

## THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Friday, March 23, 1973

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed I should like to direct the attention of the honourable members to the gallery where we have 43 senior citizens of the Polson Day Centre. These people are under the direction of Mr. Hilderman. This group is located in the constituency of the Honourable Member for Inkster, The Minister of Mines, Resources and Environmental Management.

We also have 54 students of Grade 6 standing of the James Wood School. These students are under the direction of Mr. Friesen, Mrs. LeClair and Miss Hall. This school is located in the constituency of the Honourable Member for Sturgeon Creek. On behalf of all the honourable members, I welcome you here today.

GOVERNMENT BILLSBILL 23

I believe at adjournment we were on Bill 23. The Honourable Member for Roblin was on his feet. The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker, the Honourable Member for Roblin would like to express, and perhaps by leave we could consider his appeal, that he was in fact finished with his remarks and really did not request that the bill stand in his name. So if that can be done by leave then I will take my place in the debate at this particular time on Bill 23.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Well, Mr. Speaker, I rise to speak on Bill 23 at this particular time which calls for the expenditures of some pretty massive amounts of money - one-quarter of the total supply, over \$200 million. Mr. Speaker, I really don't expect that there will be any objections to the rather lengthy remarks that I have to make on this bill at this particular time, but I would like to assure you, Mr. Speaker, that all my remarks will be pertinent to the subject matter before the House, namely the discussion of Interim Supply which deals with how this government is spending money, our tax money, and I intend to enter or use this occasion to debate the direction in which we seem to be travelling in the way governments raise money and the way governments apply those moneys and what effect they have on the population at large.

Mr. Speaker, I'm happy that the Honourable Minister of Mines and Natural Resources is in his seat. He is of course so frequently in his seat, I commend him for that. I too try to stay in my seat as often as I can because it is worthwhile to listen to what most members have to say. This afternoon, Mr. Speaker, I would like to attempt to apply one of his very good debating techniques of trying by reason of logic to outline a situation that I think he will have to agree to some extent, you know, has a great deal of logic, and then indeed to allow that logic to speak for itself rather than necessarily taking my word for it or indeed the word of my Party for it, but let the fact speak for itself, Mr. Speaker.

Mr. Speaker, several speakers specifically and indeed just about all of the members opposite of this government have indicated from time to time that under our system of taxation any tinkering with the tax system, any minor or indeed relatively major reforms or changes in the tax system do not really meet the goal or help assist in achieving that goal which they so often tell us is their prime function in government, that is the redistribution of wealth, to redistribute the wealth of our country, the wealth of our province more equitably. And particularly, of course, the Member for Crescentwood who is not in his chair. But even in this session I've heard the Attorney-General refer to it; I've heard the Minister of Mines and Natural Resources, the Honourable House Leader refer to it, while he qualified it to this extent, that surely in the nature of the programs that taxation provides for people that in that sense there is an equality that is brought to the persons who have access to these programs.

But by and large the First Minister, the government, the Cabinet supported by their backbench agree that taxation does not help alleviate the burden on those who can least afford it, and that under our system the corporate wealthy and business and so forth can pass on any increase in taxation to the general public, to the consuming public. This of course, Mr. Speaker, I think is something that we can all pretty well agree with and at this stage of my logical progression of my argument I think we have agreement. I see nodding of heads on the other side.

## BILL 23

(MR. ENNS cont'd)

Mr. Speaker, if we agree to that, if we agree to that, that increased taxation, no matter how progressive that taxation system is, but under our system the burden, the cost of that increased taxation is in fact transferred, is in fact passed on to the general public indiscriminately, and the question of ability to pay doesn't enter into it here. So, Mr. Speaker, let's recognize, and I think they recognize that here of course is where we part company with my friends opposite.

Mr. Speaker, we have often expressed our philosophy of the Progressive Conservative Party in reasonably simple straightforward terms. The phrase that we like to use is we believe in minimum government rather than maximum government. We believe in minimum taxation rather than maximum taxation, Mr. Speaker, the reason why we believe that is because we understand - and do they understand - that increasingly higher rates of taxation eventually get passed down in a very indiscriminate manner to all our citizens, to our citizens on fixed incomes, to our low income earners and everybody else. So that while the cries and the pleadings and the pious talk about having the ability to pay principle fixedly and determinedly in front of them at all times, that, Mr. Speaker, really is not the case. If they indiscriminately and excessively raise taxation or increase the taxation burden - which they know, I give them that much credit, and they don't deny, - which they know comes back indiscriminately upon all of us in the form of, to use a general phrase, in the form of inflation, in the general form of excessive government spending that we all have to carry.

Mr. Speaker, it's as clear as surely as night follows day that if a government spends less and if a government taxes less that then the government is not contributing to one of the greatest difficulties that we have in this country, namely inflation. Then the government is not contributing to the extent that it is contributing today to the high cost of living concurred by all our citizens.

Mr. Speaker, what I'm really trying to say is that when this government raises general taxation to build up a bigger civil service they're adding that cost to the price of bread, and when they lower the Medicare premiums and take it out of the general revenue, they're adding that to the price of a pound of butter, the price of a pound of hamburger, the price of a loaf of bread. And when they indiscriminately close their eyes to government waste and government growth, they're adding that to the daily cost of living with no regard, with no regard as to the ability to pay principle involved; and then we find ourselves looking at a situation where people in frustration across the length and breadth of this country begin to wonder what is happening to our soaring cost of living. We have stabs in the dark, investigations being carried on into certain sections from time to time because we believe that the costs are rising at an unacceptable level.

Mr. Speaker, we have right now in Ottawa a costly and commendable I suppose inquiry going on into food prices which is probably the No. 1 concern in the minds of many Canadians at this particular time. But, Mr. Speaker, let me humbly suggest to you, paraphrase the phrase that my friend from Roblin often likes to use, the whole point is being missed in this investigation. It is not the government that should be investigating the farmers or the unions, organized labour, or indeed the processors and others, although I don't pretend to say that there could not be areas of investigation and that there should not be areas of redundancy or that there should not be areas where there are unnecessary costs built into our food system. But surely, Mr. Speaker, the biggest contributor to the cost built into our food structure is the government itself, the government itself. I would like to challenge this government or indeed the government in Ottawa to look at that aspect of their responsibility in terms of rising food prices. - - (Interjection) - - Right. Well let me put it to you in more graphic terms. Take a loaf of bread priced at 30 cents today. I am told that there's been a reasonably sophisticated study taken on what constitutes and what makes up that 30-cent price tag on a loaf of bread. I am told that the cost of the farmer to produce the grain, to harvest the grain, to take it to his elevator, the elevator to take it to the flour mill for it to be ground into flour, for the flour to be brought to the baker, for the baker to bake it, for him to package it and for him to bring it to the retail store and for the retailer to sell it, costs 15 cents - - 15 cents, including profit. The other 15 cents is made up by the 128 separate and individual taxes imposed by various levels of government on that one loaf of bread - 128 individual taxes.

Mr. Speaker, it wasn't a question of concern when we suggested to the government last

## BILL 23

(MR. ENNS cont'd) . . . . year their imposition of the five percent sales tax on production machinery would immediately result in an exodus of business. What we did tell them then, and what we tell them now, it would certainly be passed on to the consumer in ways of additional food costs, as that machinery was to be used in the food industry. And we see it, Mr. Speaker, whether it is in the making of a hamburger bun or whether it is in the selling of coffee or anything else.

Mr. Speaker, Mr. Speaker, I don't want to be detracted, Mr. Speaker, because I want to refrain my very genuine, you know, emotional feeling about the real culprit involved in the rising food costs, but want to get back to my progression of presenting to the House a reasonably logical argument. I think it's been agreed, it's been agreed that rising taxes, rising government spending, rising government spending, is ultimately passed back to the consuming public; it has to be, we recognize that.

Mr. Speaker, I then wonder, I then wonder what really -- I really can't accept, I really can't accept the fact that knowing that and referring to that whenever the occasion represents . . . that they are themselves satisfied with it. If tinkering with a tax system and reforming the tax system is not a major manner and way this government can attack the redistribution of wealth in this country, as has been admitted to on numerous occasions by the Member from Crescentwood, alluded to by the Attorney-General, by the First Minister and most other members of the Cabinet from time to time, then Mr. Speaker, surely we have to search and go a little beyond and to at least speculate on what possible other goals will be open to this government or to a socialist government in trying to meet what to them is their principle objective.

I am sure, Mr. Speaker, that I could get agreement from the members opposite, that if we in fact in a very brutal and a very decisive way took all the wealth from private sources and re-expropriated it, and redistributed it fairly among all our million citizens in the Province of Manitoba but did nothing to change the system, nothing to change the structure, that within one generation, with certain limitations, we would be simply back to the same uneven distribution of wealth in our society. -- (Interjection) -- Well, Mr. Speaker, I see that there is agreement generally in the thesis that I am advancing so far. We're in agreement.

And I know although we don't hear the illusion and the reference to Sweden any more as often as we used to hear it in the earlier more heady days of this government, when social democracy became the kind of term that all of a sudden gained a degree of stature, I suspect, Mr. Speaker, it's because that of late there's been a bit more attention paid to that fine country, nonetheless a country that has found itself in such a tremendous mess, in so much difficulty as a result of their allowing their fate to be left in the hands of the tinkering and the abuse and mismanagement of socialists for so long. Mr. Speaker, surely if, and I want to progress it, surely the achievements of Sweden can no longer hold out any promise of hope for these gentlemen opposite, because we know where Sweden's at at this particular time.

Allow me, Mr. Speaker, to refer to what I am given to understand a reasonably noted Swedish psychiatrist, Dr. Hans Lahman, who was commissioned to do a particular study in Sweden mainly because of the -- it says here, this is a study that was undertaken to determine how come socialism has driven some 83,000 people a year to the mental hospitals and at the same time is responsible for the world's largest per capita consumption of alcoholic spirits. Dr. Lahman goes on to describe in a short paragraph the idyllic life in Sweden today. The picture of life in this western socialist paradise has been described by Dr. Hans Lahman, A Swedish psychiatrist commissioned to investigate the growing deterioration in a Swedes' mental health: "Mother and father awake at 5:30 a. m. in their cramped barrack-styled apartments; drag the children to a foster home then stagger bleary eyed to the factory; there for almost nine hours they attempt to fulfill sometimes impossible production norms. At night they slump exhausted in silent underground cars that whisk them home to a dinner of sausage and boiled potatoes. Food prices" -- and that's described here -- "being the world's highest, food prices being the world's highest, that is about all they can afford."

Mr. Speaker, all I'm trying to suggest to you is that where you provide one service of government if it is to be total services of some social program or another they will surface in another area, and certainly in Sweden they have surfaced in such a basic and elemental subject matter such as food, the highest in the world. Mr. Speaker, I suggest that really they in all seriousness, they in all seriousness are not happy with reaching out for that goal. We don't hear the First Minister talking about Sweden any more in that context either. Isn't that right, gentlemen?

## BILL 23

(MR. ENNS cont'd)

Now, Mr. Speaker, what then is the alternative that we can speculate that this government would attempt to move into and what direction are they seeking out. They recognize and we agree at this point that higher taxation does not do what they want it to do. Oh yeah they get a few extra bucks from the Jimmy Richardsons of this world and from the Cabinet Ministers and a few other people, but it doesn't redistribute the wealth, which is goal No. 1. and No. 2, it must bother their conscience, and I know some of them have a conscience, that this system of loading, you know, of raising money by the state eventually hurts in a very indiscriminate manner the very people that they themselves like to say they're fighting for - the fixed income earner; the low income earner; and, Mr. Speaker, thirdly it manifests itself on those kind of products which hardly come under luxury class or selective class of goods and services required.

Oh, yes, Mr. Speaker, we make the token effort to exclude such things as food from our sales taxes or children's clothing from our sales taxes and what have you; but, Mr. Speaker, look at the rate of inflation caused by high government spending. Look at the cost of living spiral that we're in. And that, Mr. Speaker, knows no barrier as to where those costs finally settle on. Those costs find themselves comfortably settling on to food, on to clothing, on to everything that we require.

Mr. Speaker, I know that while maybe some people back there don't appreciate or haven't taken the argument that far, I know there are some on the government side that must be concerned about this. So, Mr. Speaker, there has been of course the other alternative open to this government which comes to us in pretty clear tones from time to time from the Member of Crescentwood, and I believe others, that, indeed, if we can't effectively amend the taxation system to redistribute wealth - - they have already set themselves on the course of making that redistribution, but they are reluctant to impose it because they know it will be to no avail - - so the system itself must be drastically changed and the operative word, there in the changes they are talking about is control. Now we can call it takeover which is the operative word I suppose in the interim period while this takes place, but the eventual gain surely has to be controlled because if the state controls fully to 100 percent the resources, if the state fully controls the production capacity, if the state fully controls all these things, then in fact, then in fact they can, they can meet their aim, they can meet their goal of effectively being in a dominant position with respect to how wealth is accumulated in this province, how wealth is distributed in this province and they in their wisdom and their sense of fair play to their fellow man can then carry out the kind of policies that they really would like to carry out in the long term.

Mr. Speaker, I think that's fair game. I think that's from one point of view, if I were a socialist I would suspect that I would work as diligently as I could to see that I as a member in a socialist government would bring on to myself the necessary control, that I could bring on to myself the necessary resources - - when I say myself, into the government that I would represent under those circumstances - - so that I could then in a meaningful way create the kind of impression and do the kind of things that would satisfy me as a legislator or the person sitting on the government side of the House. Not the obvious dissatisfaction that the Minister of Mines and Natural Resources now possesses when he admits, and the Minister of course is a candid person and a reasonably honest man, he admits, he admits that at the moment, at the moment his actual impact or the effectiveness of this government is only to the tune of five percent; inertia motivates 95 percent of what that government does. This is in the words of the Honourable House Leader, a man that I have a great deal of respect for, the Minister of Mines and Natural Resources. Only five percent, only five percent of what this government does - I should be fair to the Honourable House Leader - he said only five percent of what any government does, whether it's a Conservative government or a Liberal government, he said five percent is what they can do in terms of fresh and new impact; the other 95 percent is there by way of its own inertia, it's own being.

Well now, Mr. Speaker, I know that the Minister of Mines and Natural Resources is not satisfied with that kind of efficiency. I know, Mr. Speaker, that if he had that kind of a law student working for him in his office he would fire him because he would demand more efficiency. I know that if he had that kind of efficiency from his people in his civil service he would want to fire them (whether he could or not is another question) but he would want to fire them for lack of efficiency. I know, Mr. Speaker, I would want to too.

So, Mr. Speaker, then what really is the options open to the honourable members opposite?

## BILL 23

(MR. ENNS cont'd) . . . . The options open to them is in fact to take that final step towards total control of our economy; towards a complete takeover of our economy. And, Mr. Speaker, we have to seriously address ourselves to the fact that this is a goal, this is certainly a goal that has top priority in the Planning and Priorities Committee of Management when they devote time and at considerable public expense - if you look at the total salaries paid to that honourable or that estimable group of gentlemen in Planning and Priorities - they obviously spent considerable time and money to produce the Guidelines of the 70s, which surely points into the direction and surely indicates the degree of influence that the Honourable Member for Crescentwood, the Honourable Minister of Mines and Natural Resources, the Honourable Minister of Municipal Affairs . . .

A MEMBER: Don't leave anybody out now.

MR. ENNS: Well I'm trying to pick out the real red ones at the moment, Mr. Speaker, you know. I know that that doesn't bother the Honourable Minister of Mines and Natural Resources because he has from time to time said he's not particularly worried about whatever labels we affix to him from time to time. It is the logical force of argument in debate that he will rely on at all times to put forward his program.

Mr. Speaker, this is precisely what I am trying to do. I think I have established, Mr. Speaker, that the approach that this government is on cannot bring about the results they want. They are going to load increasingly the kind of tax burden that will become unacceptable to the very people they want to serve. Now they will try to camouflage it, as they will do so on Tuesday, as they've already done today, because if the government over taxes and it has it's hands on this money, they can then selectively for politically motivated reasons from time to time hand back certain goodies and confuse the issue properly in the minds of the population that this government is indeed, you know, or that any government is indeed doing something, or that they're getting something free. Well, Mr. Speaker, I know that you don't believe that; I know that some members on that side don't believe it. So, Mr. Speaker, they are, Mr. Speaker on a path, they had to be on the path of complete and utter control of our economy. Then, Mr. Speaker, you know it behooves us then, Mr. Speaker, to then discuss the pros and cons of that kind of society that develops under those circumstances.

Mr. Speaker, I'm not at all adverse to discussing the disadvantages and some of the difficulties that would exist under the kind of administration that I propose as being the correct one for our people in Canada and for the people of Manitoba. I recognize that if you talk about minimum government, you're talking about a government that will not have the capacity to do all things for all people at all times. I recognize, Mr. Speaker, that if you talk about minimum government and resist the temptation of doing all these things for people, that you then face that most difficult of all problems that governments have to face, is that of setting up priorities. Whenever you set up priorities, Mr. Speaker, you're obviously going to have somebody arguing with your evaluation of those priorities.

Previous administrations have had to look at this young raw developmental land of Manitoba and have had to say to themselves, that we cannot at this particular point in time place on the same scale certain, many, certainly highly desirable social programs in our priority rating. Certain physical aspects of the development of our province had to be looked after, and they could be accused of being harsh and callous by assuming this posture. I suggest to you, Mr. Speaker, that those kind of decisions were the right ones at that particular time. All I'm trying to say, Mr. Speaker, is that if you back away, if you back away from the position of government being Big Daddy and being the paternal overseer of all its people, and you allow a greater degree of decision-making in the hands of the private person, a greater amount of money in his pocket to spend it, no matter how unwisely he chooses to spend it. Then, Mr. Speaker, you have to restrict government to doing - working in those areas that government feels - - and governments will always be challenged whatever governments they are of that day, whether or not they're choosing the right priorities - - but nonetheless governments will not under the proposal of minimum government that I subscribe to have the ability to lard out the good news and the free services that will as does the government on its way to taking over the total aspect of the economy.

I think, Mr. Speaker, that is one side of the coin that we have to acknowledge from our point of view when we honestly talk about our very fixed and firm belief in providing as broad and as full freedom of choice for our people. I know it's a cliché phrase that we like to use,

## BILL 23

(MR. ENNS cont'd) . . . . It has its detractors and it has its disadvantages. The freedom of choice can be a costly one in some areas but nonetheless if you believe in it then you put that position forward. We believe, Mr. Speaker, that in refusing to accept that paternal role of government knowing best that in some instances our private citizens, or private actions, won't know best and errors in judgment will occur. But, Mr. Speaker, I am prepared to weigh the disadvantages essentially found under this system of government that I've just described, and indeed the system of government that we have lived under for the last hundred years, and hope to live under for the next hundred years in this country.

I'm prepared, Mr. Speaker, to equate those, or put those side by side with what is the case, what is the actual result in those governments, in those jurisdictions where in fact that final transfer of total control of one's lives, that total control of programming on the part of government for both the individual and the country's resources as a whole lie solely in the hands of the state. Mr. Speaker, even in that country that has to date not taken that final step, in Sweden, there is a tremendous reason for concern. Just the other day in the Tribune and the Free Press article, another article, and perhaps it's for this reason that as I said earlier we're not hearing so much about Sweden these days. March 22 edition of the Free Press, there's a line that just caught my attention that I could hardly believe. "One of the more startling conclusions" - - of a particular report that is being referred to - - "is that 25 per cent of the total Swedish population is in need of psychiatric treatment." Mr. Speaker, they're all going nuts. So they are all going nuts in that country, and why? Because surely that is a country that is being espoused as having the cradle to grave welfare state looking after all the needs. Mr. Speaker, it goes on to say that one of the highest difficulties that they have is in the area of their youth and their young people.

MR. GREEN: Mr. Speaker, I wonder if the honourable member would permit a question?

MR. ENNS: Certainly.

MR. GREEN: Would the honourable member be prepared to concede that in this statistic like in many others, it depends on how many are examined?

MR. ENNS: Well, that may well be, Mr. Speaker. All I'm saying to you, Mr. Speaker, it is obvious from any objective reports that one hears about and reads about with respect to a country that has taken socialism a long way down the path, it has deserved for its citizens several notable distinctions. Number 1, that of being the highest taxed country in the free western world. That, Mr. Speaker, of having a country where its citizens generally by their own admissions, and they are commissioning reports. We haven't come to the point yet in Manitoba where we commission reports at government expense to find out how come we're all not smiling any more in this country. How come we all walk around with carrying the burden of the state on our shoulders. They are doing this in Sweden these days.

Mr. Speaker, even acknowledging that remark from the Minister of Mines and Natural Resources, even acknowledging that greatest of all incentives namely the lovely female population of Sweden, it only underlines my argument, Mr. Speaker, why the Swede still remains as basically unhappy as he is is beyond me, is beyond me. It must be Mr. Speaker, and it is, and we know it is to be, the oppressive load of taxation that he carries, the lack of individual choice that he has, the lack of freedom of movement that he has in terms of doing some of the things that he wants to do.

Now, Mr. Speaker, I suggest that this government be honest with the people of Manitoba. Honest in terms of its long-term goals and its long-term approach in the direction that the New Democratic Party intends to take the population of Manitoba. Now, Mr. Speaker, I think it's important, not even so much as to whether or not we're moving into an election now or not; I think we recognize, at least, I think we recognize that it will be unfortunately a question of the New Democratic Party in the future or modifications of that party, nonetheless a socialist left wing party, that will represent this province half the time probably, and it will be a centre, or right of centre, the conservative group of people, like-minded thinking people, that will represent the people of Manitoba in this Legislature the other half of the time insofar as our long-term future is with respect to who is going to be, how this province is going to be governed.

So I think, Mr. Speaker, faced with that kind of an option - - when I say faced, the people of Manitoba are facing that kind of what I believe to be a fair observation, that kind of an option, in the two schools of political thought that will essentially be governing them as we

## BILL 23

(MR. ENNS cont'd) . . . . go into the next century. This group, this New Democratic Party has a responsibility to the people of Manitoba to indicate to them in clear terms, what the other side of the coin is that they have up to now not shown us and not really talked about.

The Minister of Mines and Natural Resources talks only so far; and the Member from Crescentwood talks only so far; and finally if we restrict ourselves, and this is where I have to become a little mean as far as my friends opposite. It's fine if we're only talking about taking away Jimmy Richardson's money; and it's fine if we're only talking about accruing to the province certain rights of lands and resources, and things like that; it's fine if we talk about restricting, or indeed confiscating the rights of Inco or Sherridon or Hudson's Bay, that's only three big mining companies, but, Mr. Speaker, you can't talk about that without talking about restricting me on my farm, or anybody else on his farm, you can't talk about taking away the last vestiges of private ownership, private control, over our destiny with any credibility because, Mr. Speaker, you know, it doesn't - the wealthy, or the corporate wealthy did not start that way, just like that. Given half a chance unless the system is changed basically and completely, all you can do - you can redistribute the wealth that has now accumulated but it will essentially accumulate back in the same form.

So, Mr. Speaker, they have to tell the people of Manitoba what is their - - never mind if it's the Guidelines for the Seventies - - what does the New Democratic Party stand for in the future years that it will be active in this arena? I suggest to you, Mr. Speaker, that they are inevitably, inevitably on a path that leads to totalitarianism, that leads to communism, in the most . . . form that we see it and there are members in that government that know that, and support it, and will see it to its fruition.

Those are my charges to the Honourable Members opposite at this particular time and this is why, Mr. Speaker, it becomes important, it becomes important when we consider the Supply Estimates, we consider the amount of money that they are now spending. They are not particularly concerned about the facts of the escalating costs of living, the rising food costs, because all that means is that we'll pick out the next sector, the next profit center to attack. It will be the chain food stores next maybe, because after all there's as much . . . for that as for the mining industry.

MR. SPEAKER: Order please. The honourable member's time is up.

MR. ENNS: Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSON: Mr. Speaker, I perhaps would like to take off where - - (Interjection) - - or start out where the Honourable Member for Lakeside left off, when he was discussing about the - - when he was discussing the question of freedom and individual choice.

Sir, just before the noon recess, and on a couple of other occasions, the First Minister rose in his place and reminded us of a particular rule in our rule book Beuchesne, which says that Interim Supply normally is put through with some dispatch, or words to that effect. And that, Sir, is true; normally that does happen. But the thing that must be taken into consideration at this time is that that particular rule, like so many of the rules and so many of the precedents that are established, by Beuchesne and other authorities, are precedents and are rules that were developed at a time when things were a little bit different in the Legislatures, and things were a little bit different in the House of Commons.

Well my honourable friend the Minister of Labour says they were all capitalists at that time. He has that kind of a one-track mind that it makes it difficult for him to see the light of day. The difference, the difference, Sir, is that in those days at the time that that rule was developed, there was no limitation on the number of powers that were allocated for the consideration of estimates; there was no limitation on the amount of time that a member could speak; and there was no limitation as to the closing hour of the Legislature or the House of Commons, they could go on all night if they liked. And so under those circumstances - - (Interjection) - - Well I wonder, Mr. Speaker, if the Minister of Labour in his spirited way, wants to take the floor now, in which case I will be glad to come back later, or be prepared to remain quiet in his seat and take his turn when it comes. For one who continues to talk about the decorum in this House, I've never known one in sixteen years in politics, who broke the rules more frequently, and had less disregard for the rules than the Minister of Labour.

Sir, in those days ministers were held responsible because they didn't have to watch the clock. Their estimates were considered and they were anxious to get their bills and their

## BILL 23

(MR. JORGENSEN cont'd) . . . . estimates through the Legislature as quickly as possible.

We've had one department before us at the present time. I've done a rough calculation, Sir, on the approximate division of time between the time that the Official Opposition was occupying the floor, the time that the government was occupying the floor, and it works out to roughly 60-40 in favour of the government. Sixty percent of the time has been utilized by the government and only forty percent of the time by the Opposition, and I might add, Sir, very much of that time by the Leader of the Liberal Party, and I don't begrudge him that, I am simply pointing that out as a matter of fact.

Now then, Sir, if we are to assume, and that was the general assumptions, that the time occupied in consideration of estimates normally is considered as opposition time -- (Interjections) -- then, of course, one would assume that much of that time would then be taken up by the Opposition, and since that has not been the case in this particular instance, then the Opposition will inevitably find some way, because you can't suppress freedom of speech, at least, I hope even my honourable friends opposite will not think that they can do that. It's like trying to push down an inflated rubber tube in the rain barrel, if you push it down one end, it will come up another. And if we cannot, if we cannot find the time to make our points during the consideration of estimates, then we'll do it during the question period; we'll do it during other occasions, and this is one of those occasions that we are taking advantage of, which is our right under the rules.

Sir, notwithstanding the admonitions of the First Minister, notwithstanding the frustrations of the Minister of Labour, I notice that my friend the House Leader, the Minister of Mines and Resources is not complaining, because he is one member on that side of the House, Sir, who, although we may disagree philosophically on many things, at least my honourable friend the Minister of Mines and Resources knows the purpose of this place and understands the rules, which is more than I can say for the Minister of Labour.

MR. PAULLEY: It's a good job you have one friend in this House.

MR. JORGENSEN: Well it is not my purpose to come into this Chamber simply to make friends. I feel that I have a responsibility and I intend to carry that responsibility out.

One of them, one of them, Sir, in my opinion is pointing out what I consider to be the weaknesses, the fallacies, and the mistakes of this government.

Sir, much has been said about income taxes. This government stoutly maintains that the years they have been in office there have not been an increase in taxes and although from their point of view they might be able to establish a case, weak as it is, the fact of the matter is that in the public accounts, one gets some idea of actually what is being collected by personal income taxes during the four years that they've been in power.

I am not going to deal in percentages. I am not going to deal in portions. I simply want to deal in figures as illustrated in public accounts to indicate to this House what is being collected in the way of personal income taxes by this government, since they assumed office.

In 1969 the first year that they came to government, they collected in income taxes a total of \$64,654,000.00. Last year, 1972, they collected a total of \$119,354,000 which is roughly double the amount that they collected in 1969. My honourable friends opposite say that they are not taking more from the taxpayers of this country, is just not borne out by the evidence that is contained in the public accounts. At the same time, Sir, in spite of the fact, in spite of the fact that they continue to pose as the friend of the working man, and the enemy of the corporations, we find that during that same period corporate income taxes rose from 24 million to 34 million. It took approximately \$60 million more from the individual taxpayers through income taxes, and only about \$10 million from the corporations. -- (Interjection) -- Well you see, I said that I was not going to be dealing in percentages, I was going to be dealing in absolute figures, and these are figures that are contained in the public accounts and those are the ones that we have, knowing exactly in dollars and cents how much has been taken from both the corporations and from the individual taxpayers.

Sir, it is a -- I'm not saying that it's a reflection on this government, I'm saying it's a reflection on the tax system, it's a reflection on a system that encourages a government, that provides a built-in incentive for governments to create inflation, and what happened, Sir, is that our labour unions in this country who normally are guided in their negotiations by the price indexes, and quite frequently in labour union contracts. There is a built-in escalation of wages according to the increase in the price index.



## BILL 23

(MR. JORGENSON cont'd)

Under our system, in most cases even though an increase is granted to a working man, at the end of the year he finds that very little of that increase goes to him. Most of it goes to the government in the form of taxes. And so when I say there is a built-in incentive for the governments to create and foster and encourage inflation, I mean that by doing that they don't have to increase percentages, they get more money simply by virtue of the fact that they take it from those increases in wages. That, Sir, is the basic problem in the taxation system, and one that I think needs to be overhauled more than anything.

In the House of Commons recently, we had an amendment to the Income Tax Act. Now normally one would think that there are two methods by which the Income Tax Act and the method of collecting taxes, could be changed; one is a more effective and a more equitable distribution of the tax load. That would be one way of effecting a tax change; and the other would be a means of collecting the same taxes for less money, for less cost, so that a greater proportion of those taxes would not be charged against the consumer in the form of higher prices, and still would find its way into the government coffers in order to meet the needed expenditures, and the needed and the legitimate expenses of government.

The tax changes that took place in Ottawa recently did not take into consideration either of those two objectives. Mind you the changes that took place were simply a means of collecting more taxes, period. And that's exactly what's happened. The increase in the revenues to the Federal coffers has been largely as a result of that change in the Income Tax Act.

Now, Sir, let me define what I think - - honourable gentlemen opposite very frequently seem to think that it is their responsibility to effect a greater distribution of wealth through the tax system. Now I question that. I have always questioned it, and my observations were substantiated not so long ago by the Member for Crescentwood who delivered a Sermon on the Mount in Vancouver and then repeated that same thing in the Chamber here during the course of the Throne Speech Debate. He outlined the weaknesses in the - what he called the Schreyer system of social democracy, and why it wouldn't work. He went on to point out that the answer, of course, as my honourable friend the Member for Lakeside has pointed out, is a movement further to the left, and that is - - he says, "now this won't work, this brand of socialism is no good, but we can make it work, if we move further to the left." And I think, Sir, that that is the decision that the people of this country have got to make in the next election. Are we going to go further to the left? Are we going to do as my honourable friend the Member for Crescentwood says, and which is contained in the manifesto that was drafted by this government, by taking over completely the control of production in this country? That's a decision that I think should be given to the people of this country, or this province, and for them to make a decision on. I'm prepared to accept the decision of the people but I think that alternatives should be provided for them.

Now then even in the question of local retail stores; you know I can understand the government wanting, their desire to get their hands on vast quantities of money, because after all they know what to do best with money, people don't. But I'm somewhat alarmed at that one reference in the Manifesto which says that a Municipal Development Corporation would set up a retail store to compete with a local monopoly. In other words, in the Town of Morris if we have one retail store there, that, Sir, is regarded as a monopoly and that capitalist has got to be destroyed, notwithstanding the fact that people can drive from Morris and have effective competitive right from the city of Winnipeg - - and indeed many of them do - - but we've got to set up a monopoly or a government store in the Town of Morris to compete with that poor guy who's invested a lot of his time and energy and money in providing a service to a community. He must be destroyed. That is the thing that I find so incomprehensible. They have a tendency, Sir, to equate free enterprise with multi-national corporations; that is their opinion of free enterprise. Sir, in my view free enterprise is much more than that. Free enterprise is a man, who took on the Government of Ottawa here in Winnipeg by starting his own mail delivery service in Winnipeg because he felt that the government was doing a lousy job - - and indeed they were and I might add, Sir, Eric Kierans was the one that set up that system of mail delivery. He is the man that went down to the football stadium last fall and because he felt somebody was charging too much for programs, \$1.25, that he was going to sell them for 25 cents, and he took on Winnipeg Enterprises very effectively. That's a free enterpriser, Sir. Free enterprise also is the man who is a farmer; who instead of delivering all his eggs to a government

## BILL 23

(MR. JORGENSEN cont'd) . . . . controlled agency, he decides he's going to provide a service to his customers and delivers them right to the customers, at a price that is lower than he would pay through a retail store, and at a price that is higher than he could get through any government agency. Sir, that's free enterprise. A person who can find a better way, a cheaper way, and a more effective way of providing service to the people of this country. But that is not, that, Sir, is not the attitude that these people have across the way, that's not the approach that they take towards free enterprise. Sir, I look upon government as assuming and having an entirely different role. I look upon government first of all as being the protector of individual liberties.

A MEMBER: Hear, hear.

MR. JORGENSEN: Personal freedom. I think that every piece of legislation and everything we do in this House should be measured against how well it achieves that purpose and if it denies personal liberties and individual freedoms, then I must oppose it, because I feel that in this Chamber if we don't protect individual and personal liberties, then nobody will. We are the front line troops in the protection of those liberties.

A MEMBER: There's precious few troops around . . .

MR. JORGENSEN: Secondly, Sir, I believe that the second role of government, the next role of government, and equally as important, is protection of society against those who will commit crimes against society, and I ask you, I ask you, Sir, to look at what we're experiencing today to determine whether or not society is being protected adequately against the criminals. My gosh, Sir, when you're on the outside, when you're a law abiding citizen, when you're obeying the law paying your taxes and attempting to contribute to the development of this country, you're treated like a criminal . . . You try and park for two minutes overtime and they'll pounce on you like a pack of wolves. My car for example has been broken into three times and I've been robbed. I've never heard anything about them catching those criminals for some reason or other, and I am beginning to wonder - - (Interjection) - - no, it wasn't in Morris, twice in Winnipeg, and once in Ottawa. But I'm beginning to wonder, Sir, if justice today now centres around whether or not the particular criminal has to go to jail or whether he can pay a fine, and if he can pay a fine, all right, let's catch him; but if he has to go to jail let him go. And when they do convict a criminal, when he is put in jail, then the red carpet comes out; then he's treated as though he's somebody special. You know, the jails are so crowded today that I think that those who are contemplating the mission of a crime have to book reservations in the jails ahead of time to make sure that they can get in. And I sometimes wonder, Sir, if the Minister of Consumer and Corporate Affairs has provided them with a list of the preferred hotels that they're supposed to stay in when they get out.

A MEMBER: Break out.

MR. JORGENSEN: When they break out. Is there an approved government travel agency in there to provide them with the best routes out and the best places to stay when they do get out.

You know, Sir, it reminds me of a story of a - - (Interjection) - - story of the farmer who was driving by a penal institution with a load of manure and two prisoners were sitting in the lounge watching coloured television and drinking their Scotch and Soda, and one of them said, "I'm going to have some fun with this hick," and he shouted out the window, he said, "Where you going, hey Rube, where are you going with that load of manure?" and he says, "I'm going to put it on my strawberries." And one turned to the other and said, "Well, boy we're better off in here, at least we get cream and sugar on ours."

But, Sir, - - (Interjection) - - It's an indication of a kind of deterioration that we're finding in our society today. I say that the responsibility of government is to protect society against those who would commit crimes.

And the third responsibility, Sir, as I see it, is the protection of the nation's currency. Sir, I don't have to comment on that particular aspect of government endeavour to point out how abysmally dismal the governments have failed to protect this country against the erosion of the dollar. Sir, in the last ten years in Ottawa the federal Budget has increased from \$6 billion to \$18 billion.

A MEMBER: It's a Liberal Government . . .

MR. JORGENSEN: \$6 billion to \$18 billion.

A MEMBER: I told you about that last night . . .

## BILL 23

MR. JORGENSON: Sir, the money that is being spent in that way is coming from the taxpayers.

A MEMBER: Hear, Hear.

MR. JORGENSON: If it works out if you want to work it out to the number of people in this country, it works out to approximately \$500.00 increase per man, woman and child in Canada. At the same time the provincial budget, and part of that is the responsibility of the previous administration I will admit, the provincial budget is increased by something like a half a billion dollars, and you divide that by the million people in this province and that works out to another \$500.00 per man, woman and child. The combination of the federal and provincial increase in taxes works out to \$1,000.00 per man, woman and child. Good heavens, Sir, is it any wonder that there's an increase in food costs, because that distribution does not quite work out that way, but if it did, if it did, then it's no wonder that there's a decrease in the birth rate because no child in his right mind would want to come into this earth to be slapped with a \$1,000.00 debt immediately and \$92.00 is his share of the interest on that money. -- (Interjection) --

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: . . . as to how children come into the world. They really don't have much to say about it.

MR. JORGENSON: No they don't. But we can, we can describe how they're treated when they do come in. You know normally, and in the past, it used to be the doctor would pick him up and slap him on the buttocks to get him to squawk. Now what happens is that the tax collector comes along, slaps him on the buttocks and he squawks, he would have squawked anyway and who wouldn't with that kind of a burden levied against him.

Now then Sir, that kind of cost that increase in taxes, as was pointed out by my honourable friend the Member for Lakeside, and I'm not going to go into that because he has covered it fairly well, is passed down, passed down in the form of higher costs and higher prices. And as long as we continue to think that we're going to solve the problems by slapping more taxes on the consumers, by spending more money, more freely, then we're living in a fool's paradise.

Sir, we have so many programs. We have OFY; we have LIP; we have PEP; we have DREE; and heaven knows how many other programs. --(Interjection) -- You know recently, Sir, there was a fellow discovered in the jungles of Peru swinging from the trees like a modern Tarzan and after, after an investigation was made it was found that he was there on a PEP grant. And, Sir, the sort of things, the sort of things that governments are taking taxpayers' money and spending it on is enough to make a grown man cry. These programs DREE, PEP, LIP, and all of these things, you know, this is not something new, this is not something that these people invented, this was a program that originated with the Pharaohs of Egypt because they build monuments to themselves, too, in the form of pyramids, in the form of pyramids, Sir. They were useless, they were useless, Sir, but by George, they put a lot of people to work!

Sir, if that \$1,000.00 per man, woman, and child, in this country were left in the hands of the taxpayer to spend as he chose, to establish his own priorities, there would be much more meaningful employment created. It would be employment created as a result of a demand, and it would also mean that there would be more wealth added to the country, because that wealth would be circulating amongst the people rather than being siphoned through a government where so much of it is extracted in the form of useless programs.

Sir, the building of pyramids is not the only program that this government has adopted. You know the other - last year during the course of the session I asked the Minister of Agriculture if in any way he advocated or had anything to do with the slaughtering of two million chickens in this country, and he rose himself to his full height and said not only do I support it, he said, but I advocated it. Sir, that's another program that was borrowed from the Pharaohs of Egypt because if I recall correctly there was one Pharaoh that decreed that all the male born sons were to be slaughtered. Moses happened to escape from that by hiding in the bullrushes, and happily there were a few chickens that escaped that two million slaughter as well.

But Sir, this is the kind of nonsense that you find in modern society today. Nonsense, Sir, . . .

A MEMBER: They paid the farmer 50 cents to slaughter them.

## BILL 23

MR. JORGENSEN: Nonsense, Sir, because today our older people who are being given grants by this government but before those grants even reached their pockets they have lost it in the form of higher food costs and higher prices for the things that they must buy. And so the cycle will continue. Next year they are going to have to increase something else. More taxes, give more grants. Where will it all end? Sir, there is no end to it as long as that cycle continues. Sir, I am reminded of . . .

A MEMBER: Another story?

MR. JORGENSEN: I am reminded of -- well it might be a story, Sir, but it's not a funny one. I am reminded of an excerpt, of an excerpt that comes out of the -- (Interjection) -- that comes out of the William Shirer book "The Rise and Fall of the Third Reich." When he was describing what was happening in Germany during the inflationary period of that time, the devaluation, he was referring to the devaluation of the German Reich Mark. The slide began in 1921. The first move was made to reduce the value of the mark to 75 to the dollar. And in August 1923 the mark was worth one million to the dollar, and within a couple of months, the money was absolutely worthless. And I just want to read this one chapter from this particular book. He said, "The masses of the people however did not realize how much the industrial tycoons, the army, and the State, were benefitting from the ruin of the currency. All they knew was that a large bank account would not buy a straggly bunch of carrots, a half pack of potatoes, a few ounces of sugar, or a pound of flour. They know that as individuals they were bankrupt. And they knew hunger when it gnawed at them as it did daily. In their misery and hopelessness they made the Republic the scapegoat for all that had happened. Such times were heaven made for Adolf Hitler."

Sir, I am beginning to wonder with the kind of escalation of costs that we're experiencing in this country today how far we are away from a repetition of that circumstance. I think, Sir, that the time has come when some pretty hard decisions have got to be made when we've got to determine whether or not this pell-mell rush towards greater and greater expenditures and assumption of control and power on the part of the government, has got to be stopped. In checking through the estimate books this year, we find that in salaries alone, just salaries and that heading that comes under the General Expenditures, a greater and greater army of civil servants assuming a greater and greater portion of the tax dollars that are being collected. In 1970 under the total expenditures of government under that particular heading, Salaries and General Expenditures, it amounted to \$90 million. In 1974, that is for the projected Estimates for this year, it is \$176 million, double in four years.

Sir, that kind of an escalation of the cost of government cannot be tolerated because, Sir, if it is permitted to continue I think we find ourselves in a position where people of this country will not be able to buy the things that they require or as in Germany in 1923 where a wheelbarrow full of money could only buy a book of matches. We've got to come to grips with this particular problem. And my honourable friends opposite may laugh at my analogies and my comparisons, but I think that we must look very seriously at whether or not the trend has got to be stopped and indeed reversed. Whether or not we are going to continue to allocate more and greater power into the hands of a few bureaucrats, or whether we're going to have a return to government by the people. That, Sir, is another subject and I don't intend to dwell on that one today. But I do use this occasion and this opportunity to point out some of the dangers that I see and some of the warning signs that are not only on the horizon but are already with us. Failure to recognize it could mean the end of democracy in this country and I don't think any of us want to see that happen. Thank you very much.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I'd like to move, seconded by the Honourable Member for Lakeside, that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable House Leader. The Honourable First Minister.

MR. SCHREYER: Yes, Mr. Speaker. I move, seconded by the Honourable the Minister of Mines and Resources that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MOTION presented and carried and the House resolved itself into a Committee of Supply with the Honourable Member for Logan in the Chair.

SUPPLY - MINES AND RESOURCES

MR. CHAIRMAN: Resolution 88 -- passed. That completes the Department of the . . .

MR. FROESE: I think I asked several questions of the Minister last night before we adjourned and I think we should have some answers.

MR. GREEN: Mr. Speaker, the type of question that was asked by the honourable member was very similar to the type of question that was asked by the Member for Brandon West. I indicated that the present -- the Chairman of the Manitoba Development Fund will be appearing before the Committee on Economic Development. The honourable member will be free to come to that committee and detailed questions concerning specific matters of that kind in the report will be answered by the President of the Development Corporation.

Mr. Chairman, the Honourable Member for Morris, he's here. I have a tabulation of time that the Chairman made which includes everything but three hours, which I assume can be dealt with that way. There were a total of the -- everything but 23 which gets down to about 21 hours, I used eight hours, roughly, eight hours less ten minutes. This is in answering questions and I introduced my estimates in 30 minutes. New Democrats used two hours and fifty minutes beyond that eight hours. Progressive Conservatives used six and a half hours, Liberals used two and a half hours which is nine, Social Credit used 58 minutes and there were an additional 31 minutes. So I think it breaks down with the Minister using less than half the time; the New Democrat side of the House using roughly half and the other side using roughly half. But that's really not intended to say anything other than that that is probably a more accurate estimate of time than has previously been given.

Now I really urge the Member for Rhineland to know that there will be again time on Capital Supply to discuss these matters but more important than that, and I don't think Capital Supply is the place that most information will be forthcoming, there will be a committee meeting of the Economic Development Committee of Cabinet of the House and the Chairman of the Corporation will be there, just as the Chairman of Hydro is there, to answer the detailed questions that the Honourable member . . .

MR. FROESE: Mr. Chairman, I think . . .

MR. CHAIRMAN: The Honourable Member for Rhineland.

MR. FROESE: . . . there are certain things that should be answered. How much is there in unused authorizations that we have been making?

MR. GREEN: Roughly 1, 100, 000 the last time I was aware of it. Roughly 1, 100, 000 in unused authorization.

MR. FROESE: To me the Development Corporation should receive more consideration in the House here and its operations. I asked for some projected statement by the Minister on CFI. We are showing tremendous losses here. Now for the several years of this particular industry, and I certainly for one want to know, are we going to -- at what rate are we going to have these losses year after year, and should we not try and dispose of it then, if it's just going to be a liability from hereon as the report states; then too we find that the credit rating of the Development Corporation in my opinion is very low. If it wasn't for the government guaranteeing the loans -- look what it says under (3) the bank advances, that the government will not advance them any moneys more than up to five million. Once it reaches five million the government has to take over the amount that they have been advanced by the bank. --(Interjection)-- No, but this apparently is the rating that the banks give to the Corporation. If it's not the case I certainly would like to hear a proper explanation on this because this is the way the note under "bank advances" reads. And . . .

MR. GREEN: . . . will permit me . . .

MR. FROESE: Then too on top of that . . .

MR. GREEN: Well okay go ahead.

MR. FROESE: . . . they will not allow any encumbrances on the advances, on any advances that have been made so that this is also part of the note in connection with the credit rating. --(Interjection)-- It's found on page -- I certainly would like to hear from one of the Ministers on the front bench to explain that if that is not the case because . . .

MR. GREEN: Mr. Chairman, I've already indicated to the honourable member . . .

MR. CHAIRMAN: The Minister of Mines and Resources.

MR. GREEN: . . . the report is signed by the Chairman of the Development Corporation; the Development Corporation answers to the Minister in charge of the Development Corporation. I assure the honourable member that the details with regard to the financial statement, none

## SUPPLY - MINES AND RESOURCES

(MR. GREEN cont'd) . . . . of which he has indicated to me are in any way out of the ordinary, but all of those details will be answered.

The details with regard to Churchill Forest Industries, the Advisory Committee that has been set up, the operations of Churchill Forest Industries will be answered by the Chairman of the Development Corporation when he appears before committee.

Now the honourable member is dissatisfied with that. I am indicating to him that that is the manner in which I intend to report on the details with regard to the Corporation. I intend to try to deal with the philosophy of the Corporation, the philosophy of the relationship between the Board and the Corporation, the direction of the Corporation but details of the financial statement are surely a matter which have always been handled in that way and I urge the honourable member -- not because I couldn't get the information and then deliver it but that the best way of obtaining it is through the Chairman of the Corporation.

MR. FROESE: Yah. Well again under the agreement with CFI we are under certain obligations, and I have asked this on previous occasions. How much did we spend on these various programs such as fire fighting, reseeding and all these things? Sure he knows that we are under an obligation . . .

MR. GREEN: Mr. Chairman, on a point of order. That . . .

MR. CHAIRMAN: Point of Order. The Honourable Minister of Mines.

MR. GREEN: . . . does not come under the Manitoba Development Corporation, that comes under the estimates of the Minister of Mines up until that program, and that has already been dealt with.

MR. CHAIRMAN: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, last night the Honourable Minister of Mines and Natural Resources dealt with the point that we're talking about now and I would like to if I may make some comments on that and then deal with the Manitoba Development Corporation under his estimates.

Mr. Speaker, the proposition that's now put before us is that the Committee, the Standing Committee on Economic Development will have before it the Chairman of the Manitoba Development Corporation and he will be in a position to answer the specifics of questions that we may have relating to particular loans and particular industries in which we have an equity, in which the people have an equity. Mr. Speaker, what the Minister of Mines and Natural Resources is proposing up to now has not been dealt with in this way. What he's proposing is a change and I think it's important --(Interjection)-- No it did not happen last year and I want to deal with that if I may. He, I think, maybe misunderstands what really took place last year.

Mr. Speaker, Hydro and the Manitoba Telephone Corporation come before a Committee of the Legislature. They present for perusal their annual report which is a year previous, the fiscal year of the previous year. We are always a year behind. Nevertheless Hydro in presenting itself is prepared and does deal with current matters. It deals with the current issues; it deals with current information, even current financial information. Last year when we appeared at the Standing Committee when the Chairman of the Manitoba Development Corporation came before us the information that was supplied was only supplied as of the fiscal year of the Corporation and in the course of doing this we were prevented from asking current information. One has to understand, and one, I think, does understand that a great deal can happen between the time of the last fiscal year and in the case of the Corporation we're talking about different fiscal years, different times for ending their fiscal year, where as far as government is concerned it has been March 31st in terms of the Crown corporations, that is Hydro and Telephone. And the result is that the information that was requested was not received because the Chairman essentially only could deal with the financial information presented. Now, Mr. Chairman, if we were to examine the information supplied in the Annual Report which is a year ago plus the current information that is provided as a result of the Reports quarterly in the Manitoba Gazette, we know that in many of the cases in which there have been Crown -- in which the money of the people have been invested in terms of some kind of equity, that there have been increases in loan amounts, and those increases warrant some scrutiny on our part to determine the specifics of why the loans have been added to or some particular issue. Now in the past, Mr. Chairman, in connection with this we were really prevented and I would suggest to you that if we had had transcribed in writing the actual committee hearings we'd be in a position to make that assessment properly, and I suggest to the Minister that it may be worth his while

## SUPPLY - MINES AND RESOURCES

(MR. SPIVAK cont'd) . . . . to look, or at least to hear, the actual transcriptions that were made. He will find that we were precluded from asking more than the information of a year ago.

Now if the government is now saying, and I think that this is what the Minister is really saying, that we are going to change the procedures that we have followed up to now and we're prepared now to deal in the Committee in detail so that we are entitled to ask the kind of questions that the Honourable Member for Rhineland wants to ask there, notwithstanding the fact that the fiscal year may have been a year ago, if that's the case then in this situation then I would take that as an undertaking on the part of the government and then from that point of view, I think we could deal with that matter.

MR. GREEN: Mr. Chairman, I am happy to say that that is exactly what I intended. However I want to stipulate that that intention falls within the four corners of what I said the other day, that when we are dealing with an ongoing firm with financial information which reflects on the operations of that firm rather than on the government's position vis-a-vis, that firm in terms of the amount of finance, moneys that it has advanced, its equity position, its hope for the future, etc., that the members will not be given perhaps in the same way as I might not want to give an answer to a particular question, and when I do that it is a -- I sort of make a judgment that the public would sustain me in doing that -- that not every question will be answered, but I agree that it will not be limited to asking questions which end with a particular balance sheet, that the questions will be with regard to the current operations of the Manitoba Development Fund as well as the review of its statement. --(Interjection)-- Yes.

MR. SPIVAK: Mr. Chairman, I'm not sure that we're going to really clarify this until we're into the Committee, but I want at least to understand something correctly. You see -- and I'd like to take one company as an example and then in the course-- I only do this as illustrative of what can happen and what I think will take place. If we were to look at A. E. McKenzie in which we have four specific amounts of 450,000, 900,000, 3,000,000 and 2,500,000 one of the questions that we would ask -- and I think maybe the Honourable Member from Brandon West did ask yesterday -- is, what was the profit and loss statement as of the last statement in December? Now that's current information, that's not a year ago, that's current. We do not know this.

MR. GREEN: . . . I undertake from my honourable friend that the Manitoba Development Fund position with regard to A. E. McKenzie will be given in that way. I understand -- I just want the qualification here so that my honourable friend will not think that I am trying to move in two directions -- I understand with regards to A. E. McKenzie because of a statute the administrative responsibility goes to the Minister of Finance and not to the Minister in charge of the Manitoba Development Corporation. But the Corporation position vis-a-vis A. E. McKenzie, that is the amount of our undertakings, the amount of covenants, the amount of loans, will be given as at the current time. I would expect that the other information that the honourable member referred to, that is the balance sheets, will be coming out as well, but it may not be coming out at that particular meeting merely because A. E. McKenzie has a different status to the other firms.

MR. SPIVAK: Mr. Chairman, I would like to give one other example so that we're clear because I'm mentioning McKenzie and it has a particular situation which may -- well which is unique to it, and I don't want to concern myself with just that one. And I at this point do not know the year end. But let's assume that we were talking about Saunders Aircraft at this point and let's assume -- and I have here, Mr. Chairman, the number of loans, I have here the number of loans and the amount, two, four, six, eight, ten, twelve -- I believe there have been twelve loans made to -- that we have as recorded -- to Saunders Aircraft. Now it may very well mean that the year end was last year and there were only six loans up to that time. Now in order for us to make the assessment and judgment as to the other six loans, we are going to ask pertinent information about the financial position of the current financial position, and I just want that understood that we're not going to be precluded from getting that information.

MR. GREEN: Mr. Chairman, that is my understanding exactly, that the honourable members will be able to ask -- well here's where you were at the last statement; how much moneys have advanced since then -- and by the way that is a matter of record. What is the -- because of the disclosure questions as to what is happening within the firm the answer will

## SUPPLY - MINES AND RESOURCES

(MR. GREEN cont'd) . . . . not be denied because of a certain date. It may be that in the judgment of the Fund the answer is not forthcoming because of a necessity of some commercial operation's prudence. But the position of the Fund with regard to that company, how much money has been advanced, what the assets of the company are presently worth, that will be made available. I just can't promise my honourable friend that every single question, regarding every single transaction, regarding negotiations that are being carried on, that all of those things will be answered. But the refusals if any will not be based on the fact that the last statement didn't show them.

MR. CHAIRMAN: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I don't think it's necessary to labour this point then. I assume that we're going to have an opportunity that we have not had in the past and we will wait to see in the Standing Committee whether this occurs or not. And if it does not the Honourable Minister of Mines and Natural Resources I think knows the recourse that will -- under Interim Supply if we're still at it at the time . . .

MR. GREEN: . . . the honourable member will have my words on the record and I suppose I will be responsible for them. But that is my impression of what we will do; that is my intention with regard to the Fund.

MR. SPIVAK: Now, Mr. Chairman, I'd now like to deal with the matter of the Development Fund and its annual report and the policy matters that the Honourable Minister of Mines and Natural Resources has referred to.

There are certain facts that have to be placed on the record and my information has been taken from the information supplied . . . the Fund and in the quarterly reports that have been furnished, and these are taken from the reports of information from July 22nd of 1970 to September 30th of 1972. The total number of assistance transactions is 198, and the total number of recipients is 113. That is, Mr. Speaker, the total assistance in the three categories indicated, granted to enterprises that are owned or managed by the government or in which the government has a substantial investment, is \$69 million while the grand total of the Manitoba Development Corporation assistance was only \$85 million during the same period, so in effect, if I'm correct, \$69 million or almost \$70 million of the \$85 million went to government-owned or managed by the government, and I think that that proportion is probably correct.

Now the reason I mention that, Mr. Speaker, is because when we examine the report of this year, we find that there are approximately listed, by comparing this year's report with last year's report, page 18, there are approximately 86 new loans, Mr. Speaker, 86 new loans that have been provided and, Mr. Speaker, that would represent approximately 33 million new dollars of total capital investment, borrower and MDC.

MR. FROESE: On page 5, the third paragraph, a total of 87 new loans at \$29-1/2 million.

MR. CHAIRMAN: . . . members on the floor at the same time. I think the honourable member understands that.

MR. SPIVAK: Mr. Speaker, the Honourable Member for Rhineland has referred to page 5, where it says 87 new loans amounting to \$29 million, I have indicated 86 loans amounting to 33. My information is taken by subtracting the information supplied on page 14 of the previous year on the Manitoba Development Corporation with page 18 of this year, but Mr. Chairman, the variation is still important in that we are talking a couple of million dollars, but I would like to make my point -- I think I can make my point by going a little bit further into the information that's supplied. If you compare the loans and the classification of the loans, you find some very interesting statistics.

As an example, for loans over \$500,000 to \$1,000,000 there were the previous year 15 loans; now there have been 17 loans, with an increase of approximately \$3 million and the estimated direct increase in employment is nil. There were 905 in 1971 and 905 shown in 1972.

If we look at the next category of a million dollars to three million dollars, we find that there have been eight loans increased over the previous year and that that amount has been increased by \$13 million, for a provision, Mr. Speaker, for a provision of approximately 220 new positions. And if we look over three million, Mr. Speaker, we find that there's an increase of 13 loans over 11 of the previous year or two, for a total estimated capital



## SUPPLY - MINES AND RESOURCES

(MR. SPIVAK cont'd) . . . . investment and borrower investment of \$8 million for a total of another additional 106, Mr. Speaker.

Now, Mr. Speaker, what this represents when we examine it is this: that approximately 12 of the loans in the year 1972, which represents approximately about 12 to 13 percent of the total loans that took place in that year, basically covered approximately \$24 million of the \$33 million that is shown as being invested. So that approximately 12 percent of the loans represent almost two-thirds of the total capital investment and borrower, and they represent about 25 percent of the jobs.

Now, Mr. Speaker, I mention this because we on this side have stated that in our opinion the Manitoba Development Corporation should be wound down and wound up, and we've said that, Mr. Speaker, because it's our belief that the original intent of setting up the Manitoba Development Fund has been met and that the continuation of the present structure is not going to accomplish very much for a total impact in industrial development. And, Mr. Speaker, it was interesting to note the Minister of Mines and Natural Resources answers yesterday, because in the course of his answers to the comment of the Honourable Member from Brandon West, he basically talked about socially useful jobs and in essence basically stated that the government's involvement in the business enterprise was essentially for the development and creation of make-work situations. Well the impression he gave, and there was reference to the Minister of Industry and Commerce when he talked about the PEP Program, and he basically stated that we put \$8 million in PEP Programs for make-work situations so why can't we as the people who are investing for the public invest in enterprises which in fact may lose money but they also create work, so therefore they are make-work situations. -- (Interjection)-- Yes, Mr. Speaker, but they are socially useful and if they lose money they are in the same category as make-work situations.

And now it's very interesting, Mr. Chairman, because I think that's the admission that I think has come for the first time from the government, that a great deal of the industrial development undertaken by the Manitoba Development Corporation now to a certain extent is consistent with the philosophy that the government must use its fiscal power to be able to try and meet the unemployment situation, and therefore they are prepared through this vehicle to put money in, try and take equity if necessary, but at the same time essentially to try and develop the kind of make-work situations.

Now if we go back to the statistics again, Mr. Chairman, and we look at the previous year and this year, we find that for those loans of \$10,000 or less that there was an increase of 13 from the previous year. Now I want the members to understand that there were 13 loans, which are higher than the number of loans from \$500,000 and over, and those 13 loans actually increased in investment an amount by about \$83,000-- 13 loans increased by 83,000 over the previous year, and they created 83 new jobs. Now, the interesting point is that we talked about 12 loans for \$500,000 and over, and they created \$33 million worth of investment.

Now, Mr. Chairman, we have stated that it's our opinion the Manitoba Development Fund has achieved its purpose, that the financial institutions are in fact loaning in this province now in a way that they didn't before, and that there are in fact new mechanisms that must be established to try and assist those people who require financing and are unable to get it. We also stated -- and I will repeat again -- that in our opinion the development of job formation in this province will happen in those areas in which we concentrate on essentially what would be referred to as "small business". We have proposed and continue to propose to the government -- and this is one of our basic positions and one that we would undertake if we form a government -- to winding the Manitoba Development Corporation and to start to use the Regional Development Corporations in this province as a means to be able to fund them and to allow them to be able to start to loan in those projects in their own areas, which can in fact succeed and which they have arrived at a consensus on, so that they in turn will be able to have both commercial and industrial and tourist activities in their own area, and at the same time will in fact accomplish the objective of the creation of jobs. And it's obvious, Mr. Speaker, when you look at \$83,000 of new investment creating 83 jobs of 13 loans, compared to 200 or 300 jobs being created of \$33 million investment of 12 loans, that in effect the job formation in this province will come from the smaller undertakings and not from the larger undertakings.

Now, Mr. Speaker, in dealing with this it's our belief that in the areas serviced by our

## SUPPLY - MINES AND RESOURCES

(MR. SPIVAK cont'd) . . . . regional corporations there are tremendous improvements in tourism, tremendous improvements in commercial and industrial undertakings, that can accomplish the objective, and these are the areas in which there is additional support required for financing.

Now, Mr. Speaker, at the same time that we talked on this, our position has been that a government very --- well, whatever government, including the government, Mr. Chairman, that I may head, may be prepared both to loan substantial moneys or to participate in some way by way of equity or joint venture, but it would be our proposal, Mr. Chairman, that the way in which we have operated in the past be changed in this Legislature and in this province. If in fact a project is worthy of support from a government by way of substantial loan or by way of some joint venture, then, Mr. Chairman, I think it is now incumbent in the full sense of open government and accountability, to have such a project on its own brought to a Legislature and to deal with that by way of a private bill.

Mr. Chairman, I do not think that we can simply allow government, through one instrument or another, basically controlled by government, to allow it to continue as we have now, in the process of dealing -- and we've done it in the past -- in substantial amounts by way of loan or substantial amounts by way of equity. And what I am proposing is essentially a new change. We've talked about it before; the members opposite have not been prepared really to debate this or to discuss this; what they have done in the past and what they may very well do now is refer to the history of the Manitoba Development Corporation and CFI with respect to 1966 and 1969 and, Mr. Chairman, I want to tell the Honourable Minister of Mines and Natural Resources and the former Minister of Finance that insofar as CFI is concerned I am prepared to debate that in this House and to debate it on any terms that they want to debate it, and I'm prepared to do that now. And if the Honourable Minister of Mines and Natural Resources or others are prepared to stand up and take this debate into that area, then I'll debate it. But what I'd like to do at this time -- and I think this is important, Mr. Chairman . . .

MR. GREEN: I think we sort of discussed this the other day, and if we are talking about philosophy of investment, I am certain that my honourable friend is right on and I'm raring to go. If he's talking about the ways in which a particular loan was administered and how it originated, that is before a Commission, and we are all waiting. But if he's talking about the nature of the development I'm raring to go.

MR. CHAIRMAN: The Honourable Leader of the Opposition.

MR. SPIVAK: Well, Mr. Chairman, I would say to you that I am not going to allow the Minister of Mines and Natural Resources as House Leader to try and dictate to us about terms because I -- (Interjection) -- Let me finish, let me finish. Mr. Chairman, I -- Mr. Chairman, I'm not on a . . .

MR. CHAIRMAN: Order please. Point of order, the Honourable Minister of Mines and Natural Resources.

MR. GREEN: On the point of order. It's not me who dictates, it's the House that sets the rules, and all I've indicated to the honourable member is what the rules plainly say, that if something is being dealt with by a commission of inquiry -- and by the way, you know, people have strayed now and then and I'm not even greatly worried about that, but I am worried about trying to sustain a certain respect for that type of commission; I am suggesting that the rule would say, not the Minister of Mines dictating, you are able to do the one but you are not able to do the other. The honourable member doesn't have to call me a dictator for that reason.

MR. CHAIRMAN: The Honourable Leader of the Opposition.

MR. SPIVAK: Well, Mr. Chairman, you know, I listened to the Minister of Mines and Natural Resources but I also read what his First Minister said, and the First Minister said he'll talk about it, Mr. Chairman, any time he wants to. And, Mr. Chairman, I'm not going to be restricted and if the Honourable Minister wants to debate that, we'll debate it in the House on the terms that it can be debated, not on his terms, on the terms that we want to debate it. But I'm saying, Mr. Chairman, I never suggested I wanted to debate it as such.

MR. CHAIRMAN: Point of order.

MR. GREEN: I'm sorry. On the point of order. The honourable member earlier today saw the kind of trap that I found myself in by saying what somebody else said as a result of

## SUPPLY - MINES AND RESOURCES

(MR. GREEN cont'd) . . . . reading it in the paper. I have read the Honourable First Minister's remarks with regard to that subject; they are exactly in line with what I have said.

MR. CHAIRMAN: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Chairman, in this House in the last two years when questions have been asked on CFI the First Minister has basically said it's sub judice, but in the by-election campaigns -- and I know this for a fact and this can be proved if it's necessary -- he did anything he wanted to and he said anything he wanted to. So you know you can't have it both ways. But I'm prepared to face that. But I'm now, Mr. Chairman, talking on a principle and I wonder whether the honourable members are going to be able to divorce themselves from that issue, as to whether in fact we have now reached a point where in terms of accountability and openness it would not be better to have a government who is committed to loaning money in a substantial manner or becoming involved in some joint equity, joint or equity participation with a company, not be in a better position to come by way of private bill with all the facts to the Legislature, Here, Mr. Chairman, I believe that we've reached a point now where, unless this is done, any government who carries on a program as it was in the past -- and I'm now referring to prior to 1969 -- or in the period of time of the last three years, which has been in the present government's history, will be subject to the same kind of criticism, justifiable criticism, for the manner in which it has been handling itself.

Mr. Chairman, there are judgments that can be made now with respect to the Manitoba Development Corporation and they're not complimentary judgments that can be made. There are judgments that can be made based on the information, and the information presented in here is nothing that a government can feel happy about. There are innuendos and rumours, and not caused by the members here in this Legislature but caused by a variety of different people who have had contact in this kind of a situation, which I think basically affect -- well, just destroy the effectiveness of this kind of instrument.

Now if the honourable members want to argue and like to argue, well what we are doing is really investing the public money here and the public is going to get a benefit. Mr. Speaker, if we take all the Crown corporations in which the government has investment, I think we can question the public benefit at this point. I think we can ask simple questions on profit and loss and know that in fact there are no profits. We can argue, I guess, and rationalize the position that jobs haven't been created, but then the question that has to be asked is, how long is it going to have to be continued before in fact they would be successful and at least be in a position to carry itself? You see, Mr. Chairman, when you look at the loans you find, you know, whatever the projects are you find two, four, six, seven loans, you find five or six loans, Mr. Speaker, private business -- and I think I can say this -- who are constrained and limited because they do not have, you know, access to a pocket that they can always go to to try and pull out some money, must at one point measure their position and determine whether they can continue on or not. That doesn't mean that in some cases there are not development charges that arise or development costs over a period of years, but private business at one point has to look at its undertaking and say, is there a possibility of being able to make a success, because if not there is just no point. And they do not have the easy access, the easy access that the government has to money. And one of the problems that we have here is that in the kind of decision-making that has occurred, you are caught between a socially desirable result in certain situations, the political realities that a government faces when it becomes involved in Crown corporations, that in terms of the community involvement they are caught in attempting to try and carry on but they are limited because every four years they must go to election and they have problems in regards to trying to win seats if they disrupt communities in which projects have been undertaken. And as a result, you have a whole series of programs in which errors are compounded, in which waste takes place, in which inefficiency becomes the rule and, as a result, in which people lose sight of the original objectives of developing the projects in the first place.

Now, Mr. Chairman, what I'm saying to the honourable members opposite is that the winding up of the MDC is a very practical need in this province. There are needs for smaller business and I believe that that can be met, and I have indicated that, through the Regional Development Corporation. I believe also it could be met by an arrangement that could be arrived at with the Industrial Development Bank and with the Federal Government for some

## SUPPLY - MINES AND RESOURCES

(MR. SPIVAK cont'd) . . . . additional support by way of a guarantee, in certain areas under certain circumstances, so that the loaning mechanism of the IDB can in fact be used.

I've referred to this in the past, Mr. Chairman, and I can do this again. But if you look at the annual reports of the Industrial Development Bank, you realize that they are now loaning more in this province than they have before both in terms of numbers and amounts, and if you look at areas such as B.C. where there was not an equivalent of a government development corporation, you find substantial, but substantial, rise in the numbers of loans and the amount of loans by the Industrial Development Bank. So therefore, in terms of a program, Mr. Chairman, I believe the Regional Development Corporations can achieve part of the objective; I believe that there is a need for more accountability, and the accountability would come as a result of private acts in those situation in which the government decides and determines to take equity; and further, Mr. Chairman, I believe that there is a need for another program which the Honourable Minister of Mines and Natural Resources made fun of the other day, and I refer to that as a Manitoba growth fund. He made fun of it, and he made certain assumptions, and he followed in his logical way. He always starts with a certain assumption and then develops his conclusions from that, and they're usually amusing, they're usually extreme, and of course we could all become involved in his development of his concepts without realizing that really what we have to attack is the original assumption because his premises are usually wrong, because he said this is what I believe.

Mr. Chairman, let's talk about a Manitoba growth fund, and let's compare that in terms of the kind of project that we now have with the Manitoba Development Corporation, and not what the Honourable Minister of Mines and Natural Resources said that I said about a growth fund, or what he assumed I meant by a growth fund, but what I really do mean by a growth fund. If there is a basic distinction between the members opposite and ourselves it is that we believe that the voluntary sector in our community have tremendous potential for the development of our economic and social areas of responsibility. We do not believe that government -- we do not believe the government has to do everything. We believe that in effect if you participate with a voluntary sector that there is great opportunity because they are prepared to serve, they are prepared to give of their, to present their abilities, they are prepared to give us advantage -- and I'm not talking in terms of government -- of their particular skills. The concept of a Manitoba Growth Fund would allow the private sector to assist in the development of this province with far greater initiative than a government can because they would have no political obligations or hangups. Now we have proposed that certain money would be ceded to the Manitoba Growth Fund, and we talked in general terms of a \$5 million amount. But having provided that amount, the rest of the money would be raised voluntarily by the people, from the people of Manitoba, and they would be investing in a growth Fund that potentially could give them a profit . . .

A MEMBER: Exactly what I said it would.

MR. SPIVAK: . . . potentially could give them a profit, and the decisions to be made would not be made by government, not at all --(Interjection)-- no not at all. No they would be made by the board of directors and by the people who have some particular skill and who would be elected by the directors.

A MEMBER: You're going back to 1966.

MR. SPIVAK: No I'm not going back to '66 at all. No I'm not going back to '66. Let's understand very clearly, let's understand very clearly what I'm saying. I'm saying that Manitoba Growth Fund would receive an amount of money that in effect the business community would be asked to at least if not equal the amount initially, but at least minimum to equal the amount . . . was substantially more, that they in turn, they in turn would provide a vehicle for development and for risk-taking in this province. And the people in the Province of Manitoba could voluntarily make a determination in their own way as to whether they would contribute or not. Right now what we have is the people of Manitoba making a contribution whether they like it or not. And there's the basic difference.

The Minister of Mines and Natural Resources says we have responsibility and therefore we are in a position to exercise and use the instruments that we have, and the public treasury, and loan on the public credit, to do all the things that we determine, and it's our belief that in doing this you are, by compulsion, making the people participants in a series of enterprises that they know nothing about which this Legislature knows nothing about, and which, in fact

## SUPPLY - MINES AND RESOURCES

(MR. SPIVAK cont'd) in spite of the fact that some answers will be given in the Standing Committee, we will not know anything about. The question of its viability, the question of the potential profit, the question of whether this is politically motivated or not, are never going to be answered, Mr. Speaker, except in an election, and that's the way the Minister of Mines and Natural Resources will rationalize it. But when we vote on this thing, we're going to be voting on myths, nothing but myths. And the Minister of Mines and Natural Resources knows what I'm saying to be is correct. --(Interjection)-- nothing but myths.

But you see, Mr. Chairman, what I am suggesting is that those people who have particular skills and experience in our community are capable of contributing in a way that will allow for a greater degree of success and the kind of risk-taking that has now been undertaken by the joint ventures that the government has gone in --(Interjection)-- In what way? --(Interjection)-- Oh, Mr. Chairman, let's talk about the objective of the growth fund that I'm talking about. The objective of the growth fund that I'm talking about is to participate in the development of industry in this province, to assist in the expansion of our small industry, to be able to develop the new technology, to be able to in fact co-operate in the new ventures, recognizing that the risk taking will be great but also recognizing that the potential for achievement in this province would be great, and the difference will be, the difference will be that you will have some business management. --(Interjection)-- Oh you think you've got business management? You think, you think -- no, come on --(Interjection)-- the difference of course, Mr. Chairman, is that I'm talking about people putting in their own money and I would think that when people put in their money they will be content. --(Interjection)--

You know, Mr. Chairman, Mr. Chairman, the interesting part is that the members of the opposite side are taken with this and are concerned with this. And the reason they're concerned, because it does illustrate the basic difference in philosophy. The members opposite still believe that as government, they know best; they still believe as government they have a right and complete access to the public treasury, and therefore can use it as they see fit, and Mr. Chairman, they are not prepared to work or trust the voluntary sector, and they're not prepared to allow the people the choice of making a determination of whether they want to continue to invest in the development of the province, or they want to hold their money to themselves.

MR. CHAIRMAN: Order please. The hour being 4:30, last hour of every day is Private Members' Hour. Committee rise. Call in the Speaker.

Mr. Speaker, the Committee of Supply has asked me to report progress and asks leave to sit again.

IN SESSION

MR. SPEAKER: Order please. The Honourable Member for Logan.

MR. JENKINS: I beg to move, seconded by the Honourable Member for Osborne, that the report of Committee be received.

MOTION presented and carried.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, on a point of order, and I hope that I will not have the difficulty with members of the House, but I really must clear up something which the Honourable Member for Rhineland indicated was some weakness in the credit of the Development Corporation because that is a problem, and I would indicate to the honourable member that Section 18 of the Development Corporation Act stipulates exactly the limitation that the honourable member referred to. It's not stipulated by anything else other than by Statute of the Province of Manitoba.

PRIVATE MEMBERS' RESOLUTIONS

MR. SPEAKER: Private Members' Hour. Friday the first item is Private Members' resolutions. We are on Resolution 3, the Honourable Member for River Heights, the Leader of the Opposition. The Honourable Member for Sturgeon Creek. Twelve minutes left.

MR. F. JOHNSTON: Thank you, Mr. Speaker, Mr. Speaker, the debate on this resolution when it came up originally, and we've had speakers from both sides speaking on it. We seem to have got a way off the track of the resolution and I would like to try to bring it back to reality in what the resolution says. The resolution is basically asking for disclosure

## PRIVATE MEMBERS' RESOLUTIONS

(MR. F. JOHNSTON cont'd) . . . . of budgets and estimates and expenditures of Crown corporations and other boards and commissions, etc. The debate, Sir, got into what somebody else did, and the government continually says what somebody else did, and the minute they say well you did it, they're admitting they're doing it, and that's the only way you can really put that down. It got into another part of the debate that you know, who disclosed what and when, and we really got merrily going around.

So, Mr. Speaker, what this resolution basically says is we would like from these corporations sort of a set of estimates of their budgets the way we have before us, and to tell us in some way that it's going to be very costly or very hard to do is just a little ridiculous, because it isn't. Nobody can tell me that these corporations and the commissions, and what have you, do not submit budgets, do not make up budgets, and in order to make up budgets you have to sit down by departments, or each department head will sit down and make up his budget and it will be submitted to -- when they all get together -- to the heads of the Board or commission, or the heads of the corporation, and they will go over it and they'll look at the salaries of one particular department, and they may change it, but what they will end up with, Mr. Speaker, is exactly what we have before us here in Estimates when we look at -- take any one at all it starts out -- just looking at the Attorney-General's it says Law Courts, Accounts, Administration, Salaries so much. We're not asking what every single person makes; we're not asking what the fellow in the shipping floor makes, or the fellow in receiving makes, or the girl on the desk makes. We're asking for a department, total salaries, other expenditures. That's really what we're talking about when we're asking for disclosure of this information to be brought before this Assembly.

And I really don't think it's a real big thing to ask for when all of these are Crown corporations, all of their funds do come in some way from the government, which is -- and they operate as Crown -- or they operate as Crown corporations taking in income, etc. And those particular budgets should be brought before the Assembly just basically in this form, and it is being done by every one of them now. Everybody that makes up a budget does it that way and then it's put into this form so it could be examined.

Now I know that if I were to ask any Minister's department here if when we question them we can turn around and we can say to a Minister, you know, salaries so much money. How many people does that include? That's the question we want to ask, that's the answers the Ministers give us.

So really lets get back to what we really are looking for or asking for in this resolution. We're asking for the Crown corporations; we're asking for to present some sort of a budget like this to us; we're asking also for basically the groups of boards and commissions who make up their budgets. We're not asking how many secretaries they have, we could ask that. When we get it, but we're not asking for that detail to be put before us at that time. We will have the right to question it. In fact honourable members on both sides will have the right to question it. This Assembly will have the right in other words.

So, Mr. Speaker, it's not an unreasonable request. It is being done; the information is certainly available, and I'm sure many of them would be close to being in this form at the present time and they should be presented to this Assembly to be examined. Thank you very much, Mr. Speaker.

MR. SPEAKER: Is the House prepared to adopt the motion? The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I hadn't intended to speak on the motion but I think I should give my stand on the resolution as it is before us. Certainly I think it is a very worthy one to come before the Assembly here. We get our public accounts annually and certainly it would be worthwhile to have the various items requested in the resolutions be incorporated into the Public Accounts book, so that we could check back on it and have it compiled with the other accounts, and therefore I certainly would support the resolution.

We are getting more and more Crown corporations almost year by year, especially the various boards that are set up too, and I feel that these also should be accountable to us in such a way so that we can go through the statements, financial statements, and also be able to debate the policies that are being developed by these Crown corporations. I think the matter of the Development Corporation, it just came up a little while ago as a question in point. We as the members are responsible for the moneys that are being spent and are allocated to

## PRIVATE MEMBERS' RESOLUTIONS

(MR. FROESE cont'd) . . . . these various corporations. And we are held accountable by the public for them regardless of how the legislation is brought in because people back home don't know and can't differentiate between many of the Crown corporations as to what way they are being set up and therefore they are not knowledgeable in many ways on this very matter. And therefore I too feel very strongly that this resolution is a very valid one, one that I certainly would like to see brought in and be put into use.

The matter of wages and salaries, fees, contracts, would then be disclosed and certainly would remove suspicion as has been pointed out in one of the whereases. We disclose the expenditures; we disclose the amounts that we get; we disclose the amounts of most of our senior civil servants who receive a salary above a certain amount, this is all public record, and why should it not be the case of those people that are working for a Crown corporation? Why make a differentiation?

Certainly when we have a corporation such as even the Fish Marketing Board, although this comes into federal jurisdiction, and here I might again run into trouble with the House Leader who will definitely reprimand me on that. We have been getting reports from them on past occasions. I hope we get one this year again because I'd like to know where we stand on that particular one. Because we have passed legislation, supplemental legislation to the federal legislation, that no doubt set it up, and we agreed to it. I think we should take an interest in these matters to see what is happening and whether our fishermen are getting a fair return for their fish, what projections are being made for the industry, for the fish plants, and so on. I certainly after visiting the plant last year have an interest in it, or would take an interest in it as to what goes on.

So I think this holds true for the various marketing boards that are being set up by the Minister of Agriculture. There, too, I feel that this should apply equally to them so that we would have proper accounting of those moneys that go and are being spent by those marketing boards so that I certainly feel that I can support this motion, and I do hope that the government will accept it.

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSON: Mr. Speaker, I rise just to make a few brief comments on the resolution now before us dealing with the question of accountability. One of the situations that has been developing in the past few years as a result of the increasing growth of government is a difficulty in maintaining that kind of accountability which is necessary if the prime function of government is to -- or the prime function of the Legislature is to be preserved, that of reviewing and examining and voting Supply.

This Chamber exists primarily for the purpose of examining the spending habits of the government and one is becoming increasingly frustrated in this endeavour because so much of the responsibility for administration is now being passed on to boards, commissions, etc., that are never brought before either the Chamber, or before any committee of the Legislature for examination. The only opportunity that is provided at the present time is in the Public Accounts Committee which is set up primarily for the purpose of reviewing the expenditures that have already been made and which are contained in the public accounts booklets. As valuable as that kind of an examination is, it is an examination after the fact rather than an examination of the current expenditures of government.

We've had the few examples just within the last few days of that kind of accountability. Questions have been posed for example to the Minister of Agriculture dealing with a board that has been set up by government, the Hog Marketing Board. The Minister retreats behind that board and says they're accountable to themselves and no one else, and if that is the position that is going to be taken in increasing frequency by the various Ministers of the Crown, then we are going to find ourselves in the position where the examination of the spending habits of the government is going to be a meaningless process. Meaningless because so much of the expenditures will be hidden behind these boards and commissions which are not accountable to the Legislature.

The request of the Leader of the Opposition is simply that certain corporations, and one that comes to mind very frequently in this Chamber is the accountability of the university where huge sums of money are spent yearly and yet there is no way, no process whereby the members of this Legislature can effectively examine those who spend that money.

Now in the House of Commons, Sir, much of that examination is carried off and

## PRIVATE MEMBERS' RESOLUTIONS

(MR. JORGENSEN cont'd) . . . . and although it has been taken out of the arena of the House of Commons itself, it has been transferred to the many and varied committees that have been set up in the House, and indeed every facet of government is examined by the various committees of the House. Sometimes these committees sit simultaneously. And so although the expenditures involved in the Federal Government are considerably more than those that are accountable to this Legislature they do have some means of carrying on and conducting that kind of an examination and bringing before those committees these people who are responsible for the administration of those boards and committees.

It has often been suggested by my honourable friend, the Member for Rhineland, and indeed by members of the government when they were in opposition, that there should be a committee set up to review and examine the Department of Education since -- since this particular department is one of the great spenders of government, the other one being the Department of Health and Social Development. Now there are several boards and several commissions that have been set up by the government, not only this government but previous governments, for the purpose of carrying on the administration of certain facets of the operations of government, and one can't quarrel with that particular concept except that they're becoming more and more removed from the scrutiny and the examination of this Legislature.

Sir, the people of this province are not able to effectively have representation by population or representation and examination or no taxation without representation unless they have an opportunity to examine those who spend so much of their tax dollars. With the limitations that have been imposed on the -- and the strictures that have been imposed on the Legislature by limiting the number of hours in which estimates can be examined, and by which departments can be examined, it is just not practical or possible that a full conduct of that kind of an examination can be carried on. And unless there is some change made in the method in which we are able to cope with this increasing growth of boards and commissions, then a large part of the examination of government goes without being examined.

I can only think of one manner in which that can be achieved without making it necessary for this Legislature to sit almost continuously and that is to enable various committees of this House the opportunity of calling before them particularly those departments of government that are responsible for the expenditure of the largest percentage of the taxpayers' dollar, namely the Department of Health and Social Development and the Department of Education. That examination cannot be carried on in this Chamber because of the time limitation. Sir, I don't know of any other way than the method that is being suggested in this resolution and so that the people of this province can effectively have the concept of no taxation without representation. I can think of no other way than we enable committees of this House -- and there are many times during the course of this Legislature that there are times or opportunities for various committees to sit to carry on that kind of an examination. Now unless an opportunity is provided for that examination to take place, the people of this province cannot say that they are effectively having a proper examination of the dollars, the hard-earned dollars that they are contributing to the coffers of the government. I suggest, Sir, that this resolution be endorsed.

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

HON. HOWARD R. PAWLEY (Minister of Municipal Affairs) (Selkirk): Mr. Speaker, I think that insofar as this resolution is concerned in itself there is really not too much basis for disagreement with it and I would think that this side would be prepared to consider the advisability of the resolution itself. There are a number of comments I would like to make however .

One is that it constantly amazes me, amazes me a great deal at the type of organized hypocrisy one does see across the way on the part of the Opposition in this Legislature. I find it very hard to be kind when I think of honourable members across the way representing the Opposition in this Legislature. I heard the other day the Honourable Member for Portage la Prairie express his consternation as well over the fact that it was this group, this group that had the audacity to come forth at this time and to pretend that they were in some way holier than thou, better than thou, and of course they in their day and period had in some way been much more open and ready to produce information than the present government. And I shared the Honourable Member for Portage la Prairie's sentiments that he expressed in this House, I think he expressed them very well, and I would hope that those sentiments would still be



## PRIVATE MEMBERS' RESOLUTIONS

(MR. PAWLEY cont'd) . . . . ringing in the ears of the honourable members in the Opposition because they ought to weigh those thoughts very well.

Certainly it was before the period that I was in this Legislature but I do know from what has been said here and what one can see by checking the record that if there ever was a government that was persistent in its refusal to disclose information, it was the Conservative Government in the period prior to 1969; and if there ever was a government that has been open, attempted to be open, attempted to provide information in as reasonable a manner as possible, it has been this government, the government that Manitoba's had since 1969. And I think most objective observers of the political scene in Manitoba would have to acknowledge that.

So let me say this, that though I suspect that if this resolution had been presented prior to 1969 that you would have had at that time a conservative, a reluctant, a closed type of group of individuals that would have resented the introduction of this resolution, and to a man would have expressed their great indignation and scorn that such a resolution would be presented in this House. But in sharp contrast is the government of this day that has attempted to provide information that can in any way or shape or form be reasonably presented.

There are areas that are of -- are of problem. Certainly in areas where there is a competitive factor involved, and the Honourable Minister of Agriculture is not here, but the honourable members across the way are persistently trying to obtain certain vital information in regards to contract sales involving the Hog Marketing Commission. I think any person with just a surface impression of the relationship of the Hog Marketing Commission and its dealings with Japanese interests would realize that in the interests of Manitoba farmers this information should not be open to the entire country when you have marketing commissions and other groups in Alberta and Saskatchewan that would be adversely affected by the wide-spread dissemination of this type of information.

MR. JORGENSEN: I wonder, Mr. Speaker, if the honourable member would permit a question?

MR. PAWLEY: Yes.

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSEN: Accepting the thesis that he now expounds that the operations of the Hog Marketing Board should not be revealed to the public, then would he -- could he also not agree that the operations of private companies such as the packers should not be revealed either.

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

MR. PAWLEY: Firstly, the honourable member has misinterpreted the statement that I made, I said not the operations I said certain aspects of the information pertaining to contracts involving Japan, not the operations per se. If the honourable member would only listen to my comments he would not come forth with unreasonable questions.

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSEN: That's the reason I posed the question, Sir, is because I was listening very carefully and the very question that is in doubt, and the one that was raised, was a question of prices. That's the one we were asking insofar as the Japanese sale is concerned, and that is the one that I'm dealing with insofar as the packers are concerned, according to the letter that was sent to the packers.

MR. SPEAKER: The Honourable Minister.

MR. PAWLEY: My information, Mr. Speaker, in answer to the Honourable Member for Morris, that the packers have never divulged the information, the prices, the other information that they have had in respect to sales to Japan or any other country and nor would they be -- The Manitoba Public Insurance Corporation is another area that is presently involved in competition in the excess package type of operation, in competition with private industry and there are certain fields and areas of information there that would be not in the interests of that Crown corporation as a sound business corporation to provide to the -- to its opposition

So there are certain caveats and reservations but I think that insofar as the main content of the resolution is concerned that there could not be any reasonable opposition to the resolution itself. The only regret that I have is that it's been brought forth as I said before by a group that by their own actions and their past conduct certainly don't deserve the credit for making, presenting the type of resolution they have here.

## PRIVATE MEMBERS' RESOLUTIONS

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, speaking to the resolution, we are pleased to find that the government has decided to support the resolution and we think that times change and with government involvement in the sector that has traditionally been private, and is more increasingly coming under public ownership, and the expansion of the public sector involvement in terms of its share of the dollars and circulation in the total economy, that this type of resolution becomes more important as time goes by.

I would take some exception to the barbed comments from the Minister of Municipal Affairs with regards to whether or not the former government would have responded equally to this if we were on that side of the House. And I think that it should be pointed out that this resolution is not a criticism -- he seems very sensitive about the fact that we may have presented the resolution and it is some way a criticism of the government. --(Interjection)-- Well he says he's voting for it.

Mr. Speaker, we're getting plenty of help from across the way but --(Interjection)-- we're getting plenty of help from across the way and I'm sure it's all well intended. But let me point out that again that the Minister although he was supporting the resolution somehow implied that this resolution was a criticism of the operation of the government and I assure you that I haven't heard any particular criticisms of the government in its action. The criticisms have been for such things as the operation of the universities, which has been pointed out as I think, a very realistic concern as to whether or not they are sufficiently accountable.

Now Mr. Chairman, I think, Mr. Speaker, that traditionally the universities did come under accountability, under the former procedures and the traditional procedures, where the Board of Governors almost exclusively devoted itself to the financial matters of the university rather than to the broader matters of university policy regarding academic and curriculum matters. But with the changes that have taken place in the makeups of boards of governors of all our universities, the emphasis is off the role of dealing almost exclusively with the financial matters of the university and has gone into the wider aspects of university operations. And certainly there have been items come forth periodically, there have been items that come across publically periodically, and usually are coming across from the student body, where these are initiated. And they are items that are serious. I think that there is just cause for people to be concerned about the income levels and the fringe benefits that are being enjoyed by the top officer, at least, of the University of Manitoba and I think some of the scrutiny that has been brought to bear on this is good. That's fine. The universities have changed their role. This man, particularly in the presidential position, held the position traditionally through the honour that is bestowed upon him, and that's not to say he should be deprived of a good income, but there's every reason to believe by the vast majority of Manitobans that the levels that his position have gone to in terms of material benefits are open to question.

Now the University Grants Commission certainly goes through this periodically, well every year goes through the financial budgets and do a pretty good job on it. But there's still just cause for this to come up for complete public scrutiny. And rather than having these things come up as criticisms of the operations of the Legislature and coming from the matters that are pointed out by the student body, I think that the members of the Legislature should be able to say that there is going to be accountability for these things directly and by leave provided that where the members of the Legislature can get at these matters.

I say that this -- as you get a proliferation of Crown corporations, whether it's the Public Insurance Corporation referred to by the Minister of Municipal Affairs, or whether it's the expanded activity of the MDC in setting up its activities, whether it's the Manitoba Mineral Corporation, whether it's some other facet of operation that may be developed through the former Bill 17 and brought into this House two years ago by the Minister of Mines in proliferation of Crown corporations. It all spells to a greater involvement of public financial involvement in the economy. And there has to be a rationalization take place on how we're going to get at examining these things if the members of the Legislature are going to have to answer to the people of Manitoba for these criticisms, and right now they can't. They can't. The government has to take the responsibility ultimately, and I suppose that is a measure and maybe the complete yardstick that the government wants. But in terms of the 57 members of

## PRIVATE MEMBERS' RESOLUTIONS

(MR. CRAIK cont'd) . . . . the Legislature, I don't think it's adequate for them alone to say that is the government's responsibility, we have no access, no powers to examine, or even point out where there may be items that should be rectified in public spending.

So, Mr. Speaker, I think that the times are changing and they're changing very rapidly and I think that this resolution is a timely one. I'm not particularly concerned whether it comes -- from what side of the House it comes from, I think that the benefits of it are going to be to all sides of the House and I'm pleased to see the government is going to support us on this.

MR. SPEAKER: The Honourable Member for St. Johns.

MR. CHERNIACK: Inasmuch as, and I'm stating my impression, the Board of Governors does have the exclusive authority to deal with the budget of the university, would he now suggest that bringing these matters in publication form to the extent requested should then bring about a change in the control of the budget from the university into the Legislature.

MR. CRAIK: Yeah, well Mr. Speaker, here I think the mechanism is that through the Public Accounts now we have on the government departments if there is a matter it's very easy to get at it, question it, give the details, if there is a problem, if there appears to be a problem. It's always been a facility available to the members of the Legislature; it hasn't been an onerous responsibility on the time requirement of the operation of the Legislature, the public accounts normally only run one or two days. Traditionally it -- I think probably only ran a half a day. It's come under more scrutiny in recent times as government involvement gets bigger. So I don't know whether I'm answering the Member's question adequately I'm saying that those details produced in a form such as Public Accounts should be made available to the members of the Legislature.

MR. CHERNIACK: Mr. Speaker, may I be permitted just for a moment to elaborate my question so that I could hope to elicit a more precise response. Section 16 of the University of Manitoba Act as an example of the university, provides that the Board, the Board has, and my own words are, full power to appoint all the various staff and fix their salaries and determine and fix all fees and charges, etc., etc. It is therefore my clear impression that the Universities Commission -- I forget its correct title -- does not have any authority to fix salaries or to determine the budget but gives a lump sum to the university other than for capital needs. My question then is, once that information is available to the Legislature as compared to making it available to the public, does the honourable member then feel that the Legislature ought to be entering into the internal budget decisions of the Board of Governors to the extent of attempting to control, influence and indeed decide the decisions which are now under the Act, the responsibility of the Board of Governors itself. As soon as the honourable member completes getting his instructions from his leader he can answer.

MR. CRAIK: Well I think the Minister, if I can answer directly one point. I'm not suggesting that we get into the responsibilities relegated or assigned to the members of the Boards of Governors in their selection of staff in that detail. What I'm saying is that the Public Accounts should be open to the scrutiny and if there are particular items that stand out, that members of the Legislature wish to debate, even if it involves a member of the staff at the University, then that right should be there.

But as far as powers are concerned, the power to hire and fire and set, that remains with the government, We're just asking for the scrutiny powers that we now have under the Public Accounts. I don't know of a civil servant as a result of the Public Accounts publication that has ever come under any pressure from members of the Legislature to be fired or to have his salary changed. But if there is an anomaly there, the members of the Legislature should have the right to air their positions with regards to the issue, and if the government, or the Board of Governors, sees fit to act on it, then that is their decision. But I am not saying that we should have the powers to make the decision with regards to staff at the university.

MR. SPEAKER: The Honourable Member for Radisson.

MR. HARRY SHAFRANSKY (Radisson): Mr. Speaker, this resolution from the Honourable Leader of the Official Opposition is not altogether clear what the Leader is driving at in demanding detailed accounts of the various Crown corporations, Boards, Commissions, etc.

## PRIVATE MEMBERS' RESOLUTIONS

(MR. SHAFRANSKY cont'd) . . . . Since relatively complete accounts are already made public, and Mr. Speaker, I have attempted to keep a fairly accurate list of the various reports which have been submitted in the House since the Legislature was convened on February 22nd, if that is correct. --(Interjection)-- February 22nd, and there have been various reports that have been submitted as part of the list of required reports that are to be presented to the Legislature annually. The Leader of the Opposition has talked and his first whereas: "There has been a growth in government activities, an increasing use of Crown corporations. There has been a growth for the benefit of the people of the Province of Manitoba as a result of increased activities, more desire on the part of the people to have those type of amenities that others have enjoyed for so many years."

Mr. Speaker, I don't know if it is necessary to go through the list of all of the reports. I have just a few of them. Some of them had been -- the Public Accounts had been submitted before and I just have, I would state possibly half of the total reports that have already been submitted. I have others in the caucus room but I just picked up a few to see the types of reports that have been submitted. There are some that have not even been called for, such as the one report on natural resources policy in Manitoba, which is something that has not really been discussed in detail to which it really merits. That was by Professor Eric Kierans.

You know the Member for St. Johns tried to challenge the Opposition to discuss on a really fundamental basis some of the merits rather than on --(Interjection)-- Pardon? On a sensible level but the Opposition chooses to use other means which does not really bring that type of needed information and needed debate so the people become aware of the full consequences of what their situation is to date. Mr. Speaker, the Leader's resolution in No. 2 he states: "Whereas operations of boards, commissions, universities, Crown corporations, and other arms and organs of government now spend more money than the government per se," and it goes on.

I really don't understand this is a fairly definitive statement which presumably the Leader of the Opposition should be able to back up with statistics which he has not done.

I have read over his introduction of this resolution and I have not been able to really get a clear understanding of what he means by this. However, probably he is including the Telephone System and Hydro, as well as the Hospital Commission and the Universities in his calculations.

Now if we go to Hydro, it's a public utility, Mr. Speaker, that, you know, I believe when we first came into government in 1969, the total assets of the Manitoba Hydro was somewhere around six to 700 million dollars. Now since '69 we have told, and quite clearly, that the growth demand for energy has grown by some 36 percent; that from 1969 there has been an increase for demand for form energy in Manitoba by some 36 percent. Well, Mr. Speaker, if the Leader of the Opposition is also alluding to the fact that with this growth there has been a need for increased development of energy resources in the Province that the assets of the Public Utilities, the Manitoba Hydro, is now over a billion dollars.

Now I really don't understand what his particular criticisms are. Right now we are having the Public Utilities Committee meeting and he has every opportunity to ask all questions, which by the way, Mr. Speaker, I notice since I'm sitting in the Chair, the Leader of the Opposition has not bothered to sit in the Committee, he's been absent. The Chairman of Manitoba Hydro has been presenting his introductory remarks for some three and a half - four hours, most of that time the Leader of the Opposition was not there to hear and listen to the reports of it, then he would be able to ask the type of questions --(Interjection)-- Well it's generally the case you know. The Leader, you know - really I must apologize to the Leader of the Official Opposition, I was referring to the Leader of the Liberal Party, he has been out of order from the time he started on that Committee. However, I don't think we should go into it since that matter is before the Public Utilities Committee. But Mr. Speaker, he has the opportunity to question the Chairman of Manitoba Hydro on every aspect of the expenditures that are being made by that corporation. I don't believe that anybody has stated at any particular time that there are any restrictions as far as that public corporation and its operations are concerned. - - (Interjection) - - Mr. Speaker, these people are trying to divert me through a monorail - - I believe they were talking about a monorail to South Indian Lake that the Leader of the Liberal Party was talking about, but I don't think that we should get taken off on a single track like that. I shouldn't get sidetracked on a monorail.

## PRIVATE MEMBERS' RESOLUTIONS

(MR. SHAFRANSKY cont'd)

There was also, Mr. Speaker, I heard it, you know that - if I may use this particular opportunity since somebody is trying to interrupt me by this diversion of the monorail. It was also stated, you know, that it had been alluded to by the Leader of the Liberal Party and he stated that we should build a monorail, and to generate electricity we should build windmills, you know to generate the electricity to compensate for the fact in case he is successful in establishing public hearings, is it, to see whether we have hearings? - - (Interjection) - - Hearings to have hearings. Well, Mr. Speaker, I don't know if they're very helpful to me with their comments on the side.

I'd like to deal with clause No. 3 where the Leader of the Opposition states, "Whereas such expenditure is not included in the Public Accounts which are published annually." I don't really understand to the extent that the information on the expenditures of various boards and commissions is not included in the public accounts. There is public accounts which deals with the various aspects of government do indicate the various expenditures, and other boards and commissions do report annually, and there is the opportunity through the Public Utilities Committee to ask all types of questions. The Public Utilities Committee will have to hear reports. We are now hearing the Annual Report from the Chairman of Manitoba Hydro; there will be the Annual Report by the Chairman of the Manitoba Telephone System; we will hear the Annual Report from the Chairman of the Manitoba Telephone System; we will hear the Annual Report from the Chairman of Moose Lake Loggers; we will hear the Annual Report from Manitoba Mineral Resources, and I'm not sure whether it's under the - - yes, it is under the Public Utilities, so we will be able to get all of the information in regards to the operation of these particular public utilities that have been established, and besides the Economic Development Committee will also be meeting and they will be able to hear from other corporations which are under the public domain and they will be able to ask those type of questions which will give them full information as to the various expenditures because that information is public.

I really can't understand the reasoning because this is because of decisions, you know, the decisions for all of these commissions, and so on, was reached by the former government which established the great majority of these boards, commissions, Crown corporations, etc.

Mr. Speaker, I must plead sometimes a bit of disappointment you know that we're accused, we're accused of establishing a lot of these corporations. The fact is that they had been established under the previous Conservative administration, the boards, commissions, had been established. We are trying to change possibly the direction to make it more effective for the benefit of the people but they would be trying to create that type of an issue to cloud issues which are not really factual because the Leader of the Opposition in his opening remarks talks - you know, about accountability, that it is time all provinces should now - all parts of Canada should consider this. Well I don't know of any government which has opened up its accounts, its reports. All types of reports have been made public, reports that - - (Interjection) - - Pardon? - - (Interjection) - - Which? I've got your speech you know and I'm not as experienced as the Leader of the Opposition to have a written speech made by his - - (Interjection) - - Well I'm informed, Mr. Speaker, that the way to really get a proper speech written up is to have wealth, then you can get all kinds of background information. - - (Interjection) - - Well I don't know. That has no relevance, the fact that he bought his essays at the universities, I don't think has any relevance to this resolution.

MR. SPEAKER: Order, please.

MR. SHAFRANSKY: Mr. Speaker, there has been a lot of diversions trying to sort of get me away from the actual topic but the fact is virtually all these agencies have their accounts audited, Mr. Speaker, on a regular basis by the Provincial Auditor, or by private accounting firms, and audited reports are submitted to the Legislature on a regular basis often in the forms of annual reports. And I've already mentioned, Mr. Speaker, some of the reports. We had one on February 27th, Report of Natural Resources; on March 1st, Taxicab Inquiry Commission - pardon me that's not a report. On March 1st, the Fourteenth Annual Report of the Municipal Board; on March 1st, Civil Service Commission administration of The Civil Service Act Report; on March 1st the Forty-Ninth Annual Report from the Liquor Control Commission. Mr. Speaker, I don't know how this book got in, somebody would state that this is a secret report but this is a report that you sent to me as having been a member of the Commonwealth Parliamentary Association, Report of the Proceedings of the Thirteenth Canadian Area Conference, Commonwealth Parliamentary Association. Just for the benefit

## PRIVATE MEMBERS' RESOLUTIONS

(MR. SHAFRANSKY cont'd) . . . . in case these people think it's a report it was given to one of the people from the Opposition who were on that conference last August here in Winnipeg. There was -- (Interjection) -- Yes, the House Leader of the Conservative Party was there and so was the Member for Minnedosa. -- (Interjection) -- Well, Mr. Speaker, could you enlighten me whether these people who were present at the Commonwealth Parliamentary Association were at Provincial Government expense or at Federal Government expense. Possibly you can enlighten me as to that but they were at public expense. There was the Manitoba Arts Council, from my party colleague here, the Minister of Public Works. We have a report from the Manitoba Arts Council, the Annual Report of the Manitoba Centennial Corporation, the Manitoba Department of Agriculture Annual Report, the Operation and Enforcement of Liquor Laws in Manitoba Annual Report, the Department of Labour Annual Report, the Mines and Resources and Environmental Annual Report, Department of Health and Social Development Annual Report, Communities Economic Development Fund Annual Report, the University of Manitoba Annual Financial Report by the Board of Governors to the Lieutenant-Governor-in-Council.

MR. SPEAKER: The Honourable Member has five minutes.

MR. SHAFRANSKY: Well, Mr. Speaker, I had a lot more reports to go through and I could enumerate them but I don't think that that is really the purpose. I just wanted to bring to the attention of the Leader of the Opposition that all of these reports are presented annually as part of the requirement established by this Legislature to publish all -- the list, where is my list? Well there is a list of reports that must be reported and they have been reported and they will -- (Interjection) -- Yes, I have. Now, Mr. Speaker, in Clause (4) the Leader of the Opposition states in his preamble, "Whereas payments such as wages, salaries, fees, contracts, etc., are ordinarily not disclosed and can become the subject of suspicion and concern." You know it really takes a kind of devious mind to be always suspicious. He seems to be concerned that because details of wages, contracts are not disclosed in detail in these audited statements, these could become the subject, and I'll quote, "suspicion and concern". If so, however, presumably this will be reflected. If it's in the report of the various auditing authorities if there was such things there would be that information reflected in the annual audited reports which are submitted to this Legislature. If such concern or suspicion were not reflected in the auditor's reports then it is clear that such expenditures were made in accordance with the legislation under which the particular agency was established.

Mr. Speaker, interestingly in addition to audits by the Provincial Auditor in many cases such as the universities and the Health Services Commission, audits are also carried out by the Federal Government for purposes of cost-sharing under the post-secondary education program, the hospital insurance program and the medical program. Presumably the Federal Government would be quick to point out any expenditures which it felt is unwarranted. So are these audits by the province and by the Federal Government, so if these suggestions that the Leader of the Opposition makes that "Whereas payments such as wages, salaries, fees, contracts, etc. are ordinarily not disclosed and can become the subject of suspicion and concern." Well, Mr. Speaker, these are public documents audited by people who have integrity, have the confidence of the people of Manitoba, who have the confidence of the people of Canada and surely we cannot treat these people with suspicion and concern.

And finally, Mr. Speaker, in his "Resolved" he states that the publication of a complete set of accounts with detail to the last dollar and cent including for example fees paid to individual doctors. You know, all of these things should be considered. I know it would meet with support from a colleague of mine, the Member for Thompson, who has an Order in paper but the fact is that he can get a lot of this information through Orders for Return, Address for Papers, questions to the Ministers and . . . who can provide answers in many cases and also questions can be directed again to senior personnel at various agencies in the relevant legislative committees, or outside these committees, Mr. Speaker.

I believe that this particular resolution although it has some merit is really not clear enough as to the full intent and desire that the Leader would like to bring out. He has not indicated at any particular time exactly what is it that he's asking for except that he is hoping, figuring that there might be something which he thinks is subject to suspicion and concern and, Mr. Speaker, I completely reject that.

PRIVATE MEMBERS' RESOLUTIONS

MR. SPEAKER: Order, please. The honourable member's time is up. The hour is 5:30. The House Leader would like to make his announcement for next week.

MR. GREEN: Well, Mr. Speaker, next week we are engaged in the same general order of business we've engaged in during the past week. I trust that Interim Supply will pass on Monday in accordance with the announced good intentions of the Leader of the Opposition.

We will also be debating for next week and the week after, I presume, the Department of Mines and Natural Resources or the Minister of Mines and Natural Resources and supplementary estimates.

There is one day, Mr. Speaker, which I should announce that by the consent of all honourable members on April 4th in order to avail ourselves of an invitation by the Lieutenant-Governor that we are going to not convene the House on Wednesday, April 4th, and I presume that the Speaker and the Lieutenant-Governor will be giving further information to honourable members.

So that is the general order of business. Unless there are any questions I think that we can adjourn but before we do, Mr. Speaker, I want to indicate that I do have the film clip that I promised would be available at 5:30 and the Minister of Tourism and Recreation has classified the program Restricted X which is of course the highest classification.

MR. SPEAKER: The hour being 5:30 the House is now adjourned and stands adjourned until 2:30 Monday afternoon.