

THE LEGISLATIVE ASSEMBLY OF MANITOBA
10:00 o'clock, Friday, April 6, 1973

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions; Reading and Receiving Petitions;

MR. CLERK: The Petition of the Winnipeg Real Estate Board praying for the passing of an Act to amend an Act to incorporate the Winnipeg Real Estate Board.

MR. SPEAKER: Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports; Notices of Motion; Introduction of Bills. The Honourable Member for Osborne. The Honourable Member for Radisson. The Honourable Member for Winnipeg Centre.

INTRODUCTION OF BILLS

MR. J. R. (Bud) BOYCE (Winnipeg Centre) (on behalf of the Member for Radisson) introduced Bill No. 36 An Act to incorporate the Certified General Accountants Association of Manitoba.

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MR. SPEAKER: The Honourable Member for Portage la Prairie.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, I direct my question to the Minister of Health and Social Development. With respect to the boys home at Portage la Prairie, has there been any changes in the staff either upward or downward?

MR. SPEAKER: The Honourable Minister of Health.

HON. RENE E. TOUPIN (Minister of Health and Social Development)(Springfield): Mr. Speaker, there has been changes in staff because of a change in the number of boys that we have at the Home for Boys at Portage la Prairie. We have been discussing now with a lay group in Portage la Prairie and meetings are ongoing, we're hoping to make some changes in the Home for Boys at Portage that will be announced in due course.

MR. G. JOHNSTON: In view of the fact that about one year ago, Mr. Speaker -- to the same Minister, an assurance was given . . .

MR. SPEAKER: Question please. Question please.

MR. G. JOHNSTON: . . . that there would be no change in the status. I ask the Minister has the status of the Boys School remained the same as one year ago?

MR. SPEAKER: The Honourable Minister.

MR. TOUPIN: To the largest extent, yes, with some variance.

MR. SPEAKER: The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, I'd like to direct a question to the Minister of Mines and Resources. Can he advise the House whether the government has through the MDC made a settlement of the outstanding liens against CFI?

MR. SPEAKER: The Honourable Minister.

HON. SIDNEY GREEN Q. C. (Minister of Mines Resources and Environmental Management)(Inkster): Mr. Speaker, there was a settlement in the process of being concluded and I believe that it has been concluded. My most recent instructions are that it was concluded, yes.

MR. CRAIK: Well Mr. Speaker, there is an indication this morning that the settlement has . . .

MR. SPEAKER: Question please.

MR. CRAIK: Can the Minister confirm whether or not the settlement has in fact been on all outstanding Mechanics Liens 90 cents on the dollar?

MR. GREEN: Mr. Speaker, it's a little more complicated than that. I think it's probably best, if there is no objection and I doubt that there can be, that the agreement be filed. There are still some liens in dispute which have not been settled, there are some claims which have not been settled, but where the government has agreed that the work was denied and added to the value of the site, there has been an offer to settle everybody's claim at 90 percent, which they need not accept, they can proceed to sue for the entire 100 percent. But I believe giving it in this way would do more to confuse the subject than if I got a copy of the agreement and tabled it for my honourable friend. It is not that every single claim has been settled, there are mechanics liens which have been filed which the government disputes and some of them they continue to dispute.

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MR. CRAIK: Mr. Speaker, I wonder if the Minister can indicate if it's necessary to have these cleaned up before the company is turned into a Crown corporation?

MR. SPEAKER: The Honourable Minister.

MR. GREEN: The conclusion of the agreement enables the flexibility that my honourable friend referred because the agreement enables us to take title to the property while still being responsible for any claims which could have been launched against the title if it were not transferred. So the agreement facilitates the change in title but doesn't mean that every single claim is thereby agreed to or settled at 90 percent.

MR. SPEAKER: The Honourable Member for Thompson.

MR. JOSEPH P. BOROWSKI (Thompson): Mr. Speaker, I have a question for the Attorney-General. I wonder if he could tell the House if any parents, parent spokesman, Indian or Native organizations or lawyers have laid any charges against any teachers, school board members or other individuals of racial discrimination at Camperville?

MR. SPEAKER: The Honourable Attorney-General.

HON. A. H. MACKLING Q. C. (Attorney-General)(St. James): Not to my knowledge, Mr. Speaker, although you know those various court processes are open to citizens in Manitoba. There are private rights of action and public rights of action and I can't be certain that someone hasn't taken proceedings against someone somewhere in Manitoba.

MR. SPEAKER: The Honourable Member for Thompson.

MR. BOROWSKI: Mr. Speaker, I wonder if I could ask the Minister of Education if he is aware of any charges being laid against the teachers or school board members of racial discrimination at Camperville?

MR. SPEAKER: The Honourable Minister of Education.

HON. BEN HANUSCHAK (Minister of Education)(Burrows): Mr. Speaker, for the same reasons as indicated by the Honourable Attorney-General, I cannot be aware of that having occurred and I can neither confirm nor deny it.

MR. BOROWSKI: Mr. Speaker, then in view of the answer given, I wonder if the Minister is prepared to take legal action against the leaders and agitators at Camperville for maliciously slandering the teachers and the school board members of racism and discrimination at Camperville?

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L. R. (Bud) SHERMAN (Fort Garry): Thank you, Mr. Speaker. My question is to the Minister of Tourism, Recreation and Cultural Affairs. I would like to ask him whether he has any further information on the intentions of the National Hockey League and the World Hockey Association with respect to a merger and the future of western Canadian cities like Winnipeg in professional hockey.

MR. SPEAKER: The Honourable Minister of Tourism and Recreation.

HON. LAURENT L. DESJARDINS (Minister of Tourism and Recreation and Cultural Affairs)(St. Boniface): Mr. Speaker, no I haven't any more information at this time.

MR. SHERMAN: A supplementary, Mr. Speaker. Will the Minister be entering into consultation with governors of the Winnipeg Jets and/or the World Hockey Association and/or his counterparts in western provinces on this subject?

MR. DESJARDINS: Mr. Speaker, at this time the only action that I am going to take is speak with the owners of the Jets.

MR. SPEAKER: The Honourable Member for Fort Garry, last supplementary.

MR. SHERMAN: Yes, supplementary for clarification, Mr. Speaker. I didn't understand whether the Minister said the only action he had taken was to have spoken with the owners of the Winnipeg Jets or that he will be speaking with them.

MR. DESJARDINS: I have a call to one of the members of the Jets Executive at this time.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MRS. INEZ TRUEMAN (Fort Rouge): Mr. Speaker, I have a question for the Honourable Minister of Health and Social Development. Will there be any legislation brought before the House during this session concerning day nurseries or day care, other forms of day care for children?

MR. SPEAKER: The Honourable Minister of Health.

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MR. TOUPIN: Mr. Speaker, during the Estimates of the Department of Health and Social Development there will be details spelling out programs in regards to day care facilities. With the program that will be announced in the Estimates, I don't see any need for legislation to actually encourage the development of more day care centres in the Province of Manitoba.

MR. SPEAKER: The Honourable Member for Pembina.

MR. GEORGE HENDERSON (Pembina): Mr. Speaker, my question is for the Minister of Mines and Natural Resources. Could he advise if the Manitoba Government is planning on doing any surveys in relation to the Pembina Dam, and indeed the whole matter of water supply in the Morden area.

MR. SPEAKER: The Honourable Minister.

MR. GREEN: Mr. Speaker, the member is well aware that the program is presently under review by the Manitoba Water Commission insofar as its cost benefits are concerned.

MR. SPEAKER: Orders of the . . . The Honourable Member for Thompson.

MR. BOROWSKI: Mr. Speaker, I have a further question for the Minister of Education. Is he going to take any action to enforce the School Attendance Act before the whole Camperville situation degenerates into the situation we have at Wounded Knee?

MR. SPEAKER: The Honourable Minister of Education.

MR. HANUSCHAK: Mr. Speaker, as I had indicated publicly some time ago, that it is the intention of my department to see to it that everyone complies with the law -- with the law that applies equally to all in the Province of Manitoba and if there should be evidence of any violation of the School Attendance Act then certainly it would be enforced. And what constitutes a violation of the Act is clearly spelt out therein, and at such time as it may become necessary to invoke the provisions of it then that will be done.

MR. SPEAKER: The Honourable Member for Morris.

MR. WARNER H. JORGENSEN (Morris): I'd like to ask a question of the Minister of Education and ask him if the provisions of the School Attendance Act as he describes it, gives him that kind of authority to enforce students to go to school or enforce parents to send their children to school. If the teeth in that Act are such that he is able to enforce it?

MR. SPEAKER: The Honourable Minister of Education.

MR. HANUSCHAK: I'd appreciate it, Mr. Speaker, if the Honourable member would repeat his question. I wasn't quite sure whether it's a hypothetical question he's asking me or one of a somewhat different nature.

MR. JORGENSEN: It is not a hypothetical question. I asked the Minister if the provisions of the School Attendance Act were such that he was able to enforce them.

MR. SPEAKER: Orders of the Day. The Honourable Member for Pembina.

MR. HENDERSON: Mr. Speaker, my question is for the Minister of Mines and Natural Resources. I wonder if he would clarify somewhat. He said that they're working in connection with the United States in cost-sharing. I was wondering about cost benefits and surveys and whether they're going ahead to do further surveys or not.

MR. SPEAKER: The Honourable Minister.

MR. GREEN: Mr. Speaker, I don't think I mentioned the United States in my earlier reply. I think that my earlier reply was very similar to what I advised my honourable friend during the Estimates, that the matter of the cost-benefit viability of the facility that my honourable friend is referring to has been referred to the Water Commission, who are now taking it under advisement.

MR. SPEAKER: The Honourable Member for Portage la Prairie.

MR. G. JOHNSTON: Mr. Speaker, I direct my question to the Minister of Labour who I believe is responsible for the Provincial Civil Service Superannuation Fund. Is the government presently paying interest on the moneys in this Fund that lies with the government?

MR. SPEAKER: The Honourable Minister of Labour.

HON. RUSSELL PAULLEY (Minister of Labour)(Transcona): I wonder if my honourable friend is referring to the amount that is contributed by the employees into the employees share of the Fund? That Fund, Mr. Chairman, is under the control of an investment committee and it is invested in various gilt edge stocks -- not stocks and bonds but securities. I believe too-- that directly insofar as the Province of Manitoba is concerned, I believe that the Province of Manitoba or the committee in charge of the Fund has invested in bonds of the Provincial Government.

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MR. SPEAKER: The Honourable Member for Portage.

MR. G. JOHNSTON: A supplementary question, Mr. Speaker by way of explanation. It's my understanding that at the present time . . .

MR. SPEAKER: Question, please.

MR. G. JOHNSTON: Then is it a fact that at the present time no interest is being paid on these moneys?

MR. PAULLEY: Mr. Speaker, I believe I answered my honourable friend. That the investment is made under the control of an investment committee which has representation of government and employee and any interest obtained is put in to the employees share of the Fund; which as my honourable friend will be aware, that at the end of 1971 the tri-annual actuary review stood at \$12 million, and I will be disclosing in due course considerable additional benefits to the Civil Service personnel as a result of the operation of the Fund.

MR. G. JOHNSTON: Could the Minister give a rough estimate of the amount of interest annually accruing to the Fund by these methods?

MR. PAULLEY: Mr. Speaker, may I refer my honourable friend to a document I tabled in the House dealing with the Superannuation Fund.

MR. SPEAKER: The Honourable Member for Thompson.

MR. BOROWSKI: Mr. Speaker, I have a question for the Minister of Labour. I wonder if he could indicate whether racial discrimination is a violation under the Labour Act in Manitoba?

MR. SPEAKER: The Honourable Minister.

MR. PAULLEY: Any time we find any violations on the grounds of racial discrimination an action is taken through the Human Rights Commission.

MR. BOROWSKI: A further question, Mr. Speaker, I wonder if the Minister could indicate whether he has launched an investigation into allegations of racial discrimination against teachers at Camperville?

MR. PAULLEY: I am not aware as Minister of Labour of any allegations of racial discrimination at Camperville or anywhere else in the teaching profession, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, to the Minister of Health and Social Development. Will the six percent pay increase for nurses result in an upward revision of the budget this year of the Health Services Commission or is that provision contained within the planning on the budget already concluded?

MR. SPEAKER: The Honourable Minister of Health.

MR. TOUPIN: Mr. Speaker, I'll take the question as notice.

MR. SPEAKER: The Honourable Member for Arthur.

MR. J. DOUGLAS WATT (Arthur): Mr. Speaker, I'd like to direct a question to the Minister of Mines and Natural Resources. I wonder if the Minister could indicate to the House when we might expect the report from the Water Commission on the cost-benefit studies not only in the Pembina but on the Souris Valley River Watershed.

MR. SPEAKER: The Honourable Minister of Mines and Resources.

MR. GREEN: Mr. Speaker, I don't recall that the Commission has the Souris River under advisement, but perhaps I'm mistaken there. With regard to the Pembina, I have not been pushing the Commission on this, I take it that they're operating in accordance with good practices and I really couldn't predict as to when the report would be received.

With regard to the Souris, I did indicate during my Estimates that there was a Federal-Provincial study being finalized or perhaps now under way the results of which I think would take some time in coming forward.

MR. WATT: Mr. Speaker, is it my understanding then that studies have been going on for four years? Are they liable to go on for another four years?

MR. GREEN: Mr. Speaker, the honourable member doesn't have the same understanding as myself. I indicated during my estimates that there had been a very recent Federal-Provincial study being arranged or perhaps finalized with regard to the Souris River Basin that will therefore just be in its commencement stages. With regard to the Pembina, the previous studies that were done showed a minus cost-benefit result and therefore the government was not proceeding with it, and if we relied on that study it would just be dormant; therefore because of the suggestion that benefits are now to be valued at different rates than they were

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(MR. GREEN cont'd) before, we've referred it to the Water Commission to hold hearings. Apparently the Leader of the Liberal Party despite the minus benefits says that on this issue the government should proceed immediately without any hearings.

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 23 students of Grade 11 standing of the Stonewall Collegiate. They are under the direction of Mr. Young and Miss Bill. This school is located in the constituency of the Honourable Member for Gimli.

We also have 67 students of Grade 4 standing of the Maple Leaf School under the direction of Mr. Faller and Mrs. Smith. This school is located in the constituency of the Honourable Member for Rossmere, the First Minister.

We also have 50 students of Grade 9 standing of the Crescentview School. These students are under the direction of Mr. King and Mr. Remple. This school is located in the constituency of the Honourable Member for Portage la Prairie. On behalf of all the honourable members I welcome you here today.

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MR. SPEAKER: Orders of the Day. The Honourable Minister of Health.

MR. TOUPIN: Mr. Speaker, the Honourable Member for Thompson asked me a question yesterday pertaining to trailers in Thompson that were vacant. I was informed by my colleague the Minister of Municipal Affairs that these trailers belong to MHRC and are up for sale.

MR. SPEAKER: The Honourable Member for Pembina.

MR. HENDERSON: Mr. Speaker, my question is for the Minister of Agriculture. Is there any assistance for farmers who have to haul water for livestock purposes? There was a . . .

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture)(Lac du Bonnet): Mr. Speaker, the assistance newly provided dating back to 1972 is in the area of subsidization of rural municipal well development . . .

MR. SPEAKER: The Honourable Member for Pembina.

MR. HENDERSON: Another supplementary question. Was there not a program where-by you assisted them to pump water into dugouts and the like?

MR. USKIW: Oh, I believe there may be that kind of assistance. I thought the honourable member was referring to water for human consumption and so on.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, my question is for the Honourable the Minister of Tourism, Recreation and Cultural Affairs with respect to the operation of the Western Manitoba Centennial Auditorium. Could the Minister tell the House if his government has now ratified the agreement with respect to the operation of the auditorium which involves the City of Brandon, the University and the Province of Manitoba?

MR. DESJARDINS: I think the First Minister has been negotiating with the people of Brandon on that.

MR. SPEAKER: The Honourable First Minister.

HON. E. SCHREYER (Premier)(Rossmere): Mr. Speaker, useful discussion took place just yesterday and I have reason to believe that this can be resolved in the matter of the next two or three weeks.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, I have a question for the Honourable the Minister of Industry and Commerce. Does he have any intention of calling a meeting of the Air Policy Committee?

MR. SPEAKER: The Honourable Minister of Industry and Commerce.

HON. LEONARD S. EVANS (Minister of Industry and Commerce)(Brandon East): Mr. Speaker, the Air Policy Committee has in the past tended to be an ad hoc type of committee,

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(HON. EVANS cont'd) and this is the fact, Mr. Speaker, over many years. As honourable members know we have now established within government a Manitoba Economics Transportation Council and it is our intention to establish a Citizens Advisory Committee to that council which would be comprised of representatives of carriers, shippers, of members of the general public with regard to all types of transportation, and I would hope that type of Advisory Committee could handle matters which would involve the promotion and enhancement of the aviation industry in Manitoba.

MR. FROESE: A supplementary then. Is it the intention to have this committee dissolved and not to function any longer?

MR. EVANS: Mr. Speaker, it is the intention to create a more effective and long term and lasting vehicle for citizen participation and advice in matters pertaining to all types of transportation.

MR. SPEAKER: The Honourable Member for Portage la Prairie.

MR. G. JOHNSTON: Mr. Speaker, I direct my question to the Minister of Agriculture Is it a fact that on March 21st at a department staff meeting attended by about 200 people at the Fort Garry Hotel the Minister urged the members of his civil service staff to actively politically support his government?

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: No, Mr. Speaker. I think the honourable member is referring to a comment of mine outlining how our parliamentary system works and comments arising out of the fact that a statement of mine which said, or as follows: that there was very little difference between the two governments in the past 100 years and therefore adjustments were not very necessary during those times, but in 1969 major adjustments had to be made.

MR. G. JOHNSTON: A supplementary question, Mr. Speaker. Then it would be a fact, that the Minister used political bias in his instructions?

MR. SPEAKER: Order, please. Order please.

MR. USKIW: Members, or the staff members of my department and myself engage in a lot of discussions during staff conferences quite a few times per year and our discussions are quite often very frank. In this regard I don't believe there was any attempt on my part to indicate to them that they have to promote the government of this province, existing government. My instruction to them was that whatever government was in power at the time that their direction has to be taken from that government.

MR. G. JOHNSTON: Mr. Speaker, I direct a question to the First Minister. Is he instructing his ministers to actively have them instruct their staff on democratic proceedings?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I assume, and I am confident in the assumption that my colleagues are well aware of the basic principles of democratic government and their parliamentary system and that they have been conducting themselves accordingly. I should like to think, and I am confident in this thought as well, that the relationship between the elected political heads of departments and the permanent public service heads of departments is well understood, is well understood here as any other place in the British Commonwealth.

MR. SPEAKER: The Honourable Member for Arthur.

MR. WATT: Mr. Speaker, I direct a question to the First Minister. Has it been the practice of his ministers in the past four years to lecture the members of their department the civil service, in parliamentary procedure?

MR. SCHREYER: I don't know, Mr. Speaker, but if that has been the desire my colleagues would have been capable of so doing. I rather doubt my honourable friend could have even if he wanted to.

ORDERS OF THE DAY - BUDGET DEBATE

MR. SPEAKER: Proposed motion of the Honourable First Minister amended thereto by the Honourable Leader of the Opposition and the Honourable Leader of the Liberal Party. The Honourable Leader of the Opposition.

MR. SIDNEY SPIVAK, Q.C. (Leader of the Opposition)(River Heights): Mr. Speaker, last night I completed a portion of my address which is the second address in reply to the

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(MR. SPIVAK cont'd) Budget. I am happy that the First Minister is present and was unable to be with us yesterday for part of my presentation. It would not be my intention to repeat in any detail the matters that I covered before and I essentially would like to deal with the "Guidelines for the Seventies" document that was produced.

As I have indicated, Mr. Speaker, it is interesting the Guidelines knew in advance what the Budget would be and obviously made reference to it, but Mr. Speaker, the most important aspect of what I said yesterday, which has to be repeated to the First Minister, is the fact that with respect . . .

MR. SCHREYER: Point of order, Mr. Speaker.

MR. SPEAKER: The Honourable First Minister state his point of order.

MR. SCHREYER: Yes, the Leader of the Opposition, although he perhaps doesn't wish to make much of it, nevertheless did make the assertion that the printed Guidelines document does have information in there that was made public first in the Budget, and that therefore presumably he is alleging that that information was made available to those compiling Guidelines in advance of the presentation of the Budget to this House. Now there's a certain propriety to budgetary matters, Mr. Speaker, and I rise on a point of order, because I can advise the honourable gentleman and this House that that information was included immediately after the budget presentation and in the sort of 48 hours after the presentation of the budget, when then it was sent to print, to the Queen's Printer.

MR. SPIVAK: Mr. Speaker, then I take it from what the First Minister said is that the document that we have in front of us, Guidelines for the Seventies and its working papers which dealt with the matters relating to the budget were in fact not printed and not completed until after the budget was declared? Mr. Speaker, I assume from what the First Minister is indicating is that this document then was not really printed until after the Budget . . .

MR. SCHREYER: That is nonsense.

MR. SPIVAK: Well, Mr. Speaker, then the Premier and those responsible for the production of the document in their planning left four pages and knew exactly what those page numbers would be and saw to it that those pages were printed that would include the particular items. --(Interjection)-- Yes, Yes, Mr. Speaker.

Mr. Speaker, my point yesterday and I'm glad the First Minister's present today, was to basically take the economic indicators of the period of the Progressive Conservative Party of '67, '68 and '69 and to compare them with the New Democratic Party's performance of '70, '71 and '72. And, Mr. Speaker, it is interesting, and I repeat this only for the benefit of the First Minister who probably was aware of it in the first place, that in no way can the present government suggest that their economic performance is superior to the years of '67 '68 and '69, because in every economic indicator we were equal to what the government performance has been or we surpassed it. So we as Progressive Conservatives who are inclined to be concerned because there is a constant reference on the part of the First Minister to the period of time of the years of the Roblin - Weir administration can say with some degree of authority that the performance of the economy as indicated by those specific statistics which reflect the gross provincial output, which affect the rise of income, which affect the manufacturing sector, which affects the retail sector, which affects, basically indicates the state of the economy, would indicate that the performance of the Progressive Conservative Party in those years were better than the performance of the New Democratic Party in the years of '70, '71 and '72.

A MEMBER: Half the growth in less time.

MR. SPIVAK: Half the growth in less time. Mr. Speaker, you know, it's an interesting thing that the First Minister who has acknowledged the involvement of the public sector into our economy to the extent that the budget is doubled from 350 million to \$700 million, that borrowing and capital authority that has in fact been used to stimulate the economy has risen probably I would think by three or four times in the period of time of '68 and '69, would in effect suggest that there's growth. The growth is government growth, the growth is government spending. Mr. Speaker, we spend a billion dollars in this province of the government. so there has been a rise. and that rise, Mr. Speaker --(Interjection)-- at the end. And that rise, Mr. Speaker, is attributable to the government involvement.

Mr. Speaker, I already dealt with the necessity of a general income tax cut. Mr.

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(MR. SPIVAK cont'd) Speaker, such a cut is not the only tax reform priority. Mr. Speaker, major programs of selective real property tax relief are also required and they form another part of our tax reform policies. Mr. Speaker, in many ways municipal governments are also victims of inflation and the provincial tax system. Municipal services have the most direct and frequent impact on our citizens. The demand for them is bound to grow, and Mr. Speaker, so is the cost of providing them. Inflation is an important factor in the increase in the cost of municipal services, but unfortunately has little effect on the narrow real property tax base from which these services are financed. For this reason, Mr. Speaker, each passing year is accompanied by an increasing disparity between municipal revenues and municipal responsibilities.

Mr. Speaker, with each increase in this disparity there is a corresponding increase in the obligations of the Provincial Government to remedy the municipal revenue problems and rescue the property taxpayers. Mr. Speaker, even with the measures that are proposed in this Budget, the Provincial Government has not done nearly enough to honour this obligation, and when the people receive their tax bills in the City of Winnipeg and when they see what they're going to be paying only at this point to provide the same services and not the equalized services for all the residents in the City of Winnipeg, or to enter into the new areas of provincial responsibility, they will know that this statement is true.

Mr. Speaker, we proposed last year that the entire burden of education taxes be taken from the homes of the elderly and from farm lands, and these major tax cuts remain an integral part of our tax policy. Beyond these specific measures, a major effort must be made to realign revenues with responsibilities at the municipal level, and the failure to develop or even to provide the framework for the development of such a realignment is the fundamental cop-out of the NDP urban and municipal policy. The municipal tax bills will be out fairly soon and they will confirm this accusation. For our part, Mr. Speaker, a Progressive Conservative is committed to establishing the consultative machinery which required to negotiate the realignment of municipal revenues and responsibilities on an enduring and stable basis.

Mr. Speaker, I would now like to address myself to the document referred to as the "Guidelines for the Seventies". I guess we're impressed with it, it looks nice, the colours are all right, it's slick --(Interjection)-- it's slick, it's slick and it is not red. But, Mr. Speaker, like Muhammed Ali before his broken jaw, it's a spirited performer, full of punch and prattle. As a literary exercise -- and realistically who on the government side can honestly claim that it is much more than an expensive literary exercise -- it lacks only one thing, Mr. Speaker, a suitable preface. Being keenly desirous of remedying that defect, Mr. Speaker, I took the time to search for just a pithy passage. I believe that I found it in the Book of Prefaces written by H. R. Menchen. His suggested dedication runs like this -- and this is my dedication to this work, and I quote: "To the man with an ear for verbal delicacies, the man who searches painfully for the perfect word and puts the way of saying a thing above the thing said, there is in writing the constant joy of sudden discovery and of happy accident."

Mr. Speaker, this dedication is specifically directed to the First Minister whose pedantic style of oratory is so wonderfully exemplified in this mock heroic manifesto.

Now I'm being facetious, Mr. Speaker, when I suggest that such a dedication need be added to the "Guidelines." After all, it is present by implication in every second paragraph of the work. And let me cite a few examples of this extraordinarily lavish rhetoric. To begin with let us look at the first paragraph on Page 9. It reads as follows: "Economic and social progress can be perceived and evaluated in many ways. It can be assessed according to objective or quantitative standards, according to subjective or qualitative standards, or in a political context, according to a combination of criteria which take into account as far as is possible the basic values and objectives of the people a government represents."

Now, Mr. Speaker, what does this all mean? Well I'm not quite sure myself, but several members of the Treasury bench obviously see the benefit of clarification and I'll take the liberty of paraphrasing the passage. To me it appears to say three things: First, there may be such things as economic and social progress, but we can't be sure. Second, it really doesn't matter what sort of progress we have or whether we have any at all, because progress isn't a concept we understand in specific terms. And third, what the people don't know won't hurt them. Mr. Speaker, that is an exercise in the subtle, political theorizing that few outside the Premier's intimate circles are capable of understanding.

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(MR. SPIVAK cont'd)

Mr. Speaker, besides making so important a contribution to abstract political theory, this document represents a remarkable advance in the practical art of politicking. It used to be that certain cynical politicians adopted the practice of finding out what the voters wanted and then offering it to them.

A MEMBER: The Liberals still do that.

MR. SPIVAK: This document, however, in its exercise of verbal generosity, offers everything to everyone. Virtually no stone is left unturned. Let's look at the principles enunciated on Page 13. First, the maximization of the general well-being of all Manitobans; Second, the greater equality of the human condition for all Manitobans through a more equitable distribution of the benefits of development.-- (Applause)-- Mr. Speaker, my point is proved, the Honourable Attorney-General clapped and somebody else pounded the desk. It means everything that everyone wants it to mean. Third, implementation of an effective stay option through policies and programs -- you know, Mr. Speaker, the only one not pounding the desk is the Minister of Agriculture -- implementation of an effective stay option through policies and programs which will prevent -- now he's been instructed to pound the desk -- implementation of an effective stay option through policies and programs which will prevent Manitobans from being coerced by economic forces to leave their province or to leave the region within the province in which they prefer to live. Mr. Speaker, the promotion of the public participation in the process of government, and more particularly, in the development decisions which will affect all Manitobans in the years ahead.

Mr. Speaker, no one could disagree with these statements. To do so, Mr. Speaker, would amount to matricide. The promises, Mr. Speaker, are so grand and so poetic. To those who seek virtue, this document promises virtue. To those who seek goodness, this document promises goodness. To those more timid in our society, those who are terrified by such lusty, full-blooded qualities as virtue, this document merely provides niceness. An example, Mr. Speaker, of such niceness occurs on Page 56 in the following passage; "The overriding objective of Manitoba's manpower policy for the seventies then is the provision of individually meaningful and socially productive opportunities for participation in the economic life of the province for all Manitoba citizens." Our friend Archie Bunker has just banged the desk.

Mr. Speaker, this is a very nice sentiment: it's round, it's firm and it's fully packed. When I first read it I was so impressed that I decided to urge its immediate implementation beginning of course at Cabinet level -- and that I would like to refer to -- that's where the socially productive opportunities would be more novel and would be more welcome.

But, Mr. Speaker, the Guidelines document contains more than universally acceptable philosophical declarations. It also has a few surprises. For instance, we're told on Page 55 that, "It is in the interest of the entire community to end unnecessary employment." Now this bit of information will be no surprise to the 22, 000 people officially unemployed in Manitoba or to the equally large number who suffer the burden of unemployment without that distinction. It won't surprise them, but it probably will surprise the government which hitherto has treated unemployment as just another impressive gross statistic. Fortunately this Guidelines document has some suggestions about solving our unemployment problem -- it summons the magic of economic development. And here's what it has to say on Page 19: "The Government's position has been and will continue to be that it will press for further economic development, and in some cases very rapid development, but only where it can be demonstrated that this development will bring real improvement to the quality of life enjoyed by all of our citizens."

Mr. Speaker, when you look at this closely there is something rather curious about the statement, and I'm only sorry the Minister of Industry and Commerce is not here. Because Mr. Speaker, it contains elements of the crude growth approach shunned by the government and elements of the selective growth theory which has captured the wandering imagination of our high-priced and high-paid planners. Actually the statement represents a compromise approach. It reconciles the views of the two opposing factions within Planning and Priorities-- wherever they may be: The selective-crude growth faction and the crude-selective faction. Of course as everyone knows, two other competing factions have already dropped out of the running the crude crude boys of Planning and Priorities and the selective selective group; the former

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(MR. SPIVAK cont'd) because they refused to bathe regularly and the latter because they tended to pussyfoot around so much. Mr. Speaker, at any rate it's a relief to know that the government is still thinking about development, at least in a theological sense.

But Mr. Speaker, I really should be more generous to the Guidelines development suggestions. Several of them are quite interesting. Resource development has not been neglected. And I'd like to read a passage which I think represents without question the rationale, the logic and you know basically the cynicism with which the government has made the presentation of its Guidelines program. This is on Page 102. "In northern Manitoba commercial fishing can complement trapping, forestry work and the recreation industry. The recreation industry can be managed to combine commercial and sport fishing benefits to local people and communities. During the prime recreation season employment can be generated through recreation use of the fisheries and in the off-tourist season employment can be generated by commercial fishing. The application of this multiple-use concept in the context of local employment is a practical one which can be implemented with involvement of the communities directly affected. Success of course, depends on the availability of the fish itself."

Now, Mr. Speaker, this remarkable piece of analysis deserves detailed examination. It tells us three things: One, Mr. Speaker, fishing can be fun. Two, Mr. Speaker, fishing can be profitable. And three, Mr. Speaker, fishing is somewhat futile as an exercise without fish. Mr. Speaker, this brilliant passage represents in many ways all that the Guidelines for the Seventies has produced.

But I want to, Mr. Speaker, bring to the attention of the government our thanks and to the Minister of Mines and Natural Resources, who must have had a hand in this particular eloquent passage, for bringing your targets to the attention of the people of Manitoba.

Mr. Speaker, in designing this Guideline document one has to be reminded of a musical comedy with a dramatic sub-plot. I want to conclude some of my remarks by commenting on the more serious and dramatic aspects of the presentation. When compared with the frivolous material which fills most of this document, the serious material reads frankly like a minority report. We are told that the NDP planners recommend government ownership of farmland, government entry into the food processing and pharmaceutical industries, government competition with domestic monopoly and foreign enterprises, and increased government involvement in resource industry and certain service industries like insurance.

The Premier has reassured us that these proposals are tentative and their adoption is uncertain. But when one listens to the Minister of Mines and Natural Resources who constantly said that I take full responsibility for those things that are produced within my department, and when one recognizes that this program called "Guidelines for the Seventies" was in fact processed through a committee of Cabinet and finally determined and decided to be published after being reviewed by the Government and by the First Minister, one cannot honestly believe that the government can disassociate themselves from this document. --(Interjection)-- The Premier. The First Minister. --(Interjection)-- Oh no. This is only for discussion. Oh this is only for discussion, and their adoption is uncertain, that's uncertain until after the next election. If they're successful in the next election, it's adopted, it's certain. You know, Mr. Speaker, there are many people who did not believe that the government would take over the auto insurance industry. There were many people who honestly believed that the government's intention was to compete with the auto insurance industry and give people the opportunity for a choice, that's what they believed, many many people believed, many many people. And as a matter of fact I think the First Minister did say that. But the reality is that they can now go back and say that during the election campaign we said that.

MR. SPEAKER: Order, please.

MR. SPIVAK: And, Mr. Speaker, the reality is that the government if elected will always be able to go back and talk about this document and say, we told you so. Because this is what it meant to us. The only thing that Manitobans will find tentative about these proposals is in their timing and the only thing uncertain is the ultimate cost to the people in this province.

Mr. Speaker, I believe that the government by the production of the Guidelines has presented a challenge to us, and I intend to meet that challenge, and we as a Progressive Conservative Party will. And, Mr. Speaker, we will present the equivalent of our guidelines, and we will deal, Mr. Speaker, with the principles to be involved, we will give the assessment

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(MR. SPIVAK cont'd) of our economic overview, we will deal with the problems of employment and manpower, we will deal with the problems of agriculture, we will deal with the problems of natural resources, we will deal with the problems of the manufacturing service industries and we will talk about economic enterprise. And, Mr, Speaker, Guidelines has only served to show how shallow the present government is in relation to its presentation and its economic policies.

To the Honourable Member for Crescentwood the last chapter is important. To others certain aspects were important. What in essence they have tried to do with this document is in some way to present you know the fact that there was some kind of thread that was responsible for the policies shaped by the present government, that in fact there was an umbrella under which all of the government programs have in fact come and come about, when everyone knows that the government on the other side have literally gone from crisis to crisis as the people within their own party fought to try and find direction. All they have done is compromise one situation after another, and in reality never fundamentally attacked any of the issues that they really talked about when they were in opposition. So, Mr. Speaker, when they --(Interjection)-- That's not baloney. The areas of responsibility that you talked about in opposition, the concerns that you expressed in terms of the fundamental changes that would be brought about in society, the direction and emphasis that was to take place have been forgotten. Believe me they've been forgotten, Mr. Speaker.

So, Mr. Speaker, we will deal with this -- and I'm not going to deal with it today -- but I will be dealing with it in this House and we'll be dealing with it on the hustings and I basically indicate that we will be presenting our position and I think that that dialogue is important, Mr. Speaker, and I think that that dialogue is important in relation to the election which will be coming no doubt very soon.

But if I may, may I make certain observations on some of the positions that have been shown and indicated here. And I do so in a very general way, Mr. Speaker, because I think some basic concerns have to be expressed. Firstly, hypocrisy of this document is clearly demonstrated on Page 104, and it's hypocrisy not of the document but of the government in producing this document. Mr. Speaker, they have basically designed Manitoba into certain zones, and this has been referred to already but it's interesting to note that on Page 104 the paragraph states, "There will be deferral of major developments pending analysis of the ecological impact of development. Unique parts or systems in this zone will be delineated and designated for non-consumptive uses as well as carefully regulated fishing, hunting and trapping." Mr. Speaker, this refers to the Northern Zone where a fair portion of the Churchill River flows. Mr. Speaker, this is in direct contradiction to government policy which has been declared and known for some time, and one has to wonder why it would be undertaken to put in a paragraph of motherhood with respect to ecology when there really has been no intention on the part of the government to in any way adhere to this. The government's policies are directly contradictory to this particular position, it is -- well, either that, Mr. Speaker, or someone when he designed the map forgot to draw the line above the Churchill River, because it does not make sense, Mr. Speaker, because the ecological damage to the Churchill River is not known, the honourable members opposite know that; there has been no effective study made, there has been no type of hearing to determine that one iota, and yet, Mr. Speaker, they are prepared to put a motherhood paragraph in this document to try and indicate a concern, and yet in reality in terms of their own undertakings they are disregarding that completely. And that's why, Mr. Speaker, one has to view with a great deal of cynicism and skepticism what the honourable members opposite say.

And, Mr. Speaker, that's why from my point of view when the Honourable Member from Crescentwood stood up and made his presentation in which he essentially praised what the government was doing, I said that I was disappointed, because I must now view his statements with the same degree of cynicism and skepticism that I view the others who try to rationalize their position as practical and pragmatic politicians.

Mr. Speaker, there are certain things indicated by this document. One is that we are going to have rises in income tax in the years to come. Now the honourable members opposite will talk in terms of it being on the ability-to-pay, but what it really means, Mr. Speaker, is that for the middle income poor in this province they are going to now have to bear a heavier

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(MR. SPIVAK cont'd) and heavier burden as the government enterprise continues and as government growth takes place. There is nothing that indicates that there should in fact or would be any kind of control of government spending.

Mr. Speaker, they talk in terms of guaranteed employment, and in this respect there are new figures introduced as to the exact nature of what unemployment really is in this province. The reference that I made yesterday to the fact that there was another 30 or 40,000 people who are not included in the unemployment statistics, who are in the disadvantaged and the handicapped position, added to the Indian and Metis people, added to the DBS Statistics of unemployment, would indicate that what we are talking about now in this province is effectively a group of people, essentially about 70,000. Now, Mr. Speaker, that represents almost close to 25 percent of our labour force. No, excuse me, I'm sorry. That represents almost approximately 15 to 18 percent of our labour force. And that is a significant figure, Mr. Speaker, a figure that cannot be ignored.

The government's position is that there will be guaranteed employment and that in fact the government will become the employer of last resort. I tried to indicate in my first reply in the Budget Speech and I say it to the honourable members opposite, when government becomes the employer it employs at minimum wage. When government becomes the employer it puts people on the dependency of government and it puts them into what we refer to as a poverty trap. Mr. Speaker, when government employs, what people really have are make-work kind of situations in which they have essentially welfare given to them but they have a job at the same time. Mr. Speaker, there is no way in which you are going to provide the permanency of jobs in this province. There is no way in which you are going to really have a stay option for anybody unless in fact there is development and growth in the private sector. And that will come about as a result of a recognition of the way in which the enterprise of the small businessman and small entrepreneur can in fact move this economy, both in the manufacturing and service industries. And the honourable members opposite are prepared to reject that but instead are prepared to put the State in the position essentially of becoming an employer in particular situations, make-work situations, some of which will have the socially desirable and useful characteristics, many of them which will only be responses to the particular situation at a given time, none of which will provide any kind of opportunity. So that the stay option that the honourable members are talking about is a stay option in poverty and a stay option in a situation in which there will be further and further dependency on the state.

You know, Mr. Speaker, one of the things that the document on Planning and Priorities said, the one that is sometimes referred to as a manifesto, but one thing it did say was that we can accomplish our objective by in fact seeing to it that the private sector does not in fact fulfil its obligations because then we can justify and rationalize government involvement, because government involvement --(Interjection)-- yes it did say that, oh yes it said that. It said specifically, that as part of the design of government policy --(Interjection)-- the Planning and Priorities document -- as part of the design of government policy, the less activity by the private sector, the greater demand there will be for the public sector involvement, the greater demand of the public sector involvement the more opportunity we have to basically take over and control the society. And when you provide a dependency on the part of the individual to the government as the employer last resort, you are basically trying to create that kind of syndrome, you're basically trying to create that kind of society, and you are basically trying to in fact accomplish the objectives in a very subtle way that was referred to in the Planning and Priorities Committee.

Mr. Speaker, this document is a threat to small business in this province; it is threat to the small entrepreneurs because it discusses and deals with the involvement on the public presence in certain industries and one has to say, why only these industries, as I suggested yesterday. My God if we're going to be talking about pharmaceuticals and we're going to be talking fire insurance and we're going to be talking in the food processing, you know; and we're going to be talking about Northland Inn and we're going to be talking about other things, why don't you get down to the basic things. You know, you cannot continually fool the people by rationalizing and saying, we are only going to go into those industries that are inefficient because that is not really the criteria. If in fact the government is going to enter into the position of going into business, surely they're going to go into those businesses in which there is an essential requirement of individuals to buy from industry and from manufacturing

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(MR. SPIVAK cont'd). . . and from retail outlets in order to be able to live. Surely they will go into the grocery store business. Surely they were going to go into the wholesale distribution business.

A MEMBER: Certainly.

MR. SPIVAK: Surely they are going to go into the clothing business.

A MEMBER: Certainly.

MR. SPIVAK: Surely they are going to go into business of supplying and manufacturing of shoes, because the logical extension of everything they've said is that they should be in all of these businesses.

Now, Mr. Speaker, this is no idle threat for those who believe that statement or my comments have been overstated, because there is no rationale. You know, they talk about the inefficiency of the auto insurance industry. And everyone knows that's baloney, that's not why they did it. You know they did not do it for that reason, and what's the point of them putting in this document to try and now rationalize what they did and suggest now that they're going to do in other industries, and only in a selective group. I suggest to you that this document is a threat to small business. And I suggest, Mr. Speaker, that for the small entrepreneurs there is no stay-option in Manitoba, the only option is to get out, and that's what will happen, Mr. Speaker. --(applause)--

Mr. Speaker, the potential of the last paragraph for this province is serious, because in a very clear way it has meant that those people who essentially believe - not in terms of a mixed economy in which there is public and private involvement, and you know, the honourable members opposite say we have that kind of development occurring. Well every society has at this point. Not in that term. What they essentially are doing is basically indicating the greater and greater involvement.

Now Mr. Speaker, we're in a cyclical position as far as unemployment is concerned and the use by the government of its fiscal resources to assist in the unemployment situation is a correct one, and I have never said anything against that. And no one can I think find any words that I have ever used against that. I questioned the Federal Government many times and I've publicly stated that in many respects I think their programs have not accomplished their objective. I think they are not socially desirable and useful and the money could have been channelled. I think the OFYU and LIP programs in many respect have been a waste of time and they have corrupted our younger people. (Hear, Hear)

But, Mr. Speaker, the recognition is that the stay option isn't to stay in the valley of the cyclical period that we're in with respect to unemployment, and that is all we're going to expect, because that's all that this document really is telling us. It's not telling us that there will be opportunities, it's not telling us that there will be growth. And it's not telling the individuals who are the entrepreneurs throughout this province that your private economic decisions can be made and that you are in a position to help move your society for gain and for profit, but in the course of doing it to stimulate the economy. And that's why, Mr. Speaker, I refer back again to those three years of the time that I was Minister of Industry and Commerce, you know the "Growing to Beat 70 Program" which the honourable members opposite are inclined to down play. The fact of the matter is, Mr. Speaker, by economic standards, by the statistical basis, by the rise in wages, by unemployment, by in fact gross provincial output, by the rise in income, by the rise in manufacturing, those years were better than the NDP years. And all we will have, all we will have, Mr. Speaker, in the next years to come if the document itself is followed through, is a continuation of a greater greater involvement by the public sector, which will satisfy the Honourable Minister of Mines and Natural Resources, and many others, but in the course of it will put a much greater dependency on the state, and will in fact, I suggest, not relieve the quality of the human condition in this province. And Mr. Speaker, four years from today we will have another Barber report - maybe not by a person by the name of Barber but by somebody else. Mr. Speaker, based on this document and the performance of the past, the statistics will indicate that poverty still exists, and to the same extent, but in effect people are in fact locked into that situation because they are to a large extent the employees of the government in whatever form one would have. And so, Mr. Speaker, when we talk of this issue we talk of something very fundamental and very basic in terms of the Province of Manitoba. And so when we present our positions,

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(MR. SPIVAK cont'd). . . . Mr. Speaker, we will deal with this and we will deal with this in a direct way.

So I suggest to the honourable members opposite that the Guideline document as a political document cannot be ignored. The Guideline document is not an economic blueprint. The Guideline document --(Interjection)-- beg your pardon? Well I don't think very much more will come if it's in more volumes. --(Interjection)-- Well it would be interesting to know when they're coming out. --(Interjection)-- Very soon, yes, very soon. The Guidelines document, Mr. Speaker, indicate no economic blueprint, indicate an approach which has been expressed by various members opposite at different times. It means anything that anybody wants to read into it and will satisfy the fear spectrum that exists among the New Democratic Party from the extreme left to the those who are more- yeah, the elected extreme left, those who are more --(Interjection)-- no, I would say at this point not to the extreme right, although if we talk about that I guess the First Minister would have to be put in that class. Probably the Minister of Public Works as well.

Mr. Speaker, the result of this document is that we have a political document for an election and we are prepared to deal with it and will. We will present our position --(Interjection)-- no I'm pleased that there is an expression of glee on their part that we're going to present it. I have some suspicions when we in fact deal with it they're not going to be very happy with what we're going to say. But, Mr. Speaker, the lines will be drawn, they will be clear . . .

A MEMBER: We will meet them in the trenches.

MR. SPIVAK: We will meet them, as my honourable friend the Member from Lakeside says, in the trenches, and we are going to be prepared, we are going to be prepared to place our position before the people and have the honourable members opposite place their position before the people, as they have, and we'll let the people decide as to whether they want that kind of society.

MR. SPEAKER: The Honourable Attorney-General.

MR. MACKLING: Mr. Speaker, in preparing a few notes for my contribution in this debate, I first studied the remarks of the Honourable Leader of the Opposition and read his speech very carefully. I attempted to make notes during the course of his address and frankly I thought that it was a reasonably good speech. And as a matter of fact I think I complimented him outside of the House on it or perhaps in the House. But really you know after having heard his second speech, I wonder perhaps if he changed speech writers because it was a different style altogether; certainly the distortions of fact that were made in the first speech were not in the same style as in the second speech because they were much more flagrant and much more blatant. Now I don't know which one of his speech writers was at fault but certainly something leaves much to be desired.

First of all I would like to deal with some of the distortions of the Honourable Leader of the Opposition in his second contribution. And I think they are alarming. They are alarming, Mr. Speaker. The Honourable Leader of the Opposition said that he didn't want to get involved in the numbers game but then he proceeded just to do that very thing. He talked about the growth of our budget and compared it with the growth of the budget under the good old Progressive Conservative reign. And what does that comparison reveal? The comparison reveals that in the 11 years of office of the Progressive Conservative Party, the budget just didn't double or triple, it was very close to five times in growth during their period of control in the Province of Manitoba. Now how does that compare, how does that compare with the growth of the budget of this government in four years of office? And the honourable member, the honourable member distorts, and he knows he distorts, when he adds into our spending the shift that we are making. Sure we're taking off premium taxes and we're adding them as a direct cost to our budget. And that is in the amount of approximately \$60 million. Now the honourable member continues to say this is galloping government expenditure. That kind of galloping government expenditure we accept, we believe that's a proper shift from direct poll taxes to ability-to-pay taxes, and that is what the Honourable Leader of the Opposition continues to be opposed to.

Then the Leader of the Opposition today talked about the stay option and talked about the stay option for small business. Well I want to say to the honourable member, the Leader

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(MR. MACKLING cont'd). . . . of the Opposition, in the kind of speech he delivered this morning he's exercising his stay option and perhaps some of my colleagues might disagree with that. He'll certainly stay in the opposition with that kind of contribution. You know, Mr. Speaker, the Honourable Leader of the Opposition made a good contribution initially. Apparently he's been overshadowed by the contribution of the Honourable Leader of the Liberal Party and he has somehow started to adopt some of that style, and I regret that he has done that because he engaged in vicious kinds of distortion which I think were unbecoming of him. He, for example, suggests that in the Guidelines document there is now a new revelation of unemployment. Those statistics, that commentary reveals the state of affairs that has been continued in this province for 100 years and it's statistics, the revelation of the fact that there are disadvantaged people should come as no surprise to him. There are many people on social assistance who are disadvantaged and are not gainfully employed, because they can't be gainfully employed in many instances. People on mothers allowances and workmen who cannot work.

He talks about the poverty system. Let me say to you, Mr. Speaker, and I hope the Leader of the Opposition will look into history, that the welfare system, the social assistance system, is not a creation of socialist governments. It's a creation of the capitalist system; and that is what the honourable member wants to perpetuate. Yes. The poverty system and the dole were created by the industrial revolution and he knows it. And rather than put people to work, rather than to give them gainful occupations, they would like to continue the dole because that's the system on which the private enterprise system relies. Now that's hard economic political fact that the honourable members like to ignore. He talks about small businesses. He says the stay option for the small businesses will not be there. Under what government did we adopt small business loans? Under this government, under the Manitoba Development Corporation. And the honourable members opposite have to recognize that under a new Minister of Industry and Commerce in this province we have that department going out to assist small business in the country advising them as to the ways in which they can improve their businesses. But the honourable member, the Leader of the Opposition, the former Minister of Industry and Commerce, what did he do, Mr. Speaker? He had to do things in a big style. You know he had to invite Baron Rothschild here and have a big display. They were fascinated with bigness, Mr. Speaker. That's why they were fascinated and eager to enter into contracts for multi-million dollar developments, like Simplot, like CFI. And he talks about small business? He has a colossal gall, Mr. Speaker, because the record of his administration under his tutelage as a Minister of Industry and Commerce was a fascination with the creation of bigness and all the costs that we have had to absorb from that kind of development we are still coping with.

Mr. Speaker, the Honourable Leader of the Opposition resurrects again in his contributions the clearly implicit position of the Progressive Conservative Party, and that is the negative role of government in society. It's a return to the laissez faire concept. Instead of staying in the twentieth century the Honourable Leader of the Opposition would lead his gallant horse back into the nineteenth century, because that's the kind of concept they are enunciating; the negative role of government in society.

Now I would like to point out to the Leader of the Opposition that you know old line Tory and Whig governments have historically attempted to stay out, stay out of any positive influence in the economic sector. But they have been forced, forced to yield to their doctrinaire, dogmatic philosophic position. And the Honourable Leader from Lakeside smiles. Well let me tell you a story about a Progressive Conservative Government in another part of Canada who had the same dogmatic, doctrinaire position in respect to economic development. And I refer to the Province of Nova Scotia. And what happened in that province? They had private industry, the Dominion Steel and Coal Company - oh it was a subsidiary of Hawker-Sidley and so on - and they had multi-million investments there. The weigh scales continued to be less than the Canadian average. They continued for decades, decades to receive the largesse not only of the local government, not only of the Provincial Government but of the Federal Government; and it's estimated that over \$200 million, \$200 million was paid out to that company in subsidies throughout the life time of that company, while they continued to pay low wages. And, Mr. Speaker, they continued to pay out dividends to the shareholders.

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(MR. MACKLING cont'd) Now, that's good private enterprise. But they allowed the machinery to go down, they kept milking the industry and one day in 1967 they announced that they were going to close out the operation, close out the operation and a Progressive Conservative Government was faced with a tremendous loss of jobs in that province. And what did they do? They adopted a heresy. Imagine, imagine a Progressive Conservative Government saying, well I guess we're going to have to somehow operate this thing. And the owners said that they couldn't operate it profitably, it was a white elephant, they had to get rid of it, close it up. Well you know this Progressive Conservative Government -- and I think you know it was in the term of a clothing merchant, what was his name now? -- some unmentionable garments that they make -- in any event, in any event this government did actually then authorize the operation of these facilities. And my goodness, Mr. Speaker, my goodness what do you think happened? What do you think happened? Instead of there being a loss, instead of there being a loss, in less than the first two years of their operation they produced a profit of \$25 million. Now this is a Progressive Conservative Government turned socialist, because they had to. But the Honourable Leader of the Opposition, the Honourable Member from Lakeside they want to maintain their pure doctrinaire anti-government role philosophy. They want retrenchment. The Leader of the Opposition when he found that the great loans that had been made through MDC were -- it was the Manitoba Development Fund then -- were a source of embarrassment to him, the attack: let's get out of it, let's just wash it out. And then the small businessmen started to say to him, some of his friends, you know, Sidney, there's a problem there because some of these things do help. That government has adopted a small loans division and they've been doing things. Well he said then we'll invent a growth fund, we'll come up with some answer, and that is the very limited approach that he has for small business in Manitoba. Now I know that's irritating to him but that is a fact.

Mr. Speaker, I would like to refer also to some of the particulars of the honourable member's contribution, his first contribution. And you know it was quite good but the antagonism towards, the antagonism towards a positive role of the government in the public sector was there. On Page 1195 -- it was quite a long speech, I'm sorry I lost my place there -- there was this contribution by the Leader of the Opposition: "They do not understand that it will be the efforts of individual Manitobans that will form the solutions, not the continuing sprawl of their parasitic public sector." Now that is the kind of naked revelation that periodically is revealed in the thinking of the Honourable Leader of the Opposition. To him the government involved in the economy is a parasite. And you know I thank goodness, Mr. Speaker, for some of those parasites. When I compare the parasites of the Manitoba Telephone System with Bell Canada and what they have been doing in eastern Canada, and they have again asked for and apparently received substantial increases in their rates. Why? So that they can continue to pay large profits to the individual profitmakers from the shareholdings they have. And you know in some of their advertising at the bottom of their slick sophisticated advertising they're proud of the fact that they have over thirty some odd thousand individual shareholders. Isn't that nice? In Manitoba we have over a million shareholders, and we have, low rates of telephone service. Compare that to Bell. But in the eyes of the Leader of the Opposition and many of his cohorts the public interest in the economy is a parasite. I say thank God for those parasites. He would attack, he would attack the Manitoba Hydro; I suppose it's a parasite too.

The fact of the matter is, Mr. Speaker, that government business, government business has been such a success where private enterprise governments have been forced to use them that it's embarrassing to them. That is why the present Federal Government is so anxious to get rid of Polymer. It's been a success story right from the very beginning and now they're going to try and find a way to get rid of it, because it's embarrassing to them and to their friends who contribute to their political campaigns. That's the secret, Mr. Speaker.

Well now let's just look at other things the Leader of the Opposition had to say. At Page 1192 he showed his concern, and I say kind of a mock concern for the farmers. He said, "Is the government doing anything to encourage even the sons of existing farmers into agriculture? No, Mr. Speaker." Well you know he sat in this House and maybe he wasn't present but I'm sure that my colleague the Honourable Minister of Agriculture has clearly indicated the tremendous development program in this province, to not only assist agriculture but to restore it for the great losses that have occurred in the development of agriculture during the reign of the former administration. The loss of dairy and milk quotas. The fact that the diversification

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(MR. MACKLING cont'd.) programs were not proceeding with any degree of success at all. Relative massive infusion. The previous government allowed, allowed the lending institutions to die on the vine, and they're talking about assistance? The Leader of the Opposition has the gall to suggest that we are doing nothing? It's frankly, frankly astounding that he should make such statements at all.

And then he talked about Winnipeg growth. You know, the Leader of the Opposition, he referred to an article and I want to refer to that article, Mr. Speaker. And this was Page 1196 and he said, 'If I may, Mr. Speaker, because this has always been an issue and a contention between us, refer to an article in the Financial Times, October, 1972 stating, 'But head offices wither at Portage and Main.' ' You know, the Leader of the Opposition should read more than the headline. He should always read the entire document because it could be edifying for him, because the distortions that he otherwise might make might be avoided, because he goes on, he says, "This article -- is an article by Mr. Clayton Sinclair, and the article deals with a number of companies. Now I'll mention a few of them." And then he proceeds to name drop.

But what does the article talk about? The article, and here it is, Mr. Speaker, (and I got it from the library, it's not hard to obtain.) As a matter of fact I'm sorry, it wasn't from the library, it was from the Department of Industry and Commerce and of course the Honourable Leader of the Opposition, being a former Minister, knew the kind of documentation he could find there. On the top it said; "In the metropolitan middle, industry sprouts among Ottawa's tulips." And there's no question about the Federal Liberal Government facilitating the development of Ottawa. And then the headline says, "But Head Offices Wither at Portage and Main" and this is by Mr. Sinclair. And what is he saying? Does he give any rationale for this Mr. Sinclair? Does he say it's because of that terrible, that terrible democratic socialist government, or otherwise? Does he condemn this government? Not a word. Not a word. Here's what he says: "In many cases, the problem is simply a lack of local takeover capital. Winnipeg has lost its share of business control because of this in the past." The past.

When the Honourable Leader of the Opposition was Minister of Industry and Commerce and my present colleague the Minister of Industry and Commerce catalogued some of that loss, and it's not a healthy thing. But for the honourable member to try and use Mr. Sinclair to condemn this government is unbecoming of him. And the article goes on. Not one word of condemnation against this government. If anything, it's a condemnation of the money system which the Honourable Leader of the Opposition fights so strenuously to support.

And then the Honourable Leader of the Opposition referred to public housing. And my goodness, the audacity for him to refer to public housing. They did absolutely nothing. They didn't cope at all with this problem. And they had an archaic Landlord and Tenant law, and he talks about criticism, criticism of this government for its development in the public housing sector. And then here's one of the things that really irritates me, Mr. Speaker, primarily because I've drawn it to his attention before. He said in the Throne Speech - he came out with one he believed at least it was a constructive criticism and said, why don't we enforce maintenance orders? Why does this government do it? Because we have so many of our social assistance recipients are mothers who have maintenance orders. So in my reply I indicated that it was under the previous administration that an enforcement of maintenance order system was developed, back in 1968. But we have much strengthened that apparatus and we've given it much broader terms of reference by including maintenance orders by the Court of Queen's Bench to be facilitated for enforcement. But the honourable member, he says, and this is in his contribution in this debate, he said, "We have sometimes suggested, Mr. Speaker, as an alternative for instance, Mr. Speaker, earlier in the session we suggested that instead of welfare payments to women who had been deserted by their husbands, the government should use its power to protect the women's rights to assure that those who had a personal obligation to pay towards the support of these women were compelled to do so."

Well that's the very thing that under his administration they started, we picked up, we strengthened, encouraged, and is working very well. The honourable member doesn't even know the apparatus of government for which he was responsible, you know, and the honourable member, the Honourable Leader of the Opposition, he concluded, he felt, with a stirring phrase; he said, and he was rephrasing John Kennedy: "Ask not always what the government can do for you but what you can do for yourself." And you know that's not bad, that's not bad coming from the Leader of the Opposition. Now I don't know whether it was his speech

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(MR. MACKLING cont'd.) writer or whether it was him, but it's not bad. But I suggest to the Honourable Leader of the Opposition it's his role to say, "Ask not always what government ought not to do, but what government ought to do."

Now, Mr. Speaker, I should probably out of respect to his high office, spend more time with the Honourable Leader of the Opposition, but despite the fact that the Honourable Member from Wolseley, the Leader of the Liberal Party is not here, I feel constrained to say at least a few words about his contribution and about his position on the Budget Debate.

INTRODUCTION OF GUESTS

MR. DEPUTY SPEAKER: Order. Order, please. If I may just have the attention of the honourable members I would direct them to the gallery to my left where we have 11 students of a visiting High School, North Dakota. These students are in the senior class. They are under the direction of Mr. Miller and they are guests of Mr. Speaker. On behalf of all honourable members of the Legislative Assembly of Manitoba I bid you welcome.

The Honourable Attorney-General.

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MR. MACKLING: Mr. Speaker, I think that probably as a result of his many contributions, both inside and outside of this House, that the Honourable Leader of the Liberal Party may soon become or achieve a new kind of title, a new kind of -- well, you might be interested in what I have to say. He might be called the avoider advocate. You know, I think that is particularly appropriate. He is a member of the legal profession and he is an advocate, and in some societies that is the terminology that is used in referring to those of us who have been called to the bar and are now a member of one of the most effective unions there are. And why I call him or why I think he might be called an avoider advocate, is because really that's what he holds himself out to be. He contributes and he still contributes. In columns in newspapers throughout Canada his helpful tax hints as to how he can counsel people to avoid paying taxes to governments and -- yes, Oh yes, within the law. How the law can be interpreted, twisted, modified, you know, how you can so organize to escape, escape payment of taxes. And the honourable member, while my colleague the Leader of Mines and Resources was talking, indicated that, you know, a good tax system, a good estate planning system would cost in the range of oh, three, four thousand dollars, for you know any one of these very wealthy people who wanted to arrange their state of affairs so they didn't have to pay any taxes. This is the kind, this is the kind of advocate that the Honourable Leader of the Liberal Party is. He is an avoider, and you know this is -- you know, and his actions since he has become Leader of the Liberal Party was consistent with that philosophy. He has an avoider philosophy. He says "Stop, Look, Listen", and, you know, "Stop, Look and Listen" is for children when they're crossing roads; it's a safety message. But the Honourable Leader of the Liberal Party never talks about the road, never talks about crossing, never talks about development, never talks about taking responsibility for anything, but he says "We've got to have hearings; we've gotta stop; we've gotta look; we've gotta listen; we've got to avoid problems."

And you know they have a masterful way of avoiding political problems now. You know when they get together, they say "Well, we're going to come up with programs from time to time, and as we need them we'll invent them in this House; we'll invent them anywhere where it's convenient; and we'll invent the arguments that support them", and I think that's typical of the Leader of the Liberal Party. He has a very convenient arguing technique. And I say, you know, that when they have a problem they say, "It's really no problem; it's simple to avoid the problems, the political problems; we have free votes; and then you know we're never in trouble that way because we can all disagree happily and find out that we're all of one mind after the fact and then, you know, everything is fine." Well, you know, that's a complete reversal of political responsibility, that's chaos. But you know maybe he should be indicated as the leader of the Chaos Party. I don't know what --(Interjection)-- but they're certainly, they're certainly toying with some dangerous philosophic concepts.

Now, you know, how do you avoid the problem that a Federal Liberal Party has been in power for decades and you have, you have a measure of resentment in the west; you have frustrations in the west. How do you avoid it? How do you avoid it? You stand back from them and . . . say they're different, and we disagree with them and we hate - and we're going to

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(MR. MACKLING cont'd.) fight them, and all the rest of it. But, you know, that sort of thing the people don't seem to accept, and you can understand that they feel that that kind of avoidance, that kind of avoidance you know is just not acceptable. --(Interjection)-- Well, I can hear the Member from Lakeside talking about my colleagues. Well let this be said, let this be said, that in the few months that that government has been in office they have been forced, forced to take specific action to remedy some of the specific problems in society which this Party and our Federal Party has brought to their attention during the election campaign. Yes, and you know that's embarrassing, that's embarrassing, that's embarrassing to the Conservatives because all they're interested in is not specific social reform but power, power at any cost; and that was, you know, the kind of thing the Honourable Member from Riel appreciates, power at any cost, because you don't worry about it, you don't worry about the side effects, you want power, and that's what the Honourable Leader of the Conservative Party in Ottawa wants right now.

Now, you know, I won't allow, Mr. Speaker, the Conservative caucus over there to use high level diversions to try and -- diversionary techniques to --(Interjection)-- oh, they're low level now --(Interjection)-- I see

MR. CHERNIACK: They're low level. That's low level. I don't care what he says, their . . . is low level. --(Interjection)--

MR. MACKLING: I did want to conclude my concerns for the comings and goings of the Honourable Leader of the Liberal Party, and I do sincerely regret he isn't here and we understand him to be ill, because I wish he were here in full voice because the more he speaks the more trouble he gets himself into, and I regret the fact that he isn't here, sincerely, because it's much easier, it's much easier to criticize a person if they're sitting there looking at you, and I know the Honourable Member from Arthur appreciates that.

Well, Mr. Speaker, as I've indicated, the essence of the Honourable Leader of the Liberal Party's program is to help, help his wealthy friends avoid the cost in society of preparing, or fashioning, a better quality of life for people, because the friends he represents are the ones who can pay the three or four thousand dollars for extensive, fancy contracts to avoid their responsible contributions in society. And I ask honourable members, you know, is it conceivable that in our time we will want to provide legal aid for everyone to have their own tax plan and their own estate scheme so they can avoid paying taxes to governments. Is that what we should have? If we don't believe in that then surely we ought to be critical of people who make their life style avoidance of what is reasonable to be paid back to society for the gains they get from it, and at the same time hold themselves out as people who would do things, do things for people in society, who would criticize a government that wants to shift poll taxes on to ability-to-pay taxes. I don't condemn the person in society who says "Look, I am a professional man; I make a business; I make a business out of assisting my wealthy friends to avoid taxes"; that's his prerogative. You know, if that's what he wants to do I wish him well; I wouldn't do it myself. But for that same person to hold himself out and say that I am going to help the people of Manitoba to a better way of life, a better equality of life, a better, fairer, tax system, and at the same time continue to advise my wealthy clients how they can avoid taxes. I think that's a basic contradiction, Mr. Speaker, I really do, I don't see how that can be accepted.

Now maybe other honourable members find that easy to accept. Well I just don't, and I still find it extremely difficult, extremely difficult, to accept the protestations from the other side of the House now by the Party of the Official Opposition who continue to say that the tax shifts that we have made should have been done another way, in a much more effective way for the people of Manitoba. They have continually decried in speeches the high cost of education on municipal taxation; we've done something about that. Not in a token way but in a very substantial way. Well, surely they should have some, some faint praise for what we have done in that respect. But you know the praise has been so faint that I haven't heard it, I haven't heard it. Now the honourable members, now the honourable members should have frankly been overjoyed at this basic shift from a very regressive poll tax to an ability-to-pay tax. Or don't they accept the ability to-pay tax? Maybe that's the reason, maybe that's the reason. Maybe that's the reason that the honourable members opposite when the Medicare Program was finally brought in, they brought it in dragging and screaming, and they said the people of Manitoba were going to pay for medicare and hospital care through premiums, and they

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(MR. MACKLING cont'd.) would make sure that there was equality of payment for the people of Manitoba; everyone would pay the same amount. Equality, that's the kind of tax program from the Progressive Conservative Party. Equality of taxation is everyone pays the same. That's what the Member for Arthur accepts; that's what the Member from Birtle-Russell accepts. This is equality. That's their style of equality. Not from each according to his ability but everyone pays the same. So the old age pensioner should pay the same hospital and medicare taxes as the Honourable Member the Leader of the Opposition. That's the system, that's the system, that's the system that they want? When they talk about across-the-board tax cuts, that's the kind of equality they want. And, Mr. Speaker, Mr. Speaker, the people of Manitoba having seen their record, having seen their political philosophy in action, will continue to reject that and whether or not many of them will be back after next election is a matter, I think, for some of their concerns.

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MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I've listened with interest to the various other speakers who have already spoken before me. In a way my delay in getting to the debate was because of the limited time at my disposal I certainly cannot cover the waterfront like the Leader of the Opposition has done, speaking twice now, and I'll be limited very much to what I have and can say this morning.

I was very interested in the Attorney-General's remarks this morning, and I hope he doesn't leave right away.

A MEMBER: He has an appointment.

MR. FROESE: He has an appointment. This is the very accusation that they've hurled time and again and against the Leader of the Liberal Party, and here the Attorney-General is running out right away when I would like to make a few comments as to what he just said. --(Interjection)--

In taking a look at the Order Paper and the amendments made by the Conservatives and the Liberal Party on the motion to adopt the Budget, I would like to make a few comments because I think they're very pertinent. I find that in the Conservative amendment under the third item that they mentioned: "The present administration has failed to provide measures of spending control and expenditure reform, a failure which has left untouched over half the potential for provincial tax reduction". I am just wondering at the sincerity of that particular statement because who brought in the program which eliminated the incentive to economize? It was the former government through their centralization program which removed this to a large extent because formerly the people at the local level if they economized, this was directly reflected in their local tax bills in many instances, and therefore we had these economies. As a result of the centralization program we now find that if it is controlled, it has to be controlled from the top down, and this is what we find happening, and for them to come out and say, accusing this government has not taken proper steps now, I think a certain amount of sincerity is lacking and whether you should really accept this particular section of their amendments -- I'm certainly not going to condemn them all, there's some good ones in there and that I can support.

They mentioned this administration has written off the north. Well, I'm not so sure when we think of the big Hydro development that we have up north and the moneys that have gone into CFI up in northern Manitoba, certainly if we had that kind of money coming to southern Manitoba we'd think, well, we'd think that the economy really was booming and southern Manitoba would really liven up with the amount of money that we're spending in the north. So, I doubt very much whether I could accept that paragraph in their amendment to the Throne Speech.

Mind you, there are other, such as the mentioning of the estate taxes, and so on. I'm in full support of what they have to say on that one, because I too feel that here is an area that we could well make some changes. And what I was coming to before the Minister or the Attorney-General, when he mentioned equality of opportunity and he referred to taxation, this is what the Conservatives were asking, that everyone should pay equal. Well, I think the principle of equality was endorsed by the Member for St. Johns when he was on this side and before he became Minister of Finance, when it pertained to the Education Department. He was the one that endorsed that equality opportunity; that was the big slogan when the new system was brought in; now all of a sudden we find that that slogan's no longer valid and that they don't believe in equality of opportunity. --(Interjection)-- Well, if the Minister thinks different, let him get up and say so because this is exactly what the Attorney-General, what the Attorney-General said this morning, just a minute ago.

I don't want to spend too much time on these various items here because I could put my whole speech on it. I don't know what the Member for Radisson is saying, I couldn't get what --(Interjection)--

Mr. Speaker, the Budget that we have before us certainly is the largest one ever and the First Minister who is the Minister of Finance has brought out the statement and which way he's going to collect the various moneys to bring about a balanced budget. Certainly we subscribe to balanced budgets, and I feel that's the way it should be. But at the same time is it really a balanced budget when we look at the capital that will be required and that will be discussed later on because we find under General Purposes now for the last three years

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MR. FROESE cont'd). . . . that we've had very considerable items put under this item "General Purposes". In 1972 it was 45 million --(Interjection)-- in '71 it was 21,250,000; in '73, the present one, 24,182,000. What is this money going to be used for? Is this a balanced budget? I don't think it is, because "General Purposes" to me indicates that it's for operational, it's not capital, because if it was capital it would be indicated that way. So we're not having a balanced budget placed before us but a deficit budget to the tune of at least \$24 million, and I for one feel that we should be on a pay as you go basis, that we should not be creating debt of this kind when we have such a buoyant economy, as the Minister has stated in his Budget Address, and surely we're happy about it that the economy is as buoyant as it is, and probably it can be even more buoyant this fall at least in the farming community where prices for once have gone up and where farmers will be realizing larger returns.

However, I don't feel that we have a solution as far as the farming situation is in Manitoba even with the government's present program. I'm sorry to see that the Minister of Agriculture is not in his seat because I would like to have him hear what I have to say on the various items. We have been receiving the Guidelines for the Seventies and we find many items referred to in here under the Department of Agriculture section, and I would like to deal with a few of them. We find on Page 82 the table Income Distribution of Farmers in 19 Manitoba Municipalities in 1971. I take it that these are the municipalities where farming or agriculture is the principal occupation or principal industry. And we find that 1,824 farms that were surveyed or 48.4 percent of the farmers received less than \$1,000 in income. Isn't this a shame. Isn't this a shame. And does the government not intend to do anything about it? I feel in the objectives that they are proposing in the paper, certainly don't come up with the proper way of doing away with this. Because what we find is that under the - another table dealing with the various industries in the provinces, in the Province of Manitoba, that agriculture is not even considered an industry under this section. And I feel that agriculture certainly is important enough still to be called an industry and be included as part of industry in Manitoba. And we find that with \$1,000 income, and when we take a look at the number of hours worked in another schedule in this report, we find for instance on Page 27 the average weekly hours of hourly rated wage earners, this is pertaining to manufacturing, that we now have 38.5 hours in Manitoba. And in Winnipeg it's 38.3, but on that same page in the discussion part we find that when we have longer work hours, weekly hours, that actually we had greater employment. For instance on Table 2-9 in the year '66 and '67 our unemployment were the lowest - 9000, yet the employment rate was 2 1/2 percent and 2.7 percent. So this certainly contradicts the idea that when you have shorter work weeks that as a result you will have greater employment. According to this the very opposite is true and this happened during the year 66 - 67. So I think the government should take a second look at this, at these tables in assessing the situation.

When we go according to that table, 40 hours a week, 50 weeks a year is 2000 hours and the farmer getting an income \$1,000.00. That's 50 cents an hour. Yet we have a minimum wage of \$1.75 and the farmer is supposed to get 50 cents an hour. Where is equity, where is justice in this whole thing? I would like to hear from the government side on this because this is what their own document says to us, that is before us in the Guidelines of the Seventies. And I think the government is to be condemned on this point.

It also states that, in another section of the report, that even if you accrued no income to the farmers that the return on his investment would be 3.5 percent. This is so ridiculous as it can be. No other industry in this province could operate on that basis, and does operate. And yet we are asking the farmers of this province to either have no income or have an income of 3.5 percent on your investment. This is very ridiculous, Mr. Speaker. And I think these are things that this government should definitely look at because our farmers cannot be maintained on their farms at this level. I feel that something will have to be brought in by way of remedy and when you take a look at the recommendations that are outlined in the report, one says, stabilizing net farm income, marketing of products and purchases of farm supplies. Stabilization of income, Mr. Speaker, that doesn't mean to me that the income of farmers will be increased because the stabilization programs that have been talked about in recent years certainly are not of the type that increase income, and this is what we're after. We're not so interested in stabilization, we're interested in increasing the income. And I feel that we as a province should institute a basic price for wheat in this province that is produced in

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(MR. FROESE cont'd). . . . this province.

I remember when the former leader of the NDP Party was on this side of the House, the now Minister of Labour, he introduced, or he spoke on a motion to have three dollar wheat in Manitoba. He's not in his chair either this morning, but this is what the party endorsed at that time. Where are we now? What are they doing now? We don't hear a thing about that. Yet this is what we need. We need a floor price for wheat in Manitoba and the production, the amount of wheat produced in this province isn't that large that this cannot be done. It can be done very easily and it would do both. It would increase the income of the farmer as well as stabilize the situation.

We have other sections of our agricultural industry such as the beet farmer, the dairy farmer, which are benefitting by certain programs that the government has introduced, not only this government but the benefits accruing come to a large extent from the federal authorities, especially with the sugar beet industry. So that I feel this is a program that should be brought in and that is one that we can afford. The benefit of that would also be that moneys brought into distribution in this way would go the full cycle. The farmer would have the income, and farmers are not the type of people that hoard their money, with the little they have they spend it, they spend it into production, and this is what - also another item that we need in Manitoba. I still remember a few years ago when we had the LIFT Program, Lower Inventories for Tomorrow Program. I at that time criticized it very strongly. The government indicated to us that they were making presentations to Ottawa and opposing it. I think we should have introduced a GIFT program rather, meaning that we have greater inventories for tomorrow for the hungry people of this world. Because even today, what do we find today? Now that the demand is there for wheat, that countries are wanting to buy now that the price is high, and the price has been ranging from \$2.80 for several months last fall to over \$3.00 during the months of December and January. But what do we find now? The Wheat Board isn't selling the wheat. The Wheat Board is not selling the farmers wheat. He is supposed to now keep his wheat and safeguard the population of this country; he is supposed to bear the brunt and suffer the losses and the consequences that may result. And this is very unfair. If our government through its Crown corporation the Canadian Wheat Board, and to which we've passed supplementary legislation in this House by a former government, so that we have acquiesced and we are supporters of that program, we there should also have the right to complain and protest to the Federal Government that the farmers wheat should be sold today and at the high prices, so that the farmer could get the benefit. If the government so desires that they have to have surpluses or reserves, let them have the reserves, and I believe in reserves, we should have reserves, but not at the expense of the individual farmer, so that he has to retain the wheat in his bin and cannot get his cash. What other operator, what other industry, what other salaried man, would want to wait two and three years for his pay? I would like any of the government members to answer us on that one. Yet you require the farmer to hold back and not get his pay for the work that he's done. And especially now when prices are high. I think this is a very critical point that has not been raised and has not been discussed, and that this government should take recognition of and make proper protests to the federal authorities. And if they don't do so, I think we should do it on our own because I don't feel that we should make the farmer to suffer under a program of this type.

The present quota that the farmer has is four bushels an acre. Surely he cannot meet his expense bills on a four bushel quota. The quota should have increased long before this, but what do we find, what is happening in Manitoba? We find that elevators are being demolished, that the annexes, the grain annexes, are being demolished one by one, and this has been going on for several years now so that there is very little room for farmers to deliver to elevator points. And yet we hear nothing of this government in raising protests to this either. Why not? Why are you silent on these points? Why don't you raise your protest on behalf of the farmers of this province. This is a very serious matter and that you should take heed of . --(Interjection)--

MR. SPEAKER: Will the Honourable Minister state his point of order.

MR. EVANS: The honourable gentleman, the honourable member is making a bold statement that the Minister of Agriculture of this government has taken no interest in the matter with regard to the elimination of grain elevators and that is not the fact, Sir, and the fact is that we have made great representation, in fact we've also worked very hard with the . . .

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MR. SPEAKER: Order please. Order please. The Honourble Minister is stating an opinion which is not a point of order. --(Interjection)--Order please. Not even a matter of privilege. The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, the Minister says that what I am saying is not correct. The other day I asked the Minister how many elevators, how many annexes, were being demolished. He had no answer. If he had an interest he would know. He would have been able to give us the answer. He didn't know. So I take it from that that he really isn't that interested in what is going on as far as grain storage in this province. And it's an all-important matter. I certainly feel that is wrong to impose on the farmer that he store his grain and not be able to sell it, on top of that not to get his payment, and on top of that risk that the prices will decrease and that we might have lower prices for wheat this fall if we should have a large crop, and then the same thing could happen in other countries. The reverse could happen also. But I feel that it should not be incumbent on the farmer to hold back his grain when the prices are good. He should have the opportunity to sell and make that decision on his own and we should provide that this decision and free choice in this matter should be the farmers.

Most of my time will be taken up on the whole matter of agriculture because I find that this is so all important that the matter of the people leaving the farm, and most of these that are leaving have to do so because of the low income that the farmer is getting in Manitoba today. And certainly we in Manitoba should have a greater concern that this trend is not only arrested but that we proceed and provide programs that will retain those farmers and also induce younger farmers to make their living on the farm and become farmers. Otherwise, the way we are going now certainly Canada will not be forever the "bread basket" of the world as it has so often been referred to.

I did mention a number of things. The matter of selling. The matter of probably accepting a lower price. Certainly this does not apply to other industries. Would a car manufacturer produce cars and have them sitting at the factory lot for a year or two before he sells them when the market is there? Certainly not. Yet this is the very thing that you're requiring the farmer to do. He is supposed to produce his crop and then wait a year probably two, probably three, before he can get payment for his crop and before he can get a return. This is very very unfair and this is where I certainly condemn the government for not taking action and be complacent about it.

This is also the - this is a fact in addition to the already many risks that a farmer is subjected to. We have the farmers facing the matter of drought. This year he could be facing a severe drought. We've had so many good years in the last 20 years or so, we only had 1961 when we had a dry year, otherwise we've had very good years as far as farmers are concerned. But this certainly could not be the case this year. The farmers are facing the hazards of frost, hail, insects, weather, and you name it, and while the government might argue well, there is crop insurance, but that is an additional expense and that has to be paid for whether the farmer can sell his crop, whether he has a quota or not. And this is where he is being put in a very bad position.

Way back in the 1940s and I think it wouldn't hurt to remind honourable members, that when farmers were accepting a very low price when the grain was sold to Great Britain during and after the last war, they were told that they would be compensated afterwards. Where have we seen the compensation? None has come about and the former Minister of Agriculture of the Federal Government before he became that Minister, and this is on public record in Federal Hansard, that the farmers in Canada lost one and one-quarter billion dollars during those years in the sale of wheat, of Canadian wheat. This is a matter of record. This is what the farmers lost during that time, and I can vouch for it because I sold some wheat at the local elevator for \$1.19 a bushel. I sold some wheat as Class 11 wheat which did not come under the auspices of the Canadian Wheat Board, what did I get? \$4.55 a bushel. That's the difference, and if I had sold two weeks later I would have received \$4.75. So this is what the people were prepared to pay, but the farmer was forced to sell under those agreements at that time for a very low low price, and did the people of Great Britain benefit? No. It was the speculators out there that took the grain and sold it to other countries for these high prices. And this is fact; this is not just hearsay. So I feel very strongly that the farmer has been gyped for too long, and been ridden for too long, and that he should see a fairer day, especially now that the economy is more buoyant in that way we can afford to bring about programs

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(MR. FROESE cont'd). . . . whereby he can get a better return.

And I strongly feel that we should have a floor price for wheat in Manitoba to supplement the price that is being paid by the Canadian Wheat Board. This year it wouldn't cost us anything at all. In some years it would. But it would really not only stabilize the industry it would increase the income of farmers in most years and he would know that he would be receiving \$2.00 a bushel that will be at the delivery point that he delivers his grain. This is what is needed. We are giving assistance to other parts of the agricultural industry, why not to the wheat producer. And if we give it to the wheat producer, then a lot of the other areas in the agricultural industry adjusts itself accordingly. So that you would not only be setting the price for wheat you'd automatically be setting the price for other grains, and the whole scale would be adjusted in that way. So this is what we need, and this is what I am recommending, and this is something that we can afford, and this is something that will bring in the purchasing power at the local level so that it will run its full course. And this is what is needed to bring about greater prosperity in rural Manitoba. It would also provide the necessary incentive for young farmers to stay on the farm or go into farming. Right now there is no future when you don't know whether you will have a market or what kind of market you will have next year.

The cattle industry and the hog industry seems to be very good right at the present time, and why can't we do something for the grain farmer which is the very basis of the agricultural industry?

Certainly as I mentioned the production of wheat in Manitoba isn't that large that it cannot be handled. We had in 1970 during the LIFT Program year 30 million bushels. Well if you deduct the amount that is used for seed and feed, and so on, it would be a very small amount. In normal years you'd probably have a 70 million production, and if the Federal Government in most cases would pay \$1.50 or more that would be 50 cents a bushel on a certain number of bushels, which we could afford very well and it would provide an increased number of jobs. Nowhere and no other industries can you provide jobs at the cost that you can do it on the farm. Look how many jobs did CFI bring about? We spent over a hundred million dollars, and for that amount of money you could have created and provided thousands of jobs on the farms in Manitoba. This --(Interjection)-- Pardon? And I'm sure that if we put some money into this, in a program of this type, that we could do wonders for the people in rural Manitoba.

I feel that this government is embarking on a harmful program in revising the functions of the Agricultural Credit Corporation, that moneys will no longer be made available for the purchase of farm land. I think this is a wrong decision. It's wrong because it forces the farmer again into a position where he will have only one source of supply and this is very bad indeed. We should have more than one source. Credit unions and banks are assisting but only more or less in the short-term field but we need access to long-term credit for the purchase of farms in Manitoba. So that when the government thinks that they are doing the right thing by changing that course, I feel that they're making the wrong decision, and that certainly this should be reconsidered.

There is mention made in this report of controlling of the commodities that the farmer has to buy. I don't think that that is the best course. It is very difficult; I think it's more expensive than what I have been advocating and I don't think you can do what you're proposing in this report in that respect.

Then there is the matter of - the third objective here is providing the smaller and medium sized farmers with financial and management assistance. Again this is based on credit. I don't feel that for operational purposes that credit is the answer. It's the income that's the answer, not credit when it comes to operational, so that we must provide the means whereby he has an income without -- so that he can pay for the commodities that he uses.

MR. SPEAKER: The Honourable Member has five minutes.

MR. FROESE: Mr. Speaker, I'm sorry that -- I had a lot more to say, I'll have to cut down on certain items then.

I think another thing that this government could have done -- I appreciate what they are doing in the Budget in connection with the tax credit plan that they're increasing the amount, which will reduce somewhat the taxes on real property, but this doesn't apply to the farmer only, this applies across the board and we're not distinguishing here between farmers and

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(MR. FROESE cont'd) other people. And I think what is needed is that the tax, education tax be removed from farm land completely --(Interjection)-- Yes. I sure feel that this should be done because what relation is there actually between tax on farm land and education, and financing education? Could you tell me? When you see that so few people are staying on the farm and remaining on the farm, yet they're the ones called upon to finance the education of the people that move off, that go to the cities and go to other industries. The farmer is supposed to pay the shot for those people's education; this is what is happening in Manitoba. Is that what you're trying to do? That's --(Interjection) -- Let's hear from you. I told the First Minister that I really appreciated what they were doing in increasing the per pupil grant; I still say that was a good thing because this will certainly assist them. I also appreciate the new program that they're introducing whereby you're giving a per pupil grant based on assessment, and I feel that this is a good thing, too, to assist those divisions that have the lower assessment yet might have large enrolments, I think this is the proper thing to do. But I think this principle should be carried further so that we would be eliminating the tax on farm land, because there too there are so many inequities as far as assessment is concerned, which I haven't got the time to go into at this particular time but I will do at a later time.

So on those points I certainly give them credit and I would congratulate the First Minister, and the government, for bringing those measures in. --(Interjection)-- Pardon? Oh. Oh. Well, I think I should tell them the good points as well as the bad and that --(Interjections)-- Well. . .

In looking over the Budget I feel that there's no income to come forward from the automobile insurance corporation. Will it not show any profit? Is it showing a loss? Certainly we should by now have heard from one of the Ministers in the front benches how the auto insurance corporation is performing, and if there are earnings don't they come into the Budget, will they not be taken into budgetary considerations? --(Interjections)-- Well, the Member for St. Johns says: "Well you expect that". What about the reverse? What about the MDC deficits? Where do they come into the budget? Are you just going to take that from capital, cover it by capital? How are you going to deal with that? Let's hear your points on that. If you're going to expect it on one side I think we should expect it on the other. --(Interjections)-- Well, I would like to know where we stand, what the situation is, because we know what the situation is in the MDC, that they're 23 million in the hole, and certainly that's a very poor record and actually what is happening that we're acting as --I don't like to use the word "suckers" -- because we're dealing . . . we're picking up the bag for the bankruptcies in Manitoba.

MR. SPEAKER: Order please. The Honourable Member's time is up. Order please. The Honourable Member's time is up. It has to be by leave if there's going to be a question. The Honourable Member for Ste. Rose.

MR. A.R. (Pete) ADAM (Ste. Rose): Thank you very much, Mr. Speaker. For the past eight days I've listened with interest and some satisfaction, and at times with extreme disgust, at the debate that taken place in the House. The satisfaction I certainly had was when the First Minister presented his budget eight days ago in the House. I think it was the best budget in the last century that was ever passed in this House. I doubt very much if anyone can deny this fact that it has not been the most humane and humanitarian budget that has ever been brought forth.

I'd like to compliment the Leader of the Official Opposition when he spoke on his amendment. I thought he was much improved over his performance of last year and the year before, and I think there probably is a reason for it. I believe he feels the breath of the Member for Lakeside breathing down his neck, and I think that however he has in my opinion improved his delivery and I was quite impressed with what he had to say, although it was the same rhetoric that we've been hearing from the Conservatives, the prophets of doom and gloom, that I've heard over the last two or three years from the Conservatives on how the economy of the Province of Manitoba was being handled by the government, and I say that this has been a detriment and a disservice to the province to forever forecast doom and gloom on the economy of our province. I think that if I was a prospective Manitoban who wanted to move to Manitoba, I would think twice when I hear the Leader of the Opposition expounding the high taxes in our province and the unfavourable business climate for the business industries. I think that this may have contributed, perhaps only in a small way, but I'm

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(MR. ADAM cont'd). . . . sure that some people may have said, "Well we better not go to Manitoba because to listen to these doom and gloom boys it's not a very good place to move to".

I believe that I said that the first speech that the Leader of the Opposition made last week was I thought fairly good but last night I was not as impressed when he spoke on the amendment of the Leader of the Liberal Party, I didn't think he came on as well as he did last week. It was something like the prices of the farmers, the prices to the primary producers is left to the four winds, and the speech that the Leader of the Opposition made last night and this afternoon I thought was coming from the four winds as well.

He mentioned that all this government had done in the last three and a half years was to --(Interjection)-- in the last four years was, to use his words, "disturb society and to disturb the system, that is all that happened". This is the words that he used, and I haven't got the Hansard to support that but I think that's the way it would come out. And I am glad that he admits that something has happened, that we have disturbed things in Manitoba a bit, because I can say that they needed changing, a change was long overdue in this province. A change was long overdue, and I want to say that when the New Democrats were elected in Manitoba in 1969 it was like a breath of fresh air. --(Interjection)--

A MEMBER: Better believe it.

MR. ADAM: For one thing, the people of this province are now politically conscious. There never was any politics until we disturbed society, to use his words, and I think this has been good; it has made people participate and become interested in what's happening in this province and I think this is good. And I say that previous to that, all we had was stagnation, political stagnation, as well as economic stagnation.

MR. SPEAKER: Order please. The honourable gentleman will have an opportunity to continue this afternoon. The hour being 12:30 I am leaving the Chair to return at 2:30.