

THE LEGISLATIVE ASSEMBLY OF MANITOBA
8:00 o'clock, Tuesday, April 16, 1968

MR. SPEAKER: Before we commence the evening's proceedings, I'd like to direct the attention of the honourable members to the gallery where we have 100 4-H members from all parts of Manitoba. They're presently in the City holding a youth seminar. On behalf of all the honourable members of the Legislative Assembly I welcome you all here this evening.

MR. EVANS: I imagine, Mr. Speaker, this being government business, you may wish to call the Committee of Ways and Means.

MR. SPEAKER: The adjourned debate on the proposed resolution of the Honourable the Provincial Treasurer, and the proposed motion of the Honourable the Leader of the Opposition in amendment thereto, and the proposed motion of the Honourable Member for St. John's in further amendment thereto. The Honourable Member for Portage la Prairie.

MR. GUTTORMSON: Mr. Speaker, the member for Portage la Prairie has been detained for a few minutes. I wonder if with the permission of the House the debate can proceed and perhaps he can take part in the debate when he arrives later on in the evening. We have no objections to anyone else proceeding now.

MR. EVANS: On a point of order, I suppose, Mr. Speaker, if no one else wishes to proceed at this point, then the matter presumably stands in the name of the Honourable Member for Portage la Prairie, and this is the sixth day of debate, and that will conclude the debate for today.

MR. GUTTORMSON: Speaking on the point of order, Mr. Speaker, the member is expected momentarily. Perhaps we could move into, go into some other business and revert back to it, if it meets the wishes of the government.

MR. SPEAKER: Is it the wish of the House we continue with the adjourned debate on second readings, Page 12?

MR. EVANS: Mr. Speaker, I'm very much inclined to try to accommodate all the members of the House. I seem to find myself in the position of speaking for the Leader of the House at the moment and I would certainly have no objection to proceeding with other government business for a short period. I wonder if we should then, Mr. Speaker, ask you if you would call the adjourned debate on the second reading of Bill No. 40.

MR. CHERNIACK: Mr. Speaker, I can only ask that this matter stand unless anyone else wishes to speak.

MR. SPEAKER: Does the Honourable member have leave? (Agreed)

MR. EVANS: Then perhaps, Mr. Speaker, the next order of business is Bill No. 9 on second reading.

MR. SPEAKER: Second reading, Bill No. 9. The Honourable the Minister of Health.

MR. WITNEY presented Bill No. 9, an Act to amend The Public Health Act, for second reading.

MR. SPEAKER presented the motion.

MR. WITNEY: Mr. Speaker, in dealing with principle on this bill, it's rather difficult because there are several matters that are involved in the bill. One of them is just simply to change the name of the Director of Health Services to the Director of Public Health Services. We want to clarify the situation with respect to the Director of Public Health Services. There has been some confusion in the misinterpretation of the name with the Director of Local Health Services.

We're also extending the powers of Medical Officers of Health throughout the province to the Director of Public Health Services, the Director of Preventive Medical Services and the Director of VD Control Services. In the Act at the present time, if an order is given by a Medical Officer of Health to obey the nuisance or to do something within the powers of the Act, then if the value of the property so affected is \$2,000, or the Medical Officer of Health feels ...

MR. SPEAKER: I regret interrupting the Honourable the Minister, but he was asked to explain and it seems to me that very few are taking notice of the explanation. I wonder if we may have the attention of the House.

MR. WITNEY: Thank you, Mr. Speaker. And if the Medical Officer of Health feels that a business would be unduly dealt with, the matter is to be mandatorily referred to the Court of Queen's Bench. In the regulations for anything with respect to premises or buildings or business under \$2,000, in the regulations an appeal could be made to the courts but the court have not been given any direction as to what to do with the appeal once it was heard, so now we are

(MR. WITNEY cont'd.) bringing forth into the Act the clarification of the appeal itself and saying what can be done with respect to it.

In dealing with epidemics, we have the power now in the Act to have people be forced to take inoculation or to be examined, but we did not have the power to order people to take treatment, and in the present bill the power has been given to also order, not only the examination, but also that the person take treatment.

And then we have in the final part of the bill something which might be a little different, and that is that it removes the possibility of a charge of assault against a medical officer carrying out the provisions of the Act. Such charges have occurred in other jurisdictions and an example is that the examination of a minor under 18 years of age at a clinic could be termed an assault, and as we have to do this quite often in some cases, particularly in dealing with VD, it was felt that the protection ought to be given to the Medical Officer of Health in light of experience that had taken place in other jurisdictions.

So basically, Mr. Speaker, the amendments here are not too substantive at all. They're clarifications, and fairly routine.

MR. SPEAKER: Are you ready for the question?

MR. GREEN: Mr. Speaker, I beg to move, seconded by the Honourable Member for St. John's, that debate be adjourned.

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

MR. WITNEY presented Bill No. 53, The Human Tissue Act, for second reading.

MR. SPEAKER presented the motion.

MR. WITNEY: Mr. Speaker, in dealing with The Human Tissue Act, at the present time in the legislation of the Province of Manitoba we have The Anatomy Act which allows a person to dedicate the whole of the body to the University for teaching purposes. We also have at the present time in law in the Province of Manitoba the possibility of a person being able to donate their eyes. We have no other, however, legal terms of reference or frames of reference whereby people can donate other parts of the body apart from the eyes. The Human Tissue Act will allow people to donate any part of the body for therapeutic purposes, such as transplants if they are needed, or for medical education or for medical research, and the Act sets up the manner in which this may be done by the person himself or upon death by a relative.

The legislation that we have here, Mr. Speaker, is legislation that is being recommended not only by the medical profession, the universities and the medical profession themselves, but also by legal counsels across Canada. There is one such Act in the Province of Ontario at the present time, and the legal counsels are endeavouring to have uniform types of legislation, or at least uniform in principle, across the whole of Canada for this type of activity which has become more important in the modern medical world. So, to my knowledge, we are the second province to move in this direction.

The principles contained in this Human Tissue Act are similar to the principles contained in the legislation in Ontario although the wording is not as identical as the wording in that province. I understand that some other provinces have also passed similar legislation.

So I bring forward this Act, not simply in the emotional atmosphere of transplants which have people talking quite a bit these days, but also that a person might in a proper legal manner be able to donate any part of his body for medical teaching and medical research, and I think the Act in itself sets out quite clearly how it might be done. It is felt that we need this type of legislation, for perhaps you remember, Mr. Speaker, that just recently there was a legal case where a person was supposed to have donated a part of his body for some purpose or another, and then it was challenged in the Courts and by that time of course nothing could be done about it. So the legislation now assures the person, assures the relatives, assures the researchers, assures the doctors, assures the lawyers of the terms of reference under which this type of donation, if you wish to term it, that can be made, and everything will be legal and straightforward.

MR. SPEAKER: Are you ready for the question?

MR. DESJARDINS: Mr. Speaker, I'd like to move, seconded by the Honourable Member from Gladstone-Neepawa, that the debate be adjourned.

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

MR. EVANS: Mr. Speaker, I beg to move -- I think my honourable friend across is raising a point of order in connection with the bill that stands in my honourable friend's name from Ethelbert. I think that was officially stood, and that in that case I should think the point

(MR. EVANS cont'd.) of order would be that that would appear on the Order Paper next day. I think, Mr. Speaker, I now move, seconded by the Honourable the Minister of Welfare, . . .

MR. GREEN: On a point of order, Mr. Speaker. I note that the House gave the indulgence to the Honourable Member for Portage to come back and he hasn't come back. If it's of any value I'll continue at this time rather than go into Supply, which would mean that we would still be on the Budget Debate. Now I am willing to do that if it please the House.

MR. GUTTORMSON: . . . agreeable to us.

MR. EVANS: I have no objection to that, Mr. Speaker.

MR. GREEN: Well, Mr. Speaker, I did expect that the Honourable Member for Portage would be back and would be speaking, but he hasn't returned and I think it would be a shame to waste one day in the Budget Debate without any proceedings taking place, and on that basis, although perhaps less prepared than I'd like to be, I will continue at this time and hope that I can make whatever points I thought I could make after the member came back.

Now, Mr. Speaker, I would first of all like to do what the Honourable the Provincial Treasurer did at the outset of his remarks, and that is to try to give a characterization to this budget. I think that the Provincial Treasurer sought to make the House believe that after ten years of vigorous and enlightened development of the Province of Manitoba, and after building a foundation from which the province can go on to further economic heights, that now is the time when this firm foundation has to be built on and the province has to more or less take stock of its financial and economic position, and in effect hold the line. Well, Mr. Speaker, I suggest that this would certainly be a fair characterization of the position of the government from the point of view of the Provincial Treasurer, but from the point of view of members on this side I would think that the characterization of the budget could be described quite differently.

I suggest, Mr. Speaker, that what has taken place on the government side is an aftermath of what took place at the Conservative Leadership Convention in the Province of Manitoba; that at that convention the Conservative backbench and the Conservative delegates in effect said that they would have no more of the Roblin type of administration. Last year in this House we said that the Roblin administration had reached the end of its string and that it had no more rabbits to pull out of the hat and that in desperation, not as a matter of sound economic planning, but that in desperation it was forced to do what the then premier of the province had attempted to avoid doing for years: it had to enact a sales tax which was contrary to the very beliefs of the members of that government, that they had hoped to govern without a sales tax. And so, having dumped the Roblin administration, and I say that they dumped it just as effectively as if they were defeated at an election, and having elected the present First Minister to lead the government, this party has now come in with what it hopes will be a return to philosophical conservatism, a strong hold-the-line position, a retrenchment, so to speak, based on philosophical lines which is a departure from the pragmatism of the previous Minister.

The next characterization that the Provincial Treasurer made was that this was a balanced budget, and it's on this particular position, Mr. Speaker, that I wish to spend the majority of my time, because, Mr. Speaker, in attempting to characterize the present budget as a balanced budget, in attempting to say that the province has not increased taxes in this year, this government is in effect telling the people of the Province of Manitoba that future increases in taxes can be expected to be levied through the local governments. The people of the province, the people of the Province of Manitoba, particularly the people, let us say, represented by my particular constituency, can't understand how the province can say that there is a balanced budget without increases in taxes when they know that their taxes are likely to increase to the extent of possibly 10 or 15 percent this year insofar as their real property is concerned. In addition to this, their taxes increased substantially last year with the addition of the sales tax, which was supposed to relieve taxes against real property.

Now, Mr. Speaker, I would like to deal for a short while with last year's position, because I think it has been emphasized a great deal in the House that this year's budget is the budget which the Provincial Government has passed in such a way as to balance provincial taxes but permit municipal taxes to skyrocket and that last year that a great load was removed from the municipal tax holder. There still is some impression that last year there was great relief in municipal taxation. Now, Mr. Speaker, I'd like to deal with the question of last year's budget for the moment, because last year the province said that it was paying a great

(MR. GREEN cont'd.) deal of the municipal load. And I've taken, Mr. Speaker, a few properties in the City of Winnipeg, and I want to show the House, to demonstrate to the House just what happened in Greater Winnipeg last year, that is, 1967, the year of relief to the municipal tax holder, and to further demonstrate what that means for this year.

I've taken several properties, Mr. Speaker, and I hope that members will be able to follow me and I'll try to deal with them in as clear a manner as possible. I've taken a property in Inkster constituency. I'm not going to give the address but if the House feels that they'd like this information verified, I'll give it. It's a house situated on Manitoba Avenue, next to a railway track in the western part of the city, an old wartime house whose taxes in 1966, that is in the year 1966, were \$481.42 - the taxes on that particular dwelling. In 1967, as a result of the relief program sponsored by the then Conservative Government, the taxes on that particular property went down to \$431.05 - a decrease, Mr. Speaker, of \$50.42. But, at the same time, the rebate which they had received the year before was not refunded to them, which gave them a net gain of 42 cents in terms of real property tax relief. And this year, Mr. Speaker, of course the taxes are going to go at least back to the position that they were before and possibly more. That's a very modest home, Mr. Speaker, with a tax bill of \$431.05, as a result of the Provincial Government tax relief.

Now, let's take another modest home in Inkster constituency. This is a home where in 1966 the taxes were \$209.92. Now anybody who knows real estate values will know that this is a very very modest tax bill. It must be a very very modest home indeed; \$209.92. In 1967, as a result of the relief granted by this government, that tax bill went down to \$183.31, which is a difference of \$26.62, but because they lost the rebate the actual state of affairs was that their taxes went up by \$23.38.

Now let's examine that. In the lowest economic level, the home at the lowest economic level that I've used in my chart, the taxes went up \$23.38. That's after the relief has been given. At the next economic level, a home with a tax bill of \$481.42, there was relief to the extent of 42 cents. The next economic level, Mr. Speaker, and this is a home in River Heights which I know sold for roughly \$19,000, which is a much more expensive home, which is almost double in value to the home that I referred to with the tax bill of \$481.42, on this home the taxes in 1966 were \$455.25, lower than the one on Manitoba Avenue and that can be accounted for possibly by improvements, but it also indicates some backwardness - behindness rather than backwardness - in assessment, that on that home in River Heights, which is the next economic level, \$455.25. In 1967, the year of relief, \$386.42, which is a reduction to the extent of \$68.83, but when you take into account that the rebate wasn't forwarded it comes back to relief in the sum of \$18.83. Now, Mr. Speaker, the more expensive the home, the higher the relief.

Let's go on. This is a home in Tuxedo, tax bill of \$856.10 in 1966. In 1967, \$793.62; relief to the extent of \$63.38, or taking into account the rebate, \$13.38, somewhat less than the previous one.

Now, Mr. Speaker, let's take one of the finer homes in Winnipeg. In 1966 a tax bill of \$2,751.12; 1967 a tax bill of \$2,334.33; relief, Mr. Speaker - this is where I suppose it's really needed - to the extent of \$416.79, or taking into account the rebate, \$366.75 relief on that home.

Mr. Speaker, this is a budget which was brought in - and let's recall the reasons for bringing it in, talking about last year for the moment. This was brought in to help the person on the fixed income, the old age pensioner, the person who had no means of increasing their -- who lived on fixed income. As you will see, the person who lives in that way likely lives in a home assessed at roughly \$209.00 not \$2,751.00. For that person he actually had an increase of \$23.38 in taxes. The person who doesn't appear to be in that category had a relief to the extent of \$366.75.

Now, Mr. Speaker, where did the money come from? Did it come from the Provincial Government? Well, if we look at the total realty taxes collected by the City of Winnipeg in the year 1966, the total realty taxes were 39 million 700-odd thousand dollars - in 1966. In the year of relief, the total realty taxes were \$40,700,000 roughly - approximately a million dollars more that the city had to collect in its own taxes, which indicates that it received no relief whatsoever from the Provincial Government. It had to increase its taxes and at whose expense did it increase it? Well, obviously there is only one group, one group in the community last year gained any kind of a tax benefit and that was, Mr. Speaker - and I use the

(MR. GREEN cont'd.) words advisedly - the upper middle class and up, homes valued to at least the sum of \$15,000 to \$20,000.00. Nobody in the lower income groups received any relief worth speaking of, and this is borne out, Mr. Speaker, by these figures. What occurred is that the lower income group homes subsidized the provincial rebate - which the province didn't give in that year, and there was a substantial increase in commercial assessments. But there was no relief granted to the municipal taxpayer. The municipal taxpayer was left in, for all practical purposes, the same position.

Now, Mr. Speaker, last year at least the government indicated that it was going to increase taxes, that it was going to have to manage its financial house, it was going to have to get money in a way in which it never liked to get money before, and despite the criticism, despite what it knew would be the barbs from this side of the House, it went ahead and did so. And having taken that punishment - or what appeared to it to be punishment - last year, it was in no mood for some of the same this year, so it said - and I really wonder whether it thought it could get away with this - it said that we're going to have a balanced budget, when what it really meant, Mr. Speaker, was that we're going to foist all of the tax increases this year onto the municipalities by refusing to do those things in the municipalities which are properly the responsibility of the Provincial Government, Mr. Speaker, and we know what those things are. This party has been talking about them. The share of education has not been properly assumed by the Provincial Government, the share of health has not been properly assumed by the Provincial Government, and the share of welfare, which we say should be a significant relief to the municipal taxpayer.

Mr. Speaker, what has the government then chosen to do? The government, in order to avoid the barbs of the citizens if it thinks that it can successfully do that, has in effect decided that it is going to hide behind the shield, let us say for the moment, of the municipal governments. Well, Mr. Speaker, I think that the Member for St. John's put it quite well yesterday, that there is no such thing as a municipal government that exists separate and apart from the provincial government. The provincial government has the full authority and power to make that municipal budget whatever it wants to make out of it. It is in fact the mother of all of the municipal governments in this province and, Mr. Speaker, when we were youngsters and one of the children was, let us say, being faced by the boys in the neighbourhood, he would run and hide behind the skirts of his mother, and of course he would be made fun of as being a sissy. Well, Mr. Speaker, I suppose that it really was cruel of children to say that, because a child who is in trouble should hide behind the skirts of the mother; that's what the mother is for, and the mother is quite prepared to protect the infant. But this, Mr. Speaker, I think is the first time that the mother seeks to hide behind the skirts of its children. And, Mr. Speaker, they are certainly mini-skirts, and if we talk about a mini-budget this is a mini-skirt budget because they can't hide. They're still there, large as life. And the reason that they are mini-skirts is that the municipal governments haven't got possibly the yarn to put on a full one and if you want to hide behind them you have to do something for them. So, Mr. Speaker, I think that this is the real characterization of this budget: this is a mother seeking to hide behind the skirts of her infant children, and I don't think, Mr. Speaker, that this hiding is going to be very successful.

Mr. Speaker, there were some very interesting positions put in the budget. Sometimes they are merely -- excuse me, Mr. Speaker, I just want to go back to the point that I just made, because I think that the Provincial Treasurer, on Page 3, has made an interesting observation with regard to the Federal Government and I'd like to just quote what he says, changing only two words. Instead of using the words "Federal Government" I'll use the words "Provincial Government", and instead of the wording, using the words "Provincial levels" I'll use the words "Municipal levels" and this is how it would read, and I think it's a pretty good statement on how this budget looks to the people of Manitoba.

"We certainly agree that budget restraints were necessary at both the Provincial and Municipal levels." (The Minister used the words "Federal" and "Provincial", and I'm using the words "Provincial" and "municipal".) "However, the lack of genuine prior consultation with the municipalities exhibited in many of these provincial actions, is clearly unacceptable." And I think my honourable friend the Member for St. John's, and the Leader of the Opposition, dealt with this lack of consultation. "Where municipal programs are involved, such practice not only affects municipal budgets by increasing costs or reducing service levels, but it also succeeds in confusing the issue for the public." This is what my honourable friend says about

(MR. GREEN cont'd.) the Federal level. "The taxpayer is unable to identify properly the government responsible for resulting budgetary difficulties or restrictions on services." Well, Mr. Speaker, I warned my honourable friend the Provincial Treasurer not to be so optimistic about what the tax paper is able or not able to identify insofar as responsibility for these taxes is concerned.

And then I continue: "We have a real concern that such budgetary practices may have the opposite results to those intended." And I ask the Provincial Treasurer to harken to his own words. "The loss of Provincial Government support can only mean danger for the basic strength of the province. Manitoba's strength falters or fails in proportion to the loss of essential momentum in the municipalities of this province. Any loss of momentum with resultant widening of the disparities which exist amongst the municipalities in Manitoba will not simply be an accident of history or geography in the circumstances we are considering here. It will be the result of inadequate government planning and failure to co-ordinate budget practices to balance the needs and conditions that exist in all parts of Manitoba."

Mr. Speaker, I think if the government will just take its own words and just substitute the two levels of governments that they have been referring to, that they will properly characterize what they are doing insofar as the municipalities are concerned in this province.

Mr. Speaker, there was one statement in the Budget which I do think has to be dealt with, because it is indeed a statement which touches me very closely and I think it's one of the problems that I'm always concerned with. On Page 8 of the Budget the Honourable the Provincial Treasurer says: "The quality of life in Manitoba has been brought to levels equal to and often far greater than those in many other parts of Canada." So I'm glad that the Honourable the Minister is concerned with the quality of life because, after all, I think that in the end this must be the objective of all governments, if a government is a government of and for and by the people, and the purpose of this Assembly and the purpose of the front bench, the Cabinet, is to operate in such a way that the citizens in the province will enjoy the highest quality of life possible.

Well, if this is indeed the objective of this government, then I think that possibly they should be dealing with a different type of statistic because, Mr. Speaker, we've had statistics with regard to the increased growth, and as my honourable friend the Member for St. John's has indicated, almost all of these statistics can be explained away by merely dealing with the inflation that has taken place, that there must be a growth merely because of inflation without any real growth whatsoever. And the statistics have indicated the gross national product of the province, the statistics have indicated the gross retail sales, the statistics have indicated the gross investment in manufacturing, the gross investment in mining, and what have you. All of these figures are gross figures. Well if my honourable friend is interested in the quality of life of individual Manitobans, why don't we deal with some of those statistics? Why do they not come to grips with the fact that the average wage in the Province of Manitoba is one of the lowest in the country, and that even the average wage is not a meaningful statistic because it doesn't deal with the fact that a great number of Manitobans - and I think that the figure was given this afternoon and I stand to be corrected but it was the figure some time ago - 30 percent of the people in the province, the income earners in the province, do not earn enough to take them out of the poverty level - and my Leader is nodding his head which indicates to me that the figure would be a correct one.

Now in what way do the statistics that my honourable friend is then quoting affect the quality of life of 30 percent of the people who are not beyond the poverty level? Furthermore, Mr. Speaker, why doesn't the Honourable Minister, if he's concerned with the quality of life, why doesn't he relate the amount of wages that people earn, and even if we took the average wage which I indicated is not a proper figure, why doesn't he relate these wages to the increase in the cost of living, and indicate to this House that Manitobans have kept pace with that cost of living? I suspect, Mr. Speaker, that the answer is because it isn't so, because those figures would not be meaningful to favour the government in any event. They would be meaningful to demonstrate that the quality of life has not improved. Why don't we, Mr. Speaker, get statistics on the number of people who are able to get an education? Why don't we have a dramatic increase in the number of people who are able to participate in the health care programs that are available to the Province of Manitoba? I suggest to you, Mr. Speaker, that if we are talking about quality of life, then indeed we have to look at the lives of Manitobans, not at the lives of industries which we don't know whether they have added anything one way or

(MR. GREEN cont'd.) another to the province in terms of their cost and the benefits which they produce. I think that, Mr. Speaker, it should be obvious that industry for the sake of industry need not be a gainful and productive enterprise. It's possible - and I think that my honourable friends are trying to prove that it's possible - to attract industry which will cost more than it produces, cost more in services, cost more in broken homes, cost more in all kinds of difficulties, and I don't think that the Minister of Trade and Commerce has actively examined each additional industry and the productive value to the Province of Manitoba that these industries produce. I don't want to get my friend the Honourable Member from Churchill to his feet again by talking about his particular location, but, Mr. Speaker, it should go without saying, and I know I'm being repetitive but I find this government so difficult to get through, that if we double the industry, double the population, and we're left with 30 percent of the people living on the poverty line, we haven't done anything. We haven't. The influx of population would not be a service to the Province of Manitoba nor would it be a service to those people. I think that this government has to demonstrate that its economic growth in some way reflects itself in the lives of the people. And it's not enough to say "the quality of life in Manitoba has been brought to levels equal to and often greater than those in many parts of Canada." Where are you able to substantiate that? I suggest, Mr. Speaker, that you're not able to substantiate it.

Now, Mr. Speaker, there is - and I agree with my government friends - there is a point at which you say that you can't spend any more money. I agree with that. I agree that it is not a bottomless pit. I agree that limits have to be put on spending. But, Mr. Speaker, if we are going to put limits on spending, and I accept that fact that this government wants to do so, let's deal with their budget. Let's deal with their budget. Limit the spending. How should then the spending be implemented if we are to achieve - and I suppose, Mr. Speaker, that I can now use the term and not sound corny - if we are to achieve a just society, if we are to follow the dictates of the new Leader of the Liberal Party, if we are to work toward a just society? And, Mr. Speaker, listening to the leadership speeches at the Liberal Convention was really quite an interesting thing for me because I think that at least half of these people got up and spoke about that the biggest problem in Canada was the great disparity of wealth as between rich and poor, that one of the most serious problems was the question of equitable distribution of wealth, and each of them indicated that this was their aim, and I almost felt, Mr. Speaker, that I was listening to a bunch of people who had been out of government and were trying to get in. And this is what they were going to do when they got in. Well, Mr. Speaker, they've been in government for seven years and this government has been in government for ten years, and I don't think that we'd have any difference in the last ten years if the Liberals were in power because, Mr. Speaker, they -- Mr. Speaker, I sincerely believe that. I sincerely believe that. -- (Interjections) --

MR. SPEAKER: Order please. I am sure the honourable gentleman is not wishing to provoke an argument this pleasant evening.

MR. GREEN: Mr. Speaker, all I can say is that you're not a very good mind reader. But I'll stop anyway.

Mr. Speaker, if we are to be a just society, if we are worried about the equitable distribution of wealth, if we are worried as to the inequities as between opportunities, then let's assume that we were dealing with this government's budget and let's assume that this government says that it - and I don't remember the figures and I hope you'll accept these as being merely fictitious figures - let's assume that this government gives \$30 million to universities. Let's assume that the people in the universities spend another \$5 million. In other words, that another five is made up by tuition. Well, Mr. Speaker, we could have a balanced budget. We could spend not one more cent in the Province of Manitoba and still do something about the inequality of opportunity. We could say that there is \$35 million available for education; let's educate the people whom that \$35 million will educate and let's choose them by their academic standing. Let's choose them by their records. Let's choose them by their capability. Not spend one cent more but let's choose them by their capability. So the New Democratic Party Program - and I agree there is no such thing as free education, no such thing. There is education which is provided at social expense, but let us assume that we're going to hold the line, that we were in power and there was only \$35 million available. Well we could hold the line too, and I think that there are occasions - as I've indicated I don't think that we've nearly reached them but there are occasions when you can't spend any more. Then let's at least

(MR. GREEN cont'd.) spend that amount equitably. Let's at least say that we are going to have equal opportunity and those people that can show themselves qualified to take this higher education will do so, and those that can't won't. Then, Mr. Speaker, you'd have screams. Then you'd have screams for people to spend more money on education so that their particular children who might not meet the qualifications could get in. Then you'd have the upper income groups screaming for the spending of more money. And as I have indicated before they'd scream a lot louder than the lower income groups are able to make themselves heard today.

Let's take the same proposition with regard to medical care. Why, my honourable friends on that side say that there's only a certain amount of money available for medical care. Right now I suppose it's the \$22 - \$23 million that is spent in premiums and whatever they can give on the basis of their tin cup program, that if you can crawl on your hands and knees and come to some government administrator, and cross your heart and spit and empty your pockets and prove that you don't have anything, then you can get Medicare. And my honourable friend the Minister of Welfare says, "Nothing wrong with this. Nothing wrong at all." And if you don't get it from that particular administrator - I was going to use the word "bureaucrat" but it's got a bad sound and these people do try to do a good job and I have every sympathy with them; they are working within the framework that they've got - then you can appeal. You can crawl on your hands and knees through broken glass and at the end of the road there may be somebody who'd be willing to take care of your medical care costs.

Mr. Speaker, when I hear this presented as a reasonable and dignified alternative to society saying that there's a certain amount of money needed to care for the people of this province and once that money is provided anybody can go to a doctor and be treated on the same basis as anybody else, the same way as they walk into the public schools, that when two children walk into the public school, one could come from the home of the wealthiest person in Winnipeg and if the other happened to live in the same area the teacher wouldn't know the difference - they'd walk in, they'd register, and they'd get the same education; and when I hear that presented as an alternative it escapes me that anybody who has any understanding of human dignity can suggest it.

Now, Mr. Speaker, I want to try to indicate to my honourable friend the Minister of Welfare that it's not the same to say that everybody is entitled to health care. It's not the same as saying to those people who can't afford it . . .

MR. SPEAKER : I must interrupt the honourable gentleman and tell him he has five minutes.

MR. GREEN: Thank you, Mr. Speaker. -- as telling those people who can't afford it that they can come and somebody is going to give them charity.

Mr. Speaker, in the Jewish tradition there are three forms of charity. There is the lowest form of charity, and that is where both the giver and the receiver know who each other are. The giver knows who he is giving it to and the receiver knows who he is taking it from. The second level of charity is where the giver doesn't know who the receiver is but the receiver knows who the giver is, because that still places this giver on some bit of a pedestal. And the third form and the highest form is where neither knows who the other party is. And that is the only form, Mr. Speaker, which is truly acceptable and that is the principle that we people in the New Democratic Party push as being the necessary principle of a comprehensive medical care program. And, Mr. Speaker, if my learned friend, if my honourable friend can't understand that there is a difference, then it's beyond my words to explain it to him. All I can do is tell him that it doesn't work.

He knows that there are far more people who live at the welfare level than those people who apply for welfare. There are many more people who could apply if they could bring themselves to it. And they don't do it. Mr. Speaker, let me remind him that the Director of Health in the City of Winnipeg, the Director of Health in the City of Winnipeg had to issue a directive to all those people who were on Medicare, that if they didn't send their children to the doctor's and get a certificate that they had been examined they wouldn't be able to write their examinations, because they found, Mr. Speaker, that these people who were entitled to free medical services, who had to go and beg - and I use the word advisedly and I'm sorry that that's the only system that's available - to get these Medicare cards, didn't use them. They didn't use them. These are the people that the doctors are afraid are going to fill their offices if you put them on the same basis as everybody else. Well, Mr. Speaker, I don't know why they

(MR. GREEN cont'd.) should be worried. They're not worried about the top 70 who have the right to do that at the present time. So, Mr. Speaker - and I know that I'm nearing the end of my remarks - I want to make it plain that there is such a thing as a limit beyond which spending can go, and when you reach that limit I agree that there is a need to balance things, to draw the line. But if you're going to draw the line, then draw the line on your expenditures equitably by making them available to people on the basis of equality, not on the basis on which they are presently available. And the same thing and even more so, Mr. Speaker, holds true of taxation. If you are going to say that we can't raise any more taxes, then let's have an equitable tax program which this government has yet not been able to formulate. The one that they formulated last year is demonstrably inequitable; the one which they formulated this year and which they call a balanced budget, well let's, Mr. Speaker, let's have no more balanced budgets if this is a balanced budget, because the taxpayers in every constituency in the Province of Manitoba will not be misled that taxes have not gone up when they see upwards of a 20 percent increase in their real property tax bill.

So, Mr. Speaker, again at the risk of being corny I say that if we're going to balance things, if we're going to draw the line, let's do it equitably; let's do, as we say in our amendment, let's work towards a just society.

MR. SPEAKER: The Honourable Member for Churchill.

MR. BEARD: Mr. Speaker, I would like to assure the Leader of the New Democratic Party not to blame the Member for Inkster for me getting up at this time because I was going to get up anyway, so we won't lay the blame at his door. -- (Interjection) -- They're censoring me now. Mr. Speaker, as usual the Member for Inkster gave a very good discourse. Some of the things I agree with and some I don't but -- (Interjection) -- maybe if he tries a little harder next year he will get me a little further along the line. I'm sure that you realize in getting up at this time that I'd like to talk a little about northern Manitoba. In that the Churchill constituency is half of your province which we are so proud of I imagine that we must enter into the budget somewhere along the line. I believe it was somewhere along the line that I did read one time that inflation was probably the biggest robber a country ever had to contend with; and since we are living with inflation today I imagine this is one of the problems that have brought about so many of the things that we are discussing in the budget speech. And I would like to comment on what contribution northern Manitoba could make towards combatting this enemy of ours. Certainly the north has a large role to play in the provincial economy and I don't think I have to point out to you, Mr. Speaker, the large deposits of natural resources, the undeveloped as yet human resource, that lies idle, the great land development potential of northern Manitoba. To many it sounds like muskeg; to me it sounds like potential dollars that Treasury could be looking at. And of course we must keep in mind, too, the large development of hydro power that is available on the Nelson River and will provide power to all of Manitoba for the foreseeable future.

Mr. Speaker, even in the short time that you and I have sat in this House we have seen the demands of our budget grow from year to year, even over and above the normal growth of wages and the higher costs of products and I think, as the Member for Inkster indicated, we've been called upon from year to year to meet new demands on education. There has been new demands on health and the standards that we are trying to meet today, the changes in our agricultural industry and the economic changes themselves in the Province of Manitoba. We have seen the spiralling costs of welfare programming throughout our province and we do seem to be leaning on government to provide programs to maintain a buoyancy of economy, a buoyancy that is artificial in many cases, and while I hesitate to say it, I do feel that in some cases we are looking toward government programming to introduce this artificial means of keeping up with the inflation of today. It seems that any falling off of inflation today is called a recession. Are we living out of each other's pockets today? Mr. Speaker, have we allowed credit to be extended to a point of no return? Has credit become our master rather than our servant today? Has credit robbed us of our personal and of our financial responsibilities which we had in the past? There must be very little difference between the effect really of a worldwide depression as we knew in the past and a worldwide inflation: One is where we have no money and the other of course, which we endure today, is one where money is of no value nor assures us of any real security. Certainly we have sat and heard debates over the years on how we should meet the demands of our provincial budgets. We've debated the pros and cons of taxation, both direct and indirect. We have shifted tax both back and forward and I think the one thing

(MR. BEARD cont'd.) that stands out to me is a statement of our Premier that tax is tax, whether it's municipal, whether it's provincial or whether it's federal. The fact is there is only one set of taxpayers in this country, and it's little difference whether they pay it to one form of government or another, the taxpayer is still being robbed if we're too demanding in what we're asking of them. And certainly it's popular to say to tax our corporations, to tax our industries, but I just wonder sometimes whether this is the right answer or not, because we can tax corporations, we can tax industries and I'm always afraid as these taxes go on, then it's passed on back to the producer or the buyer and when this happens then I think it escalates and becomes a little larger so that the one that we're actually trying to help in the long run pays the most. And yet, Mr. Speaker, each of us, both as politicians and taxpayers have many suggestions to government how they can save money, how they can save these many millions of dollars by spending more millions of dollars to do it. And I suppose I'm one of the greatest ones to give them advice as to how to spend their money.

I agree in some respects to the Member of Lakeside when he says "Beware of fifty cent-dollar programs." They sound good both at municipal, provincial and federal levels for we as politicians are always ready to have million dollar programs but only be responsible for raising half the money but we've got to consider the tax in itself and where this money has to come from and in the long run it's the same person that is paying the dollar, whether it's fifty cents to the province and fifty cents to the Federal Government, or whether it's fifty cents to the municipal government and fifty cents to the province, or whether we don't charge the municipal government at all and raise \$1.00 at the provincial level. I think if we as Manitobans were content to sit around and pass this dollar back and forth then we will be arguing about debt for many years to come and probably wear out the buck long before we come to an answer.

I wonder though if we couldn't consider the more obvious answer of producing more raw material and doing something with this rather than having it hustling out of the province as fast as possible, because I believe that production is a far better way of providing the revenue than it is through taxation. We can talk about integrated industries in support of our raw material resources. I consider this type of approach is the only one of any real value. We can make the best use of our local product to barter with when we talk to other countries and other parts of our own province, the product is something of value that can be traded for something in return. The higher its value the better its return. This again means that we have got to integrate our industries to complement those raw resources which we have in so much abundance. I believe that the Minister of Industry and Commerce should be given a pat on the back for his efforts and I think he should be told to go ahead and develop an integrated industry to make use of these valuable resources which we seem to be shipping out of the province in their rawest form. If we try to produce the dollars alone we'll find that we have no control over them; they can leave the province and we get no value out of the dollar that is developed in the province. By this I refer to possibly the pensioners, people that have lived here all their life and then they decide to retire and they take their pension and they move to Vancouver or down East or somewhere else where maybe their families have gone to and we lose these types of population, we lose these investments and so really the dollar is of no lasting assurance to the province, it is the raw material, the resource and the industry that will allow us to carry on.

On the other hand, Mr. Speaker, I think we should consider some of our resources that are being developed in the north and the one that really brings to mind is the development of electricity, and here is where I lock horns with some of our friends across the way who say, "Just a minute; be careful; what are you going to do with all this power you develop?" Mr. Speaker, I can't see for the life of me why we're reluctant to get out to sell the power that we can develop in northern Manitoba to other provinces or to other countries. Every day we sell our farm products to other countries. Other provinces sell us oil and gas. Our fish and minerals are shipped out of the province and I can't see the logic or negative approach to this selling of electricity. Why can't we sell it to other provinces? Why can't we be allowed to make a profit? They say that we should be careful, we shouldn't sell our electricity to other provinces in case they steal away our industries, etc. I don't go for that. I think that we have a large natural resource, one of probably our largest and will develop electricity that will be able to produce more than we need ourselves and I think we should take advantage of this to make a return on it and pay off the debentures that are required to develop such an enormous complex.

Manitobans today are struggling to keep up with the demands of inflation and there appears

(MR. BEARD cont'd.) to be no end in sight. I wonder if we shouldn't be exploring more of what we can do with material in the northern Manitoba. Should we be exporting our round dressed fresh fish to American markets for the least return to Manitobans? This type of export allows the least return to the fisherman and to the government but the return to the middle man is as great a profit as he can realize off this type of sale. I think our fresh water industry should be integrated so that the most in wages is assured out of each pound of fish. I think our fish products should be available on a year round basis to overcome the fluctuation in price. I think our processed fish, frozen, smoked, pickeral, canned or as fillet should offer a wide variety of acceptable product while overcoming the buyers' market and allowing more orderly marketing and assuring highest returns per pound of fish. Today our economic experts are suggesting that our agricultural industry turn to products that we can process in the province for better financial returns. I think they call it a packaging policy. I believe in this type of approach. Research has proved that the retailer wants not only a good select product to offer his customer, but he must have it on a year round basis with as little fluctuation in price as possible. Mr. Speaker, there is no point in the retailer creating a demand for a product that he may have to tell his customer tomorrow that he is short of. He's got to have this on a year round basis. We've got the fish product to produce and to assure him of a year round product and I think that we should be going ahead with this of integrated service.

Many of our northern Manitoba natural products have never been properly assessed or properly marketed. It is just lately that it has been pointed out that northern products that grow naturally have not been given a fair chance to reach the market. Does it really take so much imagination to cultivate a market for our natural wild berry products which grow so abundantly in the north? Is there a market for Manitoba frogs, turtles? How about the seneca root, northern muskeg and other products such as furs, wild rice? What about the handicraft industry? And how about a northern based clothing industry specializing in northern clothing? These are the things that come closer to the development of northern Manitoba on a small product basis. When we refer back to the Member for Virden when he was asking the Minister of Industry to concentrate on smaller industries, these are the type that at least would encourage a cottage type industry for reservations and the small communities in northern Manitoba. Granted not one of these would be an answer to Manitoba's economic problem as a whole but neither are we going to find an over-all answer. We could at best start with these small products, start with these small industries and develop them into a larger one. Unfortunately when we start to assess them on a basis of a board or a marketing setup we try to build empires rather than start from the bottom and working up. I think that if private enterprise is sleeping along these lines we should maybe consider co-operative approaches.

If we wish to expand our thought to the development of more spectacular resources, I think we should review our position in respect to the non-renewable resources in the north. Should they be allowed to leave the province in their natural state? I think we should support our Minister of Industry and Commerce in trying to introduce again these integrated industries that would help us in Manitoba make better use of the products of copper, nickel, lead, zinc, whatever it may be, and see to it that as they leave our province, they leave on a more finished type of marketing product than they are at present. It's unfortunate when we see them leaving to go to other provinces or outside of the country at a small return when we could be, if we were fortunate, have them manufactured into larger finished products. But this doesn't happen over night and I suggest that we have confidence in our industry and commerce and hope for something better in the future, in fact I'm very sure in the very near future.

Perhaps if we looked at the development of the Nelson River we could consider the purchase of generators for the Nelson River Hydro Project, worth many multi millions of dollars. Now if these purchases can be made from countries in trade for wheat or our grain product, then we're not only assuring our Manitoba industry of a good cheap power source for many years to come but we're also providing our farm industry with an outlet for many of their bushels of wheat that they've been producing on a year round basis. I think that if we had a foreign exchange on our fish products it would support industrial imports and it would support northern industry. I think it would help the imbalance of trade between ourselves and United States. It is unfortunate we as Manitobans and Manitoba industry cannot . . . and support our natural resources of Port Churchill. This is the darnedest thing to sell and it's hard to get people interested in this part of the province. They don't live up north, they have no intentions of going north and north seems to be furthest from their mind. But this resource has a

(MR. BEARD cont'd.) place in Manitoba's economic future and it's value could be enhanced if Manitobans generally took more interest in our north. Unfortunately too many Manitobans are interested in moving, not further north, but further south, and consequently they are not interested in supporting our northern development dollars.

Certainly the Manitoba business world suffers from this short-sighted approach, just as the Manitoba taxpayer suffers. Unfortunately this type of impression dies slowly and to date we have not had orderly development of the last frontiers of our province. Perhaps it's time government took over the necessary direction and leadership to bring about development of the rest of Canada before someone else does it; either forcibly or economically. Who are we to sit on so much potential in our north while the world has so many wants? We should not leave this entirely up to industry and commerce. We must show confidence as Manitobans and we must show leadership.

I have long given up any hopes, Mr. Speaker, of startling any group into a mass migration to the north but I hope that if we say it long enough and loud enough that we may interest somebody who can fire the imagination of Manitobans.

Mr. Speaker, I suppose the north will get recognition one of these days when Manitobans get desperate enough to crawl out from under their shells and the economic position that has been brought about in the rest of this province.

In closing I would point out the obvious solution for all Manitobans would be a decision by this government to develop a financially sound department of Northern Affairs, if not for economic reasons, at least to look after the visions of the election day politicians that apparently must revive this type of a vision each election time. Thank you.

MR. EVENAS: Mr. Speaker, I should think it would be suitable if my honourable friends wished to allow the debate to stand in the name of the Honourable Member for Portage la Prairie unless there's objection. In which event I beg to move, Mr. Speaker, seconded by the Honourable Minister of Welfare, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the supply to be granted to Her Majesty.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House resolved itself into a Committee of Supply with the Honourable Member for Arthur in the Chair.

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COMMITTEE OF SUPPLY

MR. CHAIRMAN: (Resolutions 51 and 52 were read section by section and passed.) Resolution 53 (a)--passed; (b)--passed.

MR. PETURSSON: Mr. Chairman, on 53. Transportation, I would wish to say a few words if I may. I listened to the Honourable Member for Churchill who sounded very despondent about the possibilities of the north. I think he need not be if his government were to wake up somewhat and use some imagination. There have been men who have forecast great things for the north, if only men with imagination and ability and insight were to take over.

The Minister of Industry and Commerce has in the report - and I don't have the book on top of my desk but it's here somewhere - speaks about northern transportation and makes reference only to air, highway and railroad, to the complete neglect as though it did not exist, of a multi-million transportation that is being carried out in the north by a private interest and which shows what can be done if there is imagination and energy exercised and if there's a sufficient desire to go ahead and do it. I'm referring to the company that is known as the Sigfusson Transportation Company, and to indicate the size of this organization, the size of its operation, which is purely a winter operation, it has 45 caterpillars and 15, I believe, smaller tractors. It carries on an operation over roads of almost 2,000 miles in extent, all of which it has provided for itself. They operate these enormous tractor trains and carry in supplies to a great number of northern areas which as far as the government is concerned might just as well not be on the map. There is a map however, which shows the routes that are followed by this transportation company and it is supplying northern outposts with supplies and other goods, necessities, that if they were to depend on the government they would not be getting at all. They have moved in materials into several different places which have -- the Minister of Education, if he were here, would be able to verify this -- materials which have built, I think I was told about 20-25 schools. They have hauled in great telephone or power poles that could not be hauled in in any other way. They have hauled in thousands of tons of oil and other things that are packed in drums. They build their own sleighs, the transportation equipment; they train their own men; they buy their own tractors and travel only over roads which they themselves have built over lake and muskeg and through bush in the winter time. There's a very minimal amount of built up road that they use. It would probably amount to about 75 or 100 miles; the rest is all their own. For building these roads and for using them this company is charged five cents a gallon tax on the gasoline, or the fuel oil, that they use in their tractors. During this past winter they lost five tractors through the ice, I was told, but they recovered all of them through their own efforts without anyone's help and the thought that has occurred to me was if the government were to recognize the existence of this company, this transportation company, it would be able to avail itself of a means of transportation which now it appears not to have, in other parts of the province that they might wish to open up. If the Honourable Member from Churchill would wish to have some of the land to the north and the west of the CNR line that runs to Churchill, it might be possible, if the government were to step in and do a job, to run similar transportation lines to these up in that general area. -- (Interjection) -- Pardon?

MR. BEARD: ... company's already operate in that area.

MR. PETURSSON: Is it operating up there?

MR. BEARD: Yes, Northern Affairs pay for breaking those roads in the winter time.

MR. PETURSSON: I'm sorry I didn't quite get what he was saying, but it doesn't matter. We can get together on it later on.

The government I know did carry on a bit of an experiment with a hovercraft - I have the picture of it - up around Churchill and of course they pointed out the advantages. There are advantages in a hovercraft. That it could be used over the same country at any time of the year, over the muskeg and lake as well as over the ice and snow. It would make the road building over the muskeg and around lakes unnecessary and would offer that additional advantage. But the Sigfussons, as I understand, they examined the hovercraft, they checked it over, whether in their particular areas or not I don't know, but they felt that it didn't have the lifting power or the power generally to do the kind of a job that they were already doing, and besides the cost is beyond their ability to cover and they have abandoned that idea. Although if the government would wish to do something in the way of transportation for people, for individuals, it would be able to facilitate transportation movement from many of these points from one to the other and help the communities to be accessible one to the other.

(MR. PETURSSON cont'd.)

Many people talk about the north as extending up to The Pas and probably up to Ilford and Split Lake, that general area, but as a matter of fact the northern border, northern boundary of Manitoba reaches up to the 60th parallel which puts The Pas into the southern half of the province and the greatest activity is still in the southern half of the province. It reminds me of a quotation where Canada was once described as being a country bordering on the northern border of the United States extending north about from 50 to 150 miles as though the more northerly part of the province did not exist at all. — (Interjection) — Well, it is shameful because there are great possibilities, and it's 60 or 70 years ago that a man of some vision and experience in the Arctic regions and in Northern Canada pointed out that there are great possibilities. When development of the northland is being contemplated then the suggestion usually is that it be in the form of mining or of forestry work and now on Kettle Rapids at Gillam in the development of electrical power. But Vilhjalmur Stefansson in a book that he published, oh, it was 60 years ago, he called it the Northward Course of Empire and suggested that the modern development and modern — that was in terms of the days in which he was writing — the modern development would move northward and he said "This is Canada's century". He belittled the thought that Canada is simply a narrow strip of land 50 miles to 150 miles capable of supporting no more, as one man said, than 15 million people. We now have 20 million people in Canada and the possibilities have hardly been touched and he speaks of the productivity and habitability of her territories as being limitless. He says: "Arctic lands can produce as much meat per acre as those stock lands of the south that are too dry for cereals and can therefore equal them in population that is directly fed from the land. But no stocklands can equal in production a cereal land for reasons discussed in another part of this book." He says, "so far as the argument applies this presages a sparse population." "But", he says, "great cities have arisen in deserts, about mines and oil wells, and the northern lands will gain in population according to the luck they have in minerals!" And it has in our own time been suggested that the mineral deposits — somebody was saying just a few days ago — in the Precambrian shield are just as rich in Manitoba as they are anywhere else in the country and if these are not being developed at the present time it is due to a shortsightedness or lack of imagination or of will of the governing body in the province.

Stefansson says that the world's largest area of grasslands is undoubtedly in northern Eurasia and to it only is Canada second, and he speaks of northern Norway, speaks of Sweden, northern Finland, northern Russia, northern Siberia which are mountainous in some parts and forested in others, but he says, "In general they form together a great prairie land variously estimated at from 4 million to 6 million square miles." Or anything from the full size of the United States to one and one half times that area. And in northern Canada he says we have the next largest grazing area in the world. One and a half or two million square miles of prairie land equal to half the area of the United States. There are some mountains and some rocky hills on a map that I was looking at here a few moments ago. These are referred to as "eschars", outdropping of rock, and in some places there are alkali flats without vegetation. But in the main he says the northland is a verdure clad prairie, whether in square miles or in tonnage of flowering plants the grazing areas of the Argentine or Texas are insignificant in comparison. So if the will were there or the imagination and the eyes were turned north rather than turned south as they too frequently are towards the United States and the favourable conditions that seem to exist there, then it would be possible to go north and fulfill this dream that Stefansson had of the northward course of empire.

He talks about the vegetation. Many people didn't believe him at the time, and many people still don't believe him, but he said that the vegetation is only in part of a typically polar nature strange to southerners. It consists of common plants such as various sedges, bluegrass, timothy, goldenrod, dandelion, bluebell, poppy, primrose, anemone and the like. More than 115 species of flowering plants are known to exist on Ellesmere Island, if you go that far north, the most northerly of the Canadian Islands. There are 332 species of mosses, 250 species of lichens, 28 ferns, 762 species of flowering plants and so on and so on.

Now Stefansson in his day spoke of the friendly Arctic and he proved it by his own experience that the Arctic could support life which was contrary to the thinking of all explorers prior to his time, with one or two exceptions. It seems to me that it should be possible to do far more than is being done or than has been done in that part of the country and I would wish to give the Honourable Member from Churchill every encouragement in his desires to see far

(MR. PETURSSON cont'd.) more done up north; have the north populated and built up on the basis of what it can produce rather than trying to make it into a land similar to the land that is south of our borders. Recognize the northern part of the country for what it is and turn what seems to be disadvantages to advantages for the people who live in the land. And this can be done with proper studies and proper assessments of the possibilities.

I was pointing to the Transportation Company, Mr. Chairman, and I wonder why the government sees fit to charge them a 5 cent tax on every gallon of diesel fuel that they use when as I understood it the tax on fuel for transportation was originally intended for the building of highways. They have built their own roads and they haven't been asking for any favours or any subsidy. Over the part of the territory that they cover in Ontario, in that area they do not have to pay any tax on any fuel oil at all and I wonder why it is that Manitoba feels that it is necessary to charge them, in addition to all the work that they are doing and the advantages that they are giving to the communities into which they operate, why it should be felt that it is necessary to charge them that 5 cent fuel tax. It seems that the government should rather be paying them a 5 cent or a 20 cent tax per gallon for every gallon of fuel that they use in helping to keep that country opened up and the people in communication one with the other. The Royal Commission on Transportation is -- northern transportation, isn't that the one? -- is now sitting in the Law Courts Building. It met this morning at 10:00 o'clock and is continuing, I understand, to meet tomorrow and on Thursday morning and while the House is not sitting it might be a little bit of an education for some of the members to go over into Law Court No. 4 and sit in on these meetings and listen to some of the representations that are being made. Perhaps raise a few question, perhaps get some information. I would suggest that the government go to the Sigfusson Brothers and learn more of the operation they carry on and then also if there is a real desire to open up the north to transportation, to perhaps set up a commission of its own on northern transportation and seriously, seriously, investigate the possibilities. Thank you, Mr. Chairman.

MR. GILDAS MOLGAT (Leader of the Opposition)(Ste. Rose): Mr. Chairman, I rise on another subject altogether and I must confess it's not specifically on this item but it is a matter of urgency and I would like to be able to discuss it before we close this evening. That's the only problem. I'm prepared to wait if the Minister wishes to say something on the transportation end.

MR. SPIVAK: . . . answer the Honourable Member for Wellington by simply saying that the Sigfussons presented the brief today to the Royal Commission on Northern Transportation. I am told that it is a good brief. They of course referred to the problem of the 5 percent tax that he referred to. Their arguments will be considered as well as other arguments by other individuals and municipalities, areas who have in fact made representation to the Transportation Commission and we'll have it report. With respect to the hovercraft. The hovercraft was tested by the Federal Department of Transport. It was tested at the beginning of the year. There were representatives from the Department of Industry and Commerce and the Commissioner on Northern Transportation as well as the staff present at the test and I'm sure that this will be included in their report and in their recommendations.

MR. PAULLEY: Mr. Chairman, if we're dealing with the question of transportation -- is that the item that we're dealing with?

MR. CHAIRMAN: That is correct.

MR. PAULLEY: I followed with a deal of interest the remarks of my colleague who is interested in transportation as far as the north is concerned and pointed out many of the deficiencies and the needs for the north and I agree with him that it would be of great interest to us all to follow the deliberations that are taking place at the Law Courts Building during the hearings. I was pleased to receive from time to time reports of what was transpiring in northern Manitoba and the conditions of the north in respect of transportation and other aspects as well as revealed to the Morrow Commission, and there's no question of doubt that there is a great deal that can be done; that there is a great need. I note in tonight's paper, being a railroader, that the presentation of the Canadian National Railway, where I principally used to receive my bread and butter before the taxpayer made more adequate provision, that they drew to the attention of the Commission on Transportation that their return for their investment in northern Manitoba was going down and down principally due, so far as their brief was concerned, to the extension of the road system to the north, the air system to the north and also of course to another very important factor, the fact that the Port of Churchill

(MR. PAULLEY cont'd.) is not being utilized to the degree that it should be used. I'm looking forward in great anticipation to the report of the Manitoba Royal Commission, I suppose they call it, on Transportation. I wonder though — I'd like to ask my honourable friend the Minister of Industry and Commerce a question, because you may recall, Mr. Chairman, when the Commission on Transportation was first set up the then First Minister of the province, the Member for Wolseley, if I recall correctly, said to the House in reply to a question as to who would be the Commissioner for the Inquiry, that he was awaiting the acceptance of a very learned, informed gentleman on transportation, and the indication, Mr. Chairman, at that particular time was that it would be somebody other than the learned gentleman who is at the present time heading the Commission of Inquiry. I see my honourable friend the Member for Churchill smiling. I suspect that by his smiling demeanor he recalls the point that I'm raising at the present time.

Now I'm not suggesting of course that the person that we have at the present time may not be competent, but it seems to me as though somewhere between the lip and the cup we haven't got the same personnel on the Inquiry Commission as had been anticipated previously by the former First Minister and I wonder whether or not the Minister of Industry and Commerce can give us more specific information. But as I say, that I have been watching with a considerable degree of interest what has been transpiring on the journey of the Commission into northern Manitoba and in due course will be making some comments on another resolution that we have coming before the House on what is being revealed insofar as the north is concerned and particularly insofar as transportation in the north.

I also note, Mr. Chairman, according to news reports this evening as I was coming from home to the Legislature that the Commission that was sitting on the matter of extension of air services into the north has now revealed its findings. There are some extensions to be made. I believe TransAir will be able to change some of its scheduled flights, they will be able to utilize larger pieces of equipment. I believe Lamb Airways are going to be allowed to go into some different fields; Northern Airways and others as well, and I would like to hear from my honourable friend, the Minister of Industry and Commerce, respecting these matters. I'm sure that being the type of an individual that the Minister of Industry and Commerce is that no Royal Commission of Inquiry would dare to make public their findings without first of all having cleared them with my honourable friend the Member for River Heights.

But there's another aspect of transportation that I believe would be properly contained within the item of No. 8 of these estimates that I feel is of very vital concern to the Greater Winnipeg area, and it deals with the question of Air Canada. And while many people may consider all of the aspects of Air Canada have been concluded and we should apparently be reconciled to the fact in accordance with the officials of Air Canada that the principal repair depot is going to be now located at Dorval, this was a matter that was of prime concern over a number of years to Manitoba. I know my honourable friend the Minister of the Treasury saw fit on a number of occasions to call together representatives of labour, of management, of municipalities, to make an appeal to the officials of Air Canada, particularly its President McGregor and others. We journeyed backwards and forwards on a number of occasions to Ottawa, went into the hallowed halls of the seat of Canadian democracy and saw the outgoing Prime Minister. We extracted from the Prime Minister and others down in Ottawa promise after promise that the facilities would be retained here in Manitoba, that the economy of Manitoba need not worry, that Air Canada would still be here at least until about 1971 or 1973.

Now I don't know whether the new Prime Minister is aware of the promises of the present Prime Minister. I don't know whether the incoming Prime Minister will have as much concern, at least on paper, as the outgoing Prime Minister has in the interests of Manitoba and Air Canada and our employees. This of course, I suppose, is something that the families of the personnel that are still at Air Canada are quite concerned with. I sincerely trust and hope that my honourable friend the Minister of Industry and Commerce has already formulated plans that come April 21st or 23rd when the new Prime Minister takes over at Ottawa, that possibly there will be a delegation of loyal Manitobans of all political stripes that will be camped on the doorstep at Ottawa to start the bells ringing again on behalf of the retention of Air Canada in Manitoba, with all of its facilities, and will stop the exodus of our trained and capable qualified personnel outside of Manitoba.

I know my honourable friend, the Minister of Industry and Commerce tells us from time to time, as does his experts, how deeply concerned he is that the products of our schools,

(MR. PAULLEY cont'd.) our technical schools and our universities need to be used here in Manitoba. I'm sure my honourable friend is aware of the exodus of many of the trained personnel out of Manitoba as a result of Air Canada. But, Mr. Chairman, I'm deeply disappointed, deeply disappointed that I haven't heard from my honourable friend the Minister of Industry and Commerce of any plan at all to carry on the good fight. My honourable friend waves his hands. Now I don't know whether he says I have given up the ghost or not, but I would suggest to my honourable friend the Minister of Industry and Commerce that is one of those types of ghosts that we should not give up. The battle has not yet been fully fought. Many families of the employees of Air Canada are still worried and concerned about having to leave Manitoba. I object, I object strenuously to the exodus of people from Manitoba and I've pointed it out to my honourable friend the Minister of Industry and Commerce on a number of occasions, and his answer to me is I'm belittling Manitoba. I'm not, Mr. Chairman. I would like to have from my honourable friend, the Minister of Industry and Commerce, a firm undertaking that the battle that was unsuccessfully waged at least until now by his predecessor in office, the present Minister of the Treasury, has not been in vain. We need Air Canada here in Manitoba; we need the benefits of a well trained personnel. It is not sufficient, I suggest, Mr. Chairman, for us in Manitoba to be satisfied with the building of a new air cargo terminal which only actually utilizes the labour force of a truck or a dolly -- and when I'm speaking of dollies I'm not speaking of the female type but the two wheeled truck that those of us who have laboured in our lives use to transport a piece of cargo from one position to another. And I say to my friend that while in his brochure here the other day to us, the program of the highlights for 1968 on Page 20, headed: "Transportation", Subclause No. 60, headed "Air Policy", my honourable friend states this: "The Department will continue to strive to create the conditions necessary to strengthen Winnipeg's position as a regional, national and international air centre." Then he goes on to say: "We will continue to urge the Federal Government to establish an overhaul base with jet and turbine capabilities in Winnipeg."

Well, sounds very good, sounds very good; it reads very well -- except for one thing, Mr. Chairman -- I haven't heard anything from the Honourable Minister of Industry and Commerce as to what he really intends to do about it. -- (Interjection) -- Pardon?

MR. CHAIRMAN: It's now 10:00 o'clock. I wonder if the honourable member would like . . .

MR. PAULLEY: Good lord, I didn't realize that.

MR. CHAIRMAN: Committee rise.

MR. MOLGAT: Mr. Chairman, I wonder if I might ask the indulgence of the committee. I had indicated I had an urgent matter to bring up. It is non-political in my point of view but it is a serious one and it does require action by two Ministers tomorrow if something can be done about it.

It is not directly under this item but I would ask the indulgence of the House if I may.

MR. CHAIRMAN: Committee agreed?

MR. MOLGAT: Mr. Chairman, it's with regard to the Souris Creamery situation. I point out quite clearly that I'm not being critical of the government or of any of the Ministers in the matter but I know how difficult it is for some of our small towns to maintain industry.

On Saturday of last week, my colleague, the Member for Hamiota constituency had a visit from some people from Souris concerned about this. We arranged a meeting on Monday morning at which time I called the Minister of Industry and Commerce who very kindly offered to do whatever he could. The problem was that the Milk Control Board was meeting at 2:30 on Monday and was going to proceed to close that creamery. An extension was granted until this morning. A meeting was held last night in Souris in order to raise money locally to keep the Creamery going. The money was not completely raised -- only \$5,000 could be raised last night. The amount required, I understand, was 20,000; and I understand if that was raised, the Industrial Development Bank, the Federal Bank, would agree to proceed with another 20. The amount not being raised, the Milk Control Board I understand has proceeded to decide to close the creamery and I think it is correct that it will be closed tomorrow night as of midnight. I'm advised tonight that a businessman in Souris is prepared to put up an additional \$15,000 in addition to the 5,000 that was put up yesterday but that in order to get the postponement, get this done, then decision or change must be made in the case of the Milk Control Board.

(MR. MOLGAT cont'd.)

I'm assured that the money can be put up; that they are prepared to send a telegram to the Ministers concerned and to have the money available tomorrow if the decision can be postponed by the Control Board.

Now this industry is at the moment, Mr. Chairman, you're most aware of it, your own area's involved, employs some 23 people in the Town of Souris. My honourable friends know how difficult it is to get industry in our small towns, and if this could by any means be maintained, if there are local people prepared to put up this money, and the company can be kept on and that local employment maintained, the shippers kept there, I think every effort should be made to do so. Could I appeal to the Ministers to do what they can tomorrow if we can get an assurance to them by wire, or by telegram or by telephone that the money will be put up, that action be taken tomorrow to reverse the decision of the Control Board and permit this industry to continue.

MR. PAULLEY: Mr. Chairman, I realize that the matter raised by the Honourable Leader of the Liberal Party is non-political and of course is raised at this particular time in the interests of the people concerned. I would like to know though what transpired today in direct appeals to the Ministers concerned or to the Milk Control Board because I'm sure that as Leader of my group, that if we were aware of the situation this afternoon, we would have made representations to the proper Ministers or to the Milk Control Board in order that something be done. So I'd like to ask my honourable friend insofar as the timing of the matter is concerned, was it a matter that we could have done something about earlier today?

MR. MOLGAT: It was certainly not a matter on which I could do anything, Mr. Chairman. When I came in the House tonight there was a telephone call for me. I went out as soon as I could, answered the call. I came back in the House and immediately attempted to get on my feet and indicated it was a matter of urgency. The Honourable Member who has just spoken took the floor and carried on for 15 minutes subsequently.

MR. PAULLEY: Did I not have that right, Mr. Chairman?

MR. MOLGAT: I'm not denying he didn't have the right, but the point is I brought up the matter as soon as the information came to me by long distance telephone and I had asked the indulgence of the House to do so. I bring the matter up now as early as I could.

MR. PAULLEY: Well, we've granted that permission.

MR. SPIVAK: This is not a political matter. It's already been indicated by the Leader of the Opposition that he considers it such. However, I should indicate to him and to the leader of the New Democratic Party that the Department of Industry and Commerce, and for that matter the Department of Agriculture have been interested in this phase for more than just two or three or four or five days. As a matter of fact the Department of Industry and Commerce has been working directly on this matter almost full-time with the individuals from our Department who are involved almost daily since the latter part of December. The information that the Leader of the Opposition has today, this evening, was made available to myself. I know that the Minister of Agriculture and the Member from Souris who is primarily responsible in this connection as this is his area, his constituency, have met and have met with the members of my department and the Minister of Agriculture will in fact present a report of what took place this evening.

Let me assure the honourable member, the Leader of the Opposition and the Honourable Leader of the New Democratic Party and all the honourable members on the opposite side that we have attempted diligently to try and see that this industry be maintained, that in turn we have worked with the representatives in the community, with the mayor in particular and others who were interested to try and see that the funds that were required to maintain the industry could be in fact raised and that the financial ability and the viability of this operation could in fact be controlled. The Milk Control Board, and the Minister of Agriculture will answer for them, have certain responsibilities and they're responsibilities are the protection of the producers and in this connection they must act at a point where they feel that the protection of the producers would be jeopardized. But I want to assure both the Honourable Leader of the Opposition and any of the other honourable members that insofar as the department is concerned we have been kept current. The meeting was held last night; there was a representative of the department who was present who in fact briefed the people as to what in fact would be required. We've been aware of this in terms of it, this is a community responsibility and it would seem as of tonight someone is going to be prepared to assume that

(MR. SPIVAK cont'd.) responsibility and of course this is a very good thing.

HON. HARRY J. ENNS (Minister of Agriculture and Conservation) (Rockwood-Iberville): Mr. Chairman, I don't want to prolong the Session this evening, but as the Minister of Industry has indicated we have had within the last hour direct contact with the people concerned in Souris, both the Member of Souris-Lansdowne, myself, senior members of both departments concerned have spent the last few hours in contacting the mayor, the banking officials at Souris as well as the Chairman of the Milk Control Board. All steps that can be taken are being taken. The issue is as simple as this: that the offer of financial support within the community as yet is not firm. If this can be established by a reasonable hour, you know a reasonable time tomorrow I'm certainly prepared to exercise what influence I have with the Milk Control Board to see that every possible degree of discretion be given in this instance bearing in mind that the Milk Control Board has of course its responsibilities to the producers. I'm happy to make this explanation in view of the fact that if the Minister or members aren't always in their chairs during the discussions in the Chamber we are attempting to at the same time look after the affairs of the province.

MR. M. E. MCKELLAR (Souris-Lansdowne): Mr. Chairman, before we close, I think as a member representing this area I think I should say a few words. I have been greatly interested and not only have I been saying words, I've been putting my hand in my pocket and if anyone wants to think they can help this cause -- the Member for Hamiota and the Leader of the Opposition -- the easy way to help this creamery is to put your hand in your pocket or sign a cheque. This is what I've been doing and I've agreed to do, is put up \$1,000.00. I told them it was there five months ago and it's still there, any day they want it. There's no sense of talking about this creamery unless someone -- if you're prepared to help it put your name down on the cheque book. This is all we ask -- the people of Souris, it's all they're asking. I only hope that this creamery -- and I must say the Department of Agriculture and myself have been doing all we can -- and Industry and Commerce -- have been doing all we can to help this creamery. Unfortunately they have run into many problems and these problems are not always easily solved when you have a private company. I think that what we've accomplished here tonight with the Minister of Agriculture and myself and his staff and the staff of Industry and Commerce that we're trying to track down -- unfortunately this man who has offered to give this money is in Minot tonight and we're having to put a track down on him to see if we can find him -- Mr. Ewart Murray, the General Motors dealer in Souris. I don't know where the people are in Souris if they're so anxious -- I'm available at any time on the telephone, I've always been and I know that many people have contacted me in the last week. If you can't solve the problem on that side let me have a go at it this side, eh?

MR. CHAIRMAN: Committee rise and report.

MR. MOLGAT: Mr. Chairman, I want to thank the Minister for his statement. The call came to me and I forwarded the information as I have it. I am confident the money can be made available tomorrow.

MR. CHAIRMAN: Committee rise. Call in the Speaker. Mr. Speaker, the Committee of Supply has considered a number of resolutions, directed me to report progress and ask leave to sit again.

IN SESSION

MR. J. DOUGLAS WATT (Arthur): Mr. Speaker, I beg to move, seconded by the Honourable Member for Springfield, that the report of the Committee be received.

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

MR. LYON: Mr. Speaker, before moving adjournment I would remind members of the House who are members of the Public Accounts Committee that it meets tomorrow morning, 10:00 A.M., Room 254.

I beg to move, seconded by the Honourable the Provincial Treasurer, that the House do now adjourn.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried, and the House adjourned until 2:30 Wednesday afternoon.