

THE LEGISLATIVE ASSEMBLY OF MANITOBA

8:00 p. m. , Tuesday, February 12, 1974

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 22 members of the 78th Cub Pack. They are under the direction of Mrs. Shewfelt. They are from the constituency of the Honourable Member for Fort Rouge. On behalf of all the honourable members, I welcome you here today.

The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Speaker, before we adjourned for the supper hour I had just mentioned, or finished saying that the government had legislated themselves 100 percent of the business in Autopac and still were incapable of making a profit, in fact losing \$15 million.

Mr. Speaker, the other thing that is an issue as far as I can see in the Throne Speech is treasury benches, and I know again that I'm going to hear from the honourable members on the other side that there are treasury benches in Alberta, that great, that great--(Interjection)--branches, pardon me, branches. Thank you. That great Conservative province. But certainly as I said I appreciate the investigation on treasury branches everywhere, but let's apply the situation to Manitoba, and let's realize that today we have many many credit unions and co-ops who are taking that gap that the banks are not in, which they did not have in Alberta at the time. So, Mr. Speaker, it's just another case of accumulating money. In other words, the government wants more control of money. They wanted the tax, they wanted the payments, they wanted the payments from Autopac, they now want the deposits from treasury branches. In other words, again we are looking at more control of money. This little innocuous tax that we have on mineral rights, I don't have it in front of me but the news release that came out, I believe it was a week and a half ago, at the bottom said: If you haven't paid this by such and such a date it's up to you to pay it. If you haven't been notified, it's upon yourself to make sure it's paid by that date, or you take over the mineral rights. Another form of control by this government, gradually creeping up.

Mr. Speaker, the Premier is always very happy to pick up his budget of last year and say nobody would disagree with the facts and figures in this book, would say we are paying less taxes. Well, I disagree with it. I'm quite prepared to tell this government, Mr. Speaker, that the Premier is trying to use a hundred dollar bill twice. Mr. Speaker, if you pick up your book and you take a look at it, it says, according to this book, that in 1973, a 6,000-dollar net taxable income, you pay \$512.00. You receive \$140 rebate on \$6,000, that's 3.72. But Mr. Speaker, if you want to pick up the telephone and get the number that they tell you to phone for advice on rebate and you ask them this question, say I have to pay back, or I have \$140 coming to me, I received an advance, Mr. Speaker, right here on your real taxes, I received an advance of \$100, how much do I claim on my '73 income tax? She said \$40.00. Now I don't really care, they got \$100 off their real taxes and they're now going to get \$40, this man at 6,000, he's going to get \$40 off his '73 income tax. He's going to get his 140. But when the Premier reads this marvellous book he has here and he starts to figure out, he goes across, let's take \$10,000, gross income. He goes 459 taxes, \$204, that's 663, that's in '69; 1973 it's 527, you didn't pay any medical and you get \$139 back. Uh uh, Mr. Speaker, he got 100 of it back off his real taxes. That's \$39 you're deducting there, and laugh if you like, make the phone call.

Mr. Speaker, this is fact and I don't care what kind of Mickey Mouse arithmetic they want to use on this, in 1969 a man making \$6,000 a year net - and all you have to do is get your tax form, \$346 is what he paid. He paid \$204 medical. If he had an 8,000-dollar assessment on his house which is approximately a \$24,000-dollar house, they work on a third usually in assessment, that's \$399 and that is a total of \$449 of taxes he paid, provincial and real taxes in my constituency. And most constituencies are the same, Mr. Speaker. In 1973 he paid the government, according to the book, \$512.00. On the same assessment his real taxes are 589 because the mill rate is now 73.3 something. You add those two together, you get \$1,106, and he paid that; didn't pay any medical but his Manitoba tax was 512, his real tax was 589, and that's \$1,106.00. And now I'll take off the \$140, I'm very happy to take it off. That's \$966 in taxes. And the Premier says we're paying less taxes in this province! Well, how does he tell you he's paying less taxes? He takes this little book of his and he says, I'm taking the \$140 off in here, which is your provincial tax, and then he turns around and he said, he uses the same \$100.00. You can't give that \$100 back twice and that's what the Premier's been trying to do. Misleading and deception, that's what it is, Mr. Speaker.

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(MR. F. JOHNSTON cont'd)

I'll go through that exercise with anybody, I'll go through that exercise with the Honourable Leader of the Liberal Party and I'm sure that he'll agree with me; and I'll go through that exercise with any of your tax experts on the other side. Mr. Speaker, those are the actual taxes that were paid, deduct \$140, and you're paying more tax in 1973 than you did in '69. And you guys laugh about it. You honourable members laugh about it. Mr. Speaker, I apologize, I must say that our Honourable House Leader corrected me on "you guys" earlier this evening, and I did it again by habit. You honourable members laugh about it.

MR. SPEAKER: The Honourable Leader of the Liberal Party.

MR. ASPER: . . . some indication of what his consuming power would be taking into account the increase in the cost of living. Would it be greater or lesser?

MR. F. JOHNSTON: Oh, much lesser, Mr. Speaker. --(Interjections)--Mr. Speaker, I was just about to carry on and say, not only is he paying the government higher taxes and it's there in black and white, but also, Mr. Speaker,--(Interjection)--Go ahead, I'll answer your question too. Thank you. Mr. Speaker, I said earlier, every tax in this province is up, and I tell you if the Minister takes \$100 off in this book and then he takes the \$100 off on this slip of paper--but you phone up your phone number and they'd tell you, when you make out your income tax form in '73--even the honourable members on the other side, Mr. Speaker, well hell, they'd be able to claim if they're property owners excess of \$100 cause you got your 100 last year. Just before an election. Wasn't that wonderful? Just before an election. Mr. Speaker, that's deception, that's deception. You know I asked the First Minister, Mr. Speaker, last year in this House - I said, if you receive that \$100 advance--you ought to read the tax notice, it's very carefully worded. It says "advance", \$100 advance right on there--I said, will he then get this \$100 again next year, and I didn't get an answer. I had to wait until I could phone that girl a couple of weeks ago and get told, no you don't.--(Interjection)--The girl that answers the phone at the phone number that gives you all the advice.

Mr. Speaker, I get a kick out of the First Minister's continual misleading. You know, the First Minister would stand up and he would say the gross national product of the Province of Manitoba has been in four years of our government what it was for yours at eight. Well, that's quite a statement. Let's put it into the proper context. In 1960, it was 1.9 billion; in 1969 it was 3.4 billion, 1.5 million increase, which is seven percent per year. Now, Mr. Speaker, the honourable member should remember that, seven percent per year. So then you start at 3.4 billion when this government took over, that's what we ended at, that's what they've got to start at, Mr. Speaker, in '69; and in 1972 it was 4.4 billion, an increase of a little, well a million dollars. An increase of 29 percent or nine percent in one year. Not double, not what the Premier tries to make out, it's an increase of two percent per year, and you did it when the inflation rate was over four percent and we did it when the inflation rate was down around three percent. So, Mr. Speaker, they aren't the bright boys, and again the Minister gets up and continually misleads this House. Mr. Speaker, I remember also the time he said we had a surplus of, I believe it was \$42 million - \$40 million - I believe they bragged about a surplus of \$40 million and when you look it up in the Estimates, Mr. Speaker, when you look it up you find that \$28 million was transferred to 1973 from '72, only to make the payment of the rebate. They had a \$14 million surplus but oh no, the First Minister always likes to play Mickey Mouse with figures. He must say, well I think I'll use this one today, and that's what happens.

Mr. Speaker, we have now fully realized, and as I said, I'm quite willing to have anybody come forward and go over these figures with me because, you know, it's just straight arithmetic. Mr. Speaker--(Interjection)--thank you Mr. Speaker. You know there's been a lot said and I have said a lot today about the \$28 million we've lost in businesses - disgusting thing, but you know the one business that really is amazing to me that we're even in it and losing money regularly is Saunders Aircraft. And, you know, the Honourable Minister of Labour has got to have some fault in this because he didn't relate the news - some information.

Mr. Speaker, I was in Ottawa with the Minister of Labour, a chartered airplane with the Minister of Industry and Commerce and many men who were down there representing Winnipeg, the Mayor of Winnipeg, and we were talking about Air Canada and the work that was required to keep the men working in Manitoba. The Honourable Minister, Mr. Jamieson, came forward and he said, Do you know, gentlemen, I'd just love to be able to help you out, he said, and you know I'm going to do everything I can for you but the aerospace industry is probably one of the

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(MR. F. JOHNSTON cont'd) most depressed industries that we have at the present time. He says, we're trying to find money to help everybody out that's in it, we're trying to find everybody work in the aerospace industry. Mr. Speaker, Mr. Jamieson was right there and said it was a depressed industry. The Minister of Industry and Commerce was there and heard it was a depressed industry; the Minister of Labour was there and heard it was a depressed industry, and what did they do? They came back to Manitoba and went into a depressed industry. Then they turn around and the First Minister says, well we should be able to go in this industry, we should be able to be able to be subsidized by the Federal Government, all that money being spent down east, he said, we should have part of it. But before he ever went into this business, there sat the great Minister of Industry and Commerce, the great Minister of Labour in our province being told that it was a depressed, bad industry to go into at this time.

Mr. Speaker, the Minister of Mines and Natural Resources - and I smile when I mention his name because I like him - but I say that he firmly believes that if we have the government involved that the people through their elected member will have control of the business. They'll have about as much control as I have when the Bank of Montreal or the shares that I have in some company, I don't have much to say, and I admit that; but I have the right, Mr. Speaker, to either own or sell those shares, Sir. But if the government is in the business I don't have that right, they just take my money and go into any business they like. This government has taken money as I said and I want to end up by saying it; you have taken \$90 of every taxpayer in Manitoba and you've blown it down the drain. There's just no way - that when you lose \$43 million and there's about 450,000 taxpayers in this province you have blown \$90 of everybody's money in this province. And, Mr. Speaker, the honourable members on the other side usually laugh about a statement like that. Thank you.

MR. SPEAKER: The Honourable Minister of Mines have a question?

MR. GREEN: I wonder if the honourable member would submit to one question? Well, Mr. Speaker, in the accumulated losses that he has indicated vis-a-vis the Manitoba Development Corporation, is he taking into account Columbia Forest Products, the interest on Churchill Forest Industries and other losses which were the result of investments that were made by the previous Conservative administration?

MR. F. JOHNSTON: Mr. Speaker, very briefly. We would close up the fund, we admit that public money in that kind of investment has not proved good for the public. If we had some bad ones, we admit it, if they're in there, they're in there but there's no sense blowing it down the drain. There's no sense keeping it up, and these fellows keep it up.

MR. SPEAKER: Order please. The Honourable Minister of Agriculture.

MR. USKIW: Mr. Speaker, it's indeed a pleasure and a privilege to again rise in this House to participate in the democratic process in the usual manner. I wish to take this opportunity to congratulate you, Sir, on your personal re-election in your constituency and a subsequent election in this House to the position that you now hold. I wish to also congratulate the new members to this Chamber and indeed the mover and seconder in reply to the Speech from the Throne, and indeed all of the new members that have been added or elected in the last election.

I would like to take a moment or two, Mr. Speaker, to reflect on a very important fact to the Province of Manitoba and indeed the people of Manitoba; namely that we have made a great deal of social and economic progress over the last four years in a whole host of areas. I want to list but a few of them.

In the area of housing certainly it is evident in every community that one visits that massive improvements have taken place, whether it be senior citizens housing, whether it be nursing home accommodation, whether it be low rental units for people that cannot afford the full rental scale to the private sector. The improvement in health services is certainly an important change and indeed will be more so reflected in the years ahead of us, but certainly important changes have taken place and new directions have been given.

In the area of taxation we have had a degree of redistribution of the tax burden, a degree of lowering of taxes, in particular more so in some sectors than in others.

Agriculture has certainly improved a lot in the last two years. We are very thankful for that. It's not altogether because of our own doing, Mr. Speaker, but because of the way, the nature of agriculture and the production and demand throughout the world.

Northern development is certainly a milestone in the history of this province. I give

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(MR. USKIW cont'd) credit to those that have the responsibility in bringing about the necessary reforms and a new thinking towards northern Manitoba. Manpower training is part of that but applies to southern Manitoba as well.

I should like to take issue with the Honourable Member for Sturgeon Creek on Autopac or Automobile Insurance because he has just belaboured the point, Mr. Speaker, that the people of Manitoba have lost \$8 million in some form. He alleged 15 million, Mr. Speaker. I always had the impression that the Honourable Member for Sturgeon Creek was a very astute businessman who knew how to read a statement of accounts, who could read a balance sheet, a man that knew what the business world was all about, but who stands here and tries to imply to the people of Manitoba, Mr. Speaker, that when you start up a new business that you amortize that in one year, out of one year's premium income, if you're talking about the insurance industry. That's the import we get from the Honourable Member from Sturgeon Creek. And everyone knows, Mr. Speaker, when you launch a new enterprise, whether you build a building or whether you build public relations and you spend a million dollars doing it, that you don't amortize it in the first year of business but you do it over a period of years. Any man in business knows that.

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Would the Honourable Minister permit a question?

MR. USKIW: Yes.

MR. F. JOHNSTON: Mr. Speaker, I'd like to ask the Minister if the accounts and the report and the statements of Autopac are audited according to the Insurance Act of Canada?

MR. SPEAKER: The Honourable Minister.

MR. USKIW: Mr. Speaker, I'm going to allow the Minister in charge of the program to deal with that question at the appropriate time because obviously I am not knowledgeable to the extent that he is. But I do know, I do know, Mr. Speaker, . . .

MR. SPEAKER: Order, please.

MR. USKIW: . . . that as a matter of principle in business one does not try to amortize start-up costs in the first year of the operation of any new business. The Leader of the Opposition in the operation of his hotel chain, Mr. Speaker, also doesn't try to recover the full capital costs in the first year as well. Mr. Speaker, the \$8 million which the Honourable Member for Sturgeon Creek alleges was a loss to the people of Manitoba, was not a loss to the people of Manitoba, and I happen to know many instances when I was involved in the insurance industry myself where we had similar situations in our company where we had losses occurring from time to time. It was really a miscalculation, the actuarial people did not anticipate the kind of claim load that they had eventually experienced which resulted, Mr. Speaker, in an excess payment in claims over premiums earned. And therefore the \$8 million represents the fixing of fenders, the payment to people who had injuries. It doesn't mean that the taxpayers of the province lost \$8 million in administration. It went into goods and services for the people who paid the insurance premiums in the first place.

Mr. Speaker, let me say that there is a real need in our history at this time, Manitoba's history at this time, to review the character of our political system, and I alluded to this point yesterday in my comments at Brandon. There is a need to adjust the posturing of our political parties, because I find, Mr. Speaker, that we have entered an era of political degeneration the like of which, the like of which, Mr. Speaker, we have not experienced in Manitoba for many decades.

Mr. Speaker, I want to draw to your attention the fact, I want to draw to your attention the fact that in the seconds before the election we witnessed in this Chamber many efforts on the part of members opposite to deceive the public of Manitoba in many debates that were held in this House. I should like to point out that it seems to be a habit of members opposite, at least some of them, to try to invent scandal if there isn't one, to try to persuade the House to give privilege when privilege is not required or necessary nor desirable, of character assassination of civil servants. And I can name two or three people that are very astute at that game, Mr. Speaker. Something that is not traditional to the debate of this Assembly but which has become common practice in the last four or five years.

And then, Mr. Speaker, I should like to remind you of what happened in the election campaign and the 'big lie' approach launched by the Leader of the Opposition and the Leader of the Liberal Party and their colleagues. I want to indicate, Mr. Speaker, by illustration, the big lie approach in the campaign, and this happens to be a document, Mr. Speaker, that was circulated

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(MR. USKIW cont'd) to the people of Manitoba during the campaign and it's a document put out by the Conservative Party of Manitoba. And I want to read from it, Mr. Speaker, because it's most interesting reading, gives us an opportunity to reflect on what really occurred. It says here, Mr. Speaker, "that when we started," referring to themselves, "we weren't so sure we could win it." They're talking about the election campaign. "The NDP are very strong here but we've been running as hard as we can and something is happening all over Manitoba." Something was happening they were telling the people. "You see we're leading in the North." I wonder whether anyone here would remember those comments. "We're leading in the north, Mr. Speaker. Progressive Conservatives are leading in the farming area." Then I give them marks there. "And just in the last few days, Mr. Speaker," and I'm quoting from this particular circulation, "we've taken over the lead in the City of Winnipeg."

Now let's understand what is happening. They never elected one person in northern Manitoba and only 6 out of 28 in Winnipeg. This is the kind of deceit they were trying to sell the people of Manitoba - just a few days before the election campaign, or the election day. Mr. Speaker, let me remind members of this particular document. They should be familiar with this one. This document was tabled in the House sometime last spring, and I now want to address myself to the Leader of the Opposition, who in fact is the guiltiest of them all in bringing about the big lie approach in the last election campaign. I happened to hear him on a radio program the night before the election. He was on with John Harvard and he was indicating a real concern over the agricultural policies of this government through the introduction of the land lease programs and he said, you know, he said this is a real fundamental difference in philosophy, says it's the idea of the state wanting to own the land and the takeover that was about to take place unless there's a change of government and so on. And Mr. Speaker, the honourable member suggested that it was only in the heat of the election campaign that the government announced that they would allow an option to purchase on the part of those people that would lease Crown land after a period of years. Mr. Speaker, the brochure that I tabled in this House a month and a half or so before the election indicates very clearly the option to purchase, so I suggest to you, Mr. Speaker, that the Leader of the Opposition indeed tried to sell his party on the big lie theory throughout that campaign. The people of Manitoba did not respond positively to that kind of approach.

Mr. Speaker, I can handle the questions after my period of time is over or just about at that time if you will. I want to now address myself to the Leader of the Liberal Party, who in 1972 on December 6th enunciated an agricultural policy and he spoke in my constituency, Mr. Speaker; and one of the cornerstones of Liberal policy was going to be a land bank. --(Interjection)--Yes, December 6th, 1972. Land bank, the land bank, Mr. Speaker.

And now, Mr. Speaker, in the election campaign you will recall all of these brochures that went out state Farm Takeovers Make Employees of Farmers, you know, and many innuendos and allegations as to the intention of the government. He too should have been aware of this brochure, Mr. Speaker, but that was not his primary interest; his primary interest was to try to deceive, to deceive the people of this province. Mr. Speaker, the big lie did not work for the Liberal Party. In fact the Liberal Party almost disappeared in that election campaign. I have to admit that the big lie did work for the Conservative Party in some quarters because during the campaign, and I was involved almost through the entire campaign outside of my own constituency, Mr. Speaker. Yes I was. I happen to have visited most of those ridings, Mr. Speaker. I ran into all sorts of questions about, is it really true?

MR. SPEAKER: Order, please.

MR. USKIW: Little ladies in nursing homes wondering whether it's true that the government is going to take over the nursing homes and whether one would have to be a New Democrat in order to enter one of those facilities. And you know where that came from, Mr. Speaker? That came from Swan River. Imagine, imagine, Mr. Speaker, the kind of mentality of a political party.

A MEMBER: I wonder if the Minister would permit a question?

MR. USKIW: Not at the moment, Sir. The mentality of the political party that would take advantage of people that are feeble and old and cannot help themselves, in that way, Mr. Speaker. You will recall, Mr. Speaker, that at my nominating convention I had left my convention with the impression that we were heading into the dirtiest political campaign of this province's history; and, Mr. Speaker, that was a projection based on the kind of performance we

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(MR. USKIW cont'd) had here to that date. And the Honourable Member for Portage la Prairie the next day rose in his seat and demanded some clarification of what I had meant because his party would never do those kind of things, Mr. Speaker. The Liberal Party would never indulge in that kind of thing. And then, Mr. Speaker, we have all of these documents circulated throughout Manitoba scaring the hell out of the people of Manitoba.

And, Mr. Speaker, one other deceitful, one other deceitful maneuver that is worthy of --(Interjection)--the Member for Radisson says they really weren't serious. I'm not sure. But I should like to draw your attention, Mr. Speaker, to another little interesting document. Some of the advertisements, this is the Roblin Review, we heard a lot about Roblin, Mr. Speaker. You know in Winnipeg, in Winnipeg the promotion was for Penner in Rossmere but somehow in Roblin they said Schreyer should be elected in Rossmere and Wally McKenzie in Roblin --(Interjection)--Yeh. In the Constituency of Virden of course we have the member of the Conservative Party hanging onto the shirttails of the Premier of this province, and in Roblin, in Roblin, Mr. Speaker, that particular individual had the gall to try to hang on to the Premier's shirttail as well. Mr. Speaker, Mr. Speaker, there were many people, there were many people that tried to hang on to the shirttail of the Premier of this province. You know why? Because they wouldn't admit to the people of rural Manitoba that they want to support their own leader. And they got no mileage, they got no mileage out of discussing the capabilities of the Leader of the Opposition in rural Manitoba.

Mr. Speaker, I want to now draw your attention to a little bit of reform on that side, because in another brochure of the Conservative Party they were talking about the need to provide opportunities for 30,000 farmers in this province. Mr. Speaker, that's quite a reform from TED as the Premier mentioned this afternoon wherein the philosophy of the Conservative Government of the years up to 1969 was to reduce the population of rural Manitoba as evidenced in the report of the TED Commission. And I'm not going to repeat the statements that were made by the Honourable First Minister earlier this afternoon. But in the election campaign, Mr. Speaker, they saw need to reform their position because how could they tell their constituents that one out of three must disappear in rural Manitoba. Mr. Speaker, this particular advertisement also appeared in the Roblin Review and many other papers throughout the province, and here again it alleges the dictatorial approach of government trying to take control of everyone's life and so on. All in the same style, completely negative, completely negative, Mr. Speaker. So, Mr. Speaker, I suggest to you that the Opposition conducted a fraudulent election campaign and that on the basis of an honest election they wouldn't be here in the numbers that they are, but they were successful to some degree in fooling the people of Manitoba, in deceiving the people of Manitoba in part of the area of this province.--(Interjection)--It will be fairly soon.

Mr. Speaker, I say that it is time for political parties to review the way in which they have been conducting their affairs, because it is not good, it is not in the public interest to bring about the kind of distortions and to introduce into the public mind the kind of image of governing parties whoever they may be that in fact has taken place because of the kind of innuendos and misinformation that has been introduced into the political scene. And I would hope that the Leaders of the Opposition Parties would take note of that point and bring about a degree of reform at least in the debate of this House during the course of the next three or four years so that we can get back to sanity and back to the debate as it should be, a debate between philosophies, a debate on program, Mr. Speaker, on policy, not on character assassination and innuendo.--(Interjection)--I sure have, I sure have after yesterday.

MR. SPEAKER: Order, please.

MR. USKIW: Mr. Speaker, yesterday I indicated to the people in Brandon, I indicated to the people in Brandon yesterday, Mr. Speaker, that it was in the public interest that whether they be Conservatives, Liberals or New Democrats that they address themselves to the demise of our political system because of the way it has been functioning in the last two or three years. And that everyone has a responsibility in that respect.

Mr. Speaker, I should like to now talk about state takeover, about feudalism as the Honourable Leader of the Opposition suggested, I believe, it was up in Pembina, Pembina or Rhineland, that the land lease program may be going back to feudalism. And I should want him to reflect on why it is that the Ontario government now for almost ten years has had such a program wherein they are buying farms out and leasing it back to other farmers. Not with a

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(MR. USKIW cont'd) five-year option to buy Mr. Speaker, but with a ten-year option to buy; not near as liberal as the program in Manitoba. Is feudalism taking over Ontario, Mr. Speaker. Prince Edward Island has launched a very similar program some years ago. Parties in power not the same stripe as that in Manitoba, Mr. Speaker, have had these programs on-going for some period of time, programs that give people opportunities to get into an industry which otherwise they would not be able to do. How can one expect a young potential farmer to assemble the kind of capital that is necessary to go into farming, into agriculture today. If the policies of my honourable friends opposite should prevail, Mr. Speaker, indeed it is true we have to depopulate the countryside, because it is only the rich people that will be able to become richer and accumulate larger land resources. I want the Member for St. Boniface to take a lesson from that because the government in P. E. I. is a Liberal government who have this kind of a program. It's nothing new in Canada, nothing new in Canada. And it is not the wish of this government, Mr. Speaker, to allow the wealth to be controlled by fewer and fewer people each year. It is our wish as you may appreciate and know to greater distribute the wealth of the land so that more people can share in it, so the people have more equal opportunities. And that is really the point of debate which my honourable friends don't want to allude to, Mr. Speaker, and the Leader of the Official Opposition the other day, Mr. Speaker, said--not the Leader of the Official Opposition, the Leader of the Liberal Party - what is a stay option, it's only a phrase, I mean what are you doing. I don't know whether he's been blind, Mr. Speaker, but every program enunciated in the last four years has been going in the same direction and that is to give stability to rural Manitoba. And I am now going to illustrate a few of these packages.

Rural STEP is one; farm diversification is another one; government reduction of cost of inputs is a third one; community well services, water services is another one; and I can go on and on. Reduced crop insurance costs, etc., etc. All of these go towards building a stable rural community. The town and village water and sewer program. All of these, all of these go towards stabilizing rural Manitoba giving people new options. The building of nursing homes in rural Manitoba, the building of low cost housing. If any one has gone up to Churchill recently he or she would appreciate what has happened in the Town of Churchill in housing. That has a lot to do, Mr. Speaker, with the stay option. Towns and villages and municipalities are well aware, Mr. Speaker, about what is happening, what is happening in Manitoba, in all of Manitoba with respect to those programs.

Mr. Speaker, I now want to deal with a matter that in fact was alluded to yesterday by the Member for Lakeside. I want to take some exception to the remarks made in this House not only yesterday but in times previous. The question of marketing boards in Manitoba. I want to again remind members opposite that governments don't run marketing boards, and I want to remind the Member for Morris that he ought to review the history of the development of marketing boards in this province to appreciate the point that I am making.

The first such development took place many many years ago and I believe it was at that time a Liberal - well it was a Liberal government that introduced the act in the first place under which marketing boards function. In 1953 the first marketing board was set up for the purpose of marketing honey. It was not set up by a NDP government by the way, nor would we want to claim that we are the only party that would support marketing boards.--(Interjection)--No, I'm sure there wasn't, but it was by a Liberal government. In 1965 the Conservative government introduced the first compulsory marketing board during their term of office, and that was the hog commission.--(Interjection)--My honourable friend says it wasn't compulsory, Mr. Speaker. Every person that sold a hog in Manitoba had to pay 30 cents on every sale.

A MEMBER: What do they pay now?

MR. USKIW: That's not the point, Mr. Speaker. The point is it was compulsory that everyone had to pay to fund the marketing of hogs in this province through the Manitoba Hog Marketing Commission which was set up by the then Minister of Agriculture the Honourable George Hutton. Mr. Speaker, there was an insult to that aspect of compulsion, there was an insult to that aspect of compulsion, and I would suggest to you why. Because while a hog producer was obliged to fund the organization he got no benefit from it. And I want to relate a bit of history in this connection, I want to relate a bit of history here, Mr. Speaker, because when I came into office in 1969 I inherited the board, the whole system as it was, and there were two vacancies on that board - people that represented the meat packers of Canada had moved on to

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(MR. USKIW cont'd) other duties and there were two vacancies and so the meat packers council approached me with a view to recommending names to fill those vacancies. And, Mr. Speaker, I suggested to them that before I would want to do that I would want to know what value there would be in putting meat packer industry people on that hog commission, what purpose would they serve. So they agreed to arrange a meeting in my office and I had seven companies represented at that meeting wherein they told me that it would be good, it would be desirable in the interest of public relations with producers, liaison, co-operation, the spirit of doing something together that would be a great thing and that in itself was worth to have two of their people represented on that board. And I said to them, Mr. Speaker, that I would go along with that proposition providing they would assure me that the next day they would take off the road every buyer that they had, that they would cancel all their contracts--(Interjection)--Not black-mail, in a spirit of co-operation and harmony, that if they would take away their buyers that were encouraging farmers to bypass the commission that I would put two of their people on that commission. Mr. Speaker, I did not receive that kind of a commitment. They did not want to remove the buyers, they wanted to continue to leave the people of Manitoba with the impression that the Hog Commission is doing something when in fact it was doing nothing except collecting 30 cents for every hog sold from the producers of Manitoba.

So, Mr. Speaker, I proceeded to appoint a board, for the first time in the history of this province, of producers, 100 percent representation on the part of producers. Canada Packers wasn't running the board any more and while it was an appointed board I have to accept the responsibility for it, but they were never controlled by government as my honourable friends would allege, nor are any other boards controlled by government, they have a set of regulations which gives them certain powers and they function autonomous from government. And government is not in a position to know the decisions that were being made day to day with respect to those boards.

Mr. Speaker, in 1964 the vegetable growers, potato growers wanted to set up a marketing board. Under Conservative law it was required of them to have two-thirds of the people vote for such a plan before they would even consider implementing it - two-thirds. I don't know where the democracy was, Mr. Speaker. The Honourable Member for Rock Lake the other day said to me in this House that if the Honourable Minister would treat the beet growers like he has treated the hog producers he is going to have a lot to say, there was going to be a big war on. I want him to reflect on how they treated the producers of agricultural products over the years when they wanted to establish marketing boards in this province and where they were required to get two-thirds of the people to vote before they would even give them the time of day, Mr. Speaker.--(Interjection)--Yes, but you appointed the Hog Commission without a vote. When the broiler and the turkey people wanted a vote, Mr. Speaker, and the records will verify, the government sat on their request for three years because they were busy setting up Friendly Family Farms that wanted to get into the business. And if we have a board, you know, you might have quotas and how could you set up triple-F farms. Three years to get permission to have a vote, Mr. Speaker. I want members opposite to remember. Two, is it? Even two is a disaster. To allow democracy to express itself it took two years, and then when they had the vote, Mr. Speaker, the Minister would not let them implement the results. He dragged his feet and dragged his feet because the Leader of the Opposition of today was then the Minister of Industry and Commerce who wanted to make special provisions of exemption for processing companies. That is the way, that is the way members opposite treated the producers of agricultural products in Manitoba.

Mr. Speaker, the Milk Control Board was also set up without a vote, without a vote, Mr. Speaker, many many years ago, and I don't object to it it had to be set up, there were reasons for it. But let's remember that sometimes these things have to be done.

The Egg Board, Mr. Speaker, was set up in 1971 by this government with a vote, 51 percent majority required, 51 percent majority, as democratic as one could have it, Mr. Speaker; perhaps you could go 50 percent plus one vote to improve that somewhat but 51 percent was the requirement.

The Grain Commission was an appointed body by this government - no vote. That's fair ball. We've all had these decisions to make. The Vegetable Board in 1972 was implemented with 51 percent of a vote. Again, during this government's term of office.

The beef check-offs, currently being voted on, will come in at 51 percent of those voting

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(MR. USKIW cont'd) carried and it's compulsory, and the honourable member keeps insisting here, Mr. Speaker, as I have demanded it to be, and he is not telling the truth, Mr. Speaker, and I pointed this out to him in Brandon yesterday. There is no purpose for the government laying down any conditions to a plan on which there is a referendum. The only logic there would be is if the government wanted a certain plan that they would want to impose, that you would have the question of compulsion or non-compulsion. But where there is a group of producers wanting to submit a plan what logic is there in requiring any compulsory features if it is going to be voted on; doesn't make any sense, Mr. Speaker.

Now the Honourable Member for Morris, Mr. Speaker, on occasion, and very recently was such an occasion, tries to bring about character assassination of people involved in many of these areas, and in particular, Mr. Speaker, he alleged that the report of the Manitoba Marketing Board on the argument with one Mr. Cameron - not much credibility could be given to that report because it's a government appointed board. I should like to remind members opposite that we have some very capable people on that board, some of whom were there for the last 15 or 20 years - not removed, Mr. Speaker. The Chairman of that Board is the same chairman that was there during all of the years at which time these people opposite were the government of this province. But innuendos against the Manitoba Marketing Board, Mr. Speaker, What kind of respect do members opposite have as far as their employees are concerned, the civil servants of this province are concerned. The former Member for La Verendrye, Mr. Speaker, was a member of the Hog Marketing Board. Surely the members opposite aren't suggesting that that particular individual has comprised his principles. --(Interjection)--A political appointment. I want to draw this to the attention of members opposite because it's worth reflecting on.

Mr. Speaker, I want to now deal with the question of the current debate on the Manitoba Hog Marketing Commission or the board. When we chose to allow for elected producers to operate that board we have taken one risk, Mr. Speaker, as we do every time we allow for that kind of thing. And that is that the politicians could get into the act. --(Interjection)--That's correct, the right people may not get elected. So very well put. And in this instance, Mr. Speaker, there are some people that got elected that are not the right people in my opinion but are acting in a way that would reflect badly not only on themselves and on the board but would suggest, Mr. Speaker, that they are being dictated to by other people. Mr. Speaker, I don't know who those other people are but I can speculate. I don't know whether it's the Meat Packers Council. I know that the Member for Lakeside and the Member for Morris had a lot to do with a certain meeting in Winnipeg a few months ago at which time this whole business was made public, Mr. Speaker, wherein the news media was invited and all the allegations were thrown out, all of them disproved, Mr. Speaker, by an investigation of the Manitoba Marketing Board.

I want to go over some of them, Mr. Speaker. One of the allegations was that the chairman of the Hog Producers Board has spent the money producers contributed to it through high levies and hog sales; had failed to tell producers how he spent the money, that's the allegation. Mr. Speaker, every hog producer that sold hogs through that board receive the annual report wherein every penny is accounted for. How could any member on that board make such a statement when the annual report goes to every producer. Monthly financial statements provided to board members give details of expenditures during the current fiscal year. Board accountant present at this portion of the meeting to answer questions members have about the statement. No members indicated they had raised questions that had not been answered except for the revelation of the details of the pricing formula of the Japanese contract.

Allegation No. 2, Mr. Speaker, that the Provincial Government had taken money from producers' pockets to hide a loss on the Japanese pork contract. Mr. Speaker, that has to be the biggest lie of them all. The Government of Manitoba has never been involved in any contract with anyone in the sale of any agricultural product that I can recall in the history of this province, at least not in my memory. Never been involved. Any contract with a marketing board is with the marketing board and between the marketing board and the purchaser. And the government is not at all involved, never involved, Mr. Speaker. Never involved. --(Interjection)-- Oh, yes, I think it was a very worthy announcement, Mr. Speaker, the fact that Manitoba for the first time through its Manitoba Hog Marketing Board, and with the help of the Manitoba Marketing Branch, were able to negotiate an agreement for a substantial sale of our production. It was a worthy announcement and I was proud to make it. And many more announcements of that kind, Mr. Chairman, will be welcome.

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(MR. USKIW cont'd)

I want to point out, Mr. Speaker, that it is wrong for the Opposition to try to imply that in some way Government have a major role to play in the transactions of a Marketing Board. I should like to point out that when I was in the Opposition, never once, Mr. Speaker, did I ask the Minister of Agriculture at what price the Manitoba Potato Commission sold its potatoes at in Montreal, Toronto or Regina, even though I knew that the prices were probably three or four different prices and all the producers got was the average. And that is the same with hogs, Mr. Speaker. When they are sold to two or three different markets the Board's responsibility is to give the average price to every producer.

And I want to end on this note, Mr. Speaker, and members opposite should appreciate, that the terms of sale of pork in Manitoba to all companies are the same - the agreement of sale is equal to every company; that we don't know every day, Mr. Speaker, we don't know at what price Canada Packers bought pork at, or Swifts or Burns. We don't know. Canada Packers may pay a dollar less than Burns in the same day. Members opposite never asked that question. --(Interjection)--The producers--the board knows how many hogs they sell at what price and the producers get the average price, and I won't answer it because I don't know it, Mr. Speaker. And the honourable member opposite never knew it, Mr. Speaker.

MR. SPEAKER: The Honourable Minister's time is up.

MR. USKIW: And I want to suggest, I want to suggest in my closing remarks, that the members opposite are doing a lot of harm to the farmers of this province, to the agricultural community of this province, in the innuendo and character assassination attempts that they have brought about in the last few months, Mr. Speaker, and it is not good, it is not good for the Province of Manitoba.

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

MR. BILTON: Will the Honourable Minister permit a question?

MR. SPEAKER: I'm sorry; the honourable member's time is up. Unless it's by unanimous consent I cannot allow it.

MR. G. JOHNSTON: Well, Mr. Speaker, in the limited time allowed me before the call of the vote, I perhaps will dispense with some of the formalities that usually are taken by a speaker in the Throne Speech Debate. But I would like to say one thing to the Government side. The First Minister is not here and some of his key Ministers are not here, but I do appreciate some of the work that they have done on behalf of the people of Manitoba and I can say with what I think is honesty that any mistakes they may have made were perhaps made by lack of judgment but not by lack of feeling or what they feel was right for the people in Manitoba. So I can say, perhaps not in a grudging manner, that the front bench opposite has tried to do a good job for the people of the province, and I would be a very narrow-minded individual if I didn't say that some of their programs have been productive and reasonable and others have not. And of course I've been in opposition for 11 years now and when even I pay a grudging compliment I mean it; I really mean it.

But then I say to myself that my duty as a member of the Opposition is not to point out the Governments good points, because they have a highly financed government operation that publicizes their good points, so I don't feel that I should spend any length of time on telling them what I think is good and what I think is bad because they, through their publicly financed operation, certainly garner all the credit that is due to them in whatever they have done that is good, plus the things that perhaps they are trying to downplay to the public and perhaps don't want to talk about it.

But, Mr. Speaker, when the vote was held last night it probably surprised some members opposite that the Liberal Party voted for the amendment proposed by the Leader of the Opposition, and if I can take a moment I would like to tell the House why we voted for the amendment.

When I took down the amendment proposed by the Leader of the Opposition, the Leader of the Official Opposition, I find a number of clauses in his amendment that have for years been Liberal policy, and there was no way that we could vote against it, just no way. And if I can take a moment to enumerate a few of them: In paragraph (a) Clause (1) he was proposing that all clothing and secondhand goods be exempt from the sales tax. Well, for the benefit of new members on all sides of the House, and I believe there's three in the Conservative Party and five in the NDP Party and two in our party, it would be interesting reading for those members

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(MR. G. JOHNSTON cont'd) to read the journals of 1966 when the Liberal Party proposed that the sales tax be reviewed and specifically take a hard look at the removal of the sales tax for clothing for children, all children that is, and secondhand goods. And, Mr. Speaker, I'm sure that those ten new members will be surprised to find that in the name--I only use the name that's recorded in the vote--that Mr. Spivak voted against it although he's proposing it at this time.

Also in the fourth clause of his proposal as to why the Government wasn't doing a good job he suggested that all building supplies should be exempt from the sales tax, and I can remind him that in 1968 on page 396 of the Journals, Mr. Spivak voted against that very same proposal, and I might say that my honourable friends opposite voted for it. --(Interjection)-- Mr. McKellar is a very independent man. So later in this Session when we move a resolution that building supplies be exempt from the sales tax, we're sure that the NDP Government will stay consistent with their principles and vote for the removal of the tax on building supplies for houses. And Mr. McKellar, my seatmate.

I also find that in 1966, and if one cares to check on page 228 of The Journals there had been a proposal from the Liberal Party that an Auditor General instead of an ordinary accountant operation should oversee and be a watchdog in the spending in the province, I find that that resolution was voted down and I find that the administration of the time that voted that idea down was the Conservative administration, so, Mr. Speaker, really, really, I am rather surprised that the Leader of the Conservative Party can stand up in this House with tongue in cheek and make proposals that either he or his party had spoken against and voted down, and I'm surprised that in the few years that have transpired that he has become the Leader of the Conservative Party, I think he either--one of two things happened. Either he joined the wrong party and became very active or else he speaks with forked tongue. One or the other. You know, it's there. The record is there. And to the new members I say, whenever your front bench makes a proposal you should go back through the Journals of the Legislature where everything is reported and everything is recorded, and if you find that they have been speaking with forked tongue, well then in caucus you can point this out to them and say, "Now come on fellas, this isn't exactly the way it was when you had a position of responsibility." However, I just mention that in passing. I don't want the new members of the Conservative Party to be, shall I say "taken in" by the new approach of the present Leader of the party.

Once a year I would go to the horse races. Only once a year. I can never afford any more. And before I put my two dollars down I would examine the track record of the horses, and gee, every now and again I'd pick a long shot but it never did pay. But when you go by the track record, Mr. Speaker, which is all you can go by, really, unless you're a dreamer, I suggest to the new members of the Conservative Party that they look at the track record of their leader.

Now--(Interjection)--Well, I'm going to vote for the Throne Speech because it's the only one we have. It may not be that good but it's the only one we have. But now, Mr. Speaker, I have, which is sort of against my nature--I think the last time I was on the winning side was in World War II and I wasn't too sure, but after having complimented the Government I would like to point out a few what I consider to be errors of commission or omission, and I point them out without being personal about it but I'm talking about the ideas on how the province should be run, and I find that--first of all I'll deal with my own constituency and then I'll talk about provincial matters. But I find that in the last month or two when I get a phone call or a letter, and I haven't received the correspondence that the Member for Virden has, but I find that if anything has enraged the farmers of my constituency it is the application of the Mineral Tax.

Now we all know what the Government intention was. It was to tax absentee landlords, it was to tax companies that held land for long periods of time and they retained the mineral tax rights. But I want to tell my honourable friends opposite, and I wish that the Minister of Finance was here and the poor Minister of Agriculture was here, because if anything that's ever happened to the Minister of Agriculture in the last three or four months, and I know he's tried to do things for this province, I give him credit for what he has done, but, Mr. Speaker, he has been destroyed in his position as Minister of Agriculture by this tax. Let me just relate to you two examples, two examples. Well, I hear some braying opposite from members who think it's a big joke and I notice they're city members who are laughing. I notice that they're city members who are laughing. I would like to read into the record one letter, and this letter is from

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(MR. G. JOHNSTON cont'd) the Rural Municipality of Portage la Prairie and it's addressed to the Honourable Howard Pawley, the Honourable Sidney Green, the Union of Manitoba Municipalities, myself, and the Member for Lakeside. And I quote: "Dear Sirs: Re the Mineral Acreage Tax Act. The Council of the R. M. of Portage la Prairie have instructed me to express their very strong exceptions to the Province of Manitoba levying a mineral tax on lands owned by municipalities. Some municipalities own lands that are leased and used for community pasture purposes, the mineral tax on which would amount to over \$1,000 per year. These community pastures are used for agricultural purposes only, by Manitobans. The Council feels very strongly that this mineral tax should not apply to municipally owned lands or to any farm lands that are privately owned."

Now, Mr. Speaker, that is a letter from a civic government at a lower level than this Legislature, and I would think, I would think that the responsible Minister's office would pay some attention to this. I can relate to members opposite, and they may laugh at this, a particular case and I'm sure this case has happened to other families, where a farmer has died, passed the farm on to his son, but through either mistake or some other reason has retained the mineral rights in the estate. And I've had a call from one person only, but I'm sure it's happened before, a widow whose only source of income is the payment she receives from her son who is purchasing the farm, and here's what's happened to her. In order to pass on the mineral rights to her son, which was intended to have happened, first of all she's got to pay the mineral right tax this year for 750 acres which half is grazing land, \$75.00. Then she's got to pay a lawyer \$150 to transfer the mineral rights from her husband's estate over to the son.

Now I know, or at least I would hope that it was not the intention of the gentlemen opposite to have this sort of a thing to happen, and I'm asking right now that the government opposite, whenever they again speak on policy of this matter, that they will give a commitment to the House, they will revise the Act the way the Member for Virden has suggested so that these inequities are solved. You know, what is so wrong with admitting to a mistake? Should we close our eyes and say well, the Act is there; it was meant to get at corporations or get at people who hold land for speculative purposes? Let us admit that there is something wrong in this Act, because, Mr. Speaker, I'll tell you that the Minister of Agriculture cannot go into the farm areas of Manitoba again and speak with credibility with this hanging over his head. And I say that with sincerity and he knows it. He knows it. I invite him to come to the Portage plains, to come to the McGregor area, and defend the mineral tax the way it has been applied to farm people.

You know, Mr. Speaker, for the first year in many many years the farmers have had a chance to make a dollar, to pay off their debts to the Manitoba Farm Credit Corporation, to pay off debts that had accumulated because they couldn't pay because of depressed prices. So the very year that they start to get their heads above water, what happens? Well, my honourable friends opposite, maybe they didn't mean it but they socked it to'em, and maybe they didn't hurt them that badly but every farmer \$70 or \$80 or \$100, and what happens? What happens? If they don't pay the tax within two years they lose the mineral rights. Now we're talking admittedly about farmers who have rented to their sons, or their widows have rented to someone else and still retain ownership, and I know the Minister of Agriculture is conscious of this problem and I hope he'll prevail on the Minister of Finance to have this part of the Act changed.

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

MR. GREEN: I understand the honourable member issued two grievances, one which relates to municipalities and the other which relates to a widow having to transfer land from an estate to the individual who is farming, and indicated this is an additional expense. Now I'm not criticizing the honourable member but I would like him, if the honourable member will permit me, to indicate to me that with respect to the municipality, what is the problem in the municipality not owing the mineral rights, as is the case with many municipalities who receive title after a certain date, and is it not a fact that the transfer that he is talking about from the estate to the individual would have to take place at some day in any event?

MR. SPEAKER: The Honourable Member for Portage.

MR. G. JOHNSTON: Well, Mr. Speaker, really the Minister of Mines and Natural Resources has exposed the thinking of his party because he's saying in effect that, well, some time we should as government acquire all these things.--(Interjection)--Well, you say, what is the problem? For example the town of Virden, the town of Virden has oil wells within its

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(MR. G. JOHNSTON cont'd) limits and should not they, as a corporation of citizens, be able to own that? Should by chance, should they give it up? Should they not have the right to hang on to what they have already had on behalf of the citizens of the area? You know, I'm surprised that the Minister misses the whole point, that local government should be able to make some decisions, and if a local government has a community pasture of 10,000 acres, my God, who is to say that on behalf of the citizens that they represent they can't retain the control that they presently have? That's all I say. --(Interjection)--Well unfortunately it can't . . . Well I'm not in communication with the Leader of the Conservative Party that much.

Well, Mr. Speaker, there is probably one other point I would like to cover, but in passing I would like to make passing reference to the Minister of Northern Affairs who is responsible for northern roads, and I'll say it in two sentences. You know, last year when the government in their wisdom decided to take over northern roads, which I agree some time or another this would have to happen because it's for the good of all the people, but I can recall vividly the Minister standing in this House and saying, well, the reason the roads weren't built and completed that the weather was too warm. You know, it's too warm like, if there's such a thing with a Manitoba winter which I have never realized in my 53 years, but the weather was too unseasonable, it was too warm, and in Manitoba they couldn't complete the winter roads. But if we look across the border into northwestern Ontario we find all the winter roads were completed on schedule - a matter of 60 miles away. Then this year when the problem arose again, and I think, as my honourable friend the Minister of Mines and Natural Resources said at a press conference I believe, he said, well, the weather was too cold this year and they couldn't complete the winter roads on schedule. So the Member for Rupertsland who represents that area, perhaps he could take the message back to his constituency and say, "Look, the northern roads will be built providing the weather's not too warm or it's not too cold," and if that message gets across to his constituents I'll be surprised.

But, Mr. Speaker, I would like to turn to one other subject for a moment and that's the matter of the Manitoba Development Corporation's operations, as has been listed in the report that was tabled a few days ago, and I only wish to take one proposition and put before the House. We know that the MDC did list--and I give the First Minister and his group credit for being more open than in the past, but he did list a number of companies that were either in receivership or in the process of being in receivership, and there was a substantial loss there. But then on page 14 and 15 there are companies listed where loans receivable in equity investments are listed. And I was rather surprised to see at the bottom of page 15 that out of about \$23,379,000 lent, that there has been an allowance made for potential losses of nearly \$16 million. Well, Mr. Speaker, it's incredible that 66 percent of the moneys loaned are in a dangerous position - and that's the way I interpret this report - that 66 percent of the taxpayers' dollars they were lent are in a very uneasy position. I only allude to one firm and there has been some comment because I believe the Member for Brandon East raised it last year in the matter of Saunders Aircraft - Brandon West - but I would pose a mathematical problem to the members of this House and it goes something like this. As I understand it, the Saunders airplane sells for in the neighbourhood of \$200,000 - \$500,000? Well then I'll adjust my figures. There's \$9 million of which over 8 million is taxpayers' money in the operation and I believe there have been five airplanes sold - four or five, in that neighbourhood. Supposing, Mr. Speaker, that the business is being operated on an investment business principle at 8 percent, would be the interest rate. The interest on \$8 million or \$9 million would be around \$700,000 a year, and presuming that they would make 20 percent on the sale of an aircraft, which is a pretty good mark-up--I don't know what business does that--I propose to the members how many years would it take, or how many airplanes it would take to sell just to pay the interest rate? Making 20 percent. I suggest to the--(Interjection)--Well, my leader coaches me here and he said you'd have to sell seven planes a year at 20 percent mark-up to make the interest payments.

Well we'll give them the credit, or the balance of credit, and say, well, seven airplanes a year would pay for the interest. So going on the 500,000 price that the First Minister supplied me with, really the Saunders Aircraft should be manufacturing about 15 planes a year just to break even - and sell them. --(Interjection)--I only have four minutes. So I'm suggesting to the government that in their zeal to build up some sort of a record that they take a hard look at the companies that the Manitoba taxpayers' money is going down the drain on, and I stand in

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(MR. G. JOHNSTON cont'd) my place and I say firmly that I believe Saunders Aircraft is one of them, that they would be better off to get out of this sort of an operation and cut their losses and run. Let us give them the credit for having tried, Mr. Speaker, because I'm sure with honesty in their hearts and faith and so on they tried to do certain things. But I'm trying to draw a parallel here because two or three days ago I asked the Minister in charge of Autopac, why is the government going into the fire insurance and general insurance field? And do you know, Mr. Speaker, his answer I couldn't hear it, because members opposite said "competition, because it's competition." Well, I say to members opposite, and there's 30 or 31 of them, let each of them put up \$5, 000 and form a fire insurance company, then start, and that's competition, but don't say it's competition to me when you take the taxpayers' dollar and go into a business based on your ideology.

Now the member--I feel sorry for the new Minister who's in charge of Autopac, who's got his \$8 million turkey, he's got his \$8 million turkey, yet we remember the speeches of two years ago when the government said, "We can do this better than private enterprise, we will have the investment in the province," and they've got an \$8 million loss and they're running all over the place to try to find it, to try and pull it away from some other group. And I quote to you what has happened with Saunders Aircraft, there's no way in 50 million years that Saunders Aircraft can sell enough airplanes at their price to bail out and pay back to the Province of Manitoba and the taxpayers the eight or nine million dollars that are in there. And I say to that Minister who is in charge of Autopac, he's now going to start in to the fire insurance field and it's going to be on a competitive basis, but if they lose \$8 million again, well they stick it into the taxpayers and get it back. Let them put up their own money and go into the fire insurance field. Thank you, Mr. Speaker.

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MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, if the honourable member . . .

MR. SPEAKER: Just one minute left.

MR. SCHREYER: . . . would permit, time will allow one question. I would like to ask the honourable member then if he agrees that it is reasonable for Manitoba to expect that if there are three aircraft manufacturing plants in Canada, namely Dehavilland in Toronto, CanadAir in Montreal and Saunders here in Western Canada, if the Federal Government has made disbursements or grants, call it what you like, to CanadAir and Dehavilland of 60 million and 40 million, should we feel satisfied with one million here?

MR. SPEAKER: The Honourable Member for Portage.

MR. G. JOHNSTON: Well, Mr. Speaker, the First Minister proposes somewhat of a hypothetical question, but I would say to him in answer that even if the Federal Government gave a proportional grant, a proportional grant as to other aircraft companies have been given, if he can stand in his place and say that Saunders Aircraft is going to be viable based on that grant then I'll take his word for it, but I don't think it will happen because it's a bad deal. It's a bad deal right now. No sort of a grant will help a bad deal. It may prop it up for a year or two years but it's not a viable operation. And the members in the first bench know it's not viable.

MR. SPEAKER: Order please. The hour being 9:30 according to our Rule 35 I must now put the question. Order please.

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

EXPENDITURE ESTIMATES

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, at this time I believe the rules require the moving of certain number of motions.

First, Mr. Speaker, is that I move, seconded by the Honourable the Minister of Mines and Natural Resources that the Address to His Honour the Lieutenant-Governor be engrossed and presented to His Honour by such members of the House as are of the Executive Council and the mover and seconder of the Address.

MOTION presented and carried.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I have a message from the Honourable the Administrator of the Government of the Province of Manitoba.

MR. SPEAKER: The Honourable Administrator of the Government of the Province of Manitoba transmits to the Legislative Assembly of Manitoba Estimates of the sums required for the service of the province for the fiscal year ending the 31st day of March 1975 and recommends these Estimates to the Assembly.

MR. SCHREYER: Mr. Speaker, I should perhaps just pause here to get a signal from the Clerk whether it's at this point that the Estimates are distributed to honourable members and really simultaneously move, seconded by the Honourable the Attorney-General that the said message together with the Estimates accompanying same be referred to the Committee of Supply.

MOTION presented and carried.

MR. SCHREYER: Mr. Speaker, I move, seconded by the Honourable the Minister of Agriculture that this House will at its next sitting resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MOTION presented and carried.

MR. SCHREYER: Mr. Speaker, at this stage I believe the most convenient way to proceed would be by leave. If I could have leave of honourable members to address remarks that relate to the tabling and distribution of the Supply Estimates that are being distributed to honourable members.

MR. SPEAKER: Is it agreed that leave be granted? (Agreed)

MR. SCHREYER: Mr. Speaker, last year when as Minister of Finance I delivered the 1973 Budget Address I stated then that our government's primary fiscal policy priorities are

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(MR. SCHREYER Cont'd) first of all a more equitable distribution and a more efficient management of the province's finances. These priorities are reflected clearly in our expenditure proposals for the fiscal period beginning April 1, 1974. Members of the Assembly will be asked to authorize expenditures totalling \$798,570,000 for the coming year to make possible continuing improvements in the effectiveness of existing programs as well as a number of important new initiatives many of which were outlined in the Speech from the Throne, some of which will be outlined in the actual discussion on the Estimates themselves.

In total, the estimated main expenditure for 1974-75 represent an increase of approximately 15.2 percent over the combined main and supplementary estimates for the previous year. This rate of growth is almost exactly equal to the average year-to-year increase in provincial expenditures over the past 15 years.

Complete details of our government's plans for the coming year will be made available in Committee of Supply. Tonight, however, I would like to draw the attention of the House to one of the items in the Estimates which I think will be of particular interest to honourable members. Appropriation IX 4. (T)(1) External Programs: Financial Assistance, in the Estimates of the Department of Health and Social Development contain provisions for a guaranteed income program for the elderly. Starting in July single persons age 65 and over will be guaranteed an income of \$200 per month while married couples will be guaranteed approximately \$383 per month. The precise size of provincial income supplementation payments needed to insure these minimum income amounts will depend on the levels of Federal Old Age Security and Guaranteed Income Supplement payments at that time.

It is expected that the cost of this program will be in the order of two to four million dollars in the forthcoming fiscal year, and somewhat more in future years as time goes on. Mr. Speaker, these Estimates are recommended to the House.

MR. SPEAKER: The Honourable House Leader.

HON. SIDNEY GREEN, Q. C. (Minister of Mines, Resources & Environmental Management)(Inkster): Mr. Speaker, I move, seconded by the Honourable the Minister of Agriculture that the House do now adjourn. Excuse me, Mr. Speaker, I did not wish to pre-empt something. I took it that the House is ready to adjourn but I see the honourable member is on his feet.

MR. SPEAKER: The Honourable Member for Morris.

MR. WARNER H. JORGENSEN (Morris): Mr. Speaker, I just want to ask the House Leader if he could outline the business for tomorrow.

MR. GREEN: For tomorrow, and I expect for Thursday, we are going to proceed with second readings of bills. Of course I believe that tomorrow afternoon will also be the first occasion on which Private Member's business will be before the Legislature at 4:30. Then I expect that on Friday if Supply is called we may still consider bills of priority, but if Supply is called it will be the Minister of Northern Affairs who will be first before the Committee of Supply.

MR. GREEN: Now, Mr. Speaker, I would move seconded by the Honourable the Minister of Agriculture that the House do now adjourn.

MOTION presented and carried.

MR. SPEAKER: The House is now adjourned and stands adjourned until 2:30 tomorrow afternoon.