

THE LEGISLATIVE ASSEMBLY OF MANITOBA
2:30 o'clock, Tuesday, August 26, 1969

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions.

MATTER OF URGENCY

MR. GORDON E. JOHNSTON (Leader of The Liberal Party) (Portage la Prairie): May I be recognized, Mr. Speaker, on a question of privilege. Of course I am operating under Rule 24 with which you are familiar with, Sir, and I would like at this time to speak on a question of privilege. I rise on the question of privilege today because of a statement made in Vancouver last evening by the Premier of this province at an election rally when according to newspaper reports he stated that previous administrations in this province had been receiving political kickbacks.

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): I rise on a point of order - I believe that it is a rule of this House, while I recognize the fact that the Honourable House Leader of the Liberal Party can raise a point of privilege at the first opportune moment, I believe that it is a rule of this House that we have to go through the routine procedures of the House before such is done.

MR. G. JOHNSTON: On the same point of order, Mr. Speaker, I quote Rule 24 of our rules: "When a matter of privilege arises, it should be taken into consideration immediately", and it refers to Beauchesne's Fourth Edition, Section 104, paragraph 3 and other sections, and if you wish me to quote them, Mr. Speaker, I will.

MR. PAULLEY: . . . Mr. Speaker, but may I also refer to Rule No. 20. I have no objection to my honourable friend in raising the point.

MR. G. JOHNSTON: Mr. Speaker, if the House Leader has no objections then I shall proceed if no other members object.

Mr. Speaker, the charge made last night in British Columbia by the Premier of our province has placed a great number of people under a cloud in this province. I am referring now to former cabinet ministers and former premiers, former members of this House, as well as those who are present to speak and defend themselves. It also places under some cloud certain business and professional people of the province. I think that the Premier should substantiate his charges and if they are serious enough then they should be investigated, and if there is any breach of the law, action should be taken by the Attorney-General's Department.

Perhaps I could speak for a moment about the terminology that is used. It is not unusual for individuals or corporate firms to donate time or money or services to the Party of their choice during an election campaign or during the year, and this is accepted as part of the way of life in a democratic country. Anyone can take an interest and help in any way they can, but a kickback is a different matter. A kickback between private firms while it may be considered unethical and immoral, still the firms are dealing with their own funds, with their own money. They may not be doing the right thing by their shareholders or by the people that they are responsible to, so we are not talking in that term. We are speaking about when a government pays through a contract and then some of that money comes back under the table to political leaders who happen to be the government of the day. Now this is what we are talking about at this moment. In my opinion this is not only unethical and immoral it is also breaking the law, for taxpayers' money is being diverted in a clandestine fashion to further political activities of a Party, and of course without knowledge of anyone.

So I think that when we here in Manitoba pick up the paper this morning and read the article that I am sure all of us have read at this time, we have the right to be disturbed and we have the right to have an explanation and we have the right to have the evidence presented in this House. I am referring now to an article in the Tribune. The headline is: "5 percent offered - Schreyer charges political kickbacks." "Mr. Schreyer told a news conference and an NDP election rally that he had learned about 5 percent kickbacks which had been offered on certain government construction projects under previous administrations in Manitoba." Well, Mr. Speaker, I think that should be clarified. Whose administration? However, he did not identify the previous administration. Mr. Schreyer told newsmen in Vancouver that "many professional firms in Manitoba understood they had to give a certain percentage of their fees back to the governing party." Well, Mr. Speaker, that's a very serious charge. It is only a difference of degree whether a man goes into a bank with a gun and demands and takes money,

(MR. G. JOHNSTON cont'd.) or to business relationships if you cannot deal with the government unless you pay back some of the money under the table. It is only a matter of degree the difference in this regard, so I think that in the interest of what the people of Manitoba think and how they regard our democratic institutions, this should be substantiated.

Further down the article it says, "the premier said he has since become aware that the practice was widespread in the years before he took office." Mr. Speaker, that is a very serious statement to make also, and I would think it should be backed up.

Then we have the Minister of Finance's comment, and he makes the astounding statement that he has known about it and "I have been sitting on it for some time." Well, Mr. Speaker, it seems highly unusual that this would come out on the eve of an election in another province. I would think that a cabinet minister who has sworn an oath should have this investigated at the earliest opportunity, as soon as it had come to his notice, and it shouldn't be sat upon for some time.

Well this is the question - if taxpayers' money is coming back under the table, do you call that legal?

HON. ED. SCHREYER (Premier) (Rossmere): Well it's bad practice but it's not . . .

MR. G. JOHNSTON: Bad practice? That's stealing.

MR. SCHREYER: It's unethical.

MR. G. JOHNSTON: Mr. Speaker, I have a motion I would like to present to the House.

MR. PAULLEY: Mr. Speaker, again I think we had better get the rules of the House clarified. I have indicated that I have no objection to my honourable friend proceeding, but there are certain accepted rules in this House, and other Houses, dealing with this matter. And I am not doing this in defence of what is alleged to have been said by the First Minister, but I do respectfully suggest that we have rules of conduct for this House and I would refer you to Citation 104 in Beauschiesne, Page 92, which indicates that matters of this nature should follow after routine procedures and before Orders of the Day. I also would refer you to our own -- (Interjection) -- I am standing on a point of order, and if my honourable friend would just sit down until I am finished. --

MR. GILDAS MOLGAT (Ste. Rose): Read it.

MR. PAULLEY: Pardon? I am referring this to the Speaker and I do not require the advice of my friends opposite in this case. If they have any objection to the points being raised by myself they are perfectly at liberty so to do, and I will not be chastized by my honourable friends.

MR. SPEAKER: The Honourable Minister I believe is dealing with a point of order. He may continue.

MR. PAULLEY: There are a number of citations, Mr. Speaker. -- (Interjection) -- Mr. Speaker, I am drawing them to your attention. If my honourable friends would take the time out to read them and know them, then - and understand them, yes - then I would suggest that they should do so, but I will read a little bit of 104, the function of the Speaker. "It is the function of the Speaker to direct the attention of the House when an occasion arises to a breach of its privileges and bills and amendments brought from the Senate" - which of course deals with the other House. "A matter of privilege which claims precedence over other public business should be the subject which has recently arisen." And then in another citation it says, "This shall be done prior to Orders of the Day and after routine proceedings. Certain urgent matters such as assaults upon or insults to members if they should occur during the sitting of the House may be raised at once, in spite of the interruption of a debate." This deals with the process of a debate, not something that was said outside of this House. -- (Interjection) -- The House was not in session at the time of the alleged statement as far as the honourable . . .

MR. BUD SHERMAN (Fort Garry): Yes it was. We sat last night.

A MEMBER: He was in B. C. but we were attending to the business of Manitoba.

MR. SCHREYER: You never attend to the business of Manitoba.

MR. PAULLEY: And so it goes, Mr. Speaker. And then Citation No. 105 (2): "It is the practice in the House of Commons to bring up a privilege after prayers and before the House has taken up Orders of the Day." Now we don't take up Orders of the Day until such time as we have completed the routine business of the House. -- (Interjection) -- You read it. After I am finished.

"A matter of privilege must be one which has recently arisen involving the privileges of the House and calling for its immediate imposition. The quality of privilege and the consequent

(MR. PAULLEY cont'd.) right of immediate consideration do not depend solely on the nature of the object of the motion but may be imparted or withdrawn by the circumstances attended to the motion." And then we go to 113. "Members . . .

MR. SPEAKER: If I may just interrupt the Honourable Minister, is the point of order that he is dealing with the admissibility of the question of privilege because that has been settled, or is there another point of order that the honourable . . .

MR. PAULLEY: My point of order, Mr. Speaker, is that we should adhere to the rules of this House in hearing this matter, of which I have no objection to. And also, if I may, the question that was suggested by my honourable friend the House Leader of the Liberal Party that he had a motion to present, and I respectfully suggest that I am proper in raising of the matter of a privilege, he has the right under our rules to introduce a motion.

MR. G. JOHNSTON: . . . point of order, Mr. Speaker.

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

MR. G. JOHNSTON: I would like to help you if you are trying to make up your mind on a ruling, Sir, to quote from Beauchesne's 4th Edition, Page 95, the same section my honourable friend was quoting from but he didn't get all the way down to it. Section (3). "A matter of privilege which claims precedence over other public business should be a subject which has recently arisen and which calls for the immediate interposition of the House. The matter should be raised at the earliest opportunity."

Now, Mr. Speaker, our rules are a little vague in this respect so it has been the practice in this House to refer to Beauchesne, and I would like to quote from 105 on Page 96, paragraph 2.

MR. SPEAKER: Order. I believe that the question of the propriety of raising a matter of privilege at this time has been settled. The honourable member has been allowed to proceed. There was another point of order raised a moment ago but I am not quite sure whether we have arrived at that point yet or not. The honourable member's debate seems to indicate that we haven't, so could we discontinue our debate on the question of propriety, of the question of privilege, and may the honourable member continue and we will deal with the matters as they arise.

MR. JOHNSTON: Mr. Speaker, I beg to move, seconded by the Honourable Member for Ste. Rose, Be It Resolved that the Premier be requested to immediately table in this House his evidence of political kickbacks being received by previous administrations in this province; and

Be It Further Resolved that a special committee of the House be established immediately to investigate this matter fully and that it be empowered to call witnesses, hear evidence and make a report and recommendation to the House.

MR. MOLGAT: Mr. Speaker, I am aware that you are about to make a ruling and I recognize that after your ruling it is impossible to make a comment, and I wonder if I might rise on a point of order to point out that the action taken by the Leader of the Liberal Party is in line with the citations in Beauchesne as well, which go further, and I am now reading Citation 113, Page 102, which states: "The question of privilege ought rarely to come up in Parliament. It should be dealt with by a motion giving the House power to impose a reparation or apply a remedy." Hence the reason for the motion at this time to apply a remedy in the present situation.

Now I would like to point out as well, Mr. Speaker, that our own rules, or our own precedents here in the House have already established this as a procedure within the Manitoba Legislature, because if you will refer to the session at 2:30 o'clock on Monday, the 12th of May 1969 - and I'm reading now from the Hansard - at that time, immediately after the prayers I rose on a matter of urgency or grievance, a privilege, and moved such a motion at that time.

MR. PAULLEY: Mr. Speaker, if I may on the point of order, and using this same citation of my honourable friend when he is dealing with the question of privilege in a motion, suggest to him that there are two factors concerned. One is dealing with the privileges of the House and the privileges of individuals, that it was decided by Mr. Speaker Brand in 1878 that a member having failed to take that course and having brought up cuttings from a newspaper instead, the question of privilege which he had brought forward could not be entertained. That, I would suggest, is the basis on which the incriminating passages from a newspaper should be read in the House by the Clerk and then a charge should be made that they constitute a breach of privilege. Unless they relate to the House or the conduct of a member, which infers within

(MR. PAULLEY cont'd.) the House, they do not constitute a matter of privilege.

I would like to respectfully suggest to Your Honour that while there is no fear I am sure on this side of the House of a motion of the nature proposed by the House Leader of the Liberal Party being debated -- (Interjection) -- my honourable friend says, "well support it." I respectfully suggest that one of my duties in this House is endeavouring to have the rules as laid down by Beauchesne adhered to. I would respectfully suggest to you, Mr. Speaker - and of course I cannot influence you because you are the guardian of the rules of this House - I respectfully suggest to you that you might take the subject matter of the motion of my honourable friend under advisement, again saying we have no fear of a debate on this matter.

MR. SPEAKER: I do wish to take this motion under advisement and reserve decision until tomorrow's sitting of this House.

MR. WALTER WEIR (Leader of the Opposition) (Minnedosa): Mr. Speaker, does this prevent the other members of this Legislature from discussing the matter of privilege by taking the motion under advisement?

MR. SPEAKER: I paused, and I saw no indication of anyone else wishing to participate in the debate and hence I proceeded.

MR. SCHREYER: On a point of order, Mr. Speaker, the Honourable the Leader of the Opposition asked whether he or his colleagues would be precluded from discussing this matter further inasmuch as you have taken it under advisement, and I understand that this does preclude discussion until you give a ruling, Sir, but I believe my honourable friend is free to ask all the questions he cares to before Orders of the Day, and I'll be glad to answer them.

READING AND RECEIVING PETITIONS

MR. CLERK: The Petition of Harko Bhagat et al, praying for the passing of an Act to incorporate The Brandon University Students' Union.

MR. SPEAKER: Presenting Reports by Standing and Special Committees; Notices of Motion; Introduction of Bills. Orders of the Day.

ORAL QUESTION PERIOD

MR. SPEAKER: The Honourable Leader of the Official Opposition.

MR. WEIR: Mr. Speaker, I would like to ask the First Minister, because of the fact that he did say what I consider to be, or to make some slanderous charges against myself and my colleagues and my party and also against the administration before mine while he was politicking . . .

MR. SPEAKER: Order.

MR. WEIR: I would like to ask, Mr. Speaker, the First Minister, I would like to ask him if he wouldn't stand up and tell the members of this House exactly what he said - sentence, period and paragraph, and give us the points that he was basing it on.

MR. SCHREYER: Mr. Speaker, I'd be glad to do that but I doubt that it would be in order. However, if the House wishes to give me the indulgence, I would certainly be prepared to give a full accounting of what was said in this connection.

MR. G. JOHNSTON: I would be agreeable to that course of action, Mr. Speaker.

MR. JACOB M. FROESE (Rhineland): I am quite prepared to grant leave.

MR. PAULLEY: Is this in conflict with your ruling, Mr. Speaker?

MR. SCHREYER: Mr. Speaker, having received the agreement of honourable gentlemen opposite and if it meets with your approval, Sir, bearing in mind the requirements of the rules, I would be quite happy to proceed. Do I have your Honour's consent?

MR. SPEAKER: . . . consult with the Clerk. I have some reservations in my mind as to the wisdom of questioning an issue which is presently under consideration by the Speaker.

MR. MOLGAT: If I may, on a point of order before you make the ruling once again on this matter, point out that the House is always master of its own rules and the House can change its own rules at its own decision, and if leave is granted by all members of the House then there surely is no problem.

MR. SPEAKER: I appreciate the advice from the honourable member. I have a matter which I've taken under advisement and I cannot allow any questions relating or dealing with the matter which I am presently considering until such time as I've given this House my decision thereon.

MR. SCHREYER: Mr. Speaker, I don't know if you've made a specific ruling there. My own hope would be that specific questions would not be disallowed because I'm quite

(MR. SCHREYER cont'd.) anxious to answer them.

MR. SPEAKER: The Honourable the Leader of the Official Opposition.

MR. WEIR: Mr. Speaker, do I understand that ruling correctly, that specific questions in relation to something that is under consideration by the Speaker, similar to the situation we have, would be ruled out of order?

MR. SPEAKER: Where the questions do not develop into debate. Specific questions one is at liberty to ask.

MR. WEIR: Mr. Speaker, would the First Minister please answer my question - what did he really say in Vancouver?

MR. SCHREYER: Well, Mr. Speaker, it was a press conference that lasted 40 minutes; it was wide-ranging, and I might add that the specific matter that received the headlines was something that was mentioned en passant. It took about 15 seconds and we were on to other things. It's not in perspective at all and I welcome any opportunity in the future to deal with this matter.

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

MR. G. JOHNSTON: Mr. Speaker, I have a question for the Honourable First Minister. Would he care to name the Premier whose administration he was referring to when he made his remarks?

MR. SCHREYER: Mr. Speaker, surely there's no one here so naive as to question whether or not there was a practice by which firms, professional and construction, were providing percentage contributions back to the party in power. Otherwise, how could \$100,000 election campaign be fought? Did they raise money by \$2.00 donations?

MR. WEIR: Mr. Speaker, as . . .

MR. G. JOHNSTON: Mr. Speaker, I wonder if the Premier would answer my question.

MR. SCHREYER: I didn't mention any Premier in particular.

MR. WEIR: Well, Mr. Speaker, I think that there's been a question of motivation and percentage kickbacks to the government in power, and as a matter of privilege I ask the First Minister to withdraw that remark.

MR. SCHREYER: Mr. Speaker, I can advise my honourable friend that I have no intention of withdrawing it and I can add that I've just begun to provide more information.

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

MR. G. JOHNSTON: My question is to the Honourable the First Minister, Mr. Speaker. Does he realize that many former members of this House, and present members, are under a cloud because of his stand?

MR. SCHREYER: Mr. Speaker, many politicians in Canada, past and present, were under clouds at one time or another. In the end, the public decides.

MR. SPEAKER: The Honourable Member from Fort Rouge.

MRS. INEZ TRUEMAN (Fort Rouge): Mr. Speaker, I would like to ask the First Minister was the architect who allegedly had asked about his five percent kickback a native of this province, or had he come from some other province where this sort of thing is done?

MR. SCHREYER: Mr. Speaker, I can tell the honourable lady that I'm not prepared to say who the architect was, except that he had done business with the government of the Province of Manitoba; that a phone call was received, and under the rules of the House, as honourable members are well aware, that if this statement is made, honourable gentlemen are expected to take my word for it and I say that this call was received. So help me God it was received.

MR. SIDNEY SPIVAK Q. C. (River Heights): Mr. Speaker, a supplementary question. I wonder if the First Minister could indicate whether he did any other investigation other than listen to the phone call of the person who spoke to him on the phone?

MR. SPEAKER: Orders of the Day.

MR. SPIVAK: Mr. Speaker, I think this is as relevant and as important as anything that's happened so far.

MR. SPEAKER: Order.

MR. SPIVAK: . . . and I would ask the First Minister to answer the question.

MR. SCHREYER: Would you repeat your question? I didn't hear it.

MR. SPIVAK: Mr. Speaker, the First Minister has asked me to repeat the question. I asked the First Minister to indicate whether he did any investigation other than the phone call that was given to him by this specific architect who related a specific incident to him?

MR. SCHREYER: Some investigation was carried out and, as I say, at the regular session of the House it is hoped to proceed with legislation that bears directly on The Elections Act and amendments to The Elections Act that will require by law that there be full - but I mean full - disclosure of the source and amount of campaign funds.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: A supplementary question, Mr. Speaker. Are we to take it then that the First Minister intends to inform this House -- (Interjection) -- I'm asking the question. I would like to know whether the First Minister intends to inform this House on every phone call he receives alleging any kind of kickback, corruption or mismanagement or involvement with government?

MR. SCHREYER: No, but if my honourable friend would like that kind of information, I'll keep him posted.

MR. SPEAKER: The Honourable Member for Riel.

MR. DONALD CRAIK (Riel): Mr. Speaker, I would like to ask the First Minister if he intends to continue the conduct of government in this province by by-passing this Legislature and conducting the government by innuendo outside of this House.

MR. SCHREYER: Mr. Speaker, to the extent that what I said in British Columbia with reference to this particular subject matter, to the extent that it was said outside the House, I apologize. With respect to the second part of the honourable member's question, I think it's beneath contempt.

MR. PAULLEY: Absolutely.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, I wish to address my question to the House Leader, or if he can't answer perhaps the First Minister can. Has the government received confirmation that our Queen and Prince Philip will be in attendance during our Centennial Year next year?

MR. PAULLEY: Mr. Speaker, that could properly be asked of the Honourable Minister without Portfolio in his capacity as Minister responsible to the Manitoba Centennial.

HON. PHILIP PETURSSON (Minister of Cultural Affairs) (Wellington): Would the honourable member please repeat the question?

MR. PATRICK: Mr. Speaker, my question is, has the government received confirmation that our Queen and Prince Philip will be in attendance during our Centennial celebrations next year?

MR. PETURSSON: Mr. Speaker, no, the confirmation has not been received. The invitation has been issued; it is our hope that it will be accepted but we do not have firm confirmation.

MR. SPEAKER: The Honourable Member for Wolseley.

MR. LEONARD H. CLAYDON (Wolseley): Mr. Speaker, I have a question for the Minister of Transport. Is it true that there's a 14 month delay on the completion of Highway 44 from Rennie to Whitemouth - a 14-month delay?

HON. JOSEPH P. BOROWSKI (Minister of Transportation) (Thompson): Not to my knowledge, Mr. Speaker. However, perhaps I should point out there was some delay last year due to wet weather. I don't believe it's 14 months though.

MR. CLAYDON: Mr. Speaker, I wonder if the Minister would enquire of his department. I understand an engineer in the department made that statement. Would he enquire if it is true?

MR. BOROWSKI: Mr. Speaker, I'm not responsible for any statement made by anyone else.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. MOLGAT: . . . a supplementary question of the Minister of Transport? Did I understand correctly that he does not stand behind the statements of the members of his staff?

MR. BOROWSKI: Mr. Speaker, if any member in the House has any formal accusation against anybody in my department and is prepared to come up here and state their names, I'm not interested in hearing their arguments.

MR. MOLGAT: Mr. Speaker, the question was not that. I'm not dealing with accusations, but did I understand the Minister to say that he was not responsible for the statements of the members of his staff? That's the question, and really I don't insist, but I think the point should be made at this point that the Ministers are responsible, and I don't fault the Minister . . .

MR. SPEAKER: I believe the honourable member has stated his question.

MR. BOROWSKI: Mr. Speaker, would he be more specific? Responsible for what? Getting drunk? Getting hauled in front of a judge? What are you talking about? Responsible for what?

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, if I may be permitted I would briefly like to report on an event that took place on Thursday last at Winkler, Manitoba, where the Honourable the Minister of Tourism, the Honourable Mr. Burtniak did the honours. A large number of firms are expanding in development and business and manufacturing in this particular area and we in this House no doubt . . .

MR. SPEAKER: Order. Could we hear the honourable member's question, if he has one.

MR. PAULLEY: Mr. Speaker, it's a statement on Winkler.

MR. SPEAKER: Fine.

MR. FROESE: I think we as members would like to extend congratulations and best wishes to these energetic, enterprising and industrious individuals and people of this part of the province. I think they are to be congratulated indeed on the tremendous development that they're bringing about, not only for the good of the local people but also for the people of Manitoba in general. The new business ventures will bring an additional million dollars to the people of that area as a payroll and certainly will do, I think, a lot, and exhibits tremendous faith in the future of this province. I feel that the area development program legislation that we have on the books in the Federal House is certainly a means whereby we're getting this expansion to take place. No doubt the local financial organizations such as the credit unions are a big assistance in this development and I feel that we in this House should try and further legislation of this type, and also these organizations, to bring about the possibilities whereby these can come about.

I wish to congratulate the Mayor of the Town of Winkler, the Council, the Chamber of Commerce of that area and the Pembina Valley Development Corporation who have been part and party to this development, and not least of all I would also like to congratulate the Province of Manitoba, the Department of Industry and Commerce, who has assisted these people greatly in bringing this about. Mr. Speaker, we had also other members of this House. I could mention the former Minister of Industry and Commerce and also the Member for Pembina were present on this occasion and I am sure that they will agree with me in what I have said.

MR. SCHREYER: Mr. Speaker, I would like to join with the Honourable the Member for Rhineland as Minister of Industry and Commerce in expressing gratitude to those people in the locality at Winkler and surrounding area for the ingenuity and entrepreneurship that they have brought to bear in establishing a business enterprise in that community, and I certainly agree with the honourable member when he suggests that this kind of effort on the part of our own native Manitobans - our own citizens here - is something that portends well for the future economic and industrial development of our province. One has really to hope that more of this will come about in future years, and I'm sure it will, and future decades. Manitoba is a large province still underpopulated, and with our hope for an increase in the strength and population of our province must come a companion hope that there will be successful launching of private business of the kind that has just been established in the Town of Winkler.

I was out there just a matter of a few weeks ago, Mr. Speaker, and I can say that it is a matter of intense satisfaction to me as leader of a new government that we have this successful enterprise launched, actually series of businesses launched there, a house trailer construction, etc. I'm not trying to in any way say that this government has had any direct link with that except that it is appropriate to express pleasure at what has transpired there and which the honourable member has just referred to.

MR. SPEAKER: The Honourable Member for Churchill.

MR. GORDON W. BEARD (Churchill): Mr. Speaker, I'd like to direct a question to the First Minister as Minister of Industry and Commerce. I wonder if it will be government policy to place a protest in respect to the fiscal incentives program recently announced by the Federal Government in which they left out all of the northern parts of Canada and emphasized eastern, all of eastern Canadian provinces in many respects, and as it moves further west it forgot about our larger areas.

MR. SCHREYER: Mr. Speaker, in reply to the honourable member's very valid question,

(MR. SCHREYER cont'd.) I wish to advise him that that at the time when the new boundaries, regional incentive boundaries were established by announcement from Ottawa, that we did express to the Deputy Minister of the Department of Regional Economic Development that we were really unhappy with the way the boundaries had been drawn and the fact that all of Census Division 16, which is really all of northern Manitoba, was omitted. But I'm happy to inform the Honourable Member from Churchill that despite the fact that this area of northern Manitoba has been excluded from the designated region program, it is nevertheless possible under departmental legislation, that is to say Department of Regional Economic Development legislation, it is possible to set up special designated areas in the north and get the same kind of treatment basically by means of specific ad hoc areas and programs.

MR. BEARD: Mr. Speaker, I had noticed a statement by the Premier of Alberta last night where he said that the Federal Government actually in fact had not followed the . . .

MR. SPEAKER: Could we hear the honourable member's question please?

MR. BEARD: I'm trying to give you the question, Mr. Speaker, if you'll allow me a moment. I'll have to go back again after the interruption, but the Alberta Premier in last night or the night before's paper suggested that the Federal Government had not followed the advice of the provincial governments in respect to their federal incentives program. I am wondering whether there was any indication that they had asked the provinces previous to their program announcement?

MR. SCHREYER: Well yes, Mr. Speaker, that's my understanding, that the provinces did advise and give certain suggestions and criteria as suggestions to the federal department, and in certain respects this advice was followed and in other respects it wasn't. Census Division 16 was left out and we think it's a pity.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, before the Orders of the Day, I'd like to address a question to the First Minister. I wonder if he can inform the House whether during the period of time he was politicking in B. C. he took the opportunity of visiting Boeing's head office in Seattle?

MR. SCHREYER: Mr. Speaker, I wasn't aware that Seattle was in B. C.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: A supplementary question. In view of the fact that the provincial government and the Department of Industry and Commerce is now negotiating with Boeing locating here in Manitoba, or possibly locating elsewhere in Canada, would it not have been wise to have taken advantage of the fact that he was about 150 miles away and to visit him in Seattle?

MR. SCHREYER: Well, Mr. Speaker, perhaps my earlier reply was facetious, but I should say to my honourable friend that my understanding of the present disposition of the matter of whether or not Boeing will locate here in Manitoba, the current disposition of the matter is such that there is really little point, if any, to making further representation or to making any personal calls. My honourable friend will understand I'm sure that there does come a point in a company's decision-making as to where it will locate. After all representations have been made from contending parts of the country and all factors taken under consideration, there comes a point when further visitation or representation is really not helpful. If my honourable friend can suggest in what specific way it would be helpful then one would be prepared to fly 2,000 miles.

MR. SPIVAK: A subsequent question, Mr. Speaker. We're only talking of 150 miles, and I'd like to suggest to the Honourable Premier that I really wonder whether he's serious in his answer to my question by suggesting what he just has.

MR. SPEAKER: Order. I must rule that question out of order. There's no provision to ask a Cabinet Minister as to the seriousness or the intentions of his replies or any statements that he makes.

MR. SCHREYER: Mr. Speaker, what you're in effect saying is that I should not reply. I would like to reply.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. HARRY ENNS (Lakeside): I'd like to direct a question to the Minister of Tourism and Recreation. I asked this question some time ago and constituents keep asking me. Can he advise the House further of the developments at Hecla Island, that is the recreational developments that are planned in that area?

HON. PETER BURTNIAK (Minister of Tourism and Recreation) (Dauphin): Well, Mr. Speaker, in reply to that question some few days ago to the honourable member I said that the

(MR. BURTNAK cont'd.) answer would be forthcoming. I said we're taking a very close look at the situation; we still are; and I can assure him that in a short time there will be an answer to that question.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, I'd like to address a question to the Honourable First Minister. I've already asked on two occasions and yesterday, Sir, when you were absent, that the Air Canada Overhaul Base Committee be reconvened. And I wonder, Sir, at this time if I can ask whether a suggested rumour that Northwest Industries are backing out of completion of the deal with Air Canada is true or not.

MR. SCHREYER: That certainly has not been brought to my attention, Mr. Speaker, and until then I must regard that as pure speculation.

MR. SPIVAK: A supplementary question. I wonder though whether he is in a position to give an answer as to whether the Air Canada Overhaul Base Committee will be reconvened. The matters that should be discussed before them are not dealing with the item that I just referred to but items that must be dealt with in connection with the takeover and the problems of the personnel.

MR. SCHREYER: Yes, Mr. Speaker, as soon as specific matters requiring the convening of that group come forward, then we shall convene that committee.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I asked a question of the Minister of Labour yesterday in the absence of the First Minister. I didn't hear his answer very plainly, his voice was not in the best of condition yesterday and I read it in Hansard, with regard to the Cass-Beggs terms of reference. Your reply I see in Hansard as to when they will be tabled, in keeping with the First Minister's indication that they would be tabled, the answer that he gave was just as soon as we've had an opportunity of looking at them. Now I was referring to the terms of reference, not the final report. Can he indicate whether you do in fact intend to table the terms of reference or whether or not -- or whether you are going to table them or not or are we going to have to wait until the final report comes in.

HON. LEONARD S. EVANS (Minister of Mines and Natural Resources)(Brandon East): Mr. Speaker, if I may be permitted to answer the question, the terms of reference will be tabled tomorrow.

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

MR. JOHNSTON (Portage la Prairie): Mr. Speaker, my question is for the Honourable the Minister of Transport. Can he indicate to us whether or not he's taken up the cudgels on behalf of the campers who are losing their Camper's Special to northwest Ontario. He may know that this is the last scheduled run coming up this weekend. Has he taken any action?

MR. BOROWSKI: Mr. Speaker, I believe I answered that question several days ago.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, before the Orders of the Day, I'd like to ask the Honourable the First Minister a question and this relates to an item appearing in the Tribune with reference to the Gimli opening of Seagrams. It says that the Provincial Manitoba Development Fund has loaned money to the project, and it quotes the Premier as the authority for the statement. I wonder whether he made such a statement or not?

MR. SCHREYER: I don't recall so, Mr. Speaker.

MR. PAULLEY: Are you going to get one of the bottles?

ORDERS OF THE DAY - MOTIONS FOR PAPERS

MR. SPEAKER: Address for Papers. The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, I move, seconded by the Honourable Member from Lakeside, that an humble address be voted to His Honour the Lieutenant-Governor praying for copies of all correspondence between the Manitoba Government and the Manitoba Development Fund, the Chairman of the Manitoba Development Fund and the Board of Directors of the Manitoba Development Fund since July 15, 1969.

MR. SPEAKER presented the motion.

MR. SCHREYER: Mr. Speaker, the first motion for Papers, unlike the second one, is in our view not acceptable inasmuch as it asks for material that is interdepartmental in nature. It's not intradepartmental, and unlike the second one it's not acceptable. If the honourable member wishes to discuss the reasons for his wanting this material, he's of course free to move that it be transferred for debate.

MR. SPIVAK : Mr. Speaker, I believe it's a matter of right. I have the opportunity of discussing it during this period today. It is my intention - and this is Tuesday and it's Private Members' Day and I have a right to deal with this.

MR. PAULLEY: If I may on the point of order, Mr. Speaker, I believe that it properly would be before the House on Friday during the Private Members' Resolutions because it is not a resolution particularly under Private Members period for today. Possibly you might consult with the Clerk but that is my understanding, that it's transferred to the next Private Members' Day.

MR. SPIVAK: Mr. Speaker, I stood this yesterday for today.

MR. PAULLEY: It doesn't matter what you stood it for. I'd suggest, Mr. Speaker, that you consult with the Clerk. I may be wrong but I believe I am right. -- (Interjection) -- What's that? But I do talk sense my honourable friend which you may be advisable to undertake to study.

MR. WARNER H. JORGENSEN (Morris): More rules, more rules. Russ's rules, everyday.

MR. PAULLEY: Maybe you should have stayed down at Ottawa.

MR. SPEAKER: If it is the intention of the mover to enter into debate, then it must be transferred until Friday.

MR. SPIVAK: Mr. Speaker, I'd like to know under what rule.

MR. SPEAKER: 100 of Section 1. If I may, the reason for it is that debate did not arise until a few moments ago.

MR. SPIVAK: No, Mr. Speaker, . . .

MR. SPEAKER: I'm sorry, I've made my ruling.

MR. SPIVAK: Mr. Speaker, on a point of order, you recognized the First Minister without allowing me the normal opportunity for being able to speak.

MR. SPEAKER: The Honourable the First Minister replied as to whether he accepted the Address for Papers or does not accept it.

MR. SPIVAK: Well, Mr. Speaker, I . . .

MR. SPEAKER: There is no further debate. I'm sorry to remind the honourable member of that. I've informed the honourable member as to what procedure is open to him. Address for Papers. The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, I move, seconded by the Honourable Member from Lakeside, that an humble address be voted to His Honour the Lieutenant-Governor praying for copies of all correspondence between the Manitoba Government and Friendly Family Farms Ltd., Damascus Steel Products Ltd, and D.A.W. Steel Products Ltd., or any agents on their behalf since July 15th, 1969.

MR. SPEAKER presented the motion.

MR. SPIVAK: Mr. Speaker, I intend to speak on this, and I think I have a right now to speak on this.

MR. SPEAKER: No, Friday.

MR. SPIVAK: Friday. Well I intend to speak on this, Mr. Speaker, and I would like it moved to the Order Paper on Friday.

MR. SPEAKER: Adjourned debate on the proposed motion of the Honourable Member for Portage la Prairie. The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, we have considered this resolution proposed by the Honourable Member for Portage la Prairie. It has been agreed that we would accept the order of my honourable friend, but I would like to point out to him that it may take a considerable period of time going back over the records to the inception of the Manitoba Development Fund, which if memory serves me correctly was in about 1955 or 1960. And also, I need not point out to my friend that it may involve a considerable expenditure of money by way of research. However, we will accept the order.

MR. JOHNSTON (Portage la Prairie): Mr. Speaker, that is acceptable to us even if it's produced at the next Session. That's fine.

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

PRIVATE MEMBERS' RESOLUTIONS

MR. SPEAKER: Adjourned debate on the proposed resolution of the Honourable Member for Assiniboia. The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, I ask the concurrence of the House in a request that this

(MR. SHERMAN cont'd.) matter stand.

MR. SPEAKER: (Agreed.) The adjourned debate on the proposed resolution of the Honourable Member for Assiniboia. The Honourable Member for Charleswood.

MR. ARTHUR MOUG (Charleswood): Mr. Speaker, I ask the indulgence of the House to let this matter stand.

MR. SPEAKER: The adjourned debate on the proposed resolution of the Honourable Member for La Verendrye. The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker, I will just say a few words in support of this resolution that is on the Order Paper by the Member for La Verendrye calling for the Hydro and Telephone System to appear regularly before the Utilities Board for approval of any changes in their rates, etc. I know that in the past this hasn't been a requirement, and while you may suggest to us, particularly as a member of the past government that didn't insist that that should become a requirement, I think it has to be kept in mind, and the present minister responsible for these two great utilities will agree that we have been singularly blessed in not having any great number of rate changes in either of these utilities, and I refer particularly to the Manitoba Hydro. I think the last increase that was allowed and is presently before us for consideration, or has been voluntarily brought before the Public Utilities Committee, was the first one in some eight or nine years if I recall correctly, so that I think the argument can be put forward that hitherto the necessity for making it mandatory or compulsory for Manitoba Hydro to subject its rate changes to the Utilities Board was perhaps a hollow thing, simply because Hydro didn't increase the rates that often.

Without getting into the debate of an issue that has concerned me in the last session and will no doubt take up considerable time in this House, namely the future development of Hydro Electric power in this province, I want to give you just my reasons for supporting this resolution. I suggest to the members of the House that, particularly on the course that this government is embarked on, which would seem to indicate to us that they are prepared to throw away the natural resources that we have in the way of producing power, namely from water, and rely perhaps on purchasing Alberta coal if it's thermal power that they are going to be looking at or perhaps even more exotic power which is nuclear power, in the future, that we can expect regularly, and to a far greater extent, increases in the Hydro rates.

One of the great advantages of depending on water power, or hydro generated through water, is that other than the initial capital input, which can also be determined and fixed, we have a pretty static and known factor of cost. Admittedly the initial capital outlay for hydro electric plants of this nature are expensive, but they are there and they are fixed and from there on in the continuing years they are diminishing, and so it's quite possible for an agency such as Manitoba Hydro, if they are dependent to a large extent on the use of water in these highly automated plants, to project their rate structure, their total, their internal revenue earnings basis with a tremendous degree of accuracy. This has been the case certainly in the past.

I suggest that the course the present government is following, or would appear to be following, that would place reliance on the production of hydro in this province not on those things that we naturally have in great abundance for all time in the future, but rather on the hopes of perhaps competing with Japanese interests for the coal fields in Alberta. If it's thermal power that we are going to be going after we are going to be open to the vagaries of rate changes in freight in transporting that fossil fuel to this province to make power, or on the other hand we may be tinkering with nuclear power in some distant future, although I really don't think that any of the members opposite having had occasion to sit and discuss this more fully with members of Hydro and among themselves realize that this is an immediate possibility in Manitoba. But even if that were the case, the only point that I am making is that the factors, the cost factors that contribute to that kind of a Hydro generation system are not anywhere near as static or as known or as predictable as building a silent whispering giant in the north country somewhere, which capital costs we know at the outset and whose day-to-day operational costs can be very very finely set out and set out subsequently in rate structures for Hydro.

And so without, as I said in the outset, without getting into that debate, my purpose for supporting the member for La Verendrye's resolution is that I have concern that the relatively stable rates that Manitobans have had to pay for, particularly their Hydro and their electric system, can be very seriously jeopardized in the future. I predict that the hydro rates will

(MR. ENNS cont'd.) rise, and if that's the case this utility should be subject to rigid review and control of the reasons for their rise of any rates, and it seems to me that the place to do it is before the Public Utilities Committee or the Public Utilities Board for approval prior to any rate changes taking place.

So with those few words, Mr. Speaker, I indicate my group's approval and support for this resolution.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I would like to make a few remarks on this resolution before us. I think it is one that has received debate by past legislatures and by this House on previous occasions, and I think it is worthy to be debated. I think on past occasions the now government members voted for such a proposition and maybe this will be coming in in the form of legislation sometime. No doubt we will hear from the government on this matter.

But I think one reason for the increased cost in Hydro is the fact of interest rates. We know the meetings that we had, the hearings, it was brought out that the original estimates were based on 5.5 percent interest on borrowing on capital. Since then interest costs have gone up where now I think we are paying in the neighborhood of 8 percent on this capital and this no doubt will have the consequences that rates will have to be increased no doubt, and as a result we will be forced to pay more for Hydro in the future.

At the last session I questioned the then finance minister whether there was any indication whether they would approach the Bank of Canada or the federal authorities in seeing whether the Bank of Canada would not acquire these bonds issued by the province or by the Hydro, and in this way certainly immense savings could be made to the people of Canada in that the interest on those bonds would then go to the Consolidated Fund of the Federal Government, and I am sure that under the proposition now with Manitoba expanding the way we do, that we are talking of billions of dollars. It's not peanuts. We are talking of billions of dollars and I feel this matter should definitely be looked into and then do something about it.

We hear from Mr. Thatcher that he is going to do some trading with other countries in getting some of his requirements for that province and probably give wheat in trade. Nothing like this has happened in our province in building what we are now constructing up north, but certainly in the matter of interest rates something should be done and the matter should be further investigated.

Then too I am rather interested - here we are requiring the concurrence or the approval, or asking the approval of the Utility Board in approving this measure when increases are to take place. Is that same concurrence required of the Lieutenant-Governor-in-Council of this province? Do they have to give concurrence? I think it would be well for the members of this House to know whether this is the case or whether Hydro can act on its own with the approval, if this should go through, with the approval of the Utility Board.

These are a few remarks that I would like to make at this particular time. I am not opposing the resolution. I will vote for it but I feel that there are other matters that are probably much more important than just getting the approval from the Utility Board.

MR. SPEAKER: The Honourable Minister of Finance.

HON. SAUL CHERNIACK Q. C. (Minister of Finance) (St. John's): Mr. Speaker, I am interested to hear the Honourable Member for Rhineland say that there are other factors which he feels are important. I think certainly we would like to look into those factors and have a greater opportunity to discuss them with him and other members of the Legislature. I want to remind members of this House of the statement made by the First Minister as to the way we look at this session of the Legislature. We are most anxious to do that work which the previous government let fall without proper consideration, without proper attention. We want to make sure that the people of Manitoba can get that necessary part of our work out of the way so that we can proceed to do that for which we were elected, and our intention continues along those lines unless of course members of the opposition are prepared to obstruct in carrying out what we consider to be our function.

I would point out in this particular regard that the matter of the increase of the current rates of Hydro is still before the Public Utility Board. I am informed that the Utility Board has been requested to consider whether or not it believes that this type of legislation ought to be brought in and whether or not the Board ought to be consulted before rates increase. I am of course intrigued to note that the entire opposition is in support of this resolution and I have some doubts as to really what goes on in the minds of those members of the opposition that

(MR. CHERNIACK cont'd.) voted against this same proposal a bare year and a few months ago.

I listened as intently as I could to the address of the Honourable the Member for Rock Lake -- (Interjection) -- Lakeside. Was it Rock Lake? Lakeside - I apologize to him for that oversight - and I really didn't quite understand him although indeed I tried, and I assure him I tried, but he seemed to say that because in the future rates will be more variable and less predictable, therefore rates should be reviewed by the Utility Board. I am wondering just what it was that was said by the Minister who spoke on this issue the last time the honourable member voted against the wording of this resolution, what there was said that was so persuasive to the Honourable Member for Lakeside as to convince him that he was opposed to the very principle which he and his Party now espouses. One wonders how much attention he paid to what was said at that time and how well he remembers the argument which persuaded him, as I say, to vote as he did. Of course it must be recognized that he was not alone in opposing this very resolution. It must be recognized that there were a large number of members now on that side who were opposed to this principle, and can it be that now that they have lost the reins of government, now that they have fought strenuously to stay in government and failed, that they now feel that things have changed whereby they must, in every way, see to it that those resolutions which were presented to the House when we were in opposition should now be carried out.

I am looking forward to an opportunity to review what was said by the Honourable Mr. McLean - and frankly I'm not sure in what capacity at that time but I assume it was in the capacity as Minister of Public Utilities - just what was said by him that was so persuasive and so able to bring about the honourable member's support, and if he would not interrupt me I assure him, Mr. Speaker, I will make sure that he has another opportunity to speak on this resolution so that we can then hear from him and possibly he will be able to be more convincing than was the Minister whose policy apparently he accepted some year and a few months ago and that of the other members of the Conservative Party who voted as a block in opposition to this very proposition.

The members, if I may remind them because I am sure they are interested -- does the Honourable Member for River Heights wish to interrupt?

MR. SPIVAK: Mr. Speaker, I have no intention of interrupting but I certainly would like to ask the honourable member a question either now or later.

MR. CHERNIACK: Well I noticed how he was on such tenterhooks that I'd rather he asked it than be buoyant up and down. It makes me nervous too.

MR. SPIVAK: Mr. Speaker, I'm a little bit astounded by the statements of the honourable member, because I gather from what he is suggesting that . . .

MR. CHERNIACK: What is the question?

MR. SPIVAK: The question would be if someone was against something or voted against something that they can't change their mind?

MR. CHERNIACK: I am most intrigued, I am proceeding, Mr. Speaker, to point out to the Honourable Member for River Heights that what he has suggested was not a question but a statement. The statement was one that we should recognize that they have an opportunity, as does every person, to change his mind. And I am now assuming only from what he said, and certainly he will have an opportunity to debate this question as well as others, that I am assuming now from his "question" that he has changed his mind and that when the Honourable Member for Lakeside spoke as he did, indicating that his Party supports this resolution, that it has changed its collective mind. Of course one recognizes that there are -- does the Honourable Member from Lakeside wish to say something?

MR. ENNS: Unfortunately, as the member indicated, you did try to pay attention to what I was saying. The reason you haven't obviously -- well I should allow you to read Hansard tomorrow.

MR. CHERNIACK: Yes, you should. What is your question?

MR. ENNS: Well, the difference is where we're getting our power from. That's the difference. It has nothing to do with what the Minister . . .

MR. CHERNIACK: Well, that's not a question, is it? I promised the Honourable Member for Lakeside -- (Interjection) -- Now if the Honourable Member for Lakeside would please sit in his seat and be patient, I already promised him an opportunity to debate further on this resolution, and therefore I think he should just sit there quietly unless he has a question to ask

(MR. CHERNIACK cont'd.) of me, in which case I would certainly give him the courtesy of permitting the question to be asked of me because I would be anxious to be able to answer it.

MR. ENNS : Mr. Speaker, in that event I do have a question.

MR. CHERNIACK: Did you say you had a question?

MR. ENNS: Can the Minister tell me whether in his judgment the predictability of power rates generated from known water resources or that from various fossil fuels bought at different going market prices is more reliable; one or the other? Which of the sources of power does the Minister believe it would be more accurate or easier to project a predictable cost that would reflect in the rates chargeable to the consumers?

MR. CHERNIACK: Well now, Mr. Speaker, in my attempt to reply to the question I must repeat that I didn't understand it because it was rather confusingly put, but I would guess that the honourable member is trying to state that if there is another form of power generated in the province than hydro power there might be less predictability of the rate as it may be 10 years from now. Is that the question that you wanted to ask? Well, the answer would be that it's probably difficult to assess in the light of the history of Manitoba Hydro in this province, because indeed there is not only hydro power being produced in this province but also I believe thermal power being introduced, and the problem that is posed by the honourable member, now that I understand the problem, is one which must have plagued him very considerably, very considerably, knowing what he did, to have voted against this very resolution only a year and some months ago.

Surely he must have been concerned about the fact that thermal power, which is being produced in this province and which does service certain areas of this province, is unpredictable because it is subject to freight rates and it is subject to cost factors in coal, I think he said, and he must have been very very badly torn in attempting to arrive at the decision which of course he did, after consideration, on May 25, 1968 when in company with other members - and I think I should read their names to remind them how they stood, and those who no longer sit within this Chamber, whose memory is with us at all times, I may mention also who they were so that it is known who it was that voted against this resolution. If I may therefore, Mr. Speaker, just list the names in alphabetical order because that might be most convenient for them: Messrs. Baizley, Beard, Jorgenson, Campbell, Carroll, Cowan, Craik, Einarson, Enns - I believe that's the same gentleman that is the Member for Lakeside, Evans, Hamilton, Hillhouse, Jeannotte, Johnson, Klym, Lissaman, Lyon, McGregor, McKellar, McKenzie, McLean, Masniuk, Morrison, Spivak, Stanes, Steen, Watt, Weir and Witney. And, Mr. Speaker, they succeeded; the motion was negative. They were on the winning side.

The motion - I've been asked to read the motion that was put on May 25, 1968: "Resolved that in the opinion of this House the government should introduce legislation at this session to make as a prerequisite to any change in general Hydro rates, that Manitoba Hydro be required to obtain the approval of the Public Utilities Board." That motion, in case I'm asked, was moved by the former Leader of the New Democratic Party, the Minister of Labour, and its wording I must commend to members of the House because I find it a little somewhat more admirable than the wording that is before us now. Nevertheless, that was the motion that was put and which was debated, not at great length, because I note that the Honourable the Minister of Labour at present moved the resolution, the Honourable Mr. McLean spoke on it, the Honourable Minister of Labour, who was then the Leader of the New Democratic Party, closed debate and the vote was held all at the same time.

So, Mr. Speaker, having drawn the attention of the honourable members to the record as it was of so recent a time ago, may I also remind the House of the record mentioned by the Honourable Member for Lakeside that the rates have not been changed for many and many a year, and I believe it was made clear by the then Minister reporting for Hydro that it was not considered that the rates would have to be changed, I believe he said for about three years, before any consideration would have to be given to that. It seems to me that it should be of interest to the Legislature, and it certainly is to the government, to know what is the practice elsewhere. This resolution before us says that because the Telephone System and other utilities are required to apply, therefore Hydro should. That was the argument presented by the mover of the resolution last year. The question that I would like to think about is, since Hydro doesn't have to go before the Utilities Board, should the Telephones System have to go? And let me tell honourable members that when the Telephone System was taken over by this province, I believe in 1907, it was taken over from a private utility which had been required

(MR. CHERNIACK cont'd.) to appear before the Utility Board because it was a private utility and that principle just continued on without change. Manitoba Hydro was formed by the government of the Province of Manitoba at that time, and since it was a Crown agency, apparently it was felt then that it was not necessary. So I would like to investigate - and I'm sure other members would like to know - what is the practice of public utilities in this respect in other provinces of Canada; what is the practice in relation to Telephones, to Hydro and other matters. I think that's a matter that should be looked at.

I think also one of the questions that should be looked at is whether public utilities should be used as a source of revenue for the operations of government or not, because if they should be used for a source of revenue then probably they should not be submitted to another body for review because then that would be governmental responsibility and -- Did the honourable member wish to say something? If it's a question I would accept it.

MR. CRAIK: Has he referred this question to Mr. Cass-Beggs who was here on another purpose at the present time?

MR. CHERNIACK: The honourable member should know that he was told today that he would get the terms of reference tomorrow of the Cass-Beggs inquiry, but it has nothing whatever to do with the question of the Public Utilities Board.

Well, Mr. Speaker, I just want to indicate in answer to the Honourable Member from Rhineland, it is my impression that the Lieutenant-Governor-in-Council is not involved in approving of the rates, but if I learn that I am wrong I will try to inform him. I'm sure that the people who share the front row with him would know because they were involved in it not too long ago.

So, Mr. Speaker, in view of the fact that we certainly want to review this matter in order to come to the next session, which we trust will be a session that will reflect more fully the program of the new government, I beg to move, seconded by the Honourable Minister of Labour, that the resolution be amended by striking out all the words after the word "so" in the fourth line and substituting therefor the following words: "Therefore Be It Resolved that the Government of Manitoba consider the advisability of the preparation of legislation providing that Manitoba Hydro be required to obtain approval of the Public Utilities Board before altering electric power rates in the province."

MR. SPEAKER presented the motion.

MR. SPEAKER: Are you ready for the question? The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, I enter in this debate based on the resolution because I think we have an example here of something that has been typically demonstrated by the members on the other side in the handling of their affairs so far. There is an issue involved here and I think it's a very important one for Manitoba and I think it's a very important one in view of the "waffling" that's taking place on the South Indian Lake issue and the probability that Hydro rates are going to skyrocket in this province as a result of the direct action of the members on the opposite side. -- (Interjection) -- Well, the waffling's on the other side, Mr. Speaker, but I say this: One of the things that concerns me is the change that has occurred on the other side by those who were able on this side to make pronouncements of what they would do if they were able to take power and how they would act, and we have a situation where we have a continual masking - and that's the only word that can be used - masking of intentions and of desires. We have it on the automobile insurance; we have it on the minimum wage and we have it in the form of the amendment to this resolution. And I say, Mr. Speaker, that it's quite amazing and astounding that a New Democratic Party who had stood so solidly for certain principles and who have declared in this House and outside this House of the things that they stood for and the things that they were prepared to do, are on this occasion, as on other occasions, demonstrating how hypocritical they are and how devoid they are of any either moral principle or any forthright principle other than trying to stay in power as long as they can and satisfy the minimum wants and needs of those whom they are going to be able to try and support.

Mr. Speaker, I listened to the debates in the House on this item, and I haven't the Hansard in front of me but I'm sure that if I examined it I would be able to quote page after page and paragraph after paragraph which would indicate the need for such a resolution, for such an amendment to the present legislation, on the basis that the public are entitled to have this reviewed. And it seems to me that we have here, as I've indicated already, a very concrete example of what I would say is hypocrisy being practised by the New Democratic Party,

(MR. SPIVAK cont'd.) continues to be practised, masking by suggesting that something else may have to be done, give us time, when my God, all you have to do is do it.

Now, Mr. Speaker, I recall the first speech of the Honourable Minister of Health and Social Services in this House, and although I cannot quote it verbatim I remember the intent of it, and I think you'll recall it as well. What he said in that speech, and it was a moving speech, and he was one who fundamentally declared his belief in his principles, was that there was always something on the other side that prevented us from doing what had to be done. We always reached a point where we knew what the right action was but we wouldn't do it. Yes, that's true, and you're in the same position, exactly the same position, because you know what you want to do but you just won't do it because you're government. And the thing that really irritates me on this and the thing that really concerns me and which is very important, is that we on this side never professed to be as moral or as honest as you've suggested you are in your arguments, and yet in the first case when you come into power, what do you do? You say you're going to have an automobile insurance. You waffle - now we're going to have a Consultative Committee. You say you're going to raise minimum wage by legislation. Now we're going to refer it to a Board and maybe we will or will not get legislation. You now talk in terms of something of this specific item, something you've declared yourself on, and now we're going to waffle it a little while and see exactly what can happen. I suggest, Mr. Speaker, that in this you typify and show the hypocrisy that in fact characterizes this Party in its course of action so far.

MR. SCHREYER: Mr. Speaker, it wasn't my intention to participate in this debate but the rather childish effusion which we've just heard from the Honourable Member for River Heights deserves some reply for the simple reason that he is chastizing us for moving an amendment which says in effect that we will take some action relative to this resolution at the next session, the regular session of this House. And I say to my honourable friend and his colleagues behind him, and say it for a second time, that we feel under no obligation at all to move now on things that we feel can better be done after consideration for a couple of months. Surely that's not asking too much. Two, three, four months and we shall take action.

Do you realize, Mr. Speaker, Sir, that he is chastizing us for failing to do many things because we've held power for the very lengthy period of four weeks. May I just remind him that his leader and he and his colleagues, that it took them almost as long to make one decision, whether to resign after losing the election. And if it took my honourable friends opposite almost four weeks to decide whether to resign - a very simple kind of decision to make, and only one - whether or not to resign. It took them almost four weeks, and he has the nerve to tell us and suggest to us that we are somehow failing because we have failed to act on a whole host and multitude of problems. It has taken us all this time simply to clean up some of the mess that was left by the previous administration, so how can we proceed on new matters. -- (Interjection) -- They asked me for an example, Mr. Speaker. What mess? I say the South Indian Lake issue. That was a real mess and we have to deal with it. It was a mess because you failed to take action when the time was appropriate to take action with respect to the issuing of licences.

MR. SPIVAK: What are you doing?

MR. SCHREYER: Where was the Minister of Mines and Natural Resources in the previous administration for all of the time between that time when the decision was taken to proceed with power development on the lower reaches of the Nelson? That decision was taken sometime in 1965, and in 1969 you were proceeding with hearings for the issuing of a licence. It took you four years and you expect us to do great things in four weeks. What nonsense!

MR. SPEAKER: Are you ready for the question on the amendment? The Honourable Member for Riel.

MR. CRAIK: I don't at all profess to be an expert on the topic and I did not intend to speak on it, as I understand the First Minister did not intend to speak on it either, but what has happened in the past in this House has no bearing on what has to take place in it now, and it provides no particular useful purpose for the Minister of Finance to stand here and read out of old journals and read off the names as if he's really teaching somebody a lesson and he's really going to find an excuse for inactivity by his government. And the topics that have been mentioned of inactivity - minimum wage, this resolution and others, are not the worst ones. The others are still to come, and I hope to have a chance to have more to say about that later. These are only some of the fringe items on which they have failed to take activity, and members

(MR. CRAIK cont'd) . . . on the government side cannot use the excuse of the short period of time they have been here because their policy has been enunciated, clarified, polished, been defined, and left no doubt in all the previous legislatures that have existed here.

MR. CHERNIACK: Would the honourable member permit a question, Mr. Speaker?

MR. CRAIK: When I'm finished, Sir. There has never been any doubt about their position on most of the matters which now are being evaded. There is no necessity to wait for a long period of time and to give the excuses which they have been giving for inactivity. And the one in particular which has no reference here but which we will come to and I have no right to refer to under this debate I realize, is the one which involves a time deadline in a signed petition, which is the worst example of the waffling of the government of the day.

MR. CHERNIACK: Mr. Speaker, how could the honourable member speak about something which he just finished saying he had no right to speak on. What an affront that is to you, Mr. Speaker.

A MEMBER: He never said that.

MR. CHERNIACK: Read the record.

MR. CRAIK: Mr. Speaker, I have great respect for your jurisdiction over this House and you can make that warning to me without help of the Minister of Finance I'm sure.

The question here in this resolution does not have to go into history to find out whether or not we vote for it. The question is before us. We can make up our own minds on the present information, based also on the fact that Manitoba Hydro in this last two or three weeks has been before the Public Utilities Committee for clarification of its intentions with regard to rates, which is also different from the last time which this topic was discussed. So on that basis I say let us make our decision on the basis of what's before us now and not on past history.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, if I may just say a word or two, I'm somewhat privileged. There are not too many in this House that had the privilege of sitting opposite to those that are opposite and in their somewhat rightful place at the present time, although I would suggest that they continue their approach to the problems of Manitoba as they have been doing. They'll move around to the centre rather rapidly and then out the centre door where they deservedly should go because I've not heard such tripe in the years that I've been in this House, and we've heard from the Honourable Member for River Heights now aided and abetted by the Member for Riel. I'm sure the people in Riel particularly would only wish that they had their former member so they at least would have somebody who has been talking some sense in this House rather than the tirade that we've just got. For the purpose of the record it happened to be the man who is on his feet at the present time. What tripe! Criticisms because we're going to take action. --(Interjection) -- Get with it? We're going to get with it, but we have to sift out the coals from the ashes of the miserable mess that was left by the administration that now purports to be the champions of the people of Manitoba.

My honourable friends - both of them - my honourable friends have just made reference to other pieces of legislation. Criticism because of no action they say on the minimum Wage Board. They when they were in office referred to the Woods Committee resolution after resolution hoping that the matters would never be considered, that they go out the window, or like Topsy just fade away. Well this administration has no intention of allowing things to fade away. My honourable chirping friend says "well do it." Well I want to say to him and his exuberant jumper-upper-downer that we're going to do it.

MR. SPIVAK: When?

MR. PAULLEY: And I suggest to my honourable friend, the Member for River Heights, that if he keeps bobbing up and down the way he has been doing this last couple of days he won't have to go to Tanny's to undertake any weight reduction exercise, he's doing it right here. Maybe it will save him a buck or two. But what nonsense we're receiving from him. "Do it now." We're going to do it. We've said that we're going to do it, but as my Leader pointed out a moment or two ago, here these experts, here are these people who are so concerned with the destiny of Manitoba they expect within two or three months what in ten years they neglected to do. What nonsense! What hypocrisy, to use the phrase of my honourable friend from River Heights. And if anybody knows or should understand what that word means, my friend from River Heights should know the true meaning of it because he practised it ever since he came into this House following Maitland Steinkopf who had that constituency prior to that, and I will give him a little credit, he did make some contributions worthwhile to the debates in this House.

(MR. PAULLEY cont'd)

And I say to my exuberant young friend from River Heights - yes, the drummer boy - he's on his way of being drummed out of the political arena, and I'm going to suggest to my honourable friend that if he keeps up the poppycock that he's giving us at the present time he'll be drummed out a lot quicker than even he anticipates. Some jurisdictions have the opportunity of recalling members in order to get rid of them. We haven't here in Manitoba as yet, but maybe if my honourable friend continues his nonsense other members of this House may be approaching the first Minister or myself or other members of the Executive Branch to possibly bringing in legislation in order to achieve just that, so that we won't have to put up with this tripe, this nonsense.

MR. SPIVAK: What a democrat.

MR. PAULLEY: This ridicule.

MR. SPIVAK: What a democratic person you are.

MR. PAULLEY: Yes.

MR. SPIVAK: To even suggest . . . what a democratic person you are.

MR. PAULLEY: Yes. What democratic process this would be and it might enhance democracy if we had . . .

MR. SPIVAK: Do you realize what you just said?

MR. PAULLEY: . . . democracy if we had members of this House who are responsible rather than the chirping type of individual that we've got opposite today.

MR. SPIVAK: Do you realize what you said?

MR. PAULLEY: And I say to you my honourable friend, for goodness sakes start being a little responsible. There was a time I confess, Mr. Speaker, that I did think that the Honourable Member for River Heights accepted responsibility, but when he comes out with such nonsense, such poppycock as he has come out with this afternoon, aided and abetted by the Member for Riel who still politically is wet behind the ears. And I suggest that by the amendment that is being proposed at this time that, unlike the rejection of the previous government of a review of Hydro rates, we are going to take action. We are going to take action in other fields as well, but I would suggest that in all fairness, if indeed the Conservative Party of Manitoba can be fair and I doubt that, that in all fairness they at least ought to give us the opportunity of finding the pencil sharpeners so that we can use new pencils that weren't left in the drawers when we took office just about a month ago.

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

MR. PAULLEY: I'd be delighted.

MR. SPIVAK: Would the honourable member inform the House whether legislation on minimum wage legislation will be introduced this Session?

MR. PAULLEY: I will not inform the House of any policy of this government, and that shows the political lack of knowledge of my honourable friend and possibly the reason for answering the question is because of the lack of knowledge of the conduct of government that was exhibited by members opposite when they were the government of Manitoba.

MR. EARL McKELLAR (Souris-Killarney): Mr. Speaker, I beg to move, seconded by the Honourable Member for Wolseley, that the debate be adjourned.

MR. MOLGAT: Mr. Speaker, if the honourable member is moving the adjournment, I wonder if I might speak at this time.

MR. SPEAKER: The Honourable Member for Ste. Rose.

MR. MOLGAT: Mr. Speaker, there's a song entitled "What a difference a day makes", and in this House you might say that the proper title might be "What a difference a seat makes", because as I listened to my honourable friends on this side, and on that side now, it seems that we're going through a debate that we went through some time ago when seats were on opposite sides.

Mr. Speaker, I'm not really interested in the debate as to who voted how the last time that this was presented, and I give credit to the gentleman who just spoke, having been the man who introduced the idea in the first place. I couldn't even guarantee at this moment how I voted on it the last time. I suspect that I supported it because I favoured the idea all the way through. -- (Interjection) -- I supported the good legislation and the suggestions that were made on either side and I intend to continue to do so, Mr. Speaker. And I might say - and I possibly speak from a vantage point here having tried that side of the House originally when I entered, that side subsequently and now the centre - maybe I'm in a better position to do this.

(MR. MOLGAT cont'd)

But it seems to me, Mr. Speaker, that I note in my honourable friends on the government side a somewhat alarming trend in their actions at this time, and I would caution them not to follow this course of action because they will recall what used to happen with my honourable friends on my present right when we proposed resolutions in the House. It was almost unanimously agreed that they would have to amend them, but if it came from this side of the House it simply couldn't be accepted as a good idea and had to be amended. And you know when you look at the sub-amendment proposed now by the government, Mr. Speaker, it's just really childish play because the sub-amendment says nothing different than the resolution in the first place. The resolution says let's amend the Act to do something, and this one merely says let's consider the advisability of preparing legislation to do the same thing. It's just that -- maybe that's a fault of politicians, that we are somewhat reluctant at times to accept the other fellow's idea and proceed. And I would urge the government not to take that course of action, to continue to be open in their attitudes and if an idea comes from this side to accept it.

And I think there's another note in some of the speeches on the government side that I would want to clear up at this time, Mr. Speaker, and it's almost a touch of arrogance. If you listened carefully to what the Minister of Finance was saying particularly, I think that in there was a dangerous approach to what we are doing in this House. He was following up on something that the First Minister said last week, which I noted carefully at that time and almost spoke on immediately after his speech. I've re-read the Hansard carefully and the inference only is there, but it was put out much more clearly today by the Minister of Finance, and that was that this was to be merely a summer Session - so-called short Session - and that members on this side should not be introducing resolutions; that we ought to be listening to what the government said; dealing with what the government wanted. If they want to bring in things that was fine, but that members on this side should not, that this was to be a short Session - a summer Session.

Mr. Speaker, I want to caution the government not to take that course of action. This House is not the private preserve of government; it belongs to all the members and all have in a sense an equal responsibility. And to try and suggest - for the government to say because the resolution comes from this side it must be amended, they're not prepared to take action now, I say to them don't start off that way. If it's a good suggestion - we're not asking you to do everything overnight, we recognize the problems - and the resolution presented by my colleague the Member from La Verendrye constituency did not ask that this be done at this Session; he merely asked that the principle be adopted. I urged the government not to start on the basis of who did what and when. Let's deal with the problems that are before us.

HON. SAUL A. MILLER (Minister of Youth and Education)(Seven Oaks): Mr. Speaker, I did not intend to enter into this debate as all others before me did not intend to but somehow ended up in the debate. I've listened to a lot of debates in this House in the three years that I've been here and it has been my privilege today to listen to one of the most stupid debates I've ever heard, and that is particularly the remarks of the Member from River Heights who I think is doing what he's doing quite consciously and quite purposely and I give him credit for being a pretty astute politician. He is trying to force by badgering, by attacking us, he's trying to force this government to take action by reacting to the bait and to the needling which he is trying to needle us with. I suggest that what he really is hoping is that we will become angry enough to respond by making a statement, or worse still passing legislation, or agreeing to pass some legislation, and once that's done and it's on the record thereafter he can clobber us.

I'm going to suggest to him and I'm going to tell the members opposite that they're not going to succeed in this attempt. This government is not going to be pushed inadvertently by accident into taking action which they can then use to hold up over our heads. We are going to move when we're ready to move and it won't be as long, nearly as long as the length of time Manitobans had to wait for that government to make up its mind. We will move; we'll move when we're ready. When we've calculated all the problems, when we know exactly what it means to the people of Manitoba, when we know what the costs are, what the ramifications are, what the feasibilities are, what the cost benefits are, then we will move and it will not take nearly as long as the years in many cases taken by the previous government to do nothing.

Sure the other government has in the past done things, I'm not one of those who belittles everything that the former government did. When they came into office they were a young vigorous government, they took action and those actions accrue to the benefit of Manitoba, and I give them credit for it. But they ran out of steam. And now for these members here, to sit

(MR. MILLER cont'd) . . . here and say that what's happening is a typical demonstration of how we are waffling. Waffling what? We came into this session because we had to clean up the fact that Manitoba hasn't got a budget; and we don't have a budget. Left on the Order Paper were 62 or 63 resolutions, capital supply bills which are holding up payments for the construction of schools all over Manitoba - just left to lie there. They're talking about waffling, they're talking about indecisiveness, they're talking about hypocrisy. They went to an election because according to their polls and their advisors they thought they could win. They were wrong. It's as simple as that. And now they're wrong, we have to try and come back here and clean it up, bring it up to date. But the legislation that we are going to introduce reflecting our policies and our program we will introduce at a winter session, when it's as I say, when it's thought out, when we know exactly where we're going, when the implications can be brought forward in their entirety so that all of Manitoba can understand. And we are not going to be stampeded into taking precipitated action simply because the Member from River Heights and the Member from Riel with him, would love to see us trip up on it. I can assure them that they can wait for a long time if that's going to happen, because we are not going to react to their bait. We're going to move at the pace which I'm sure Manitoba understands and approves of. We were put into office because they could not accept the former government. We will stay in office so long as we keep the confidence of the people of Manitoba. And I have news for both members - it's going to be for a long time because they have confidence in us and they're going to have reason to continue with that confidence.

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

MR. SPEAKER: The proposed resolution of the Honourable House Leader of the Liberal Party.

MR. G. JOHNSTON: Mr. Speaker, by leave could I have this matter stand?

MR. SPEAKER: The proposed resolution of the Honourable House Leader of the Liberal Party.

MR. G. JOHNSTON: Mr. Speaker, in the next resolution reference is contained to the subject matter of the Throne Speech and by leave, we are willing to withdraw the resolution.

MR. SPEAKER: The proposed resolution of the Honourable Member for Ste. Rose. The Honourable Member for Ste. Rose.

MR. MOLGAT: Mr. Speaker, I beg to move, seconded by the Honourable the Member for La Verendrye that

WHEREAS the Government of Canada rebates to Manitoba and other provinces 75% of the Estate Taxes collected in those provinces, and

WHEREAS the two other Prairie provinces of Alberta and Saskatchewan have abolished the provincial portion of Estate Taxes, and

WHEREAS the TED Report recommends similar action in Manitoba to retain our investment capital, attract new investment capital to the Province and provide more job opportunities for our people, and

WHEREAS such a move would give the entire Prairie region a competitive advantage over Eastern Canada and would be a positive and meaningful step to help break up the concentration of wealth in the East,

THEREFORE BE IT RESOLVED that the Government of Manitoba consider the advisability of introducing legislation to abolish the provincial portion of estate taxes levied in Manitoba by the Government of Canada.

MR. SPEAKER presented the motion.

MR. MOLGAT: Mr. Speaker, in introducing this resolution I want to make it very clear that I am not speaking about the type of bill that had been proposed at the last session of the legislature by the then government. That particular bill in my mind would not have achieved what has been done in the province of Alberta, what is being done more recently in the province of Saskatchewan and what I believe needs to be done in the province of Manitoba.

My purpose in bringing this resolution forward is that I believe that this is a tool for development in Manitoba. That by taking this course of action, we can provide more jobs for our people in Manitoba, more employment, more wealth and more development. When one looks at what has happened in the province of Alberta certainly there the action by that government of some years ago has from all the information that we have so far been able to obtain, resulted in some substantial shifts of head offices of corporations. When you look at the importance of head office operations to a province, I think it is something we have to pay careful attention to. By and large the head offices of corporations have the higher paid executives, they provide substantial buildings, they generate a good deal of activity in themselves, even if a good part of their other commercial industrial activity may not be in that province. We need only look just across the street from us here in these buildings to the Great West Life head office, and let us assume that that head office were to move to some other province. The Great West Life could still continue to write probably as much insurance business in Manitoba as they do now, but Manitoba would find itself with a very substantial decrease in employment, because that head office in itself provides the employment equivalent to a fair sized industrial plant, and in many cases as I have pointed out, at substantially higher salaries.

So we have to look at what has happened in Alberta and in Saskatchewan and I don't think that we can operate in a vacuum. Now I think probably a case could be made to say that none of the provinces should give this tax back. This is the case that can validly be made. But, whether we like it or not the facts are that Alberta and Saskatchewan are doing it and that we are operating in the same general economic area as they are. Either we will compete with those two provinces or they will continue to move ahead of us. This is the position that we have to look at this time, at this particular legislation.

Now I know full well that the case can be made and I expect that it is going to be made by my friends to the left, that this is a giveaway to big corporations and taking it out of the small taxpayers' pocket. Mr. Speaker, that is not the approach that we should take towards this legislation, because the facts are that if we don't provide employment for people in Manitoba they are not going to stay here. Unfortunately that has been too much of the record of Manitoba, that our people are leaving this province to go and seek employment elsewhere. They are not going to have employment here, Mr. Speaker, if there are not entrepreneurs proceeding to develop industry; unless, my honourable friends to my left are going to go into the wholesale nationalization and government is going to provide all the employment. If that's their course of action then they may be able to have it a different way. I don't agree with that course of action, not for one moment.

HON. SIDNEY GREEN (Minister of Health and Social Services)(Inkster): Do you think it will work?

MR. MOLGAT: No I don't think it will work for one moment. I'm sure it won't, and so I hang my hopes for the future of Manitoba on free enterprise. And I think, while I'm not suggesting that we have giveaways to free enterprise, I think that we have to be realistic and do at least as much here as is being done elsewhere if we are going to compete.

Now the TED report is very specific in the matter of the estate tax. If you refer to page 360, the commission, the advisory committee on taxation and Manitoba Management all were in agreement that this was a proper course of action and that the estate tax is an important factor in the business community and can be a deterrent in the long range business decisions affecting development and expansion of industry in Manitoba. They go on to say that because of the Alberta situation, and because of the decision of Saskatchewan, then Manitoba should move in this direction. They make one particular point Mr. Speaker which I think is important to Manitoba. That is that the principle impact of estate taxation on economic development for the province comes from its effect on family owned business and local pools of investment capital. It's TED's contention that the estate tax changes will affect mainly capital resident in Manitoba and the smaller type of industrial concerns, the family type of operations, not the great big corporations, the Steelcos and the Incos who go wherever other dictates bring them,

(MR. MOLGAT cont'd.) not particularly the estate tax; but that the effect of the estate tax will be largely on the small, medium and family sized operations.

I might point out as well that in the case of farming operations, the estate tax has now become a major factor. Governments, unless my honourable friends are going to reverse this course, governments have been talking over the years about the need of specialization in agriculture, the need for larger farms if you are going to be economic and meet not only other Canadian competition but world competition which is what our farming community must do. This means larger pools of capital. It means very substantial capital investments today. And if we are unable to move this capital investment through a family operation I think that we are in danger of doing grave harm to our whole agricultural community and we could end up by having corporate farming as the major means of farming in the province of Manitoba, for the very reason that you will not leave within the family groups the capital required to carry on that family enterprise, and I don't think that this is a good course for agriculture in Manitoba. I would rather see it continue where possible within the family groups and the estate tax in this area becomes a major factor.

When you look, Mr. Speaker, at the past record of Manitoba from an employment standpoint, we find that we have suffered from a constant movement of people outside to other areas. Our loss by migration has been one of the reasons that our unemployment figures have been favourable. It isn't really that our employment has been going up at a rate that I'm sure all the members here would like to see; it's because too frequently our people have gone elsewhere to seek work and so our employment figures have not been bad, but our growth figures have not been satisfactory. And you need only look at again the TED report, and I'm referring now to pages 9 as far as 14, where a number of indices are given - population, personal income per capita, labour force, employment, net output per employee and gross output. Mr. Speaker I won't give the details on each one, the members have copies of TED, and I would like them in their spare time to refer to these tables, because in every case Mr. Speaker, every single case, if we simply continue the present projection in Manitoba, if we carry on at our present rate of growth, in every case we fall substantially below the target set by TED. In every case the target by 1980 - and I hasten to point out that 1980 is not that far down the line, it's only some 10 1/2 years down the line now - in every case, the target is substantially higher than the projection unless we make some changes in Manitoba in our development. Every single area. Unless we do something drastic to change things we are going to fall below our targets; and our targets are not that far out of line, Mr. Speaker. It's my view as to what we need to accomplish in this province, because when you look at the final result, the hopes of the TED report, I think, must be our minimum expectations.

So, Mr. Speaker, I urge the members of the House to look upon this resolution as a tool of development, as one that is presently being used in two other provinces who operate, I repeat, in the same economic area as we do and who in a number of instances have some economic advantages over ourselves; not to look upon this as my friends to the left may be tempted to do, as a giveaway to corporations. It's not. If we induce corporations to stay here, Mr. Speaker, we will get it back many times over by the income tax that they will provide; we will get it back many times over by the employment and the taxes that the employed people in this province will provide. Unless we do take some steps like this to convince industry to remain here in Manitoba, to come to Manitoba, we will not be meeting the targets of our province; we will not be giving the employment to our people; we will not be doing the job that we need to do if we want to see Manitoba prosper.

MR. SPEAKER: Are you ready for the question. The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, I move, seconded by the Honourable Member for Roblin that debate be adjourned.

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

MR. SPEAKER: The proposed resolution of the Honourable Member for La Verendrye. The Honourable Member for La Verendrye.

MR. LEONARD A. BARKMAN (La Verendrye): Mr. Speaker, I beg to move, seconded by the Honourable Member for Ste. Rose

WHEREAS the livelihood of many Manitoba citizens is dependent upon fishing, trapping and hunting, and

WHEREAS the use of snowmobiles and motor boats is essential to these activities, and

(MR. BARKMAN cont'd.)

WHEREAS there should be a distinction between the use of these vehicles for recreation or sport, and their use by citizens for hunting, trapping and fishing for food and for their livelihood,

THEREFORE BE IT RESOLVED that this House urge the government of Manitoba to consider the advisability of permitting citizens using motor boats and snowmobiles for the purposes of maintaining their living by fishing, hunting and trapping to use tax-exempt purple gas.

MR. SPEAKER presented the motion. The Honourable Member for La Verendrye.

MR. BARKMAN: Mr. Speaker, I will be very brief. I think sometimes it pays off dividends to be brief. I was very brief on my Hydro resolution and it seemed to generate a lot more electricity than I thought it would at the time of the resolution. However, this resolution, I'm sure the Minister of Transportation is possibly more familiar with it than I am, because of his bringing it out last year, I believe it was, and I do hope that his feeling and his colleagues feelings will still be the same as it was at that time. It is really self-explanatory as far as the bill itself is concerned and it will not involve too much money as far as the cost to the province or to the taxpayer is concerned.

I was just thinking the other day when we had Bill No. 19, An Act to amend the Gasoline Tax Act, if that one is going to cost \$30,000, which I don't disagree with, I think an Act like this, while it may sound puny and small, I think then it becomes even more important that an Act like this should be taken into consideration. I believe that it can certainly help our native people, our Indians - I'm sure the Honourable Minister of Transport had this in mind - but I think it goes quite a bit further. Leave alone the fact that it will help northern Manitoba, I was surprised to note last winter that we have more trapping and hunting going on perhaps than a lot of us members realize, even in the south, and it's surprising the figures - I have only the latest ending March 31, '67 - it's surprising the number of - I'll give you a summary of the commercial fishing operations, for example. In 1966 to '67 there were 29,930,000 pounds of production of fish sold and in 1965 nearly as many. As far as value is concerned to the fishermen, or the market value ran roughly \$7 1/2 million in 1966-67 and approximately \$500,000 less in 1965 and '66. Also, I was surprised that in the same year as far as trapping is concerned, take for example the muskrat population - there were over 150,000 muskrats offered for sale by the local auction sales. They only averaged approximately \$1.00 a piece, but I think it brings out the more importance of the people that make their livelihood with trapping, hunting or fishing, I think it brings out the fact that they could use this help, and it isn't going to cost the province very much. And as I said before, while it may sound small to us, I think it could perhaps keep quite a few people off of welfare in areas in the north and elsewhere. I do believe that there is a distinction in the resolution that definitely this thing should not be misused as far as sport is concerned, the use for recreation or sport for that matter, but basically where people are using this to form their livelihood. So I do hope that members both on the left and on the right - and this is a nice position, to be in the centre - while I'm just off the subject a little bit - I listened to the Honourable Minister of Labour there before and he said "And those that get to the centre, where do they land?" Well, I thought he meant outside but some of them have landed up in the government there, so there's still hopes. In the meantime, I do wish that this House can support this resolution.

MR. SPEAKER: The Honourable Member for Churchill.

MR. BEARD: Thank you, Mr. Speaker. I didn't hear the Honourable Minister of Labour just awhile ago but I can assure the Member for La Verendrye that I'm closer to the centre of the House than he is and -- (Interjection) -- I wouldn't find a nicer fellow to share it with, Honourable Member for Ste. Rose.

I agree very much, Mr. Speaker, in respect to the resolution which the member has just moved in this House and I applaud the fact that just perhaps since this resolution was introduced by a person coming from the Town of Steinbach, shows us that the people in the remaining parts of the province are considering, and are more knowledgeable of the problems in northern Manitoba than most of us had thought of. I think that there are some things that I would have suggested be changed but I'm not going to move an amendment for the sake of changing them. I would like to point out to the Honourable Ministers, when they are accepting the philosophies behind this type of resolution though that they do take into consideration that the isolated communities, in which I am sure that the honourable member was referring to in many respects, depend entirely upon gasoline to transport them around the community. And this is at no cost,

(MR. BEARD cont'd.) no cost, Mr. Speaker, to the government of Manitoba or to the Government of Ottawa, because they provide their own trails, quite often, if they're going out on their trapline. They require gasoline to communicate between the house and Hudson Bay Company or whatever other store may be in the community, because these people live on islands surrounding the Hudson Bay store and on the reservations particularly. Of course the Hudson Bay store could not build on the reservation itself and because of this they are some distance away from reservations and it requires either going across by snowmobile in the wintertime, walking across or going by canoe. And as I pointed out to you the other day, that when you're paying \$1.25 a gallon for gasoline and when you have to add that additional cost for oil to mix with your gasoline, then you're coming to a cost that is quite high.

Now I realize that we're getting off the subject of purple gasoline in some respects but these are the things that these people require: transportation - they provide it themselves, whether they're elderly folks getting the old age pension or whether they're young people, but in many many of the isolated communities they're travelling 100 percent of their time by some type of motive action, either snowmobile or canoes. It requires them to go to the nursing centres - in many respects they have to go by canoe and the cost is terrific. It is the same as the cost of any other product that is purchased in the community, it is high; and when you add the freight on it, when you add the tax on it, then it's very difficult to deal with. And without going into the program of bringing in commodities at a lower rate, which I'm sure we will be discussing later on on airport facilities, etc., in these areas, I would hope that our friends could contribute something toward northern Manitoba by at least lifting the tax, because I know that it's the old argument of putting all moneys in a consolidated fund and then taking it out for estimates. But if you want to consider this I think you've got to think about it in the way the gasoline tax was introduced in the first place and certainly it was introduced to assist you in providing roads for the Province of Manitoba. This has gone far beyond that. It has gone into transportation systems which are not being used, where the money, the tax is being spent; so I would say that this government could help and it would be only a small contribution as my honourable friend mentioned. If they can do it for a large area, I believe it was Metro Winnipeg, was it, for \$30,000, it's not going to be a great deal in respect to northern communities, but certainly it is going to be a help. It will be a start. They will in all probability be asked to then consider refunding tax to people that are using gasoline in communities where they really do not have roads or road maintenance but they're still burning up a large amount of gasoline.

But I would hope, without going further afield than what the resolution calls for, that this government would accept this resolution, at least in principle, at least in principle, and if when they come back, call us back in at the first of the year, they can come up with a feasible program in which it will help contribute towards the development of the north, I think it will be acclaimed, as the mover has proven, by both people in the south and in the north and it'll certainly help to add a unity and maybe bring this mosaic that the First Minister talked about and I'm sure dreams about, and hopes for, a little closer and perhaps it will do away with this division between northern Manitoba and southern Manitoba, which is always there and which is undefinable, but these are one of the things which could help us get together. Thank you very much, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY MCKENZIE (Roblin): Mr. Speaker, I rise to join the sentiments of the mover of this resolution and also the Member for Churchill. I think the resolution has great merit. I am rather concerned in some of the debates that have went across from one side of the House to the other since this session has started. I find the words "the north" and "the south" are continually being used. I come from the middle part of this province, the parkland area, and I'm wondering are we not to take part in these debates or are we not considered as being part of the province any longer? It concerns me and again it was brought up in this resolution by the Honourable Member from Churchill. I do find that there will be some problems with the Minister of Mines and Natural Resources in the utilization of skidoos because there already has been evidence of skidoos being used for the hunting of elk and moose in some of our parks, to the disadvantage of those that practise and think conservation-wise, but I'm sure that this can be resolved.

There's also another factor that has been drawn to my attention recently and that is that since the skidoos are being almost a tool on every rural home, they're using them for the predator coyote and we find that our coyote population is rapidly disappearing, and with the

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(MR. McKENZIE cont'd.) . . . disappearance of the coyote we find the skunk has become a very common animal around - in fact I believe there were some in the city here the other day that were rabid. I understand in talking to the biologist that the one controls the other. So if there was some reservations in this resolution then possibly we could debate that at a later time so that some control could be put over the skidoos so that they wouldn't involve the hunting for pleasure, and the same with the control of the predators. I think the resolution is an excellent one and I stand to endorse it and support it, Mr. Speaker.

MR. SPEAKER: Are you ready for the question? The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, my inclination was not to speak at all but to just let the motion go to a vote because certainly I'm sympathetic to the wording of it - and I might point out that the wording is in such a form that would be consistent with the policy that we have enunciated, our policy for the session, and as pointed out by the Member for Ste. Rose in a previous debate, it would be the kind that would be just discussing the principle but not carrying our something at this session. The wording of course is to consider the advisability of doing this and I don't quarrel with the words so much as much as I want to point out that the resolution is not fully descriptive of the present situation. I appreciate what was said by the Honourable Member for Churchill, and of course he went far beyond the resolution itself and talked about other uses of gasoline in the north and for that, of course I'm sure we would all want to see more about what the Mauro Report says on this question. No doubt it says a great deal. I am one of the many who has not had an opportunity to study it and therefore I am unable to review what the recommendations are in the Mauro Report dealing with problems of transportation, and no doubt dealing with what is the essence of this resolution.

I might say for the interest of members that in trying to learn some of the work for which I am responsible, I did have occasion to review the Act dealing with purple gas, as a result of which I discovered that certain permissible uses of purple gas seemed to be covered already in spite of the fact that the resolution as presently worded would indicate that they are not and I thought members would like to be apprised of that. That is that "duly licensed trappers and prospectors may purchase tax-free purple gasoline for use in canoes with outboard or inboard motors". I'll give the section so that it can be checked by anyone interested - Section 6(c), sub (1) and sub (2).

Also, "Commercial fishermen may obtain purple gas for their canoes or boats during an open fishing season." That's section 6(d) "During the winter commercial fishing season owners of federal commercial fishing licences can buy tax-exempt gasoline for tractors or bombardiers used for transporting fish over the frozen surfaces of lakes or streams." That is Section 6(d).

However, there is no exemption for hunters or for operators of snowmobiles. Problems of snowmobiles and the control of them is probably an administrative difficulty. I'm not sure that it is but I'm guessing that it may well be, because as described by the Honourable Member for Churchill, these snowmobiles are used widely for commercial and for recreational purposes. They might be a problem. It's my opinion that the entire section of this Act which does deal with small producers such as are referred to in the motion, small producers of natural resources, needs review and probably needs overhaul; and sympathizing as we do with the resolution, I do want to propose an amendment which I think will more clearly indicate what our proposal is. Therefore I move, seconded by the Attorney-General, that the resolution be amended by striking out all the words after the word "activities" in the fourth line, and substituting therefor the following words "therefore be it resolved that the Government of Manitoba investigate fully the implications involved in widening the use of tax-exempt purple gas for persons using snowmobiles and other mobile equipment for production of a primary nature".

MR. SPEAKER presented the motion.

MR. G. JOHNSTON (Portage la Prairie): Mr. Speaker, if no one else wishes to speak, I beg to move, seconded by the Honourable Member for Ste. Rose that the debate be adjourned.

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

MR. SPEAKER: The proposed resolution in the name of the Honourable Leader of the Official Opposition.

MR. SHERMAN: Mr. Speaker, I ask the concurrence of the House in permitting this measure to stand.

MR. SPEAKER: (Agreed?) The proposed resolution in the name of the Honourable Member for Riel. The Honourable Member for Riel.

MR. CRAIK: I would ask that this resolution stand.

GOVERNMENT BUSINESS

MR. SPEAKER: (Agreed.) Committee of the Whole House to consider and report of the following Bills for third reading. Bill No. 18. The Honourable Minister of Finance.

MR. PAULLEY: Mr. Speaker, we have now reached the end of the Order Paper pertaining to Private Members' resolutions. I understand that there is an inclination on the part of many of the members of the House to continue the discussion on the Address - we were pleased to hear from His Honour the other day. I think that it may meet the convenience of members so to do. But may I have the privilege of the House before entering into that debate to make an announcement. Next Monday is the September long weekend, commonly known as the Labour Day weekend when the people of this hemisphere pay recognition to the labour movement, and it would be my intention as House Leader that we do not meet on Monday so that the members of the House would have a long weekend in recognition of the trade union movement and others. I do that now in order that members of the House may make arrangements to go down to their camps - if they're fortunate enough to have them, which I am not - and enjoy a long weekend. The staff of course - the government staff will be having a holiday on that day, it is one of the statutory holidays. So I'd like to make that announcement, Mr. Speaker, that it would be the government's intention on adjournment Thursday at 5:30 to reconvene again on Tuesday, or reconvene on - yes on Tuesday, Labour Day being a Monday -- (Interjection) -- adjourn on Friday and come back on the Tuesday. I hope this meets with the acceptance of all members of the House - including the Member for Swan River whom I'm sure will enjoy a long weekend and it will temper his nerves.

MR. SPEAKER: The adjourned debate on the proposed motion of the Honourable Member for Osborne for an Address to His Honour the Lieutenant-Governor in answer to His Speech at the opening of the Session, and the proposed Motion of the Honourable the Leader of the Official Opposition in amendment thereto. The Honourable Member for Radisson.

MR. HARRY SHAFRANSKY (Radisson): Mr. Speaker, first of all I wish to congratulate you publicly as I had done privately on your election as Speaker of the House. I know you will fill your office with distinction.

Mr. Speaker, I would also like to congratulate one of my constituents, the Honourable Member for Emerson on his election to this august House.

My constituency, Mr. Speaker, consists of the Windsor Park area and East Elmwood. It has a long history of New Democratic Party representation. The Windsor Park area has been ably represented by the present Honourable Member for Transcona, who is now the Minister of Labour, for some 17 years.

The East Elmwood area of my constituency has been represented by New Democratic Party members of parliament, David Orlikow, and since the last Federal riding distribution by the First Minister and Premier of the province of Manitoba, Ed. Schreyer. The East Elmwood area has been represented in this House by Steve Peters. Formerly the Honourable Member for Elmwood, and more recently by the Honourable Member for Elmwood, the present Deputy Speaker of this House.

My constituents are decent people. My constituents are hard working people, who have painfully and slowly acquired some of the material and social benefits of our society. To say, or to even suggest that the people of Radisson constituency voted for a hair-brained political philosophy or for political irresponsibility is an insult to their intelligence and to their integrity. What the people of Radisson did vote for was the New Democratic Party and for the vision of social justice.

When the Speech from the Throne said that this government considered itself responsible for aiding each citizen and I quote: "To possess the means of achieving their realization of his or her natural talents and qualities," this was a definition of social justice. This is not irresponsibility nor is it a crackpot scheme. It is the desire of my own good voters and of many of Manitoba's good citizens. Social justice is a broad term but not vague nor is it imprecise. It includes many levels of meaning: 1. basically social justice means utilizing the powers of government in a provincial institution to accord to each citizen his own fullest development. Social justice means utilizing the powers of government in a provincial institution to accord each citizen when existing laws fall short. Social justice means utilizing the powers of government when existing methods fail and when existing controls are ineffectual. Then the government of this province must act to make available the benefits of our society to all our citizens. Social justice also means that within the confines of our material resources,

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(MR. SHAFRANSKY cont'd.) and I repeat, within these limits only, the government must make material provision for the needy, for the underprivileged, the ignored and the unprotected members of our society. This does not mean theft of property as some would have the world believe. This does mean advancing new ideas on how to make the most and best use of our extensive rich natural resources. This means new thinking on the question of auto insurance. This means making full and wholehearted provision for an ombudsman. This means new highways for the north and a fresh look at our Port of Churchill. This means a new improved approach to Workmen's Compensation and to the question of minimum wages. This means reorganization of landlord and tenant act. This means a consumers protection act.

Social justice means, again, that all citizens of the province have equal access to existing facilities especially in health and education. This means new thinking about education. This means a new approach to Medicare, and to me and my constituents this should mean a new look at the distribution of hospital facilities. We have been promised in our constituency in the East Elmwood area that a hospital would be built, and I believe the completion date was 1967, and I would bring it to the attention of this government that this is something that the people in my constituency still look forward to. It would provide services for a wide area, namely in the eastern part of Manitoba going east as far as the Ontario border.

Finally, social justice means that all people of this province have somehow the right to be treated equally as citizens. While there is an obvious limit as to the effectiveness of government action in this field I feel that the provision for a Human Rights Commission is a step in the right direction.

Mr. Speaker, this is what my constituents voted for and more. As responsible citizens in a complicated society they voted for new thinking and fresh thinking. There is a much greater expenditure of thought than of money in the Throne Speech, and this is what this province needs now. If this is what social justice means in positive terms, Mr. Speaker, it has also a negative side. There are things which social justice does not mean. It does not mean a heavy hand on education - and I notice the Honourable Member for Riel is not here. It does not mean a tight fist around welfare. It does not mean a distinction among citizens. It does not mean a distinction between urban and rural areas. It does not mean distinction between the north and the south. It does not mean distinction between employee and employer, between minority and majority, between rich and poor. It is, if anything, a term denoting a concern by this government for all citizens in all places and at all times.

Mr. Speaker, the Throne Speech simply recognizes fact.

MR. SPEAKER: The Honourable Member for Wolseley.

MR. CLAYDON: Mr. Speaker, I'd like to extend to you again my personal congratulations on your appointment to this senior position of this House. I'm confident that as time goes on that you will be able to render a great service to our province as speakers have in the past.

I'd like to extend my congratulations to the Premier on his succession to office and I wish him well in that capacity.

There are two people who I'm going to miss in this House, as I sat on the other side during the latter part of the last Legislature, and those are the former Honourable Members for Selkirk and for Lakeside. I particularly want to say a word about the Member from Lakeside because I personally had quite an admiration for him. I always found him to be a gentleman. Although he was always sharp and penetrating in debate, he did on occasion bring humour to this House and I for one always enjoyed listening to him. And so I will miss seeing him on the other side.

And to the new members on the opposite side, my sympathies are with you. I congratulate you for your elections to these positions, but my sympathies are with you for you will find that as time goes on you will be almost as silent as the statue that's to your left.

I recall during the recent election campaign, campaign literature from the New Democratic candidate attacked our backbenchers by posing the question, what did we do for our constituency. Did you speak up for this, did you speak up for that? And you as a backbencher will find that you will not be able to speak up, and more particularly if your personal thoughts differ from those from the front bench, you will find yourself effectively silenced. It's a different ball game now. It's our turn. As a representative of a city constituency you will soon learn that you will not be able to effect direct help or aid for your constituents. You will not be able to propose a direct highway to your constituency as one of your Ministers have, nor will you be able to have a bridge built or a school. For all of these services are the direct

(MR. CLAYDON cont'd.) concern of the City of Winnipeg, the Winnipeg School Board or the Metro Corporation. But you will be able to assist your party in a general way, when the income and sales taxes are increased, and when the workmen's take home pay is reduced, you will most certainly be part of the action.

MR. ENNS: I regret to interject my colleague here but is the taking of photographs -- has that been given sanction in this Chamber at this time?

MR. SPEAKER: No. May I remind the people in the gallery that the taking of photographs is not permitted in this Chamber while the House is in Session. Thank you.

MR. CLAYDON: Mr. Speaker, I listened with great interest to the remarks of the Honourable Members of Winnipeg Centre and St. Matthews, only to realize that they made no reference whatever to any direct aid for their constituents, and the Member for St. Boniface spoke almost entirely about himself.

A MEMBER: So what else is new?

MR. CLAYDON: I was particularly interested in the remarks of the Honourable Members for St. Matthews and St. Boniface when they said that they were Social and Liberal Democrats respectively. Nobody has been able to define to my entire satisfaction just what a Social Democrat really is. I know what a Democrat is. It's a vehicle in which you take people for a ride.

MR. DESJARDINS: What, in the Claydon cannonball or what?

MR. CLAYDON: And a New Democrat is the new method by which you take them for a ride.

MR. DESJARDINS: In the Claydon cannonball.

MR. CLAYDON: A Social Democrat is where you get together and you do it as a group, you take them for a ride.

MR. DESJARDINS: What's a Conservative? Take everybody for a ride!

MR. CLAYDON: But when you come to define a Liberal-Democrat that presents a little difficulty, whether it's a big L or a little "l" it makes no difference.

MR. DESJARDINS: It's easy. It's a cinch.

MR. CLAYDON: Liberal means that you're more broadminded about the whole business of taking them for a ride so you take the

MR. DESJARDINS: That's right.

MR. CLAYDON: So you take the wheels off it and you put the people on the skids. -- (Interjection) -- But whichever way you look at it the public are going to be taken for a ride.

MR. DESJARDINS: It will be more pleasant than we had last

MR. CLAYDON: It won't be for long so don't get too comfortable in your seats over there.

MR. DESJARDINS: You better stick to your cannonballs.

MR. CLAYDON: And I want to answer the Honourable Member for St. Boniface who yesterday in the House made a statement to the effect that I had no concern about no such thing as undue burden on the municipal taxpayers.

MR. DESJARDINS: As an alderman, yes, but not an MLA.

MR. CLAYDON: Perhaps I have to speak in terms of Dick and Jane or write in that for him to understand it, but if he would re-read the Hansard of March 19th he would find that I was dealing strictly with the question of school taxation and the increases of school taxation, not total taxation on the taxpayers. I pointed out at that time in a period of eight years the increase in the citizens' tax bill on school costs was \$7.78 in one case, \$16.50 in other and \$10.08 in a third case. I was not talking about total taxation and I never did at that time. That was an increase over eight years and I pointed out that the differential in the increase in educational costs were continually being picked up by the province and I hoped that this trend continues.

I want also to point out - perhaps the Honourable Member of St. Boniface doesn't know it, but at the present time the Council of St. Boniface is studying a similar proposal to one which I made to the Winnipeg Council in June of 1968 and I filed a notice to Council to help these people, these old age pensioners on June 17th. I want to tell you what happened to this resolution. You talk about sincerity in office, and I wonder where it is when I talk about the NDP's and Liberals, because here's what happened and this is a fact. I introduced it on June 17th. I gave notice on July 2nd; by two NDP members it was held laid over. On July 15th they laid it over again for another four weeks; on August 12th they laid it over for another month; on September 9th one of them referred that it go to the Finance Committee, the so-called

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(MR. CLAYDON cont'd.) burial ground of council. And who was on the Finance Committee? Four Liberal members and two NDP's, and this was a resolution that the City of Winnipeg could have handled on its own without asking the province to pay 10 cents towards the program. But no, they didn't want to do this; they wanted to turn it down. So now the Council of St. Boniface are studying a proposal that's in effect in Hamilton and quite similar to one which is in existence in California. But no, last year we couldn't do it. It wasn't right to do it, but now we're studying it. Perhaps the Member from St. Boniface, if he would contact his mayor, he might enlighten him on what's happening over there.

MR. DESJARDINS: A great resolution. Tell us about it.

MR. CLAYDON: I must acknowledge that I found the trip to Churchill and Gillam most stimulating. I learned what slums really are and also that a large part of the northern area is Christmas trees and swamp, that the large stands of timber that I've heard so often mentioned in this House do not actually exist as the trees that I saw are nothing more than the general household variety of Christmas tree. Not having had the opportunity in the past to get into the northland, and based on what I saw last weekend and after listening to some of the members in this House, I get the impression that the north is Churchill, Gillam and Thompson. A question I ask at this time is where does the north really begin? Does it begin in just certain towns and locations or does it include any area north of Winnipeg that is in an isolated location? You do not have to travel far from Winnipeg to find locations that in my view are just as isolated and remote as more northerly points and they require help and assistance in the same manner.

And I wish now to speak of one such point - and I'm sorry he's not in his seat because it's in the constituency of Rupertsland - it's Rabbit Point or Princess Harbour. Rabbit Point or Princess Harbour is one of the most beautiful harbours on Lake Winnipeg. It's situated on the east shore; it's about 10 miles northeast from Matheson Island and it is perhaps about 150 miles north of Winnipeg. Now as many of you know, I spend nearly all of my leisure hours on Lake Winnipeg. I have travelled in my own private craft to the top end of the lake on two occasions and I have visited many ports where they have never seen visitors before. And what is lacking in these communities is liaison with the outside world, and I'm not in any way being critical of this government or past governments, but some of the remarks I am making I am offering as forms of suggestions for the betterment of the people in these communities.

Now in Rabbit Point, which is just one example and I could speak of many, they have a population of about 40. There are 21 people on the Voters' List - not one of them voted. They are required to leave Rabbit Point and go to the Bloodvein Indian Reserve which is some distance away, and because of the unfavourable weather on that election day nobody was able to leave the place. I would suggest that in situations such as that some arrangements be made for a mobile poll to be flown in to get the vote of these people. They are quite concerned that there is a loss of their privileges because they couldn't get out.

Their greatest need at the present time is the provision of Hydro. The Department of Northern Affairs sent up a 20 kilowatt plant. It's sitting in a shed being unused because the local residents can't afford to run a plant of that size. The panel board that went in with it was damaged; it also sits in the shed. There has been no wiring supplied. Some poles and some fixtures have been supplied but what they need in Rabbit Point is a 12 kilowatt plant to serve six homes and the school and the fish station. The residents themselves are willing to pay for 50 percent of the capital cost, which they estimate their share would be \$2,000 towards the cost of the plant. They're willing to provide all the labour to put up the poles at their expense but nobody goes in there to see these people to find out what their needs are. -- (Interjection) -- I never had an opportunity.

The radio telephone service which is their only link with the outside world is completely inadequate. It has relatively no range whatever and you have to have the most favourable of receiving conditions in order for this telephone to be effective. And incidentally, they have only one radio-telephone channel and it's a private channel of the Manitoba Telephone System. There is no channel by which these people can talk to the boats travelling on the lake for purposes of emergency and there should be, and this is something that the Manitoba Telephone System should look into.

There is need for three new houses, and when these people hear of 10 new houses being constructed at Pine Dock they ask the question, Why can't they have three? At the present time there is nobody on welfare; there's one family of nine that needs assistance. Last winter they received \$40.00 for two weeks and then went on Unemployment Insurance, and although

(MR. CLAYDON cont'd.) the Department was notified some two and a half weeks ago, they've heard nothing and the local people themselves are supporting this family in need.

The school facilities in my view are excellent. It's a relatively new school building and the residents themselves are very happy about it.

They shipped out in 1968 a half a million pounds of fish, and in one month this year out of this small port they shipped out 118,000 pounds.

There was a mink ranch located in the area and it was closed down in 1966 for various reasons. Perhaps some were overexpenditure, but it was an industry in that point and I think somebody should look into this to see if it could not be revived because the power plant and the freezers they all exist at Rabbit Point. They shipped out \$16,000 worth of furs during the winter season.

Now the Indians are not able to cut wood profitably in the area because they only get \$3.00 a cord for hauling. They say they need \$4.50 per cord to make it profitable.

MR. SPEAKER: Order. Perhaps the honourable member would continue when this matter appears next on the Order Paper. It's 5:30 and I leave the Chair to return again at 8:00 o'clock tonight.