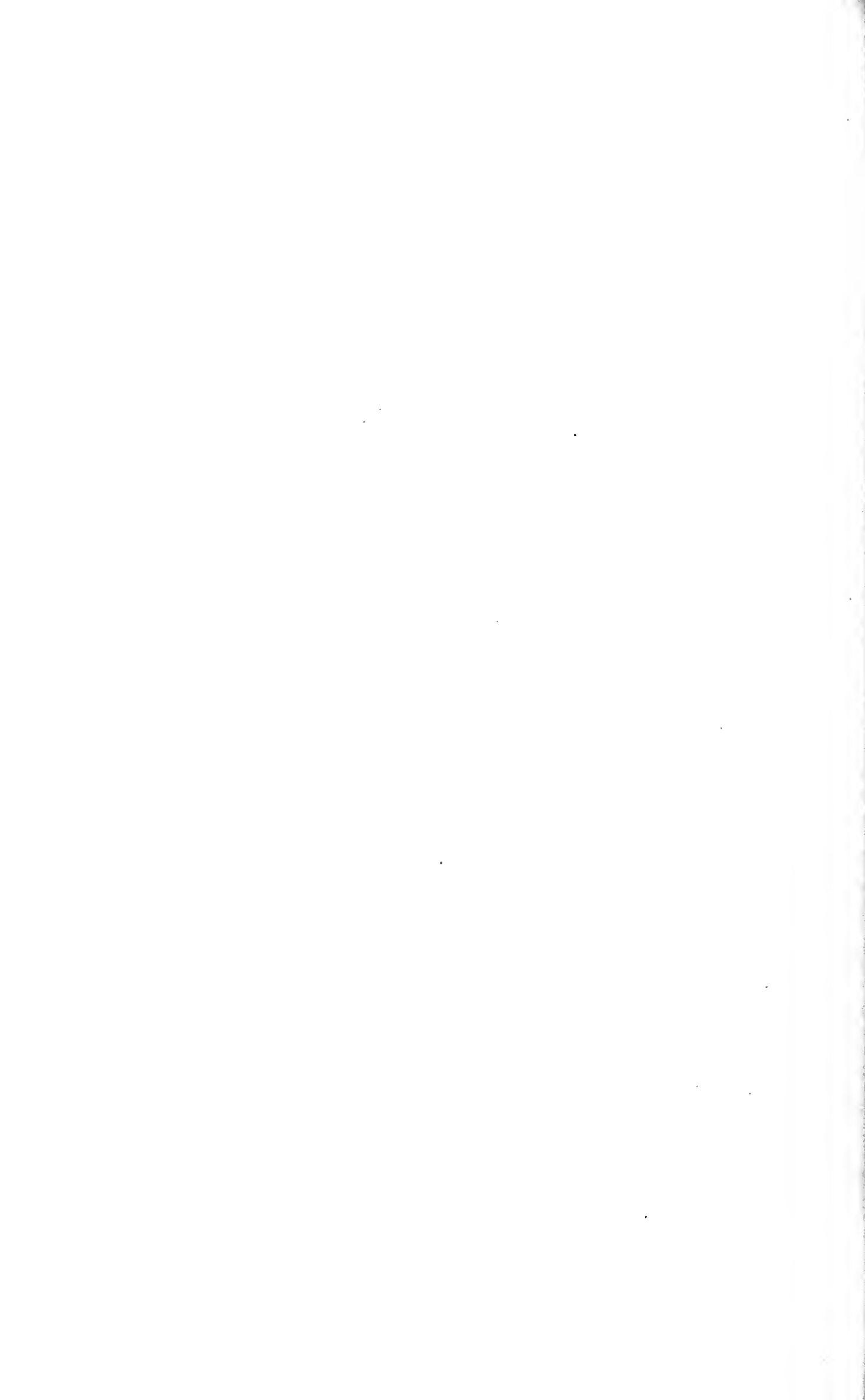
to create within the municipality as important a portion of their health services as is possible; and the policy has been to leave to them the cost of caring for indigent patients in its boundaries.

MR. J. B. SALSBERG: I quite acknowledge the great ability of the Hon. Minister of Health and Welfare, at making statements so that when he gets through no one knows whether he is for it or against it.

Is he arguing for a definite policy, or leaving it regardless of the Province's ability, that it is right and correct for the municipality to have to assume it?

HON. R. P. VIVIAN: I will say unequivocally, Yes.

(Page 177 follows)



MR. SALSBERG: Is the Minister pleading the poverty of the province, that it is unable to pay what is right? I do not think that position is worthy of a man who is going to occupy a high post at one of our great universities. I do not believe that this province is poverty-stricken and unable to help the municipalities. All we know is that the Minister is "agin it", we don't know why. I think the hon. member for Waterloo North next to me has the same problem. I think this question should be dealt with more fully by the Minister, and I would appreciate it if the Minister would care to make a statement on this question.

MR. VIVIAN: The member has received his answer, but he did not care to listen. The answer was no and yes.

MR. SALSBERG: The answer usually coming from Minister is no and yes--and he does not know why. I think we are entitled to know why the head of this important department disagrees with the suggestion that the province assume a greater share of the cost of caring for indigent patients in the hospitals.

MR. DREW: I am going to intervene as a question of government policy is being raised.

MR. SALSBERG: I am glad you are.

MR. DREW: Frankly, I am not greatly concerned whether you are or not. A competent group have been studying a very involved problem covering three phases and their report will be ready when we meet again. It presents the reverse side of the argument that was made to-day that you cannot produce a rabbit out of a hat simply by the



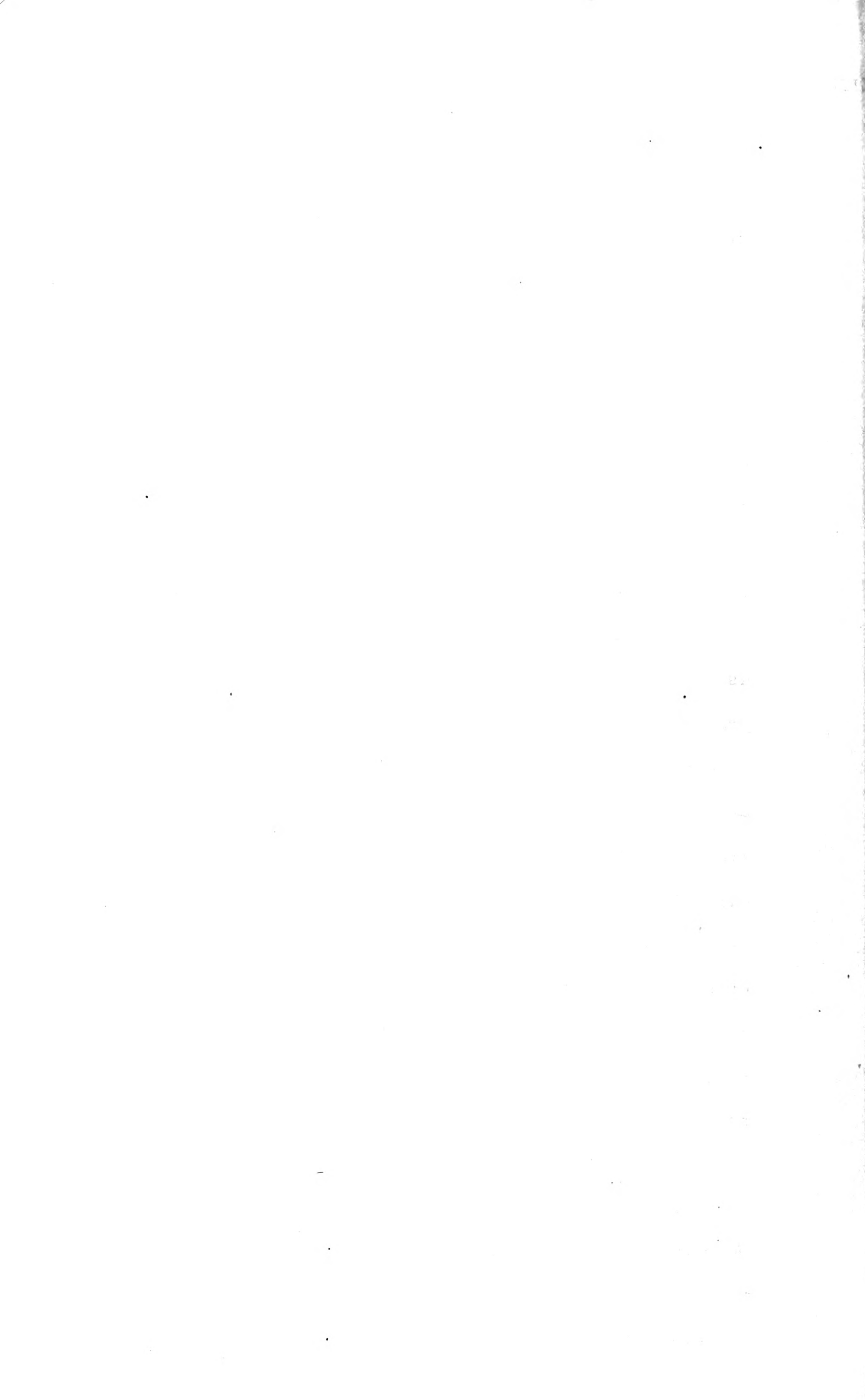
re-allocation of funds. The people of Ontario are paying, and this is an attempt to approach this problem by a scientific examination of all the factors involved. In the other days the municipalities assumed the whole obligation, but gradually the provincial authorities have assumed a higher and higher percentage. Just what percentage should be assumed by the province and what percentage by the municipalities is something to be worked out carefully by the examination of the problem and not to be arrived at by simply saying that the provincial government should pay it all or nearly all. There is nothing scientific about that. It does not change the net result for the people of Ontario. It is a case of where the incidence of the burden falls. This is a problem that has accumulated over the years for which we are now seeking a scientific solution, and the answer has been given in the fact that we will have complete reports when we meet again.

MR. MEINZINGER: Is any provision made in the budget for the erection of hospitals for incurables? The reason I asked is that we have a very nasty situation in our House of Refuge, and I believe the condition applies generally throughout the province. People are sent from Ontario hospitals to houses of refuge, and we have incurables in our houses of refuge. Picture to yourselves, gentlemen, an aged person in his declining years to a house of refuge and having to mix with insane and incurable people. I believe that in this budget provision should be made to take care of this emergency. It is a very serious situation. We do not know

when we might be in this same state ourselves--I am looking at the Conservatives now. The situation is serious, Mr. Minister, and I trust that something will be done about it. We have sent resolutions to your department about it, asking that something should be done and be done immediately.

MR. VIVIAN: We are perfectly well aware of the difficulties in connection with the care of the chronic and incurably ill in the province, those unfortunate people who are mentally ill through what you might call the degeneration of old age. The situation is deplorable. In the last two years we have given or loaned to the federal government a number of our institutions which could have been very useful to the province in caring for a portion of the problem. We are suffering from a great lack of beds for both the mentally and chronically ill. We have given \$384,000 in the last two years to assist in the construction of additional wings to existing institutions for the care of the chronically ill, and that has helped to some extent. We all recognize the difficulties of construction at the present time. We know the problem and we are doing our best with it. There is provision in the public works estimates for additional buildings. I hope that answers my hon. friend's question.

MR. MEINZINGER: I might mention an individual case in our municipality where a man was sentenced to the Ontario Hospital as being insane and then was released from the hospital and put on probation in the House of Refuge for observation. Picture a man sent to such an institution for



observation and mingling with these poor aged people. Imagine their feeling.

MR. VIVIAN: There are 15,000 certifiable insane in the province, and we cannot take care of them all, but if my hon. friend will give me the name in writing of the person which he has mentioned, I will answer his question in the House.

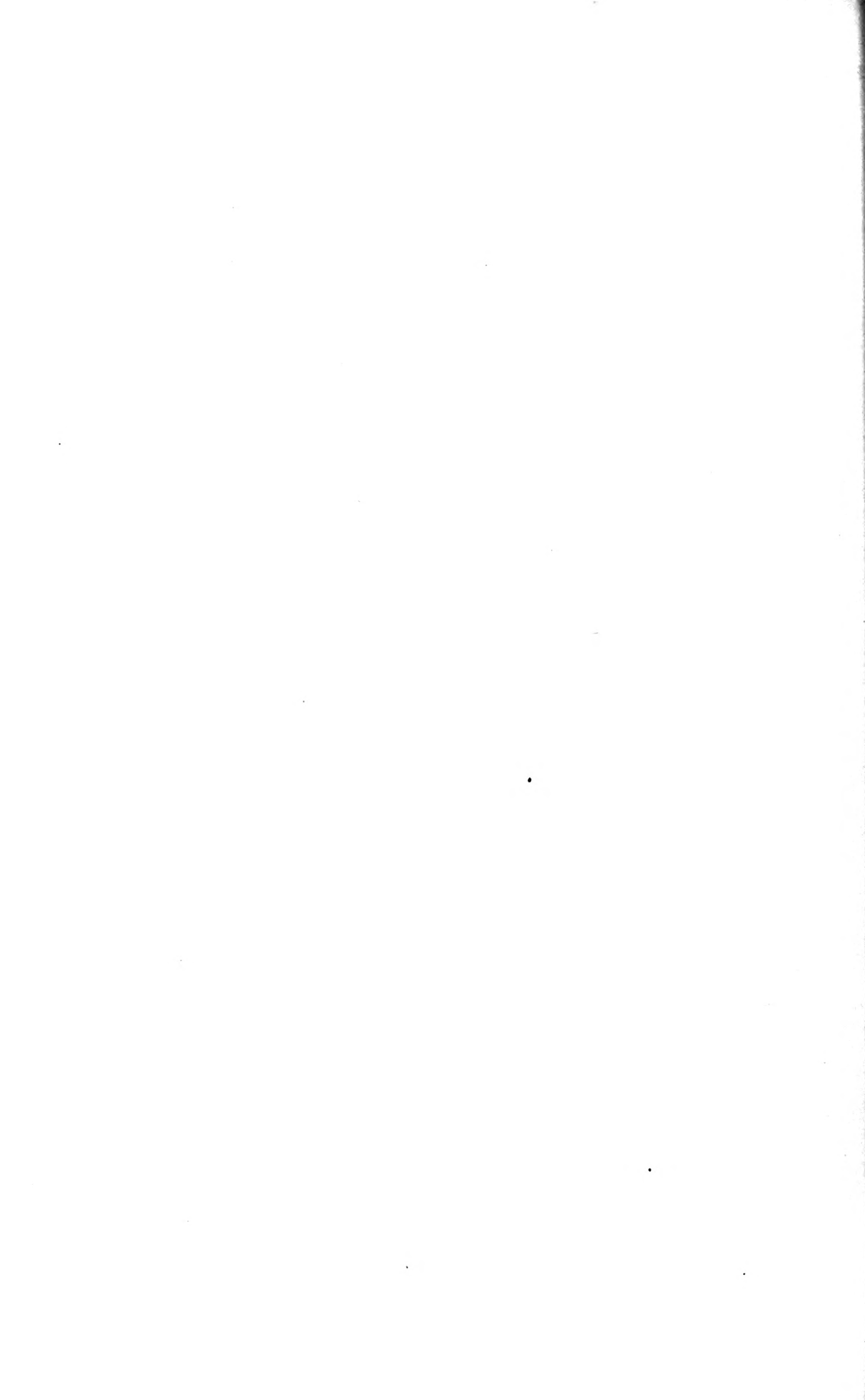
Item agreed to.

Item 88--Psychiatric Research Division, \$19,000.00.

MR. MacLEOD: I would like to get some information from the Minister as to the character of the work being carried on by this Psychiatric Research Division. There are a number of references here to the field of psychiatry, and perhaps the Minister can deal with my question now just as well as later on. I call his attention to a news dispatch in one of the Toronto papers earlier this year which carried the heading "More Ontarians Mentally Sick than in College". If the Minister does not recall the heading, he will recall what follows. It is the report of an address by Dr. K. S. Bennhardt, professor of psychology in the University of Toronto. He said that Ontario has more beds in its mental hospitals than in all general hospitals in the province; more patients in these institutions than the total of students at all universities. He goes on to say:

"That does not mean that mental illness is on the increase. The increasing number of patients presents an optimistic picture--"

That is a strange way of putting it.

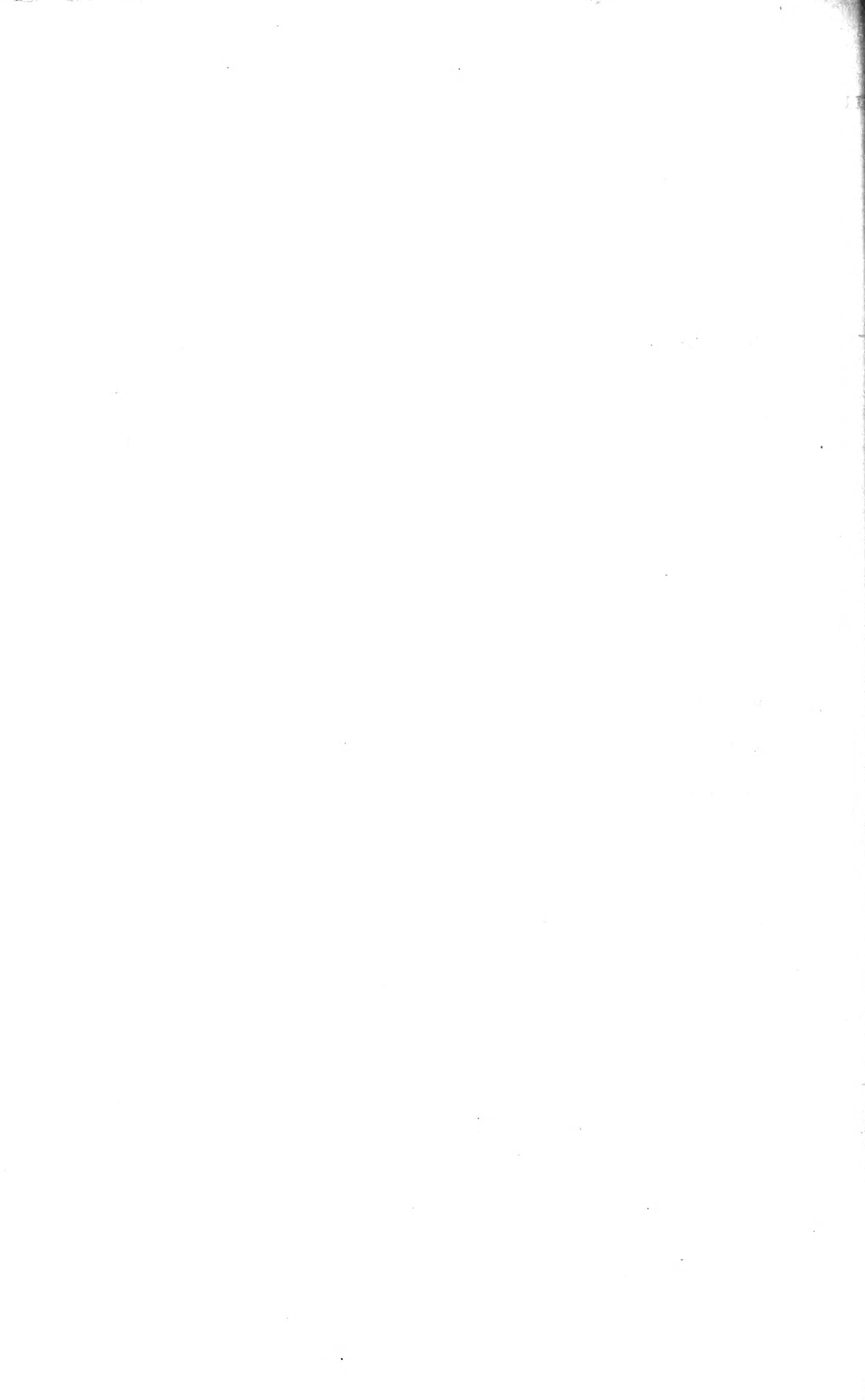


"--because it means the province has more facilities for treating maladjustments before they become serious. Thirty percent of the patients in Ontario hospitals are returned to health and normal living within a year."

Then he makes this point: It might have been possible to prevent their reaching that stage where they would have to enter a mental institution. He goes on to point out that ten pupils of an average school class of 40 would at some time require psychiatric advice or treatment, "but they won't all get it", he said. Two out of each 40 will spend some time in a mental institution, he added.

I think the Minister will agree that that is an alarming statement, and I am just wondering what the Minister is doing to extend the facilities for psychiatric treatment in the schools of Ontario. We have been living through an unprecedented period in the world's history during the past five years, and the young children have certainly felt the impact of the war.

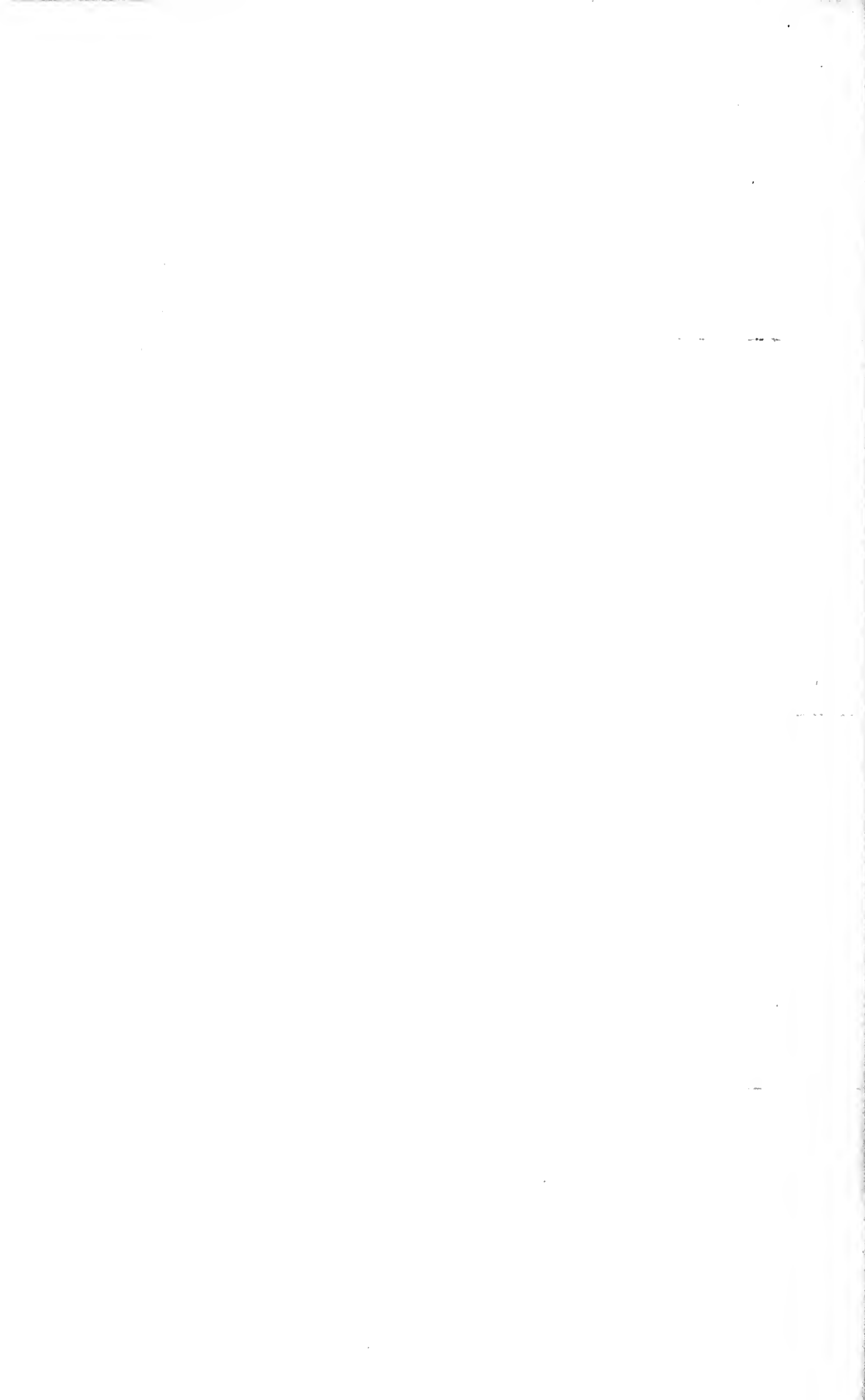
(Page 182 follows)



and the sense of insecurity, the horror stories and the horror pictures, and the lurid way in which these matters are dealt with by the more sensational sections of the Press, has undoubtedly left an impact on the tender, sensitive minds of younger people, and I think that despite the statement made by Dr. Barnhardt it would be rather surprising if there was not an increase in mental illness during the last five years. Of course, the hon. Minister (Mr. Vivian), as a professional man, - his opinion would be much more valuable and valid than an opinion expressed by a layman, but I would like to know what plan the hon. Minister has for the extension of psychiatric treatment throughout the public schools of this province and the integration of the teaching of psychiatry with the regular courses for teachers, and what effect this is likely to have in reducing the proportion of young people who will have, as a result of no treatment, to enter a mental institution. I think, of course, the hon. Minister (Mr. Vivian) will follow me.

HON. R. P. VIVIAN (Minister of Health): I am very glad the hon. member for Bellwoods (Mr. MacLeod) has raised that point, because it does give me the opportunity to explain the advances, - and they are advances, - which have been made in this province in the last number of years under several administrations, and I will not take long in doing it, but there are two or three things which I should point out to the House.

If you will accept this definition, that we are con-



cerned, psychologically, with those people before they get sick, and, psychiatrically, after they become mentally ill.

This division of psychiatric research has been brought into focus because we have been alarmed at the number of people, which seems to be on the increase, who are patients and potential patients in mental institutions. It is a little difficult to make a flat statement of whether mental illness is definitely on the increase in Ontario, or whether it is not, but there would seem to be an increase in the number of patients we have who are not provided care. So, in developing this some years ago with the then Deputy Minister of Health, the late Dr. W. T. McGhee, who was himself a psychiatrist of international repute, there was instituted in the province what were known as mental health clinics, to group a programme of mental hygiene and assist patients discharged from mental hospitals to rehabilitate themselves, and to formulate, primarily, a policy which might be utilized in subsequent years, and it was done. We have been handicapped due to the fact that we have had fifty-seven of our psychiatrists in the Armed Forces. Psychologists, also, have been very difficult to get.

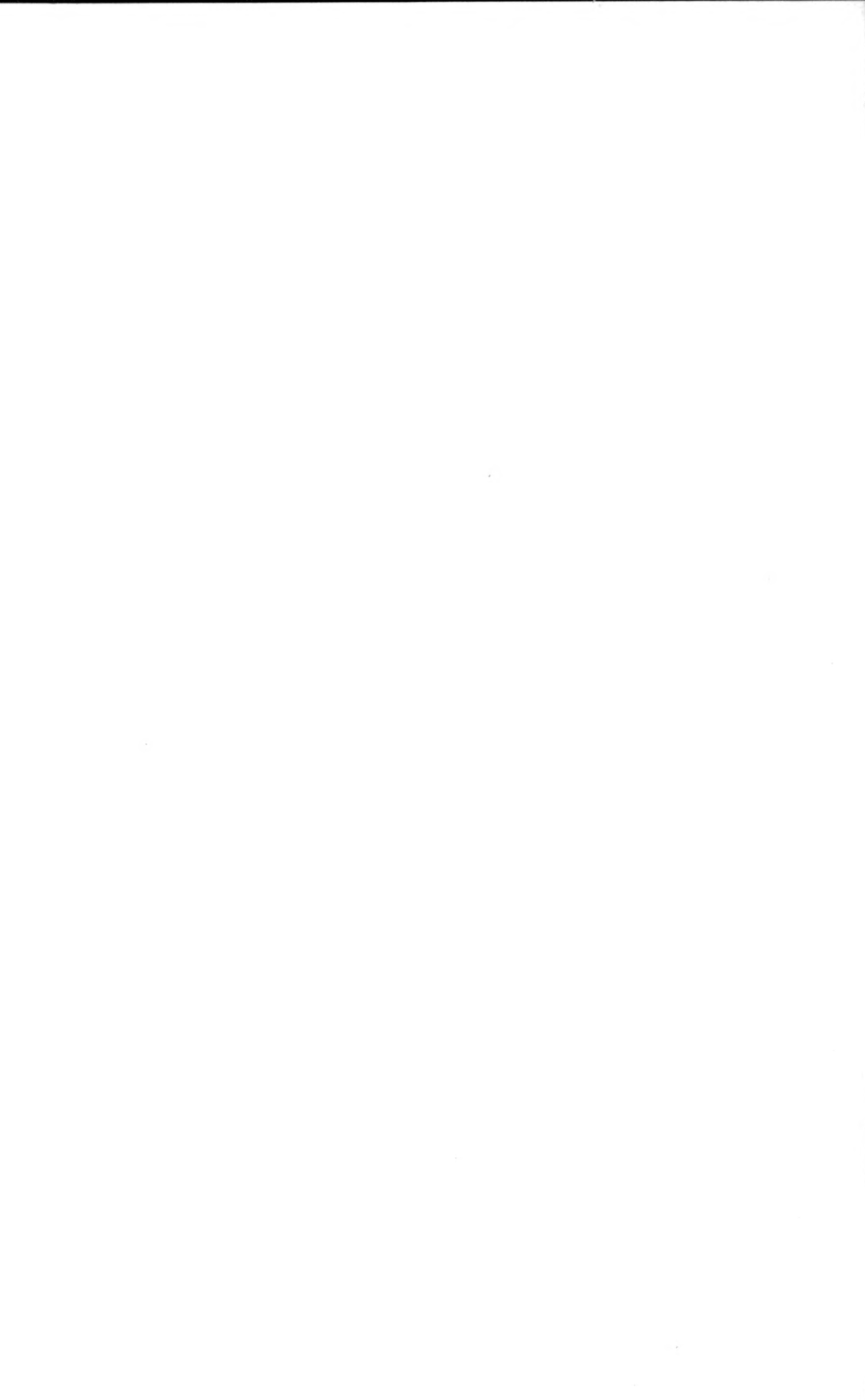
The things learned in the war, with regard to shell-shock, rehabilitation of people mentally strained or ill, are proving very valuable. That, added to the experience we already had in this province, will give us something upon which to build a new and better programme, and that programme is built in these ways: first of all, through fact-finding, and that is where the psychiatric research division comes in,



and it has undertaken five different things. They anticipated, statistically, the population of mental patients in Ontario in the next twenty years, and these statistics have been published. In addition to that, they have anticipated the increase in population, itself. Papers are in preparation regarding one of the newer advances in the treatment of the mentally ill, shock therapy. It is a most interesting development, and has proven to be of some value, but no one is prepared to say of what length the value could be. In addition to that, we have been very fortunate in having Dr. Penrose as our Head Statistician, who was recently called to the Chair of Eugenics in London, and who has been reviewing such things as mental deterioration of epileptics and has been studying the problem of mental illness in families. That is the background.

The way we find out these things is to be able to get groups of people who might attain -- or become mentally ill in later years. That has been impossible in the past, even with the mental health clinics. The only way in which it could be done is through county health clinics, of which I have spoken a great deal, so that with the assured units in the counties, with sufficient health nurses and physicians and psychiatrists, assist the teachers and the nurses and the community generally to turn up those children who might become patients eventually and at that point do something for them.

The same is true of affected individuals of adult age



throughout the community. So, through this division of psychiatric research, we have a fact-finding body, and through the county health units we have the machinery, and all that is required is a sufficient staff to complete these units and to bring into being the thing which the hon. member for Bellwoods (Mr. MacLeod) has spoken about.

MR. MacLEOD: Thank you, very much.

THE CHAIRMAN: Vote 88; Items 2, 3 and 4. (Carried)

Vote 89; Items 1 and 2. (Carried)

Vote 90; Items 1 and 2. (Carried)

Vote 91; Items 1 and 2. (Carried)

Vote 92; Items 1 and 2. (Carried)

Vote 93; Items 1 and 2. (Carried)

Vote 94; Items 1 and 2. (Carried)

Vote 95; Items 1 and 2. (Carried)

Vote 96; Items 1 and 2. (Carried)

Vote 97; Items 1 and 2. (Carried)

Vote 98; Items 1 and 2. (Carried)

Vote 99; Items 1 and 2. (Carried)

Vote 100; Items 1 and 2. (Carried)

Vote 101; Items 1 and 2. (Carried)

Vote 102; Items 1 and 2. (Carried)

Vote 103; Items 1 and 2. (Carried)

Vote 104; Items 1 and 2. (Carried)

Vote 105; Items 1 and 2. (Carried)

Vote 106; Items 1 and 2. (Carried)

MR. OLIVER (Leader of the Opposition): I wonder if the



hon. Minister (Mr. Vivian) will tell the House where the reduction is effected in the over-all estimate. Last year the estimate was over \$1,000,000 higher than this year. Is that right?

HON. R. P. VIVIAN (Minister of Health): Yes.

MR. OLIVER: It was \$12,326,000 in 1945-1946, and \$13,586,000 in 1944-1945. They were over \$1,000,000 higher last year than this year.

MR. VIVIAN: That is the estimate to which the hon. member (Mr. Oliver) is referring. Might I, perhaps with pride, point out that we did a good job of management, and we did not need as much, and did not spend as much, plus the fact that last year we had an estimate of half a million dollars for the Cancer Research Foundation, which also helped.

Regarding the question of the hon. member (Mr. Oliver), which he asked a few minutes ago in connection with dental service, I am sorry I cannot give you a clear answer to-night, because we will have to go into the files for that information, but I will send you a memorandum on it.

MR. BELANGER: Mr. Chairman, before leaving the estimates of this Department, and before we are asked for our concurrence of the total amount, there is something that I think should worry the House, and that is the cursory manner in which the question raised by the hon. member for Waterloo North (Mr. Meinzinger) was practically dispensed with, or was thrown out. It would be a very strange state of affairs, indeed, Mr. Chairman, if, when a local health



authority refuses or neglects to carry out its duties, there were no powers in the Department to intervene, and intervene in an effective way.

The hon. Minister of Health (Mr. Vivian), (and I say this with all respect to the Minister,) used a very short illustration to throw out any discussion on this question raised by the hon. member for Waterloo North (Mr. Meinzinger) by saying, "We should not be expected, here in Toronto, to pull the chestnuts out of the fire." I say, "Yes, we should. We should not let them burn, and if the local authority does not do its duty, and pull out the chestnuts before they burn, then it is for Toronto to intervene."

So, I would have found it very, very queer, indeed, and very odd, if among the duties of the Department of Health there was not something very precise and very determined and very clear as to the different duties in this matter, and here is what I find in the Public Health Act:

"It shall be the duty --" It is not a "may"; it is a "must". "It shall be the duty of the Department of Health to determine whether existing conditions of any premises or any street or public place, or the method of manufacturing, or business processes, or the disposal of sewage --". This is the case in point, I understand. "--trade, or other waste, garbage or other excrementitious matter is a nuisance or injurious to health."

The duty of the Department is to determine that when



its attention is called to it, as was the case here to-day.

Then, what ensues?

"Then it is the duty of the Department to enter and go upon the premises in the exercise of any power or powers, or any duty under this Act, and make such order and give such direction with regard to the structural alterations of the premises, or with respect to any other matter as the Department may deem advisable in the interests of public health."

Then, to show how the legislation is intended to correct such matters, it goes on, in Section No. 4, to say:

"Where it appears to the Department that any unsanitary condition or nuisance exists in the municipality, and the local board has, on proper representation of facts --" — as was done to-night, — "neglected or refused to take such measures to remove such conditions or abate such nuisance, the Minister may direct an investigation, as provided by subsection 1, and if the investigation reveals such neglect on the part of the local health authority, then it is the duty of the Department to enter into and go upon the premises and give such directions and orders as to see to the correction of the nuisance."

HON. R. P. VIVIAN (Minister of Health): Mr. Chairman, in view of the statement which the hon. member for Prescott (Mr. Belanger) has made, I think perhaps it would be wise to



review the whole thing in the Kitchener-Waterloo area in relation to /sewage. I will be very glad to do that. It will require certain files from the Department, and I shall be pleased to either send you a memorandum or answer in the House tomorrow, but I think the issue should be cleared. If the hon. member will accept that --

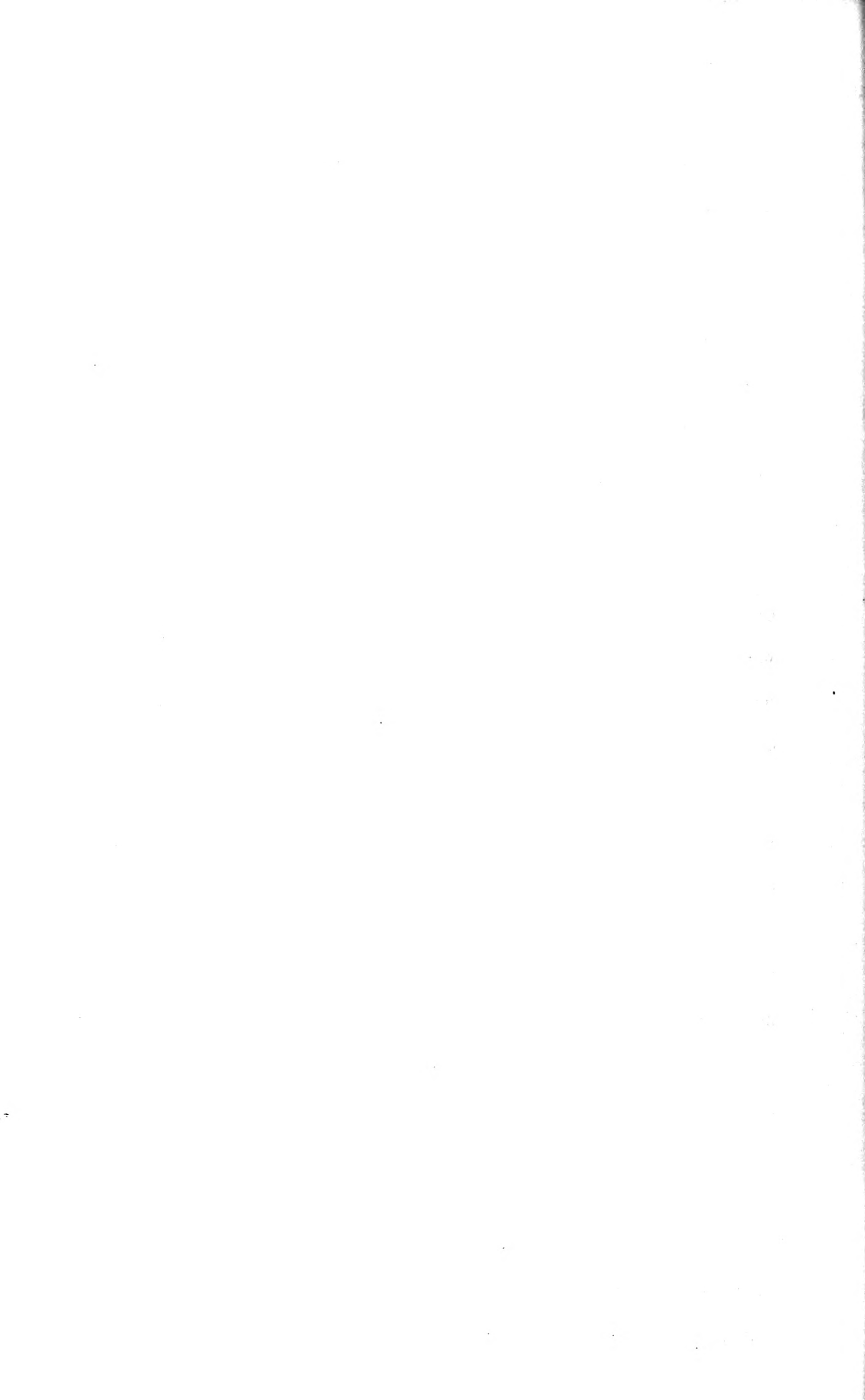
MR. BELANGER: I am sure, Mr. Chairman, I will not impose such work on the hon. Minister.

MR. VIVIAN: It is no work, at all.

MR. BELANGER: But what I was concerned with was the general principle as to the interference of the Department when the local authority does not do its duty, and we find such a condition as was revealed in this House by the hon. member for Waterloo North (Mr. Meinzinger), and I think such a state of affairs, when brought to the attention of the hon. Minister of the Department, cannot be set aside in such a cursory way, as apparently was done here this evening.

MR. VIVIAN: No, not really. The words which the hon. member for Waterloo North (Mr. Meinzinger) used did not prove the state of things, at all, regarding the sewage. He simply made an assertion. I think it would be wise to bring the facts to the House.

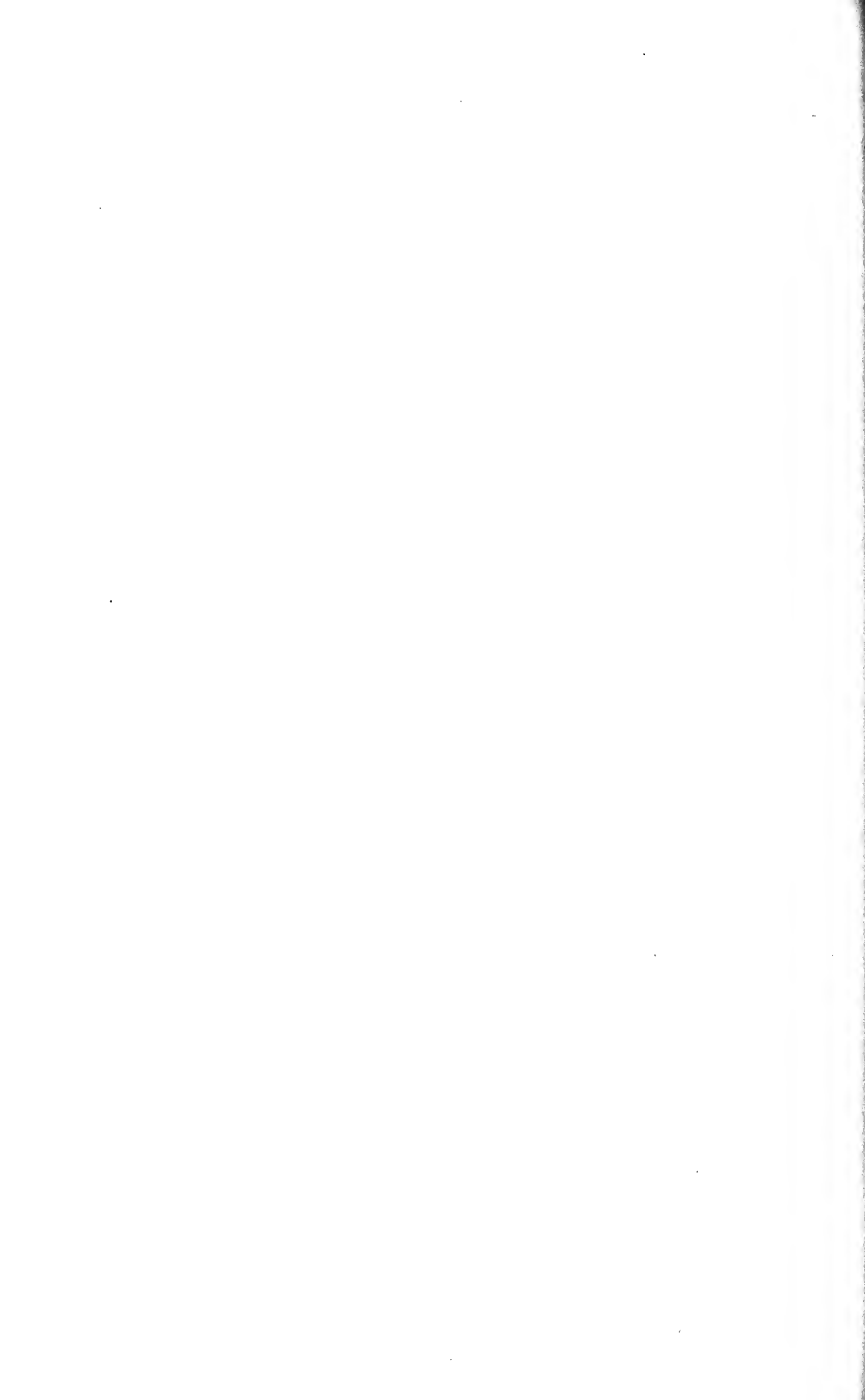
MR. MEINZINGER: Mr. Chairman, everything I have said is the entire truth. It is not necessary for the hon. Minister to go into his files to give the hon. members additional information. I know that the Department knows the conditions up there very well. We do not want to go through



their files, but I ask, on the floor of this House, if the hon. Minister (Mr. Vivian) will be kind enough to send a representative up there, and I will gladly have him come up himself. I asked him, this morning, if he could spare the time, although I know he is a very busy man, but the Department knows what the trouble is, and yet to-night, before this gathering, he told me that he is not going to pull the chestnuts out of the fire for me. That proves right here, conclusively, that the chestnut is there, and he said, "I will not take it out of the fire for you." Well, let me tell him that I will not take it out of the fire for him, and it is time that he and his Department put on some gloves and take that chestnut out, and give us some protection.

HON. GEORGE A. DREW (Prime Minister): The files will be brought here, and the explanation will be given. There is no suggestion on the part of this Government of evading any responsibility. I know the hon. member for North Waterloo (Mr. Meinzinger), and I know his habit for rather florid description, and we can exchange these descriptions, as we have in the past, and be very friendly about it, but I assure him that nothing that has been said to-night will for one moment indicate that this Government is evading its full responsibility, and since the matter was raised, the facts will be brought here, and the Government will act in accordance with the facts.

MR. MEINZINGER: I welcome that very much. I am glad the hon. Prime Minister (Mr. Drew) has agreed to do that. I



do not want to put them to all the work, but again I say the hon. Minister of Health (Mr. Vivian) said that it was not his chestnut. I can say now that it is.

HON. GEORGE A. DREW (Prime Minister): Well, let us leave the chestnut until tomorrow.

MR. MEINZINGER: If they need any help in pulling the chestnut out, I will be glad to assist them, and let us have a full discussion before the House.

HON. GEORGE A. DREW (Prime Minister): Mr. Chairman, I move that the Committee rise and report certain resolutions.

Motion agreed to.

Mr. Speaker resumes the Chair.

MR. REYNOLDS: Mr. Speaker, the Committee of Supply begs to report certain resolutions, and asks leave to sit again.

MR. SPEAKER: Mr. Reynolds, the Chairman of the Committee of Supply, reports certain resolutions, and asks leave to sit again.

Motion agreed to.

HON. GEORGE A. DREW (Prime Minister): Mr. Speaker, I move the House do now adjourn.

MR. OLIVER (Leader of the Opposition): Would the hon. Prime Minister (Mr. Drew) tell us the nature of the business for tomorrow.

MR. DREW: Yes. We will proceed with the Bills in Committee at 3 o'clock tomorrow afternoon, and I imagine the hon. members may wish to proceed on into the evening, so that



we may get ahead with the business, if we require that time.

Motion agreed to; the House adjourned at 11:10 o'clock,
p. m.



THE LEGISLATIVE ASSEMBLY

THIRD DAY

Toronto, Ontario,
Wednesday, July 18, 1945.

AFTERNOON SESSION

The House having met at 3 o'clock.

Prayers.

MR. SPEAKER: Presenting petitions.

Reading and receiving petitions.

Presenting reports by Committees.

Motions.

Introduction of Bills.

MR. SPEAKER: I accord the privilege of the floor to the hon. member for Durham (Mr. Vivian).

MR. R. P. VIVIAN (Minister of Health): Mr. Speaker, I rise at this point to a matter of public importance, inasmuch as it arose out of a statement or statements made in this House last night by the hon. member for Waterloo North (Mr. Meinzinger).

Reading from Hansard, on page 169, I would read, in part, his statement:

"We have a neighbouring municipality which is

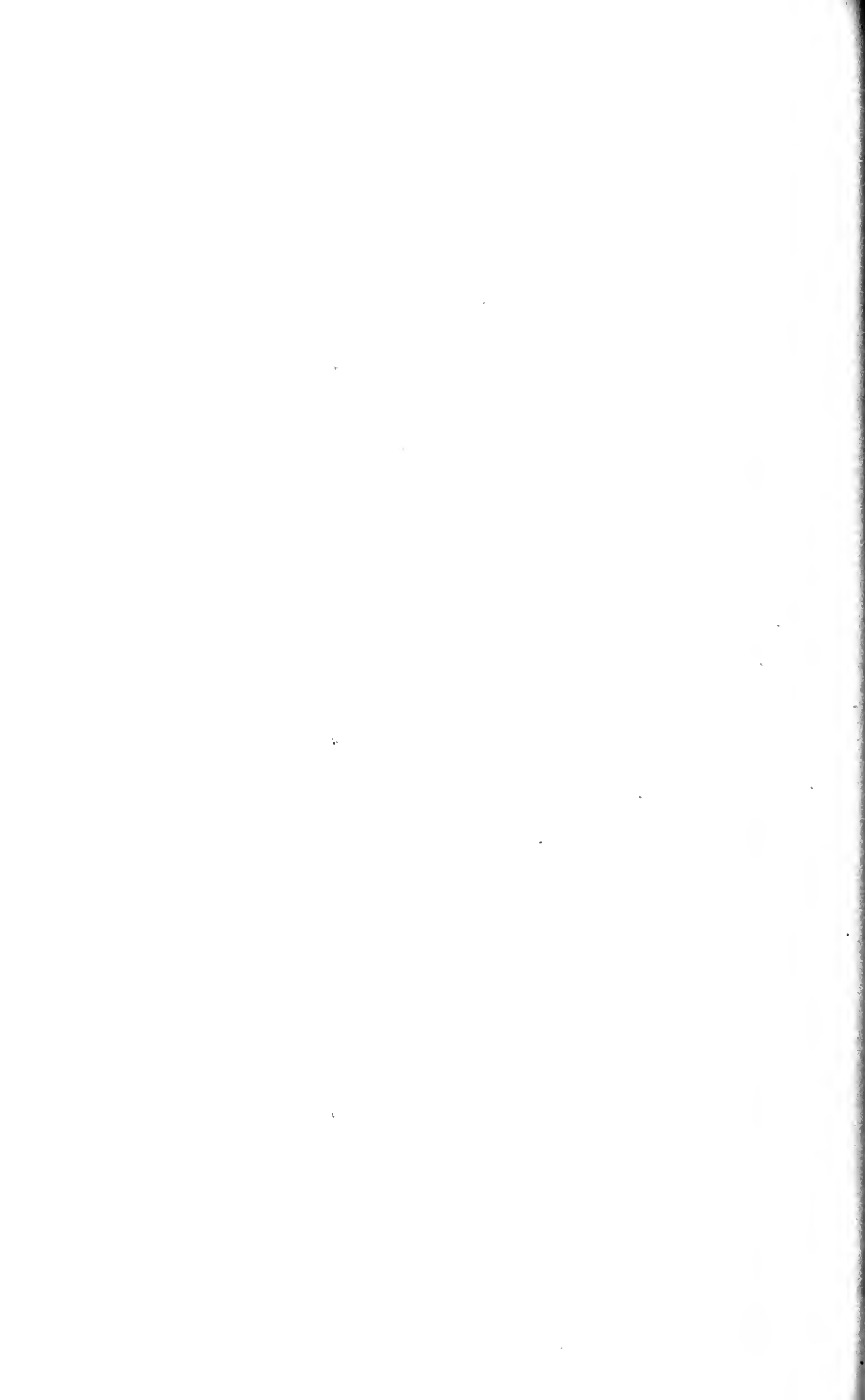
sadly neglecting their particular sewage plant. We have industries there which are not treating their sewage, but are pouring it into the river, and at times, in order to deceive the public, they divert it into the creek, which eventually finds its way into the river."

Now, Mr. Speaker, the problem that exists in the community of which the hon. member (Mr. Meinzinger) speaks, is one which is directly due to the production of wartime alcohol at the Seagram Distillery. It is a problem which did not exist prior to the necessity of this plant's operating full capacity, and particularly during the winter months.

The statement is made that the municipality concerned has been negligent in its sewage disposal, and I feel I should explain to the House something of the history of this difficulty in that area, the steps which have been taken to correct it and the part which the Department of Health has had in the proceeding.

I would like to point out to the House that the wastes from this particular plant of industrial alcohol are not, in the ordinary sense, sewage as we understand sewage, but they are wastes which give rise to a very penetrating and offensive odour, which I am sure is very objectionable.

On the other hand, it has been a wartime promotion, and difficulties have arisen, and I am sure the residents of that area would be the very last to complain of any difficulty in the promotion of this present war, because the problem of



wastes and sewage disposal at Waterloo has had a considerable background.

The disposal plant has been in operation for a great many years, and this distillery of Seagram has also been operating for a great many years, but under different conditions than those existing during the war period. A number of changes have been made in the sewage treatment plant, and in 1931, under agreement between the Department and the municipality, the plant was enlarged considerably, and an out-flow sewer was constructed directly to the river in order to prevent the offensive condition which arose in a pond at Bridgeport.

The distillery is normally operated only in the cold weather, and has not created a similar problem to that experienced in recent years.

In 1941 they put in an evaporator, hoping that this would solve the difficulty, and that any wastes would have to be discharged. This proved to be not sufficient in capacity for the wartime flow. At one time the waste was discharged to a cattle farm and to a creek, and about 1930 they were taken into the disposal plant of the town of Waterloo.

I would like to make that quite clear, that in the past, the early days, the wastes were discharged from this distillery into a creek, and subsequent to that time they were discharged into a sewer and into the disposal plant, which was enlarged, and which provided a direct outflow to the Grand River.

In dealing with this situation it is well to recognize



that the problem is a most complicated one, in that sewage and distillery wastes are being handled at the one treatment works. The problem which has been presented centres almost entirely around the disposal of the distillery wastes. This is complexed because of the strength and the nature of these wastes. There is no comparison between them and sewage, and it is not feasible to treat distillery wastes with any degree of success in sewage disposal plants. The method that is recognized for this is evaporation, and it is a costly process, as well as one which requires considerable delay in securing the necessary equipment.

Two conditions had to be considered at Waterloo; one was the effect this waste would have on the river, and the other the odour that would be created at the disposal plant. There was a choice to be made as to whether the wastes should go directly to the river by way of the creek, and pass through the pond at Bridgeport, or to take them into the disposal plant and give what treatment, small as it was, could be accomplished there. If the wastes went directly to the river there would be a highly offensive condition for a considerable number of people in the area. By sending them to the disposal plant, the odour problem was concentrated there. This, at worst, would affect a considerably smaller number of persons. Some of the material from the distillery was taken out by this procedure.

In addition to this situation, there was the question of whether the distillery should be allowed to operate and



create this objectionable condition at the sewage disposal works. The distillery was operating to process alcohol for war purposes, and it was controlled by the Dominion. Obviously, any move to close this would have serious repercussions. It is doubtful if the province could control the closing of a plant under those circumstances.

Now, the hon. member for Waterloo North (Mr. Meinzinger) has raised the point, without, perhaps, saying so directly, in questioning the action of the Department of Health in this regard, so I would just like to list the actual undertakings of the Department over the last few years.

"This situation was brought to the attention of the Department in February, 1944, when it was realized that the distillery would have to operate at high capacity and during the summer, and that the equipment, which had been installed previously, would not have sufficient capacity to dispose of these wastes. At that time, the distillery advised that an order had been placed for an evaporator which would be capable of handling the entire volume of the wastes at the capacity at which the plant would be operating. The understanding was that this plant would be in operation by May, and, in which case, it would precede the warm weather, and thus avoid objectionable conditions at the plant and in the river. The Department had to accept the assurance of the municipality and the distillery that steps were being taken to meet this problem. Later it was apparent that



because of difficulties in securing the equipment and other wartime restrictions prevalent at the time, that this could not be got in operation before the warm weather. The Department, in the meantime, made every effort to impress upon the municipality and the industry the necessity for getting this plant functioning as soon as possible.

"It was not until August, 1944, that any complaint was received by the Department, a number of months after an effort had been made to deal with the anticipated difficulty. At this time, there was a considerable quantity of distillery waste on the filter beds at the disposal plant. This material being of a very fine nature tends to choke the pores of the filter and reduces the rate of filtration. This resulted in part of the waste overflowing the filter beds, but all of it had preliminary treatment similar to that given at the Doon Plant for the City of Kitchener. When the complaints were received, there was very little that the Department could do. An effort was made to mask the odour at the disposal works and measures were taken which brought some relief. In addition to this, arrangements were made with the Grand River Conservation Commission to increase the flow of water in the river, and thus to dilute the effluent that was discharged from the treatment plant. This had a beneficial effect during the low-water period.

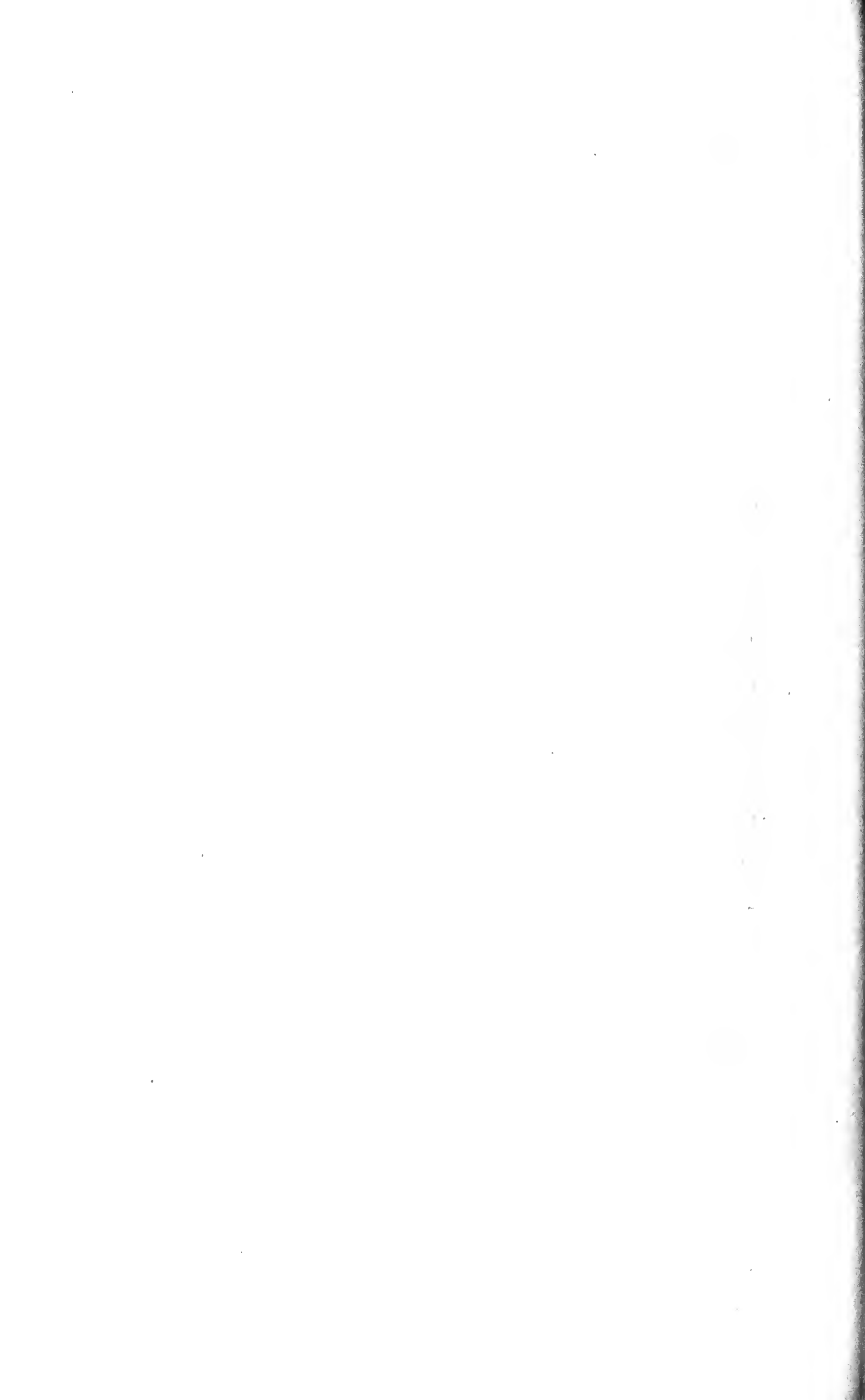
"It was not until later in the year that the plant for treatment of the distillery wastes was put into operation. Then considerable difficulty arose in getting it



properly adjusted to take the entire volume of wastes. The plant was more or less experimental, and it was necessary to make many adjustments and changes, which could not be anticipated by the manufacturers. However, this has been improved, and barring some mechanical difficulties which are likely to occur at any time, all of the wastes have been treated for some time at the distillery.

"By last fall, the filter beds at the sewage disposal works had been choked with the wastes from the distillery. These gave off an offensive odour. The Department has urged the municipality to have these cleaned out as quickly as possible. However, it was recognized that to disturb them in the warm weather would only create a more intense odour, and the municipality advised that they could not get the beds cleaned last fall. They proposed removing the material when it froze in the winter, but, unfortunately, it did not freeze, and in the spring efforts were made to remove these wastes. A contractor from London was secured, and he has been working on it for some considerable time. Wet weather and labour shortages have interfered a great deal, but it is understood that practically all of the material has now been removed from the beds, and the cause of the odours eliminated.

"At present, all of the wastes from the distillery, barring accidents, are being treated in the evaporation plant and the sewage treatment plant is handling the sewage from the town. This plant, when not overloaded with in



dustrial wastes of this kind, will give reasonably good results. It is a more complete treatment than has been required on this river since the conservation scheme was put into effect. The plant was designed to meet the situation before the conservation project was undertaken, and with the increased volume of water in the river obviously conditions would improve. It is believed that when the beds are all restored to normal again no particular difficulty will be encountered.

"The situation at Waterloo has been a most difficult one, but every effort has been made by the Department to have it dealt with as expeditiously as possible. We have impressed upon the town and the company that they must proceed as quickly as possible to bring about the necessary improvement. We had to recognize, however, that labour difficulties and others, all too frequent during wartime, have delayed progress. For the Department to issue a mandatory order against the municipality would have been of no avail, since these wastes cannot be treated at that type of plant, and the alternative would have been for the town to shut off the distillery, bringing about a discharge of raw distillery wastes into the creek, or the closing of the plant. I am satisfied that neither of these moves would have been acceptable, at all, and there was no choice in doing what has been carried out. Knowing, as we did, that there was nothing that could be done that was not being attempted, the issue of a mandatory order would have been ridiculous."



Now, Mr. Speaker, also from Hansard, as part of my answer to the hon. member from Waterloo North (Mr. Meinzinger) last evening, I made this statement:

"The Sanitary Engineer Division of the Department of Health is a supervisory and consultant agency to assist the local boards of health, but the local board of health has it in its own power to correct the difficulty of which he spoke."

And I contend, Mr. Speaker, that the Department has acted in close consultation with the local Board of Health of the municipality of Waterloo, and the municipality and the distillery were faced with a very difficult problem, and have proceeded, as quickly as possible, in an undertaking to bring about a more desirable condition within a reasonable length of time. And in the conversation with residents of that local area since last evening, we are informed that the problem of odours is such that they do not exist at all, and have very little influence, at the present time, and sewage, as such, is being well treated in that municipality and in that disposal plant.

I wished to bring this problem, in its entirety, to the House, so they could have the full facts and will become aware of what the Department has done in connection with sewage disposal in Waterloo.

MR. MEINZINGER: May I ask the hon. Minister (Mr. Vivian) a question?

MR. SPEAKER: Yes, just a question. The matter is



not debatable at this time.

MR. MEINZINGER: I would ask of you, honourable sir (Mr. Vivian), if you have gone back into the files as far as 1932, and do you mean to tell the hon. members of this House that this problem only cropped up in February of 1944, and will you be kind enough to send a representative from your Department, and I would appreciate it if you would come up yourself and go into this matter with us fully --

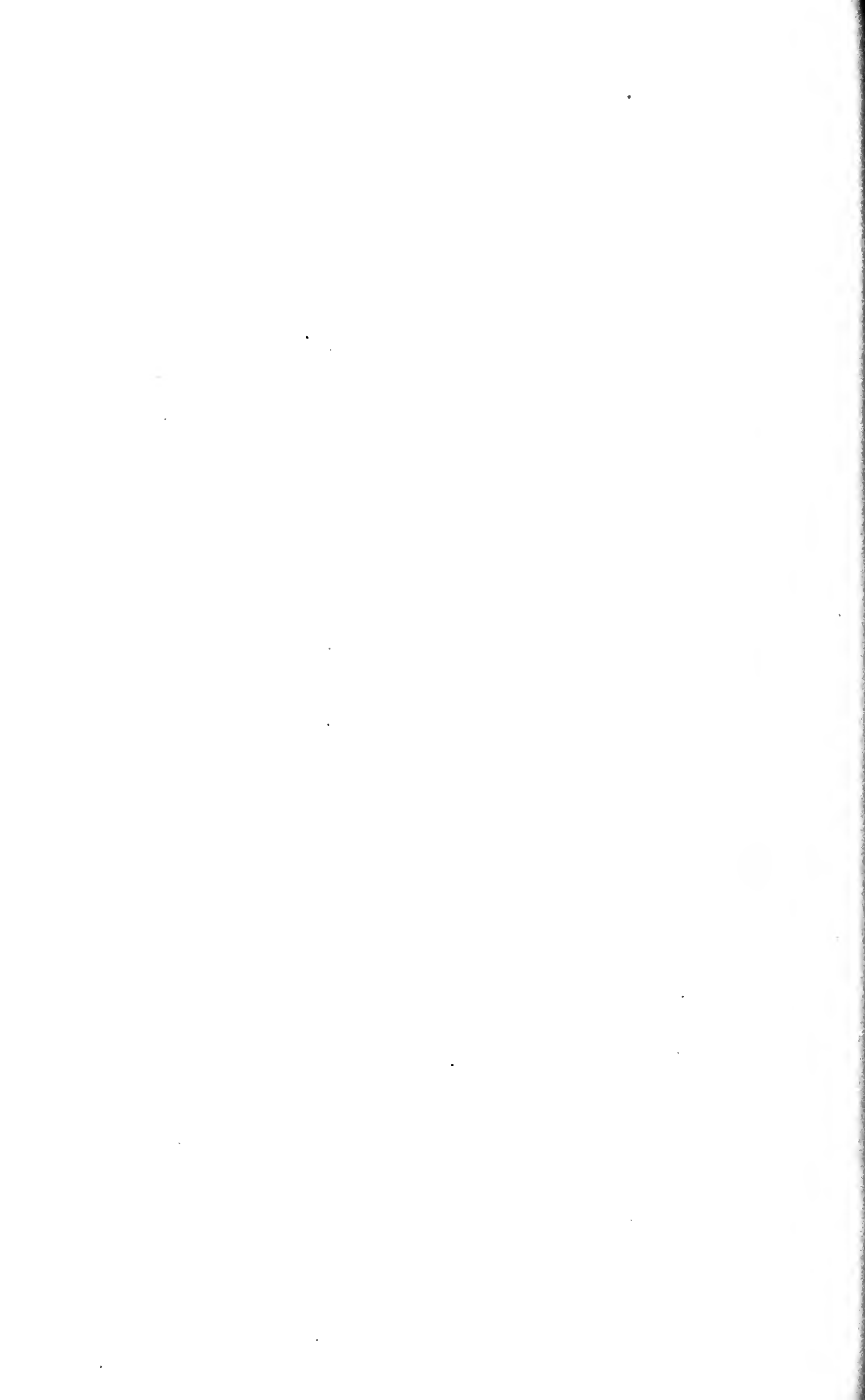
MR. SPEAKER: The hon. member (Mr. Meinzinger) can only direct a question, and cannot make an address.

MR. MEINZINGER: Mr. Speaker, I am still asking the question. Will you be kind enough to send a representative up there? And I would say, honourable sir, do you not know that this condition has existed for the last fifteen years, and do you not know that your files must be filled with requests and complaints from that territory, and do you know, sir, that as recently as one year ago, when Dr. Bury was up, there were three hundred people at a meeting, who protested strenuously of these odours, and this condition, and do you now know, sir, that since this plant put in that equipment that the odour still exists --

MR. SPEAKER: Order. You asked permission to ask a question. You are now making an address. Please limit yourself to asking the question, and then take your seat.

MR. MEINZINGER: I did not know I was limited in the number of questions.

MR. SPEAKER: You are making an address. Please direct



your question to the hon. Minister.

MR. MEINZINGER: And in conclusion, will you be kind enough to take up this matter, and give us a few minutes, and come up to Waterloo, and we will show you the facts, if your Department will not give them to you.

MR. VIVIAN: I do not know whether we are out of order, or not, but the large number of questions which followed the original one will appear in Hansard, and if there are any further questions I wish the hon. member for Waterloo North (Mr. Meinzinger) would get in touch with me, because I do not want to take up, further, the time of the House, and if he is not satisfied we will be glad to send any number of people up there. We want him satisfied, as well as the people of Waterloo.

MR. SPEAKER: Orders of the day.

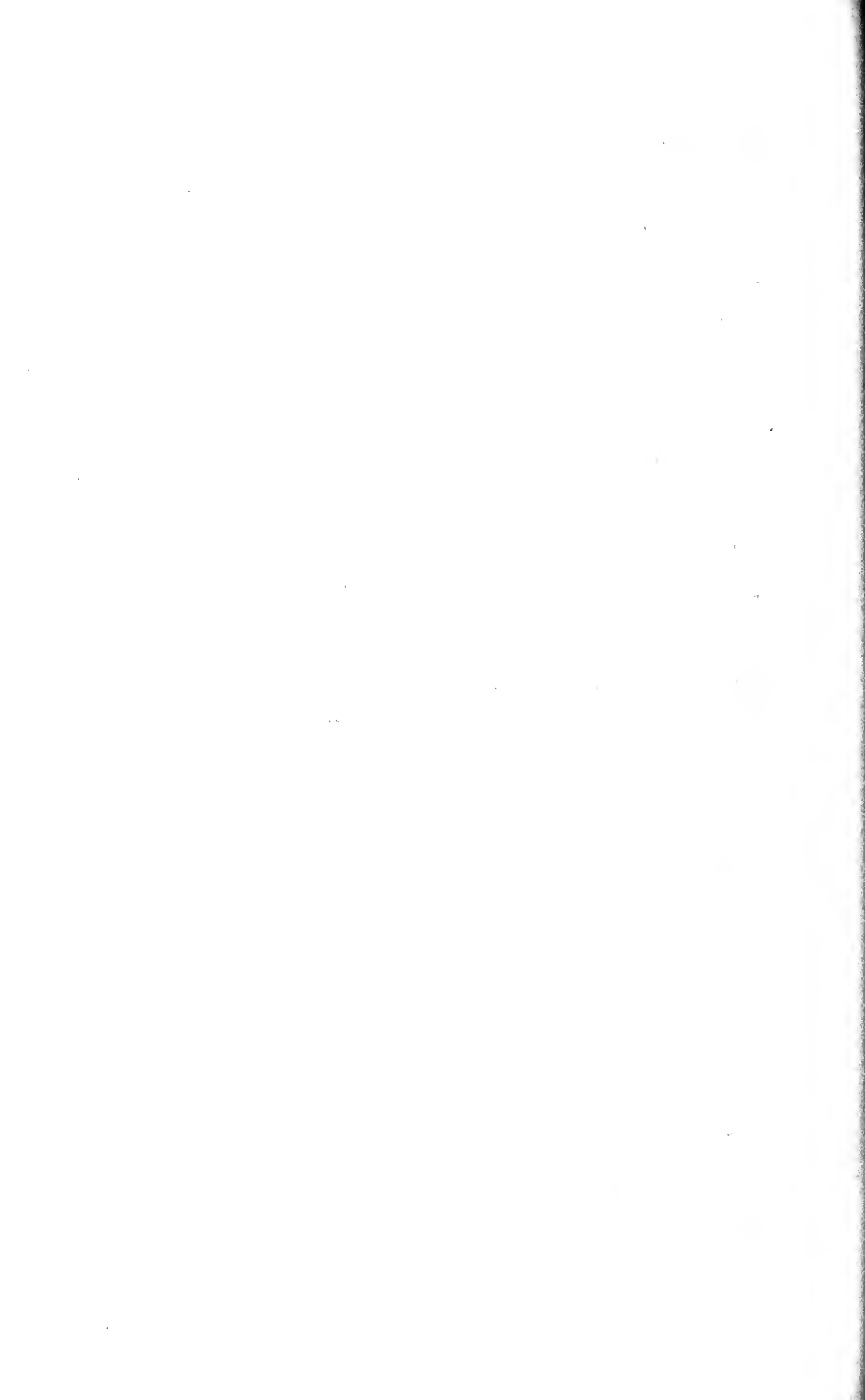
HON. GEORGE A. DREW (Prime Minister): Mr. Speaker, I move that you do now leave the Chair, and the House resolve itself into a Committee of the Whole for the purpose of considering certain resolutions.

Motion agreed to.

--- The Chairman of Committee of the Whole in the Chair.

HON. GEORGE A. DREW (Prime Minister): Mr. Chairman, I beg to inform the House that His Honour, the Lieutenant-Governor, having been informed of the subject matter of the proposed resolutions, recommends them to the consideration of the House.

THE CLERK OF THE HOUSE: Resolution No. 1, standing on



the Order paper in the name of Mr. Frost:

"Resolved,

1. That the Lieutenant-Governor in Council be authorized to raise, from time to time by way of loan such sum or sums of money as may be deemed expedient for any or all of the following purposes, that is to say: For the public service, for works carried on by commissioners on behalf of Ontario, for the covering of any debt of Ontario on open account, for paying any floating indebtedness of Ontario, and for the carrying on of the public works authorized by the Legislature; Provided that the principal amount of any securities issued and the amount of any temporary loans raised under the authority of this Act, including any securities issued for the retirement of the said securities or temporary loans, at any time outstanding, shall not exceed in the whole Twenty Million Dollars (\$20,000,000).
2. That the aforesaid sum of money may be borrowed for any term or terms not exceeding forty years, at such rate as may be fixed by the Lieutenant-Governor in Council and shall be raised upon the credit of the Consolidated Revenue Fund of Ontario, and shall be chargeable thereupon.
3. That the Lieutenant-Governor in Council may provide for a special sinking fund with respect to the issue herein authorized, and such sinking fund may be at a greater rate than the one-half of one per centum per annum specified in subsection 3 of section 3 of the Provincial Loans Act."

THE CHAIRMAN: Shall this resolution be adopted?

Motion agreed to.

THE CLERK OF THE HOUSE: Resolution No. 2, standing on the Order paper in the name of Mr. Kennedy.

"That during the period between the 1st day of April, 1945, and the 31st day of March, 1946, a subsidy shall be paid out of the Consolidated Revenue Fund to every person who produces sugar beets in Ontario under



contract with a person engaged in the business of processing sugar beets into sugar and sugar by-products, the amount of such subsidy to be fixed by the Lieutenant-Governor in Council at an amount not exceeding \$1.55 for each ton of sugar beets.

THE CHAIRMAN: Shall this resolution be adopted?

Motion agreed to.

THE CLERK OF THE HOUSE: Resolution No. 3, standing on the Order paper in the name of Mr. Kennedy:

"Resolved,

That during such periods between the 1st day of April, 1945, and the 31st day of March, 1946, as the Lieutenant-Governor may prescribe, a subsidy shall be payable out of the Consolidated Revenue Fund, —

- (a) to every person who produces milk in Ontario which is subsequently processed into cheese, of an amount to be fixed by the Lieutenant-Governor in Council not exceeding two cents for each pound of cheese produced from such milk; and
- (b) to every person who produces hogs in Ontario and sells them through regular trade channels to be processed, of an amount to be fixed by the Lieutenant-Governor in Council not exceeding \$1.00 for each hog so produced, sold and processed."

THE CHAIRMAN: Shall this resolution be adopted?

Motion agreed to.

THE CLERK OF THE HOUSE: Resolution No. 4, standing on the Order paper in the name of Mr. Vivian.

"Resolved,

That there be paid out of the Consolidated Revenue Fund of Ontario a grant to the Governors of the University of Toronto, to be applied only for the use of its School of Nursing, in the amount of \$10,000 each year for a term of five years and \$20,000 each year for a further term of ten years."



THE CHAIRMAN: Shall this resolution be adopted?

Motion agreed to.

THE CLERK OF THE HOUSE: Resolution No. 5, standing
on the Order paper in the name of Mr. Drew:

"Resolved,

That on and after the first day of September, 1945, the Treasurer of Ontario shall place to the credit of the Teachers' and Inspectors' Superannuation Fund at such times as may be prescribed by the Regulations under The Teachers' and Inspectors' Superannuation Act, sums equal to four per centum of the salaries of teachers and inspectors who are contributors to the said fund."

THE CHAIRMAN: Shall this resolution be adopted?

Motion agreed to.

HON. GEORGE A. DREW (Prime Minister): Mr. Chairman, I
move that the Committee rise and report certain resolutions.

Motion agreed to.

--- The Speaker in the Chair.

(Page No. 207 follows.)



Resolutions reported.

HON. GEORGE H. DUNBAR (Provincial Secretary): Mr. Speaker, I desire to table re 42nd and 43rd Annual Reports of the Temiskaming & Northern Ontario Railway Commission; also the 37th Annual Report of the Hydro-Electric Power Commission of Ontario for the year ending October 31, 1944.

HON. GEORGE A. DREW (Prime Minister): Mr. Speaker, I move that you do now leave the chair and the House resolve itself into Committee of the Whole for the purpose of considering certain bills.

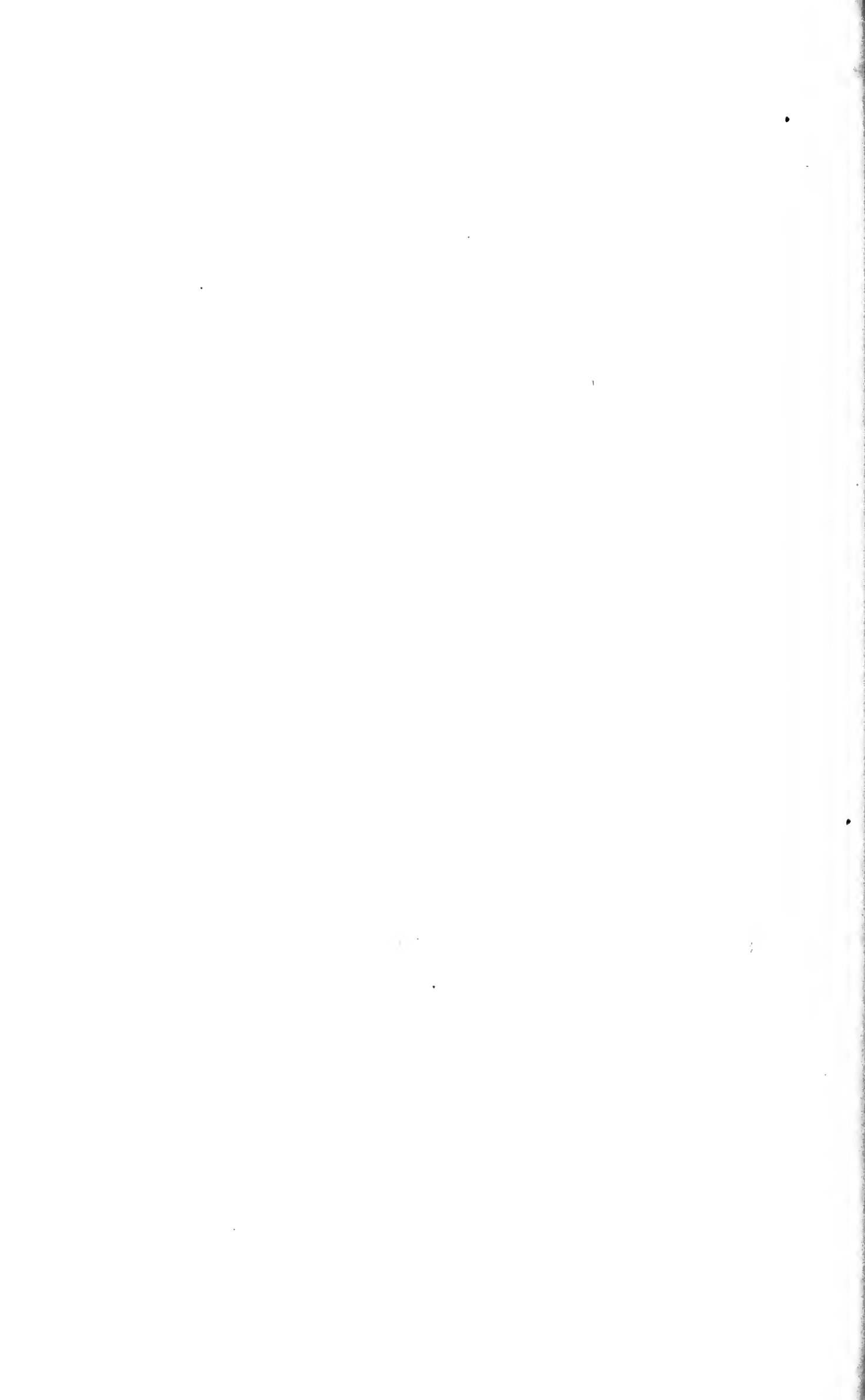
Motion agreed to: The House went into Committee, Mr. Reynolds in the Chair, on Bill No.1, entitled The School Law Amendment Act, 1945.

Sections 1 to 3 inclusive, agreed to.

On Section 4.

MR. BELANGER: Section 4 comprises a lot of provisions. Do they involve any important departure from the existing law. Sub-Section 4, Paragraph (e), for instance, empowers the Minister to prescribe the form of contract which shall be entered into between a board and a teacher for the services of the teacher. That is the same as the present provision, I presume. Are there any important changes made in the existing law by this amendment?

MR. DREW: A number of these amendments are for clarification. The Act as it now stands was drawn up many years ago, but with the filing of the regulations under the Regulations Act, it has been found difficult and in some cases practically impossible to relate the regulations



definitely to the governing clauses in the school law. A general provision of the School Act is necessary to provide the Minister with the necessary power to make the regulations. There is no essential change. The purpose of this and succeeding sections is to consolidate the existing practice.

MR. BELANGER: I thought so, but I see that Sub-Section 4, (1) (j) empowers the Minister to prescribe the fees to be paid by candidates at an examination. I thought that these examination fees were abolished years ago. Are there still some fees collectible from candidates at departmental examinations?

MR. DREW: These are only fees for special examiners in special cases.

MR. BELANGER: But the power is given to the department to prescribe fees at any examination, at even primary and entrance examinations, as well as higher examinations.

MR. DREW: That power is merely a continuation of the existing power, which, as the hon. member has pointed out, has not been exercised. The only fees now paid are for special examiners where special examinations are called for.

MR. BELANGER: Do I understand that it is still the policy of the department that fees shall not be prescribed for the regular examinations, entrance, matriculation, and so on?

MR. DREW: That is right. There is no change in that policy. I can assure the hon. member that it will be continued, and that fees for the regular examinations will



not be charged.

MR. BELANGER: This section is put in, perhaps, just in case the money is needed to pay the new school grants?

MR. DREW: Oh, no. The hon. member has made some useful comments in regard to our educational problems and is extremely well-informed on them, and I have had great assistance from him in connection with educational matters. This is merely a continuation of the power now existing. The policy of the department is that no fees will be charged, just as no fees have been charged in the past, for the regular examinations. The only fees charged are for special examiners.

MR. SALSBERG: Subsection 2 empowers the Minister, subject to the approval of the Lieutenant-Governor to do certain things. I would on this occasion direct a question to the Premier following up the matter raised yesterday by the member for Cochrane South as to what opportunity the House will have of studying the regulations prior to their enforcement. The Premier said that he will be quite prepared to make some arrangement. I wonder if he will clarify his statement at this stage and indicate--

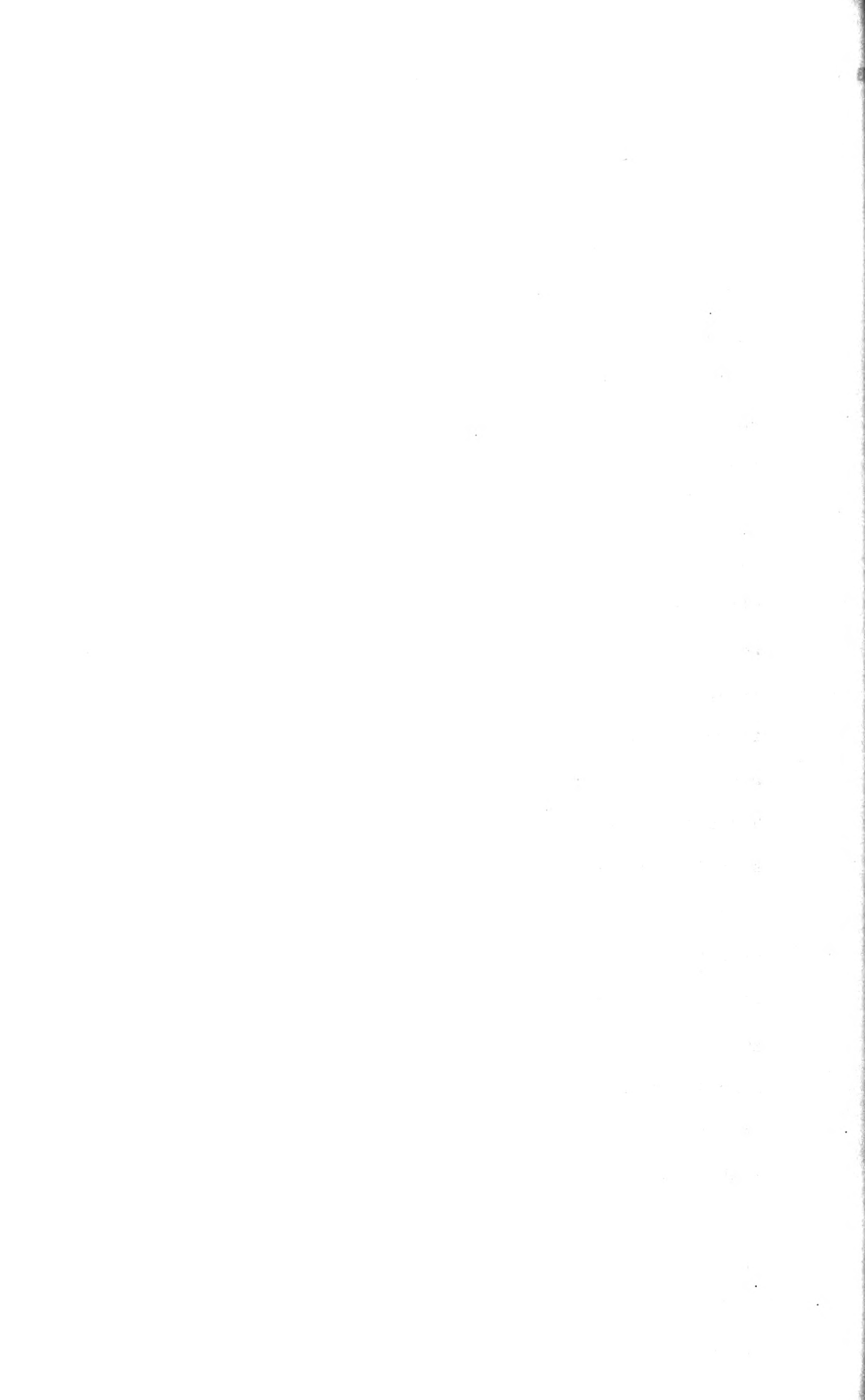
MR. DREW: Let me clarify it now--unless the member means more than he says. It would perhaps save time if I clarified it right now.

MR. SALSBERG: If the Premier will permit me to finish my question, he will have a better idea of what I have in mind.



There are regulations, for instance, in order to enable the Minister to provide a program for adult education. That is a tall order. I am not doubting the ability of the Minister or of his staff to prepare the necessary regulations but I do think that a program such as that should be presented to some body of the Legislature, say a standing committee or a special committee, before its introduction into the schools. A year ago or more the department introduced a system of religious instruction in the schools. There was a great deal of disagreement over that and there still is. Many citizens thought that that program was the result of the act of the Legislature itself, but it was not; it was a departmental act. It was the result of regulations introduced by the Minister of Education. But, as I say, a great many people thought that the Legislature as a whole had acted upon and approved that program. We have no standing committee on education to which such matters are referred. Because of these considerations, I think the present would be an appropriate time for us to reach an understanding as to how regulations of major importance governing such matters as religious instruction in the schools and adult education and things of that sort shall be dealt with by the House before being put into effect. I think they should receive the consideration and approval of the Legislature, perhaps itself, or at least consideration by a committee of the House.

Am I to understand that the Premier does not care to answer my question?



MR. DREW: The hon. member has made a speech. I must confess I have no idea of its relation to his question.

MR. SALSBERG: I do not think the Premier should take that attitude. He was ready to answer my question before I had completed it a few minutes ago. Now he is evidently peeved because I insisted on putting my question.

MR. DREW: What is your question?

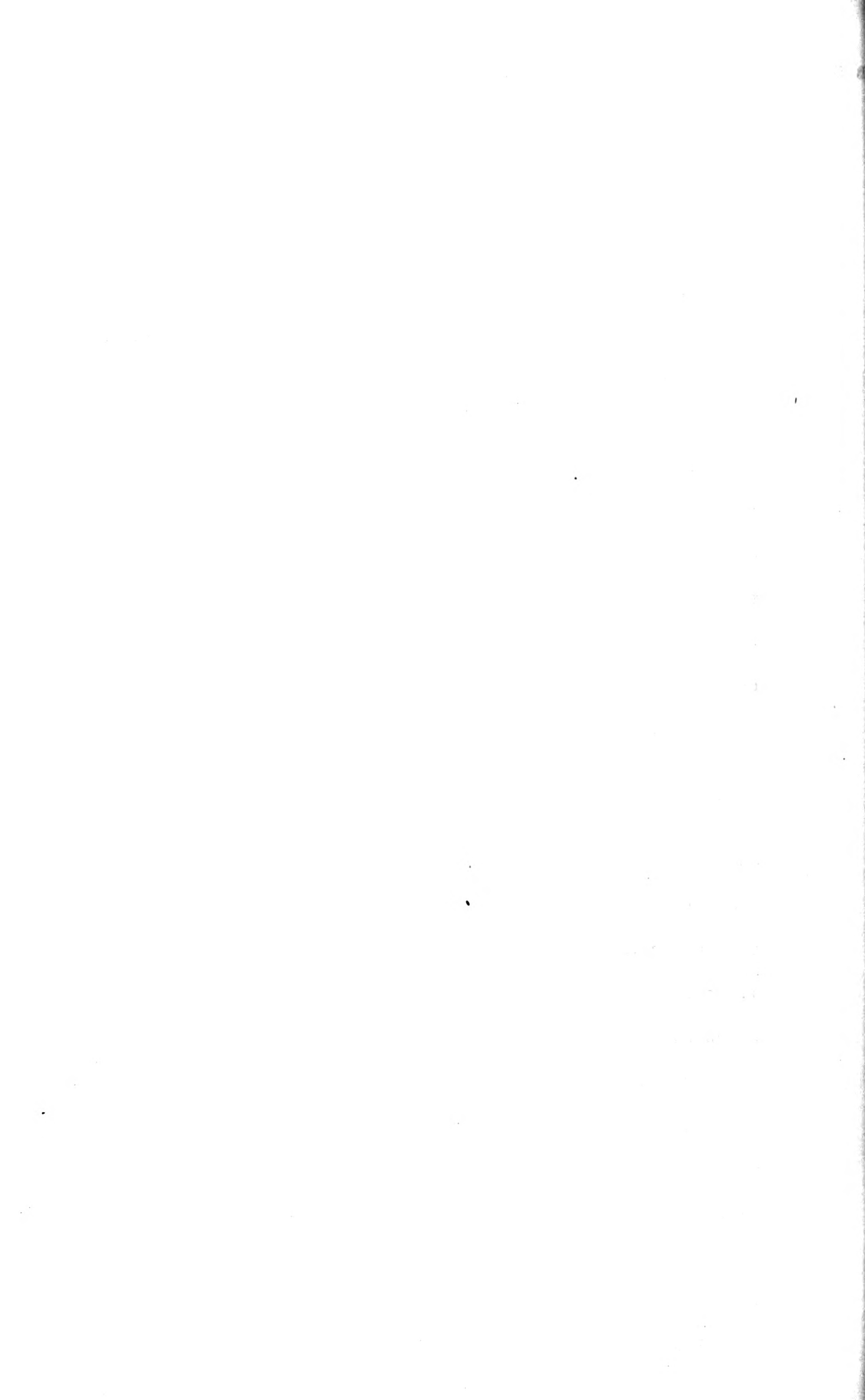
MR. SALSBERG: My question was whether the Premier is prepared at this stage to suggest to the House some procedure whereby regulations of major importance prepared by the Minister can be brought before the Legislature as a whole or some special committee of the Legislature before being put into operation--yes or no?

MR. DREW: The answer is no.

MR. SALSBERG: You are not prepared to do that?

MR. DREW: I will go a little further on this, Mr. Chairman. Some of the new members may not be aware that the manner of my reply is based upon past experience with the hon. member. He started with a question which I was quite prepared to answer, and then embarked on a speech which had no relation to his question.

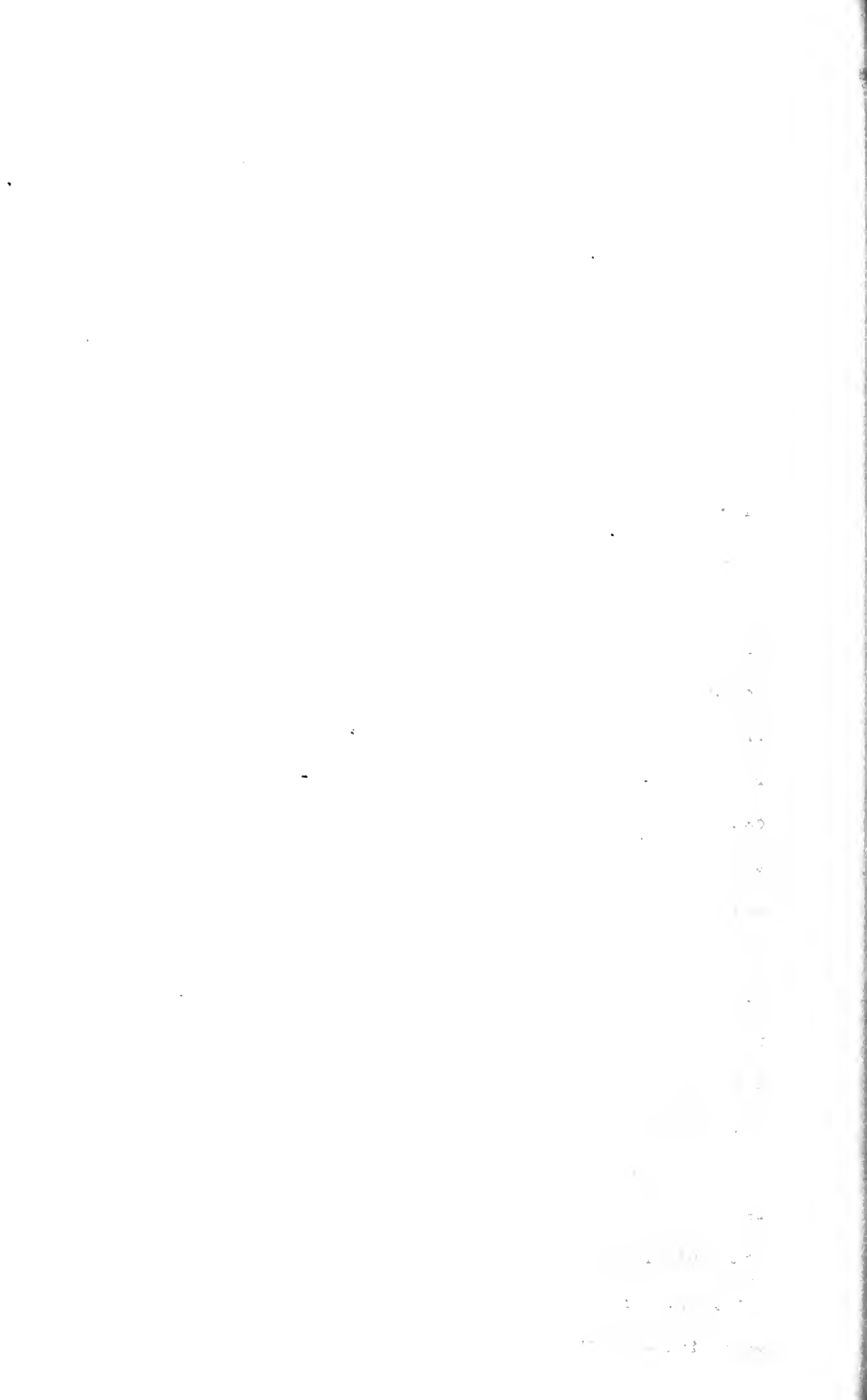
These regulations are for the purpose of administrative direction by the department. The member must know that it would be utterly impracticable to wait for a special session of the House to approve regulations that are required from time to time to be put in force for administrative purposes. My answer therefore to his question was no, we are not prepared to await a special session of the House to put



such regulations into effect.

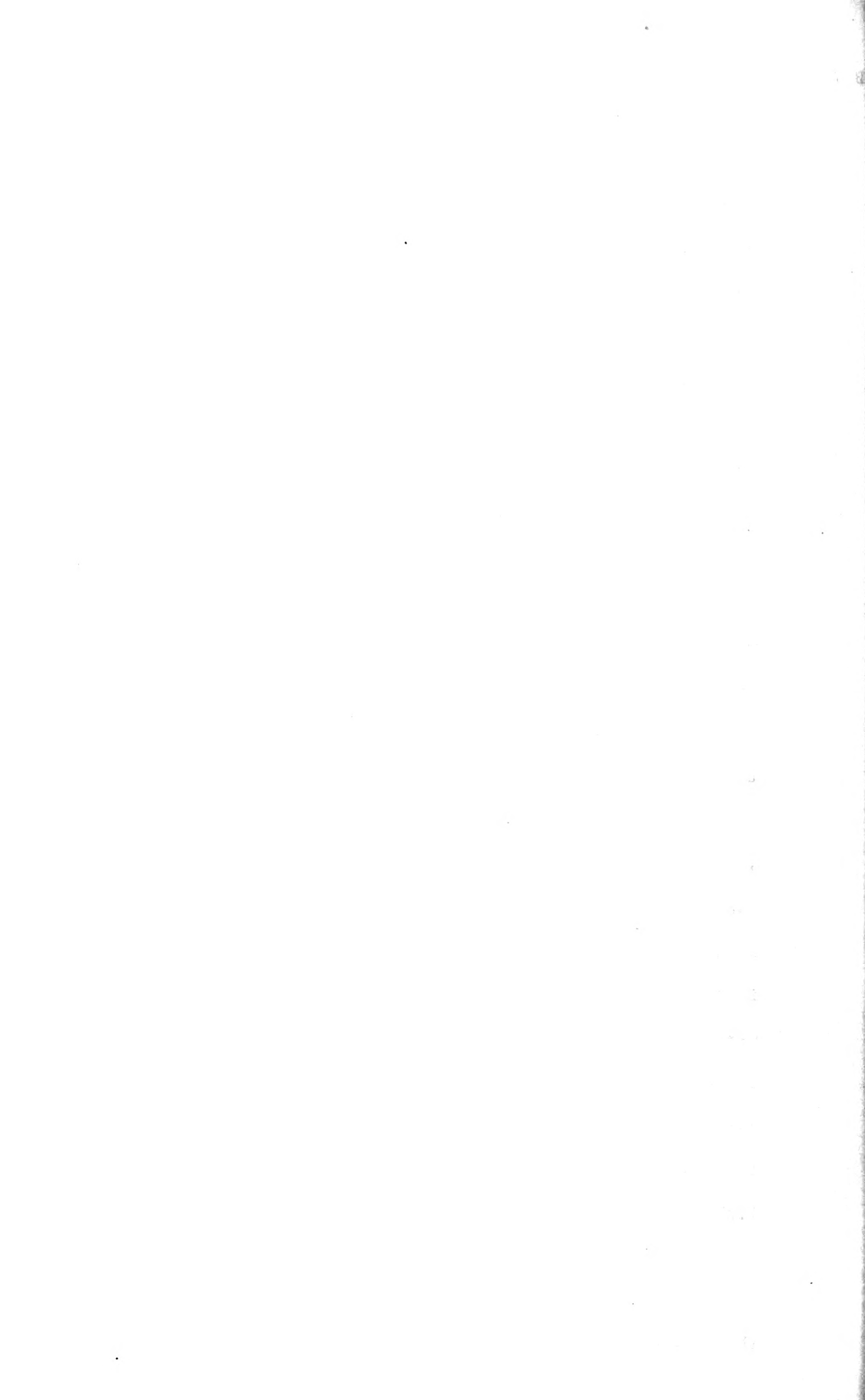
MR. SALSBERG: In view of the answer given by the Premier, I want to say that I, as a member of the House, take exception to his attitude in replying to my question. I have no ulterior motive in putting it and I leave it to the judgment of the members whether my question was a proper one and properly put. I submit that it was. I was not referring to the ordinary departmental regulations that are required from time to time and which have to be passed to meet the situations as they arise. I was suggesting that important changes in our educational system, such as the one mentioned in this section for adult education or the program of religious instruction in the schools should be first brought before a responsible committee of the House, and regulations in regard to these changes of major importance can well afford to wait until they have been reviewed by the House. A standing or select committee of the House would be eminently suited to consider intended regulations of such a character. I am sorry that the Minister of Education refused to consider such an innovation. I think it would be in the interests of good government and in the interests of an improved educational system and of a better understanding of what changes are required.

MR. DREW: I perhaps should refer to one point that has been raised. These are regulations in keeping with the long established educational practice of this province. The people of this province, if they are not completely satisfied with the present educational system, nevertheless



have reason for pride in the system we have, which, under succeeding governments of different parties has been regarded as one of the chief responsibilities of government. I do not believe that at any time it has been abused. Each year the opportunity is open for the elected representatives of the people to deal with all the regulations which have been passed in the period elapsing since the previous session to carry out the established practice in regard to education. An example of that was that we introduced religious education in the schools of the province and when the hon. member for Bellwoods moved a motion condemning that, that House debated the matter and decided quite clearly and left no doubt it approved of religious education in our schools. That matter was brought before the Legislature and discussed. That is the very type of thing that is open for discussion here, and if at any future period some matter arises that is open to question, this is the proper place to discuss it. But over a long period of years the practice has been established that in the development of education we must be able to proceed week by week and month by month, and for administrative purposes it is necessary to have the power to pass regulations. But the Legislature as the elected body always has the power to deal with anything which is a departure from the established practice in the educational system of the province.

MR. MacLEOD: Did the Minister say that I had moved a motion condemning the system of religious instruction in the schools?



MR. DREW: I forgot; it was your mouthpiece, Mr. Hopburn.

MR. MacLEOD: You must have got that from D-208.

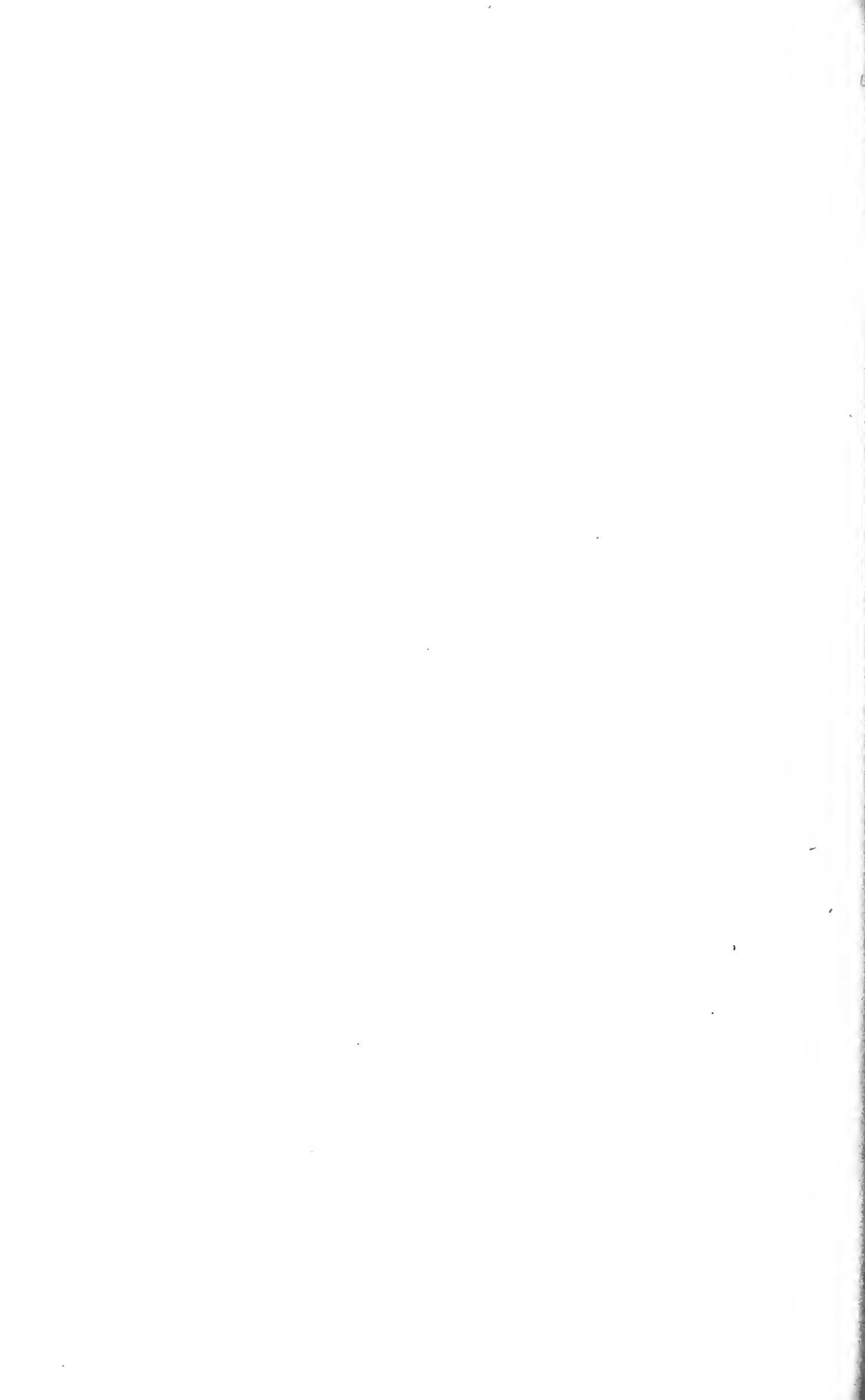
MR. BELANGER: Mr. Chairman, may I refer to paragraphs (c) and (d) of subsection (2) of Section 4. Paragraph

(c) refers to the distribution of all money appropriated or raised by this Legislature for educational purposes, and Paragraph (d) prescribes the conditions governing the payment of such grants. May I ask the Minister of Education whether there has been any change made in the regulations as they were promulgated last year when the new policy of the government of bearing 50% of the cost of education was proclaimed. I am referring to primary urban schools. Are the legislative grants for education to be divided on the basis that was proclaimed last year, or is it the intention of the government to make any changes in these regulations at the present time to provide for a different system of distribution of the grants to primary urban schools.

MR. DREW: No, there is no change in the regulations. This is merely the over-riding authority which carries forward the same power which the government had before. There is no change in the regulations.

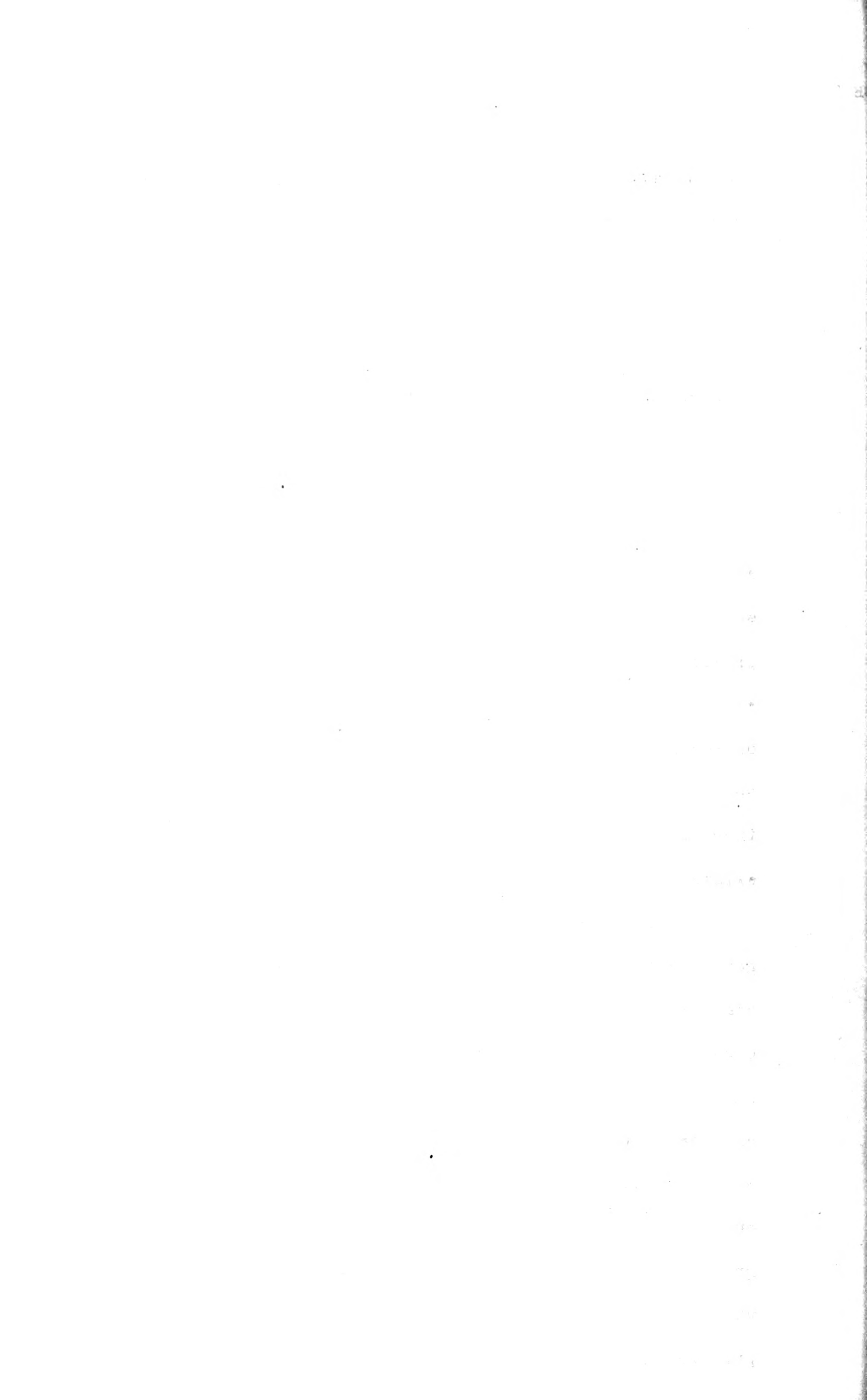
MR. BELANGER: I feel that it is necessary for me, even at this short session, to again call the attention of the Department of Education and of its head, to the inequality which amounts to an iniquity that exists in the distribution of the grants.

It has been proclaimed far and wide and in all the newspapers of the province that the purpose of the new increased



school grants was to establish equality as between the different schools. I wish to say that the present system of distribution as between public and separate urban schools is most unequal and most unfair, amounting to an iniquity, and again I ask the Minister and his cabinet, on account of the importance of the matter, to give very serious consideration to the necessity of changing the basis of distribution of the Legislative grants to primary urban schools. If we want to have equality of opportunity, as has been sung and proclaimed from the housetops week by week and month by month and in every newspaper in this province, then let us take the means of bringing about equality of opportunity. The present system of distribution of the grants, instead of bringing about equality of opportunity as between the children of this province, increases any inequality of opportunity which has ever existed.

The grants are given as a help. The function of the government in education is an auxiliary one. We here claim that we do not approve the system which exists in other countries where the state has the upper hand entirely and has exclusive jurisdiction in the education of the children. In this province it is agreed that the part which the state has to play in education is an auxiliary one. Its help to education is given mostly by means of grants. Well, if the grants are to be a help, let those who require help be helped. I think that is a sound principle, and if we want to apply it so as to give



equality of opportunity. then I repeat that the principle should be this: Let there be grants where grants are needed in order to equalize opportunity.

At the present time the distribution is on a percentage basis. The principle which works the greatest inequality and injustice and unfairness in regard to grants in any department is the percentage basis. Let me put it in a very matter of fact way.

Here is a school board which has at its disposal, as will say, a very high assessment, so high that it needs to impose only a small rate of taxation, say four or five mills, and from that four or five mills it receives a large amount of taxation, ample to administer its schools and to allow it to pay high salaries to the teachers. It may pay a minimum salary of \$2,000 to its teachers. It is a rich school section and can afford to pay a salary of \$2,000. Now, under the present system of distribution of the educational grants, that rich section will receive 50% on the score of that salary of \$2,000 which it is paying, or in other words, \$1,000.

On the other hand, here is another school section, a separate school, which is a public school just as much as the public schools so called. It is a difference in name only. This school board has no rich assessment. It is a poor section that cannot afford to pay a salary of \$2,000 to its teachers that the rich section can pay. It would be a prohibitive salary for the poorer section to pay. Its maximum salary may be \$1,000. Then, on the present percentage

The first part of the document discusses the importance of maintaining accurate records of all transactions. It emphasizes that every entry should be clearly documented and supported by appropriate evidence. This includes receipts, invoices, and other relevant documents that can be used to verify the accuracy of the records.

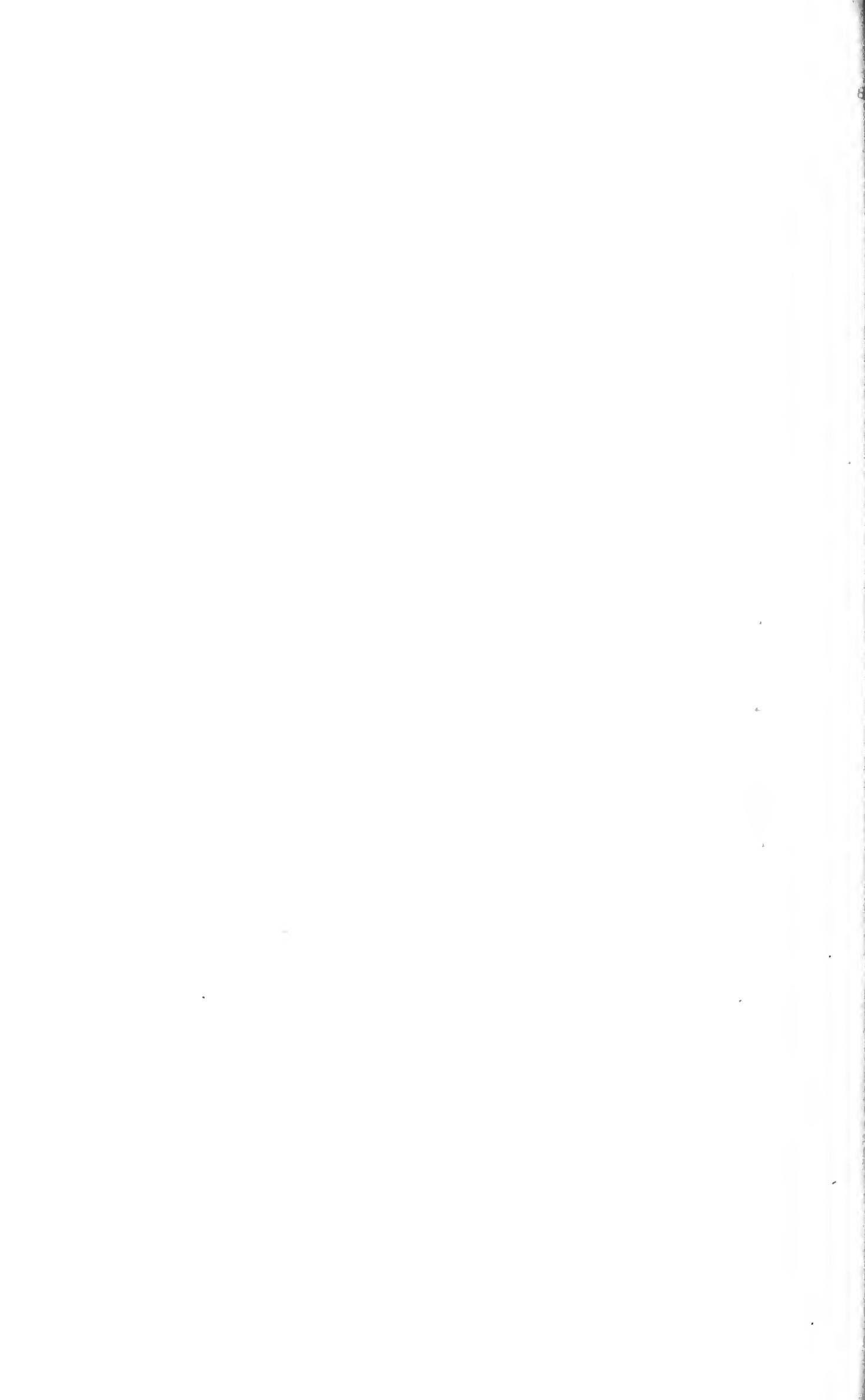
In addition, the document highlights the need for regular audits and reviews. By conducting periodic checks, any discrepancies or errors can be identified and corrected promptly. This helps to ensure the integrity and reliability of the financial information being recorded.

Furthermore, the document stresses the importance of transparency and accountability. All transactions should be recorded in a clear and concise manner, making it easy for anyone reviewing the records to understand the details. This level of transparency is essential for building trust and confidence in the financial reporting process.

Finally, the document concludes by reiterating the significance of accurate record-keeping. It serves as a foundation for sound financial management and decision-making. By following these guidelines, individuals and organizations can ensure that their financial records are complete, accurate, and reliable.

basis of distribution, it will receive on the score of that salary of \$1,000 which it pays, \$500, while the richer section gets \$1,000.

Is that fair? Is that giving equality of opportunity as between the children? Here is one section which is poor, and many are poor just because they have so many children to take care of, and here is another section which is rich where perhaps the children are few in number. I have known rich sections where there were only two or three pupils to a school. The sections were so rich that they had to pay exorbitant salaries to their teachers and exorbitant repairs to buildings and for the provision of accommodation and equipment in order to hide,--I might put it that way,--the extent of their resources, and they would need to raise only one or two mills, perhaps, and some of their schools would have only two or three children, while in the next section their might be forty or fifty or a hundred children with two or three classes in the schools, classes that might be overburdened, they could not afford to pay the salaries paid in the other rich section. They could not afford to make these expenditures for repairs and provide proper equipment, and on that very account they do not receive so large a grant under the present system of distribution, while the rich school receives a larger grant. The percentage basis was the old system, and that system is being followed in the distribution of the new grants. It is exactly the same thing. The rich school gets the most money.



Let me give an instance. I am not bringing this up in any carping spirit, I simply wish the educational authorities in this province to give due consideration to this situation.

I have here figures in respect to the city of Ottawa schools which are very illuminating. Let us see whether there is equality of opportunity as between the children of this province.

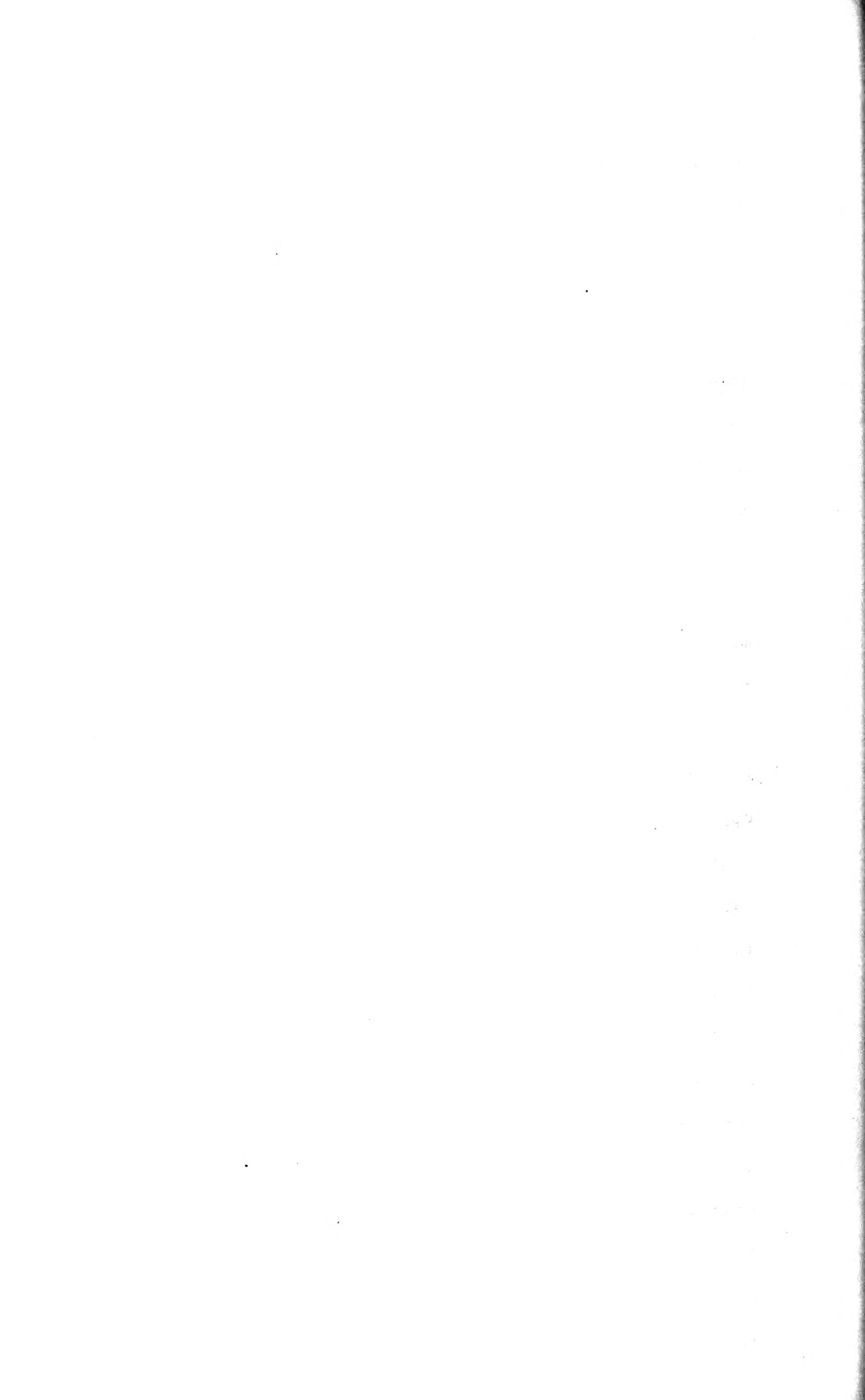
In Ottawa the Separate School Board at the present time has 10,286 children to take care of. The public schools have 9,316 children to take care of, as against the 10,286 attending the separate schools. There is practically equality there as between the numbers of the children, and there should be equality of grants as between the public school and the separate school. But there is not equality of grants. The public schools received the sum of \$259,000. Here is a rich section that does not know what to do with its money, yet it received \$259,000. On the other hand, the separate schools, with a larger number of children, received \$159,000.

Now let us see whether equality of opportunity has been brought about by the new system of distribution of the grants.

The public schools impose on their ratepayers a rate of taxation of just a little over five mills. The separate schools, in order to pay the teachers' salaries, which are less than half of what the public school teachers' salaries are, have to raise fourteen mills from their ratepayers. Where is the equality of opportunity there? Should not



the grants paid by the government go to try to smooth out these inequalities? But let us see what actually happens. On account of their very high assessment and by reason of including the assessment on the public utilities, which belongs as much to the separate school ratepayers as to the public school ratepayers, and getting also the assessment of all companies, the public schools of Ottawa received about one million dollars to administer their schools, and they have only a little over 7,000 children to educate. They are imposing a rate of five mills. Now what about the separate schools? They are imposing a rate of fourteen mills. They have to administer education for over ten thousand children, and they received just a few dollars more than \$500,000 in comparison with the one million dollars received by the public schools. Where is the equality of opportunity there? If this government or any department wants to keep that kind of inequality going, do not let them say that the purpose of the new scheme of school grants and the manner in which they are distributed is to bring about equality of opportunity. That is a slogan which cannot be used in the present circumstances in the face of the facts such as I have just presented them. I think that sufficient consideration has not been given by the Minister and the department of the government to the distribution of the educational grants for primary urban schools. I believe that the school district with the lower assessment should get the greatest help, and the school with the greatest number of children should get the greatest amount of help.



But, if you do away with those two factors and put it on a percentage basis, then you are going to increase, and increase all the time, not the equality of opportunity but the inequality of opportunity.

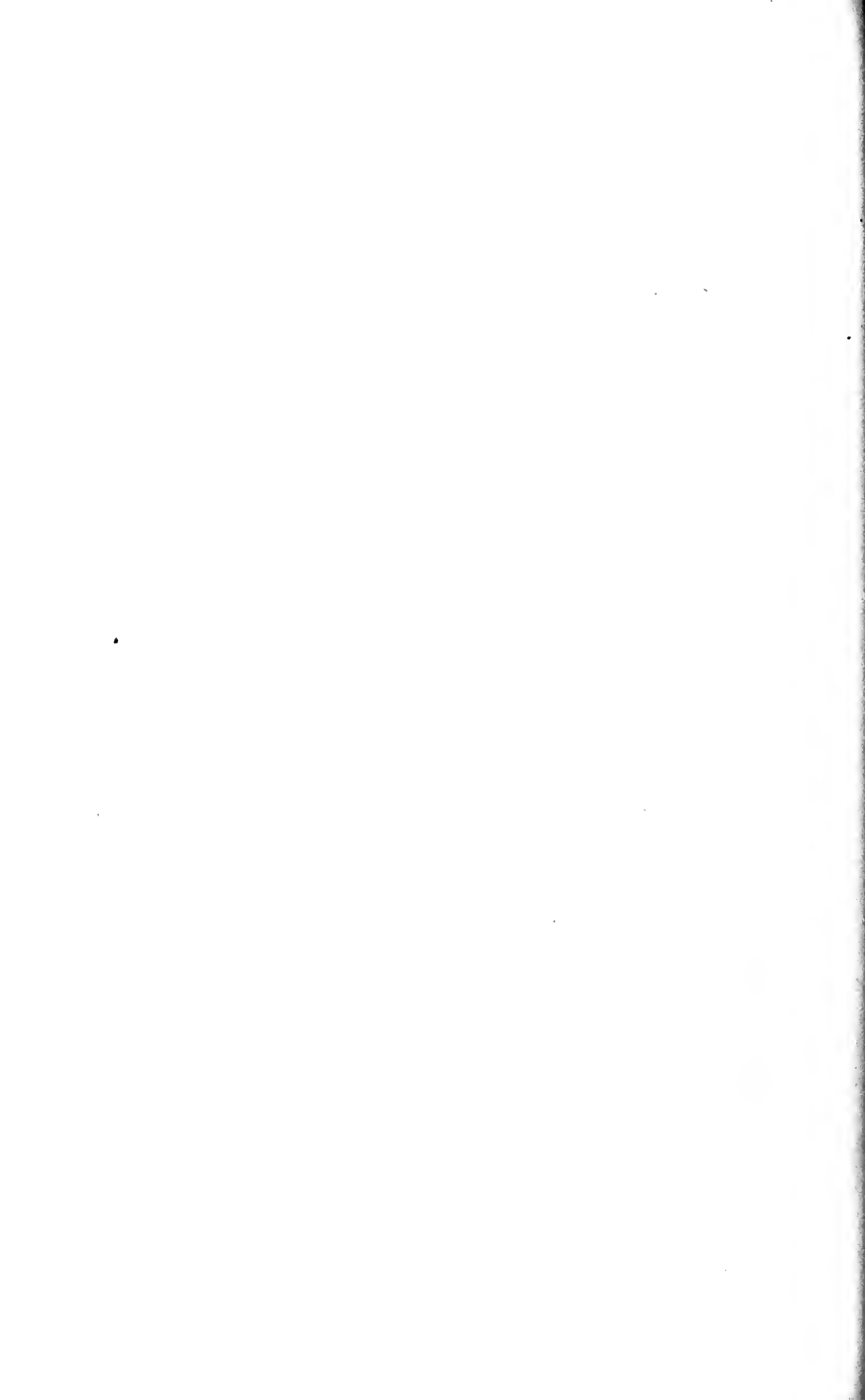
I hope when we come back, -- I know this is perhaps not the proper time, in view of the particular circumstances, -- but I hope when we come back this Fall we will be presented with a set of circumstances showing legislative plans which will go to work for equality of opportunity and give the children of this Province equal fair play and to give the different tax payers of this Province, the parents of the children, equal fair play in the Province of Ontario.

HON. GEORGE A. DREW (Prime Minister): Mr. Chairman, I do feel that again because there are so many new hon. members here since those of us who were here last Session heard the same speech on the same subject, I think I should clarify one or two points. The fact is, the hon. member who has just spoken is dealing with a very special situation in Ottawa which in no way explains the situation throughout the Province. There will not be a new set of grants when we meet next Fall. The grants have been set and will continue on that basis, as I explained before. As I said before there has been a Royal Commission appointed which is fully representative and that Commission is particularly in charge of examining this and other Provinces. This is the first Royal Commission appointed to study education since 1838 and although in Britain and other jurisdictions commissions of this kind meet periodically. The time is long overdue, but because of the fact over one hundred years has elapsed they have a very big task



and, as I have explained before, we recognize there are imperfections in the present system under an extremely confused grouping of school boards and school divisions, and it will be the duty of this Royal Commission to examine the possibility of the most equitable system. But, I do want to say, as I said before, this speech was made before and there are very special reasons why the apparent inequality does exist in the City of Ottawa. There has been a situation there that is far from satisfactory and that has resulted in a complete refinancing plan there which largely results from the accumulation of unpaid debts. Also, I know the hon. member for Prescott, (Mr. Belanger) would not wish the House to be unaware of the fact one of the real problems is those who supported these very schools have in the past few years withdrawn their support to the extent of over six million dollars. This is a very special problem and will certainly confront the Royal Commission with an important task and a task which I hope they will perform to the satisfaction of everyone.

I explained when I went into these regulations before that we recognized dealing with nearly six thousand school boards with a wholly unrelated system of assessment throughout the Province, there must be an equality. One of the things that we did seek to avoid was the giving of grants to those areas where there was a concentration of population, and, for that reason, support was easier so that starting with the large cities they got thirty per cent of the school costs and that goes as high as ninety-five per cent in some of the more remote communities. That was in an attempt, and, in a broad way,



has been successful, to equalize opportunities throughout the Province and I might say following the time that this speech was first delivered, the people have had some opportunity to express their opinions on the matter and I feel sure that is one of the things that actuated their decision.

MR. BELANGER: (Prescott): I do thank the Hon. Prime Minister for saying the matter will be placed before the Royal Commission and I so expect the Royal Commission will study the matter as it deserves to be studied and give it proper attention, and attention greater than has been given by the present government. The Hon. Prime Minister seemed to make a point by stating, repeating and reiterating the speech that I have made, I have made before, and in the last election the people were called upon to decide on that.

MR. DREW: Oh yes, you made this speech many times during the election campaign; I am not forgetting that.

MR. BELANGER: I am sorry to say the Hon. Prime Minister has been very much misinformed.

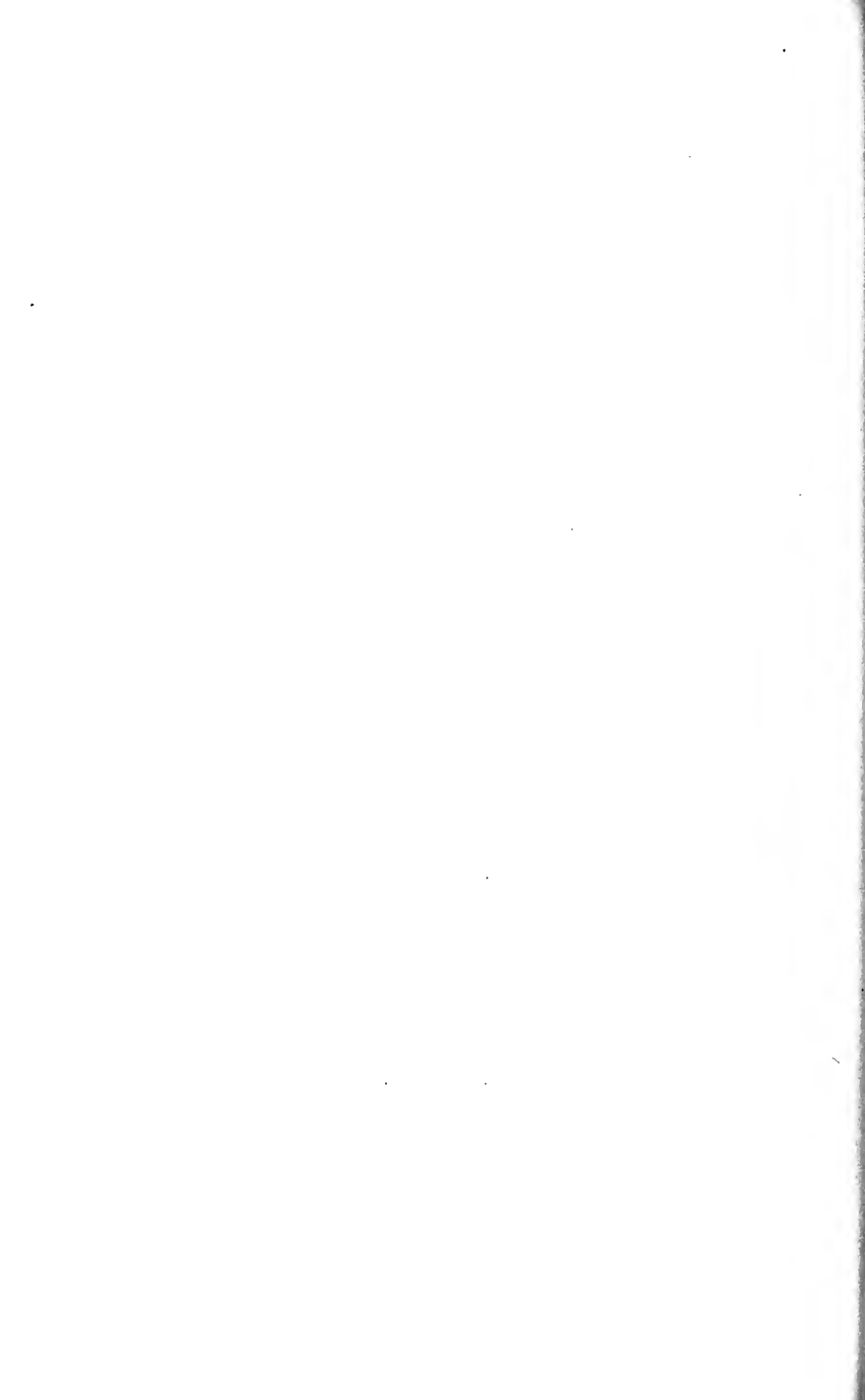
HON. LESLIE M. PROST (Provincial Treasurer): Might I ask the hon. member for Prescott (Mr. Belanger) this? He sat in the government in this House when his party was in power and that government never did a solitary thing to meet the educational problem. In the City of Ottawa the schools which you represent got fifty-three thousand dollars before and by this government they are getting one hundred and thirty-five thousand dollars and now you come and create a holler. Why didn't you say something when you sat in the House and supported a government that did nothing.

MR. BELANGER: Looking over those applauding the



the statements of the hon. Minister, I find they are all new members, or very few are not. I will say what has been stated just now is altogether incorrect. There has been an attempt to change the basis of distribution of grants which has done a great deal, ~~not as much as was desired~~, perhaps, to equalize as between schools, those who needed the grants and those schools who did not need the grants. When the basis was established by the previous Government, when the basis of distribution of grants was established on the basis of a system of assessments, that was welcomed by the city of Ottawa, where it created a very great hardship, so that what has just been stated is not right. Of course, there is an increase in the grants to Ottawa, but the increase to the public schools in Ottawa is so much out of bounds and out of proportion that, again I repeat, that ^{the} new system of distribution is increasing the inequality as between the different school boards. I do not want to interfere at this time when a trial is being made of the new basis of distribution, I am just putting the matter before the Government as it will be put before the Royal Commission, and I do congratulate the Government on the appointment of the Royal Commission, before which, outside of political consideration, the question will be put with evidence and will be argued and I do hope, in line with the hon. Prime Minister, and in line with the hon. members of the Government, that suggestions and recommendations will be made by the Royal Commission/^{which} will ~~have full effect~~ to stop this great inequality.

S.
and, Mr. Chairman, I will not belabour this any longer, of course, but I think it was my duty at this present time to take advantage of these estimates and to



ask the Government to give greater consideration to its new system of distribution of grants to see its effect.

Now, when the hon. Prime Minister states that this is a problem peculiar to Ottawa, I deny that. Let him study the situation in Windsor; let him study the situation in Toronto; let him study the situation everywhere where there is, side by side, a separate school board and a public school board, and he will find the very same inequality; and the very same injustice as between the children of one set of schools and the children of the other set of schools. Yet, it is the duty of the Government to take as much care of the one as the other, and the grants ~~there~~ established for that purpose in order to tide or smoothe over these inequalities.

Now, Mr. Chairman, my intention was not at all to enter into an argument, it was only that I felt it was my duty to put these considerations before the Government so that when the proper time comes, when the Government is all alone in its Cabinet chamber, and these questions come before it, that they will give all the different considerations and differences the proper attention and the proper discussion and the proper remedy, if remedy must come.

HON. G. H. DUNBAR (Minister of Municipal Affairs):
I suppose some people would misunderstand my attitude if, as a representative of Ottawa West and also as Minister of Municipal Affairs, and the separate school business of the city of Ottawa being under my supervision at the present time, I did not say something. I have had a very difficult task with my deputy and officials dealing with the school board in the city of Ottawa, and I am going to make a statement here, if they would get busy, and get some businessmen on the separate



~~school~~ board that you can approach and talk with sensibly, it would be an awful lot better for them. Last year, you may have noticed, they were all going to resign because Dunbar came from Ottawa and compelled them to make a payment on their debt, money which should have been paid years ago, they said they were forced to raise their tax rate. There was no real tax rate because the levy they had was never paying their way and they had been taking money from interest and a sinking fund. That was published in all the Ottawa papers, and I made that statement which I am not withdrawing. Therefore, any school tax rate we had before did not mean anything because it did not levy -- it did not pay the full cost of education for that year. Now, just to show you, if they would be reasonable and not play politics, this year about two weeks before the election we put through one of the finest refinancing schemes for the separate schools of Ottawa ever introduced in the province of Ontario. We cut their interest rate from 6-1/2 percent to 4-1/2 percent covering a period of forty years on money which should have been made five or six years ago when that money fell due. That money will be paid over a period of forty years and this Government will be paying 30 percent of that money which should have been paid five years ago. Take the \$80,000, you will be familiar with \$80,000 I said they should pay on their debt. What did that 30 percent mean on \$80,000? Dunbar, who was not their friend, and they were going to resign, made them \$24,000, but none of them say so. You know the number of separate schools there are in Ottawa and you want your separate school to belong to your church, and you know the number of churches there are, -- I took 11,000 votes in 1943 and I took 24,000 votes with the school grant on. Were these



people not satisfied with the treatment they were receiving from this government and the Department of Municipal Affairs? I say they were. I was meeting them on the street, the separate school supporters, the very best citizens in our community that said, "You have been ~~doing~~ a good job, or the government has been. It is the first government that offered any relief to the separate school supporters in the city of Ottawa and we are supporting you." --Which they did.

MR. BELANGER (Prescott): Mr. speaker, you have in your very impressive English language ~~the~~ particular expression and that is drawing a red herring across the trail. This is not a red herring which is being drawn across the trail by the hon. member for Ottawa West (Mr. Dunbar), it is not a red herring, it is a scarlet herring being drawn across the trail. We are not discussing that at all, whether they are satisfied in Ottawa with the reconversion of the debt, and so on, this is not in issue at the present time. I am discussing at the present time the manner of distributing the grants, and what I have said stands, and there was no answer coming either from the hon. Minister of Municipal Affairs (Mr. Dunbar), or the hon. Prime Minister or the Minister of Mines (Mr. Frost) as to that, and that stands.

HON. GEORGE A. DREW (Prime Minister): What stands?

MR. BELANGER (Prescott) The inequality of the distribution of the grants in the urban primary schools as between public and separate school boards. What has been said just now, I am ready to agree with them, but it is outside the discussion altogether.

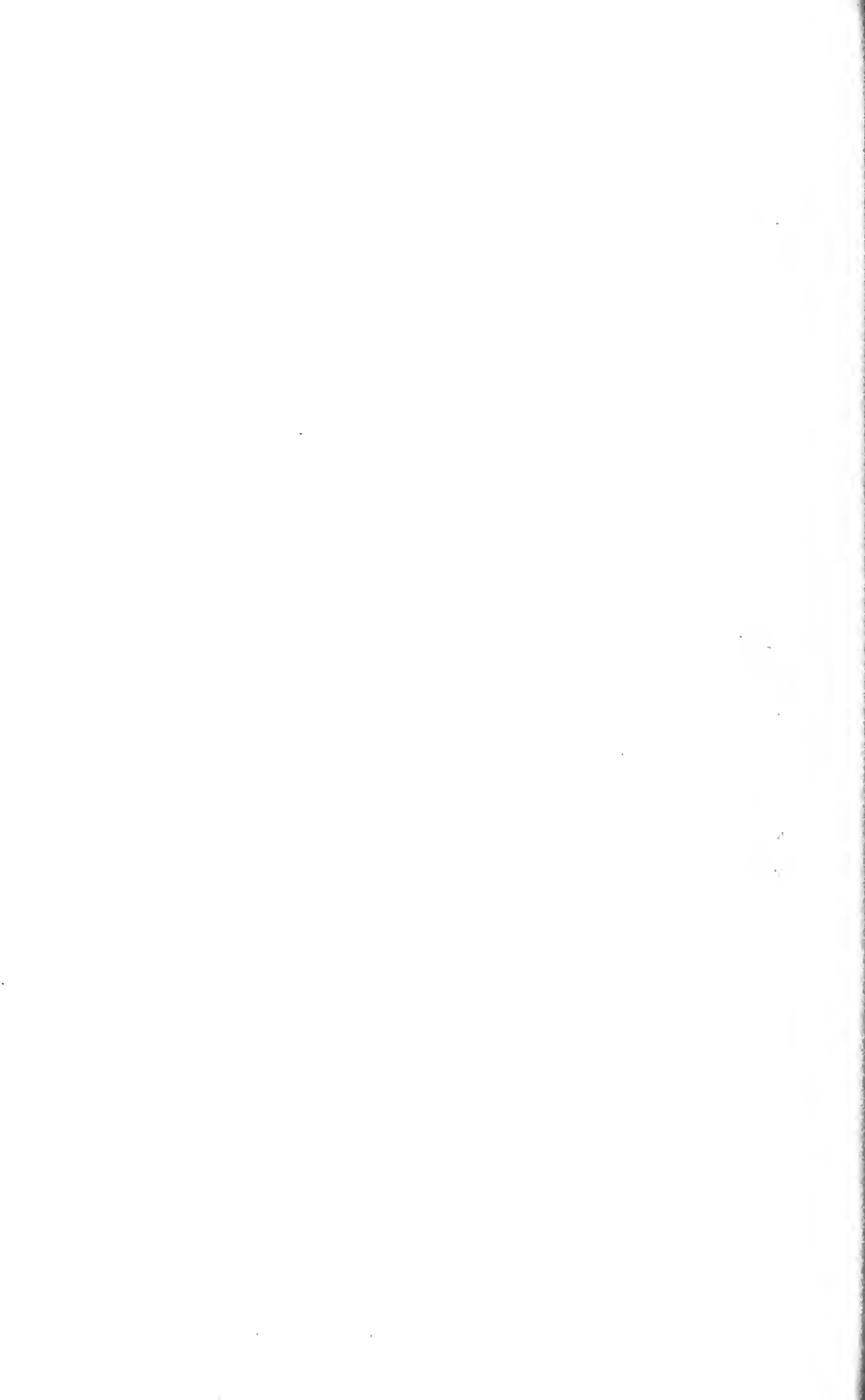
Mr. Chairman, I will leave it at that. I will not ~~answer~~ any further ~~reply~~ that may be made because it is outside of the question. I am simply asking, and I will repeat as a summary, I am asking the government to study the facts as to



the distribution of the legislative grants as between the public schools and the separate schools in urban centres, and take whatever action their spirit of justice will dictate. So, if they prefer, as has been intimated by the hon. Prime Minister, that we have a recommendation to the Royal Commission, I do believe that when the Royal Commission will be given the facts that some remedy will be forthcoming and we will not have the same stricture to make as against the present system of distribution of grants.

MR. A. H. ACRES (Carleton): I have listened to the hon. member for Prescott (Mr. Belanger) make the same speeches all year about the separate schools, and anyone I have spoken to is 100 percent satisfied. I ask the hon. member for Prescott (Mr. Belanger) why does he choose Ottawa for his argument? What does he say about Hawkesbury? The separate school board in Hawkesbury is 100 percent behind the action of the government. There is not a separate school to-day every got any more grants than they are getting. This is the only government that gave it. Don't forget the separate schools have received more from this government than any other organization or branch of the Protestant church. You have your own religion taught in your schools, that is a consideration the church has been given, and I am behind them on that. You speak about the inequality of the grants,--you have special privilege linking your separate schools with your church. Don't come in here as a British subject and say some hon. member has drawn a red herring across the trail. You are the one member in this House that has made more disturbance than any other member I ever sat with.

MR. BELANGER (Prescott): If the Speaker were here, of course, I would ask the hon. member (Mr. Acres) to withdraw, but I would just as soon take what he says as withdrawn,



and what he says, so far as it concerns me, it is just the same,--it is not important.

There is one particular thing which I just heard,--perhaps I did not hear it right,--but the hon. member for Carleton (Mr. Acres) said he was behind the separate schools. A very few years ago he got a friend of his on the other side of the house, when he was sitting here, to put a question, and while he was speaking,--he said, "Will you put this question to me?" "What would you do if you were Prime Minister?" The question was asked, "What would you do if you were Prime Minister?" and the hon. member for Carleton (Mr. Acres) answered, "The first thing I would do would be to abolish separate schools."

HON. GEORGE A. DREW (Prime Minister): This has gone on so far that there is one thing I should clarify. The hon. member who has just spoken has said this is outside ~~the~~ discussion. The whole thing is outside the discussion and that is why I did refer to his repetition of this speech. It has been a complete waste of time done for the deliberate purpose of talking to his own area of a subject which he knows is not correctly representative of the information he has given here.

I would like to know from the hon. Leader of the Opposition (Mr. Oliver) whether this is the attitude of the party he leads?

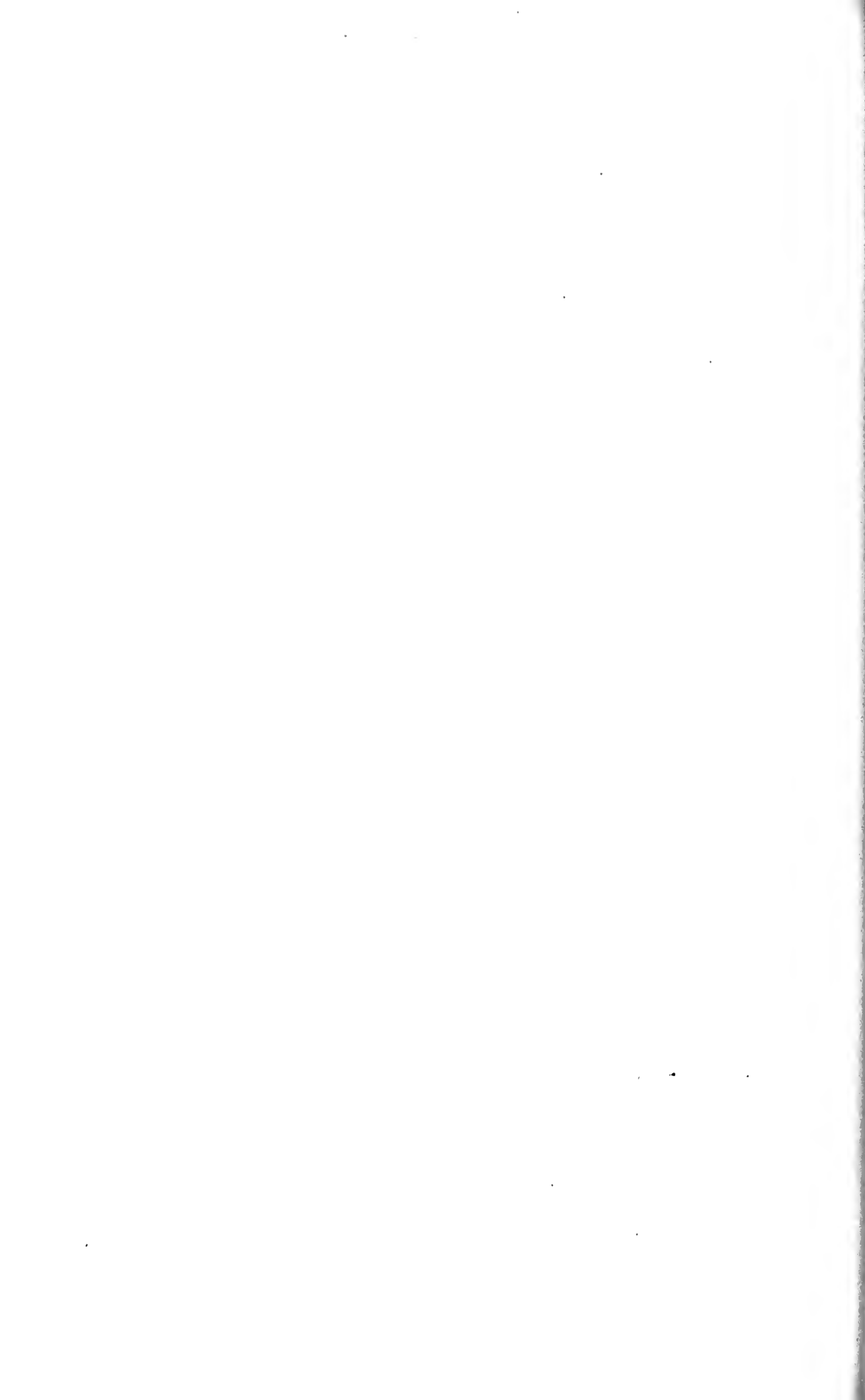
MR. FARQUHAR R. OLIVER (Leader of the Opposition): That is hardly a fair question on the part of the hon. Prime Minister. My hon. colleague is quite able to take care of himself. He is discussing a situation that has particular application to his own part of the province and he is making an exceptionally good job of it. It is beneath the hon. Prime Minister to put any question of that kind across the



floor of the House.

HON. MR. DREW (Prime Minister): The hon. Leader of the Opposition has made it clear the hon. member for Prescott (Mr. Belanger) is speaking in this case on his own behalf and, if that is so, then I would point out it is purely a specialized discussion and in no way related to the section which has been under consideration. I can only repeat, it is because he has kept repeating justice and injustice to the point where he may have created an impression which I want to remove. There has been a measure of justice which I recognize as an obligation of this Government to education, for all the people of the province, and the rate is on exactly the same basis of cost in every community. And, I repeat, that through the very accumulation of school boards over the years throughout this province, we have ~~inequality~~ unavoidable inequality, which works both ways, and it is the duty of the Royal Commission to discuss this and to report. The hon. member for Prescott (Mr. Belanger) is offering no service to the solution by repeating the same speech and obviously desiring to create the idea there was some deliberate injustice in what was done.

MR. JOSEPH LEINZINGER (Waterloo North): I am heartily in accord with the sentiments expressed by my hon. colleague, the member for Prescott (Mr. Belanger). I have certainly learned a great deal in the last few moments as to the feeling of the Opposition. I am very much surprised, Mr. Chairman, and I direct these remarks to you, Mr. Premier, too, I am a separate school supporter and a Roman Catholic and I am proud of it and I am down here to see that they get a square deal and I agree with my colleague it is not a fixed platform



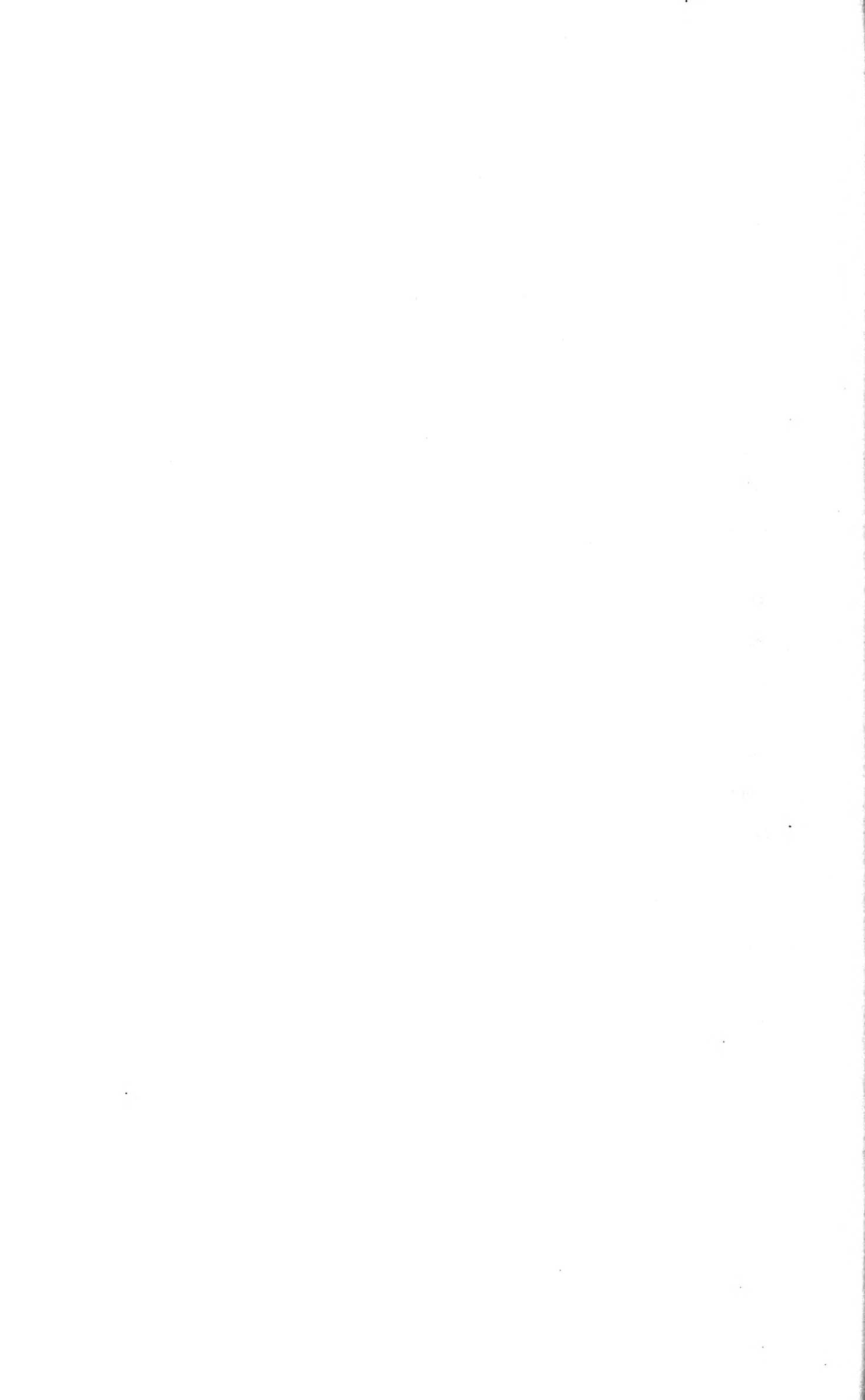
as is more or less inferred. Our Leader told you the truth of the matter, this man is here to protect the interests of his people and I am here to do likewise. But, from the attitude that has been taken by the Opposition here I can see and I feel there is a great deal of bigotry existing among the hon. members, and I do not approve of that type of attitude. I want to say this, we are only asking for fair play and when the hon. gentleman over here on my left made those remarks, I did not agree with him, the hon. member for Carleton (Acres). We are not prejudiced, we want fair play. I doubt the statement that he made that the separate school boards are satisfied where he comes from. I do not know of any of them in the province of Ontario that are satisfied. I want to say this, however, Mr. Premier, that we do appreciate the gesture on your part and on the part of the Government for having given some concession, it is at least something, but we beg of you to go on further and give it further consideration. I feel the figures quoted by the hon. member for Prescott (Mr. Belanger) must be accurate. I doubt very much whether he would present any other figures, and I am in sympathy with him. I hope the Provincial Treasurer will change his attitude. Some of the remarks expressed by him did not meet with my approval and I noticed that the hon. members across the floor started to laugh and interject. I do not like that, Mr. Premier, and I ask of you,--there is only one or two courses you have to take, you are either for us or against us, and when this Royal Commission sits I hope you will declare yourself in favour of further concessions to separate schools or not so that we will know when the time comes where you stand.

MR. DREW (Prime Minister): I have no desire to extend



this, but I do not intend to permit unchallenged statements such as made just now to pass. The Royal Commission was appointed, as a matter of fact, with very wide powers, and has already heard evidence and will continue to hear evidence, and will make its report. My decision has been perfectly clear and I am satisfied throughout the whole of the province the conviction has been fairly expressed and it was thought we attempted to deal fairly with this matter pending complete examination. As I have said, the matter has been deferred for over 100 years since the last Commission dealt with these problems. It is our hope, as I expressed in this Legislature, that through enquiry and through the report we will emerge with as fine a system as exists in the whole world, if not the finest, and one which will be extended to all our people.

HON. LESLIE M. FROST (Provincial Treasurer): I would just like to say a word in connection with this matter. When the hon. member for Waterloo North (Mr. Meinzinger) mentioned in reference, I presume, to the hon. member for Prescott (Mr. Belanger), I would just to draw to the attention of the hon. members of this House the extreme difficulty there has been in attempting to work out some reasonable workable scheme to be taken across Ontario in connection with the distribution of the new grants. It must be borne in mind these new grants approach twenty-six or twenty-seven million dollars as against about \$8,000,000 in the old system. The hon. member for Prescott (Mr. Belanger) mentioned in the province of Ontario you have 900 municipalities all with different types of assessments. Now, if the municipality raised its assessment, as has been suggested by the hon. Minister of Municipal Affairs, at various ~~times~~, and by his Department, if we could get the assessment raised all across the province of Ontario, it would be a much simpler situation.

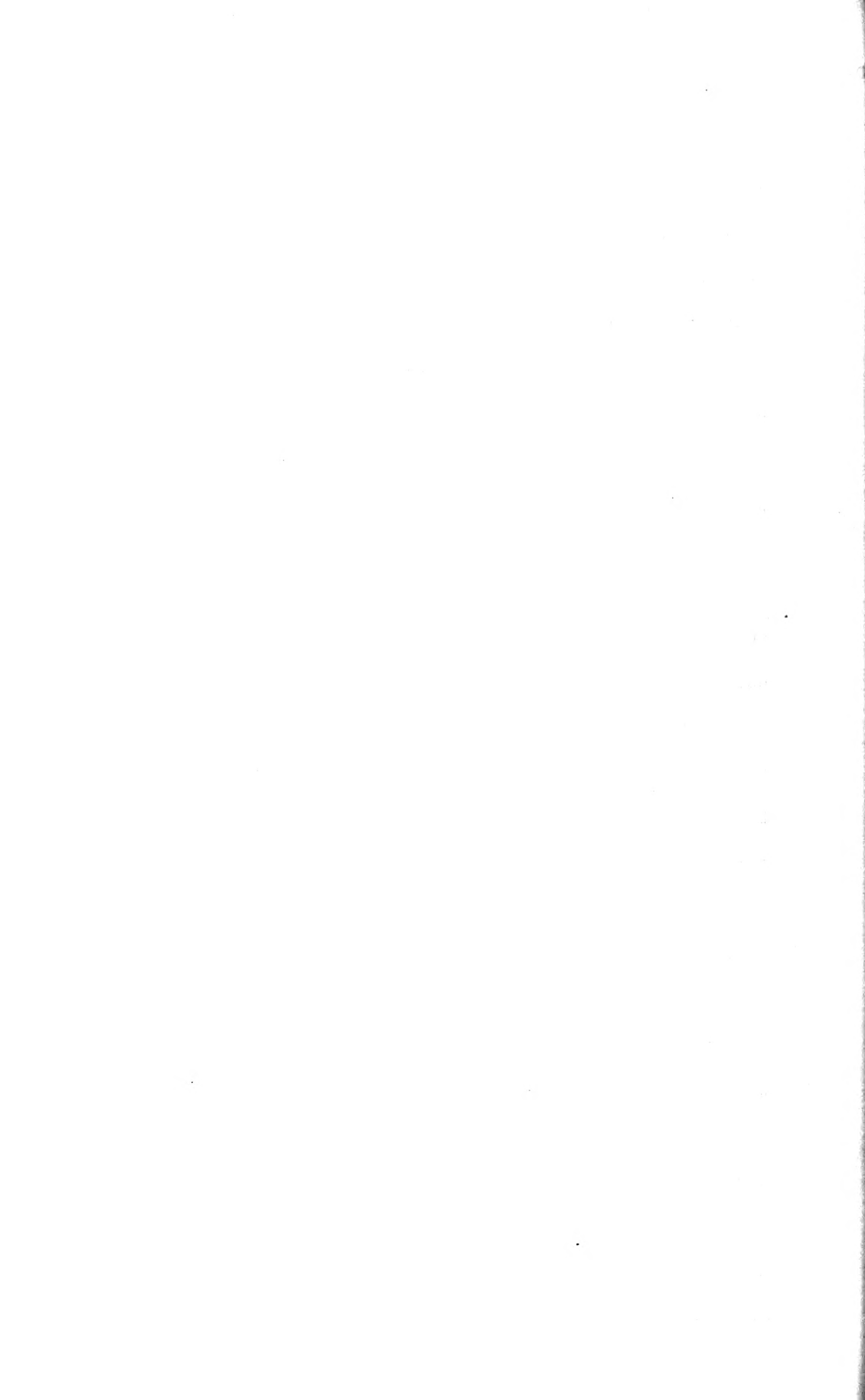


but we have some cases where municipalities have terrifically low assessments, and yet they may be wealthy communities. The hon. Leader of the Opposition (Mr. Oliver) knows many of these cases, where we have fine, wealthy municipalities with low assessments, and at the same time we may have a poorer township or municipality with a high assessment. If you take assessments as the gauge of wealth, then, of course, you are on the wrong track, and you will perpetrate a terrific injustice if you do that.

Now, consider the per-pupil basis across the province of Ontario: let us take a township where there are all public schools; you get one where there may be ten pupils, with a certain set of costs, and right adjoining that you may have a school with thirty pupils, with exactly the same costs. That happens all over Ontario. If you take it on a per-pupil basis, the school with only ten pupils would possibly get nearly one third of the grant.

Now, Mr. Chairman, let us consider this problem and look at it from the standpoint of nine hundred municipalities with varying assessments, with six thousand school boards, with different numbers of pupils in all of them, probably, per teacher, and so on. The fact is that the present time the only equitable way you can arrive at a solution of that situation is on the cost basis.

Just as the hon. Prime Minister (Mr. Drew) has said, and has been said time and time again in this house, the Government has always said this scheme was not perfect, and the yard



stick was not perfect, but we have no perfect yardstick available to-day, and that is the purpose for creating, for the first time in the last one hundred years in Ontario, a Commission to look into the whole problem, and try to arrive at a solution of the difficulties in all the communities of the province.

I know of one unit where they have a school erected a few years ago, and the cost in that community is very high. In an adjoining community they have a school which has been erected for many years, and the costs are low. Under the present system the community with the new school would get a high grant, and the other would get a low grant, but the other community, with the older school, is going ahead now and building a new school, and we will pay about 60% of the costs of that all the way through, so they will make up in the future what the other is getting at the present time.

The problem is difficult, but it has been tackled in good faith, and a feeling of the desirability of getting at a decent solution of what is a very difficult problem, when you take it clear across the province of Ontario.

MR. GEORGE I. HARVEY (Sault Ste. Marie): Mr. Chairman, are we discussing Section No. 4 of this Bill? I suggest it is very difficult to relate the discussions we have been listening to to the intent of this Section. I have become quite confused, because I had a certain interpretation on the extent of this clause, and then I listened to the discussion which rambled all over the province.



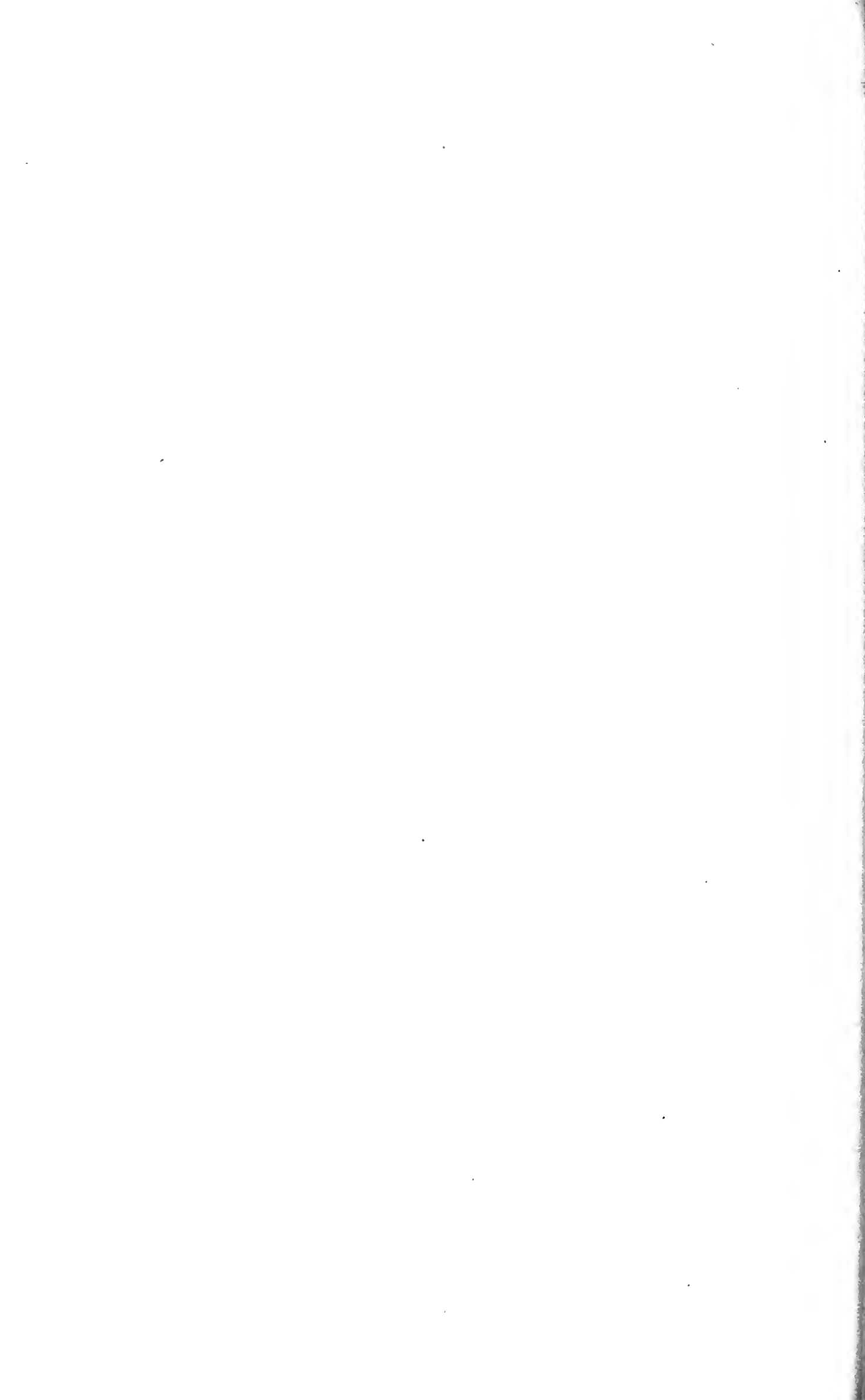
Through you, Mr. Chairman, I would like to ask the hon. Minister of Education, the hon. Prime Minister (Mr. Drew), to confirm my interpretation of the intent of this clause.

HON. GEORGE A. DREW (Prime Minister): What clause is that?

MR. HARVEY: Section 4, the whole section. My interpretation of this section, the intent of it, is to transfer the authority to prescribe regulations under the several Acts from a corporate body to the Minister of Education himself, subject, always, of course, to the approval of the Lieutenant-Governor in Council. Now, that is my interpretation of the section, and I would like a confirmation of that interpretation, because I feel that I have become confused after listening to such diversion.

HON. GEORGE A. DREW (Prime Minister): That is not the correct interpretation, and I am afraid the hon. member for Sault Ste. Marie (Mr. Harvey) did not hear my earlier explanation, when I said this was merely a clarification of the existing practice, and that through the printing of regulations which have been carried out since this Government came into power, it has been found that that clarification was necessary, but there is no change in the practice contemplated or achieved by this section of the Act.

MR. HARVEY: I understand this is a continuation of the customary practice by the Department under the Regula-



tions Act, and it so says in this explanatory note, on this other page, which is also quite ambiguous and confusing. Nevertheless, I find in there that the only change is where it says:

"Subject to the approval of the Lieutenant-Governor in Council, the Minister may make regulations with respect to the school or classes which are established under these several Acts."

Now, in reviewing the Act, I find that the only change, the only concrete change, is the insertion there of the words that the Minister may make regulations.

It is my understanding that prior to this it has been a corporate body which has been responsible for the making of regulations under these several Acts --

MR. DREW: What corporate body?

MR. HARVEY: Any corporate body, - say, the Department of Education --

MR. DREW: That is not a corporate body.

MR. HARVEY: Well, a group.

MR. DREW: Let me clear that up right away. The Department of Education Act, to which all these amendments refer. Section 4 of the existing Department of Education Act, - as I have before me the Revised Statutes of Ontario, 1935 starts as follows:

"Subject to the provision of any Statute on that behalf, the Minister, with the approval of the Lieutenant-Governor in Council, may make regulations



And then it goes on in exactly the same way as the section now before us.

THE CHAIRMAN: Shall Section 4 carry?

Motion agreed to.

THE CHAIRMAN: Shall Section 5 carry?

Motion agreed to.

THE CHAIRMAN: Shall Section 6, clauses 1 and 2, carry?

Motion agreed to.

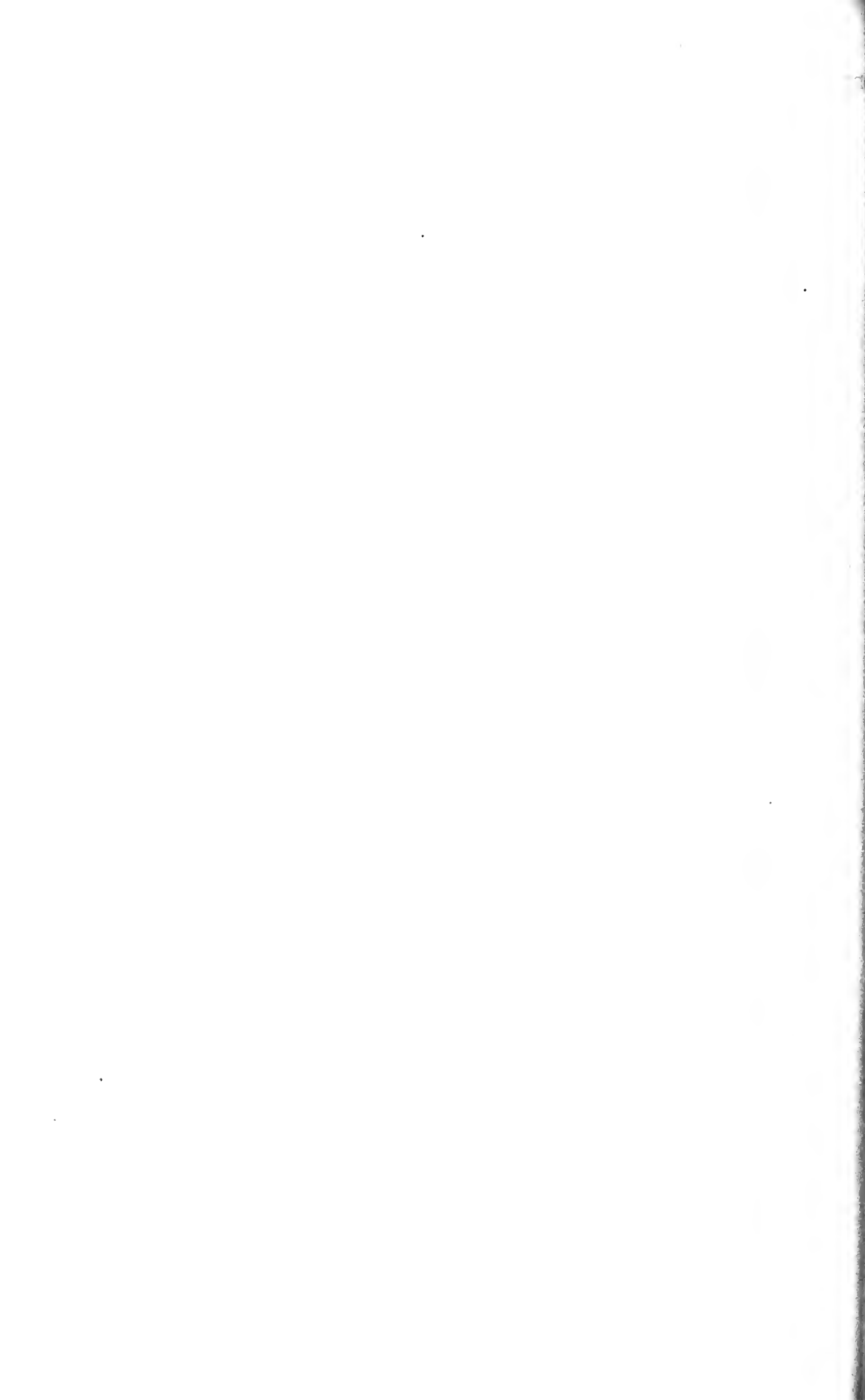
Sections 7 to 11, inclusive, carried.

MR. NIXON: I might suggest, Mr. Chairman, that these explanatory notes could easily be made much more explanatory without the necessity of searching the Statutes and the Amendments, as it is pretty difficult for a member to understand what is being done. For instance, in Section 9, "Subsection 1 of Section 8 of the High School Act is repealed." The explanatory note says, "Short provision repealed; is unnecessary." One would like to have some idea what the provision is that is being repealed. I admit that I could find it, with a good deal of effort, but with the officials of the Department and the drafting lawyers, surely they could inform the House.

MR. DREW: To what section are you referring?

MR. NIXON: Particularly to Section 9, the provision of the Section and the explanatory notes. Just what is the provision which is being repealed?

MR. DREW: Well, of course, I will admit that it does require attention to the Act, but that is the purpose of having these Bills printed in advance. In many cases



DD6 it would take up a great deal of space, and it is only necessary to have the reference here, to refer to the other. I, myself, would like to see the explanatory notes as wide as possible, but the Acts to which references are made are, of course, available. This refers to a section which I will
DD3. be very glad to send over.

MR. NIXON: If you could tell me, in a few words, what provision is being repealed.

MR. DREW: It would be just as easy, perhaps, to read it:

"The Board may annually vote for each High School a sum not exceeding \$150 in the case of a school having an enrollment of not more than 600 pupils, and a sum not exceeding twenty-five cents per pupil in the case of a school having an enrollment of more than 600 pupils, for the encouragement of athletics and to defray the expenses of school games."

And that section is repealed, and it is taken care of in other provisions of the Act. That is what was repealed in this particular case.

I welcome the suggestion, and I personally think perhaps we can amplify some of these notes, (and I find there are some which could definitely be amplified,) but not to a point where we can go to the extent, on an explanatory page, of giving the whole section which is affected, and in that case, of course, it will require examination of the earlier Act.

Sections 11 to 15, inclusive, carried.



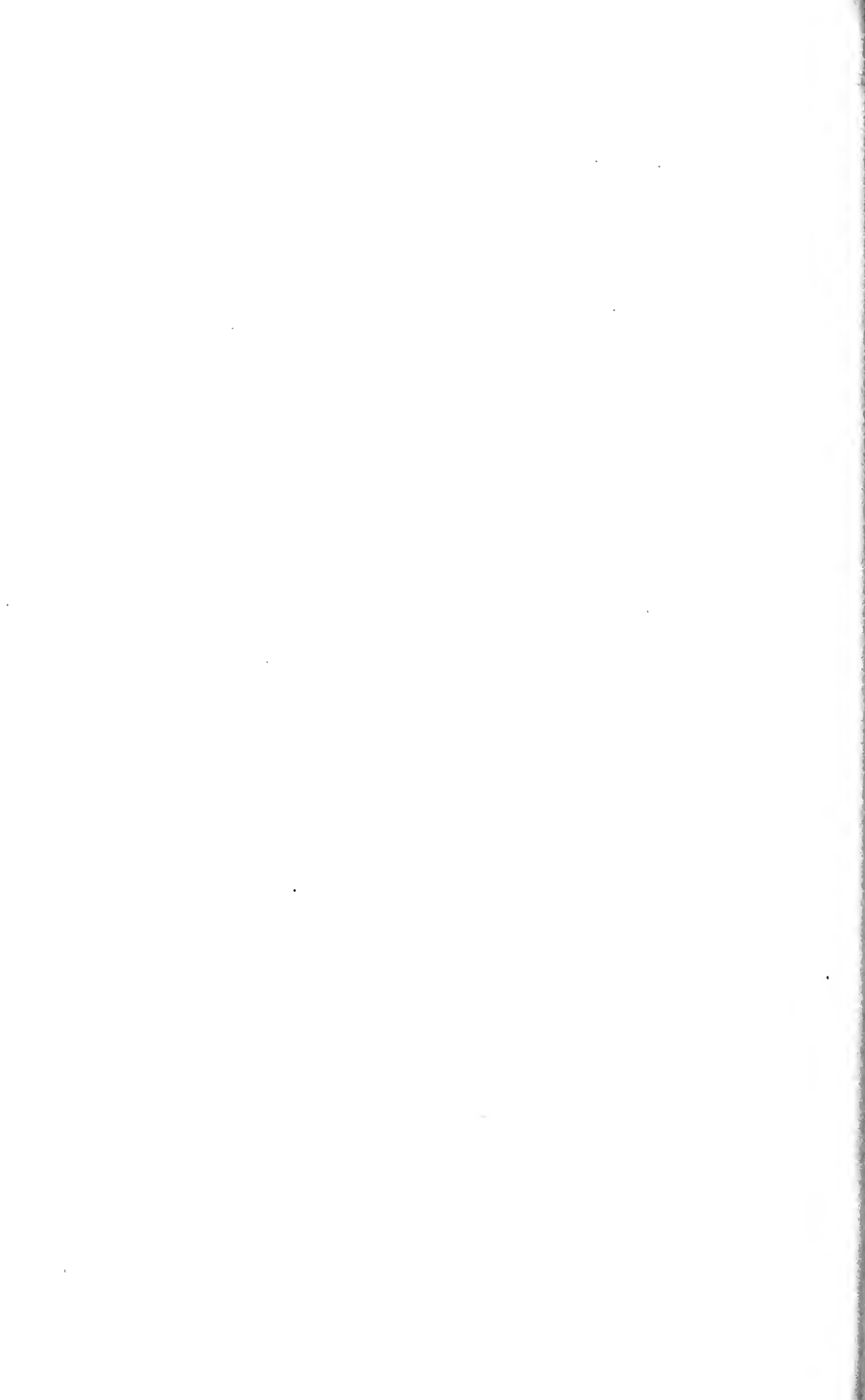
On Section 16.

MR. OLIVER (Leader of the Opposition): With regard to Section 16, perhaps the hon. Minister of Education (Mr. Drew) could tell us why the additional words are needed, "prescribed by the Minister". That is the only change in 16 and 17.

MR. DREW: Yes, I will explain that. It is because it does affect these others. That point was raised by the hon. member for Brant (Mr. Nixon) yesterday, and what has occurred is this: there has unquestionably grown up a confusion in the use of the term over the years. Our School Act, as the members who dealt with it know, has changed very little, and regulations have been passed under these Acts, and in some cases the regulations have not harmonized with each other, and it is an attempt to clarify those that has led to a number of the amendments which are made.

With the passing of the Regulation Act in 1944, it became essential to straighten out some of these confusions which we have found in the wording of regulations which had accumulated over the years. Now, I might say that we engaged a lawyer especially for that purpose, a man very competent, and highly trained in these matters, who has spent several hundred hours in examination of these accumulated regulations in relation to the existing law, and this is merely for the purpose of carrying forward the established practice and avoiding the confusion which does exist as between some of these regulations and the section.

The main thing is that it clarifies the question of



authorizing books in the schools, but there is nothing new added to that. All along the books which have been authorized or prescribed in the schools have been under the direction of the Department of Education, and the word "Minister" is used to cover the whole Department.

I would be glad to amplify any detail which the hon. member (Mr. Oliver) may wish, but the regulations have used the word "authorized", and the word "prescribed" has been used, and this is to clarify all the regulations and use the words which will be uniform throughout the Acts and the regulations.

Sections 16 to 23, inclusive, carried.

On Section 24.

MR. OLIVER (Leader of the Opposition): Is there some change in 24?

HON. GEORGE A. DREW (Prime Minister): No. This is simply a clearer statement of a former section. There is no change in the substance or meaning of that amendment, except for clarification.

Sections 24 to 37, inclusive, carried.

THE CHAIRMAN: Shall the Bill be reported?

Motion agreed to.

HON. GEORGE A. DREW (Prime Minister): Order No. 2.

THE CLERK OF THE HOUSE: Second Order; House in Committee on Bill No. 2, "An Act to amend the
Mr. Frost.

Sections 1 to 7, inclusive, carried.



THE CHAIRMAN: Shall the Bill be reported?

Motion agreed to.

HON. GEORGE A. DREW (Prime Minister): Order No. 3.

THE CLERK OF THE HOUSE: Third Order; House in Committee on Bill No. 3, "An Act for raising money on the Credit of the Consolidated Revenue Fund." Mr. Frost.

Sections 1 to 5, inclusive, carried.

THE CHAIRMAN: Shall the Bill be reported?

Motion agreed to.

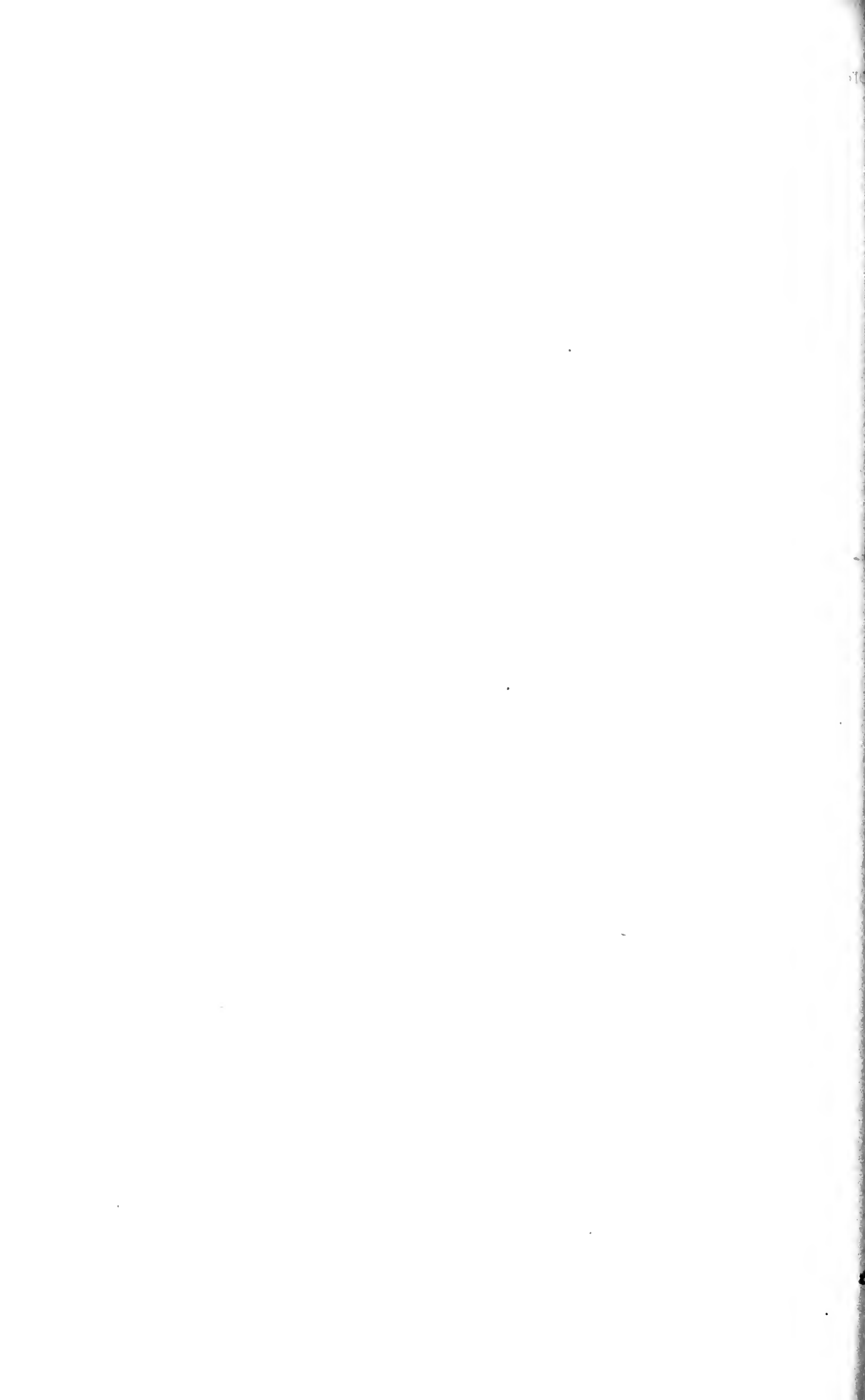
HON. GEORGE A. DREW (Prime Minister): Order No. 4.

THE CLERK OF THE HOUSE: Fourth Order; House in Committee on Bill No. 4, "The Cheese and Hog Subsidy Act, 1945." Mr. Kennedy.

Sections 1, 2 and 3 carried.

THE CHAIRMAN: Shall the Bill be reported?

Motion agreed to.



HON. GEORGE A. DREW (Prime Minister): Fifth Order.

THE CLERK OF HOUSE: Fifth Order; House in Committee on Bill No. 5, "The Sugar Beet Subsidy Act, 1945". Mr. Kennedy.

THE CHAIRMAN: Bill No. 5, "The Sugar Beet Subsidy Act", 1945.

Sections 1 to 3, inclusive, agreed to.

Bill reported.

HON. MR. DREW: Sixth Order.

CLERK OF HOUSE: Sixth Order; House in Committee on Bill No. 6, "An Act to provide for an Annual Grant to the University of Toronto School of Nursing." Mr. Vivian.

THE CHAIRMAN: Bill No. 6, "An Act to provide for an Annual Grant to the University of Toronto School of Nursing."

HON. MR. DREW: In the absence of Mr. Vivian I will deal with it.

Sections 1 to 2 inclusive agreed to.

Bill reported.

HON. MR. DREW: Seventh Order.

CLERK OF HOUSE: Seventh Order; House in Committee on Bill No. 7, "An Act to amend the Companies Act." Mr. Dunbar.

THE CHAIRMAN: Bill No. 7, An Act to amend the Companies Act.

Sections 1 to 4 inclusive agreed to.

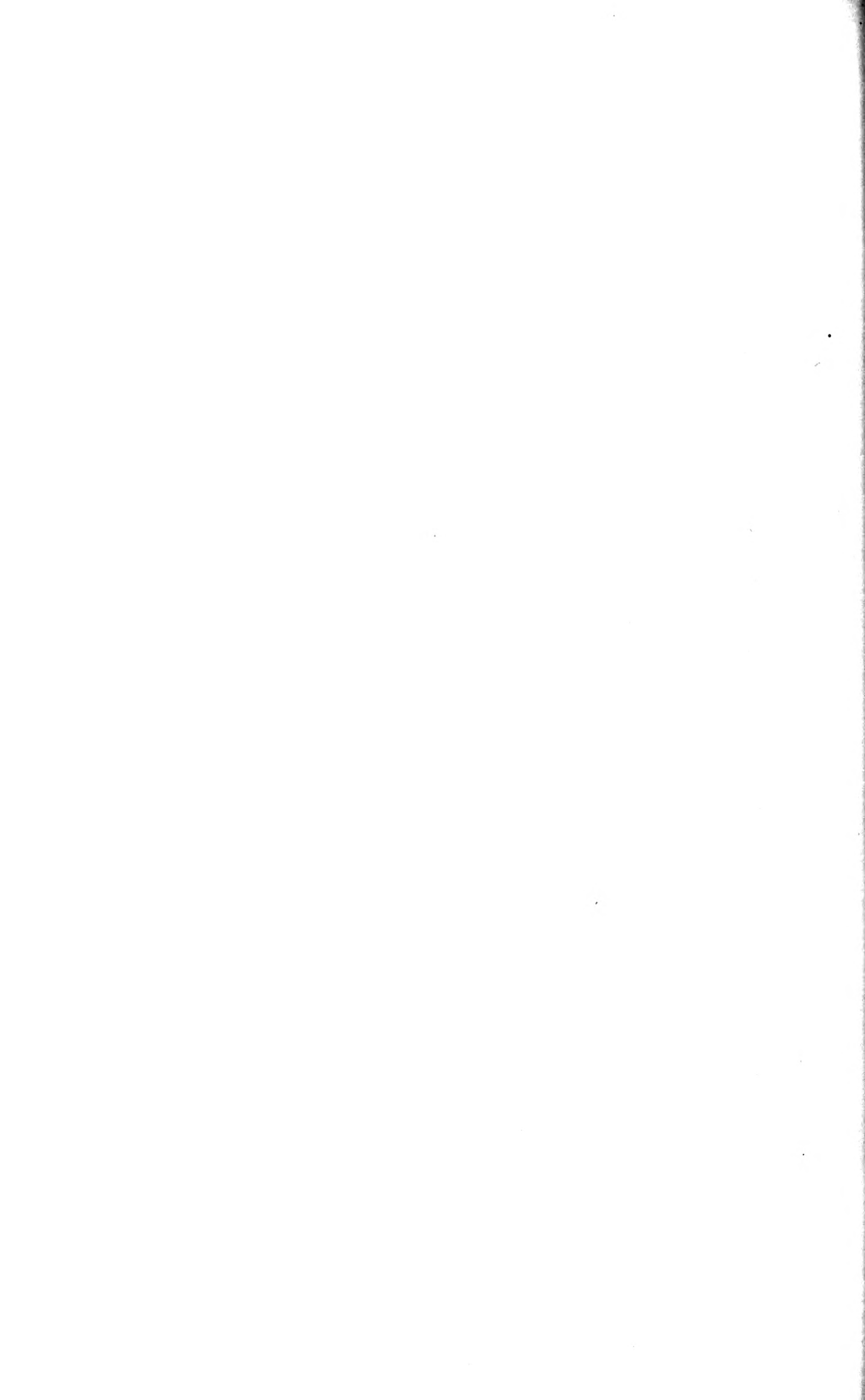
Bill reported.

HON. MR. DREW: Eighth Order.

CLERK OF HOUSE; Eighth Order; House in Committee on Bill No. 8, "The Mortgagors' and purchasers' Relief Act, 1945". Mr. Blackwell.

THE CHAIRMAN: Bill No. 8, "The Mortgagors' and purchasers' Relief Act, 1945."

Section 1.



MR. NIXON: May I ask the Attorney General, because I am rather interested in this matter, could the Department obtain the amount of these mortgages still outstanding that this legislation applies to. Mortgages outstanding at the time of 1933, was it?

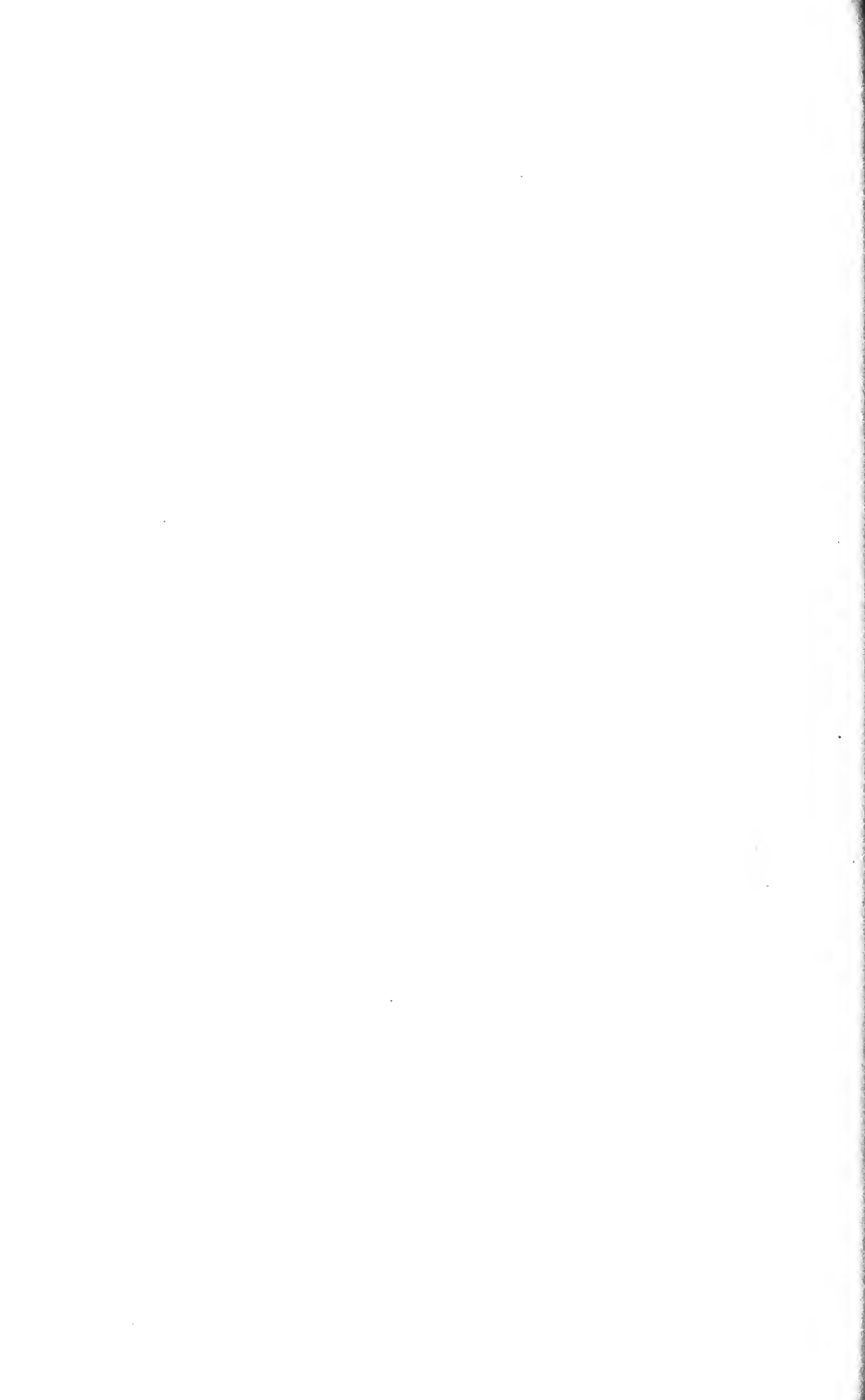
MR. BLACKWELL: Mr. Chairman, I presume that the Hon. member from Brant (Mr. Nixon) question is directed to the aggregate capital amount of mortgages still outstanding under the Act. I might say to him that there is no available approach to arrive at that particular figure but perhaps I could assist him and the House with equivalent information and I have some information here that I think will give him what he wants in another way. I have here all the mortgages made prior to 1932 -- this is without regard to the capital amount in the aggregate, but merely in relation to the number of individual mortgages that there are now and there are still about fifteen per cent of those that are under the provisions of The Mortgagors' and Purchasers' Relief Act, 1945. I think that is the information that you want in a little different form. It at least represents an effort on my part to give you what you want.

Section 1 agreed to.

Section 2 .

MR. NIXON: Well, I was wondering also if we could have any idea as to how rapidly these mortgages are being discharged. How does that fifteen per cent today compare with percentage of, say, two years ago? Is there any indication that these mortgagors are making an honest effort to discharge their obligations?

MR. BLACKWELL: Mr. Chairman, I can answer that too, and I think I should be completely informed as to what degree I can, to the members of the Legislature and from the



point of view of being the Minister responsible for making recommendations in the matter of this Act, I might inform the House what is in my mind at present. I have grave doubts as to how long this Act should continue but, on the other hand, there have been numerous representations made to my Department as to the possibility of some form of relief. I should tell the House that we are at present engaged in a study of what recommendation should be made by me as the responsible Minister in the Department to the Government, with possible legislative action which might in the course of that deal completely with this Act.

My own view at the moment is that there are some features of this Act that will probably require to be preserved but I have about come to the conclusion -- and I propose to make a recommendation in due course which will dispose of a large part of this Act because it is my opinion that some parts of it have about served their usefulness but it requires quite a detailed study of that and related problems to determine what legislation should be brought forward. In the meantime I am recommending to the House that they should continue it until that job is done.

Sections 2 to 3, inclusive, agreed to.

Bill reported.

MR. BELANGER: Before passing to the next Order of the Day the House will pardon me if I take advantage at this time to ask the members to keep their records correct of the discussion that took place in connection with that Bill. We are told that Mr. Begin spoke on the Bill. It is not Mr. Begin, member for Russell, but Mr. Aurele Chartrand, Member for Ottawa East. That is on Page 70.

HON. MR. DREW: Ninth Order.



CLERK OF THE HOUSE: Ninth Order. House in Committee on Bill No. 9, "An Act to amend The Statutes Act." Mr. Blackwell.

THE CHAIRMAN: Bill No. 9, "An Act to amend The Statutes Act.

Sections 1 to 3, inclusive agreed to.

Bill reported.

HON. MR. DREW: Tenth Order. House in Committee on Bill No. 10, "An Act to amend The Insurance Act." Mr. Blackwell.

THE CHAIRMAN: Bill No. 10, "An Act to amend The Insurance Act".

Section 1 to 3 inclusive, agreed to.

Bill reported.

HON. MR. DREW: Eleventh Order.

CLERK OF THE HOUSE: Eleventh Order. House in Committee on Bill No. 11, "An Act to amend The Loan and Trusts Corporations Act." Mr. Blackwell.

THE CHAIRMAN: Bill No. 11, "An Act to amend The Loan and Trusts Corporations Act. "

Sections 1 to 5, inclusive, agreed to.

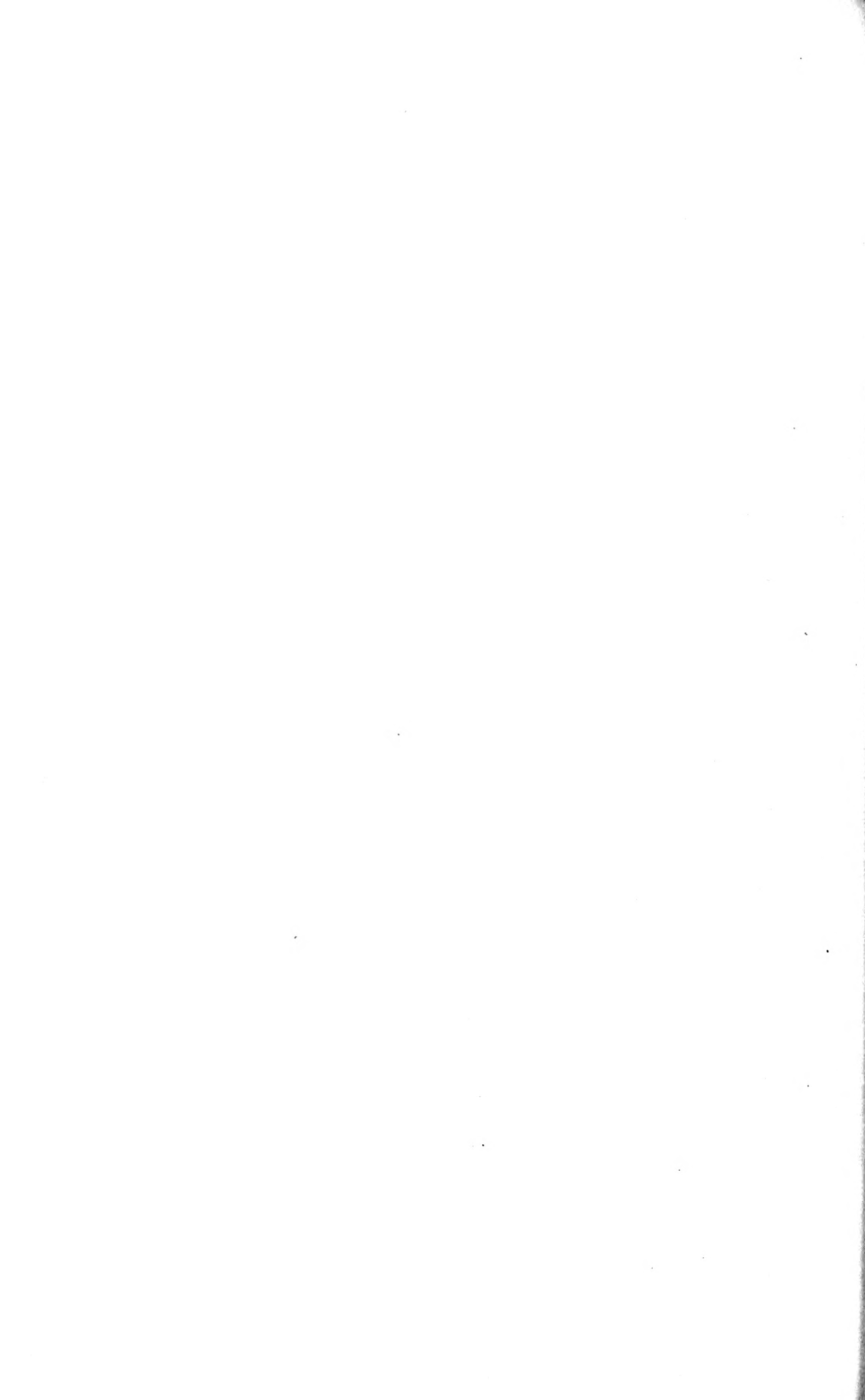
Bill reported.

HON. MR. DREW: Twelfth Order.

CLERK OF THE HOUSE: Twelfth Order. House in Committee on Bill No. 12, "An Act respecting the Erection of Houses and Housing Accommodation for Veterans and their Dependents." Mr. Dunbar.

THE CHAIRMAN: Bill No. 12. "An Act respecting the Erection of Houses and Housing Accommodation for Veterans and their Dependents."

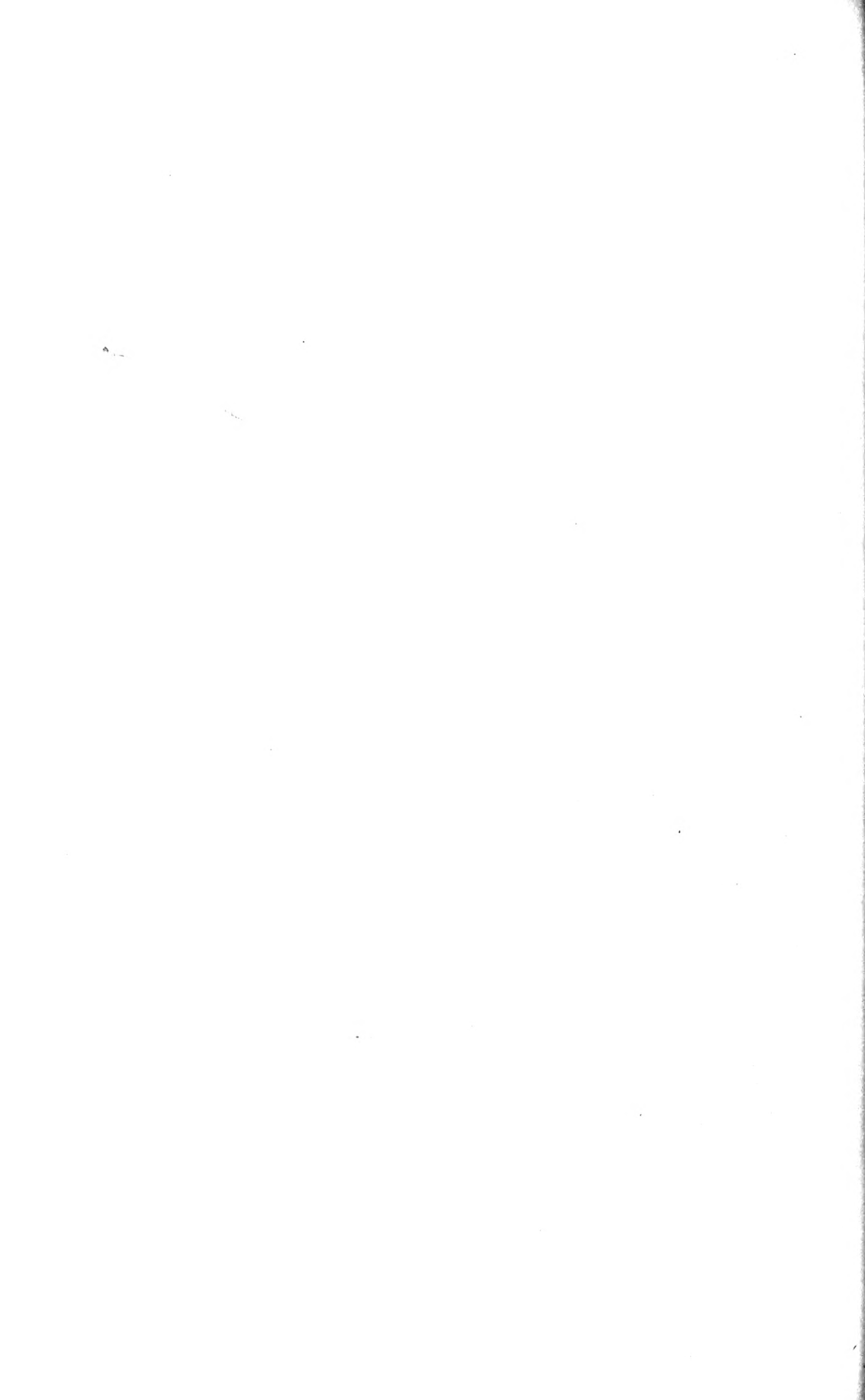
Section 1.



MR. SALSBERG: I do not want to engage the House on a long discussion on this question but I have an opportunity of raising the issue of government responsibility in public housing. However, when we are called upon to consider item by item this Bill I do think it would be possible for the Government to make known its policy regarding the very serious issue of public housing.

All this Bill does, Mr. Chairman, is to grant a right to the municipalities which the municipalities have been asking for. In other words, it is permissive legislation. In other words, it is lifting for a moment the brakes which the government has on the municipal governments and permits them to do at least one thing or engage in one phase of house construction to solve the acute housing shortage, but that won't solve the problem. The seriousness of it is becoming more and more apparent. It cannot be done by any one government alone. It certainly will not be done by private interests. It will not solve the problem of those who cannot pay what is commonly called an economic rental. No private investors -- and not even insurance companies who are perhaps going to invest some of the money in housing projects -- will not solve the problem of providing proper housing accommodation for those in the low income bracket, and they constitute an enormous proportion of people and for many of the returned men who may not be able to purchase a house. I submit, Mr. Chairman, that this Provincial government should feel responsible in giving leadership, not merely in lifting restrictions and freeing the hands of the municipalities in one instance but --

THE CHAIRMAN: You should have this discussion on the second reading.



MR. SALSBERG: Perhaps you are right. I will therefore conclude. I appreciate your leniency. However, I felt that this matter should be raised and I would appreciate an expression of the policy of the government on the question of public housing, particularly the problem of slum clearance and houses for those who are in the low income bracket. To continue the policy negativism and doing nothing, as expressed by some members of the government -- a policy of waiting whether Ottawa will fail, is to pursue a policy which is certainly uncomplimentary. It is far more serious than that and I would welcome on this occasion an expression of policy from the government as to this basic question. What is it ready to do and when?

HON. MR. DREW: Well, since the hon. member has asked the question I can give the explanation that has already been given sometime ago. He has correctly stated that no one government can tackle this problem, and this Provincial government and every other provincial government is in the same position -- they certainly cannot tackle this problem by themselves. The member is quite aware that this government has not done nothing and, on the contrary, has been pressing very strongly on the matter and this government welcomes -- and I feel every member of the Legislature welcomes -- the fact there is to be a Provincial-Dominion Conference starting in two weeks and certainly one of the subjects high on the agenda of that conference will be to achieve the most effective results in meeting what is an extremely serious question and about which we have never at any time thought to minimize the seriousness. It is my hope in the conference beginning August 6th that we may achieve results for which we have

been working for some time.

MR. SALSBERG: I welcome the opinion of the Premier. However, I do not think he quite fully answered the main point I raised and that is -- government policy on public housing.

THE CHAIRMAN: It is not in this Bill.

MR. SALSBERG: Indirectly it is in the Bill, Mr. Chairman, so far as it permits municipal governments to engage in house construction. It is true I am stretching it quite a bit but it is also true there is nothing -- in fact I think it is absolutely necessary to elicit a statement of government policy -- what is this government prepared to do in regard to public housing, in regard to slum clearance. That is, of course, the main burden of the question I placed before the Premier.

Sections 1 to 4, inclusive, agreed to.

Section 5.

HON. G. H. DUNBAR (Minister of Municipal Affairs): Section 5 I should like to offer an amendment, after receiving the Royal assent "and shall be deemed to have had effect on and after the 26th day of June, 1945." That is to fit in with agreement signed with some of the municipalities when down in Toronto. They signed the agreement on the 26th Day of June.

Section 5 as amended agreed to.

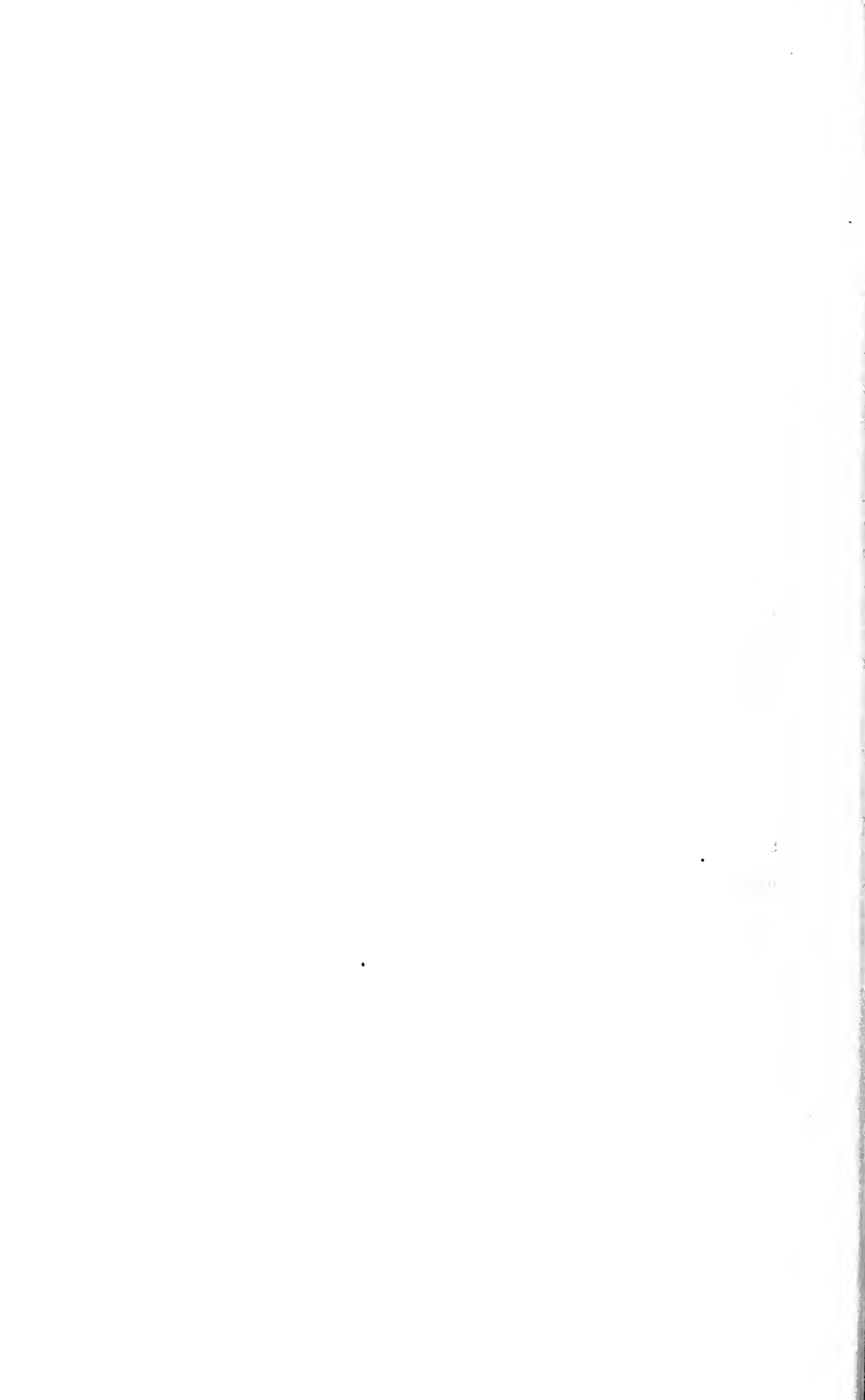
Section 6 agreed to.

Bill reported.

HON. MR. DREW: Mr. Chairman, I move that the Committee rise and report several Bills, one with an amendment.

Motion agreed to and Bills reported.

HON. MR. DREW: I do move, Mr. Speaker, that you now

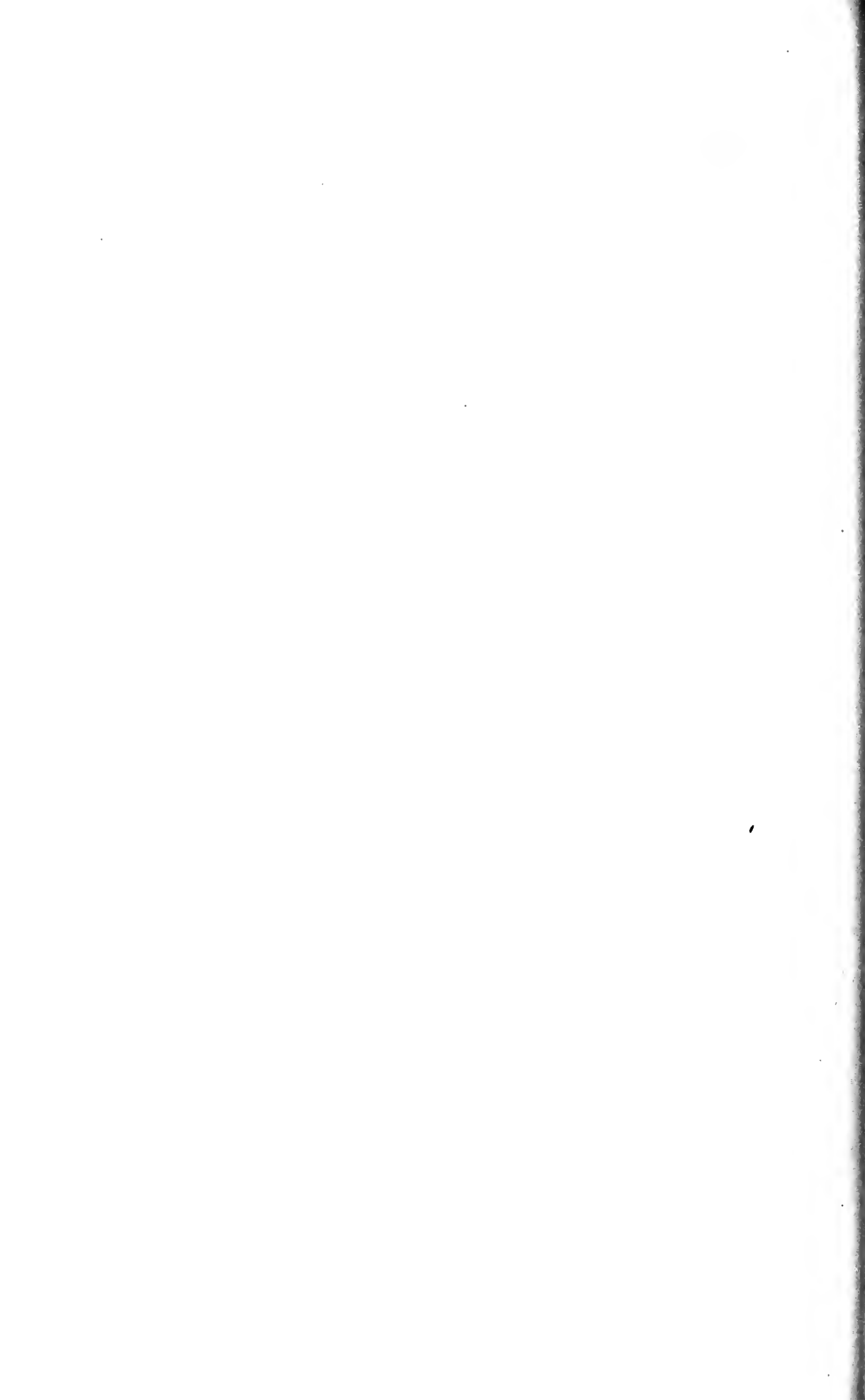


leave the chair and the House resolve itself into Committee of Supply.

Motion agreed to.

HON. MR. DREW: No. 1, agriculture, Page 7.

(Page 248 follows)



THE CHAIRMAN: We will now take Vote 1, Department of Agriculture.

MR. OLIVER: I see there is an estimate of \$5,000 for the Agriculture Inquiry Committee. Has the committee completed its work?

MR. KENNEDY: All except on one point, which is just about complete.

MR. OLIVER: It has not made its final report?

MR. KENNEDY: No, but it is just about ready.

MR. OLIVER: What has been the total cost?

MR. KENNEDY: Approximately \$33,000.

MR. NIXON: Is the point outstanding, the \$5,000 point?

MR. KENNEDY: No, I may want a little of that myself.

Item agreed to.

Item 17--Grants under the Community Halls Act, \$5,000.

MR. ANDERSON: Under what circumstances does the Department contribute towards the building of community halls?

MR. KENNEDY: It assists in connection with a township community hall that is used for farmers' meetings and is equipped with kitchen, dishes, and so on. We contribute 25%.

MR. McEWING: I had an idea it was 50% at one time.

Item agreed to.

Item 5--Vote 4--Expenses in connection with T.B. testing work, \$23,000.

MR. OLIVER: Can the Minister tell us where we are getting with the T.B. testing work? Have we covered nearly the whole province?



MR. KENNEDY: We have practically stood still for the last few years, but now we are starting it over again.

MR. OLIVER: How many counties have been completed?

MR. KENNEDY: The eastern, up to say Wellington County and we are going up further to Manitoulin and other places.

Item agreed to.

Item 4--Vote 9--Agricultural Representative work, services, expenses and equipment; to pay such expenses for the encouragement of agriculture as may be directed by the Minister of Agriculture, \$365,500.

MR. OLIVER: There is quite an increase in this item.

MR. KENNEDY: An increase of \$35,000.

MR. OLIVER: What do the increases entail?

MR. KENNEDY: We have taken on a few more men and the salaries and living expenses have gone up just a little.

MR. OLIVER: Have you raised the salaries to a general level or over?

MR. KENNEDY: Yes, each one has got a yearly increase.

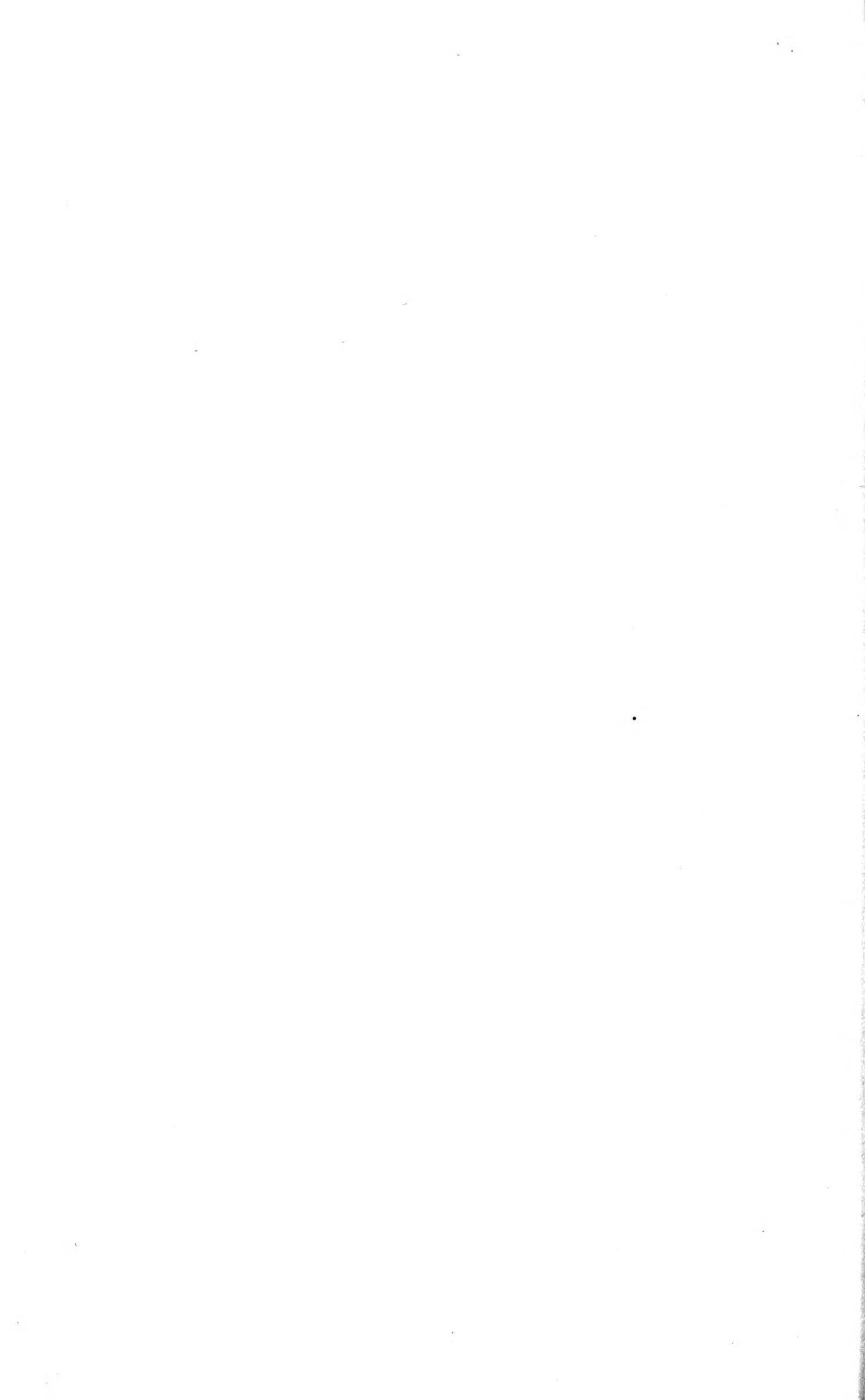
MR. McEWING: I see that last year the item for County Agricultural Committees, travelling and other expenses, was \$30,000, and this year it is \$20,000.

MR. KENNEDY: We voted too much last year, and we think this amount will cover what is required.

MR. McEWING: How many counties?

MR. KENNEDY: Twenty-four or twenty-five, three districts.

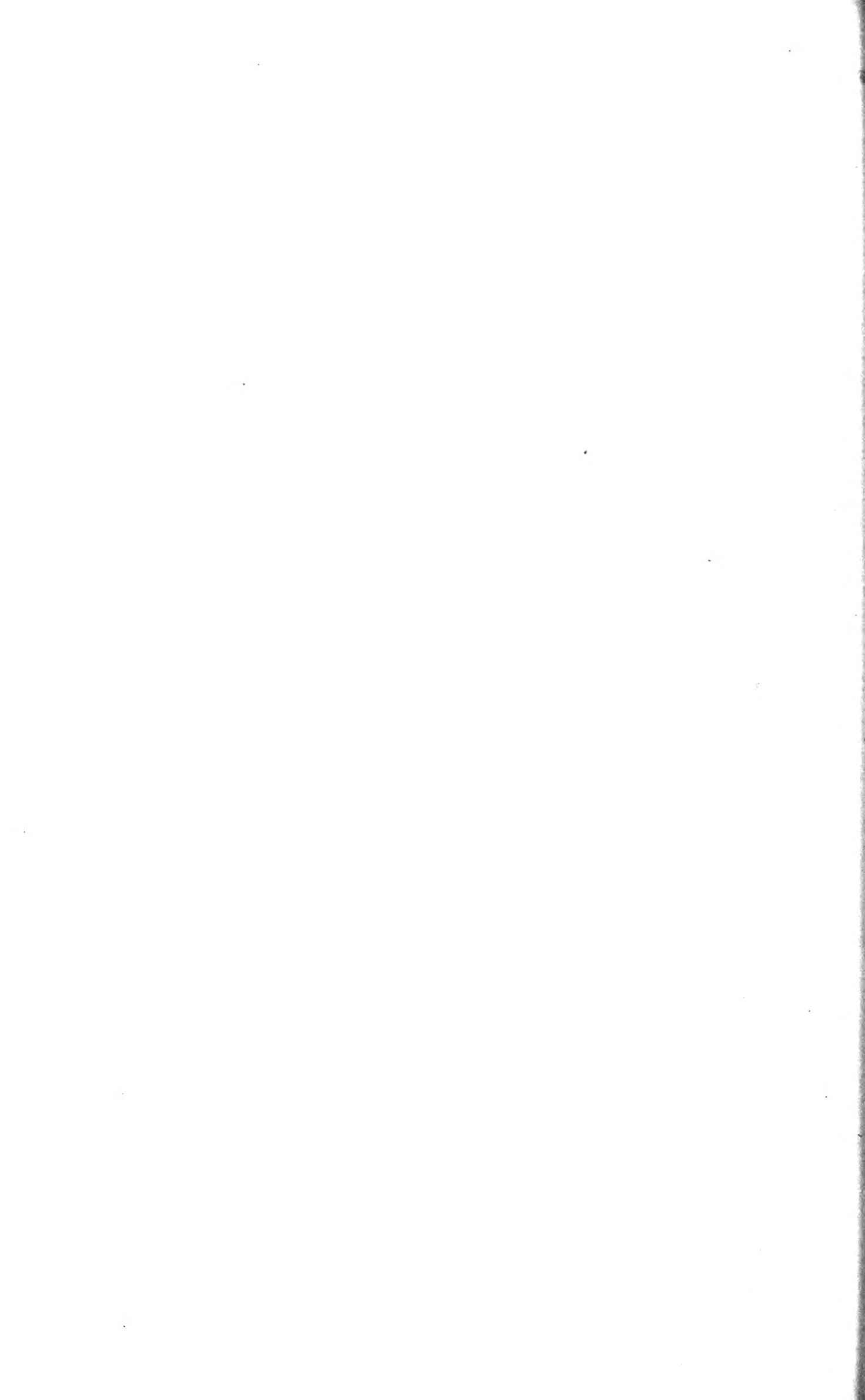
MR. ANDERSON: I do not know whether this is the proper item on which to bring this matter up, but I should like to



say a word or two on the eradication of weeds. On paper we look after the weeds pretty well, but in reality we do not.

MR. KENNEDY: That is about right.

MR. ANDERSON: I have often wondered if we could not do something really worth while in combatting the spread of noxious weeds. I know that in the part of the country that I live, we appoint a weed inspector to comply with the municipal act. We do not give him any salary because he is already an employee of the city and doing something else. A lot of grain is shipped into that area from the west and the farmers take out some of the screenings and feed them. It just means this, that if that condition is permitted to continue, it will be only a matter of a few years until that very fine part of Ontario will be devoted entirely to weeds. It is not an easy country to get the weeds out of. It is not like the prairie where you can use heavy machinery over a large flat country. It is hilly country and stony to some extent, and yet there are lots of little valleys of good land. I do not know just what can be done, but it seems to me that something should be worked out to combat the spread of these weeds. I know that something has been done, and there is talk of using spraying machines, and even of cutting the weeds at a certain time, but if you delay the cutting of sow thistles, for instance, until they have gone almost to seed, and then cut them, the damage is done. There has been some excuse for not doing so much in this matter in the past few years because of the shortage of help, but just as soon as it is humanly



possible to combat the spread of these weeds. I think the department should take this matter a little more seriously than it has done in the past.

MR. MEINZINGER: The member for Fort William has given the answer to his own question when he told us that Fort William employs a weed inspector but does not pay him any salary. I am surprised that belonging to the group he does he would employ a man without giving him remuneration.

MR. ANDERSON: I merely said that to comply with the act we do that. We hire men and pay them trade union wages. We have a collective agreement with our city employees, I may tell my good friend from Kitchener, so he does not need to worry about the Fort William employees. They are quite satisfied with their mayor and with their working conditions.

MR. MEINZINGER: I appreciate the remarks of the hon. member, but he was rather critical of the government, saying that the weed eradication policy looks good on paper but in reality not much was done, and then I thought he gave us the explanation of why not much was being done at Fort William to eradicate weeds when he said they did not pay their weed inspector.

Item agreed to.

On Vote 11--Co-Operation and Markets Branch.

MR. MacLEOD: I do not know whether this is the proper time for me to ask this question, but I am anxious to know something about the status of the Tobacco Marketing Board, which holds forth in the Tobacco building. Is that Tobacco



Marketing Board an integral part of the various boards which function under the provincial government?

MR. KENNEDY: No, it has nothing to do with them.

MR. MacLEOD: Whence does it derive its authority?

MR. KENNEDY: From Ottawa. They are more or less joined together by both agreeing to do something.

MR. MacLEOD: I think that the Minister knows, and I am sure that the member for Haldimand-Norfolk knows that the conditions existing in that area have not been satisfactory and there has been some dissatisfaction expressed over this Board. I am just wondering whether the Minister has given any consideration to establishing or re-establishing a board there, which would function under the jurisdiction of the province and be properly integrated with the other various marketing boards that now exist in the province of Ontario.

MR. KENNEDY: They won't come into our board. I think that what was causing that disturbance three years ago has disappeared now, and the growers and processors have appointed representatives, and they get together and there is close co-operation.

MR. MacLEOD: The information I have upon it may not be as adequate as the information of the member for the district, but my information is that the farmers down there have been greatly dissatisfied with this board and some of them at least have expressed the desire that the Minister in this province should intervene and assist them in establishing a much more democratic board than the one now in existence

and from which they would receive greater justice than they now receive.

MR. KENNEDY: They can come under the Ontario Farm Products Control Board if they want to. That is open to them.

MR. MARTIN (Haldimand-Norfolk): I have heard no complaints of the Tobacco board in recent months.

Vote agreed to.

On Vote 18--Ontario Veterinary College and Ontario Agricultural College, Guelph; Ontario Veterinary College, Guelph.

MR. MacLEOD: During the 1944 Session, there was some proposal put forward, with which I think the Minister was inclined to agree, that some consideration might be given to altering the status of the Ontario Agricultural College, to make it less a political institution, and establishing it more or less as an educational institution, which would receive a grant from the province just as the Toronto University and other universities do. Has the Minister considered that?

MR. KENNEDY: We have run into a lot of trouble in connection with expansion work. It is a complicated thing if you go into it.

MR. MacLEOD: But the Minister has it on his agenda, so to speak.

MR. KENNEDY: Yes. It is the only university in Canada that has not a Board of Governors.

MR. OLIVER: Then what is the explanation of the item



for a Grant to Board of Governors re Ontario Agricultural College?

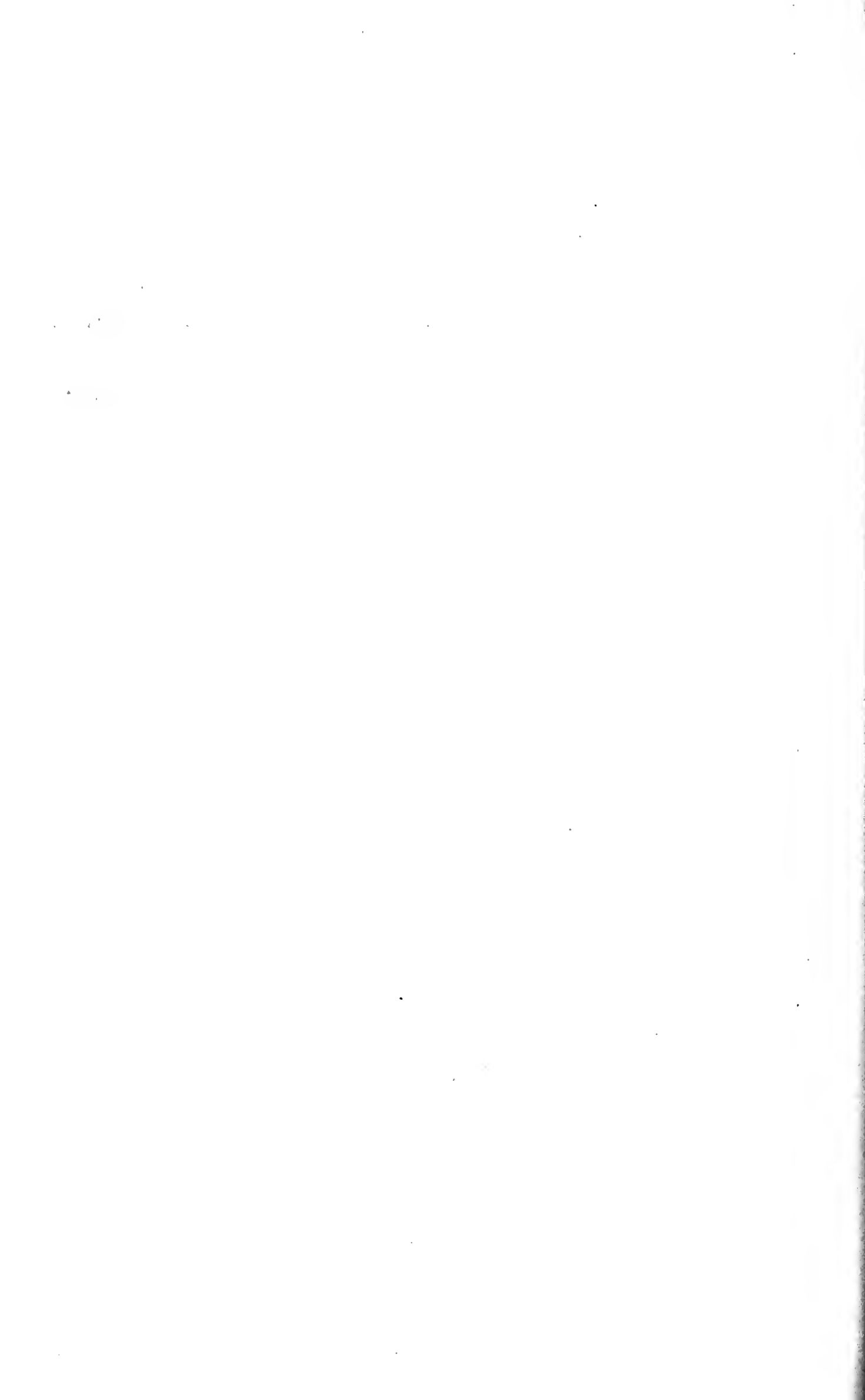
MR. KENNEDY: That was placed in last year when we hoped to get the bill through. This vote is only for ten months.

MR. NIXON: And the College is being administered just as it has been for years?

MR. KENNEDY: Yes, except there has been the addition of a Soils Department.

Item agreed to.

(Page 255 follows)



THE CHAIRMAN: The Department of the Attorney-General, Page 23, Vote No. 20, Items 1 to 13, inclusive. (Carried).

MR. HARRY C. NIXON (Brant): Does the Minister anticipate the vote of \$1500 will be sufficient for commissions and sundry investigations for this year?

HON. THOMAS L. KENNEDY (Minister of Agriculture): We are through with this now.

MR. NIXON (Brant): I might say, a very burly policeman came up and paid me \$14.00. I do not know whether that comes out of this or not. I do not know whether I am within the law in accepting it.

THE CHAIRMAN: Vote No. 21, Items 1, 2 and 3 (Carried).

Vote No. 22, Item 1 to 6 inclusive. (Carried).

Vote No. 23 (Carried)

Vote No. 24, Items 1 and 2 (Carried)

Vote No. 25, Items 1 and 2 (Carried)

MR. ROSS A McEWING (Wellington North): How many drainage referees have we?

MR. KENNEDY (Minister of Agriculture): Just one.

HON. LESLIE E. BLACKWELL (Attorney General): I do not recognize the question of a non member unless he rises and addresses it through the Chairman.

MR. McEWING (Wellington North): Mr. Minister, in Vote 25 it says "Drainage Referees, Salaries \$2400." How many are there?

MR. BLACKWELL (Attorney General): There is one at the moment, as far as I know.

MR. NIXON (Brant): Are there not two?

MR. KENNEDY (Minister of Agriculture): Yes, one in the East and one in the West.

MR. NIXON (Brant): That is why it is plural.



THE CHAIRMAN: Vote 26, Items 1 to 12 inclusive (Carried)
Vote No. 27, Items 1 to 5 inclusive (Carried)
Vote No. 28, Items 1 to 5, inclusive (Carried)
Vote No. 29, Items 1 to 5, inclusive (Carried)
Vote No. 30, Items 1 to 3, inclusive (Carried)
Vote No. 31, Items 1 to 10, inclusive (Carried)
Vote No. 32.

MR. A. A. MacLEOD (Bellwoods): Mr. Chairman, I rather imagine that the Attorney General would be surprised if some questions were not raised in dealing with this particular item, because this particular branch of his department has been very much in the news during the past few months.

Now, I understand perfectly well that certain matters respecting the Ontario Provincial Police have been referred to a commission appointed by his Honour the Lieutenant Governor. We are not permitted, under the rules of the House, to discuss a matter pending the report of that commission. On the ~~other~~ hand, I think the Attorney General will agree that the terms of the commission are somewhat restricted and limited to certain charges that have been made by the former Leader of the Opposition. The Commissioner himself, Mr. Justice Lebel, stated many times during the course of the hearings before the commission that he is not called upon within the terms of that commission to report on certain matters which have been introduced at these hearings. And I assume, therefore, that with respect to these matters, at least, it is permissible for hon. members of the Legislature to refer to them in the sense that questions may be asked of the hon. Attorney General. If I am not in order--

HON. THOMAS L. KENNEDY (Minister of Agriculture):
I don't think so, Mr. Chairman.

MR. MacLEOD (Bellwoods): I would address the question



through the hon. Attorney General.

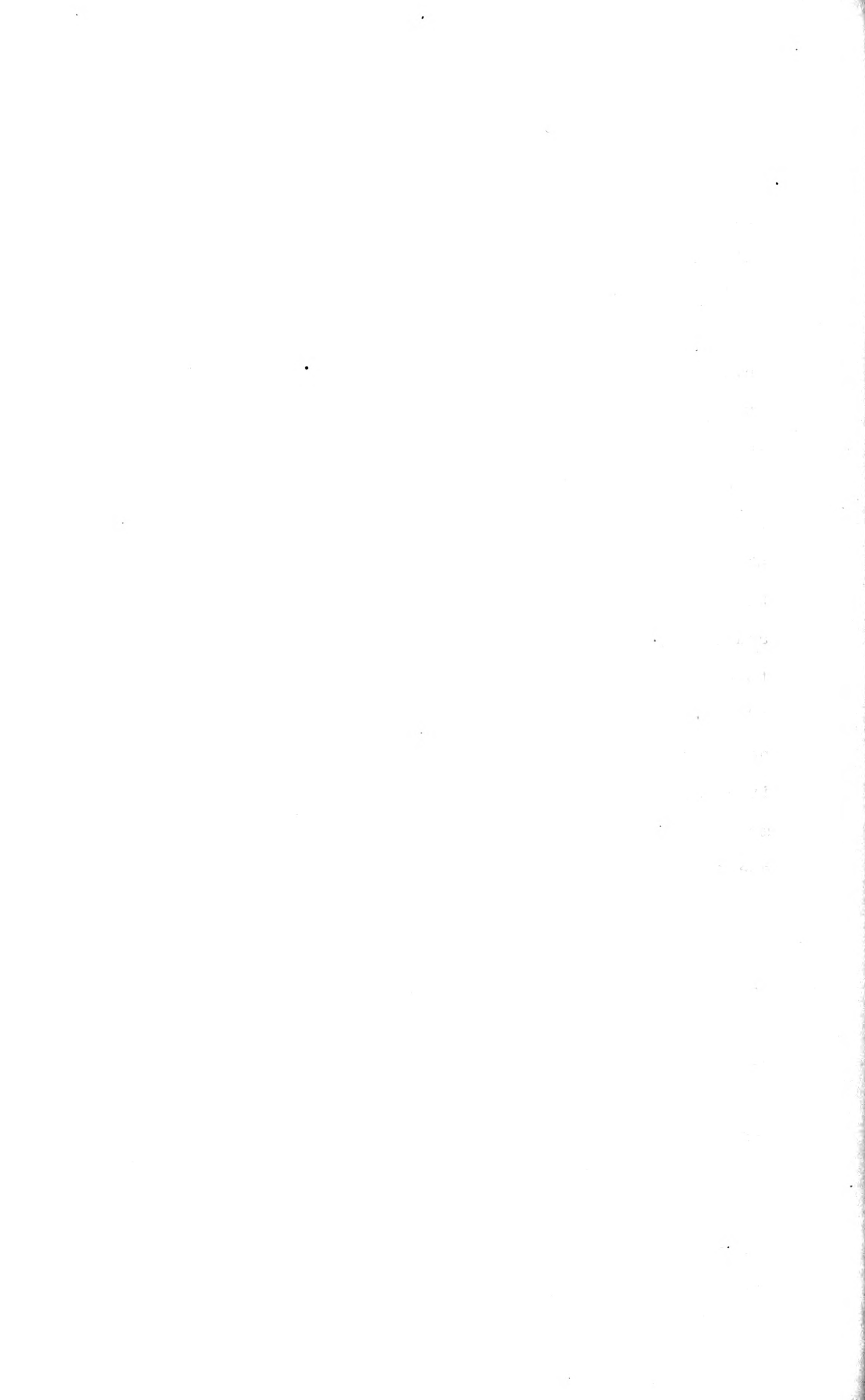
HON. LESLIE E. BLACKWELL (Attorney General): Mr. Chairman, the hon. member for Bellwoods (Mr. Macleod) has asked me to express a view, I presume, with a view to asking some proper question within the terms of the estimate, because that is before the House, and I am compelled,--I wish to express my position,--I am compelled, and I am not prepared to express here whether or not the terms of this commission were properly drawn or whether some matters could be brought before the commission or not unless they were within the terms of my estimate. The whole matter is sub judice, as the hon. members probably know. The argument of counsel is at present going on and it would be highly improper for me, as Attorney General, to entertain any expression or view of the proper scope of this enquiry, or whether certain ~~subjects~~ subjects should be prepared. I am quite prepared, however, and I want to make it clear, if the hon. members will be frank and specific with me in their questions on these estimates, I will answer any questions.

MR. MACLEOD (Bellwoods): I want to assure the hon. Attorney General again, I want to stay within the limits of the rules respecting the matter. So, the first question I would like to ask is whether Constable Osborne-Dempster is still a member of the Provincial Police Force?

MR. KENNEDY (Minister of Agriculture): No, no, we cannot answer that.

MR. BLACKWELL (Attorney General): Let him go on.

MR. MACLEOD (Bellwoods): I am just asking the hon. Attorney General ~~if~~ that is an improper question to ask, the hon. Attorney General can say so and I shall have to abide by his decision in the matter. The question I want to



ask is, is Captain Osborne-Jempster still a member of the Ontario Provincial Police Force?

MR. BLACKWELL (Attorney General): Mr. Chairman, the way I will answer that question is,--and the only way that I can, under the circumstances, with propriety,-- I am prepared to make this general statement about it, which includes in the terms of my answer, the Constable in question, I refused to accept the resignation of any police official having to do with the subject matter of the enquiry, as I felt that it would be highly improper for me to make any recommendations to the Government concerning any officer or official of the Police Department, pending the conclusion of the enquiry and the report of the Commissioner.

MR. MacLEOD (Bellwoods): I just have one more question to ask. I stated a moment ago that it has already been made clear that the Commissioner, who has been asked to pass judgment on certain matters, has publicly stated that he is not obliged--

MR. BLACKWELL (Attorney General): Just a minute. I am sure the hon. member for Bellwoods (Mr. MacLeod) is perfectly aware that it is quite within the scope of this enquiry to pass judgment on the conduct of the Police Department or any of its members, and I do not want any implication made that the contrary is the fact.



MR. MacLEOD: Well, Mr. Chairman, my understanding is that the terms of the Commission are such that the Commissioner can only express an opinion, or report upon, the question of whether a member of the Provincial Police exceeded his authority with respect to the charges that have been referred to him for his consideration.

HON. LESLIE E. BLACKWELL (Attorney General): No. Mr. Chairman, the statement of the hon. member for Bellwoods (Mr. MacLeod) is quite inaccurate. The Commissioner has broader scope than whether anyone exceeded his authority; it goes to the question of his conduct. I want to make clear that I have made an answer to the question which I felt was somewhat within the scope of my estimates, and I do not propose to answer questions with respect to the scope of the enquiry, and I will have to ask the hon. member for Bellwoods (Mr. MacLeod) to confine himself to the strict scope of the estimates. I am not suggesting this subject should not be fully debated in this House, but the estimates of this Department is not the proper place to go into the scope of the enquiry or whether some further action should be taken at the instance of this Legislature, relative to the enquiry which has been made.

MR. MacLEOD: Then, as I understand it, Mr. Chairman, the position of the hon. Attorney General (Mr. Blackwell) is that no useful purpose would be served --

HON. THOMAS L. KENNEDY (Minister of Agriculture): It is against the rules of the House.

MR. MacLEOD: It is not.



MR. KENNEDY: Mr. Chairman, I must draw your attention to the fact that it is against the rules of the House. I am not a lawyer, I may say, but it is against the rules of the House to debate this while it is going on down town.

MR. BLACKWELL: In view of the fact that these are my estimates, I wish the hon. member for Bellwoods (Mr. MacLeod) would not put words into my mouth. I made no suggestion that at the proper time and place no useful purpose would be served by discussing this question. I have reminded the hon. member (Mr. MacLeod) two or three times that what is under discussion here are my estimates, and I do not propose to have my estimates used as a basis for discussion of something which is not within the scope of the estimates. If the hon. member (Mr. MacLeod) will confine himself to the scope of the estimates, I will be pleased to answer any proper questions.

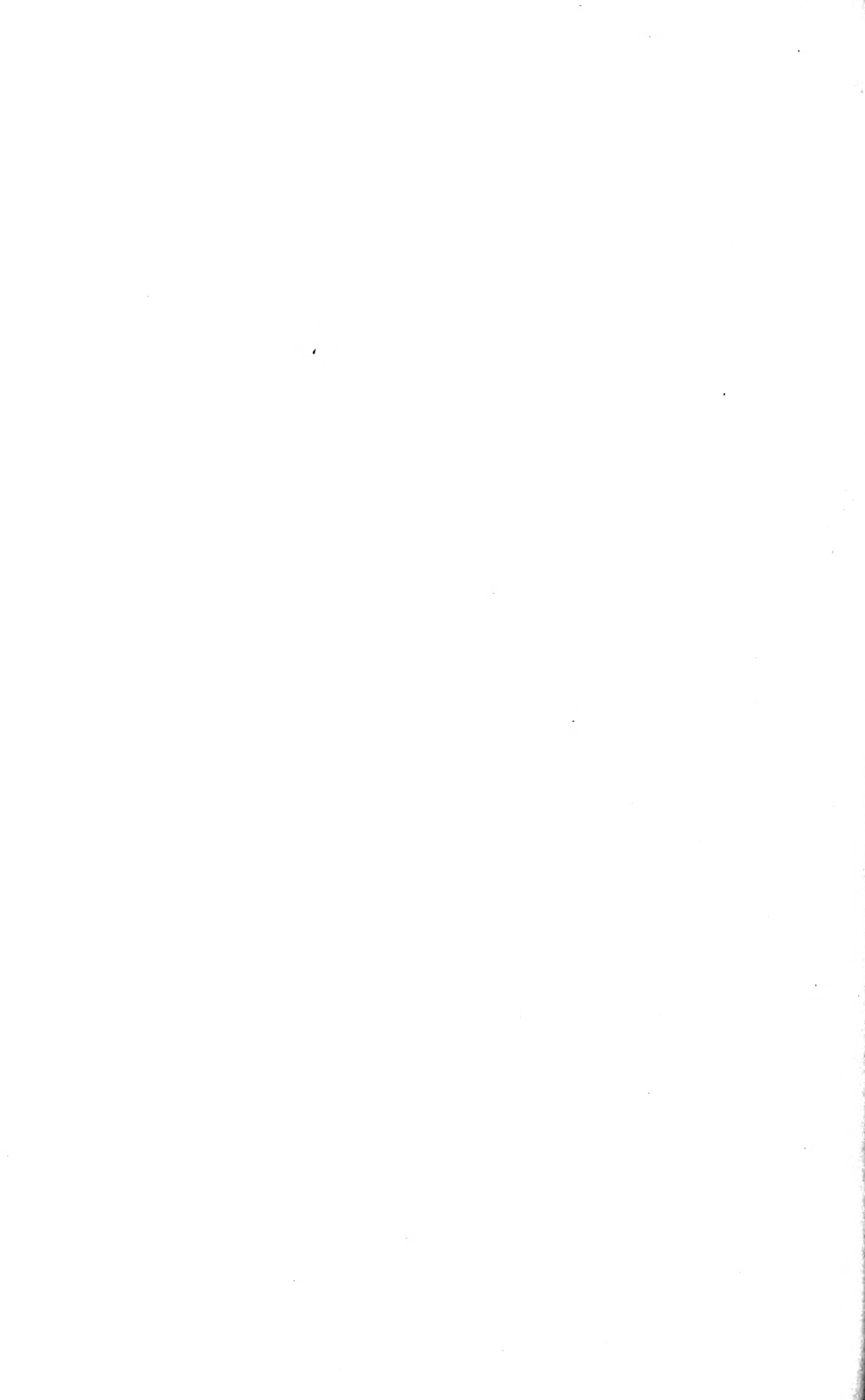
MR. MacLEOD: In this estimate we are dealing with a salary item of \$930,000 --

MR. BLACKWELL: That is obvious.

MR. MacLEOD: Yes. And it seems to me that within the term of that particular item it is perfectly proper for any hon. member of the House to ask a question with respect to the conduct of the people who are receiving that money.

MR. BLACKWELL: Well, ask your question, and let us get on.

MR. MacLEOD: Yes. The question is this. that some of the people who benefit from this appropriation have been guilty

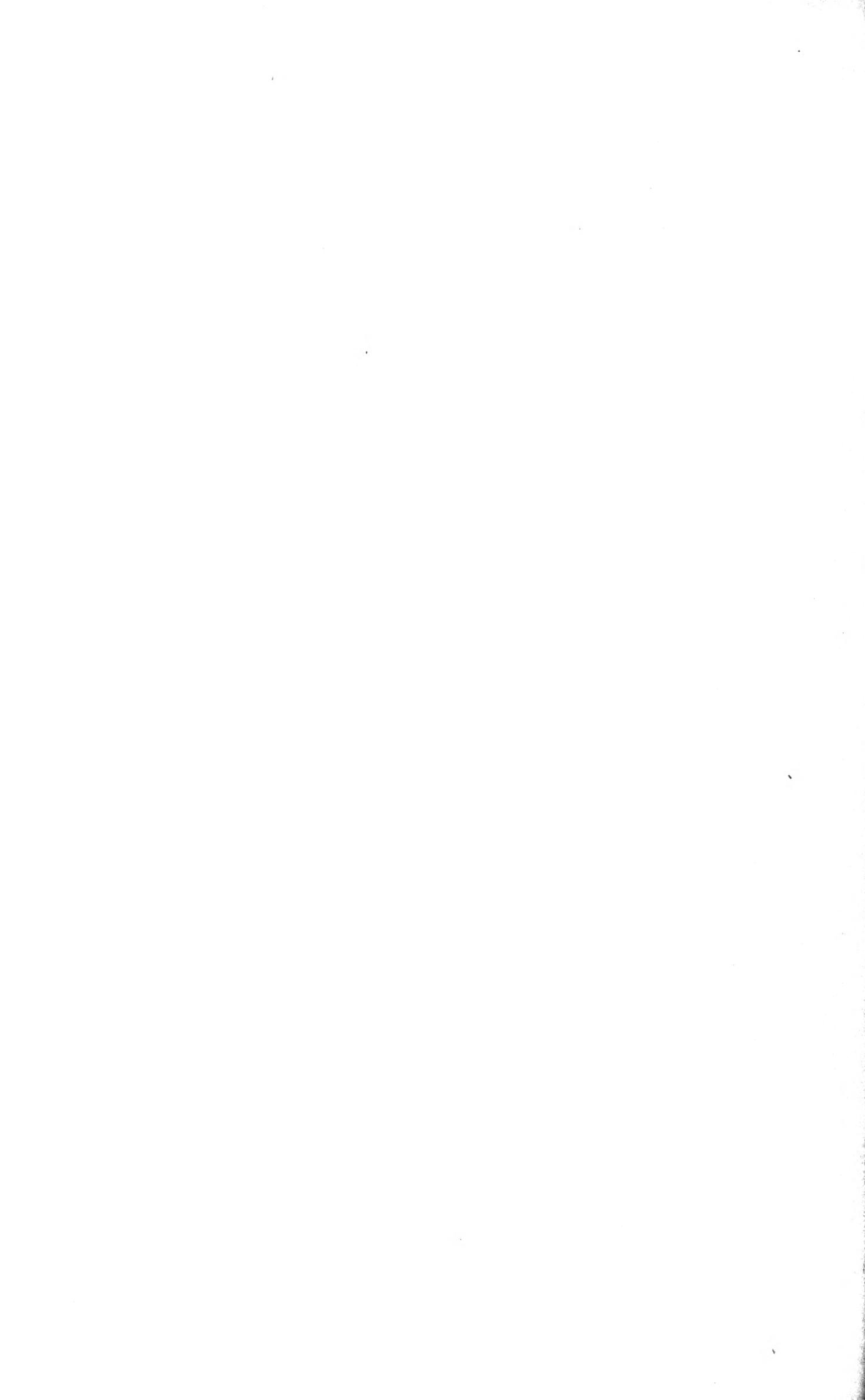


of very high-handed action --

MR. BLACKWELL: Mr. Chairman, that remark is highly improper. The functions of the Commission in question is sub judice, and it is not for the hon. member for Bellwoods (Mr. MacLeod), nor even for me as Attorney General, to determine whether anyone, whether employed by the Government or not, is guilty of anything, until we have the judicial findings of the Commission.

MR. GRUMMETT: Mr. Chairman, while I will not dispute the opinion of the hon. Attorney General (Mr. Blackwell) I still do not agree with him when he states that it is sub judice to discuss it. With an ordinary court action, that is in a different position, before judgment has been given, but this is an enquiry under the Public Enquiries Act, and I do not think that it is protected by the same status, and while I disagree with the hon. Attorney General (Mr. Blackwell), still I see the effect of what he says, and I also see what would be the effect if we attempted to override what the hon. Attorney General (Mr. Blackwell) has said. Therefore, I am not going to debate this question at this time, as I know that later on we will have an opportunity to have a full discussion on the whole question. I only want to ask the hon. Minister (Mr. Blackwell) if in these estimates there are any moneys set aside to continue any special branch such as was investigated. I think that is a proper question under the estimates.

MR. BLACKWELL: Mr. Chairman, no question could



have been asked by any hon. member of the House that would have given me greater satisfaction to answer than that, because I am able to say to the Legislature not only is such provision made, but, also, the present estimates discussing that position were brought out on the part of the Government, and were prepared before the lamented charges were laid.

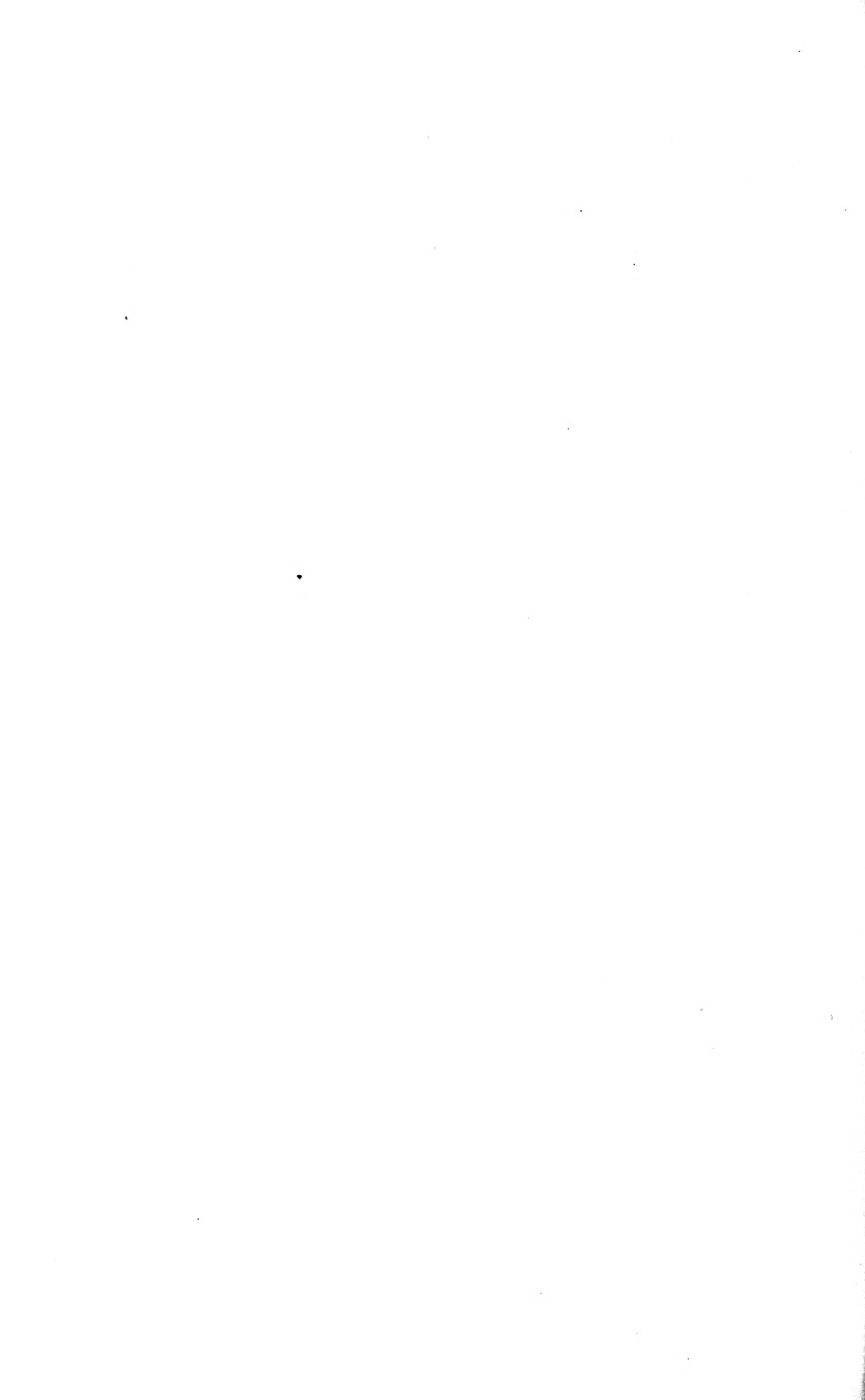
MR. NIXON: Who laments the charges, may I ask? Why "lamented charges"? Who laments them?

MR. BLACKWELL: I think that the point raised by the hon. member for Brant (Mr. Nixon) is quite proper. I should not have used the expression "lamented". It is a comment on the charges, and I withdraw it.

THE CHAIRMAN: Vote No. 32. Items 2, 3 and 4. (Carried)
On Vote No. 33.

MR. SALSBERG: Mr. Chairman, on Item 33, we are dealing with estimates of the Ontario Securities Commission. I think that it is not only proper, but absolutely necessary, that we receive some enlightenment from the hon. Attorney General (Mr. Blackwell) on the work of that Commission, for which we are about to vote supply.

The bare, naked facts, which I think perhaps this Legislature must recognize, are facts not only citizens of this province, and not only citizens, but responsible Government officials of other provinces, and responsible Government officials of Governments outside of Canada, are greatly concerned with, - that is, with the situation prevailing in

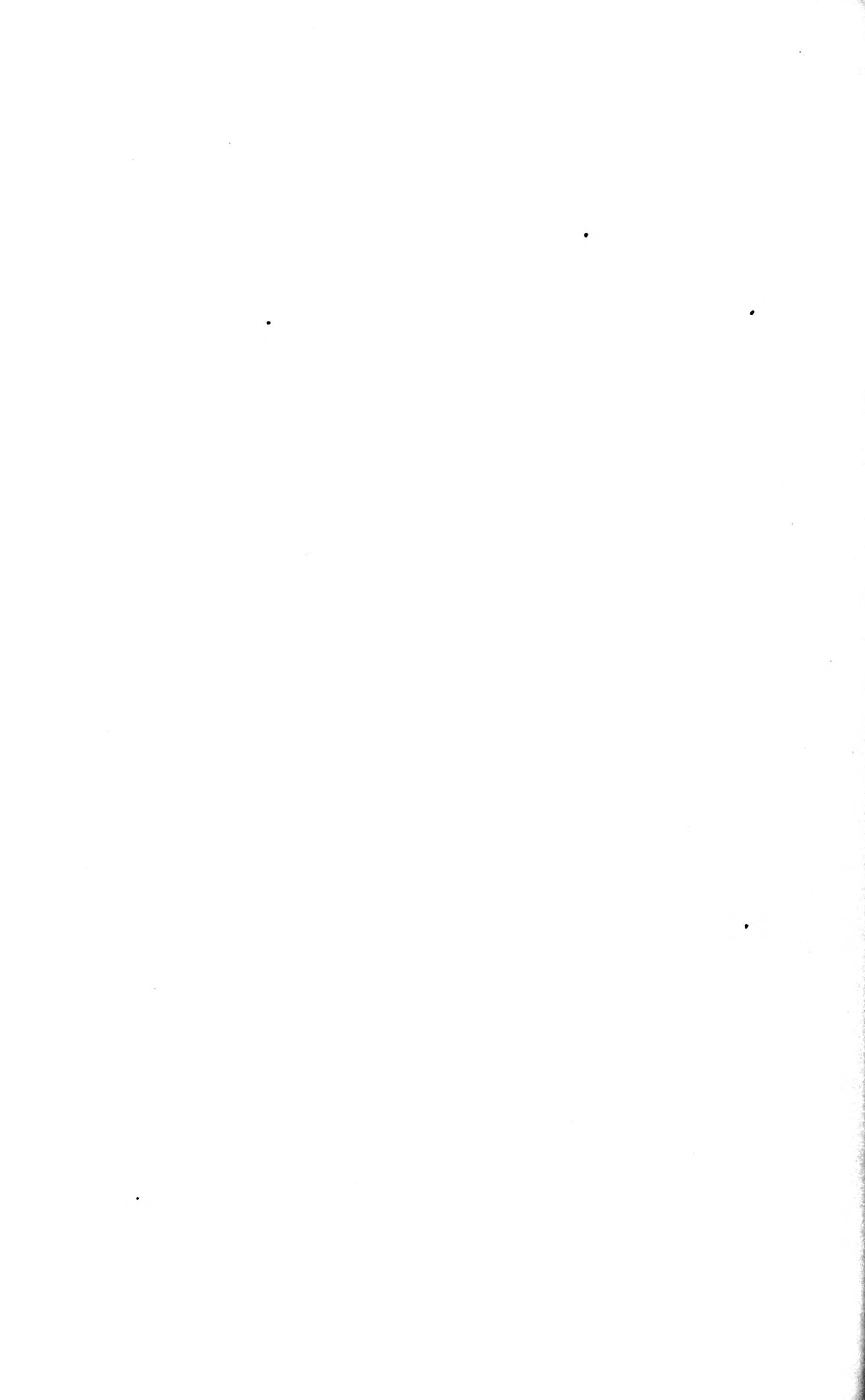


Toronto, and in our province, which can only be attributed to the failure of the Commission, for which we have supplied funds in the past and for which we are asked to supply funds now.

This matter was raised in the Legislature in the last Session. The record will show, Mr. Chairman, that I attempted to elicit a reply from the hon. Attorney General (Mr. Blackwell) on the 7th of March, when I rose in this House and read to the House an item which appeared in the "Financial Post". The item I read at that time, and which is in the record, charged the Government with failure to enforce regulations.

Now, I pointed out at that time, Mr. Chairman, (and that was the occasion when we discussed the new Securities' Act,) that I was not in a position to declare whether, or not, those charges were justified. However, I felt, as a member of the Legislature, that I was in duty bound to bring to the House a serious statement printed in a responsible journal, which is considered as the spokesman of "Finance Capital", as I would put it, when such a journal, speaking for people and interests engaged in financial transactions, charges this Government with failure to enforce regulations. Then I felt that a definite reply was due, and I asked, at that time, what the use was of adopting new legislation if it were true that the old legislation was not being enforced and the regulations were not being enforced.

In that discussion, Mr. Chairman, the hon. Attorney



General (Mr. Blackwell) did not immediately reply. The discussion continued; other hon. members participated, and just before the adjournment of that Session I jumped up to my feet and asked the hon. Attorney General (Mr. Blackwell) whether he was going to answer my question before we left the House.

The hon. Attorney General (Mr. Blackwell) then, according to page 870 of the record, said he did not understand my question, and would I repeat it. I then repeated my question, and the hon. Attorney General (Mr. Blackwell) said that it was too late to answer, as it was nearly six o'clock, and it would take a lot of time. Oddly enough, it is nearly six o'clock now, about the same time, and about the same question. I am quite sure that the hon. Attorney General (Mr. Blackwell) will not be able to answer the question that I am now placing before six o'clock, so if it meets with his approval, I would move the application of the six o'clock rule --

HON. LESLIE M. FROST (Provincial Treasurer): What is the question?

HON. THOMAS L. KENNEDY (Minister of Agriculture): What is your question?

MR. SALSBERG: All right. My question, therefore, is that since that time, since the discussion in this House, and since I asked that question and received no answer, -- no answer was ever given to the charges made by the "Financial Post", -- and, by the way, Mr. Chairman, the hon. members of the House, particularly the new members, since the Government Benches seem to go out of their way to enlighten new members --



May I read the quotation from the "Financial Post" which I read into the record at that time?

The "Financial Post" said:

"Nothing could be more damaging to the system of individual enterprise than tolerance of the activities of the relatively small but tremendously active financial underworld now operating from Toronto, which is made possible by the Ontario Government's failure, aggressively, to enforce present security regulations."

Now, that was a very serious charge. Since that time, having received no answer from the hon. Attorney General (Mr. Blackwell) to this question which I raised, the situation has become far more serious than it was even then. It is not just one newspaper; it is not just one city. The issue is now almost of continental proportions. I am no authority on this question, Mr. Chairman, and I do not claim to be, but we must recognize this fact, that throughout the continent, Toronto is held out as the city from which — as the "Financial Post" puts it — a "financial underworld is operating", and taking many millions of dollars out of the pockets of innocent people who are led to believe that they are investing in substantial securities, but, in reality, are receiving in return for their hard-earned money, slips of paper which in time will become worthless.

This matter is discussed in the United States, and my attention has been drawn to an article in one of the



most widely distributed American magazines, "Collier's", of which, by the way, I was not able to get a copy. I went down town, and stopped at every newsstand, and was told that people were offering one dollar or two dollars for a copy, and somehow or other, the issue was bought out in Toronto. I even offered one dollar for a copy myself, but so far have received no satisfaction.

But I am advised that in that article, which is read by millions of people throughout the continent, charges of a very serious character are made, and the "Collier's" article, to which I refer, gives even more damaging quotations from the "Financial Post" about the seriousness of the situation and the failure of the Government to enforce regulations. That is the question.

I am not arguing, Mr. Chairman, against a practice of investing money in speculative items. That is perfectly legitimate, and is understandable. What evidently is being discussed, — and that is the point I tried to make when last discussing this item, — was that people are not given what the hon. Attorney General (Mr. Blackwell) I think himself said, "a play for their money." I think he used that term when discussing the new Securities' Act.

I, therefore, am obliged to raise this point now, and ask this question.

THE CHAIRMAN: Well, what is the question?

MR. SALSBERG: The question is: In view of the failure of the Securities Commission to enforce regula-

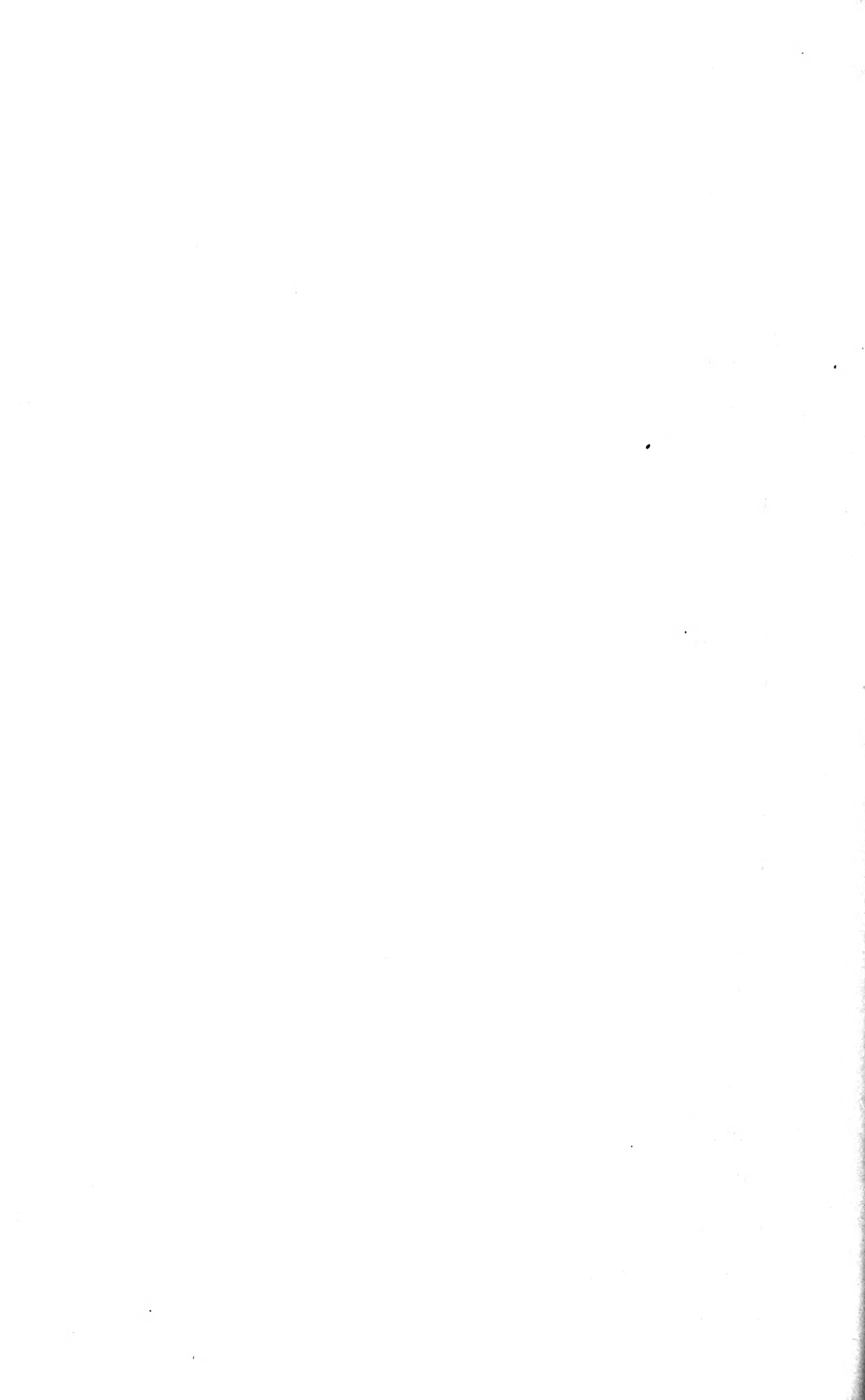


tions until now to protect the public from being fleeced by dishonest, unscrupulous operators, why should we, in this House, vote for one additional dollar toward the maintenance of a Commission of this sort?

I further suggest, Mr. Chairman, that not only should we not vote funds for this Commission, but that the Government, in my opinion, -- If I were a member of the Government, and were faced with a barrage of such charges, I would seek to have some public enquiry to clear the air. Up to now, this has not been done; up to now, even my own question raised in the last Session was not answered. Since then the situation has been aggravated, if anything. Now we are called upon to vote the sum of \$78,000 for a Commission, in spite of the statements, reports and articles appearing throughout the continent that the Government has failed miserably to enforce the regulations, and, therefore, failed to perform the functions for which, evidently, it was originally set up.

HON. LESLIE M. BLACKWELL (Attorney General): Mr. Chairman, I would like to note make an answer to the question, but to reply the speech very briefly, before the adjournment.

For the benefit of the new hon. members, I would say that the hon. member for St. Andrew (Mr. Salsberg) made a similar speech at the time of the last Legislature. I recall the circumstances. I had already spoken on the Securities' Act, all told, for about two and one half hours, and although it was necessary, I was quite satisfied that the House was rather bored with my exposition, as I was myself. by that time,



and when the hon. member for St. Andrew (Mr. Salsberg) made that speech I did tell him, at its conclusion, that I had listened for some time, because he really had started out to ask a question, and I felt he had become confused, and was speaking on the Speech from the Throne.

Everything he has put has been in a rhetorical way; they are not questions which a Minister can answer.

But I realize the problem, and I will make a very brief statement. I will not deal, in that statement, with charges and counter-charges made by periodicals and people. I will explain this about the Securities' Commission.

As the hon. members of the House who were here during the last Session are aware, this House did conclude its deliberations with relation to the new Securities' Act. The Securities' Act received Royal assent. It awaits proclamation. The Act will be proclaimed at the moment the Government is prepared to announce the new Securities' Commission.

I might also add that the regulations under the new Act are in draft form, and awaiting the attention of that Commission, when appointed.

I want to make this blanket statement in respect of existing legislation and regulations in this province, and categorically I must say there has been no failure on the part of the officials or the Government to enforce any of this legislation or regulation. I will content myself with that.

These estimates which are before the House are

estimates increased to a point calculated to look after the Commission, when appointed, and, obviously, the additional staff of that Commission which will be required to implement the provisions of the new Act, and enable them to do the job that is intended for the people of this province.

Now, the hon. member for St. Andrew (Mr. Salsberg) put his question, finally, in a rhetorical manner, "Why should the hon. members vote supply in the House for this?" Well, that is something for each hon. member to decide for himself. These are the estimates to provide for the administration of the new Act, and it is a matter for the House to determine whether or not it wishes to vote these funds.

MR. SALSBERG: Mr. Chairman, the hon. Attorney General (Mr. Blackwell) has made one explanation which is important, and that is this money will be used for the new Commission that is to be set up. To that point he has cleared --

MR. BLACKWELL: I did not say that, at all. I would like the hon. member for St. Andrew (Mr. Salsberg) to deal accurately with my statements.

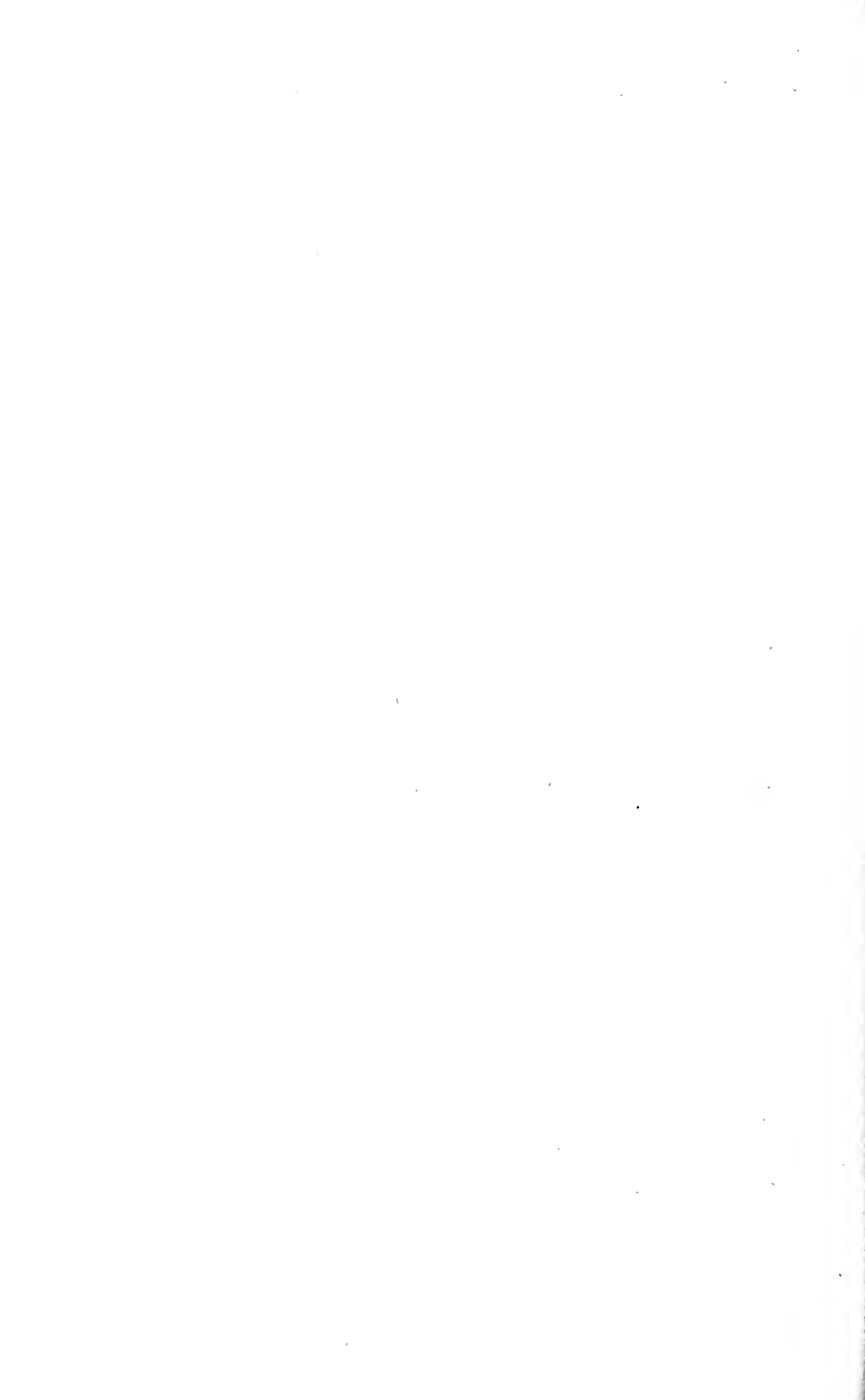
MR. SALSBERG: I have tried to, I assure you.

MR. BLACKWELL: May I help you, then?

MR. SALSBERG: I wish you would.

MR. BLACKWELL: I said these estimates were enlarged to provide for the new Commission and the additional staff, and they also include continuing the present staff, re-allocated, as they will be.

MR. SALSBERG: After all, that is not the question. I



beg your pardon, but I do not think I am obliged to ask a question.

SOME HON. MEMBERS: Carried.

MR. SALSBERG: I am on my feet, and it is my right as a member to discuss estimates and not merely ask questions. I consider this a very important problem facing this province, and I do not think it should be disposed of in this summary manner.

MR. BLACKWELL: May I say to the hon. member for St. Andrew (Mr. Salsberg) that you have already abused your privilege in not asking your question, but obviously and ostentatiously availed yourself of the opportunity to make a statement.

You just made the statement yourself that you would not ask a question, and, therefore, you have no business being on your feet in relation to this item, except to ask questions.

MR. NIXON: Surely, Mr. Chairman, the hon. Attorney General (Mr. Blackwell) is going far afield to make such a statement as that on the estimates. Any hon. member can express his views on the subject matter that is brought before the House under estimates.

MR. BLACKWELL: On the estimates, yes, but not on a lot of unrelated charges appearing in some newspaper.

MR. SALSBERG: Mr. Chairman, I will continue --

HON. GEORGE A. DREW (Prime Minister): It being now six o'clock, I move the Committee rise and report progress.

Motion agreed to.

--- Mr. Speaker in the Chair.



MR. REYNOLDS: Mr. Speaker, the ~~Com~~mittee of the Whole House reports certain resolutions, and asks leave to sit again, and moves the report be adopted.

Motion agreed to.

MR. SPEAKER: It being six o'clock, I do now leave the Chair until eight of the clock this evening.

The House recessed at 6:10 o'clock, p. m.

(Page 272 follows)



The House resumed at eight o'clock.

MR. DREW: Mr. Speaker, I move that you do now leave the chair and that the House resolve itself into Committee of Supply.

Motion agreed to, and the House went into Committee of Supply with Mr. Reynolds in the Chair.

THE CHAIRMAN: The next vote is No. 32, for the Ontario Securities Commission.

MR. SALSBERG: Mr. Chairman, I rose to my feet just before the adjournment and I assured the members of the House that I did ~~so~~ not because I wanted to prolong the discussion or to waste time, but because I felt that the attitude of the Attorney-General was such as to astonish me, and I am sure it would astonish anyone else. I was hopeful that the government and particularly the Attorney-General, would avail themselves of the opportunity of making a statement that would satisfy this House and satisfy the people of Ontario and people outside of this province and outside of Canada. But the Attorney-General did not do that, and I submit, Mr. Chairman, that we cannot, as was evident from what followed after I spoke, allow the matter to be closed there and then.

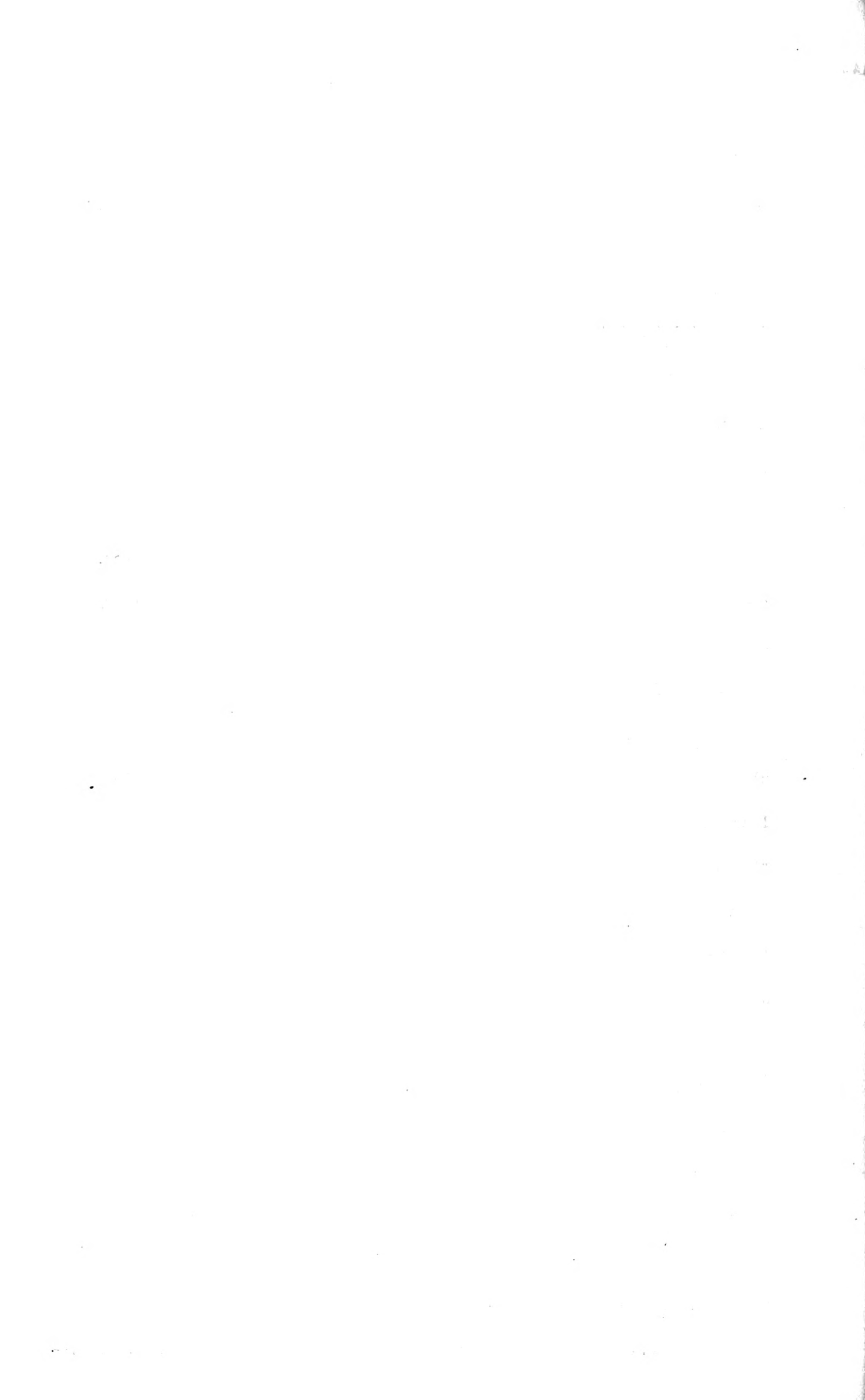
If I were a member of the government facing such a criticism as this government is facing, I would have availed myself of the first opportunity on the convening of the House to make a full statement on the allegations that have been made. This is not a partisan issue. There is no use in playing the ostrich and hiding one's head in the sand. Newspapers and periodicals throughout the country and outside

have been dealing with this matter, and this city and the province of Ontario is being held up to disrepute. I do not say for one moment that that is justified. The fact, however, is that it is a subject that concerns the people of this province, as well as the people of Canada. The fact is that the matter is being discussed and all sorts of stories are being circulated and I would have expected that this government would avail itself of the first opportunity after the House convenes to make a statement of the matter.

But it did not do that. I was certain that the government would be thankful for me for giving them an opportunity of making a statement when I arose and began the discussion of this matter.

You will recall, Mr. Chairman, that I did not make any charges; nor did I support any charges that have been made. I am not in a position to do that. But I was hopeful that the Attorney-General would make a statement, or some other member of the party, that would clear the air in so far as the members of this Legislature and the people of this province are concerned.

I submit, Mr. Chairman, that we cannot adjourn this session and go back to our respective constituencies without having secured from the government some statement on this question. I believe that the people of this province expect such a statement from the government at this session. The government has been following a policy of innocence that it is beneath their dignity to make any reply; or, indeed, one might interpret their attitude as a sort of defiant opposition--



--we will not answer. I submit, Mr. Chairman, that neither of those positions is justified, and certainly they would both be wrong. I appeal to the members of this Legislature who are government supporters to consider what I say here now and what I said earlier to-day. I say to these members that this is not a partisan question. They are not obligated to keep quiet upon it. I think they will agree with me that the manner in which I raised this issue was perfectly proper and correct, and I believe that their constituents will expect them to go back and say: Yes, the matter was raised and discussed in the House. It had been discussed by the Financial Post, by Collier's or by the Toronto Star and by other newspapers across the country, and the Attorney-General made a statement in the House to clear the air. I think the Attorney-General should do that whether his explanation be satisfactory or not. So far as I am concerned, the matter is so important that I will be prepared, if it would help at all, to continue the sitting of this House until the government were prepared to make such a statement, and I think that would not be a waste of time either. There may be members who would say: Well, it would cost ten dollars for stenographic services for every few minutes. Others might say; I want to go home, I want to see the conclusion of this session. Well, Mr. Chairman, I want to see the conclusion of the session just as much as any other member. I too want to go away. I too have other engagements and responsibilities. I too do not want to see the expenditures of the Legislature unnecessarily increased by one cent.



But I say that if it were true--I do not say that it is or that it is not--that people of this province and elsewhere have been deprived of their earnings and savings by the actions of unscrupulous promoters and stock salesmen, it would not be a waste of time or a waste of public money if we sat here for a whole day and a whole night and another whole day until we got a statement from the government on the matter.

I am no expert on this problem, but I submit that this Legislature is entitled to have a statement from the government on an issue that is now so widespread that it has gone beyond the borders of our own country and has elicited statements from responsible government officials and government leaders elsewhere. I raised the matter again, therefore, to appeal to the Attorney-General and to the Premier to change their attitude. I am not attempting to dictate their actions outside this House, and I do not think I can dictate their actions in this House, but I am endeavouring to influence their actions. If they do not want to make a statement, if they want to ignore the charges that have been made, while I disagree with that attitude, they are the ones who are doing it. But in this Legislature, I appeal to them to make a statement to the House to clear the air so far as it is possible for them to do it and to clear the good name and reputation of this province so far as it is possible for them to do so on this occasion. If they fail to do that, they will merely lend substance to the charges and accusations that are being made against the government and against the

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province and against this city. I hope they will not do anything of the sort.

MR. BLACKWELL: Mr. Chairman, I, of course, do not find myself in the position of answering a question with regard to the estimates relating to the Ontario Securities Commission. Instead, I am invited to reply to a speech again made by the member for St. Andrews on a subject that in one breath he says he is no expert upon, and in his next breath assumes that everything that has been said on the subject is a matter of fact,--every newspaper comment, every utterance--

MR. SALSBERG: I appeal to the Attorney-General to be fair. I did not make any such statement. The record will show what I said.

MR. BLACKWELL: I have not the slightest intention of taking as long as the hon. member for St. Andrews and if he will let me continue, I will appreciate it.

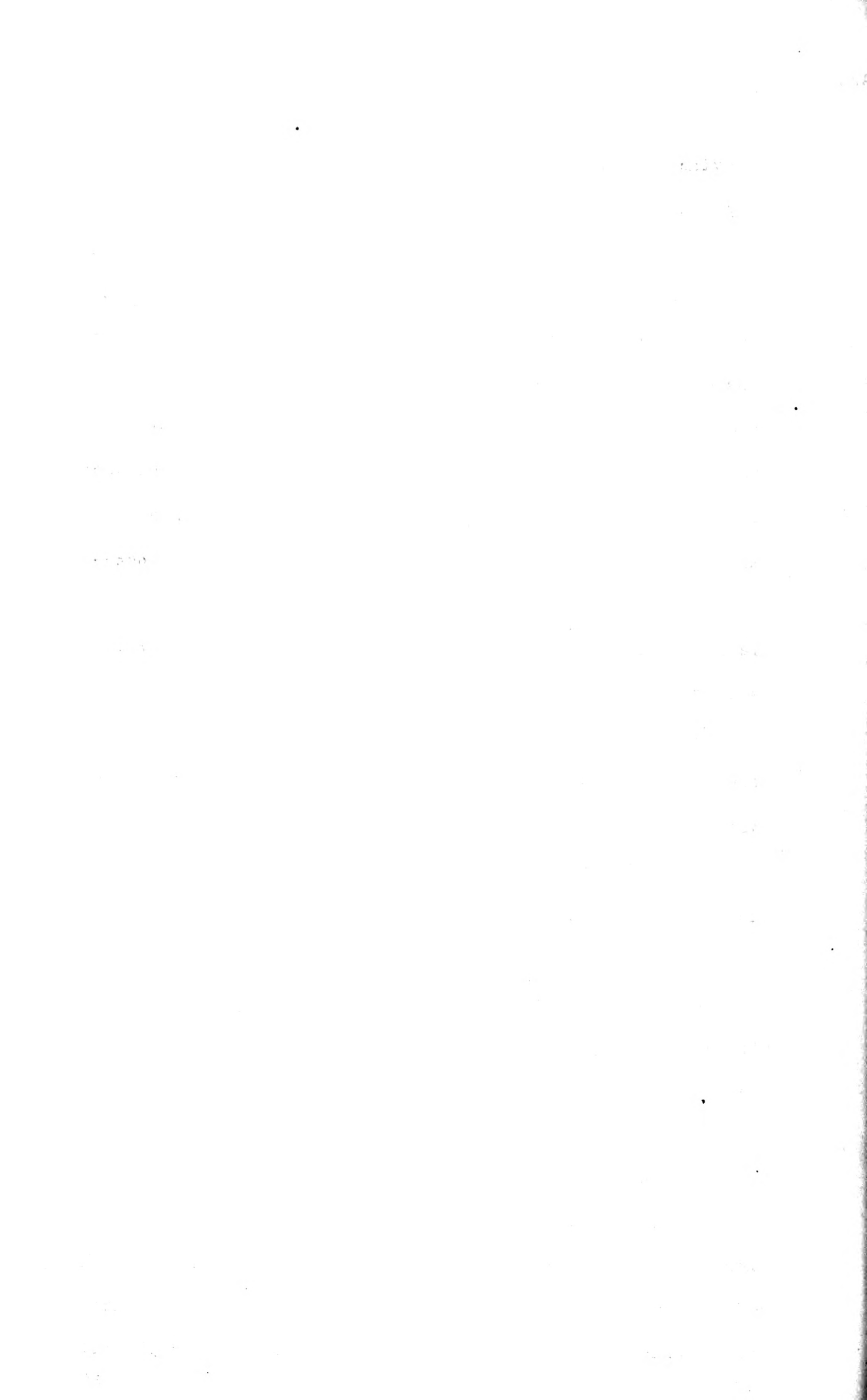
MR. SALSBERG: Then please do not misrepresent what I said. The record is there.

MR. BLACKWELL: I am, however, very much touched with the tender concern that the member for St. Andrews has indicated for protecting the enterprise system. That should be appreciated, I think, by all the members of the House.

MR. DREW: That is the party line now.

MR. SALSBERG: You are behind.

MR. BLACKWELL: The simple facts are these. The last Legislature spent a considerable amount of time during which all the members of the Legislature were expected to make the best contribution they could in debate both on principle and



in detail to produce in this province the best security legislation that could be produced. The fact of the matter is that in the last session of the Legislature the Securities Act of 1945 and complementary legislation was introduced, and it was not only adopted in principle by the House, but it went before the Legal Bills Committee, where not only the members had an opportunity of improving that legislation in any way they could, but where interested public bodies, including those who have fathered the articles in question, also had the opportunity of making helpful suggestions, and as a result of the deliberations of the Legal Bills Committee, the Securities Act of 1945 and the complementary legislation came back to this chamber and was adopted by this Legislature. It does not seem to be clear to all the members and so I had better state again that the last Legislature enacted that Securities Act and its complementary legislation as the best law of this province that Legislature could conceive.

That being the simple situation in fact, the estimates that appear here are applicable to the Ontario Securities Commission, having regard to the increased functions that it will undertake on behalf of the people of this province in relation to the new securities legislation.

The Legislature therefore, is faced with this very simple proposition in relation to the estimates now before us: Is it prepared to vote the money to carry on the improved securities administration contemplated by the new legislation? That is a simple question, and I am not going to be induced, in relation to that simple proposition relating

to the administration of the act and the estimates now before us, to embark upon a course here of replying to criticisms, sound or unsound, that any agency here or elsewhere has seen fit to voice over the last two years with relation to the administration of that department.

I have made it clear that not only was the Act made the law of this province, and now only awaits proclamation, but since the Legislature rose, notwithstanding the fact that we were all involved in what for so many of the last Legislature turned out to be an ill-advised election, we have still found sufficient time to settle the regulations that are necessary under that statute, and when the government is prepared to appoint the new commission that has a big job to do, the Act will be proclaimed and it will be brought under administration.

And so in closing I say that the Legislature is now faced with this simple proposition: Is it prepared to vote the money to carry on the improved administration contemplated by the new securities legislation?

MR. SALSBERG: In other words, the Attorney-General evades answering the question that I asked him, and he will not avail himself of the opportunity to reply to the charges and accusations that are now being made here and elsewhere.

MR. BELANGER: How much of a personnel will constitute the commission?

MR. BLACKWELL: I am not sure that the vote has not passed, but as a matter of courtesy I would say to the hon. member that his question is a legitimate one and I feel it should be answered. I will answer it in this fashion.



Since the time that I assumed the responsibility of being acting Commissioner, the staff has been expanded in anticipation of its increased responsibilities as rapidly as we have been able to find qualified people to do the job. To administer the new legislation, a substantially increased staff will be required over the present administration, and I say that without intending any criticism of that administration. It is merely in consequence of what is contemplated by the new Act. But I feel that the commission itself, when appointed, should undertake the responsibility of completing the full staff which I have expanded so far as I can reasonably do so in anticipation of the decisions that the commission itself will have to make.

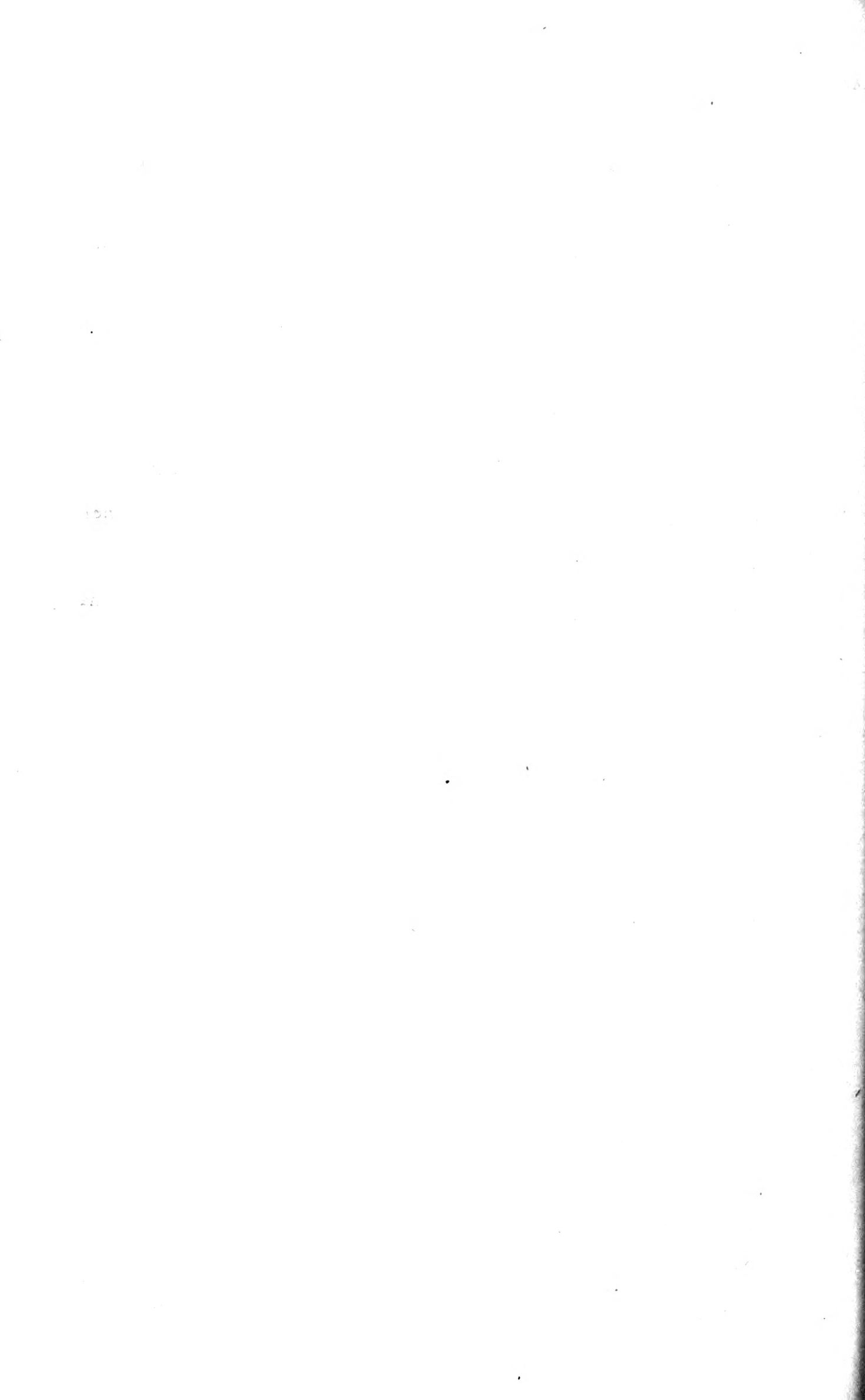
MR. BELANGER: May we take it that the commission will consist of one commissioner?

MR. BLACKWELL: I am sorry, but perhaps I completely misunderstood my hon. friend's question. It is clearly specified in the Act itself that a full-time executive commissioner is contemplated and two part-time commissioners. That is the constitution of the commission.

MR. BELANGER: There will be three commissioners, one a permanent full-time commissioner and the other two part-time.

MR. BLACKWELL: That is quite correct.

MR. MacLEOD: I would simply ask the indulgence of the Chair and of the Attorney-General to put straight a little discussion that took place a little earlier on these estimates. After I had directed one or two questions to the Attorney-General, and after he had replied, I started to say that as I



understood his reply he felt that no useful purpose would be served in discussing that subject-matter until after the commission had reported. When I got to the word "serve" I was interrupted by the hon. Minister of Agriculture and the Attorney-General rose and accused me of putting words into his mouth. I was not putting words into his mouth. I was simply accepting his statement in good faith and agreeing with him that the matter should not be pursued further until the commission had reported and until this Legislature had had the opportunity of discussing its report.

MR. BLACKWELL: Mr. Chairman, I would like to say in reply to what my hon. friend has just said that I appreciate very much the explanation he has just given of what he was about to say. I accept his statement of course and I can only say that the language "no useful purpose" was a bit unfortunate. I would put it on other grounds. I thought that it was highly improper that the discussion should proceed along certain lines. Whether the matter is sub judice or not, I do not wish to quarrel with the member for Cochrane South who raised that question. I will put it in this fashion, that it would be a gross breach of the humanities to proceed to discuss that matter until the commission has reported.

Vote agreed to.

THE CHAIRMAN: The next department is Game and Fisheries.

MR. MacLEOD: I was looking for some reference in the estimates of these departments to the beavers. I see references to bears, wolves and other animals, but I remember that



some time ago the Minister was up north inspecting sites for beaver sanctuaries and I wondered if he could tell us how many of these sanctuaries there are in the province to-day and what attempts are being made to establish new ones.

MR. DUNBAR: I read that report of yours with a lot of amusement.

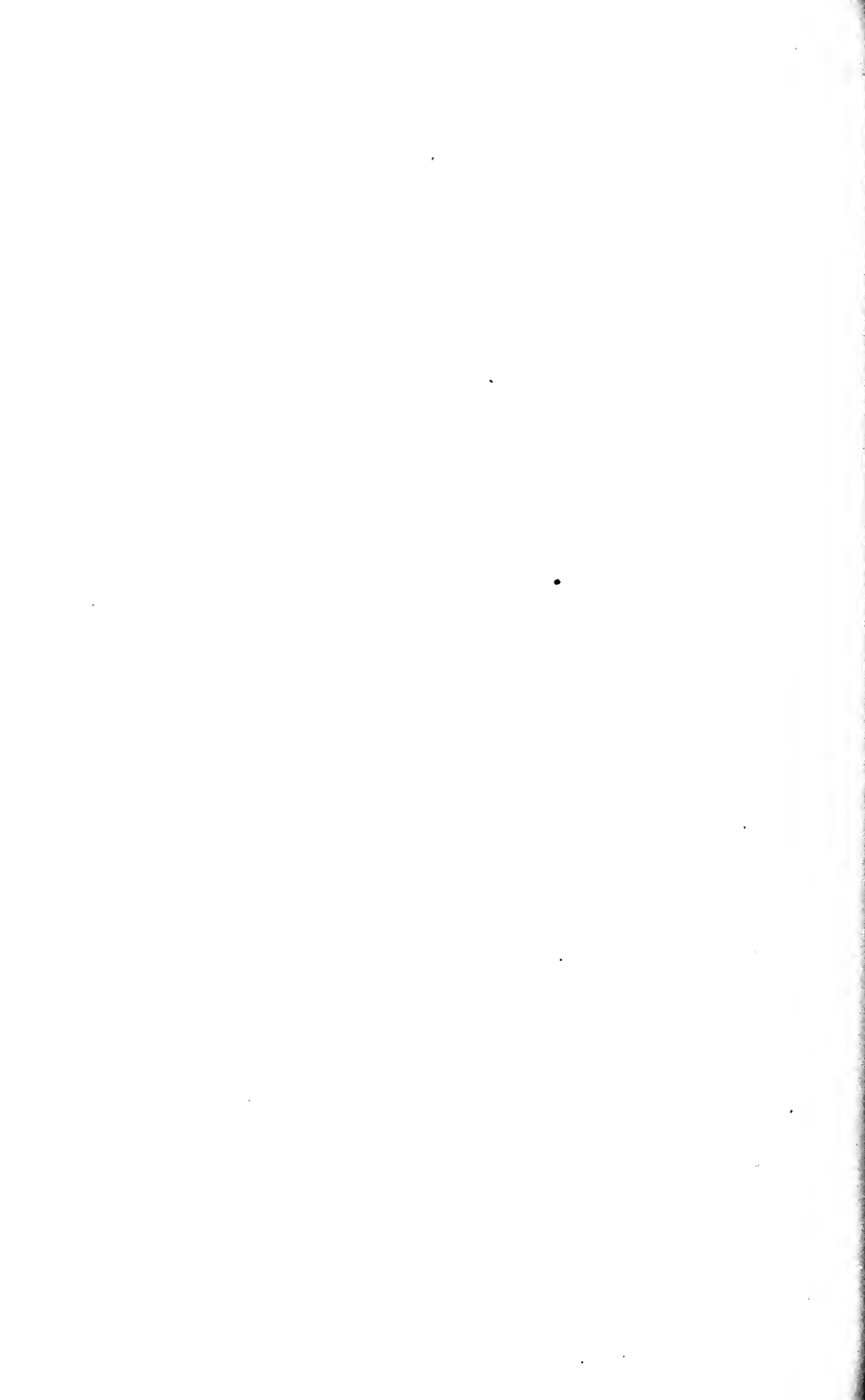
MR. MacLEOD: I read it in the Globe and Mail.

MR. DUNBAR: I did not see it mentioned in the Globe and Mail. They would be more accurate than that. We were up inspecting the fishing resources. I never saw a beaver up there and was not looking for one. The Austin Airways have a contract with us and they take a lot of sturgeon out of that country. It is turning out to be quite an industry. It provides the native Indians in that part of the country with ready money and supplies of fresh fruits and vegetables are brought in by air to the Indians--things they did not have an opportunity of having before. Ten cents a pound is paid for the sturgeon as they come out of the water, and they have a plan of shipping them to New York and Chicago. It is developing into quite an industry.

So far as the beaver sanctuary is concerned, it is located in Algonquin Park.

MR. ROBINSON: Is there anything in these estimates for the expansion of fish hatcheries in North-western Ontario?

MR. DUNBAR: I would not say in North-western Ontario, but the last item in my estimates of \$45,000 for erecting ponds, buildings and dams and the purchase of land, buildings, boats, machinery and equipment is a considerable item, which



has not been in before since I have had anything to do with the Department. Frankly, I would be glad if the hon. member would tell us where we could locate another fish hatchery in that part of the country, but it is a very difficult matter-- and my predecessor can bear me out in this--to get a place where you have spring water in sufficient quantity and of an even temperature throughout the year where a fish hatchery can be operated successfully. I may say to the members of the House that we appreciate the importance of going on with our program and establishing more fish hatcheries to replenish the waters with fish to take the place of those that are caught by the tourists. We appreciate the fact that our fisheries are a heritage handed down to us by our fore-fathers, and that they belong to the people of this province, and if we are going to build up a tourist trade, we must be prepared to increase our fish resources in the rivers, lakes and streams of the province, to an extent that the fishing done by our own people will not be interfered with.

MR. ANDERSON: I was very glad to hear the Minister say that he is interested in the preservation of fish in some of our lakes and streams. It seems to me that in the allocation of commercial fishing licenses it would be in the interests of all concerned if the people in the locality had an opportunity to express their approval or disapproval with respect to the issuing of such licenses. I say that for this reason. In going about the province I hear of individuals who have commercial fishing licenses but who are not fishermen and never were fishermen and who simply farm out the license to

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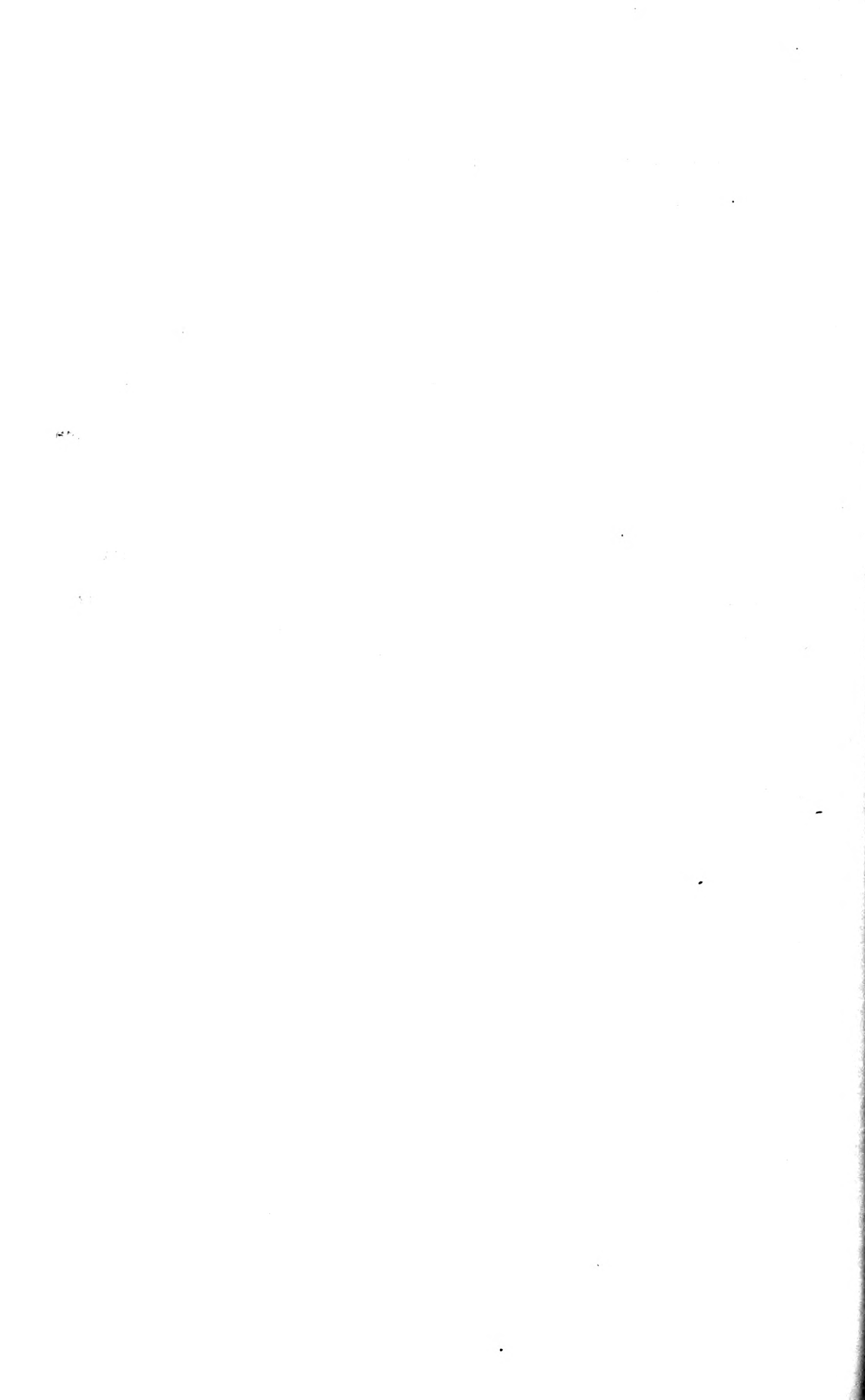
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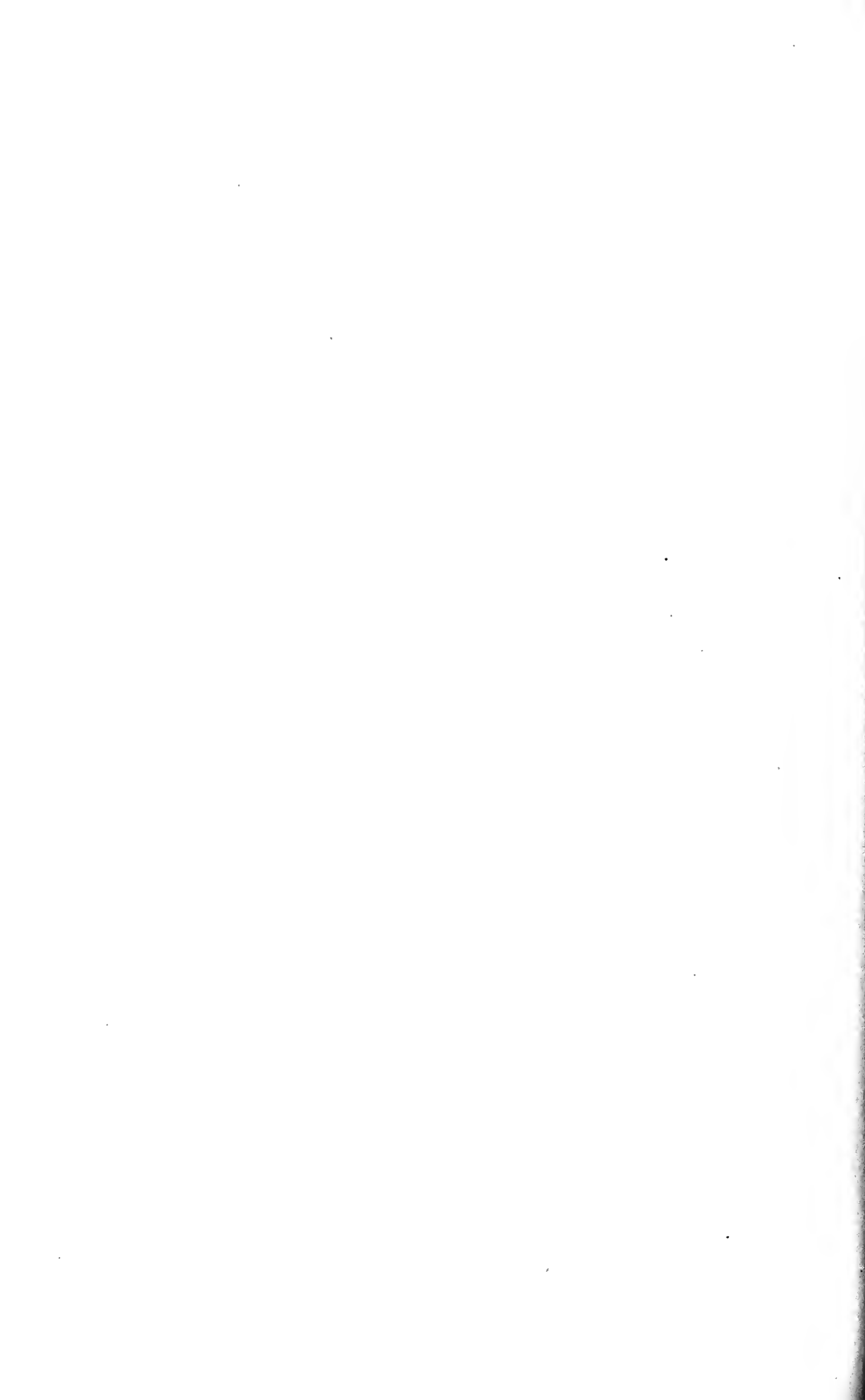
someone else. I think we should be careful to whom we issue these commercial fishing licenses because we get so much per pound for the fish that the tourists take out.

There is another thing I would mention. It seems to me that a lot of experimental work should be carried on in the different waters of the province pertaining to the testing of the water, the supply of food and so on before the fish are put in, because it is quite possible in my humble opinion to go to a lot of work preparing for putting in the fish only to discover later that the water of the lake or stream is not suitable for that particular type of fish and I must confess that I am not thoroughly conversant with this subject, but if it is possible to carry on more research work along that line, I think in the long run it would be money well spent.

(Page 284 follows)



HON. MR. DUNBAR: I quite agree with the hon. member for Fort William (Mr. Anderson). You are talking just along the lines I have been talking and thinking of. I want to say in the House that commercial fishing and licensing is one of the greatest headaches I ever ran across in my experience. I understand there was a deputation down here to-day to talk to some of the members. They did not invite me in at all as Minister of Game and Fish to talk it over, regarding the scarcity of fish in the Greater Lakes. Nevertheless when you look over the record you will see that they have not decreased so much and the price is more than double of the amount of money there was received for the fish, about double what it was ten years ago. I do not think it is so very bad but we have been doing the best we can. I remember when you mentioned about the difference in the price of fish that commercial fishermen will get for fish and what the tourists will pay for it -- I remember making the statement in your town that we, as closely as we could figure, that the tourist paid ten dollars a pound when they came here to fish, that when they paid for the license and other things they paid ten dollars a pound for fish, and I was doing my best and the department was doing their best to keep commercial fishermen out of inland lakes because there was not much use of going to a lot of expense in placing fish in these inland lakes in order to encourage the tourist trade, which we are all agreed will be a leading industry in this Province and we cannot have them come here and be disappointed because they may not return, they might not speak well of the Province. So that we have to do our part. I want to say there is \$113,000.00 more in these estimates this year than we expended last year.



That is \$45,000.00 and \$63,000.00 and part of that money is along the line you mentioned.

MR. JOSEPH MEINZINGER (Waterloo North): As a sportsman I am not worried very much about the price of fish because I catch my own fish; I do not buy it. I had the pleasure of being on a fishing trip recently above Sturgeon Falls and I must say they spoke very highly of the Hon. Minister of Game and Fisheries, and I personally want to congratulate you on your expansion programs. I believe you have the good wishes of the sporting fraternity throughout the Province.

MR. DUNBAR: Have dinner with me to-morrow.

HON. GEORGE A. DREW: Department of Municipal Affairs, Page 76.

HON. MR. DUNBAR: Perhaps, Mr. Chairman, if I give an explanation first of just one item in there -- you might think our estimates have been increased to a great extent, and that is we have placed \$100,000.00 in the estimates to settle up with the mining municipalities on mining tax. We did not have that amount in last year and that shows an item of \$100,000.00 more.

HON. GEORGE A. DREW: Ontario Municipal Board, 145.
Items carried.

HON. GEORGE A. DREW: Page 81, Department of Provincial Secretary.

Vote 151, 152, 153, 154, 155, 156, 157, 158, 159.

Carried.

MR. NIXON: Would the Minister give us the names of the members of the Parole Board?

HON. MR. DUNBAR: Yes, Mr. Jeffery of Arnprior, Judge Balharrie of Ottawa, Major Brunton of the Salvation Army Toronto, Mr. Common of the Attorney General's Department and



Mr. McConnell of Toronto.

THE CHAIRMAN: Vote 155, Item 1, 2 --

MR. SALSBERG: The hon. Minister will tell us perhaps something about this riot that took place in the institution a day or so ago, the disturbance in the Guelph Reformatory. Was it just potatoes or something else?

HON. MR. DUNBAR: Oh, it was not very serious, no. The potatoes were not just as large as they expected and they had not grown so much and they only had them twice a day. Down at the Royal York I did not get any that day at all. So there was some eight or ten started some trouble. They were out in the yard and threw some stones at the guard and one of the guards inside was stabbed slightly in the arm but I do not think it is serious at all. Everything going fine again. Some of them will, of course, come up perhaps for trial if the guard has any bad effects from the stabbing, but it did not amount to anything.

MR. SALSBERG: That is the report you received about it?

HON. MR. DUNBAR: Yes, it is. That is really correct. On vote 159, Item 3.

MR. NIXON: When do you expect to have the boys back in the original school?

MR. DUNBAR: I think it will be about three or four months.

THE CHAIRMAN: Vote 160, Item 1, 2.

MR. NIXON: When will this transfer be made back to Galt?

MR. DUNBAR: We have not decided. That school in Cobourg, I might say, has been working out very satisfactory with the two units we had. If we had three units my candid opinion is that the three units would work out for these young girls more satisfactorily than the large institution we had before.



Just to give you an instance. We had thirty-one girls in the entrance class. Sixteen of them were recommended. Fifteen tried and fourteen passed, one with first-class honours. The school must have a fairly good record. I understand it is a record for the Province of Ontario. We have the other almost ready at the present time but we have not just made a decision up to now.

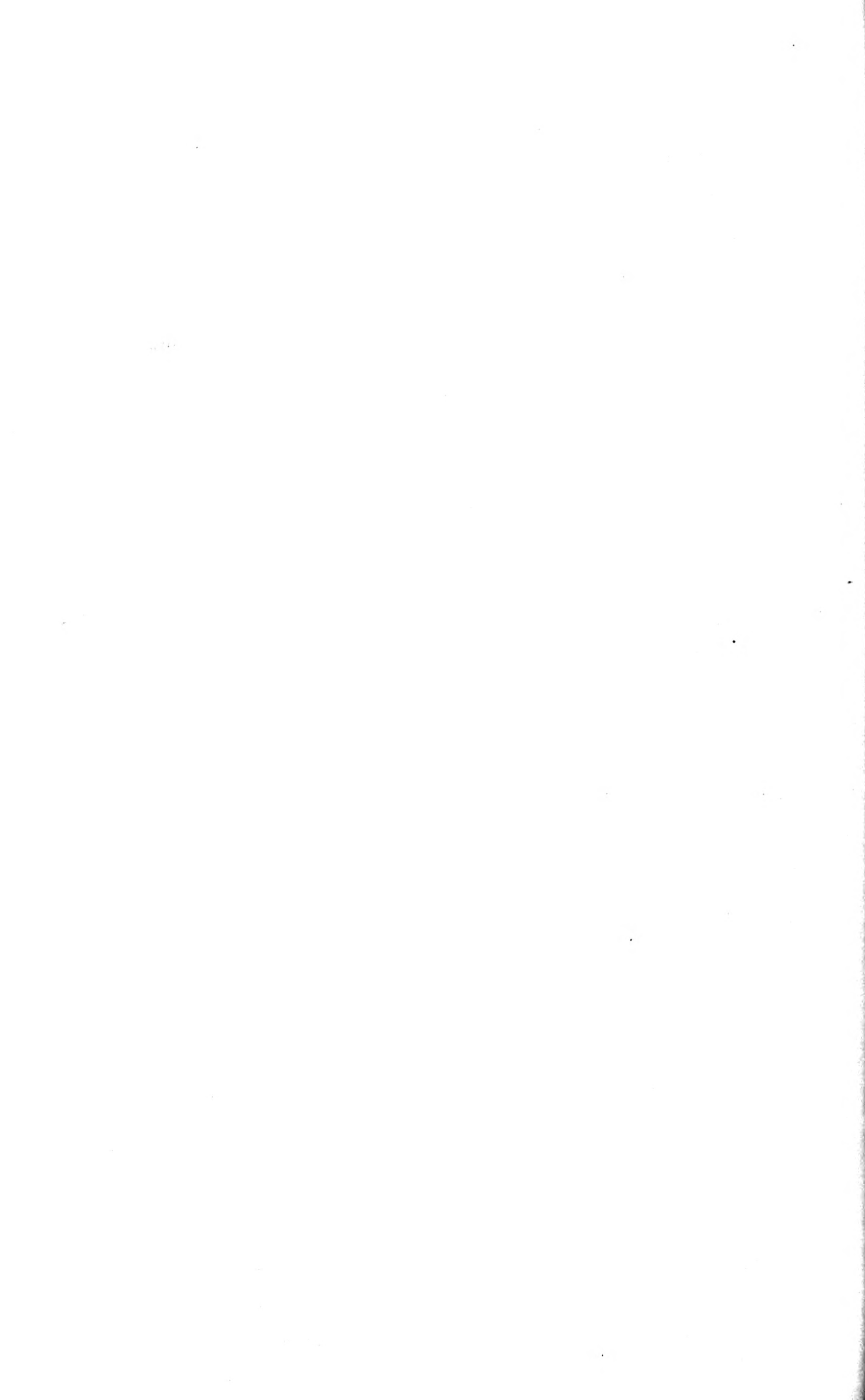
MR. G. ANDERSON (Fort William): Might I ask the Minister -- I have never had an opportunity to visit one of these girls' training schools -- about how many inmates have you got?

MR. DUNBAR: We have ninety-three at the present time. We went up to one hundred one season last year. That is the highest we had there. Of course, we have out in foster homes several hundred, covering a period of years. After they are there and trained they will usually be put in foster homes.

THE HON. GEORGE DREW: Page 62, Department of Labour.

THE CHAIRMAN: Vote 114.

MR. SALSBERG: Mr. Chairman, may I ask the hon. Minister of Labour (Mr. Daley) -- he would know that perhaps better than anyone else -- was not there some ruling from Ottawa that the cost-of-living bonus were to be absorbed in the wage rates? If so, does that apply to governments, because I notice in every department here --- I just picked on the Department of Labour because I thought that was closer to you than any other Minister -- why did not the Province include the cost-of-living bonus as part of the wage payment to the Civil servants? They are all employees of the government. You know that is being done all over. I think as far as civil servants are concerned they would stand to benefit, it would become part of the wage structure of the Province



and that that would not be so easily taken away from them when there would be a slight reduction in the cost of living. I do not know why it was not done in the Province. I know that is regulation from Ottawa, but here every department itemized separately cost of living bonus. It should be part of the wage payment.

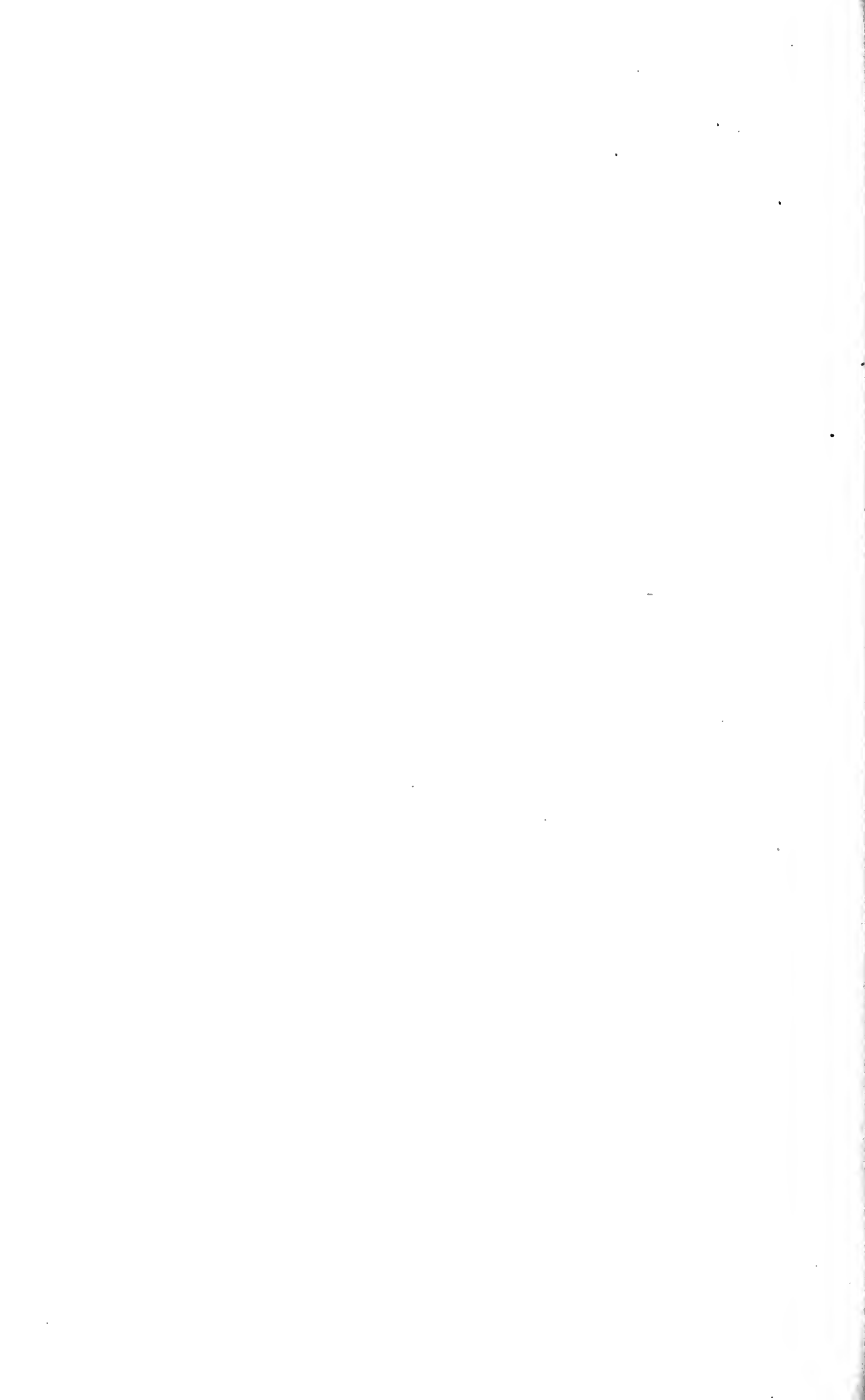
HON. MR. DALEY: I think it did not become obligatory on municipal government or provincial government.

MR. SALSBERG: No, not obligatory, but it did not absolve them.

HON. MR. DALEY: Some municipalities did follow that course but all did not.

MR. SALSBERG: Does not the hon. Minister think that the Minister should follow the example of industry generally? This is one occasion where I think it would be quite proper and correct in following industry throughout the country -- that is, that the cost-of-living bonus be absorbed into the wage structure. Employees would then know this was part of their wage scale and I think it would to some extent protect them in the post-war period. Does not the hon. Minister agree with me?

(Page 289 follows)



HON. CHARLES DALEY (Minister of Labour): I would not care to go on record as agreeing or disagreeing. I would approve of the regulation absorbing itself into a wage rate as far as industrial workers are concerned. I think the municipalities and the governments probably are in a little different category, inasmuch as I think they do try to play fair and I do not think the worker has any particular thing to worry about. He will be treated fairly, no doubt.

MR. SALSBERG (St. Andrew): I would not be so sure that the labourers would be treated fairly unless they had a union to protect their interests. In the city of Toronto, not only have all the civic employees been organized, but they have seen fit in other municipalities and the civil servants in other provinces have found it advisable and necessary to form ~~trade~~ Unions because only in that form of organization were they able to deal with the Ministers and Deputies, and so on in defence of their interests and in the advancement of their welfare. So, I would not be so sure they will get it unless they form legitimate trade unions of provincial employees, as they are doing in other provinces. As far as I am concerned, as a member of this House, I would welcome, and I strongly urge all our employees to get into a legitimate trade union and I am sure they will find their grievances will be attended to and remedied far speedier than they now are being looked after.

MR. DALEY (Minister of Labour): I am not so sure that in the discussion of these estimates that the hon. member for St. Andrew (Mr. Salsberg) should give a discussion on the unions in municipalities.

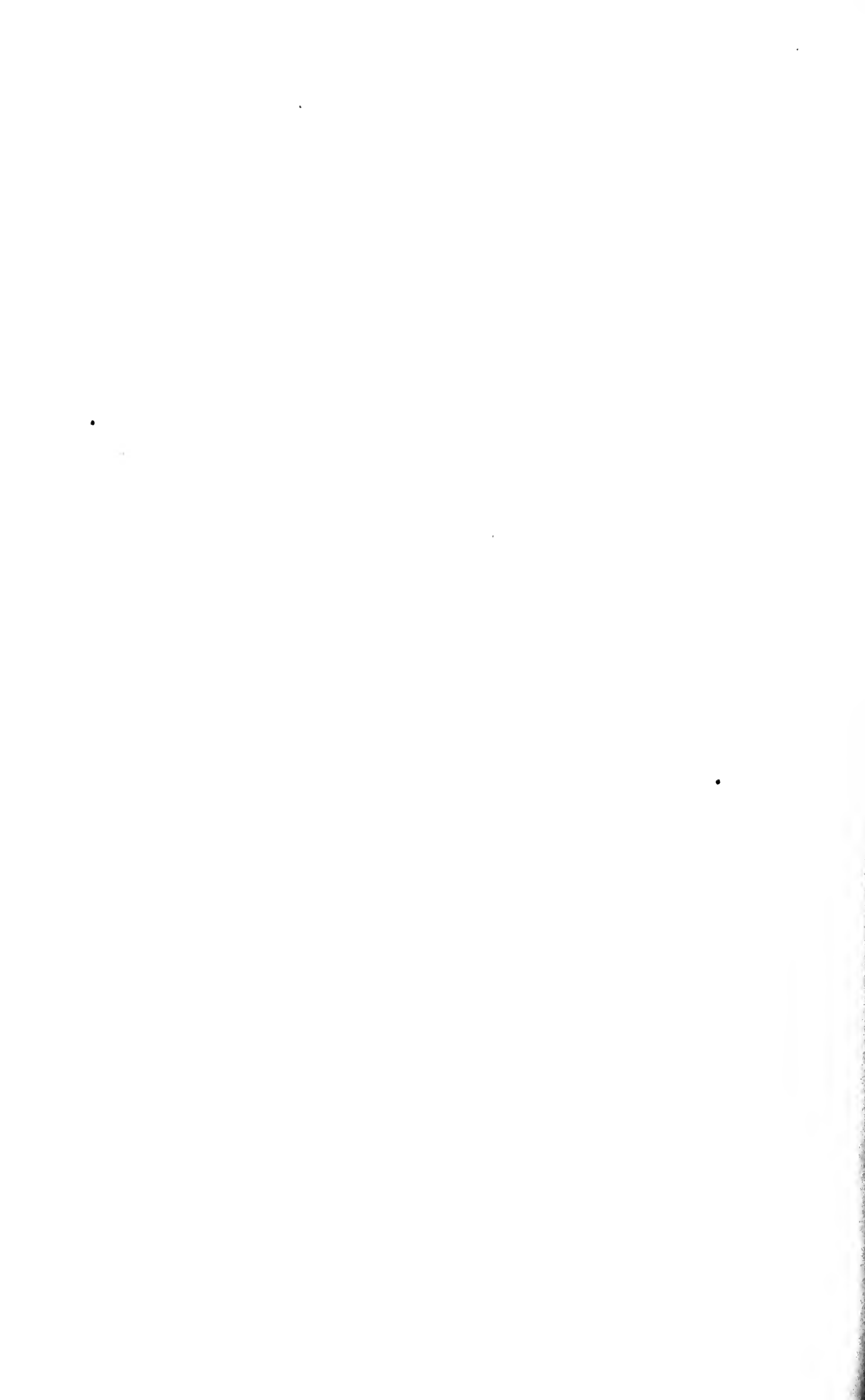
MR. JOSEPH LEINZINGER (Waterloo North): I was going to ask the hon. sir, whether he has based these salaries on various qualifications. To make it clear, hon. sir, I have



information at my disposal that there was an order-in-Council passed May the 15th, 1945, regarding the qualifications in Ontario hospitals of fireman and engineers. I might say that I believe right from the hon. Premier down to the most humble servant in public life we have all stated the want to take care of the returned men and we are going to give them preference for employment. We have done that in Kitchener. I, as Mayor of the city, have already pursued that course. My information is that these classifications are as follows: they are in various groups. I have no fault to find with the maximum, but the minimum is a different picture. Does the hon. Minister of Labour want to give these returned men the preference for employment at the paltry sum of \$975 per year? To a beginner in a firm, I think that is a great injustice, and I believe that you and your department should rectify that condition immediately. I am also disturbed, not by the maximum figures, but some of the exorbitant figures paid some high officials, and it always occurs to me the poor humble servant does not get a square deal and I am here pleading on behalf of these men, especially the returned men. A married man with a family would have to go to work for the Government for \$975 a year and, if I am wrong I wish to be corrected, but that is very authentic information.

MR. DALEY (Minister of Labour): I cannot say whether you are wrong or right or what classification or qualification that employee would be in, in that case, and I do not, as Minister of Labour, set the wages. I have authority under the Regional War Labour Board to adjust wages if they are found to be grossly unfair, but I do not establish the wages for this province.

MR. JOSEPH MEINZINGER (Waterloo North): I would again ask, if that is so, then you are not very far from the hon.



gentleman who is responsible, I believe, for these wages, and that is the hon. Minister of Health and Public Welfare (Mr. Vivian). I think this certainly comes under welfare, it is welfare.

HON. R. P. VIVIAN (Minister of Health): What vote and what estimates are we discussing at the moment?

MR. MEINZINGER (Waterloo North): I think this Government should set an example to the industries. I do not quite agree with the hon. gentleman to my left when he says we should follow industry. We should set an example to industry, and that is a disgrace that the Government of the province of Ontario should offer a wage of that kind.

THE CHAIRMAN: Vote No. 114, Items 1 to 15, inclusive (Carried)

Vote No. 115, Items 1 to 5, inclusive (Carried)

Vote No. 116, Items 1 to 5, inclusive (Carried)

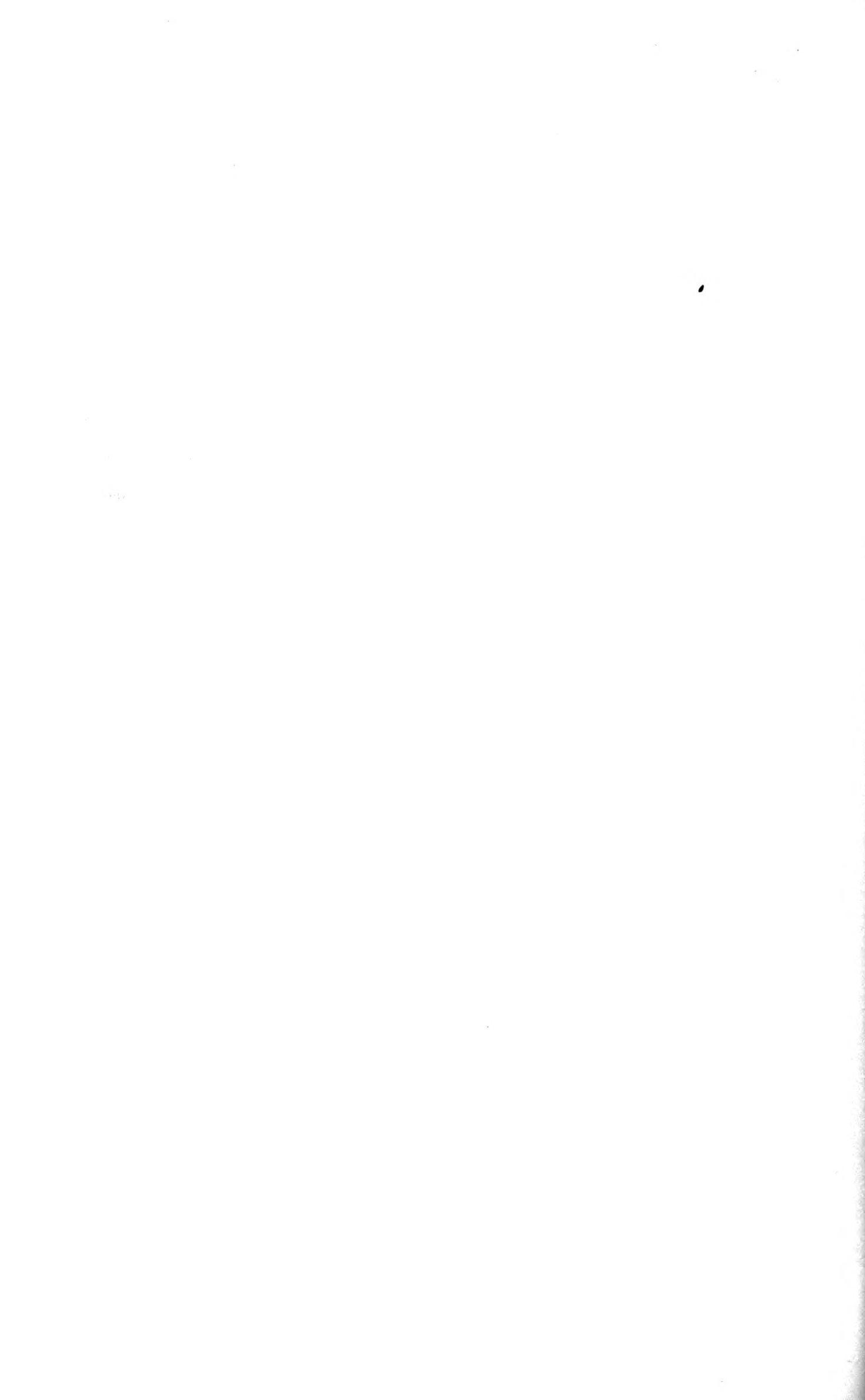
Vote No. 117, Items 1 to 3, inclusive (Carried)

Vote No. 118, Items 1 to 4, inclusive (Carried)

Vote No. 119, Items 1 to 3, inclusive (Carried)

Vote No. 120, Item No. 1.

MR. SALSBERG (St. Andrew): Just one question to the hon. Minister of Labour. If I am right, the hon. Minister will recall that he had made public statements that a higher minimum wage law was going to be introduced. The province was led to believe that that was passed during the last session of the 21st Legislature and we expected legislation. When such legislation was not introduced, the question was raised in the House, I think I raised it, and if I remember correctly, without checking the record, I even used a strong term when I implied perhaps powerful interests interfered with the desires of the hon. Minister and stopped him from bringing in a higher wage rate. The hon. Minister



denied at the time that there was any interference, but he said that the matter was being studied.

Now, considerable time has elapsed and I wonder what further statement the hon. Minister can now make, in view of the fact a higher minimum wage is needed at this time when industry is being converted from war to peacetime production.

HON. CHARLES DALEY (Minister of Labour): I would only be able to reiterate what I said at that time and it probably would have been in effect by now had not the Parliament been dissolved. We have made a survey, we have our submissions already to make and, of course, I think that the introduction of the change in the minimum wage rate of this province should be a matter that would be discussed at the coming Dominion-Provincial Conference, because I think there should be some uniformity in that regard.

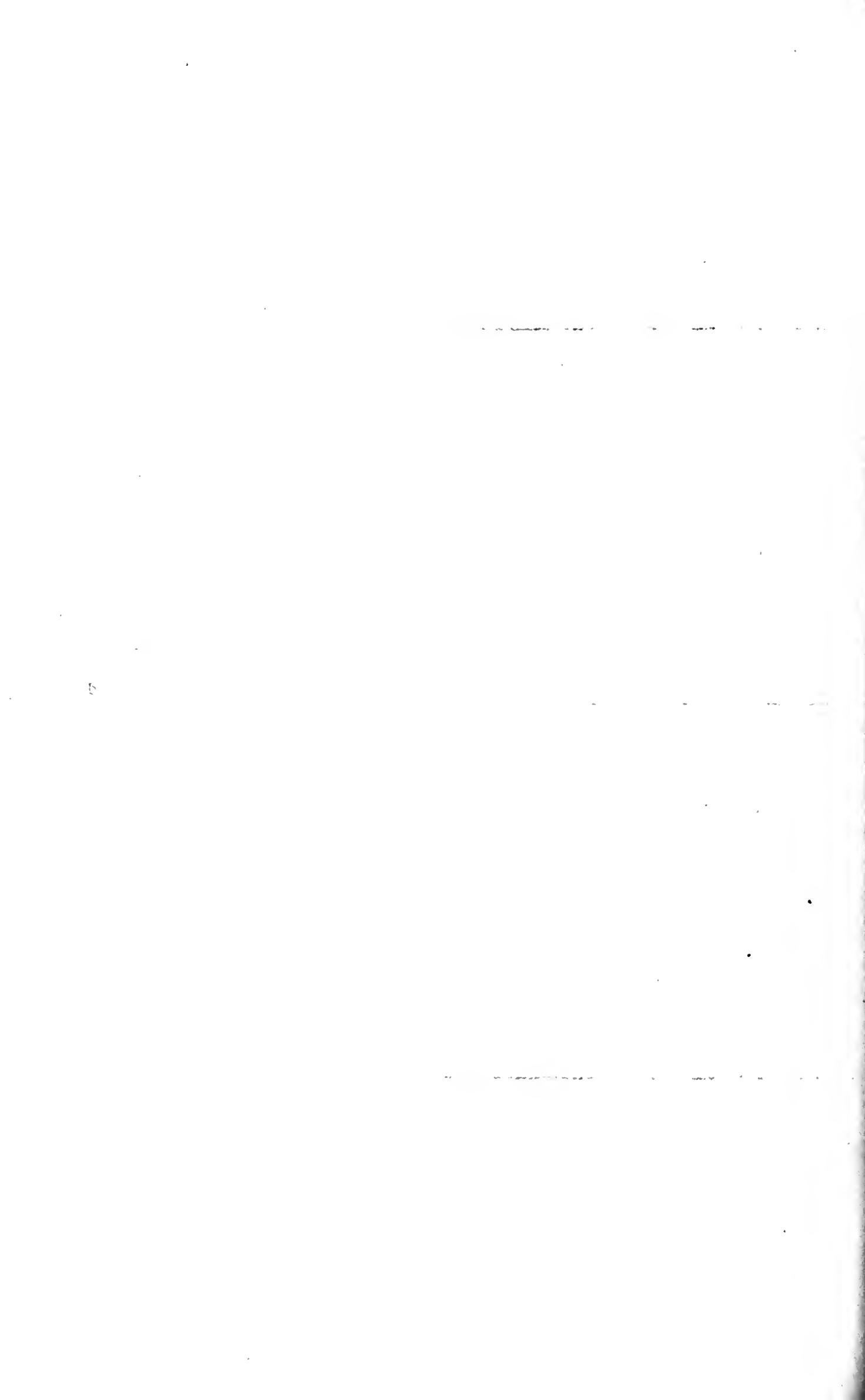
I can assure the hon. member it was not a statement made carelessly, it was a statement made after a great deal of study and work in arriving at a certain estimate of what should be done and I can only say in regard to your remark that possibly some of the big interests had reached my ear, in fairness to those people they did not even try and they knew and were called in on many occasions to get their opinion on this thing and never once did any of them object to a reasonable increase in the minimum wage.

THE CHAIRMAN: Items 2 and 3 (Carried)

Vote No. 121, Items 1 to 3, inclusive (carried)

Vote No. 122, Items 1 to 3, inclusive (carried)

MR. SALSBERG (St. Andrew): Another question.--I am sorry to get up on this item of labour estimates so often. I hoped others would ask that question, but they did not, and I feel obligated to do so. You will notice I get up when



the item is almost finished; that is because I wish someone else would ask the question.

What I want to ask on this, -- again, as you know, I am not as a rule slow in getting up, -- what I want to ask is what the hon. Minister is doing in order to enable the Board to operate more expeditiously? I think I wrote him a letter on this matter I was asking here, the remarks made by very conservative-minded labour leaders, and you remember what the trades and labour counsel's expression was on that, "We will have to take action in order to get the Board to move and take up our cases." The desire was expressed for a full-time Board and so on.

I know that the Select Committee may deal with this and other items, but, in the meantime, there is an accumulation of case that take an awful long time to be disposed of. Otherwise, the men I mentioned in my letter to the hon. Minister of Labour (Mr. Daley) would not have spoken the way they did. I wonder if the hon. Minister is prepared to make some statement or give some assurance on that?

(Page 294 follows)



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By the way, I got no answer to my letter, but that is all right.

HON. CHARLES DALEY (Minister of Labour): It has been lost in the mail, probably.

Now, the Labour Relations Board has, I know, come in for some criticism in regard to what appears to be unnecessary delay in making decisions. But, as I have said before, in this House, when I took any specific case that was brought before me, and followed it through the Board, I found that up to the present, while there have been some considerable delays due to various causes, one, for instance, in the office, not the result of the activities of the Board, but the mechanism of the office work which requires a lot of detail, and for which we have been unable to get the type of employee, who has to have some exceptional ability along numerous lines, and we have been a little short of sufficient employees in that department, which, as I will admit, has delayed the issuance of the decisions of that Board. But I think we are improving, and I might say that out of every one hundred cases, (and they have been handling a goodly number of hundreds,) the unusual delay, I should say, has been only in one or two cases per hundred, and that for some particular reason, some necessity of getting more information, or trying to get the Board to agree.

You understand the personnel of the Board consists of three men representing organized labour and three men representing the manufacturing interests. Now, when a

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question comes before them, on occasion there are very definite sides taken by each side, and the case has to be argued and argued, and compromises here and there, and sometimes even then it is difficult to get the Board to agree, which takes considerable time.

I have given a great deal of consideration to the question of a full-time Board, and I feel it is entirely unnecessary and would not, under any circumstances, function as well as the Board which we have, because we have, as I have said, highly qualified union people on the one side, and experienced men in the manufacturing and handling of employees on the other side, and we feel that you could not get that type of men for a permanent Board, neither the union men, who have other very important duties in connection with their organizations, which they fulfil in addition to this Board, nor from the manufacturing side. These men would not serve full time, and certainly the representatives of the industrial people would not, either, so you would have, eventually, just a bad Board, with no particular knowledge of the very things that the present Board has. And, in addition to that, when we can get the office functioning as we would like it, (and I will say we are not satisfied, as yet,) -- Even to-day I was talking to a young fellow whom I hope to get in there, who, I think, would add something to that Board -- When we get that completed it will be necessary, I hope, for the Board to meet only one day a week to keep the business right up to date.

MR. SALSBERG: I doubt that.

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THE CHAIRMAN: Item 123. (Carried)

HON. GEORGE A. DREW (Prime Minister): Page 66, the Department of Lands and Forests.

THE CHAIRMAN: Vote 124. Sections 1 to 14, inclusive, (Carried)

Vote 125; Items 1, 2, 3 and 4. (Carried)

On Vote 126.

MR. MacLEOD: Mr. Chairman, I wonder if the hon. Minister (Mr. Thompson), not now, but sometime at his leisure, would be willing to give me a reply, after the Session is over, to a question which I had on the Order paper last Session. The one I have in front of me is dated March 27th. There is some information there I was asking for at the time, and which I would like to get.

I know the hon. Minister is very busy now, but if he would just look it up, and perhaps sometime, when less busy, might give me an answer to it.

HON. WESLEY G. THOMPSON (Minister of Lands and Forests): Mr. Chairman, I will be very glad to do that.

MR. ANDERSON: Mr. Chairman, may I ask the hon. Minister (Mr. Thompson) a question? I do not expect him to give any lengthy reply, but just briefly may I ask what success he is having with the spraying at Spruce Falls in connection with the killing of the bud worm.

MR. THOMPSON: The experiment we carried on was limited, although we have sprayed 64,000 acres in the Nipigon area, but it is a little early yet to say just what success we will have

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2. with it, I can say it has been successful in killing the insects, but whether it will be economically possible to go on and spray tremendous areas with the D. D. T. is something which will have to be decided in the future after further study has been made.

MR. F. O. ROBINSON (Port Arthur): Mr. Chairman, may I ask, in the opinion of this Department how is the control of the insects getting along? You might say, "Oh, you were up there; answer that question yourself." Well, I have tried hard, through the forestry officials, to get the answer, and they have tried, honestly, to answer it, but I would like to ask, in the opinion of the Department in Toronto, is the thing spreading at the same alarming speed that it was some years ago, or are they more or less holding their own?

MR. THOMPSON: There are indications that the epidemic is subsiding this year in certain sections, but it has broken out in epidemic form during the last seven or eight years, and until nature takes care of it, I am afraid it is impossible to check it.

MR. NIXON: Does this spray kill any other form of life except the bud worm moth?

MR. THOMPSON: The insecticide that we are using?

MR. NIXON: Yes.

MR. THOMPSON: It is fatal if applied in large enough quantities to all warm-blooded life, but not to cold-blooded animals.



THE CHAIRMAN: Vote 127. Sections 1, 2 and 3.

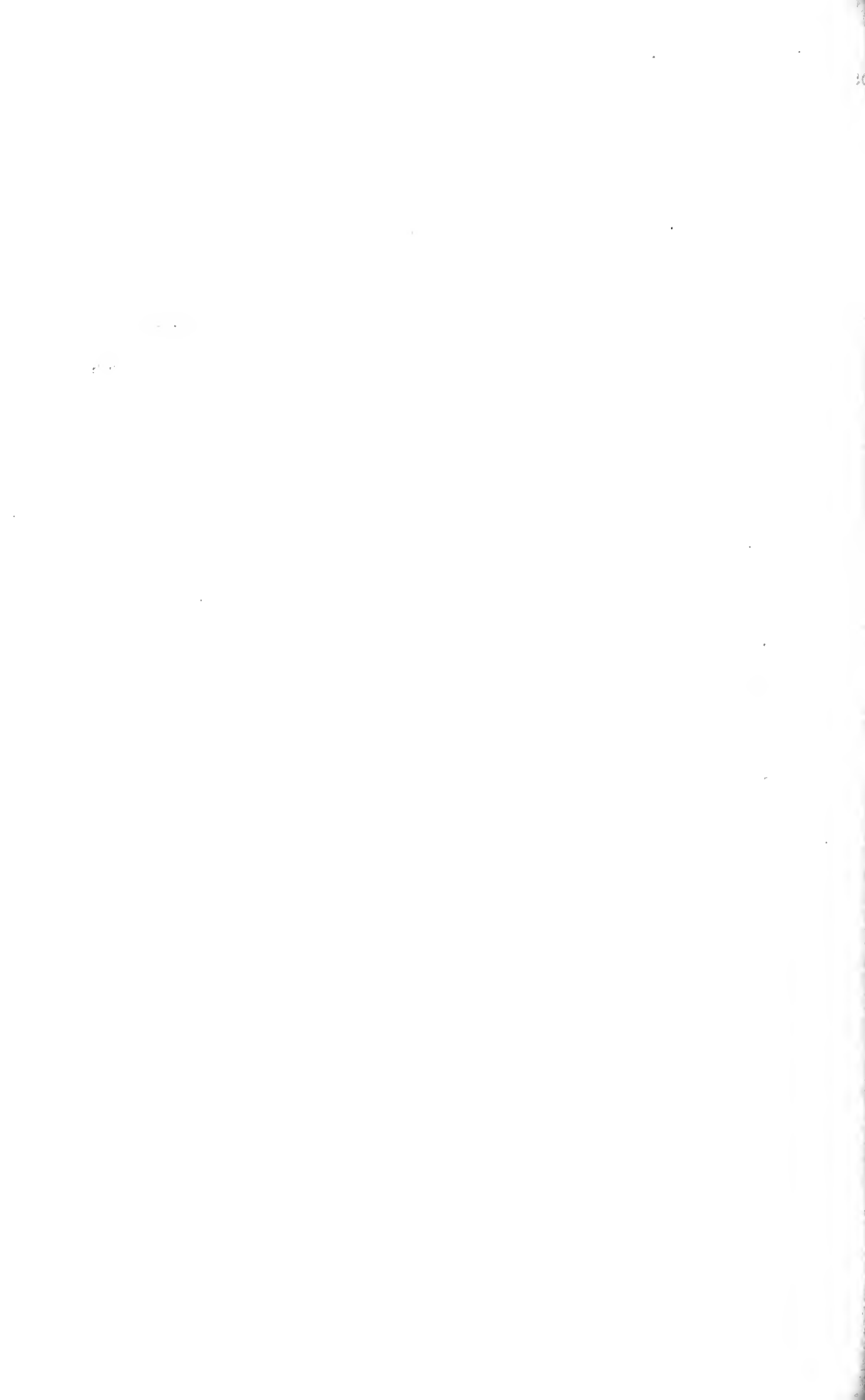
(Carried)

MR. GRUMMETT: I would like to ask the hon. Minister (Mr. Thompson) a question. I believe it comes under this heading. I believe it has been decided lately to change the operation of certain branches. We used to have what was called the "Crown Lands Agent", — I do not know just what his title is at the present time, and he does not, either. I asked the agent up our way what to call him in writing, and he said he did not know just exactly what his official position was.

Part of his duties have now been turned over to the District Forester. I was wondering if the Department, while making these changes, (and I am not suggesting you spend more money,)—but I would like to see the Department consider setting up a new office in Northern Ontario. I refer to someone who would be closer to the settlers, to act as settlers' advocate, or settlers' friend. As it is at the present time, the Crown Lands Agents, or District Foresters, are vitally interested in the departmental viewpoint. What I want is somebody who would look at the settlers' problems from the viewpoint of the settlers.

The reason I bring this up is that I wrote to the Deputy Minister some time ago, and made that suggestion, and he, at that time, stated that he felt that the District Foresters and present officers were quite capable of attending to that problem.

Now, I am going to give you the history of a case



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which happened up in my district. I am not exactly in possession of all the details, but I am still threshing it out. This is the case of a man who, in 1912, went into the district north of Matheson; he located on a farm, and, as he tells me, in 1916 he enlisted, and returned to his farm in 1919, and resided on that farm from 1919 until about 1934, when he went to take up residence with an invalid brother, and he left his own farm, but he carried on the operations of that farm; he paid the taxes and grew certain crops on it, and carried on for some little time. Later on, I believe, the Department of Lands and Forests, not under your administration, Mr. Minister, but just at the very last few days of the previous administration this location was cancelled.

When this man came to see me in 1944 he told me about the location being cancelled. I thought it was cancelled only a few days before, but on enquiry I learned it had been cancelled some time previously. That man lived on that property from 1912 to 1944, thirty-two years, and he lost his interest in it. During that time he cleared forty-eight acres. Now, if his statement to me that he served overseas is correct, — I believe the Deputy Minister questions that statement, but I have no reason to doubt it; the man told me he was serving overseas, — if that is correct, then in 1919 that man was entitled to his patent, and having served overseas, he was excused from paying the balance of the seventy cents per acre, and his time overseas was counted as residence on the land. That would be most unfair, if in 1919 that man should have received his patent,

but in 1944, owing to his own carelessness, perhaps, or owing to that of supervision on the part of the Department, he lost his patent to the land.

When I put up the proposition to the Deputy Minister and some of his officials, they were very sympathetic; they gave me a good hearing, and I went in and had quite a long conversation with them, but they stated they would like to see an adjustment made in regard to this man, but owing to the fact that after they cancelled this man's location they, in turn, lost the land, because the land was staked as a mining claim by a mining company of the North. Therefore, the land passed from your Department, Mr. Minister, into the Department of Mines, and under the Minister of Mines, and your Department had nothing to do with it.

Now, what I would like to see is this: I would like to see an office established in each district, with a man authorized to go from settler to settler to find out their problems. If they are entitled to their patents, tell them so, and make them take them out.

A great number of our settlers in the North are illiterate, and they do not understand. They believe that as long as they live on the land it is theirs. I am given to understand there are many hundreds and thousands of lots in Old Ontario where the people are not entitled to them; they have just lived on them from generation to generation, but the titles are not complete.

I think, Mr. Minister, it would be of great benefit



Mr. Grummett.
Mr. Drew.

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to our settlers, especially owing to the fact that in a few months soldier settlers will be going into the North-land, if we could give them assurance that, "Here is a man who will stand up for you, who will stand between you and any governmental regulations, and see that you are protected, and advise you as to your rights." Then I think we would do a great deal toward assisting the settlers in the North.

I suggested to the Deputy they establish an office of that kind, and I would like to have the opinion of the hon. Minister (Mr. Thompson) on that question.

HON. GEORGE A. DREW (Prime Minister): If I may answer that, for this reason, that it is really an overlapping of different departments.

MR. GRUMMETT: Yes, certainly.

MR. DREW: I am in very full agreement with the remarks made by the hon. member for Cochrane South (Mr. Grummett), who has just spoken. There is great need of informational assistance to those who are living in out-lying areas and have not ready access to accurate information, not only as to their rights, but as to their obligations which carry out those rights, and it has become apparent, both in relation to the Department of Lands and Forests, and in relation to other departments, that it is very important that there be a better method of keeping those who have conditional rights informed as to the obligations they must fulfil and assisting them to establish their own titles under the terms of the original license.



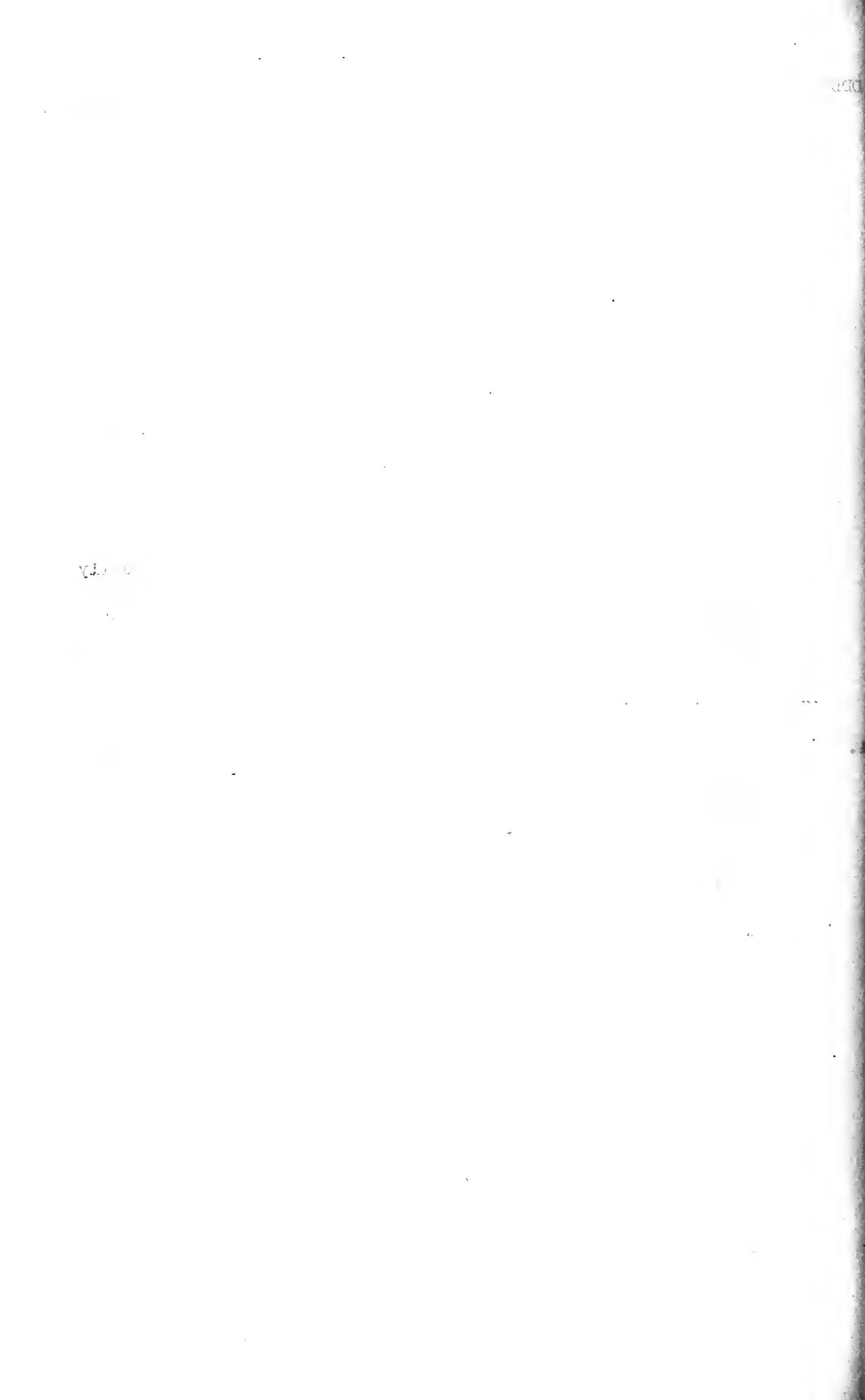
One of the departments we propose to establish at the time we next meet, by statute, is a Department of Veterans' Affairs. That, however, would not entirely cover the suggestions made and the subjects we have had under discussion, because there are a great many cases that would, or necessity, not be under veterans' affairs, but in the consideration we have been giving to the subject, it is possible that some method of providing ready information to these people in the out-lying areas will be devised.

I may say on behalf of the Government that I heartily agree with the statement that the availability of such information will greatly assist the settling of the North, and I hope we will have some concrete plan when we next meet.

4. MR. GRUMMETT: I may say that same question has been taken up by soldiers' organizations of the North, - veterans' organizations, - and while they were discussing it from the viewpoint of the soldier settlers, they felt that the ordinary settlers should be tied in with the same protection.

MR. DREW: Without elaborating, that is just the point. It is possible that where the large percentage of these men who will be veterans are concerned it might well be under the Department of Veteran Affairs, with extended rights, but that is a question of detail to work out. I welcome this discussion, and will certainly welcome any further suggestions the hon. member for Cochrane South (Mr. Grummett) may care to make before we reach a decision.

I may say that I hope to go through that area per-



sonally, and try to gain some impressions as to the way in which we can best coordinate the activities of the various departments, and this work will not relate to one department, but to several of the departments of government.

MR. GRUMMETT: I will be very glad to assist you in that.

THE CHAIRMAN: Vote 128; Items 1, 2 and 3. (Carried)

Vote 129; Items 1, 2 and 3. (Carried)

Vote 130. (Carried)

Vote 131; Items 1, 2 and 3. (Carried)

Vote 132; Items 1, 2, 3, 4 and 5. (Carried)

MR. F. O. ROBINSON (Port Arthur): Mr. Chairman, before we leave this Department, may I ask the Government if it has any statement to make with regard to the Forest Resources Commission.

HON. GEORGE A. DREW (Prime Minister): No; we are not able to make that statement now, beyond what was said in the last Session here and what I said at the Lake Head with regard to that matter.

It has been the desire of the Government to start the working of a commission at a time that the commission itself may impose the regulations that will be proceeded with under the commission. I believe we are now nearing the point where that is possible, because there have been a number of meetings of the various interested organizations in connection with forest protection, which would appear to indicate that we are presently to be relieved from the special wartime con-

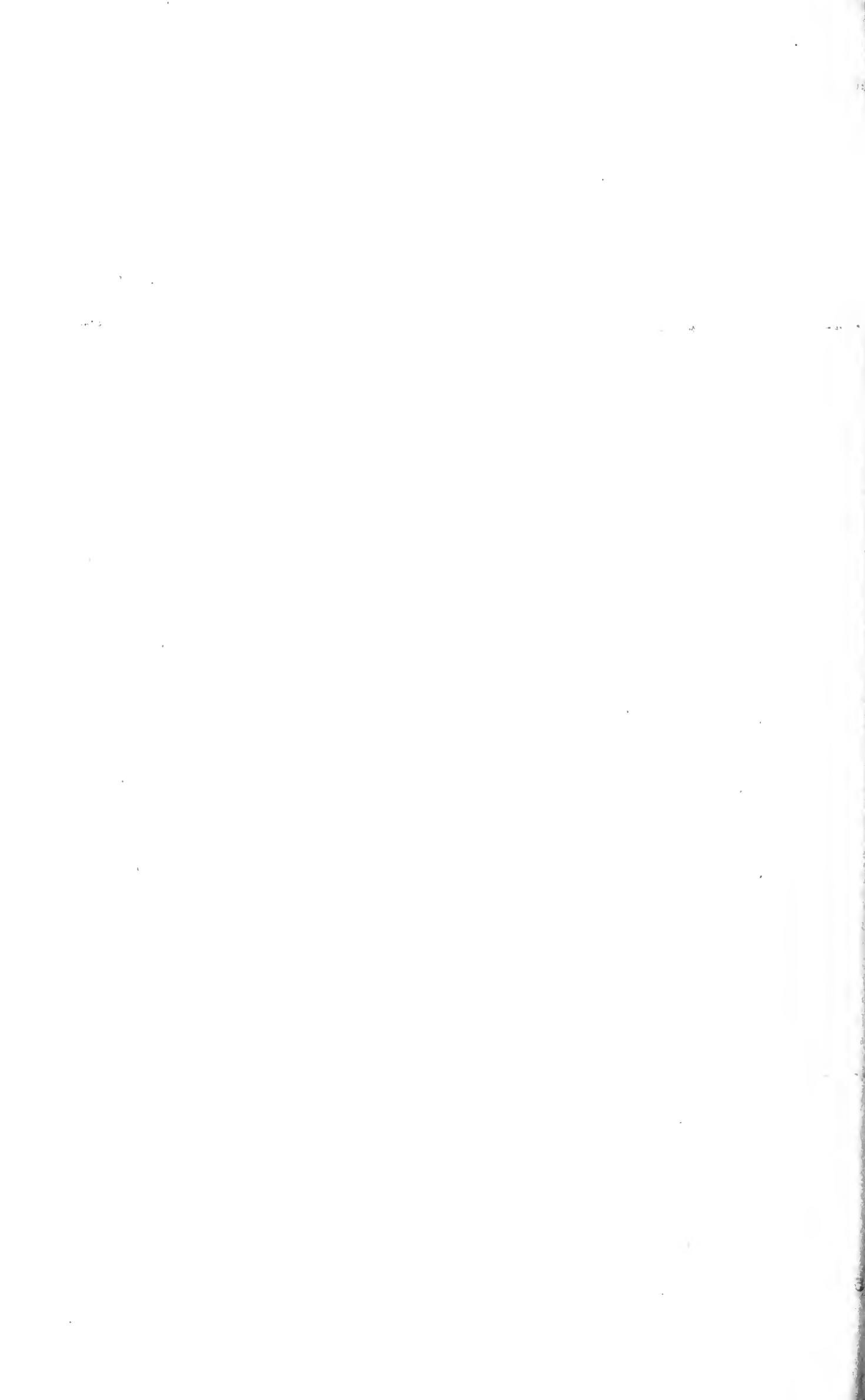
trols, at least to a sufficient extent to give that commission a measure of authority, which will make it possible for them to operate, and our feeling has been that it would only place the commission in an impossible position at the outset if they start in under restrictions which make it impossible for them to carry out the very desirable changes which are necessary with regard to some practices which we have discussed here.

It is my hope, as a result of meetings which have taken place, that before long we can set up that commission and proceed with the plan which was dependent, in some measure, at least, upon release from the wartime restrictions which have been an essential part of our war effort.

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HON. DANA H. PORTER (Minister of Planning and Development): Mr. Chairman, I think it may be in order, before dealing with the items in these estimates, for me to make a brief statement as to some of the progress which has been made by this Department, in view of the fact that this is a Department that was set up in 1944. In the case of other Departments of Government, they have all been in existence for some time, and the hon. members are thoroughly familiar with the sort of work that is carried on.

I may say that in making this statement it is by no means because of certain sneers and taunts that were made by two of the hon. members of this House a short time ago. We are quite accustomed to what they say, and the method in



which they say it. As a matter of fact, it is of very little concern to us what may be said by these two hon. members, because I do not know of any two members who have ever sat in this house since this House originated who have delivered more talk per vote received than the hon. member for Bellwoods (Mr. MacLeod) and the hon. member for St. Andrew (Mr. Salsberg). But I think that it is appropriate to remind the hon. members of this Legislature of the nature of this Department and the functions of this Department, and to outline some of the proceedings that have followed since its institution a little more than a year ago.

The Act that provided for the Department of Planning and Development sets up a department for the purpose of co-ordinating not only the other Departments of this Government, but also other governmental agencies with municipalities, and with all manner of associations, for the purpose of producing new lines of endeavour, new possible developments which might eventually lead to the best employment of the human and material resources of the province.

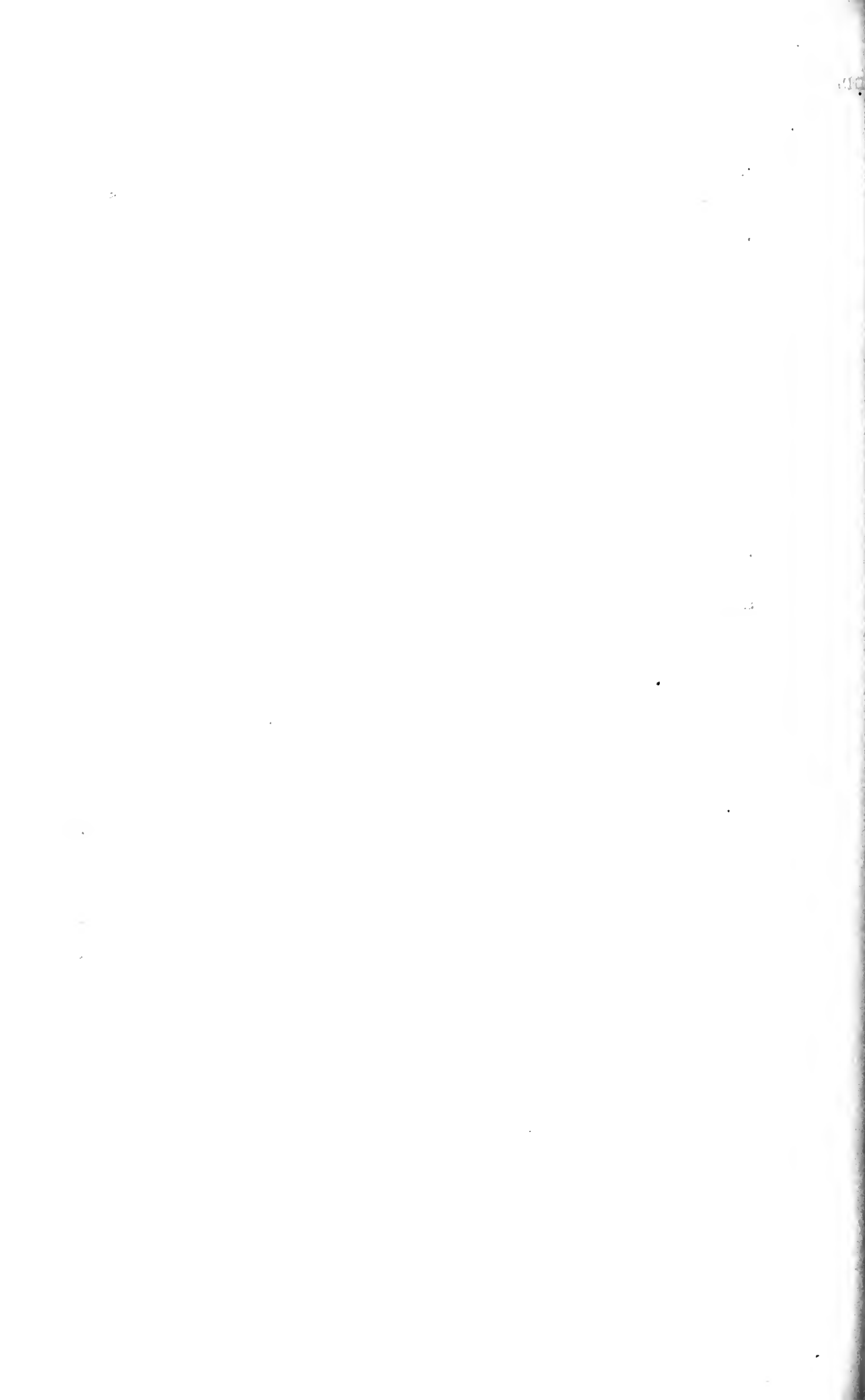
It was never intended, (and it was specifically stated at the time the Bill was before the House,) that this would not be a spending Department of Government. It was instituted as a Department which would formulate certain proposals, and that eventually, when the time became ripe, that the various other Departments of Government, when a matter had been decided upon, would play their parts in administration or in carrying out any project that might be decided upon,

partly as a result of the efforts of this Department, and partly as a result of the efforts of some other Departments of Government.

Now, at the very outset, the very day on which I was appointed as Minister of this Department, a conference was held in Toronto of representatives of municipalities throughout the province, and at that conference about four hundred representatives attended. It was referred to as a "Planning Conference." The purpose of it was to consider certain broad questions of what we commonly call "postwar planning", as it affects the municipalities throughout the province.

One thing that was made very plain at that conference, — and one thing that I have always made very plain, — was that the purpose of provincial planning, the purpose of a Department of Planning, was not to provide ways and means for new types of provincial grants to local governments, to assist local governments in postwar works of one kind and another, but that the initial purpose of this Department was to consider postwar programmes from various points of view, to lend advisory assistance to municipalities in laying their town plans, or their community plans, whatever they might be, and to give more technical assistance in bringing about that result. I am not prepared to say or to indicate what may come of the Dominion-Provincial Conference with respect to the financing of postwar projects during the years to come.

Despite what some of the hon. members have said, I have been very careful not to indicate that this Government



was prepared with any programme of financial assistance to municipalities in carrying out their local works in the years to come. That is something which may or may not be discussed and decided upon during the next few months, when we meet the Dominion at Ottawa.

But there are certain very necessary steps that we decided should be taken with reference to planning by municipalities for their public works projects, their various programmes of expansion and activities over the next few years.

There is, in the first place, and there will, of necessity be, considerable building not only privately during the next few years, but by public authorities of all kinds. Money will be spent, - public money will be spent, perhaps from all levels of Government, much more economically, much more wisely, if programmes can be worked out, to some extent, as far as possible in advance.

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It is well to work out these things so far as possible in advance and that some method be applied in establishing an order of priority in the sort of things people are looking for and which they regard as their needs. That is one thing we have attempted to do in assisting the municipalities in the method by which they approach their post-war problems.

We have retained the services of certain consultants who have been consulted by a large number of the municipalities during the last few months and considerable progress has been made in various parts of the province in connection with local programs for the post-war years.

I know that some people will say that we have very little to show for it because no money has been spent and no new projects are raising their heads as a result of this or any other program. But that was never expected. If anybody considers the obvious facts of the situation, they will realize that is something that could not be done.

Nothing at all to show in a physical way at the present date was ever anticipated from planning of this kind.

There is also another aspect of planning which became very obvious to us when we first sat down to consider some of the possible future developments in this province. In southern Ontario, particularly, there are a number of river valleys where conditions have set in giving rise to spring floods at certain intervals, and serious situations have arisen as the result of that in many cases. That was the problem with which we were faced and of which we were approached by a large number of municipalities. In giving that problem

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consideration, we decided that a study should be made. After all, the first problem of any planning development is to find out what the facts are in an impartial way and to make a survey, and then decisions can be made as to what is best to be done. We have proceeded to make certain investigations, certain surveys, and one conclusion we came to after getting as much information as we could elsewhere from other countries where similar problems had already been tackled over a number of years was that the solution of this sort of problem was a complex one. It was not one that could readily be dealt with by simply establishing a few engineering works, but it must be considered as part of a complex conservation program which should be designed not only for the control of floods, but for the conservation and restoration of the natural resources throughout possibly a whole river valley.

With that in mind, certain conferences were held, and representatives of the municipalities were called together who were concerned with these questions and discussions took place. The people who were concerned with these problems in various municipalities were given the fullest possible information on their various aspects. They were taken fully into confidence with respect to our preliminary activities and a great deal of public interest was aroused as a result of these conferences.

As a result of those activities, a bill was prepared which received its first reading at the last session of the

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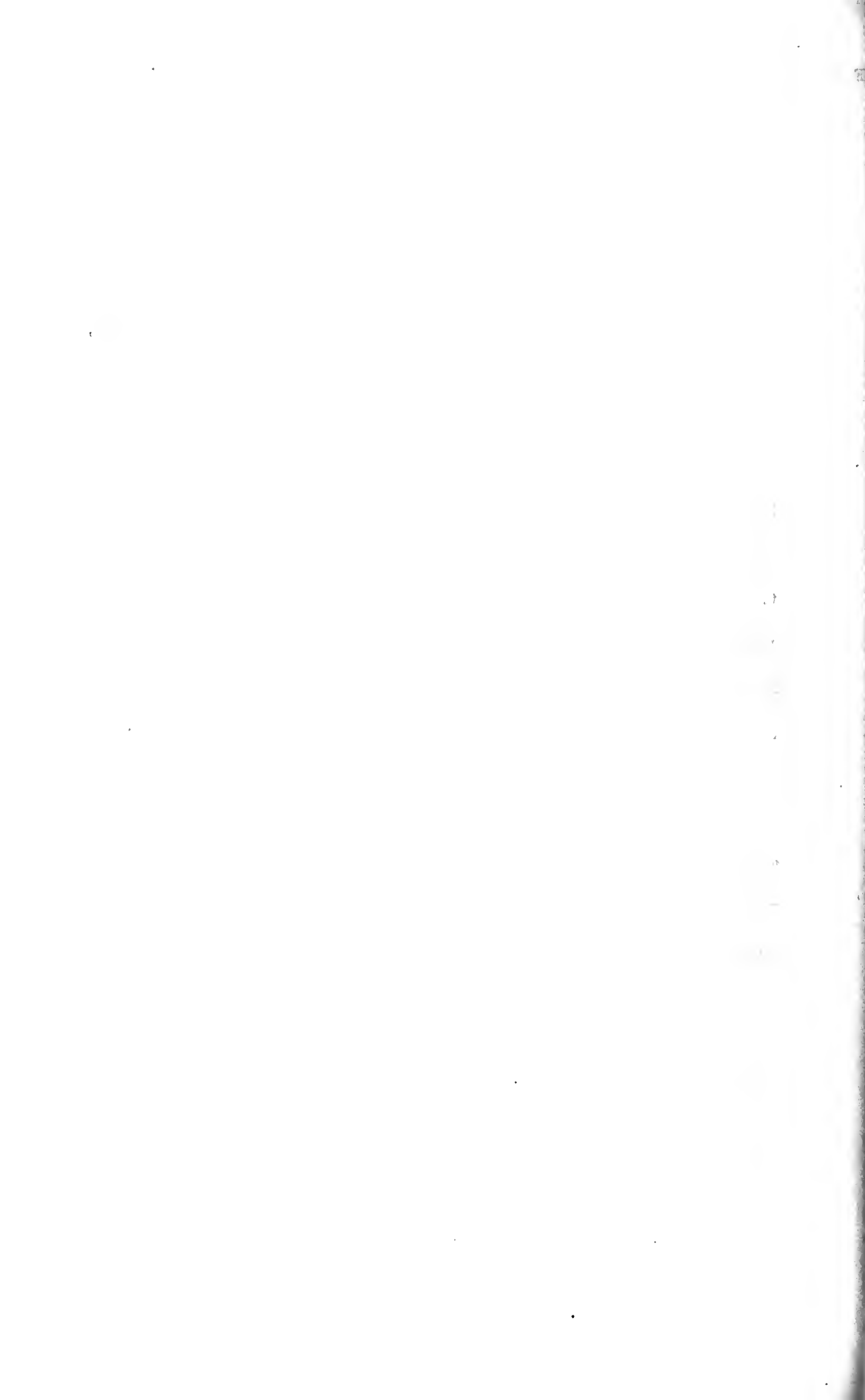
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Legislature and which in due course will come up again, for the setting-up of authorities to carry on this sort of work which at the present time has merely seen its preliminary stages.

All these things are different branches of investigation and the breaking of new ground to some extent, looking perhaps in certain new ways to the laying of foundations for post-war activities on a variety of matters. You can readily see that if it is decided that a certain program of conservation is sound and that the provincial government should participate in it, the various departments of government will become concerned in carrying out certain parts of the work. In the meantime, in the preliminary stages, we have been engaged in making investigations, in finding out what are the real needs of the people from perhaps a slightly new point of view.

In the third place there is another aspect of expansion and development in this province which we decided should receive some new attention, and that is industrial expansion. There has been for many years increasing congestion in some of the larger centres. In many of the smaller towns of the province there are industrial advantages, very often hidden industrial advantages, and they are hidden because nobody who knew about them was in a position to get into contact to somebody else who wanted to know about them.

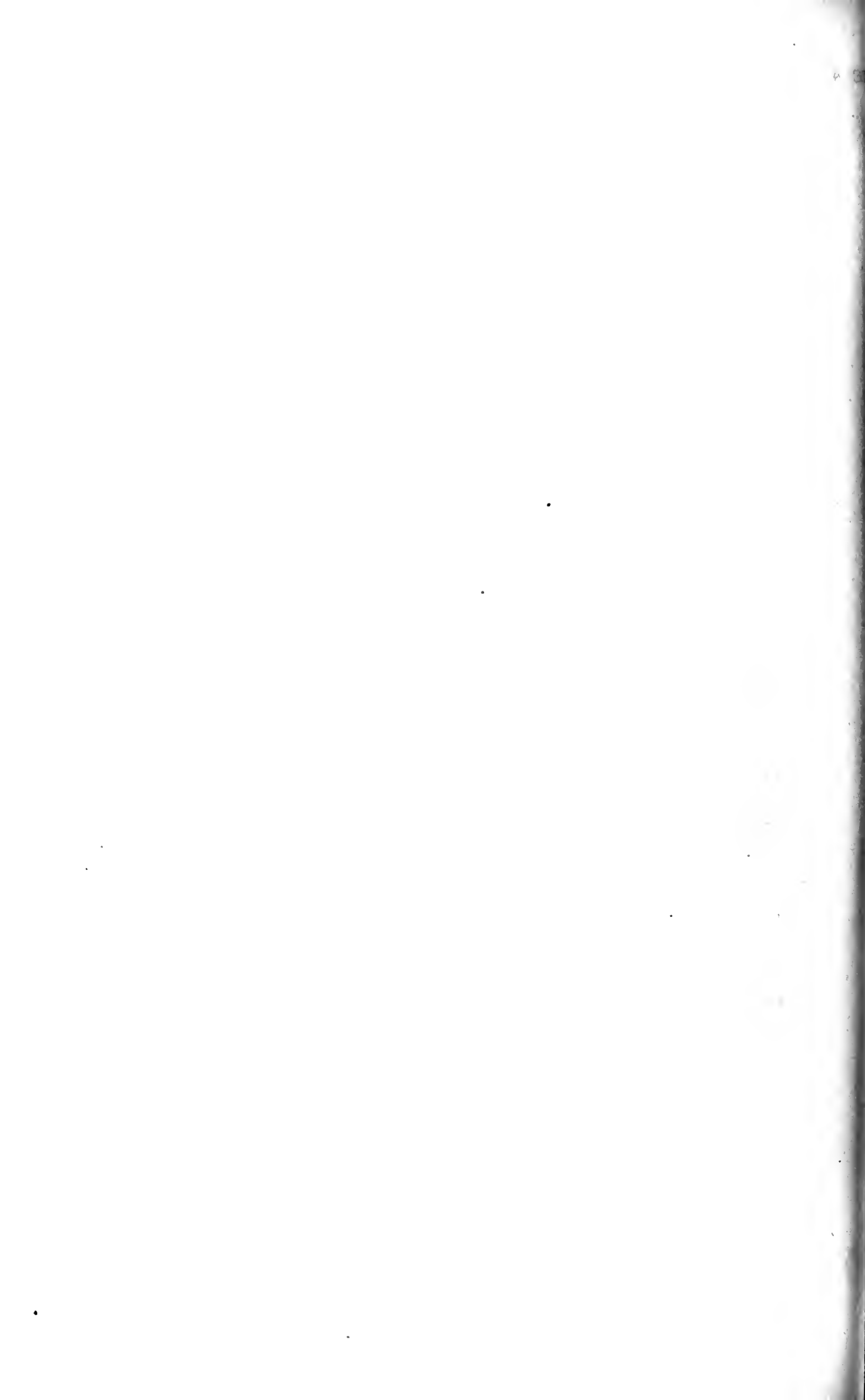
Industrial commissions are quite a common thing in some of the larger centres, and as a result of the activities of the industrial commissions, many industries have been attracted to various centres. But in order to attract industries to



some of the smaller towns and villages throughout the provinces, steps had to be taken to explore their industrial advantages and their potential industrial advantages. With that in mind we have commenced a survey of the resources, mainly industrial and potential industrial resources, of the various small towns throughout the province. It was not possible under the conditions under which we have been living during the past few years to carry that on by any government staff, but we received the co-operation of a large number of voluntary organizations in the various small towns and considerable leadership was shown by the Lions' Clubs, who personally carried out surveys of the industrial advantages in the various cities and towns of the province, as a result of which we have been provided with a vast amount of information which we hope will be of great value during the post-war years. All this information is being analyzed by competent people. It is made available to Ontario House in London and from time to time we have succeeded in making contacts with certain industrial groups in the United States who have shown an interest in the possibility of doing business and perhaps setting up a plant in the province of Ontario.

In the course of this sort of activity, many new angles appeared and many new situation came suddenly and unexpectedly to light which might never have arisen unless some expert advice had been available to carry out this exploratory program.

We do not think it would be possible or desirable to take steps as a provincial government to steer an industry to this place or to that place, or to favour one part of the



EEE 5

province over another, but we do think it a good thing that industrialists when they want to settle here and start up a factory in the province should have a knowledge not only of the two or three obvious places to which they might be attracted, but that they should have full and complete information of the advantages there may be in cities and towns from one end of the province to another. Already a great many individual matters are going through the hands of this little branch of our department, and there has been a great deal of correspondence with Ontario House in London where we have an industrial man who keeps in contact with us. There are developments taking place and they will be ripe for realization perhaps sooner than some of us expect. But we must not expect things to happen too quickly or too suddenly. A great deal of spade work has to be done, a great deal of investigational and exploratory work.

We have co-operated very closely in many respects with the Department of Reconstruction at Ottawa in connection with the conversion of some of the war plants. It may not be advisable for me to specify now some of the negotiations that may lead to something within a comparatively short time. I am merely indicating that that is work which is going on -- planning work, development work, which must be done in view of the inevitable expansion that will take place in this province if we lay the proper foundations to induce men to come in here and risk their capital, and that development will be spread as evenly as possible throughout the whole area of this province.



Mr. Porter.

EEE 6

In addition to those three main lines of activity, there is one other which perhaps I should mention. Perhaps the most important problem that faced us as a new department was what planning could be done for the ex-serviceman, what assistance might be given to him to get him back as quickly as possible into civilian life. That, we felt, was something that was not merely a rehabilitation problem, in the narrow sense of the term. It was a question of tying up the return of the veterans in the transition period from service life to civilian life, with some of these local plans which were being considered and pushed from various points of view. With that in mind, we felt in the first place that regard should be had for the training scheme that is being operated under the Department of Education jointly with the Department of Labour at Ottawa for the vocational training of men and women returning from the armed forces. The first of these training schools is in the city of Toronto and has been a going concern for some time.

As a planning department we were approached from time to time by industries and by trades suggesting that perhaps some new type of course be given to meet some new type of development or need that they felt existed. From the point of view of reconstruction, from the point of view of training men to do the sort of work that must be done during the next two years, we have from time to time been called in and have been able to have certain new types of courses set up in that vocational training scheme.



When men come out of the services for the most part it has been discovered that they want to go back to their home towns or to some of the smaller centres, and throughout this province rehabilitation committees have been set up and have been in existence for some time but in going about the province it was discovered that these committees lacked direction. They lacked knowledge of what the government's programs were and just what their own functions were and how far they could go in assisting in the general rehabilitation of men and women returning to civilian life from the armed forces. We succeeded in bringing these people together through the Department of Veterans' Affairs. We have had conferences. We had one in North Bay a few days ago. We have had conferences in London and Belleville where the local committees meet with the key officials of the Department's concerns and exchange ideas and where the departments were able to get a reflection of the local opinion as to how this whole scheme was working out and whether or not certain local needs had been met.

That gives some indication of the sort of approach towards the problems of the future that we have taken in this Department of Planning and Development.

Much has been said in the last few days about housing. I have heard many people make statements on that subject, and some of them become quite hysterical, but it is not very often that you meet somebody who has a practical proposal for meeting the emergency crisis in housing which may be upon us very soon.



We must distinguish in the first place between the emergency crisis and any long-term program that should be considered. They are two entirely different problems. I will give honl members the benefit of the information that I have gathered because this is one problem that we have been investigating in the Department of Planning and Development, and I think the members of this House are entitled to the results of this investigation and to know the facts and proposals that we have to make.

In the first place, at the present time there is a very acute congestion in certain centres.

That is almost entirely the result of war conditions. Many people have come to the larger centres from the country and taken jobs in war plants. In addition many people who, during the pre-war years had been accustomed to live in doubled-up conditions, now find that they are financially better off and there has been a constant pressure for new housing from these people who find that they can afford better housing at the present time. The extraordinary fact is that in spite of the shortages of material and in spite of the shortages of manpower more houses have been built per year in the province of Ontario during the war years than had been built at any time since the peak building year of 1923.

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During every war year there was about 10,000 houses or more built in the Province of Ontario, and about half of those houses were built in the Toronto area. During the preceding years the number of houses built per year ran to about 3,000 or 4,000 or 5,000. Very much less than had been built during the war years. Now, in spite of that stimulation of building congestion has not been entirely eased for the two reasons I have mentioned. We shall have an additional burden upon the housing situation when a considerable number of men are discharged from the armed forces. Now, a great many of these men -- it is impossible to say -- perhaps ninety per cent of them have houses to go to, homes to go to. There may be some -- just how many it is impossible to estimate -- there may be some who will find very great difficulty in obtaining housing accommodation.

What is the way to approach the problem that is facing us at the present time? It is true that the Dominion Government have complete control over man power and supplies, building material. There are shortages of these materials and there are shortages of skilled men in the building trade. That is physical limit which no provincial government, not even the Dominion government might be able perhaps to overcome. But with these physical limitations, what is the obvious thing to do and what is objective which we should consider? It is quite obvious I think that any programme which produces the greatest number of houses in the shortest possible time will be a programme which will most quickly relieve the emergency situation that may be facing us at the present time. Of course, we do not know how many people are going to leave these congested centres for the country and the smaller towns. We do not know how



acute this situation will be say three months from now. It may be acute; it may not be quite so acute, but what is the immediate objective? The immediate objective should be to obtain the greatest number of housing units within the shortest space of time. Now, how can that best be accomplished. Nothing that this Provincial government could do could possibly advance that situation one iota. There is a greater demand for houses today than there are building materials and men to meet that demand and I mean by demand, a demand backed by money, so that every house that could be built today could be sold tomorrow.

There are at the present time building projects -- I have visited some of them in the Toronto area. There is one man who is prepared to build three hundred houses. He owns the land. He has the plans. He has already started to build and he is building as many as he can with men and material available. He can build these houses quickly because that is his job. That is his business. He can build a house cheaply and the more impetus that is given to him, the more housing units we are going to have in this Province with the least possible delay. Therefore any programme which is going to limit the activities or cause frustration to the private dealer is not going to improve the general housing situation, because it will simply mean that less houses will be built within a given time than if you give him the green light and if you give him the go signal to go ahead and build as many of them as he possibly can.

Now, there are in addition to that certain projects of the Dominion Government which provide for the building of houses for service men and we have passed certain legislation here today which gives authority for municipalities to carry

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out that sort of programme. There is only one thing to be said about that, and I do not know that it is a thing that I am here to criticize one way or the other but the question that should be asked about is this: is the building of houses by some Dominion government authority going to increase housing units or not? One thing which we must recognize is that every house that the Dominion government builds is taking men and materials away from the some private dealer and is delaying the private dealers' programme. So that the only question is -- who can build more quickly, the private dealer or the Dominion government? I have no evidence one way or the other as to which is speedier under these circumstances but my guess would be that the private builder would be able to fill the bill much more quickly than any government authority.

Well then, in addition to that the Dominion government is arranging with insurance companies for the building of houses. Now, I think that perhaps so far as that is concerned, I cannot see how any arrangements that have been made up to date will increase housing units in this country within the next few months, and I do not know that any insurance company would claim that they could.

There is only one course if we want to accomplish the very simple and the very obvious objective and that is to relieve an acute situation, to give the green light to the man who can do that most quickly and most cheaply.

However, we are asked as a Provincial government in this House: what are you going to do? Now, if we stepped in and built one house we would be taking materials, we would be taking men away from someone else who is already prepared to build houses. I do not know what could be gained in the solution

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Mr. Porter.

of this emergency situation by any such short sighted programme of that kind. Our position is simply this: we have not in our control the means of providing more houses than are being provided at the present time. We have not those controls and we have not those men. We have not that material and to any extent that we may interfere we are simply defeating our purpose. We might as well look at this as a common sense proposition and not hysterically and do not let us get into some long and involved theoretical argument about public housing and private housing and public this and public that. It is a practical problem: how are you going to build the most houses in the shortest possible time. If it becomes necessary to earmark some of these houses so that they will be used by returned men it is a very simple thing for the government authority of the Dominion of Canada to do that.

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They will get more, they will get along more cheaply in the long run whether they sell them or rent them, no matter what they do, if that procedure is followed. So that if we step in and set up some sort of a competing programme just because somebody shouts about it, we are simply going to bog down the course of affairs as it is going on at the present time.

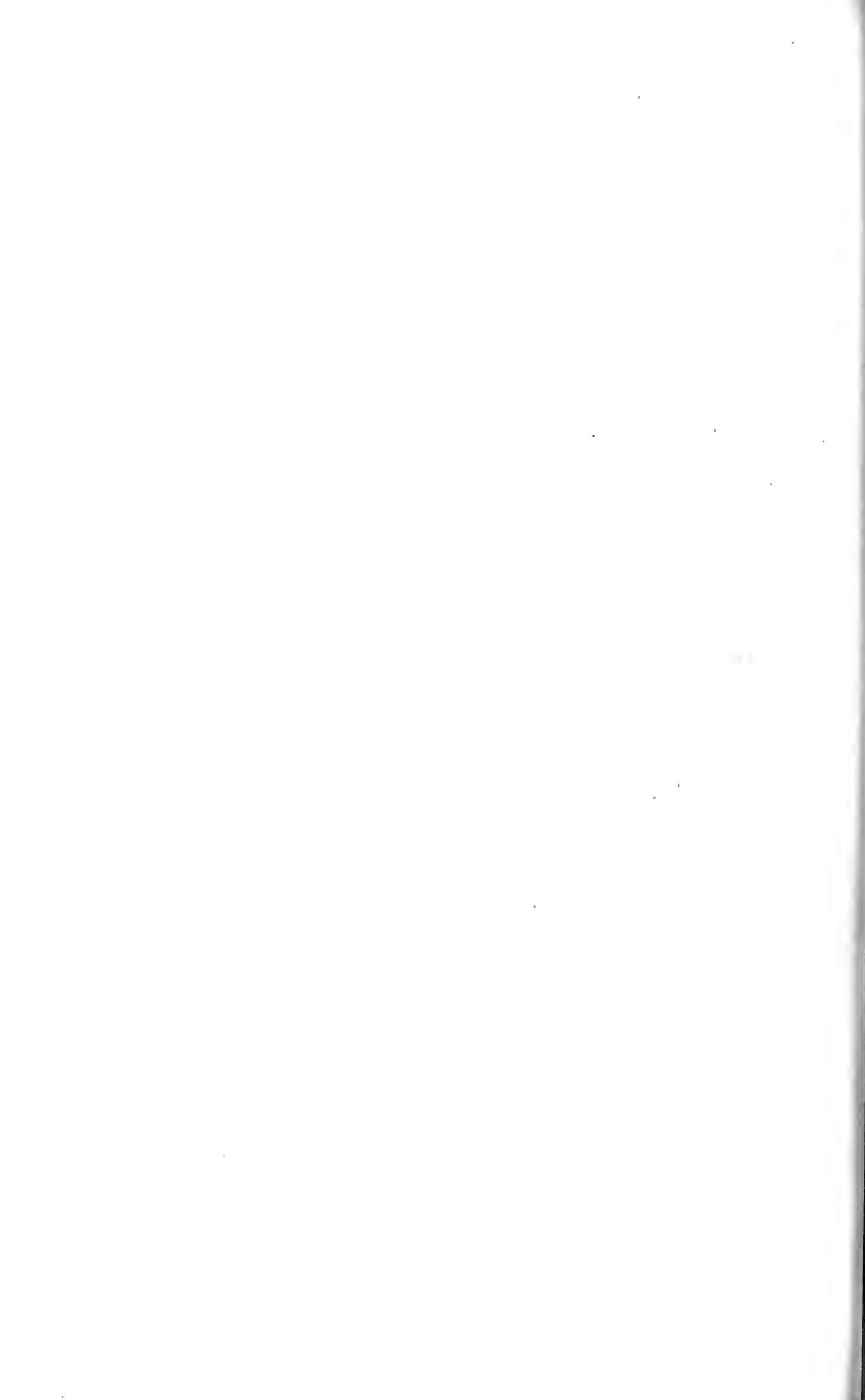
Now, another aspect of this housing programme is a long-term aspect and has nothing at all to do with this emergency situation. The main and the first part of any provincial programme with reference to houses is to lay a foundation which will induce people to build the greatest possible houses, and become owners of them, that can possibly be brought about. That is the first thing, and that is one of the main reasons behind the programme of Town Planning, because town planning results in a zoning of certain areas in towns so that they will be protected from deterioration in values so that lending institutions, and so that the Dominion Government under the National Housing Act, that have loaned money on a property will be reasonably certain that for the next ten or twenty years the character of that area will be more or less permanently the same and they will be able to get their money out of that investment. The more you can provide conditions that will produce the greatest possible investment in houses, the more that you can provide conditions that will maintain values on properties, the more houses you are going to have built, and that is the first thing any provincial government should give attention and to, that is one thing we have started to give attention to and worked on for the last few months.

In the second place, it is quite true that there are certain areas where low development might be desirable in



certain municipalities and one thing that this government did decide, - which some hon. members seem to forget, or never knew about, - was that we were prepared to participate and we should be prepared to participate in a certain class of low-rental houses. This was mainly considered as a post-war situation of this government and that is one of the matters to which we gave some attention and made an investment into.

Now, under the National Housing Act, there are two parts to that Act, at least, there are two main parts that concern me in this particular statement. The first deals with loans to people who want to build and become owners of houses. The second part provides for the lending of money by the Dominion Government for the people of low-rental houses. And, the terms of that Act are, roughly, that the Dominion Government will loan up to ninety percent of the value of a low-rental housing project. That money will be repayable over a period of fifty years and the interest rate is at three percent per annum. The Act does provide that the owner of that project was to be ^a limited dividend corporation which could be set up for the purpose. Now, it became very obvious to me, -- it is all very well to get ninety percent, but where is the ten percent coming from? And if it is desirable and necessary in certain parts of our province to build houses that a man might rent, -- and I recognize fully that a great many people should not be induced into buying a house without due consideration, -- many people cannot afford to buy a house and if they want to get adequate accommodation for themselves and their families, they have to find something they can rent at a low rental. There are many housing accommodations that are



not satisfactory, and that, from a social point of view, should be replaced by something a little better.

Under this part of the National Housing Act, that sort of situation apparently was intended to be provided for. So, this Government decided that it was quite unlikely, -- as a matter of fact inevitable, -- that any private builder or private institution would want to take over that ten percent because the profit in a fifty-year low-rental proposition was infinitesimal, if not a loss, which was possible to occur. So, in order to get that sort of programme provided for, it was decided that the Provincial Government would be prepared to take half of that ten percent away and the municipality was prepared to take up the other half. Now, it was never our intention to encourage municipalities to get into any large-scale housing programmes, but, in order to meet certain situations, we thought that it was advisable to provide for this sort of development. The proposition was simply this, the mechanics of that proposition was very simple; we would be prepared to set up a limited dividend corporation in a town where the town council decided that they needed to take advantage of this sort of thing, and after all, that is a considerable amount and, no doubt, an extravagance in this regard. The limited dividend corporation could be set up and half of the shares could be taken by the province and half by the municipality. We could appoint a director and the municipality could appoint a director and a third director appointed by those two. We would have to have legal authority, because, after all, if we have housing accommodation of that kind it must be administered and carried out by a legal authority. We decided that would

be a sensible way of making use of and taking advantage of Part 2 of the National Housing Act.

That proposal was made to Mr. Ilsley, but he decided that it would not be necessary, that from some place, in some way, he thought this money would be forthcoming.

Now, if that had been done, if that proposal had been agreed to, we might have, - that set-up might possibly have been useful in helping to solve the situation we are in today. I do not know, we cannot say whether it would, but we did put ourselves on record to that extent, and I still believe that that proposition was the simplest, and neatest, and most effective solution or offer of a solution of the sort of problem ^{that} Part 2 of the National Housing Act purports to deal with.

Now, I have outlined, at some length, the position that this Government has taken on housing, and those hon. members who say that we have done nothing and have given no thought to this, if they want to, -- I have never heard they say the Dominion Government have failed in any respect, but the Dominion Government, if there is any shortage of houses, is the only government in this country who has the men and has the material and has the machinery to provide them.

(Page 324 follows)



and if anything should be done in the way of public housing, we have made an offer, and that offer has been turned down, but if anybody has a practical suggestion that will advance these matters, I have yet to hear it.

That is the situation that we are in prior to the Dominion-Provincial Conference which shortly take place, and until that Conference has come to its conclusion and decided on what sort of financial arrangements are proper, and they actually carry out the necessary development along these lines during the future years, we are in a position where any active participation, or any physical steps that we might take, would, rather than advance the cause, defeat the purpose.

Now, I think perhaps I have given some outline of the main avenues of investigation and planning and approach of this Department. The estimates are moderate, and, to a certain extent, elastic, to take care of any possible surveys we may want to complete within the next few months.

THE CHAIRMAN: Page 77; Department of Planning and Development.

Vote 146.

Items 1 to 6. (Carried)

MR. ANDERSON: Mr. Chairman, I am sure we were all interested to hear some of the remarks of the hon. Minister of this Department (Mr. Porter), and I personally would be more inclined to criticize the small amount that is set aside for this work, rather than the large amount.

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HON. DANA H. PORTER (Minister of Planning and Development): Thank you; thank you.

MR. ANDERSON: It seems to me that with some nine hundred municipalities in this province, the amount involved here to establish anything in the way of a new department such as is contemplated is very small, indeed, and while I realize that there are many of the Dominion regulations at the present time which would handicap the proper functioning of this Department, in at least some directions, I do believe that when we get back to that period which we refer to as "normal", although I dislike the use of that word, because, if it is anything like it was before, it was no period to be proud of, with its unemployment, and everything that went with it, - but when we get back to a more or less normal condition, I do believe, Mr. Chairman, there is a place for public housing. It seems to me we are bound to have a larger number of people who are not able to build a place and pay for it themselves directly, and there will have to be some other means of providing them with a home, and I do not think it is fair to expect private companies to build homes for the type of people who will be in that category, because it would not be profitable, and we cannot expect it. That is all there is to it.

So, I am one who is not so afraid, with all the examples I see of the success of public ownership -- I certainly am not afraid of an attempt being made when the time arrives for a housing programme but that the municipal governments and the Dominion Government and the Provincial Governments will work



hand in hand trying to solve this very knotty and complex problem.

MR. PORTER: That is exactly what we have been endeavoring to get at.

MR. F. C. ROBINSON (Port Arthur): I would like to ask a couple of short questions of the hon. Minister (Mr. Porter) in connection with the Nipigon Forest Village. I understand this is to be moved to the forest controlled by the Marathon people. Is that correct?

MR. PORTER: I have not heard of any such proposal. I may say, when the project was decided upon, as announced by the hon. Prime Minister (Mr. Drew) some time ago, I was asked to investigate it and to prepare certain proposals with reference to it. A Committee was set up at the head of the Lakes, and those who originally sponsored the scheme were put on that Committee. In addition to that, there was one appointed by the Government, who spent considerable time during the last few months making certain surveys and investigations in connection with the scheme, and it was only the other day I received a report from this Committee. I have not had time, as yet, to analyze it, but the planning of it, and the surveying of it, are proceeding as fast as possible.

I have not heard any suggestions that it should be in any other place than the place originally mooted for it.

MR. MacLEOD: Just one brief question I would like to put to the hon. Minister (Mr. Porter), but before I put it I want to congratulate him on a very excellent outline of the

work of the Department which he has given to the House. He did say, at the beginning, that references to the housing prices made by my colleague (Mr. Salsberg) and myself were rather hysterical. Well, I just want to refer to two brief sentences from his own statement, as quoted in the "Globe and Mail" of July 4th, which read as follows:

"This housing plight is growing steadily worse. If Ottawa does not take appropriate action in conjunction with the municipalities, then we shall have to do so."

Then he continues:

"Veterans are returning by every boat, and they have to have roofs over their heads. Existing conditions are intolerable, and the Ontario Government is greatly concerned over the situation."

That is not a hysterical statement, but it recognizes the existence of a very serious problem, and I have not the slightest doubt in the world that the hon. Minister (Mr. Porter) is very anxious to do everything within his power to see that the problem is met.

I agree with him that the question divides itself into two parts. There must be a long-range plan of re-housing in this province and this nation, but there must be a coming-to-grips with the immediate problem.

Now, I would say, as far as the immediate problem is concerned, the most pressing matter is the question of eviction. The hon. Minister (Mr. Porter) knows just as well as I

do that there are many families in the city of Toronto, and in other municipalities, who are being evicted from their homes, and the municipal authorities are powerless to do anything about it. The Mayor of the city of Toronto will tell the hon. Minister that. Only yesterday he had occasion to visit parts of this city where women and children were being put on the streets. Now, we did propose, last year, to the hon. Attorney General (Mr. Blackwell) that the situation might be met, in part, if the Government of the province of Ontario would do one of two things: either amend the Landlord and Tenant Act, in order to stay these evictions, or else have the Attorney General give the sheriff, who is his appointee, discretionary powers with respect to putting people on the street.

Now, there can be no difference of opinion between any of us in this House as to the undesirability of having soldiers' families put on the street. We are all agreed on that. Nobody wants that to happen. And the problem, therefore, is: What can we do, — what can the Government do, — what can the Legislature do in cooperation with municipal authorities and in cooperation with the Federal authorities to put an end to this kind of nasty business?

I would put this question to the hon. Minister (Mr. Porter): Has he given any consideration to what could be done by the Cabinet or the Government to prevent the unseemly situation of having a woman with a two-and-one-half-year-old child and a seven-year-old child put on the sidewalk by a sheriff's order, such as occurred yesterday? Nobody wants to scream or

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shout or agitate about this thing. It is a practical problem, and, as far as I am concerned, I am exceedingly anxious to be helpful and as cooperative as possible in assisting the authorities in this province and the authorities in the city to cope with this problem in a practical way.

HON. DANA H. PORTER (Minister of Planning and Development): I do not know that I have any particular answer to make to that question, Mr. Chairman. There is no doubt we recognize there is a certain serious congestion; there is an acute shortage of houses in certain places, which may be at its peak now, or it may not have quite reached its peak.

The matter of holding up eviction procedure has, at various times, been considered. At the present time the Dominion Government has placed in charge a Housing Administrator for the city of Toronto, and there, again, the control of the situation is in the hands of the Dominion Government.

In addition to that, it all depends on how acute the emergency becomes, as to whether we are justified in interfering with the regular law in this respect, because I think it was perhaps you who mentioned yesterday that there would be more than two thousand people who would be turned out of their houses in September. Well, every September, in the city of Toronto, there are perhaps two thousand people who go from one living accommodation to another; they get out of one place and get into another, and somebody moves into the home they just vacated. It is a sort of a game of musical chairs,



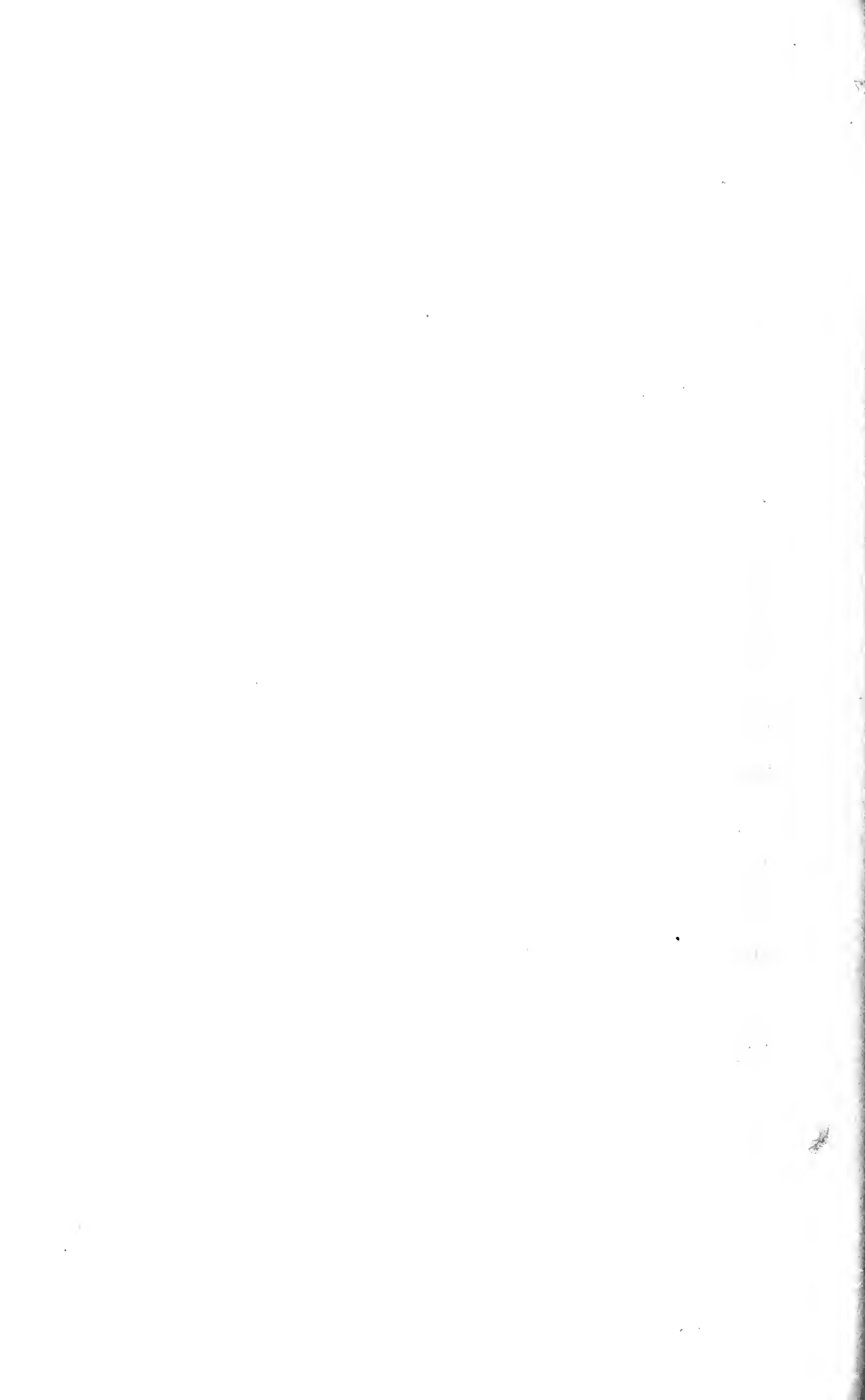
and if anybody is left over, then we have a problem.

But, so far, I do not know of any acute cases where people have been actually out on the street all night as a result of the housing shortage at the present time. I think, if you want to present us with some concrete examples, it might be something upon which we can act.

MR. MacLEOD: I would suggest to you that it would come with greater force if the facts of the cases were given to you by the Mayor of the city of Toronto, who is well aware of these facts, and who is certainly doing everything in his power to solve the housing crisis in the city of Toronto. I do not know of any man in Ontario who is making a more valiant effort to solve the housing crisis in the municipality than Mayor Saunders.

I took this question up last year with the hon. Minister of Finance (Mr. Ilsley) with respect to the right of this province to amend the Landlord and Tenant Act. He said, "I am most anxious that there be no thought or any attempt to suggest any action or requests by any Provincial Government. Our position is that we have gone very far in limiting the right of eviction, and we do not feel that for the nation, as a whole, we should go further. Some provincial governments may wish, as a matter of provincial policy, to go further with respect to the whole of its province, or some municipalities therein.

"Then there was a case in British Columbia. We felt



the correct position to take was that if that province desired to go further, and would suggest or indicate the making of practical amendments to the law regarding the landlords and tenants, to that end, if unobjectionable on other grounds, we would not stand in its way, but would amend our regulations accordingly, making our amendments effective upon their request, even though this legislation was passed, and we so advised them.

"Naturally, we would have to treat all provinces taking the same position as British Columbia in the same way. We are not, however, initiating or suggesting any action with any province."

Now, it may be suggested that is a skilful way of "passing the buck", but, nevertheless, the fact still remains that something should be done to either amend the Landlord and Tenant Act, to prevent families' being put on the street, if only for a matter of a few hours. It is not a very nice spectacle, and I do not think anybody here wants to see that happen.

The hon. Minister (Mr. Porter) refers to a "Controller", — I think he called it that — Mr. Bosley, who stated a few days ago that they were freezing evictions, and as I understood it, (and the hon. Provincial Treasurer (Mr. Frost) who is leading the Government at the moment can put me straight on this,) — as I understand, Mr. Bosley cannot interfere with a sheriff of the province of Ontario in the carrying out of an eviction order. Perhaps the hon. Attorney General (Mr. Blackwell) would tell me whether that is right, or not.

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HON. LESLIE M. FROST (Provincial Treasurer): May I ask my hon. friend (Mr. MacLeod) if he has ever read the regulations, as prepared or issued by the Wartime Prices and Trade Board, and by the Rental Controller, in connection with the freezing of housing accommodations in the province of Ontario, and particularly in areas which, you might say, are areas where there is wartime industry? Have you ever read those regulations?

MR. MacLEOD: I am familiar with them, but I cannot quote them to you, offhand.

MR. FROST: I will point this out, that we have in the province of Ontario a Landlord and Tenant Act; it has been revised over a period of years for the protection of both landlords and tenants. We have had, to stay in the picture under the wide powers of the Federal Government, a wartime control imposing terrific restrictions in regard to wartime housing to protect just such cases as you mentioned. The fact is, when you read the regulations, you would wonder if the regulations might be extended any farther in order to accomplish the objects that everybody has of protecting people in crowded and congested areas. I would say this, that the regulations published by the Dominion Government, or passed by the Dominion Government, are tremendously wide; it is practically impossible, now, to get a tenant out under a year's notice.

Now, the fact is there are bound to be cases where



there will be difficulties and friction, and what not, and all that can be done is to realize that this is a situation of emergency, and I do not think you can have any emergency carried out without some difficulties, and some little sand getting into the machinery, somewhere. That is inevitable, but the fact is when you look at the whole picture there has been rather a remarkable success achieved in the whole problem, taken over a period of years, and particularly with congestion such as we have had in many centres with large wartime industries.

MR. MEINZINGER (Waterloo North): I would like to ask the hon. Minister of Planning and Development (Mr. Porter) a question. I am quite sure he appreciates my stand and my views with regard to his Department. Having the privilege of being one of twenty chosen to cooperate with the Minister and his Department on this particular plan, I stated my views on several occasions to the hon. Minister.

If I understand you correctly, sir, in regard to conservation -- For instance, we have a very serious problem in my constituency; it is not in my city, but in a small municipality adjacent to Kitchener, where the river flows directly through the heart of that municipality, and it is causing considerable damage every year from floods, and is carrying away tons of soil every year and eating into the heart of the municipality. In fact, there are two buildings already jeopardized.

In a scheme of that kind, would your Department be

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prepared to send an engineer up there?

HON. DANA H. PORTER (Minister of Planning and Development): As I understand it, that would probably be in the Grand River Valley, and that particular municipality you are speaking of --

MR. WEINZINGER: That is right.

MR. PORTER: There is a Conservation Commission and a Flood Control Commission in existence at the present time. I think they have full authority to deal with that problem under the special Act that was passed setting them up.

(Page No. 335 follows.)

MR. MEINZINGER: I asked that very question with respect to the commission, to find out whether we have the power, and they said they could not tell me whether it was a federal or provincial matter.

MR. PORTER: Perhaps the hon. member would come in and see me.

MR. MEINZINGER: That is fine, thank you.

MR. ROBINSON: It will be recalled that when the estimates were before the House in 1944 I asked a question about company towns and the possibility of coming to an arrangement for putting the housing under public control in such towns where the company has to erect housing to attract employees. The Minister replied that it was an important question that was under consideration by his department and I was wondering whether you can now give me any information on that matter.

MR. PORTER: We have come into contact with many problems concerning company towns. After all, if the company puts up the housing, it is difficult for the government to step in and say: You cannot have any control over that housing in which you have invested your money. It is difficult for the government to do that unless it is prepared to step in and take the risk of building houses in pulp mill towns or mining towns. There is not much that we can do to prevent the company that builds the houses for rent, to prevent the company from managing its property as any other landlord would manage it. Therefore, no solution has been found unless it is to be suggested that the government should step in and take that risk with the taxpayers' money.



THE CHAIRMAN: The next department is the Department of Public Welfare, Item 169.

MR. MEINZINGER: We had some discussion yesterday of houses of refuge, and I am not bringing up the matter now in any critical spirit because the Minister has assured me that something is going to be done, that the difficulty was due to lack of priorities in the building of the necessary wings to take care of the problem of accommodation, but just let me give the actual figures of conditions in the house of refuge at Kitchener. There are 162 inmates, 34 mentally ill, 17 incurable, and 10 who are dangerously insane. So hon. members can readily appreciate the position of aged people who have to mix with the insane in their declining years in a house of refuge. That is all I have to say on that subject, after the Minister's assurance.

THE CHAIRMAN: Vote 170--Day Nurseries Branch.

MR. GRUMMETT: I notice that this estimate is down \$160,000 as compared with last year. Can the Minister explain why he has seen fit to reduce the estimate by such a large amount?

MR. VIVIAN: The same is true of this vote as is true of many other votes in the Department of Health and Welfare. The amount estimated for 1944-45 was considerably higher than the amount for the current year. We have been able to reduce the estimate this year because we do not need any more money than appears in the item. We are going on the expenditure of last year, and not on last year's estimate, which by saving and good management, we were able to keep down.



MR. SALSBERG: Does the Minister imply that the so-called saving on day nurseries is due to good management or to the failure of the department to expand the services of the day nurseries sufficiently? There is quite a difference.

MR. VIVIAN: Again the hon. member is by innuendo making an attack on something as to which he knows better.

MR. SALSBERG: I am not attacking anything.

MR. VIVIAN: Yes, you are, by innuendo. The day nurseries branch has opened all the day nurseries for which there has been a request where it has been able to obtain the facilities and the staff required, as the hon. member well knows.

MR. OLIVER: How many day nurseries are there under the Department?

MR. VIVIAN: There are 27 day nurseries and 39 day care centres.

MR. OLIVER: Were any closed this year?

MR. VIVIAN: I will get those figures for my hon. friend in a minute.

Item agreed to.

THE CHAIRMAN: Vote 172--Youth and Child Welfare Branch.

MR. OLIVER: Would the Minister say a word on this vote?

MR. VIVIAN: I thought the hon. member would be interested in this one. The Youth and Child Welfare Branch is a new departure. The object has been to set up a skeleton branch such as is provided for here which would have direct administration over items of youth and child welfare at present under the administration of the department. They have been undertaking certain fact finding, so that we would



be in a position to co-ordinate under this heading the present activities for children and young people. The administration includes the institutional program; I have particular reference to orphanages; also the returning to their home-land of those children who have been wards of the Children's Aid Society or in the care of private citizens in this country. It will also direct the program of day nurseries and day care centres. The youth division has done an extremely good job in re-arranging the work which will have to be undertaken to bring all these problems of youth and child care under one head.

Item agreed to.

THE CHAIRMAN: Vote 173,--Mothers' Allowances Commission.

MR. GRUMMETT: I have the same question to ask with respect to this item as I asked with respect to No.170. The reduction in Vote 173 this year as compared with last year amounts to \$416,000. Surely the Minister will not say that that saving represents good management when it is a saving in the amounts paid to the recipients of the mothers' allowances.

MR. VIVIAN: The total amount is less because there has been less need to pay the mothers' allowance, but as to the amount of the actual allowance itself, there has been an increase of ten dollars in the allowance left discretionary with the Mothers' Allowances Commission to supplement the allowances already granted. There has been no reduction in that respect.

MR. OLIVER: In how many cases has the extra ten dollars been received.

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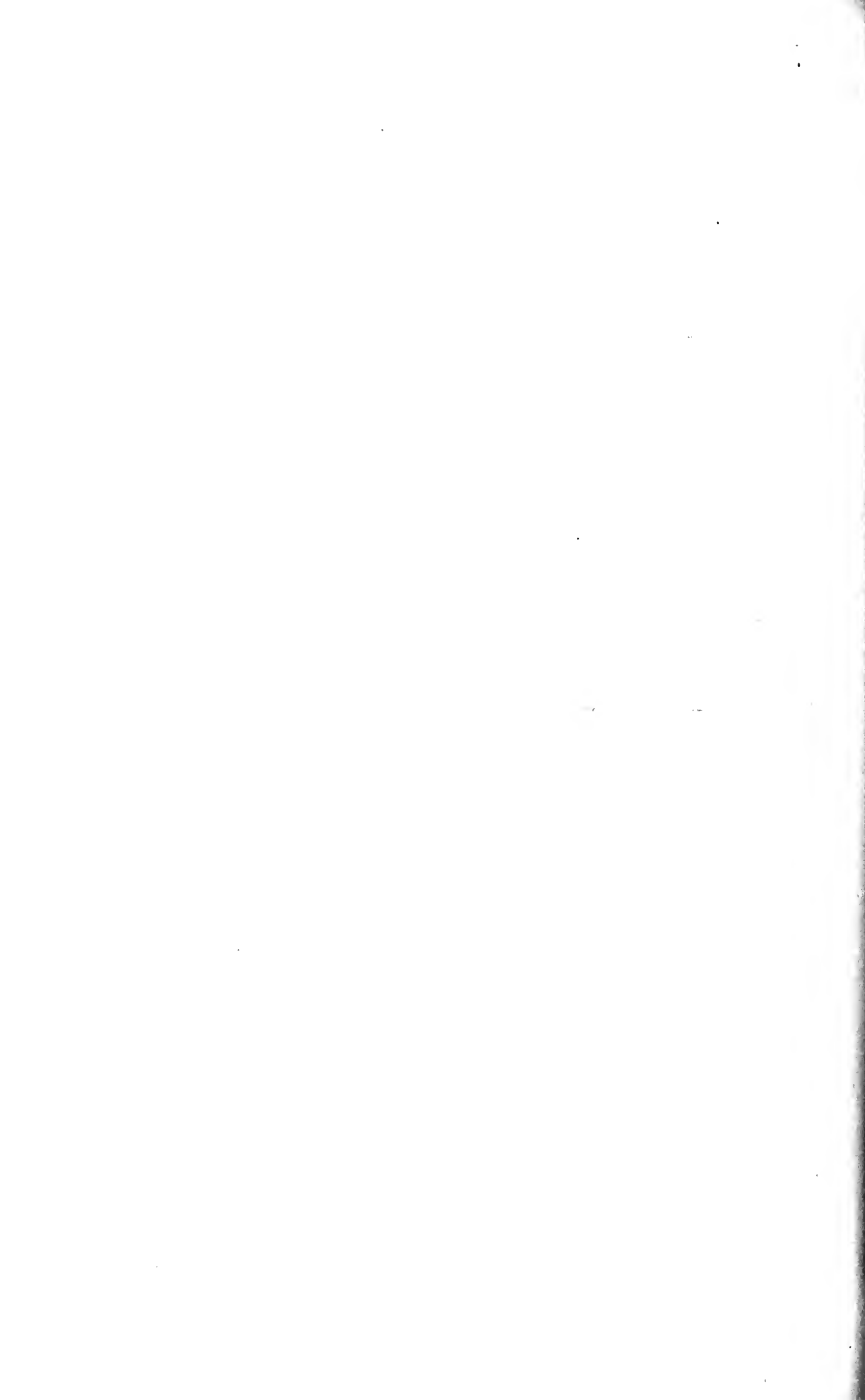
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MR. VIVIAN: I shall have to get that information for my hon. friend.

MR. ANDERSON: There is one point I would make. There has been another ten dollars a month available in certain cases, but it seems to me that the amount allowed per child is entirely too low, particularly when you consider the amount paid in the case of a child on relief. If I am not mistaken, the amount for each child whose mother is receiving the mothers' allowance, is the same, regardless of the age of the child, but it certainly costs more for a child of twelve years than for a younger child, and six dollars a month plus sixty-five cents for clothing for a child of twelve seems to me a very small amount. I hope that this large saving is not due to that type of allowance. Here we have one of the contradictions of which we see so many in these days. We have the movement to try to prevent juvenile delinquency, try to prevent children becoming inmates of T.B. sanatoria, for instance, and yet we pay an allowance that is not high enough in view of the present cost of living to properly nourish a child. I shall not enumerate the various items that enter into the cost of living, but I do think we should give an allowance that will allow the children to get a little more to eat, to put it bluntly.



MR. VIVIAN: I think the hon. member (Mr. Anderson) knows what the situation is. I might point out there were in 1939, 12,242 mothers receiving mothers' allowance but in April, 1945, there were between 6,000 and 7,000. That amount was just cut in half, substantial reduction.

Now, as to the amounts that are paid, I think that you do understand that those amounts are supplementary amounts in the family budget to enable the mother to be at home a sufficient length of time to care for the raising of those children from any age up and that those amounts are discretionary within the Mothers' Allowance Commission and I have been assured on many inquiries that the mothers' allowance is satisfactory and that those amounts are sufficient and the checks we have on the situation is satisfactory and if the member has any single case--and I have raised this question before and no one has caught me on it--any single case in which he feels the allowance is not satisfactory, would he be good enough to bring it to my attention.

MR. ANDERSON: I do not like to prolong the discussion. I would like to make two points in the first place--and I am not going to blame your government for this because this happened before you were elected--I do remember a case brought to me in Fort William that I dealt with. I dealt with quite a lot of them, enough to know they existed, where a mother attempted to earn just a little bit of money to supplement the amount she was getting as a mother in mothers' allowance and in this one case--I will just take the time to relate it very briefly. She got a job as char-woman in a bank and was going to earn \$10. a month. She just nicely started when the bank manager changed his mind and decided to discontinue her services and



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in the meantime the Inspector came along and got to know she was working in this bank just a day or two and word went through and it was deducted off her check, and I admit the department restored it in a short while, but it seemed to me there was a case where woman was trying to help herself and got caught.

MR. VIVIAN: That did not happen recently?

MR. ANDERSON: No, not recently, and I am not going to blame the minister for that. The other point is this: In many cases a mother who is receiving mothers' allowance the children are of such a age and sometimes so many of them that she cannot leave them. I sometimes wonder if many of the men folks know just what a problem it is to stay in the house and look after two or more young children at a certain age. It seems to me it is quite a job to just keep track of one that is two or three years old, never mind three or four, but at that small age, particularly if there happens to be one in poor health, or more, it sometimes is physically impossible for the mother to supplement the amount by any earnings.

I am very pleased to hear the minister say that if we have any further cases to send them along. I have some and I will assure him I wont be back in Fort William long before he will hear from me.

MR. J. MEINZINGER (Waterloo-North): I am also very glad, having heard the minister say that he was prepared to take up any deserving cases. I think the hon. minister will appreciate a man having served six years as Mayor of Kitchener, that there are hundreds of problems relating to this particular department. I am not prepared to go into any of them or to criticize but I would like to draw attention of the minister to this one



particular phase of your Regulations. I feel I am absolutely correct on this when I say that according to the Mothers' Allowance Act it is not permissible for a mother who is receiving allowance to have any male boarder. Now, I think that has been an injustice. In many cases they are necessary to that extra income because I can prove it by facts and figures in our municipality and I believe, Mr. Minister, if I was a member of the government in this particular case I would actually encourage these widows to take in a male boarder when Dan Cupid could do the job, you would automatically have it off your roll.

MR. VIVIAN: I was wondering about Dan Cupid. I would like to point out to the hon. member for North Waterloo (Mr. Meinzinger) we are perfectly happy if they take in two male boarders, not one

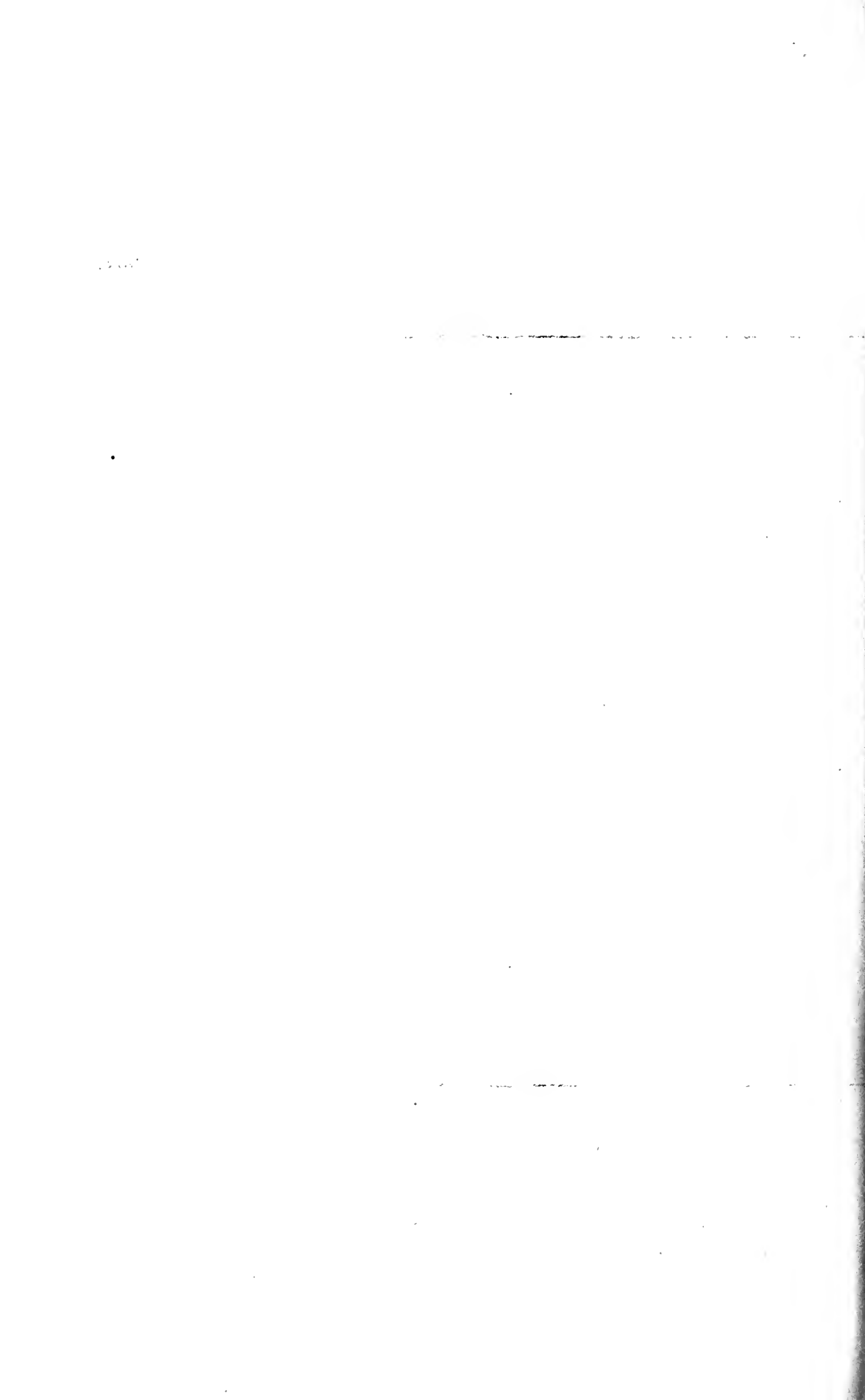
MR. NIXON: Will the payment of the Family Allowance affect in any way the cost of the mothers' allowance to the province?

MR. VIVIAN: I was afraid somebody was going to raise that. The fact is we are unable to find out from Ottawa that any regulations under Family Allowance have been passed, and if they have we cannot obtain them and until we can get the Regulations I do not think I could answer that.

MR. NIXON: But they are receiving the checks now.

MR. VIVIAN: Yes, but there are no Regulations printed of which we know.

HON. GEORGE A DREW (Prime Minister): I think the answer to that is we will know more about it in three weeks' time because, obviously, it is one of the subjects for discussion at Conference. As pointed out



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by the Minister of Public Welfare we have no information other than checks are being paid, and I feel this whole picture will have to be considered. At that time all governments are meeting there.

MR. SALSBERG: I do not quite get the drift of the last few remarks, whether that was an expression of a desire we had an understanding with Ottawa so as to be permitted to deduct from the mothers' allowance payments the equivalent of the Family Allowance payment or was it a hope that Ottawa will so decide that no deductions will take place. I do not quite get it.

MR. VIVIAN: Are you asking a question?

MR. SALSBERG: I am stating--you should not be so jumpy. You are particularly jumpy--the jumpiest person of the treasury benches. Take it easy. I want to understand what the Prime Minister was driving at, whether he wanted to see Regulations from Ottawa that will make it impossible to deduct the Family allowance payment from the Mothers' Allowance because I personally hope that Ottawa will so regulate that no deduction will be permitted from Mothers' Allowance because with all due respect to what the Hon. Minister of Public Welfare (Mr. Vivian) has stated and he is a very brave man, challenging everybody, giving orders to bring to him cases where there is not sufficient income from Family Allowance. I want to say here in my opinion as one humble member of the legislature, the basic payment of Family Allowances are insufficient--insufficient, the basic payment. There is no need going around selecting special cases, the basic allowances are insufficient for a mother to sustain her children on a decent level. That



is so wide spread, so generally acknowledged, there is no need of challenging for special specimens. Any family that is living on the allowances will prove the correctness of my contention-the basic allowance is insufficient.

(page follows)



THE CHAIRMAN: Vote 173; Items 1 to 5, inclusive.

(Carried)

Vote 174; Items 1, 2 and 3. (Carried)

On Item No. 4.

MR. WEINZINGER: Mr. Chairman, I would like to point out something to the hon. Minister of Welfare (Dr. Vivian). I might say that while I feel that the Old-Age Pension Allowance is also inadequate, nevertheless, that is entirely in your hands, or in the hands of your Government.

HON. R. P. VIVIAN (Minister of Public Welfare): I beg your pardon? Would you say that again?

MR. WEINZINGER: A portion of it? That is correct. I would like to point out to you, Mr. Minister, some unfortunate cases which are not covered in any of your pension plans here.

I had a recent case in the township where a mother, due to the fact that she had a small home, finally found herself in a position where she had to apply for an old-age pension. She only received a part of the allowance, due to the fact that she had this little home.

Then, alongside of that, she had an invalid daughter, who has been an invalid ever since childhood, and the mother was supporting this invalid daughter all these years, and when she had to ask for the old-age pension, she had the problem of taking care of her daughter.

My attention was drawn to that before I was elected as a member of Parliament. I went out to see the case, and took



the case in hand, and helped to solve the problem up to a certain point, according to what the law allows. This poor girl is receiving the handsome sum, if my recollection is correct, of four dollars and twenty-five cents per month, so between the two of them they do not get the full allowance for old-age pensions.

I am pleading with you and your Government to study these particular cases, where people who are maimed sick, through no fault of their own, and are not old enough for the old-age pension, where in many cases they cannot walk down to the Relief Department and ask for a few dollars' relief, - they are just sitting there practically starving, and nothing is being done.

Maybe you have never thought of these particular cases, and I plead with you on the floor of the House to immediately interest yourself in these poor, unfortunate people.

I am sure that you, Mr. Minister, and every hon. member here, will take my remarks very seriously, and I trust will help to solve this problem.

Item No. 4. (Carried)

Items 5 and 6. (Carried)

THE CHAIRMAN: Vote 175. (Carried)

HON. GEORGE A. DREW (Prime Minister): Page 78, Department of the Prime Minister.

THE CHAIRMAN: Vote 147; Items 1 to 7, inclusive.
(Carried)



MR. SALSBERG: Mr. Chairman, this item of \$180,000. I noticed in the Auditor's Report an item of \$224,000 that was approved and used in the opening of the House. Does that cover merely the first stage of the opening, or is this for the current year, or does it cover the amount that was appropriated through the Auditor's Office?

MR. DREW: This is an estimate of expenditures for the coming fiscal year for Ontario House and for the Ontario Services' Club, for the services rendered there.

MR. SALSBERG: Was that amount that is listed in the Provincial Auditor's Statement, which we received, a special warrant, this amount of some \$224,000, if I am correct? I received that at home a few days ago. I was wondering whether that was a temporary arrangement which was covered by this amount, or was used previously, because that is rather a big item to be in the Auditor's Warrant section, \$224,000. I wanted to be clear on that point.

MR. DREW: That was an allocation to this fund. This is an estimate for the coming year for Ontario House and the Ontario Services' Club.

I might explain that the Ontario Services' Club is a club open for members of the Armed Services, not only of this province, but the whole of Canada, and they are serving there, under an arrangement with the service organizations over there, an average of a little over 2,500 meals per day to members of the Armed Forces.

I might say this, as an example of what they have



done there, that on V-E Day there were over 10,000

2. Canadians in uniform in the Canadian Services' Club. The main part of that expense is in connection with that service to the Canadian Armed Forces.

The other figure about which you were speaking is an appropriation. This is actual expenditure covering Ontario House, which is the business building, and Ontario Services' Club, which is for the Armed Forces.

THE CHAIRMAN: Vote 128.

Items 1 and 2. (Carried)

HON. GEORGE A. DREW (Prime Minister): I do not want to labour the point, but for the information of the hon. members, as this is a service to the members of the Armed Forces, I might say that there have been in the past ten months nearly three quarters of a million young men and women in uniform in the Ontario Services' Club, and the facilities there are regarded there, by these young men and women in uniform, as the very highest advantage for giving them a place in London where they can meet and make arrangements which they wish to make while in London.

THE CHAIRMAN: Vote 149.

Items 1, 2 and 3. (Carried)

HON. GEORGE A. DREW (Prime Minister): Mr. Chairman, I move the Committee rise and report certain resolutions.

MR. MacLEOD: Would the hon. Prime Minister (Mr. Drew) permit a question before his motion is put?

There was a brief report some time ago regarding the



appointment of Col. Blackstone, who is referred to as your "Deputy". I wondered if the Press had the title right, - whether it was accurately representing his title, or do we now have a Deputy Prime Minister?

MR. DREW: No, the Press had an accurate reference, which was "Deputy to the Prime Minister."

I might say that was a position which had existed for many years, and I am not questioning the decision one way or the other, but at the time that the Government which preceded us took office, they discontinued that, and I have simply revived a position which existed some time before.

MR. MACLEOD: I forget which of the Toronto newspapers listed it as "Deputy Prime Minister".

MR. DREW: I want to reassure the hon. member for Bellwoods (Mr. MacLeod) that it is "Deputy to the Prime Minister."

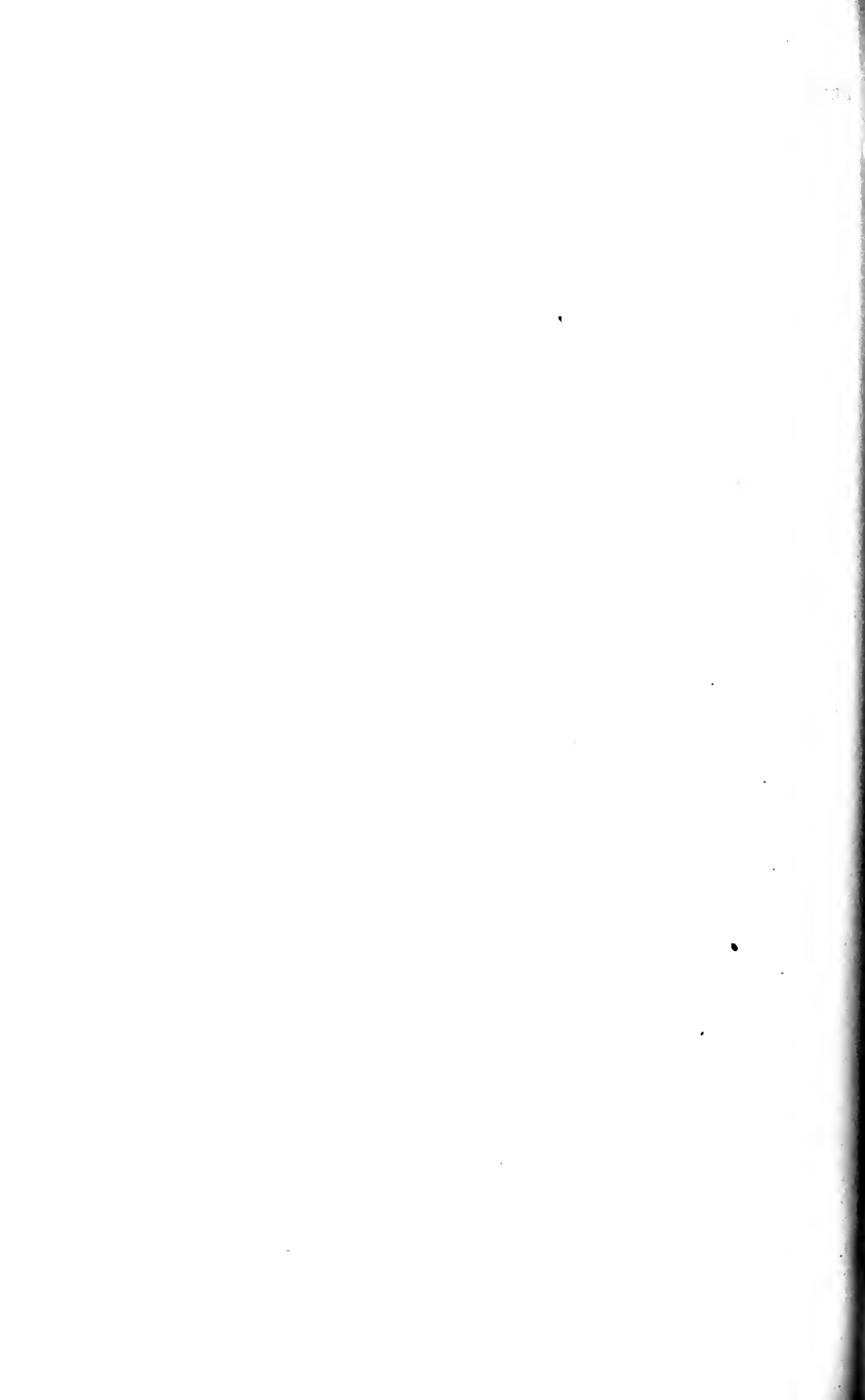
Motion agreed to.

Mr. Speaker in the Chair.

MR. REYNOLDS: Mr. Speaker, the Committee of the Whole House reports certain resolutions, and moves the adoption of the report.

Motion agreed to.

(Page No. 350 follows.)



SUPPLY - CONCURRENCE

The resolutions from the Committee of Supply were reported and concurred in.

HON. LESLIE M. FROST (Provincial Treasurer): Mr. Speaker, I move that you do now leave the chair and that the House resolve itself into Committee of Ways and Means.

Motion agreed to; The House went into Committee of Ways and Means, Mr. Reynolds in the chair.

MR. FROST: Mr. Chairman, I beg to move:

That there be granted out of the Consolidated Revenue Fund a sum not exceeding \$81,317,475.30 to meet the supply to that extent granted to His Majesty.

Motion agreed to.

Resolution reported.

MR. FROST: Mr. Speaker, I beg to move for leave to introduce a bill entitled An Act for Granting to His Majesty Certain Sums of Money for the Public Service of the financial year ending 31st March, 1945, and for the Public Service of the financial year ending 31st March, 1946, and that the same be now read a first time.

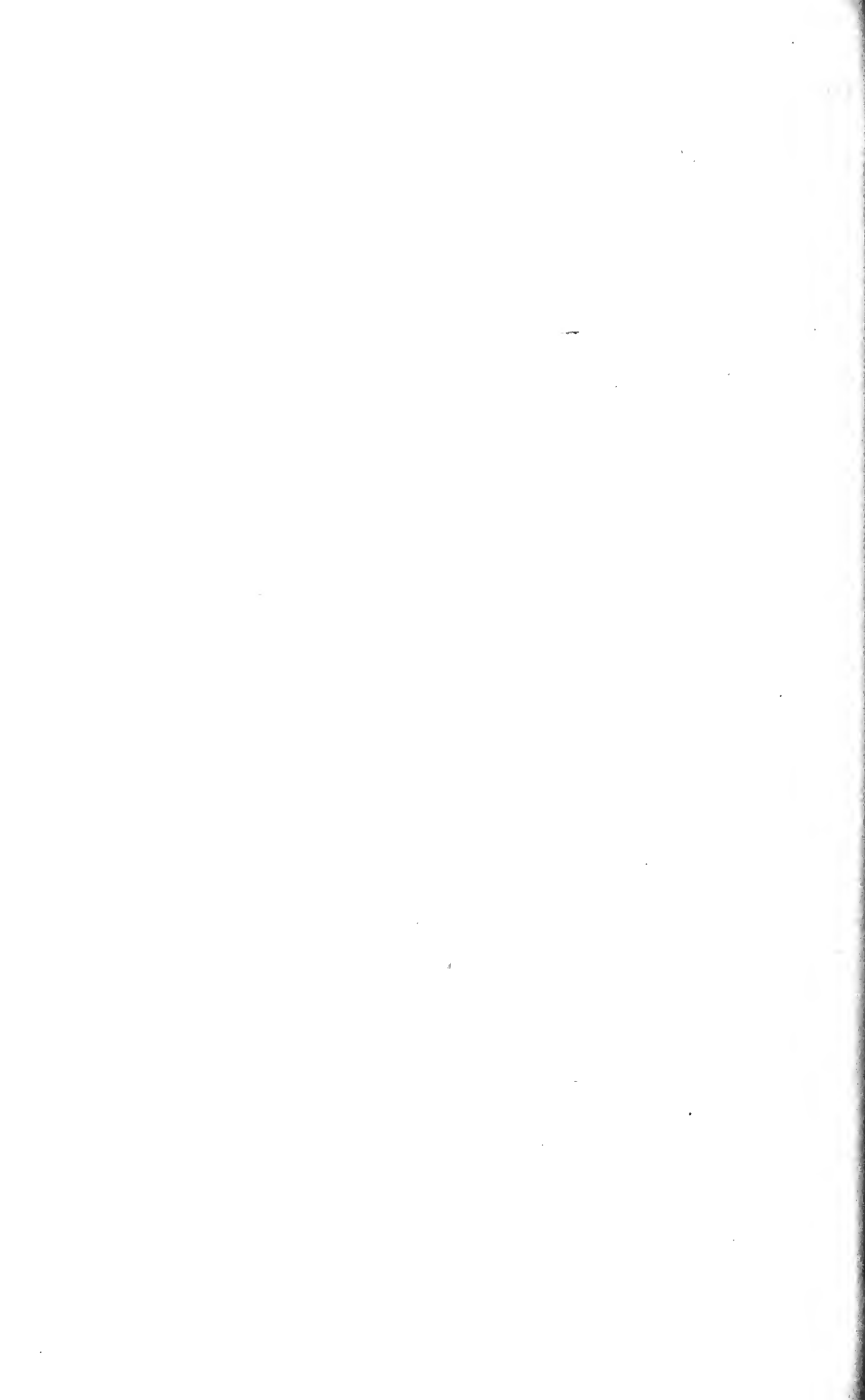
Motion agreed to; Bill read the first time.

On the motion of Mr. Frost, the bill was then read the second and third time.

MR. DREW: Mr. Speaker, I now move that the House adjourn.

MR. ANDERSON: May I ask whether the Prime Minister thinks we shall be through by Friday night?

MR. DREW: There is a motion on the order paper which will be dealt with to-morrow as well as any third readings



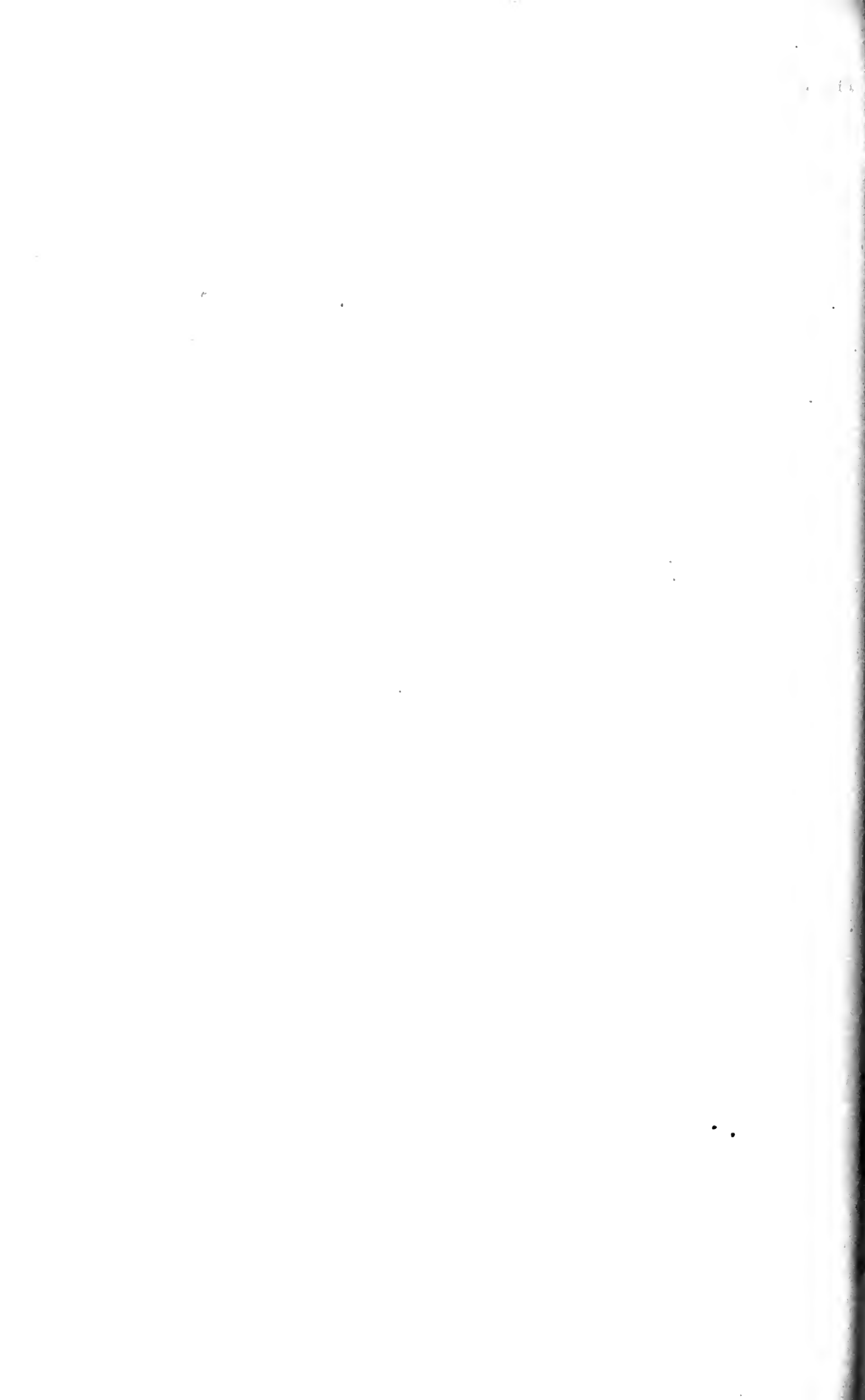
and we should be able to dispose of them to-morrow. It is my hope that I shall be able to inform the House to-morrow-- I could not do so until we saw what disposition had been made of the business of the House--that we shall be able to prorogue on Friday, and I would hope to arrange with the Lieutenant-Governor for prorogation to take place early enough to enable members to reach their homes by train or car on Friday evening.

MR. BELANGER: Is it the intention to have prorogation or adjournment to a later date?

MR. DREW: It is the intention to have prorogation for the very definite reason that some legal difficulties might arise, as the hon. member will recall did occur after the last session, unless prorogation takes place.

Motion agreed to; The House adjourned at 11.20 p.m.

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THE LEGISLATIVE ASSEMBLY

FOURTH DAY

SPEAKER: Honourable William J. Stewart, C.B.E.,

Toronto, Ontario,
Thursday, July 19, 1945.

AFTERNOON SESSION

The House met at 3 o'clock.

Prayers.

MR. SPEAKER: Presenting petitions.

Reading and receiving petitions.

Presenting reports by Committees.

Motions.

HON. GEORGE A. DREW (Prime Minister): Mr. Speaker, moved by myself, seconded by Mr. Blackwell, that with respect to the Second Session of the Twenty-first Legislature the full sessional indemnities be paid to those members of the Assembly whose services with the military, naval and air forces of Canada prevented their attendance, and also to those members absent on account of illness or other unavoidable cause.

Motion agreed to.



HON. GEORGE A. DREW (Prime Minister): Mr. Speaker, moved by myself, seconded by Mr. Blackwell, that the full amount of the sessional indemnities payable to members for the attendance at the present Session of the Legislative Assembly be paid to those members who are absent on account of illness or other unavoidable cause.

Motion agreed to.

MR. SPEAKER: Introduction of Bills.

HON. GEORGE H. DUNBAR (Provincial Secretary): Mr. Speaker, I beg leave to present the following:

- (1) Report of the Department of Education for the year 1944.
- (2) Report of the Department of Health for the year 1944.
- (3) The report of the Hospital Division, Department of Health, for the year 1944.
- (4) Report of the Hospital and Sanatoria for the year ending December 31, 1944, and
- (5) Report of the Department of Mines for the year 1944.

MR. SPEAKER: Orders of the day.

HON. GEORGE A. DREW (Prime Minister): Order No. 1, third reading.

THE CLERK OF THE HOUSE: First Order, third reading of Bill No. 1, "The School Law Amendment Act, 1945," Mr. Drew.

HON. GEORGE A. DREW (Prime Minister): Mr. Speaker, I



move third reading of Bill No. 1, "The School Law Amendment Act, 1945."

Motion agreed to.

THE CLERK OF THE HOUSE: Third reading of the Bill.

MR. SPEAKER: Resolved that the Bill do now pass and be intituled as in the motion.

THE CLERK OF THE HOUSE: Second Order; third reading of Bill No. 2, "The Mining Tax Amendment Act." Mr. Frost.

HON. LESLIE M. FROST (Minister of Mines): Mr. Speaker, I beg to move third reading of Bill No. 2.

Motion agreed to.

THE CLERK OF THE HOUSE: Third reading of the Bill.

MR. SPEAKER: Resolved that the Bill do now pass and be intituled as in the motion.

THE CLERK OF THE HOUSE: Order No. 3; third reading of Bill No. 3, "An Act for raising money on the credit of the Consolidated Revenue Fund." Mr. Frost.

HON. LESLIE M. FROST (Provincial Treasurer): Mr. Speaker, I beg to move third reading of Bill No. 3.

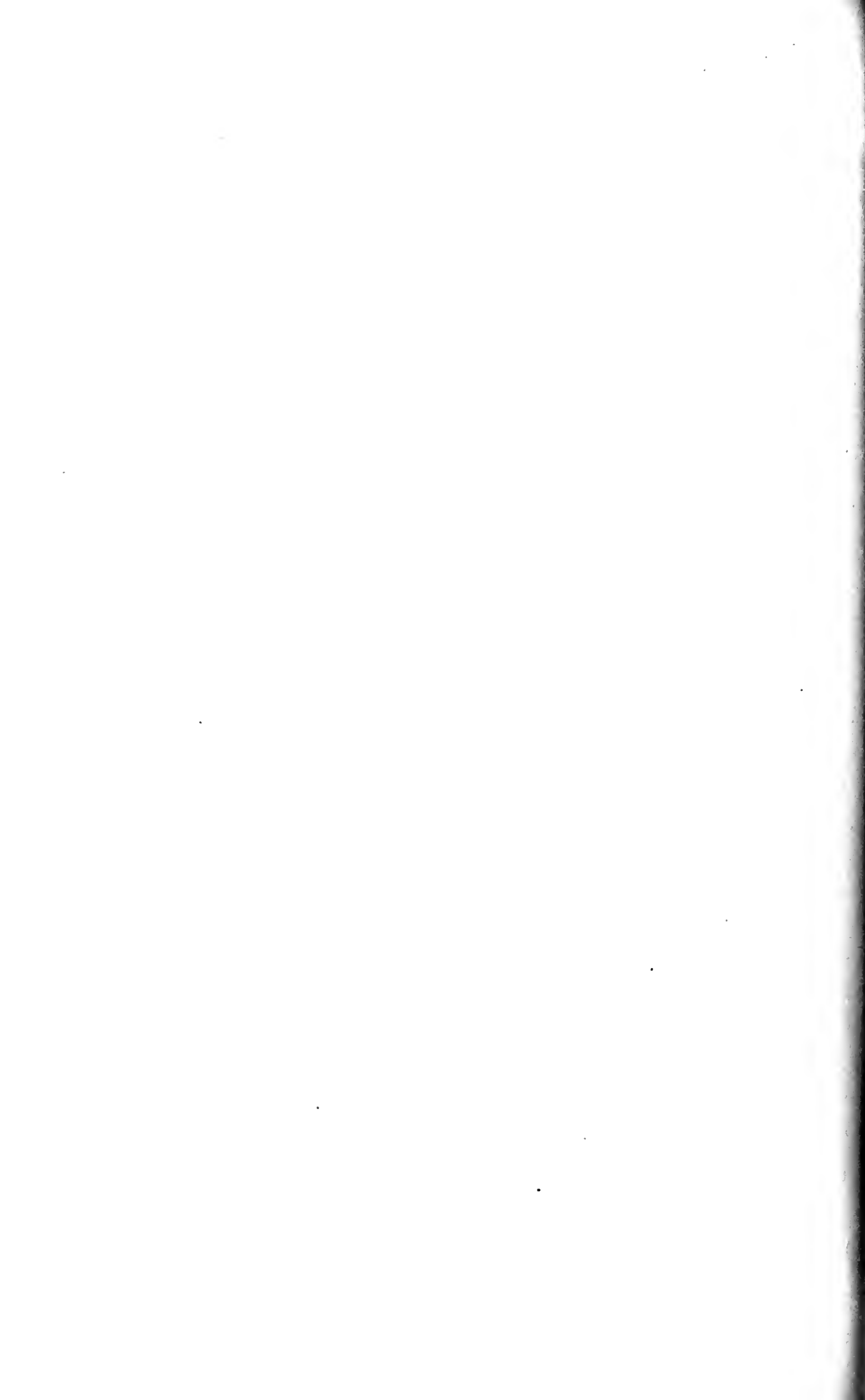
Motion agreed to.

THE CLERK OF THE HOUSE: Third reading of the Bill.

MR. SPEAKER: Resolved that the Bill do now pass, and be intituled as in the motion.

THE CLERK OF THE HOUSE: Fourth Order; third reading of Bill No. 4, "The Cheese and Hog Subsidy Act," Mr. Kennedy.

HON. THOMAS L. KENNEDY (Minister of Agriculture): Mr. Speaker, I beg to move third reading of the Bill.



Motion agreed to.

THE CLERK OF THE HOUSE. Third reading of the Bill.

MR. SPEAKER: Resolved that the Bill do now pass and be intituled as in the motion.

THE CLERK OF THE HOUSE: Fifth Order; third reading of Bill No. 5, "The Sugar Beet Subsidy Act, 1945." Mr. Kennedy.

HON. THOMAS L. KENNEDY (Minister of Agriculture): Mr. Speaker, I beg to move third reading of Bill No. 5.

Motion agreed to.

THE CLERK OF THE HOUSE: Third reading of the Bill.

MR. SPEAKER: Resolved that the Bill do now pass and be intituled as in the motion.

THE CLERK OF THE HOUSE: Sixth Order; third reading of Bill No. 6, "An Act to provide for an annual grant to the University of Toronto School of Nursing." Mr. Vivian.

HON. R. P. VIVIAN (Minister of Health): Mr. Speaker, I beg to move third reading of Bill No. 6.

Motion agreed to.

THE CLERK OF THE HOUSE: Third reading of the Bill.

MR. SPEAKER: Resolved that the Bill do now pass and be intituled as in the motion.

THE CLERK OF THE HOUSE: Seventh Order; third reading of Bill No. 7, "An Act to amend the Companies Act." Mr. Dunbar.

HON. GEORGE H. DUNBAR (Provincial Secretary): Mr. Speaker, I beg to move third reading of Bill No. 7.



Motion agreed to.

THE CLERK OF THE HOUSE: Third reading of the Bill.

MR. SPEAKER: Resolved that the Bill do now pass and be intituled as in the motion.

THE CLERK OF THE HOUSE: Eighth Order; third reading of Bill No. 8, "The Mortgagors' and Purchasers' Relief Act, 1945." Mr. Blackwell.

2. HON. LESLIE E. BLACKWELL (Attorney General): Mr. Speaker, I beg to move third reading of Bill No. 8.

Motion agreed to.

THE CLERK OF THE HOUSE: Third reading of the Bill.

MR. SPEAKER: Resolved that the Bill do now pass and be intituled as in the motion.

THE CLERK OF THE HOUSE: Ninth Order; third reading of Bill No. 9, "An Act to amend the Statutes Act." Mr. Blackwell.

HON. LESLIE E. BLACKWELL (Attorney General): Mr. Speaker, I beg to move third reading of Bill No. 9.

Motion agreed to.

THE CLERK OF THE HOUSE: Third reading of the Bill.

MR. SPEAKER: Resolved that the Bill do now pass and be intituled as in the motion.

THE CLERK OF THE HOUSE: Tenth Order; third reading of Bill No. 10, "An Act to amend the insurance Act." Mr. Blackwell.

HON. LESLIE E. BLACKWELL (Attorney General): Mr. Speaker, I move third reading of Bill No. 10.

Motion agreed to.

THE CLERK OF THE HOUSE: Third reading of the Bill.

MR. SPEAKER: Resolved that the Bill do now pass and be intituled as in the motion.

THE CLERK OF THE HOUSE: Eleventh Order; third reading of Bill No. 11, "An Act to amend the Loan and Trust Corporations Act," Mr. Blackwell.

HON. LESLIE E. BLACKWELL (Attorney General): Mr. Speaker, I move third reading of Bill No. 11.

Motion agreed to.

THE CLERK OF THE HOUSE: Third reading of the Bill.

MR. SPEAKER: Resolved that the Bill do now pass and be intituled as in the motion.

THE CLERK OF THE HOUSE: Twelfth Order; third reading of Bill No. 12, "An Act respecting the erection of houses and housing accommodation for veterans and their dependents." Mr. Dunbar.

HON. GEORGE H. DUNBAR (Minister of Municipal Affairs):

MR. SPEAKER: I move third reading of Bill No. 12.

Motion agreed to.

THE CLERK OF THE HOUSE: Third reading of the Bill.

MR. SPEAKER: Resolved that the Bill do now pass and be intituled as in the motion.

HON. GEORGE A. DREW (Prime Minister): Mr. Speaker, I now wish to call a motion standing in the name of the Government.

THE CLERK OF THE HOUSE: Government notice of motion



No. 6, by Mr. Drew:

"Resolution — That a select committee of the Legislature be appointed to enquire into and review all labour relations legislation of the Parliament of Canada and of the Legislature of the respective Provinces of Canada and of other jurisdictions and all labour relations legislation of this Legislature with a view to the improvement of labour relations legislation which is in force in this province, and to consider the means which might most advantageously be taken to provide labour relations legislation on a national scale at the conclusion of the present war and to report thereon, the said committee to consist of twelve members to be composed as follows: eight to be named by the Minister of Labour and four by the Leader of the Opposition.

"That the said Select Committee shall have authority to sit during the recess of the House and shall have full power and authority to call for persons, papers and things and to examine witnesses under oath and that the Assembly command and compel the attendance before the said Select Committee of such persons and the production of such papers and things as the committee may deem necessary for any of its proceedings and deliberations for which purpose the Honourable the Speaker may issue his warrants."

HON. GEORGE A. DREW (Prime Minister): Mr. Speaker, I might explain to the hon. members of the Legislature, first of all, the general effect of this motion, and, secondly, one special feature of it which does require explanation.

This motion is precisely the same motion, in exactly the same words, as was adopted by the Twenty-first Legislature, except that the earlier motion named the members of the committee by name. That committee, as the hon. members who were sitting in that Legislature will recall, consisted of twelve, under precisely the same powers, and is, otherwise, exactly the same in every detail. That committee was under the chairmanship of the hon. Minister of Labour



(Mr. Daley), and ^{had} held a preliminary meeting, when the life of that Legislature was terminated. The Legislature itself having come to an end, the committee came to an end with it.

The reason why the names are not inserted in this motion ~~is~~ a reason which did not exist at the time that the earlier motion was made. At that time we had been asking for a Dominion-Provincial Conference, and the Dominion-Provincial Conference had not been announced. Now we are to meet in a Dominion-Provincial Conference two weeks from Monday.

The purpose of this motion is to review the whole field of labour legislation in the light of the experience, not only in this province, but in other jurisdictions, and to report back to this Legislature, so that we may have the advantage of opinions outside the Legislature, from all those wishing to express their opinions.

It will be recalled, particularly by those hon. members who sat in the Twenty-first Legislature, that this Government, — and, in fact, the party from which the Government has been formed, — not only after it took power, but before that, had expressed its desire that there be uniform labour legislation throughout the whole of Canada.

As it happened, on the very day we were called to take office in August of 1943, the report of a Royal Commission appointed by the Dominion Government, which had been



sitting for some time, was conveyed to the Government of Canada, and we were informed that it was the intention of the Dominion Government to introduce a national labour code, based upon its own analysis of those recommendations in that Royal Commission's Report.

We, therefore, had no choice, as was explained, but to accept that code to be passed under the War Measures Act, which, of course, has over-riding powers throughout the whole of Canada.

3. When the draft of the code was prepared, — a draft, I might say, which was immediately given approval by the heads of the two largest labour organizations in this country, — a conference was then held in Ottawa, attended by the hon. Minister of Labour and the hon. Attorney General, and at that time, on behalf of the Government of Ontario, the request was made that the code to be introduced should apply not only to war industry, but should apply to all industry, and it was pointed out that this would be a desirable beginning for uniform labour legislation throughout the whole of Canada.

The position, of course, was that in any event the code was going to apply to war industries. It was pointed out, on behalf of this Government, that the dividing line between war industries and what might not be defined as "war industries" would very often be difficult to determine, and sometimes two plants making practically the same thing would be side by side, working under different regulations

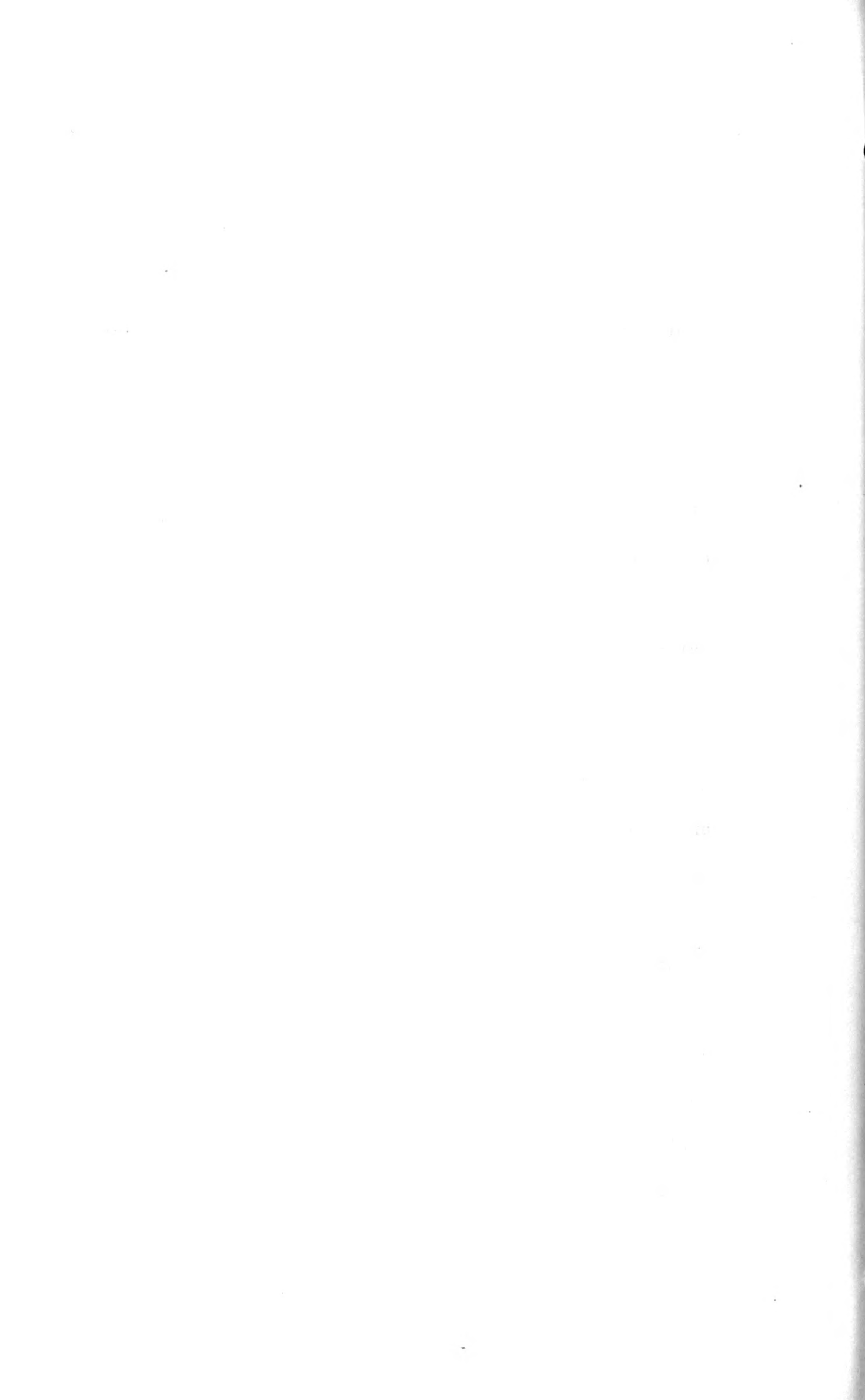
or laws, unless they applied to all industry. Although that position was supported by most of the provinces, — in fact, I believe, all but one, — the code passed by the Dominion Government applied to war industry, alone. That, however, constituted a very large percentage of all industry, and, of course, often the boundaries that it covered varied from time to time.

It was then announced by this Government that by statutory enactment the code would be made applicable to all industry, and, consequently, in the regular Session of 1944, a statute was introduced, applying the Dominion War Labour Code to all industry in the province.

Now, in view of some of the comments which have been made from time to time, I think I should point out that at no time had this or any other provincial government any power to vary the terms of the Dominion War Labour Code, insofar as they applied to any industry that could be described within the definition in that code as "War Industry."

Our opinion was that it would cause a state of very extended confusion and probably injustice if there were two different codes or two different sets of regulations applying to the groups of industries described as "War Industry," and as "Non-war Industry."

I have no doubt that many of you have, on different occasions, seen requests reported that we should take steps to assure some code that would continue after the



termination of the war. The Act that we passed in the regular Session of 1944 does achieve that result, and I think that should be clearly understood.

Under the statute which we passed in this Legislature, and which received the approval of the Legislature as a whole, we not only applied the Dominion War Labour Code to all industry for the duration of the war, but, under that Act, made the War Labour Code the law of the province of Ontario as in existence at the termination of hostilities, until such time as the Legislature again met and dealt with this matter. So that whether hostilities had terminated, or not, in between the Sessions, there would be no termination of the application of the Dominion War Labour Code under the law now in force in this province, and would be no termination of that War Labour Code until we had provided some alternative law by an enactment of this Legislature.

At the time that we accepted that Code, and made it applicable to all industry, we also placed it under the administration of the Ontario Labour Relations Board, a Board of seven men, an impartial Board, which I believe has performed its work extremely well in the interests of Labour and of the people of this province.

As was very clearly pointed out by the hon. Minister of Labour (Mr. Daley), and by the hon. Attorney General (Mr. Blackwell), who was responsible for the actual form of the Act, and by others in this Legislature, there was



no suggestion that the Code, as it stood, met with our wishes and our desires, in so far as labour legislation was concerned, but it was the wartime law, and we then desired to proceed to administer that law on the fairest possible basis in relation to all industry, and then on the basis of the accumulated experience resulting from that, and to introduce here the very best legislation we could, for the years after the war, and it was out of that intention, and out of that desire, that this committee was set up, and that we now propose to set up a similar committee, but subject to one reservation, but not a reservation that in any way applies to any change in our intentions or our desire.

When we meet in Ottawa a week from Monday, it is our hope that we may be able to achieve what we did not achieve a year and a half ago. We believe that it is in the interests of Labour and of the people of Canada that there should be uniform labour laws throughout the whole of Canada; we believe that anything else creates difficulties, even as between provinces, in dealing with labour problems, which should not exist, and we will, at that conference, urge the acceptance of the principle that there should be one labour law for the whole of Canada, and if that principle is accepted, then it would naturally follow from that that one of the committees immediately to be set up would be a committee with similar powers to this, but with representatives of all the governments of Canada, including



the Dominion and all the nine Provincial Governments.

If that result is achieved, then this separate committee becomes unnecessary, because out of that committee's reports would come a uniform Act, which we then, as a Legislature, could approve for the whole of Canada.

It is for that reason that I did not, in this resolution, set out the names of the members of the committee, because it is our hope that we may obtain acceptance of the principle of uniform legislation governing labour relations, in which case it would be unnecessary for this committee to be set up or function, at all, because its duty would be performed by the larger committee, representative of the whole of Canada, upon which, of course, we would have representation, and I might say that we would certainly not accord representation alone from the Government side.

If, on the other hand, we do not achieve that result, — and I hope we do achieve it, — then this committee would be called upon to perform its duty and be set up.

Now, the motion calls for the appointment of eight members by the hon. Minister of Labour (Mr. Daley) and four by the Leader of the Opposition (Mr. Oliver). Now, it is not the intention of the Government that all four be of one Party, but the hon. Leader of the Opposition (Mr. Oliver) occupies an official position in relation to all members of the Opposition, whether of his own Party, or not, and it was the intention that those four should be members from the Opposition Group, and I have no doubt



that by consultation at that time we can satisfactorily arrange those details, but at the moment it would be impossible to determine this or any other basis that I can see until we are actually faced with the necessity of bringing the committee into existence.

I repeat that it is our declared desire to have one national Labour Act, following the Dominion War Labour Code. It is the desire of the Government that this be done, and we believe that out of the experience of the war years we can, in Canada, have extremely satisfactory labour legislation upon a basis which will develop a better understanding, not only between Labour and Management in Ontario, but between Labour and Management throughout the various provinces, and we will press our position in regard to that when we meet.

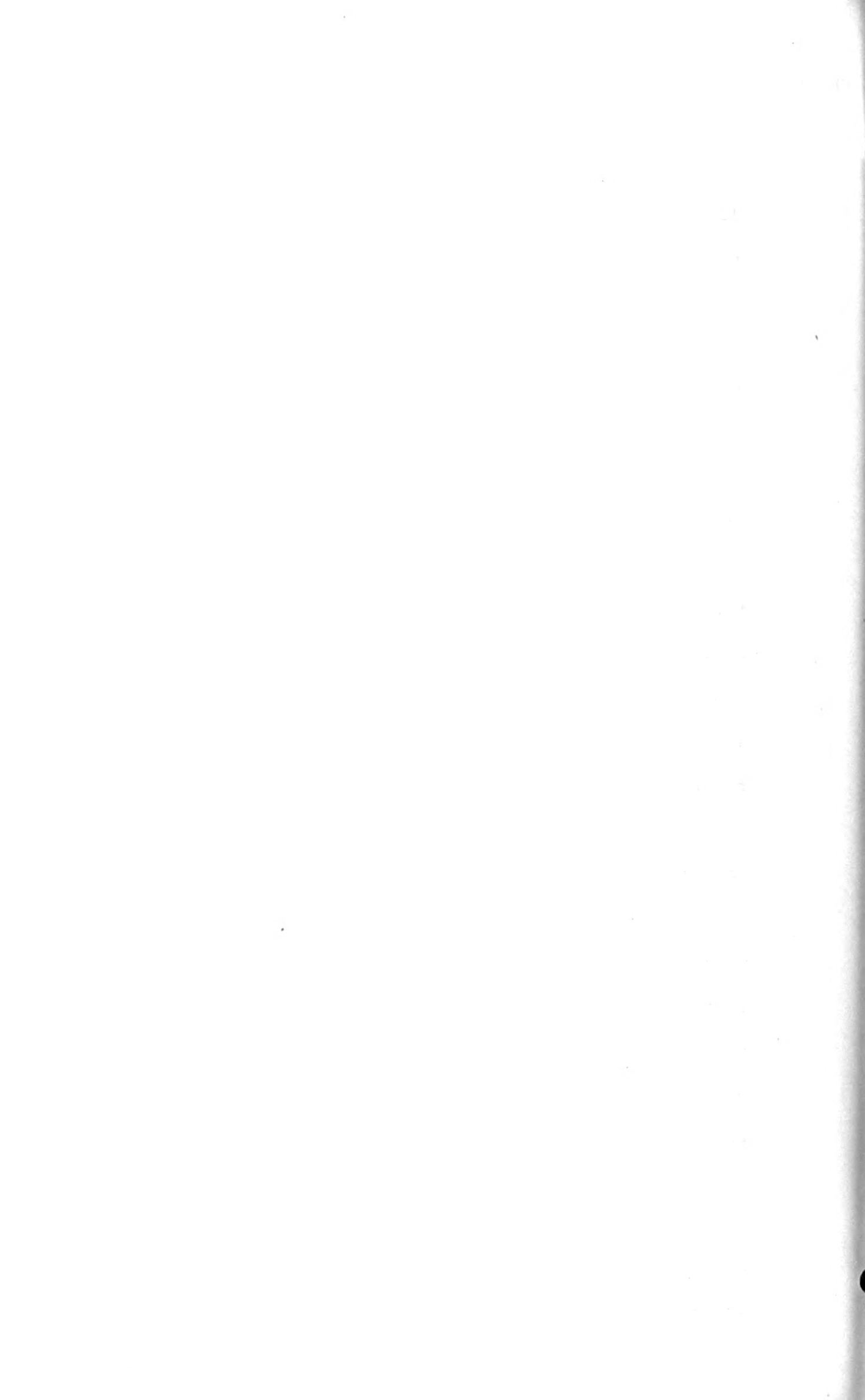
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We shall need something of this nature in the event that we do not achieve that result. That is the reason I am moving this motion now, as we are proroguing to-morrow.

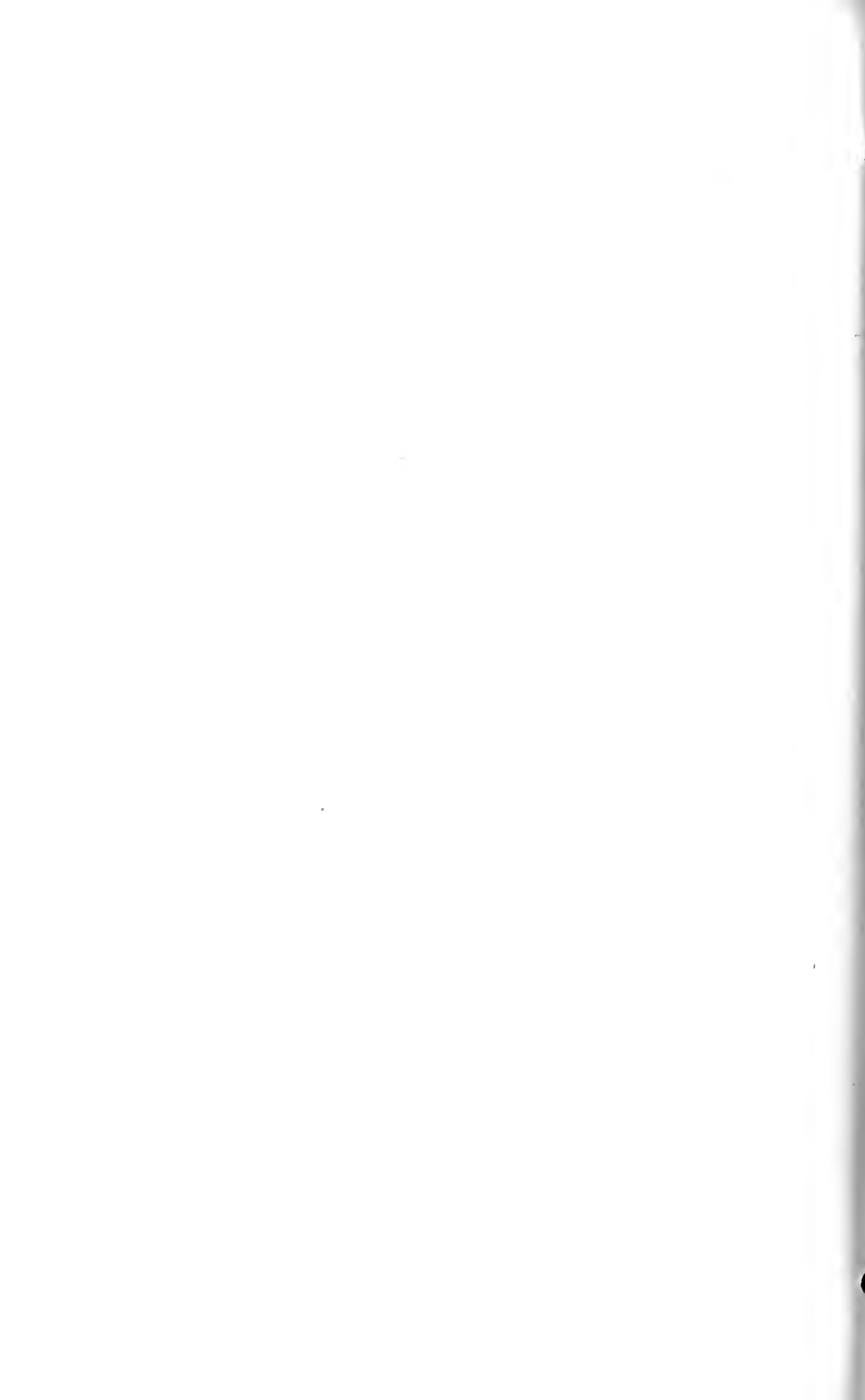
MR. A. A. MacLEOD: (Bellwoods): Mr. Speaker, I want to say at the very outset that I am in complete agreement with the expressed desire of the Prime Minister that the forthcoming conference at Ottawa will achieve the purpose that he has mentioned, namely, the establishment in Canada of a uniform national labour relations Act. I think there was substantial agreement between us in the last Legislature on this point, and I am sure that everything that the Prime Minister and his colleagues attempt to do at the forthcoming Dominion-Provincial conference to achieve that end will have the support of every member of this Legislature, regardless of our differing political opinions.

There is one point, however, that bothers me a bit and that was the reference which the Prime Minister made to the intention of the government with respect to the naming of members to this committee apart from the government benches. I understood him to say that it was his hope that the Leader of the Opposition, in naming the four members referred to would take into account the fact that there were other political groups in the House. But that is a matter, as I understand it, that is left to his discretion. He occupies the position of the Leader of the Opposition by virtue of the fact that he is leader of the second largest group in the Legislature. It seems to me that there is nothing in the



motion itself which in any way binds him to include in the four that he names representatives from the other parties in the House, and I think that that puts the Leader of the Opposition at something of a disadvantage. I do not know what his party has decided on this matter -- perhaps he would enlighten us -- but I would say this, Mr. Speaker, that during the 21st Legislature a number of select committees were set up. We had a committee, for instance, on the lignite business, a committee on the Elections Act and on the Active Service Voters' Act, and finally we had a committee set up of a similar character to the one now being established, which committee did not have the opportunity of undertaking its work. On all those committees the different groups in this House were represented. I do not think the hon. member for St. Patricks (Mr. Roberts) or the Attorney-General (Mr. Blackwell) who were the chairmen respectively of those committees, will deny their representative character, and the fact that all groups were represented on them was of assistance in enabling these committees to reach their conclusions. I think all members of the committees, regardless of their political differences, set those differences aside and merged their efforts with those of other groups in order to achieve the best possible results.

My colleague was named as our representative on the select committee that was appointed at the last session to deal with labour matters shortly before the House dissolved, and I think everybody was perfectly satisfied with that selection.



Speaking for myself, I should very much regret if my colleague, who is a logical person to serve on the committee now proposed, should be deprived of membership on the committee for the simple reason that I do think that most people will agree that he is particularly well informed on this subject and because of his long experience in such matters could make a very useful contribution to the deliberations and finalized results of this committee when it does undertake its work.

Therefore, I would appeal to the Leader of the Opposition and to the Leader of the C.C.F. group to join me in urging upon the government a slightly different arrangement for the composition of the committee which will remove the embarrassments which I think must be felt by the Leader of the Opposition as a result of the way in which the Prime Minister has left the matter. I hope that it will be possible to arrange the composition of the committee in a manner that will be satisfactory to the government and all concerned.

I do not want to put forward any unnecessary motion, but I was going to propose to the Prime Minister that he might consider enlarging the membership of the committee to fifteen, nine to be named by the Minister of Labour (Mr. Daley) and six by the Leader of the Opposition and the other two groups. I do not think that would give us too large a committee. I think that a committee of that size could work just as well as a committee of twelve, and I would very respectfully make this proposal to the Prime Minister and to



the Leader of the Opposition and express the hope that they will be willing to give it their consideration.

MR. W. J. GRUMMETT (Cochrane South): Mr. Speaker, I, too, feel that we have departed from the procedure that we followed in the 21st Legislature, as mentioned by the hon. member for Bellwoods, when the committees of the House were chosen from all parties represented in the House. The committee now proposed by the Prime Minister is a very important one, and I do not think we should depart from the procedure of last session. I believe that it would have been better for the government to have indicated to each group in the House the number that that group was entitled to name on the committee.

It is putting too much of a burden on the Leader of the Opposition to say who shall comprise the membership from this side of the House. I think that the government should have said that the Liberals were entitled to so many members on the committee, the C.C.F. to so many, and the Labour Progressives to so many. But under the wording of the motion as it now stands, the Leader of the Opposition has full authority to appoint four representatives from his own party. He would be perfectly entitled to do that under the wording of the motion, and we could not raise any objection.

For these reasons, Mr. Speaker, I, too, would urge that the government go into this matter a little further with a view to arriving at a more satisfactory arrangement for the representation of the different parties in the House on this committee.

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I also hope that at the forthcoming Dominion-Provincial conference to be held in Ottawa, this question of labour relations will be settled in the manner hoped for and just expressed by the Prime Minister. I agree with all that he said on that point here to-day. I sincerely hope that the time has come when all the provinces and the dominion can get together in establishing one uniform labour code for the whole dominion.

Before sitting down I again would urge the government to give further consideration to the composition of this committee and not leave it solely to the Leader of the Opposition to say who shall be the four members that shall be chosen from the opposition groups in the House. I think it is unfair to place that responsibility on him. I would prefer to see the motion designate the numbers that shall be chosen for the membership of this committee from each party. Perhaps we cannot name them in the motion, as the Premier has stated, but we could designate the number to which each group is entitled.

HON. GEORGE A. DREW (Prime Minister): Mr. Speaker, I had no thought of embarrassing the Leader of the Opposition. I do not want in any way to be facetious about this, but perhaps we can know better a little later on just how close will be the association between the different opposition groups in this House. There were times when there seemed a greater identity of purpose between them than appears at the moment.



As I say, I had no thought of embarrassing the Leader of the Opposition in wording the motion in this way. I simply thought it was the best way of dealing with the matter. Frankly, I am inclined to think that we are going to find it possible to work together in a good deal of harmony in matters of this kind, no matter how strong our differences may appear to be later.

If we find it necessary for this committee to act, I am prepared in view of the observations that have been made by hon. gentlemen opposite, to undertake that no steps shall be taken with respect to the composition of the committee without consulting the hon. members who have spoken in the matter and all concerned and finding a solution that will be satisfactory.

This committee is the same size as the one that was appointed last session. There is some disadvantage in having too large a committee. After all, I am not suggesting that we are going to work together in sweet harmony upon all occasions, but in a matter of common interest such as this, I am sure that we shall have no difficulty in coming to an amicable arrangement, if it should become necessary to make this appointment.

MR. F. R. OLIVER (Leader of the Opposition): Mr. Speaker, I want to say that so far as the Opposition is concerned, we welcome the intention of the government as set out in the resolution moved by the Prime Minister to-day which has as its purpose the setting-up of a committee to study and report upon labour relations in this province and elsewhere.



I am particularly pleased with the wide scope and large authority that has been given to this committee to go outside the bounds of this province, to go into other provinces and even outside the dominion itself in an effort to bring before the committee all the evidence that is required that will have as its effect the establishment in this province of labour legislation of the highest order.

I think we are under no illusions as to the situation that may confront us in the future. I think we all expect some dislocation in industry and in the personnel employed in the days following the war. That is bound to come, but we can fortify ourselves to some extent against those conditions in this province by making sure that our labour legislation is up-to-date and that it embodies the best ideas on labour legislation that we can find anywhere in the world. With that view we in this group are in complete accord.

Further, Mr. Speaker, we would compliment the government upon bringing down precisely the same form of labour committee as was contemplated last session in the last Legislature. The Prime Minister has quite correctly said that the labour committee that was formed at that time had only one meeting, but something happened to disrupt its further proceedings, and that one meeting was all that it had. The motion now before us, using the same wording was contained in the old committee's mandate gives the same authority and the same scope to this committee. We on this side of the House hope that we shall be able to get labour legislation that will have the effect of bringing peace and



harmony into the relations between industry and labour, and we in this group will do all we can to help bring about that very desirable end. We can hope, even if we cannot expect, that after we have passed the necessary legislation we can go into the peace-time era in this province with a greater assurance that there will be more harmony in the relations between labour and industry than now exists.

I do not think any of us would say that we had the most up-to-date labour legislation in the world. It would not be necessary to appoint this committee if that were our conviction. We believe that our labour legislation can be improved, and we are setting out to do it in a very fine, democratic way.

In respect to the composition of the committee, the language of the resolution as read by the Prime Minister and the Clerk of the House is that the committee should consist of twelve members, four of whom shall be appointed by the Leader of the Opposition and eight by the Minister of Labour. Quite frankly I say to the House and particularly to the Prime Minister that I would much rather that the resolution itself designate the numbers to be allotted to each group in the House to serve on this committee.

I cannot feel that in my official capacity I should go shopping around in the other groups for candidates to sit on this particular committee. Naturally it would be my inclination, if the resolution goes through in its present form and I were to have the appointment of four members to the committee, that I should appoint them from the Liberal and the



Liberal-Labour members who sit around me, and I would suggest to the Prime Minister that he can relieve the small amount of tension that has grown up by moving the resolution in its present form if he would amend the resolution and designate the numbers that shall be appointed by each group. I would remind him that the resolution of last year setting up the labour committee definitely designated the numbers that were to be allotted to each of the groups in the House. I refer to Page 476 of the Hansard of last year where the Prime Minister said:

Hon. George A. Drew (Prime Minister): Has the Leader of the Liberal group the names to add to the Committee on Labour Relations, that I mentioned yesterday?

Mr. Mitchell F. Hepburn (Elgin): I shall be very glad to give you that: Mr. F. R. Oliver (Grey South) and Mr. R. Patterson (Grey North).

Mr. Drew: Mr. Speaker, at the time the question was asked in regard to the motion standing on the Order paper in the name of the hon. member for St. Andrew (Mr. Salsberg) I indicated that the Government was anxious to appoint a committee with the widest powers, and suggested naming a committee of five from the Government, four from the Opposition, two from the Liberal, and one from the group from which the original resolution came."

That was the form of the resolution passed last year setting up a committee similar to this one, and I most respectfully suggest to the Prime Minister that he follow the same practice in this instance. These other groups in the House have their leaders and their House organizations. They are groups whose identity has been established and in my judgment they should be consulted as to the members they desire to have



on this committee.

I do not think there need be any impasse on this question of the composition of the committee. I think the Prime Minister will readily appreciate that as it is left now it does cause me some embarrassment because I assure the Prime Minister that I cannot speak for the group to my left nor for the other group that sits away back somewhere up there behind me. But I can and do speak for the Liberal members of the House and for the Liberal-Labour members, and if this resolution goes through in the form in which it now stands, I shall feel that it is my bounden duty to appoint four members from within the ranks of those who follow my leadership in this House.

MR. DREW: I did not appreciate before that the Leader of the Opposition can speak both for the Liberals and the Liberal-Labour members. I would suggest this, in view of the composition of the House, that the membership of the committee from the Opposition groups should be one member from each of the four groups represented to make up a total of four members on the committee from the other side of the House.

MR. OLIVER: That is acceptable to us.

MR. NIXON: And will the Prime Minister amend the wording of the resolution accordingly?

MR. DREW: I will amend it accordingly, if I may be permitted, Mr. Speaker.

MR. SPEAKER: Shall the Prime Minister have the permission of the House to amend his motion accordingly? I take it

that the motion is carried unanimously.

MR. DREW: Then I move, Mr. Speaker, that the words "by the Leader of the Opposition" in the last line of the first paragraph of the resolution be struck out and the following substituted therefor:

"from the Opposition, one to be chosen by each of the four groups represented."

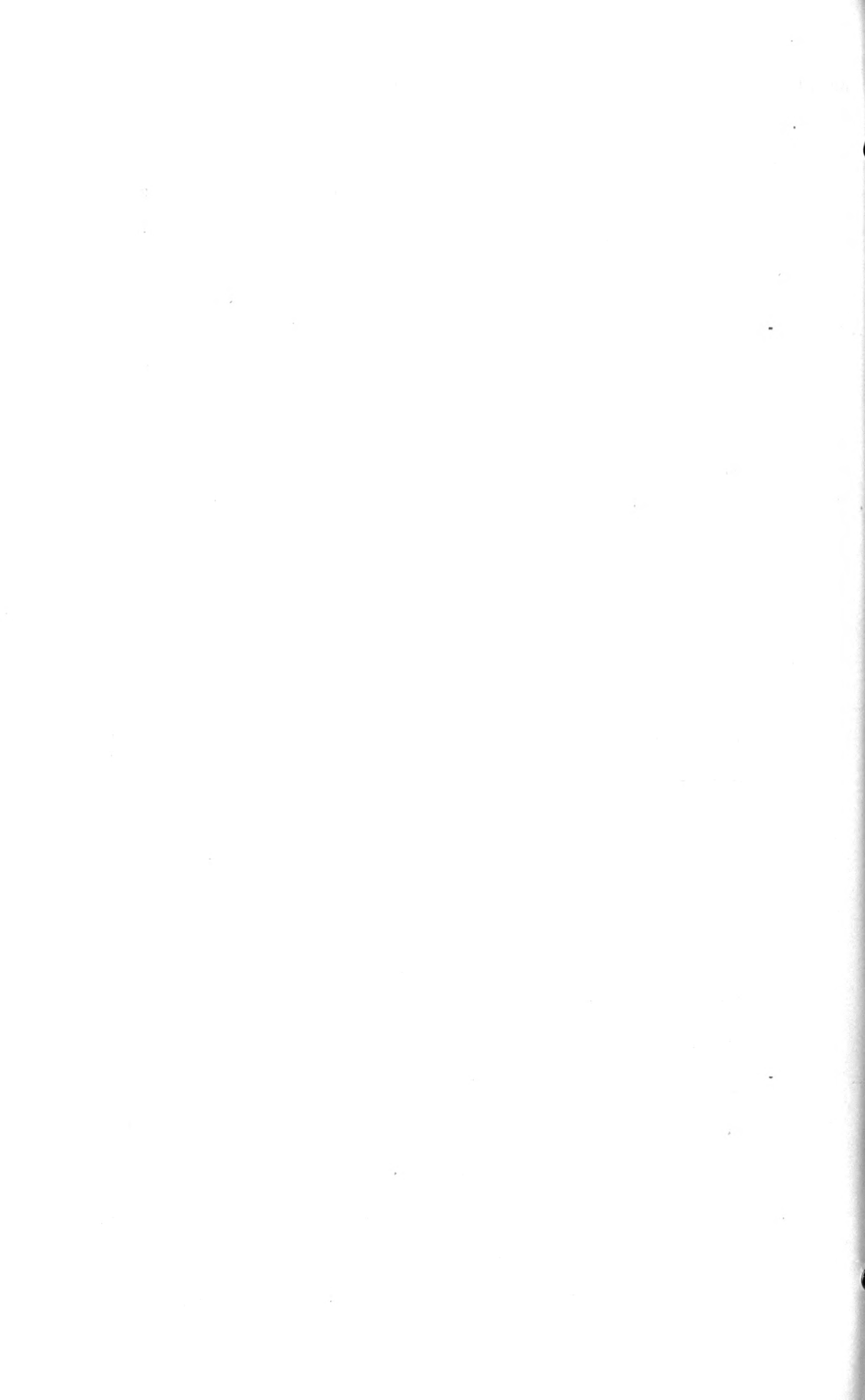
MR. OLIVER: Can you not make it more explicit and say "two from the Liberal group" and so forth.

MR. DREW: I am quite prepared to accept that if it is now to be taken that for all future purposes the Liberal-Labour members are to be taken as Liberals.

Amendment agreed to.

MR. J. P. SALSBERG (St. Andrew): Mr. Speaker, I desire to emphasize for a moment the importance of this subject-matter and of the position we are taking. I am very glad that there is this spirit in the House at the moment, and I hope it will be there on other occasions. I am perhaps more than most members of this House in a position to know the sentiments of organized labour in this province, and I want to say that the need for an improved labour code in the province is one of great urgency, and therefore this committee should not be considered, and I do not believe it is so considered by the Premier, as merely a matter of form.

Industry at the present time is undergoing a process of reconversion from wartime to peacetime production. That creates a whole number of issues of vital importance, and those of us who are desirous of avoiding industrial strife and clashes between employers and employees in this very



critical period, are anxious to see an improved labour code enacted in the province as soon as possible.

I think it is permissible for me to recall, particularly for the benefit of the new members, that the select committee on labour relations of last session grew out of a motion that I placed before the House emphasizing the need of such a committee to prepare an Ontario labour code. To-day I am sure that the Leader of the Government and the Minister of Labour have received communications and correspondence from various labour organizations in the province urging the adoption of a new labour code immediately. I, too, have received many such letters.

MR. DREW: In fact, you probably drafted them.

MR. SALSBERG: No. If I had drafted them, some of them would have been much better.

MR. BLACKWELL: May I ask the hon. member a question?

MR. SALSBERG: Certainly.

MR. BLACKWELL: I just wanted to ask the hon. member whether he is under the misapprehension that someone in this House is opposed to the motion now before it.

MR. SALSBERG: I did not imply that at all. I was just indulging in a refreshing process for the benefit of the new members, and I am sure the hon. Attorney-General understands that well.

I say, Mr. Speaker, that a new labour code is necessary if we are to avoid serious conflicts between labour and management.



May I bring to the attention of the House the following bit of information. In one very large industrial plant in the province, negotiations for a labour contract dragged on for almost two years because of the attitude of the management towards the labour union, and when finally an agreement was signed last week, it was signed under these circumstances. The management refused to meet with the representatives of the union for the purpose of signing a contract establishing the relationships between the management and their employees. That is an unusual situation, but it is indicative of the attitude that certain sections of industry, unfortunately, are taking. That agreement, as I am sure the Minister of Labour knows, was signed first in the office of the company, and then separately in the office of the union, under the direction of a representative of the Federal Department of Labour because the management refused, even at that moment, to meet the duly chosen representatives of their four or five thousand workers and sign an agreement urgently required. That was not done. Difficulties were avoided in that plant, I would say, because of the attitude of the leaders of that union.

In the future there will be many such dangerous developments threaten, and the need of a labour code is therefore very urgent.

I think everyone in the House will echo the Premier's wish that a federal labour code applicable to the whole country be adopted. That is the best way out. But may I suggest that we should be prepared and this province, the



major industrial province in the Dominion, should be prepared, in the first place to use its influence for a federal labour code and at the same time be prepared to supplement or augment and strengthen it with provincial legislation if that should be necessary.

I am inclined to think that even if we should get a new federal labour code, such a code would be a minimum of requisite labour legislation, and provincial action would still be desirable. Members will remember that in the past even in such matters as the old age pension and the mother's allowance, certain provinces were behind the others. This province was ahead of many of the other provinces in introducing social legislation and gave leadership to the rest of the Dominion. May I express the hope that in labour legislation in the future this province will continue to give leadership and set an example in labour legislation to the rest of the country.

I merely rose to emphasize the importance of this matter so that the members of this House when they go home after prorogation to-morrow, will do everything that they personally can in their own constituencies to bring support for a new labour code, and I trust that the government will use the interval between now and the next session of the Legislature and until the Federal Government brings down a new labour code, if that is at all possible, to get the very best possible labour code for Canada and to be prepared also to provide this province with legislation that will meet the



requirements in our province. Those requirements are guaranteed collective bargaining, union security, the outlawing of all forms of company unions, and the recognition of organized labour as an important central social factor in the life of the province and in the solution of all the problems that will face us in the period immediately ahead.

(Page 381 follows)



MR. J. MEINZINGER (Waterloo North): Mr. Speaker, I would like to, in the first place, commend the hon. Prime Minister and his Government in having taken the initiative in bring in a labour code not only for the Province of Ontario, but the Dominion of Canada. I am also very glad that the hon. Leader of the Opposition made a suggestion and that we now have the motion as amended. I would not go so far as to say/^{what} the hon. Prime Minister had in mind, if our leader had agreed to appoint four men, and had he appointed a Labour-Progressive, I do not believe the hon. Prime Minister would have accused the Liberal party with having connived with the Labour-Progressive. That might have been the case, but that has been removed.

THE SPEAKER: You must not impute improper motives of any hon. member in the House, that is contrary to the rules of the House.

MR. MEINZINGER (Waterloo North): I said I do not believe he would do that. I did not make any accusations. I might say I came from the labour ranks some nine years ago, and having been engaged in industry for thirty-two years, I certainly am in sympathy with a move of this kind. I can recall, year after year, men in my municipality, including myself, would go to our employer and ask for an increase and the story, in most cases, was that the neighboring province was not paying any ^{money} more/for making the same product and "we cannot afford to pay any more money". The Government, if we went to the head of the Labour Department, would give us the story, "Unfortunately, there is not a thing we can do." We have had some protection since the war commenced, and I believe it served a good purpose. I want to suggest, - I am not going to attempt to tell the hon. Prime Minister what to do, - but.



I am going to suggest, as a labour man of this House, and as Liberal Labour, I am here to labour for the Liberals, we want fair play and that is all, I would suggest when the hon. Prime Minister and the hon. Minister of Labour (Mr. Daley) make their choice that they do not have a whole committee of doctors and lawyers. I am not discounting the ability of doctors and lawyers, but this is going to be legislation of most and greatest importance to this country, and unless there are men on this committee who will see along the channels of labour, we might have some very serious problem to solve. I believe in democracy and freedom and fair play, and I hope that the men who are appointed to the committee on the other side of the floor will be men that have had some experience among labour. With those few remarks, hon. Premier, I am very glad and I want to commend you and your Government for taking the initiative.

HON. MR. DREW (Prime Minister): Mr. Speaker, I do not want to waste time, but I can assure the hon. member for Waterloo North (Mr. Meinzinger) neither on the last committee nor on this committee will there be all doctors and lawyers. We have men on this side of the House with just as extended experience in labour problems as the hon. member.

MR. G. ANDERSON (Fort William): Mr. Speaker, first, I would like to congratulate the hon. Premier on the address we have heard this afternoon in connection with this matter, because I think it is very important, particularly at this time, that we try and establish a national labour code that will be applicable to the entire country. And, in doing that, I hope, and I am going to make one suggestion to the hon. Minister of Labour and that is that we dispense with the various zones pertaining to the minimum wage. It



seems to me we can set a good example by establishing a uniform wage rate throughout the province, to start with. At the time this legislation was passed I was present in the House and the little group, of which I am a member, voted against this, spoke against and voted against the principle of the Dominion labour code, even though it had been more or less placed by two large labour organizations, and after studying it we did not think it would work out very satisfactorily and, I would like to mention to the House this afternoon, our assumption was quite correct. I was rather startled during the recent election campaign to see headlines in our local paper to this effect, the article referred to an address delivered just previous to that date by the hon. Minister of Labour for the Dominion, the hon. Humphrey Mitchell, and the heading said, "Mitchell to kill own child." I thought at first there was some man by the name of Mitchell going to commit a murder, but when I read the article it was promised by the hon. Minister of Labour of the Dominion Government (Mr. Mitchell) that if his Government was re-elected, one of the first things he would do would be to bring in more up-to-date legislation. And so, I think we all welcome the appointment of this committee. I hope it will not have any work to do and I hope at the Dominion-Provincial Conference when it is called that it can be agreed upon there to have some uniform legislation. In the event of that not being the case, I think it is very fortunate, indeed, that steps are being taken at this short session to prepare for the developing of a proper labour code for the province of Ontario.

THE SPEAKER: May I direct the attention of the hon. members to the bottom of Page 3, you have a motion and unless you so request, I will refrain from reading it all, but I



will give you the amendment as it now stands:

"Eight to be named by the Minister of Labour and four from the opposition, two to be chosen by the Liberal group and one from each of the other two groups represented."

Shall the motion as amended be carried?

Motion as amended agreed to.

HON. GEORGE A DREW (Prime Minister): Mr. Speaker, moved my myself, seconded by Mr. Challies, that this House do now adjourn the present sittings and the House stand adjourned until 11 o'clock a.m., Friday, July 20th, 1945.

Mr. Speaker, in moving that the House do now adjourn, I might explain, as indicated by the resolution, the Lieutenant Governor has indicated he will be here to prorogue this special session at 11 o'clock to-morrow morning. The prorogation proceedings will be very short so that any hon. members who are making arrangements to leave to-morrow may do so on the reasonable assumption that we will prorogue before noon.

I move the House do now adjourn.

MR. A. BELANGER (Prescott): May I ask the Leader of the Government if it is the intention to publish either in the newspapers or to the hon. members of this House, in some way, the names of those who will be appointed officially as the official delegates to that Dominion-Provincial Conference in Ottawa. My purpose and reason for my question is this, that many of us have refrained at this session from entering into discussions, in order to co-operate with the Government to keep this session short, and we have refrained from bringing forward suggestions to that delegation. There are various questions which we would like

to put before the delegation, questions of public welfare and labour, and so on. So, if we know the names of the component members who will form the delegation from this Government, then we might be able to communicate with them on things that we would like to see brought before the Conference in Ottawa.

MR. DREW (Prime Minister): In answering the hon. member for Prescott (Mr. Belanger), I might say that this meeting is still a subject of exchange of correspondence and the details are not completed in that respect. What I would suggest would be the most satisfactory procedure to follow would be for the hon. members to communicate with the secretary of the committee dealing with this matter, Mr. H. J. Chater, the Provincial Statistician. He will be able to, if there are any enquiries directed to any department or any suggestions for any department, forward them. I think it will be more convenient to communicate with him, Mr. H. J. Chater, Provincial Statistician, Parliament Buildings, Toronto, and he will act as secretary to those attending the Conference at Ottawa.

I move the House do now adjourn.

Motion agreed to; House adjourned at 4.15 o'clock p.m.

THE LEGISLATIVE ASSEMBLY

FIFTH DAY

SPEAKER: Honourable William J. Stewart, C.B.E.

Toronto, Ontario,
Friday, July 20, 1945.

MORNING SESSION

The House met at 11 o'clock, a. m.

Prayers.

HON. GEORGE A. DREW (Prime Minister): Mr. Speaker, I would ask your permission to retire from the Chamber to meet His Honour, the Lieutenant-Governor.

MR. SPEAKER: Granted.

The Honourable the Lieutenant-Governor entered the Chamber of the Legislative Assembly, and being seated upon the Throne,

Mr. Speaker addressed His Honour in the following words:

May it please Your Honour:

The Legislative Assembly of the province has at its present sitting thereof passed several Bills, to which, in the name and on behalf of the said Legislative Assembly, I respectfully request Your Honour's assent.

The Clerk Assistant then read the titles of the Acts that had passed severally, as follows:

The following are the titles of the Bills to which Your Honour's assent is prayed:

The School Law Amendment Act, 1945.

An Act amending the Mining Tax Amendment Act.

An Act for Raising Money on the Credit of the Consolidated Revenue Fund.

The Cheese and Hog Subsidy Act, 1945.

The Sugar Beet Subsidy Act, 1945.

An Act to provide for an Annual Grant to the University of Toronto School of Nursing.

An Act to amend The Companies Act.

The Mortgagors' and Purchasers' Relief Act, 1945.

An Act to amend The Statutes Act.

An Act to amend The Insurance Act.

An Act to amend The Loan and Trusts Corporation Act.

An Act respecting the Erection of Houses and Housing Accommodation for Veterans and their Dependents.

To these Acts the Royal assent was announced by the Clerk of the Legislative Assembly in the following words:

In His Majesty's name, His Honour the Lieutenant-Governor doth assent to these Acts:

Mr. Speaker then said:-

May it please Your Honour:

We, His Majesty's most dutiful and faithful subjects, the Legislative Assembly of the Province of Ontario,

in Session assembled, approach Your Honour with sentiments of unfeigned devotion and loyalty to His Majesty's person and Government, and humbly beg to present for Your Honour's acceptance a Bill intituled, "An Act for granting to His Majesty certain sums of money for the Public Service of the financial year ending the 31st day of March, 1945."

To this Act the Royal Assent was announced by the Clerk of the Legislative Assembly in the following words:-

"The Honourable the Lieutenant-Governor doth thank His Majesty's dutiful and loyal Subjects, accept their benevolence and assent to this Bill in His Majesty's name."

(Page No. 389 follows.)

His Honour was then pleased to deliver the following speech:--

Mr. Speaker and Gentlemen of the Legislative Assembly:

On Monday of the present week it was my duty and pleasure to welcome you at the opening of a special session of the Legislative Assembly called to deal with several measures which demanded your attention before the date on which you would ordinarily have assembled. I now desire to express my appreciation of the diligence with which you have attended the Sittings of the House and the interest you have all displayed in the important matters submitted for your consideration.

The finances of the Province have been placed upon a satisfactory basis by your action in voting the Supply requested by my Ministers for the current fiscal year. The passing of the various bills submitted for my assent will be a source of general satisfaction to the people of Ontario. As I intimated when I addressed you at the opening of this Session, other important matters will be submitted by my Ministers for your consideration at a Session which it is intended to call later this year.

In closing I wish to thank you for your attendance and to wish you success in your private vocations as you now leave for your homes.

The Provincial Secretary then said:--

Mr. Speaker and Gentlemen of the Legislative Assembly:--

It is the will and pleasure of the Honourable the Lieutenant-Governor that this Legislative Assembly be pro-

rogued and this Legislative Assembly is accordingly prorogued.

This concluded the second session of the twenty-second Legislature.

~~172 - 2.16.13~~

~~173 - 2.16.13~~



