

THE LEGISLATIVE ASSEMBLY OF MANITOBA
2:30 o'clock, Wednesday, April 19, 1972

Opening Prayer by Mr. Speaker.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed I should like to direct the attention of the Honourable Members to the gallery where we have sixty students Grade 5 and 6 standing of the Warren School. These students are under the direction of Mesdames Lillies and Proctor. This school is located in the constituency of the Honourable Member for Lakeside.

We also have forty students of Grade 5 and 6 standing of the Harold Edwards School from the Canadian Forces Base. These students are under the direction of Mesdames Judd and Taylor. This school is also located in the constituency of the Honourable Member for Lakeside.

On behalf of all the honourable members I welcome you here today.

PRESENTING PETITIONS

MR. SPEAKER: The Honourable Member for Radisson.

MR. HARRY SHAFRANSKY (Radisson): Just hold for a second, Mr. Green's.

MR. SPEAKER: The Honourable Member for Inkster.

MR. SIDNEY GREEN, Q.C. (Inkster): Mr. Speaker, I present a petition on behalf of the Fidelity Trust Company praying for a passing of an Act to amend and consolidating the Act incorporating the Fidelity Trust Company.

MR. SPEAKER: Reading and Receiving Petitions. The Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, on behalf of the Honourable Member for Roblin I beg to present the Petition of Ross Meroslaw Kozak and Arlene Kozak praying for the passing of an Act for the relief of Ross Kozak and Arlene Kozak.

MR. CLERK: The Petition of the Co-operative Credit Society of Manitoba Limited praying for the passing of an Act to amend an Act to incorporate The Co-operative Credit Society of Manitoba Limited.

MR. SPEAKER: Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports; Notices of Motion; Introduction of Bills; The Honourable the Minister of Finance.

HON. SAUL CHERNIACK, Q.C. (Minister of Finance)(St. Johns): Mr. Speaker, there was an omission in the notices, I am wondering if I could have leave of the House to introduce a bill?

MR. SPEAKER: (Agreed). The Honourable Minister of Finance.

MR. CHERNIACK: Thank you, Mr. Speaker.

MR. CHERNIACK introduced Bill No. 21, an Act to amend the Revenue Tax Act, the Tobacco Tax Act and the Amusements Act. (Recommended by His Honour the Lieutenant-Governor.

ORAL QUESTION PERIOD

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

MR. GORDON E. JOHNSTON (Portage la Prairie): I wish to speak briefly on a question of privilege. In today's Free Press there's a news story quoting myself on activities of certain civil servants, and there is a mention made of a person and his girl friend travelling to Las Vegas. I did not make that statement. I would not want to cause harm unjustly to someone. The rest of the story is correct.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MRS. INEZ TRUEMAN (Fort Rouge): Mr. Speaker, I have a question of the Honourable Minister of Industry and Commerce. Last June 22nd a statement was made in the House by the Minister that there was a million dollars worth of Federal Government money which was available to help develop the Gimli Waterfront. Has that money been used or are the plans available to use it?

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

HON. LEONARD S. EVANS (Minister of Industry and Commerce)(Brandon East): Yes,

(MR. EVANS cont'd) Mr. Speaker, there is slightly in excess of \$1 million federal money, and added to that there is another 25 percent on top of provincial money, so that the total available - I'll have to check the exact figures - is somewhere around approximately \$1.4 million. The Department of Tourism and Recreation and officials of the Department of Industry and Commerce have worked very closely with the local committee which is deciding as to how most usefully to expend the money to improve not only water front facilities, but other tourist and recreational intra-structure in the Town of Gimli. I can advise members that plans are proceeding and that I believe there will be a fair number of people employed involved in providing this type of intra-structure, but the planning and the expenditures of the money is essentially in local hands.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. HARRY J. ENNS (Lakeside): Mr. Speaker, I direct a question to the Honourable The First Minister. Some time ago I asked a question which I understood him to take as notice. I'd like to repeat the question at this time. The question was as to whether or not he can advise the House that the present contracts arranged or being entered into at the Jenpeg site in the Lake Winnipeg Regulations control structures generally. Are there any such contracts being entered on into on a cost-plus basis?

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier)(Rossmere): Mr. Speaker, I don't believe so, but the question has been taken as notice apparently. I'll check into it and I will try and have an answer by tomorrow.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. HARRY J. EINARSON (Rock Lake): Mr. Speaker, I direct a question to the Minister of Agriculture, a question that I asked him a number of days ago and I am wondering if he has the reply now in regards to the number of applications received re Crop Insurance Agencies to be filled at Glenboro, and the number of those received, how many were interviewed?

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture)(Lac du Bonnet): Again, Mr. Speaker, I don't have the information yet. I did check as to whether that information is available today, but it's not yet available.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, I wish to direct my question to the Honourable Minister of Health and Social Services. Did the government lift their welfare costs from some municipalities last year?

MR. SPEAKER: The Honourable Minister of Health and Social Development.

HON. RENE E. TOUPIN (Minister of Health and Social Development)(Springfield): Well, Mr. Speaker, I'm not quite sure that I got the full significance of the first portion of the question. Was it that if the government lifted some of the responsibility off municipalities during last year? Well, some of the responsibilities of municipalities was actually withdrawn last year, I would say it was lifted by the government.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, a supplementary. Is the government considering to make a charge-back of some portion of these costs this year?

MR. TOUPIN: Well here again, Mr. Speaker, if we look at the possibility of a charge-back by the Provincial Government, we have to look at the legislation pertaining to social allowance, and the next few weeks will tell what will happen pertaining to legislation in this House.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MRS. TRUEMAN: Mr. Speaker, I have a question of which I'd like to ask of the Honourable Minister of Labour. Can he inform the House concerning the numbers of people who are unemployed? Can he tell us what proportion are youths, what proportion are men, and what proportion are women?

MR. SPEAKER: The Honourable Minister of Labour.

HON. RUSSELL PAULLEY (Minister of Labour)(Transcona): I don't believe I have that detailed information, Mr. Speaker. I will gladly inquire as to whether or not I have it, and if it is available, I would be more than pleased to give to my honourable friend or to the House.

MR. SPEAKER: The Honourable Member for Swan River.

MR. JAMES H. BILTON (Swan River): Mr. Speaker, I have a question for the Minister

(MR. BILTON cont'd) of Education. I wonder if the Minister can tell the House the number of teachers presently employed in Manitoba who do not have a Canadian citizenship?

MR. SPEAKER: The Honourable Minister of Education.

HON. BEN HANUSCHAK (Minister of Education)(Burrows): I wish to thank the honourable member for having given me advance notice of this question. The figures that I have are for the current year as of last November, so no doubt this would have taken into account all teachers presently employed in the province. Now with respect to non Canadian teachers employed in Manitoba the figures are as follows: Teachers who are eligible for permanent certification and eligible for citizenship, accounts for something in the order of one-sixth of one percent of the total number of teachers in the province, and namely, twenty-one, that is those who have completed their requirements for permanent certificates, which I believe is two year's teaching, plus a recommendation for same, and who have also met the minimum residence requirement to qualify for citizenship.

Teachers who are eligible for permanent certification, that is those who have taught more than two years, but were not eligible to take out citizenship, the figure is 98 - somewhere in the order of three quarters of one percent. And teachers who may be eligible for permanent certification, either in 72 or 73 but who will not be eligible to take out citizenship, the number is about one half of one percent, 63, for a total of 182.

MR. SPEAKER: The Honourable Member for Swan River.

MR. BILTON: A supplementary question. I wonder if the Minister would tell the House, do the teachers employed in Manitoba who do not have Canadian citizenship are they required to take An Oath of Allegiance?

MR. SPEAKER: The Honourable Minister of Education.

MR. HANUSCHAK: Not to secure employment, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker, . . .

MR. SPEAKER: The Honourable Member for Winnipeg Centre.

MR. J. R. (BUD) BOYCE (Winnipeg Centre): Supplementary question to the Minister's response. Is it still the policy of the Federal Government to exempt people from foreign lands for the first two years as far as income tax is concerned?

MR. SPEAKER: The Honourable Minister of Education.

MR. HANUSCHAK: I believe that was the policy at one time, but if it was that would come under federal law. Whether that is the federal law at the present time, Mr. Speaker, I'm afraid I do not know.

MR. SPEAKER: The Honourable Member for Winnipeg Centre.

MR. BOYCE: Well because it does affect us in the province, I wonder if the Minister could take it as notice and inform the House?

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker, I direct a question to the Acting Minister of Mines and Natural Resources. Mr. Speaker, the ducks and geese are flying again and I would ask the Minister, has the Minister got any plans to introduce during the lifetime of this session any measure to bring about some scheme of compensation for crop losses. We have the introduction of the dollar hunting certificate which was made some years ago, which I understood would be used for this purpose.

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

MR. EVANS: Well, Mr. Speaker, action is being taken under the previously announced program which the honourable member referred to. I can advise members that we have had discussions with the Federal Government, the Honourable Mr. Davies, the Federal Minister who is responsible, among other things, for environmental management, and it is possible that an extensive program for compensation may develop, but this is a matter for negotiation between the three prairie provinces, and the Federal Government. As the negotiations proceed and are concluded, then at that time of course an announcement, an appropriate announcement will be made if such is warranted.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: A supplementary question, Mr. Speaker. Can the Minister tell me whether or not the federal program is not to be in effect in 72?

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

MR. EVANS: Mr. Speaker, I cannot tell. The answer is no. I cannot be responsible

(MR. EVANS cont'd) for the extent of action, or the rate of action, or lack of action of the Federal Government, and I repeat that this is a matter involving more than one province.

And while I'm on my feet, and while we are talking about a subject related to lure crops, I would like to take the opportunity, Mr. Speaker, to file a Return to an Order of the House No. 12, dated March 22nd, 1972, which was on the motion of the Honourable Member for Birtle-Russell, and this was with respect to information on lure crops.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: A supplementary question, Mr. Speaker. Again to the Acting Minister of Mines and Resources. Can the Minister tell me, has the total amount of the funds raised by the sale of the one dollar special hunting certificate been used for the area purchasing lure crops, or has there been any of that dollar certificate sales been set aside for future compensatory payments to farmers for crop losses.

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

MR. EVANS: Mr. Speaker, I would inform members of the House that we will endeavor to use these funds as prudently, and as efficiently as possible. I cannot give you a detailed answer, and I will therefore take the question as notice.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, I'd like to direct a question to the Honourable Minister of Health and Welfare. Could he inform the House as to the number of municipalities that do not have welfare by-laws, and could he also say how many municipalities have repealed their welfare by-laws during the last year?

MR. SPEAKER: The Honourable Minister of Health and Social Development.

MR. TOUPIN: Mr. Speaker, I would not want to be giving wrong statistics to the honourable member, I'll take the question as notice.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, yesterday the Member for Rhineland asked whether in the recent agreement for the sale of energy to Ontario Hydro by Manitoba Hydro, whether the charge for kilowatt hour was a constant rate or charge, I can reply to the honourable member by advising him that the agreement is based on a charge of \$30, 50 per kilowatt year, based on an eighty percent load factor. There is no charge on a kilowatt hour basis. The terms of the contract or agreement are such that it's a block price, and whether Ontario Hydro actually utilizes that amount of energy or not, the amount of dollars involved would be the same.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. MCGILL: Mr. Speaker, my question is for the Honourable the Acting Minister of Mines and Natural Resources. Could the Minister report to the House on the extent of the flooding which is now taking place in the Assiniboine Valley just west of the City of Brandon.

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

MR. EVANS: Yes Well, Mr. Speaker, I can make a point of getting a report on that particular area but as I've stated a number of times, Mr. Speaker, that we are prepared to give reports on those areas that have suffered, or are suffering, or are about to suffer serious flooding damage, so that all the citizens of Manitoba are fully aware of the changes in water conditions and dangers of flood. There may be a problem in this area. However, the adage is quite true in the case of water, no news is good news, and because I have had no report so far I would take it that it isn't serious. However I will look into that particular area of the province.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. MCGILL: A supplementary question, Mr. Speaker. Would the Minister undertake to investigate this problem which I understand is occurring at the moment, and which may involve some diking along the river bank?

MR. EVANS: Mr. Speaker, we will investigate the problem.

MR. SPEAKER: The Honourable Member for Charleswood.

MR. ARTHUR MOUG (Charleswood): Mr. Speaker, I'd like to direct a question to the Attorney-General. Will the Attorney-General be marching with his colleagues in protest to the proposed French blasts in south of Tahiti - nuclear blasts?

MR. SPEAKER: Orders of the Day. The Honourable Leader of the Opposition.

MR. SIDNEY SPIVAK, Q. C. (Leader of the Opposition)(River Heights): Mr. Speaker, my question is to the First Minister. I wonder if he can inform the House whether the government has instructed the Chairman of the Manitoba Development Corporation, its staff, or

(MR. SPIVAK cont'd). . . . its Board of Directors, not to loan money to any particular category of manufacturers?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Not to my knowledge, Mr. Speaker.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: A question to the Minister of Industry and Commerce. Is it not a fact that the Minister of Industry and Commerce has notified the Board of Directors not to loan . . .

MR. SPEAKER: Order, please. Order, please. I'm sure the honourable member is aware that that's an argumentative question, that's not the procedural matter in here. The Honourable First Minister on a point of order.

MR. SCHREYER: Yes, Mr. Speaker. My point of order is this. That a question having been asked, a supplementary question can be allowed only to the same Minister. It is not in order to ask the question then to devolve off a supplementary to another Minister of the Crown. --(Interjection)--

MR. SPEAKER: The point is well taken. The Honourable Leader of the Opposition.

MR. SPIVAK: Yes. I have a question to the Minister of Industry and Commerce. Has he instructed the Manitoba Development Corporation not to loan to the members of the fashion industry?

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

MR. EVANS: Mr. Speaker, the Province of Manitoba and myself as Minister responsible for industrial development, has announced on many occasions that we're following the policy of selective growth of high-wage industry. But I can inform the honourable members that no particular industry category is excluded in consideration by the Board of the Manitoba Development Corporation.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I again ask the question: Has he not informed the Manitoba Development Corporation that they cannot loan to the fashion industry?

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

MR. EVANS: He has asked that question and I gave the answer.

MR. SPEAKER: The Honourable Member for Souris-Killarney.

MR. EARL McKELLAR (Souris-Killarney): Mr. Speaker, in the absence of the Honourable Minister of Municipal Affairs, I'd like to direct this question to the First Minister. Would the First Minister inform the House as to when the farmers of Manitoba can expect to receive their 30 percent discount on basic coverage purchased for the period of November 1, 1971 to February 29, 1972?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: I should think so, Mr. Speaker, but I'll take it as notice for my colleague.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I wish to direct my question to the Honourable Minister for Mines and Natural Resources. Is there a signed agreement in existence between Leaf Rapids and the mining company?

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

MR. EVANS: I believe there is a signed agreement. Yes.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: A supplementary, Mr. Speaker. When will this agreement be made public?

MR. EVANS: Soon, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Will the Minister table it in this House?

MR. EVANS: We will endeavour to do so.

MR. SPEAKER: The Honourable Member for Swan River.

MR. BILTON: Mr. Speaker, I have a question for the First Minister. Referring to his report yesterday on the CBC TV extension in northern Manitoba. My question is: Does this include the Dauphin, Swan River and Mafeking area?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, the northern television extension that was referred to yesterday, and which will take place during the remainder of 1972 and up until the end of 1973

(MR. SCHREYER cont'd) includes the communities of Norway House, Cross Lake, Nelson House, Leaf Rapids, Lynn Lake, Pikwitonei, Ilford, Split Lake. Unfortunately the area that my honourable friend is most concerned about is being negotiated, considered on a different basis with the CBC.

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

MR. FROESE: Mr. Speaker, I'd like to address a question to the Honourable Minister of Agriculture. Has the report from the University of Manitoba on the research that is being carried out been tabled? This is for the year ending 1971, March 31, 1971, or is it available?

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: I'm not sure, Mr. Speaker, that the report which the Honourable Member for Rhineland refers to is a matter that must be tabled in the Legislature. I'll check into that.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: I direct a question, Mr. Speaker, to the Honourable the Minister of Agriculture. Mr. Speaker, I wonder if the Minister can now assure the poultry producers of chickens, of the Province of Manitoba, that the research carried into the possible harmful effects of microwave towers, etc., is not one that they have to be concerned about, or should they be taking action about it.

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: Well, Mr. Speaker, I'm not at all aware of the latest research activities under way. I presume there are still some going on.

MR. SPEAKER: Orders of the Day. The Honourable House Leader.

ORDERS OF THE DAY - GOVERNMENT BILLS

MR. PAULLEY: Mr. Speaker, would you now call Bill No. 5.

MR. SPEAKER: On the proposed motion of the Honourable Minister of Finance. The Honourable Member for St. Matthews.

MR. WALLY JOHANNSON (St. Matthews): Thank you, Mr. Speaker. In the last half century of the history of the United States, very often when people have proposed either to tax corporations, or to impose controls or regulations on them, there have been immediate outcries from the bought Senators and representatives in the United States that these people were proposing to violate the interests of widows and orphans. Because of course widows and orphans were the people who owned the shares in these corporations that it was proposed to tax or to regulate. Yesterday we heard an interesting proposal, or an interesting accusation from the Member for Birtle-Russell - who isn't in his seat I'm sorry to say - and he claimed that the Minister of Finance was violating widows and bachelors through this Legislation Bill No. 5, the Succession Duty Act. --(Interjection)-- Violating widows and bachelors, not widows and orphans, but widows and bachelors. The conclusion that I draw, Mr. Speaker, is that the Opposition are either witting or witless pawns of the privileged few in this province, and I prefer the second option that they're probably witless pawns of the privileged few. --(Interjection)--

The New Democratic Party Government in this legislation proposes to advance the principle of equality in society, and I should like to quote from Matthew Arnold on this subject. Matthew Arnold stated, and this is a very nice text, stated that "we should choose equality and flee greed. That on the one side inequality harms by pampering" that is it pampers the rich "and on the other side by vulgarizing and depressing." That it vulgarizes and depresses those who suffer from poverty. Arnold said that a system founded on it is against nature and in the long run breaks down. And I think we on this side are in agreement with that. Also a great conservative philosopher, Aristotle came up with a similar position. --(Interjection)-- Well, yes, Aristotle was a small "c" conservative. He stated: --(Interjection)-- Small what? --(Interjection)-- He stated: "Great inequalities whatever other advantages they may possess are likely at all events to be injurious to the rich." So this great conservative agrees that --(Interjection)-- Well I want to come to that, Mr. Speaker. The opposition has argued, and we've heard this from the Member from Lakeside, we now hear it from the Member for Sturgeon Creek, that we hate the rich and that we envy the rich. This rather simple argument has been advanced by the Opposition against socialists for years, that we envy and that we hate the rich. --(Interjection)-- I'm afraid I can't share his view because I don't hate the rich; I don't envy them.

A MEMBER: They annoy you.

MR. JOHANSSON: I know some, yes but they don't happen to be related to me. -- (Interjection)-- The Opposition members, particularly the Member for Morris and yesterday, I believe, or perhaps a couple of days ago, the Member for Souris-Killarney have also argued that we're not interested in making the poor richer but in making the rich poorer. The Member for Birtle-Russell yesterday said that what we are trying to do in this bill is to reduce all to the lowest common denominator, the lowest common denominator. These are the sort of simple-minded arguments that have been hurled across the Chamber by members of the Opposition who are supposed, theoretically, who are supposed to provide intelligent criticism of government programs, and it's important that they do provide intelligent criticism of government programs, but unfortunately we're not getting very intelligent criticisms. -- (Interjection)-- Mr. Speaker, we on this side are sensible men. --(Interjection)-- We're not simply idealists. We're sensible men in that we desire not only to make the poor richer but we also desire to make the rich poorer. Yes! I make no apologies for that. This is a socialist program, the program of socialism is a program of levelling and it is an intelligent program because extremes of riches and poverty are degrading and anti-social and through a levelling program these degrading and anti-social aspects of society can be minimized.

What our government stands for is an ideal of social justice rather than an ideal of ragged individualism that is proposed by members like the Member from Morris, the great proponent of ragged individualism. --(Interjections)-- We have faith, we on this side have faith in the possibility of a society in which human beings have a higher value placed upon them than money or economic power. Our goal is economic equality and this bill is one small effort to attempt to achieve that goal and the goal is not an identical level of incomes but an equality of access to the opportunities in life.

I would like to also quote one other gentleman who has been quoted by members opposite - John Stuart Mill. Mill was quoted by the Honourable Member for Fort Rouge, I believe, last year. John Stuart Mill of course was a great liberal, a great civil libertarian of the 19th Century. It's unfortunate that members opposite don't read him once in awhile. Mill of course came to the conclusion that the greatest level of civil liberties could only be achieved under socialism. --(Interjection)-- Mill believed in the widest possible diversity of minds and of tastes. He was not one who believed in reducing everyone to the lowest common denominator. And he argued, and I quote: "That the best state for human nature is that in which while no one is poor no one desires to be richer." And he argued that this kind of society, a society which did not have extremes of wealth and poverty was the kind of society in which individual character, individual genius would flourish, and would be most appreciated. --(Interjection)-- Bunk, the Member for Sturgeon Creek says --(Interjection)-- The Attorney-General says that's Archie Bunker. Let me repeat, our goal is --(Interjection)-- Pardon? --(Interjection) -- To what I'm saying? --(Interjection)-- I would say that they probably subscribe in the broad ideas which I'm expressing. What we're seeking is an equality of treatment, and not identical treatment, and in a society where great extremes of wealth and poverty are eliminated, the more the society seeks this goal of minimizing inequality, the greater will be the difference in the treatment it gives to special needs of different individuals and different groups.

Now in the debate so far the Opposition members have of course opposed the principle of equality in this bill. They've screamed "socialism". The Member for Sturgeon Creek says, "right". They've screamed "socialism", and of course they don't have to bother explaining any further as long as you can call something socialistic, it means it's bad in their minds. They seem incapable of proceeding further into any rational argument.

The Opposition members oppose the principle of equality and yet in some economic matters which are pretty important, matters like police protection from murder or robbery, equal use of roads, the provision of roads, the provision of water and sewer, the provision of drainage - which is very important to the Honourable Member for Rhineland - the provision of drainage, the provision of educational facilities, of medicare. I know the members in the Official Opposition accepted that very reluctantly. --(Interjection)-- Very reluctantly, very reluctantly, you introduced it. --(Interjection)--

MR. SPEAKER: Order please

MR. JOHANSSON: On these matters, on these services, the Opposition believes that they should be provided equally, regardless of the worth or the wealth of the individual.

Now the important thing, Mr. Speaker, the important thing in a society is we are getting

(MR. JOHANNSON cont'd) the simple philosophy of the Member for Morris once again, the cracker barrel philosopher of the Manitoba Legislature is giving us the benefit of his wisdom. Mr. Speaker, the important thing is not that the goal of equality should be completely achieved but that it should be sought sincerely and vigorously. What matters to the health of a society is the goal to which it's face is set, not - what matters to society is the goal which it is trying to achieve, not - and to suggest that because that goal can't be achieved, it shouldn't be sought after is simply irrational.

I might add here that the Member for Crescentwood has, and he's not here unfortunately. The Member for Crescentwood has often criticized the government because we are not achieving the goals, which he thinks we should be achieving, quickly enough and he makes public criticisms of us for this and I think that he considers a good number of us rather wishy-washy Liberals. The Member for Crescentwood doesn't consider us wide-eyed radicals as the Member for Fort Garry does, he considers us wishy-washy Liberals.

That's like using the impossibility of absolute cleanliness as an excuse for urging someone to roll in a manure pile. The members opposite have expressed repeatedly in this debate, and in previous debates, that they fear a dead level of income and of wealth, that this would produce mediocrity, mass mediocrity as the Member for Morris says, and yet they are not opposed to public spending on police forces; they do insist on a dead level of police protection against murderers and against robbery and theft. They haven't proposed yet to abolish police forces, although the Member for Fort Garry was proposing that we stop financing them, that the Provincial Government stop financing them. --(Interjection)-- Well if I misinterpret his position, I'll apologize. Because his position wasn't very clear, that's correct, so there's a great possibility of misinterpretation. The Opposition has a vast number of arguments starting with their Leader. The first argument, and the basic argument that they advanced, was that an inheritance tax will chase out investment capital and it will discourage private initiative and enterprise. It will chase out investment capital and it will discourage private initiative and enterprise, thrift and all those Godly virtues.

According to their logic therefore the wealth of the few is an absolute necessity to provide a far more modest level of comfort for the many and these many, if they only understood their own self interest shouldn't support income taxes; they shouldn't support corporation taxes, or succession duties, which merely harass the rich and drive their investment capital out. In fact, not only should they not support a succession duty, they should support lowering the income tax, support abolishing the income tax, abolishing the corporation tax. Surely this would increase the welfare of those who have wealth, and some of it may in due course trickle down to those who have less. In fact, they should even give them gifts because this should stimulate investment of their capital, of the capital of the rich.

The Opposition has been trotting out threadbare and shopworn arguments, without even shame, threadbare and shopworn arguments and the British Parliament between 1906 and 1912 when these same issues were being discussed, Conservatives there called the income tax a dangerous departure which abolished the reserve fund of the country. They called an estate tax, which had a maximum rate of 15 percent, they called that estate tax - they claimed that it would cause a very serious depletion of capital. And what are we hearing from the members opposite now 60 years later, the same --(Interjection)-- well I wouldn't say that, that would be unparliamentary, but we are hearing threadbare arguments which really, which really don't prove that much thought has gone into their criticism.

The Opposition has also trotted out what I will call the businessman's fallacy. They have claimed and by the way this businessman's fallacy has a great appeal, irresistible appeal to businessmen and, it seems, to the Opposition members, who seem to have the interest of the big businessmen at heart, and this doctrine claims that every additional dollar of social expenditure is an additional burden on industry. It's an additional burden that is going to eventually break the back of industry. This hoary old superstition has been trotted out by, I believe, every Opposition member that has spoken on the bill.

Another criticism that has been made was expressed by the Member for Birtle-Russell. He claimed that if a person who works all his life is thrifty, pays taxes and succeeds, that he should have the right to distribute his wealth to those whom he chooses rather than having the state . . . --(Interjection)-- In other words, the argument, the implication is that that wealth is created only by the intelligent, the initiative, the thriftiness, the ingenuity, of that particular businessman --(Interjection)-- and hard work, yes, and hard work. The

(MR. JOHANNSON cont'd) implication is, Mr. Speaker, that every - for example, a manufacturer in the City of Winnipeg, let's say he is manufacturing airplane parts, or repairing aircraft. The implication is that the manufacturer whose plant is staffed with workers who were born in state financed hospitals, who are kept healthy by medicare, who are educated in public schools at public expense, who are trained, given skills in the community colleges, who are housed in buildings which most frequently are either subsidized or have guarantees from CMHC, who receive finances from the Manitoba Development Fund in some cases, who are maintained during injury by Workmen's Compensation, who are maintained during unemployment by the Unemployment Insurance Fund, who are paid old age pensions, who are paid old age pensions when they are no longer considered useful to the manufacturer, this manufacturer may continue to believe in the romanticism that he alone is responsible for the creation of the wealth which his plant produces. However, any individual who has at least an average level of intelligence, I don't think this would even require an average level of intelligence, will have to accept the fact that the state is a partner in this business and that its contribution to the success of the business is as essential as that of the manufacturer. I might have mentioned also of course that not only did the state provide these services, it provides police to protect that manufacturer's property; it provides, --(Interjection)-- it provides firemen, yes, to protect the property from fire; it provides military forces which the members -- it provides military forces which protect the country from invasion, the plant from possible destruction. It provides sewer and water, electricity, all of these services are provided by the state to that business. Because of these contributions to the success of that business the state has a right to appropriate for social purposes part of the wealth which is created -- and this is n't a new view, Lloyd George enunciated it in 1912 - Lloyd George was not a Socialist, he was a Liberal. --(Interjection)-- Well Lloyd George of course was considerably left of the gentlemen opposite. Their political philosophy would belong back in about the 16th century perhaps.

Mr. Speaker another argument that the Opposition has advanced is that investment capital will flee out of the province because of excessive taxation, and again this argument has been - this old horse has been trotted out by almost every member opposite who has spoken on the bill. Investment capital is going to flee. And yet in the introduction to the bill the Finance Minister stated that there is no evidence that this has happened in the past. Alberta was a tax haven since 1966 and there is no evidence that investment was fleeing from other provinces into Alberta. The Opposition has produced no evidence in the debate. Mind you they don't consider that this is part of debate, they don't believe that one should have to provide proof to back up an accusation or a statement. They believe that you should simply be able to make an irresponsible statement and not back it up. There are a number of implications in that argument that investment capital will flee because of excessive taxation. The first implication is that in effect, parts of industrial income, or an accumulated surplus like an estate, should be regarded as trust funds for use only for the purpose of economic development and of course if these are regarded as trust funds, they must be limited in their use.

This argument of course, should be prepared to show that if industrial reserves are not taxed, they won't be distributed in inflated dividends but that they will be used only for investment. This argument also must prove that when a beneficiary, let's say a son receives an estate from his father, that he will use that money for investment purposes, that he will not behave like the prodigal son in the Bible who was given a portion of his father's substance and who wasted the substance, and I believe the parable was told for the purpose of showing the prodigality of the one son. The conclusion that the Opposition draws therefore is a simplistic one, that if wealth is exempted from taxation, it's necessarily going to be used for investment. They also draw another simplistic conclusion and that is that if the capital is invested, it's necessarily going to be invested in investment areas which are on social or public grounds, the most important areas of investment. Now a prudent society, not a socialist society, but even a prudent society, would not rely on such a crude and extravagant and an uncertain technique for insuring that money saved will be invested in socially important industries. A prudent state in fact would control investment, perhaps through an investment board, or perhaps through public ownership.

Mr. Speaker, another difficulty with this argument, the basic argument of the Opposition that investment capital will flee because of excessive taxation, is that it's a futile kind of policy to indulge in tax concessions or in giveaways. If the tax concessions become universal then there's no longer any incentive involved, if there ever was any incentive, and of course

(MR. JOHANNSSON cont'd) a program of giveaways benefits most the most wealthy provinces, provinces like Ontario or Alberta.

In conclusion, Mr. Speaker, the members opposite stress pretty frequently that what we were doing was not just taxing the wealthy in this province, but we were going to tax the middle group in income in the province, that we were going to hit the farmer, the small businessman, and they kept arguing this in spite of the fact that in his introduction to the bill the Finance Minister pointed out that a very tiny percentage of estates would be taxed in any given year. For example, only five percent of estates had a value in excess of the minimum exemption of \$50,000. Last year the Minister of Mines and Natural Resources also pointed out that a good number of people die without leaving estates, so the number of people would be far - the percentage of people involved would be far less than 5 percent. The Minister also pointed out that only 25 to 35 estates each year, less than one percent, exceed the \$200,000 maximum exemption to spouse. He pointed out that only one to one and one half percent of estates in recent years had values of over \$150,000; and he pointed out that only two percent of farms were valued at over \$150,000, which would be the exemption provided for a son, and of course, this figure doesn't take into account deductions from the value for liabilities and debts owed, and from what the members opposite have been telling us, very many farms in this province are encumbered by debts and liabilities. The members opposite can't have it both ways. If they are going to argue that farms are encumbered by these debts and liabilities, they can't at the same time argue that a large percentage of farms are going to be exposed to estate taxation. The opposition protests and the Leader of the Opposition made this point several times that the opposition protests that they are not pleading for the privileges of a few. They say this repeatedly -- but from the fact we can only conclude that they are, and we can also conclude that only this party in this province stands for the interests of the vast majority of people in this province.

MR. SPEAKER: The Honourable Member for Churchill.

MR. GORDON W. BEARD (Churchill): Yes, Mr. Speaker, in this modern day we often hear of people taking trips, and in speaking to the succession duty, I thought the Member from St. Matthew was taking us on a trip. I think it was a fairyland trip really, because he was dealing with his view on socialism. And I know he is one that believes deeply in socialism, and believes that it should be inflicted on this province, and I disagree very much with him on that. I've heard some people say that it's communism, and I don't really believe socialism is communism because of the fact that communism took everything including the incentive away from people and the initiative to do things, and they found themselves in the problem that Russia is today, in fact, the position where they cannot even produce enough food for themselves. And I think they took incentive away.

I believe that when we are considering the different ways in which we can build a country, then we have got to consider the facts and I believe the member's facts are really theories out of a book, and really not the facts of life; not the real facts of life in which this country was developed, the Western Hemisphere was developed, in which the life that we have come to know has been brought into the 1970's. I think, as we look around we find that there has been a good life for the majority of the people in the Western Hemisphere. I think if you look around, I believe, again that the majority of people enjoy a better life in the Western Hemisphere, a better life --(Interjection)--

Being poor is undesirable, is undesirable -- after if you like -- being poor is undesirable but even our poor, Mr. Speaker, are better off than the poor of other countries, and I say this keeping in mind that that's a pretty strong statement as I stand here, bearing in mind that I am not one of the poor. But I do feel that we have a lot to be satisfied and thankful for, but I don't think we can stand pat or be satisfied while there are people that have so much less than the rest, and that is what we have got to try to continue to improve on. But I don't think you improve the lot of the poor people by turning everything about and destroying the very foundations which this country was built on. Whatever the rules are, are ones in which we were -- did bring about the development of this continent, if you like and the better part of the Western Hemisphere. And these are things that we have to keep in mind, Mr. Speaker, because if we go about destroying those very foundations then we have to face the facts of the improbable and the unknown, because we are going to change everything. And you don't improve the lot of the poor by destroying the rich, destroying the middle class or pulling down any that are over and above those that have less. You have to improve the lot

(MR. BEARD cont'd) of those that have less, and that is what we have got to go about doing.

And when you talk about dividing the services in municipal, provincial governments, federal governments, then the member spoke of them as social services -- I don't believe they are. Whether you are talking about police services, fire fighting services, doctors' services, building of houses, those are not services that you can call social services. Those are the ones that are supported by taxes. They are the ones that are supported by debentures, that are sold to people on the reputation of the municipality, the reputation of the province, and the reputation of the country. And that's what will provide the money for the development, and we call them in fact in many cases self liquidating debts. When we're looking at them, the politicians will say they are not a debt because they're being paid off by themselves, so we can't look at them as debt. This is a socialistic one, and one that is brought about by taxes, and we've got to realize where those taxes come from. Because more and more we're trying to place this burden of the tax on industry and business and take it off those that are paying rent, people that are paying rent, people that are buying houses and owning houses, their accommodations, and I think that if you are going into philosophy, I think that we'd better take a look at what we have got. If we're changing our tax system then we've got to consider all these things. We've got to worry about whether in changing our tax system, in changing our tax philosophies, whether we are going to in fact knock a chunk out of the foundation in which we have depended upon for so long to develop the Province of Manitoba, because that's what we are primarily here to do, carry on the development and to protect what we do have here now. Because we have in fact inherited, and I think the member should look at what we have inherited. We've inherited an awful lot. We have inherited a good school system from our forefathers; we've inherited good road system, railroads, good towns, hospitals, many of the other amenities that countries throughout the world have not even got to date.

We didn't put it all here ourselves, it came and it was developed, and we stepped into it. So we were rich when we were born. We were lucky we were born in this province. -- (Interjection)-- The Member, I think, of Seven Oaks said: "Hear, hear!" Well, and it's nothing new -- maybe it isn't for him because he takes these things for granted but I say that you shouldn't take these things for granted. Let him look out into the other countries and see what some of the other countries have and maybe he won't take these things for granted! -- (Interjection)-- I think that some of these things are good for us and we should not take them for granted.

But I rose particularly to try to separate socialism and the policies which we are working on up to this time, and I don't like to see a speech being given in here on total socialism, and not having a rebuttal on it. As far as the bill goes itself, Mr. Speaker, I really can't see too much wrong with it. I find that wrong as I may be I don't really think it does affect too many people. I think if it's been explained to me properly then I haven't got too much against it. But I do have a hang-up when it comes to somebody telling us that socialism is the way to all good things because I know that I'm satisfied with what we've got now and I'd like to continue on the road that we've travelled this far. Thank you.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. EINARSON: Well, Mr. Speaker, I want to concur with the opening comments the Honourable Member for Churchill made. But you know myself being one of the Vikings of this great province of ours, and having been told so many times by other ethnic groups they're very proud of the contribution that the great Vikings of this province and this country have made, having listened to the oratory from the Honourable Member from St. Matthews, I am now suddenly becoming to wonder whether the compliment paid me over the years was really true. --(Interjection)-- I could say, Mr. Speaker, that when I think of -- and speak of my own grandparents, if they heard the oratory that has come from the Honourable Member from St. Matthews, I would say it would turn them over in their graves.

Mr. Speaker, having listened to that oratory -- you know he claims to be an academic and I think this is about the text of his speech. Not that I am criticizing academics as such -- but you know I didn't attend university, Sir, and I'm sure that the university institutions do a much greater service for most people. But you know I thought to myself after listening to the Honourable Member from St. Matthews, if that is what the learning has done for him I say thank God I didn't go to university. --(Interjection)--

I am reminded --(Interjection)-- I didn't say that, Mr. Speaker. Now the Finance

(MR. EINARSON cont'd) Minister is trying to put -- misinterpret me before I even get started --(Interjection)-- that I'm down-grading education. Nothing could be further from the truth. I thought I qualified my comments by prefacing before I made the initial punch -- (Interjection)--

You know, I am reminded, Mr. Speaker, of the story -- I know this is getting just a wee bit off the track of our succession duties, but it's another fact, and I relate the philosophy that the honourable members want to espouse, across to this side of the House -- of a story I -- in discussing with my socialist friend I asked him one day, "Say you know", I said, "if you had a couple of million dollars what would you do with it?" "Well," he says, you know, he says, "I'd probably keep a million for myself, and I'd probably distribute the other million to some of the poor people of this province." --(Interjection)-- And I said, "You know if you had a couple of houses what would you do?" "Well," he said "I'd probably have one for myself and give the other one to some poor person." --(Interjection)-- I said, "You know if you had two pairs of pants what would you do?" He said, "I have two pair and I'm going to keep them both." --(Interjection)-- I think that sort of sums up in about a minute what the Honourable Member from St. Matthews took about fifteen minutes to say.

We talk about this bill, succession duties, Mr. Speaker. I think in essence we are talking about another form of taxation. Sure the kind of taxation that they say doesn't affect only a very very small percentage of the people of this province. And the Honourable Member from St. Matthews seemed to be giving us the impression, at least that's what I gather that we on this side are saying, "You know, we're taking from the rich and giving to the poor." I want to suggest, Mr. Speaker, a completely different version of this idea, that we're not taking from the rich to give to the poor; it's another form of taxation this government as espoused upon to fill their coffers, and not to give to the poor, because they seem to have the great -- (Interjection)-- faculty of having the idea that they know best how to spend the people's money of this province --(Interjection)-- This is an area I think, Mr. Speaker, that should be made known to the people of this province. --(Interjection)-- It's a fact that the government of this province seem to have the idea that they know better how to spend my money and everyone else's money rather than the individual himself.

We have just seen what happened in Ottawa --(Interjection)-- as of December 31st, the changes in the taxation structure when the Federal Government done away with their estate taxes I think they did the right thing. But they brought about a different form of taxation, or as I know as a farmer and many farmers tell me the greatest tax jungle that has been perpetuated on the people of this country. And coupled with the fact that new tax laws that are coming into effect, that are in effect in Ottawa, plus what we're doing in the Province of Manitoba, people do have a business, whether it be a farm business whether it be a small business in town, or a business in the city, are going to be confronted with the greatest problems they've ever known in trying to run their business and keep on side with the law that they don't break the law insofar as their taxes are concerned.

So, Mr. Speaker, when it's been said that this is another form of taxation that this government is bring in because of the Federal Government relinquishing their responsibility, or relinquishing that kind of tax, they say it only affects a very few people.

But let me say, Mr. Speaker, a farm as an example, a business in a town, a medium -- an average sized business, an average size farm, they seem to forget over there on that side that the inflation that has been created over the past number of years is having a greater effect on this kind of taxation than they're prepared to admit. The inflation of the value of the dollar has changed tremendously while we in the agricultural field haven't benefitted as such. But when the time comes that the decision has to be made in settling the estates, there's another problem here that comes into the picture, Mr. Speaker, and that is when the time arrives for appraising the value of a business, it doesn't always go with saying that the estate that as it is valued is going to be because government appraisers come into the picture and they may have another value as to what the estate is going to be valued at. And as a result of this, Mr. Speaker, I think that they will find that there are greater numbers that are going to be affected by this legislation than they're prepared to admit.

I think that the Succession Duty Bill is one of real complication as I've stated than other forms of taxation and I did mention the changes in the federal laws. I think the Minister of Agriculture when he was faced with the problem not so many months ago stated publicly that you know with his frustration with the Federal Government, he said well if their party was in

(MR. EINARSON cont'd) power in Ottawa things wouldn't be any different.

There's another point, Mr. Speaker, that when we're talking about succession duties that is completely overlooked and that is the time or the years that people have worked to build up a business from practically nothing, and it could happen. They've paid taxes all their lives, maybe 40 or 50 years, and over those 40 or 50 years they have accumulated what the government would like to think a tremendous amount of wealth. And so if they do have an estate worth \$225,000 say or 250,000, as I stated with the inflationary value of the dollar it may sound like an awful lot to some people who have no idea, have no appreciation of what it was to achieve that over the many years. And I can say, Mr. Speaker, that having been taxed over the years and having achieved -- because after all what is it that makes this country -- if it isn't those people who have sacrificed and have toiled --(Interjection)-- to make those things for themselves and at the same time making their full contribution to their community and to their society.

The Honourable Member from St. Matthews talks about all the things that the taxes -- that are going to be done for this province, the services they're giving. We have many other forms of taxation, Mr. Speaker, that the government is collecting from and they're already doing this. The people are accepting their responsibility in this light. But here's just another form of taxation that you're working on. But I think it's a double taxation, regardless of how many people are involved here. He talks about those people you know who were prepared to make their contribution to society and he talks about taxing the rich to look after those -- some who can't afford to look after themselves and I have no quarrel with that. As a taxpayer I'm prepared to help anyone who cannot help themselves. But you know, Mr. Speaker, there are some whom we consider parasites to the province and do we have to provide for those. Is this -- does the Honourable Member for St. Matthews consider an individual who has depended on welfare down through the years is a real asset, is a contributor to society? -- (Interjection)-- No, no. The Finance Minister said we should kill them. --(Interjection)-- No I wouldn't go so far as to say that. That's not my point, Mr. Speaker.

A MEMBER: The Finance Minister said that though, eh?

MR. EINARSON: I have nothing against people you know if they're on welfare but some of them --(Interjection)-- and this is part of human nature, something that the socialistic people don't seem to want to understand or they don't want to be concerned about it. -- (Interjection)-- I think, Mr. Speaker, in the final analysis of this taxation and all other forms of taxation we need taxes, right, but the point I want to make is that I don't agree that government knows better how to spend my money, that I don't think they're entitled to collect, than I do myself or any other taxpayer for that matter. I think that this is just one other area in which people are going to be discouraged from taking the risks that are involved in getting the businesses providing for other people; creating employment for other people. And now that the Federal Government is engaged upon a Capital Gains Tax, Mr. Speaker, I would hope that this government would consider -- it looks like they're going to make this legislation that in three or four or five years time that they will consider changing the legislation and doing away with it. Of course in four or five years time there is a possibility they won't have to be there to do that.

I think, Mr. Speaker, with those few comments -- and one final comment I want to make is with the kind of taxes and the increase in the taxes over the past three years that we've seen in this province that if this government is elected another term -- they tell us to prove the number of businesses that are leaving the province; I don't think that it's my responsibility as an opposition member to prove anything; I think it's the government's responsibility to prove if the statements come from this side of the House; I think it's their responsibility. But I've talked to many people in this province, Mr. Speaker, that if they're elected again and continue the kind of programs and the kind of philosophy that they are encroached upon, in another four or five years time we're going to see a tremendous change economically in the Province of Manitoba.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: I wonder if the honourable member would permit a question. In speaking of an estate of a value of \$225,000 he did not indicate his opinion as to whether or not that was a good deal of money. Would he care to inform us of his opinion as to that kind of an estate and whether it's a substantial amount or not?

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. EINARSON: You know, Mr. Speaker, I realize when the Minister of Finance asked that question, a farmer could be worth \$225,000 in assets. He may not have \$5,000 in the bank but if he has to settle an estate, he may have to liquidate a third of his assets to pay the government in the way of taxes. What's going to happen to the son who may be taking over that farm? What's going to happen to him? He's going to have a mighty difficult time. He's having it tough enough right now -- and the point I was trying to make, the point I was trying to make was that the farmer or whether it's a businessman -- I won't confine it just to a farmer -- many business people over the years if they've been working 40 or 50 years, they've made their contribution, they've paid taxes and now they're being asked to pay a second time -- that is their son.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: I wonder if the honourable member would mind answering my question. Is it or is it not a very substantial sum of money?

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. EINARSON: Well, Mr. Speaker, you know the Minister of Finance has been engaged in many business transactions dealing with estates. That probably is a matter of opinion. I mean he might consider it a large sum of money -- I might not consider it a large sum of money because I tried to explain the position of say a farmer. Total cash -- it's a large sum of money, right; but in assets, what I'm talking about is a different thing. We're not talking about \$225,000 in total cash. There's a big difference.

A MEMBER: Very few people have that amount of cash . . . assets.

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MR. SPEAKER: The Honourable Member for Wellington.

MR. PHILLIP M. PETURSSON (Wellington): A question, Mr. Speaker. I had not really intended to enter into this particular debate because I don't know that any of my intimate friends have that kind of money that might be left on which inheritance tax can be levied. -- I wish I knew a few -- and therefore I wasn't rising to say anything about that.

But when the honourable member mentions the Vikings and that his grandparents would turn over in their graves if they felt that -- I don't recall exactly how he put it -- if they felt that a tax of this sort was being levied. I feel that I have to put him just a little bit straight as far as the Vikings are concerned and the descendants of the Vikings. If Iceland was settled by Vikings then they have not only followed the brave and heroic ways in the days that they lived but their descendants have followed very intelligent ways in the ways that they live and order their government, not only in Iceland but in every one of the Scandinavian countries. They have and still are governed by governments that are known as being socialist. Sweden, Norway, Denmark, Finland, Iceland - count them all. Sweden is the source of one of the most ambitious organizations of the co-operative movement. The co-operative movement has been organized and it has flourished in Sweden and in each one of the Scandinavian countries over the years, and there they have formed governments which they find are open to that form of business operation.

In Iceland last year, 1971 in June, there was an election and there was no one party that was strong enough that had a majority sufficient to form government and so there was coalition of three different parties. And the first party, the largest number is made up of a group known as the "Progressives". The second largest group is known as the "People's Alliance Party" and that is it's a populace party. And then the third group is made up of what they call "liberals and leftists" and you can place your own interpretation on what that might be. And these form the government, and they are proceeding with not only carrying out the progressive form of legislation that they carried out there before . . .

MR. DEPUTY SPEAKER: The Honourable Member for Lakeside, on a point of order.

MR. ENNS: Mr. Speaker, I would ask you whether or not the formation of governments in Iceland and Scandinavia as interesting as it may be has any particular relevancy to this bill.

MR. DEPUTY SPEAKER: I was just waiting to hear what the honourable member was leading up to before making a decision. The Honourable Member for Wellington.

MR. PETURSSON: I was simply carrying on the thought that the Honourable Member from Rock Lake had started on in connection with inheritance tax or succession duties and explaining the form of government in Iceland which is a socialist form of government and it does have - I went out to make a phone call to find out whether this was correct. It does levy what they call succession duties or inheritance taxes.

And I was also informed that the Vikings while in our eyes they may appear to be romantic adventurers marauding the coasts of other lands that there were very few Vikings who actually got to Iceland and one who did, Eric the Red, was quickly banished and went to Greenland as a result of which his son, Leif Erickson, sailed the seas and discovered North America. Actually Icelanders were very peaceable people. They were fleeing from Norway to avoid the dominance of a king who proposed to lay under his rule all of the minor kings and minor rulers in the various districts; Icelanders left Norway because of that attempted domination and moved to Iceland where they felt they could live in peace. The last of the Vikings -- a few of them came with them but the Viking age was over. It had ended about that time. Farley Mowat, in his book "West Viking" thinks them as being wild marauders, bandits and they couldn't be otherwise because they lived that kind of a life; they did not live a soft easy-going life.

But in Iceland people have recognized poverty over the years; they have endured all kinds of difficulties and hardships. And when the government or when the country reached the point of organized government; when they managed to throw off the yoke of the Danes, they organized the government in the ways that they felt was best suitable to themselves. And they do have inheritance taxes for the benefit of the whole populous, feeling that those who have made the money in the country deserve to pay some of that back as a tribute to the land in which they live and to aid the people who helped to give it to them. -- (Interjection) --

I have been in Iceland several times and the last time, 1968, I had occasion to visit what they call the poor district in Reykjavik and there I found that it was far above anything that we have here. There was no place that you could find where there was the kind of grinding poverty that we know here in Winnipeg, in Manitoba, in Canada and that we are - at least some people are doing their best to perpetuate by opposing just and fair and reasonable forms of taxation.

(MR. PETURSSON (cont'd) I think that's all I have to say on that particular point, Mr. Speaker, but I just felt that I had to put the honourable member straight about the Vikings and about the kind of land that their descendants live in at the present time. -- (Interjection) -- They'd turn in their graves if they heard the honourable member make the remarks that he did.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Would the Honourable Member permit a question? He just spoke of Iceland and the conditions there being so much better than in Manitoba. How long does he think it would take the NDP government in Manitoba to bring it up to the standards of Iceland, that they have in Iceland?

MR. PETURSSON: If after the next election we gain an additional few seats, which I expect we will, and then we'll be on the way, but I hesitate to predict just how long it might take.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker, just a few remarks at this time, on this bill. I can't help, Sir, though before making those remarks to - and I think you would make it possible for me to make these few remarks, seeing as how there is election fever in the air, we don't know as to whether or not as we leave this Chamber whether or not we have a Federal Election in the offing but I couldn't help but note that the considerable diminution of enthusiasm for elections on the part of this government when the former minister suggested that they may pick up a seat or two in the next Provincial Election. Sir, I can remember when it used to be 40 and 45 and indeed 50 when the honourable members opposite spoke of the next election. Now, Mr. Speaker, that like the trip to Iceland or Scandinavia has nothing to do with the bill. I want to contain my remarks specifically to the bill.

Mr. Speaker, as I see the bill before us the whole question of Succession Duties as introduced by this government at this particular time, and the debates and arguments that have been made to date seem to divide themselves into two areas. There has been the suggestion, and the suggestion was certainly made at some length by the member from St. Matthews, that in the first instance the justification, the rationale for imposing this additional tax is in making the wealthy pay their full share of services rendered by the state, and of recognizing in the first instance that wealth accumulated by those who are fortunate to be in that position is not of their own making, and is certainly contributed to by the general, you know, and the state treasury as a whole through the services that they use in order to acquire and to gain that wealth. The example of a manufacturer who requires the skills of trained people, trained in public institutions, and so forth, the services that it gets.

Well, Mr. Speaker, I suggest to you that there is an attempt here to mislead or to distort the real purpose of the bill. If the question is as to whether or not the wealthy in our community are in fact making a fair and equitable contribution to the services that we require, that we set from time to time, as legislators here in the Province of Manitoba, then let's look at that. Then let's look at how they contribute through income tax; let's look at how they contribute through corporation tax; let's look at how they are going to contribute through capital gains tax; let's look at how they should be contributing, and are contributing through consumption taxes, sales taxes, and so forth, and, Mr. Speaker, if at any time any government feels that a certain segment of our society is not contributing their fair share, then let's discuss how we should readjust those taxes. If the corporation tax should be double what it is today, then because you think that the corporation is not paying its fair share, then perhaps that's what you should be directing your attention to. If you want to talk about the individual income tax, not being progressively high enough, then let's talk about that, but don't confuse the issue of suggesting that the person or the company that pays progressively high corporate income taxes is not paying for its fair share of services that the sewer, or the drain, or the police protection, or the fire protection that is being afforded by the state is given that individual or that company. I think that is a deliberate attempt on the part of the Honourable Member for St. Matthews to cloud the issue.

No, Mr. Speaker, I really don't think anybody suggests that that is the purpose of the bill. The bill is of course, to eradicate a class of people if possible. Now they don't approach it in that radical manner, and certainly the present bill before us is not going to accomplish that, but certainly the intent, the intent - - and it's expressed very nobly, and very outwardly by the Member for St. Matthews, is to exclude from our society, or to so arrange our society, that we don't have the variation that we currently have in our society. That's fair game. That's a statement of position that I think this government honestly believes in. I think that this government believes, as do other socialist countries believe, that a doctor should receive

(MR. ENNS cont'd) . . . no more than a labourer, that a lawyer should receive no more for his labours as a farm worker, as a teacher should certainly receive no more than a teacher's aide. That a nurse should certainly receive as much as a heart specialist. This is what the Honourable Member for St. Matthews is of course talking about; or else is he putting in conditions and situations which he says are allowable or tolerable in his concept of that evening, and evening process that is known as socialism. If that is the case, if he shakes his head and says that that is not the case, then of course all we are arguing about is different levels of difference that we can accept within our society, then he has and his concept of that is perhaps as valid as mine. But then let's recognize -- (Interjection) -- then let's recognize that that is what we are talking about.

I suggest, Sir, that that is not the case, what certainly was in the mind of the Member for St. Matthews when he spoke just recently on the bill. And secondly, of course, the tragedy is that what is not in the minds of those who are proposing the bill is they do not have, and cannot have, as I indicated on another occasion, any real appreciation of the effect of the bill. Not only this bill but generally the measures that they put forward along similar lines, similar veins. They do not, Sir, they do not, Sir, have an insight, or an opportunity, or knowledge of when that, in this particular case, the human factor that's within an individual, when the thermostat is closed down to the point where the initiative, the self-starting mechanism of individuals finally closes down and says "no more"; finally closes down and says "no more". And just at what stage that develops, I'm forced to say that members on the opposite side are the poorest ones to judge. Coupled with the fact, coupled with the fact that we are not, and we do not have a captive population, captive society in Manitoba, then the other thing that has to be suggested and brought out is the blind stupidity of this government in approaching taxation measures such as this, when in all likelihood on either side of the province tax havens will exist. Certainly it exists in Alberta at the moment; certainly it exists in Alberta at the moment and notice has already been given that Ontario will phase out their, that Ontario will phase out of their current or proposed Succession Duties. Mr. Speaker, Mr. Speaker the Honourable First Minister says its completely false. I wonder then, Sir, if he would bring the bill in on proviso that Ontario would not do so, and if he did so, if he did so, I would suggest to him then he is not the man of principle that I am prepared to accord him to be, and that he would not be bringing in this kind of a measure which he and his Minister of Finance suggest are not strictly brought in as a measure of raising revenue. -- (Interjection) -- No I did not suggest it, I did not suggest it. I am suggesting that you are bringing it in as a matter of principle, a principle that you believe in, and I'm suggesting to you that in the first instance the principle is questionable; in the second instance the action is stupid at this particular time, at this particular time in the development of this province, in the hoped for development of this province, when we face tax havens on either side of us -- (Interjection) -- Alberta, and soon to come in Ontario.

Well you keep telling me it's nonsense. I just asked your First Minister, Mr. Minister of Finance to consider then to bring in this measure on the condition, or on the proviso that Ontario maintains its Succession Duties, and that when Ontario does reduce its Succession Duties taxes, that you will then reduce ours. Well, Mr. Speaker, I find no more taunts, or no more taunts of what is nonsense or what isn't nonsense; but I suggest to you, Mr. Speaker, that that in fact is in all likelihood what will take place; and the tragedy is, Mr. Speaker, the tragedy is, Mr. Speaker, that many Manitobans, many Manitobans are going to expend a great deal of energy of dodging this particular tax bill when they should be devoting their time and their efforts and talents to helping us build the Province of Manitoba. That, Mr. Speaker, is the real tragedy that's inherent in this bill, not the dollar values that are attached to the bill. The Minister of Finance suggests and has always suggested that it is not that particularly attractive revenue bearing tax measure but, Mr. Speaker, if the honourable Minister of Finance and this government is not prepared to accept the simple fact that certainly people with an estate of \$500,000 need not leave the Province of Manitoba to avoid the tax, if he'd only establish six months residence in Alberta, and then return, and successfully have avoided the tax. Is this really what the government is prepared to suffer? Mr. Speaker, the danger of course is that if we ask people of Manitoba in that position to consider these kinds of alternatives then of course, the distinct possibility is that they will bring their efforts and their resources, financial and otherwise, to the province that they decide to go to and thereby enrich that province at the same time draining ours.

(MR. ENNS cont'd)

Mr. Speaker, I suggested earlier that if you want to in a doctrinaire manner cling to the hope and to that popular slogan of "Hang the Rich", you know, "Damn the Rich", get rid of them, if you could only get rid of the rich, our problems will be solved, instead of challenging yourself to the problem of bringing the poor up to the rich, but no, it's a catch phrase that certainly has appeal, popular appeal, then I suppose these kind of measures, we can, we'll be seeing more of them.

If the question is, Mr. Speaker, that the rich or the wealthy are not contributing in fair measure, or in the manner that we from time to time decide they should be contributing, then we have certainly the means - and we are refining them every year, with every budget - the means of taking from the wealthy the kind of funds that we believe necessary, the kind of funds that we believe they should be making to the society, as a form of contribution to society as a whole over and above the services that they are getting, because the services of supplying a particular service need not be that much more for a wealthy person than for a poor person -- although in some instances it certainly is if property is involved. If property is involved, or great amounts of property involved.

So we acknowledge, we accept, and we have long accepted progressive rates of taxation. If the Capital Gains tax that we are now imposing is not sufficiently progressive enough with respect to the accumulation of wealth, then let's talk about that particular aspect --(Interjection)-- Yes I do. Mr. Speaker, if the consumption taxes, if the consumption taxes we feel should be aimed more directly at those who can afford it on those items that can afford it, you know, should we be reviewing our sales taxes, should we be taking more of those items of necessity, food, clothing, children's clothing, more of those areas where the lower income groups have to, or by necessity have to purchase these items, and place more emphasis on the luxury items? Then certainly those are areas that we can review. These are all areas that are open to review and for continual adjustment if we feel that the rich aren't making the maximum contribution that they should be making to our way of government, and our society.

That's one philosophy, and that's one approach - one of course that has to take cognizant of the competitive position that we always find ourselves in as a federated state with our sister provinces. But the philosophy, the approach that was expressed, particularly by the Member for St. Matthews, as to the principle and the real intent of this bill is one that I certainly would have to reject, and one that I certainly can't support.

MR. SPEAKER: The Member for Inkster.

MR. GREEN: Mr. Speaker, I am rising to speak on this bill primarily because of the continued suggestions on the part of the other side of the House that somehow Manitoba will be poor as a result of enacting this type of legislation, and basically their proposition is based on two, two principles, Mr. Speaker, which I wish to deal with and I wish to examine the implications of.

The first principle is that somehow the imposition of an estate tax drives capital away from the state that imposes that estate tax and as a result of the driving of this capital out, that somehow Manitobans will be poor.

The second proposition is that when this capital is driven out that somehow the people of Manitoba will be the poorer by it because the people that they have driven out, somehow are the superior people, the ones who create jobs for Manitobans. Mr. Speaker, the Leader of the Opposition and the Member for, Mr. Johnston, the Member for Sturgeon Creek, have all referred to the fact that the kind of people who have made jobs, upon whom our poor working people depend for their livelihood, will be driven from the province and that herefore the province will be poor.

Now, Mr. Speaker, I wish to deal with both of those propositions because in each case that they have been advanced, they have been advanced in a theoretical sense on the basis that it is obvious that this will happen; not on the basis that it has happened, not on any empirical basis, but on the supposition that rich people or capital will leave a place where there is an estate tax imposed. Now, Mr. Speaker, what are the facts? The facts are that during the last many years, and more recently the past few years, the Province of Saskatchewan and the Province of Alberta have both been that type of tax haven which the honourable member is referring to, and not a single statistic has been presented to this Legislature to indicate that people have left Ontario, people have left British Columbia, people have left Quebec for the purpose of going to Saskatchewan and going to the Province of Alberta for the purpose of

(MR. GREEN cont'd) . . . being under a tax haven. Mr. Speaker, there is a very good reason why this does not happen. If one will look at the Province of Saskatchewan and one will look at the Province of Alberta, it would appear that the people in those two provinces weren't very grateful to the governments who provided these tax havens and therefore made the rest of the people of Saskatchewan and Alberta rich, because both governments that provided wealth by means of these tax havens, were turfed out of office. Mr. Speaker, the only two provinces that had the kind of heaven on earth that the Member for Lakeside proposes for the people of Manitoba, the only two governments that did it got turfed out by the people.

Now, Mr. Speaker, this was Mr. Thatcher's philosophy and apparently it was Mr. Strom's philosophy. I would assume that it is still Mr. Lougheed's philosophy. But there is one unknown, Mr. Speaker; how long does philosophy last? I would suggest to the honourable member that capital is far more interested in stability than in an existing situation -- and if you think that all of the capital is going to leave places where there is a tax haven and go to where there is no tax haven, and go to a place where there is a so-called tax haven, then I tell you that capital is smarter than that, Mr. Speaker, because there is one thing that capital knows, and knows from experience, and that is that governments change and that there is no guarantee that any so-called tax haven will exist in perpetuity; and they think, Mr. Speaker, in this fashion.

If we pick up roots and move all our capital into the Province of Alberta what is to stop the people from Alberta after all that capital moves there from saying "Now we pass a law and we grab that capital." What's to prevent them from doing it? Not a thing, Mr. Speaker. -- (Interjection) -- Mr. Speaker, not a thing to prevent them from doing it. --(Interjection) -- Mr. Speaker, the honourable says "Keep the socialists out of Alberta." I suggest that capital doesn't look at whether it's socialists or otherwise -- (Interjection) -- Mr. Speaker, they look at the question of whether they will make money, whether they will make money, and there is nothing, Mr. Speaker, that this bill does that prevents capital from making money in the Province of Manitoba. And the fact is, Mr. Speaker, I'm not saying that that is the end in any event. I am merely asking the members on the opposite side to look at those countries in the world, look at those countries in the world, Mr. Speaker, that have no tax havens; the countries such as Britain, such as the United States, countries such as Canada, look at those countries in the world that may have these type of tax havens. And I suppose you can pick the Dominican Republic, maybe other countries in South America, maybe Spain, maybe there are others, I'm not sure; I'm throwing these countries out. And, Mr. Speaker, I am going to suggest that you're not going to find capital running from the tax haven, from the non tax haven countries to the so-called tax haven countries, because if they want the ultimate tax haven, Mr. Speaker, they'll go to the North Pole. There is unlikely to be an estate tax in the North Pole in the foreseeable future. -- (Interjection) -- But they don't go there, Mr. Speaker, because they're not going to make much . . . the honourable member says -- the honourable member says that assets are frozen up there, Mr. Speaker, and I welcome that bit of wit because it is the cleverest thing that he has said this afternoon.

But the fact is that if you look at the countries and see it empirically as to whether you are right you will find that you are not right. That the real thing that induces capital to enter is the fact that the people are able to make money on the basis of the fact that the people have purchasing power or other capital generating activities. And, Mr. Speaker, they are much more interested in stability of government than they are in a particular advantage here and there and on this occasion, Mr. Speaker, we have had occasion to talk to some of the most important people of capital, as my honourable friend would call them -- (Interjection) -- No, that's small potatoes compared to some of the people that we have talked to. Small potatoes. And they have indicated that what they are interested in is knowing that there is a stable government; that the policy of that government can be expected to continue for a long period of time; that they can plan by virtue of that long period of time. And, Mr. Speaker, they have no greater assurance than they have in the Province of Manitoba because they know that this is a stable government and will continue for a long period of time and that they know what to expect from that government.

Well, Mr. Speaker, the second proposition and the one that really offends me is the notion that has been advanced by the Member from Sturgeon Creek, by the Leader of the Opposition, that really what we are doing is taking the quality people, the kind of people who make money for everybody else and on whom the rest of us depend for our livelihood and whom we have to

(MR. GREEN cont'd) . . . walk cap in hand, and say, "Would you please be energetic so that we can make a living," -- that those are the people that are leaving the Province of Manitoba.

Well let me say this, Mr. Speaker. First of all I would ask you to look at the list of estates of the people who have passed away in Manitoba in the last ten years. And you know the Leader of the Opposition said -- I'm trying to remember his words -- that anybody with the least bit of sophistication will pay no estate tax in the Province of Manitoba; that anybody who does pay estate tax in the Province of Manitoba is some type of imbecile. I would ask you to look at the list of people who passed away in the Province of Manitoba in the last ten years -- you can get the list from the Surrogate Court -- and see whether they are not naive imbeciles, such as the Leader of the Opposition will suggest. There will be some very interesting names there, Mr. Speaker, that the Leader of the Opposition now classifies as unsophisticated imbeciles because they could have gone to the Province of Saskatchewan, they could have gone to the Province of Alberta for the purpose of saving that; but they stayed in Manitoba where some of the assets were captured by Manitoba laws, whatever they were -- and I would suggest to you that it's not that easy, as the Leader of the Opposition, or the Member for Lakeside suggests to escape, even if you wanted to -- that he will find a list of very sophisticated people who have paid roughly, or whose estates have been taxed roughly 4, \$5 million a year, which apparently is not a great deal of money to members of the opposition. You know that \$4 million a year would probably pay for a good part of the cost of Medicare drugs; it would certainly pay I think for keeping people in nursing homes, which the Member for Sturgeon Creek was so anxious to push yesterday; \$4 million a year, we could put a lot of people in nursing homes or have lots of money . . .

MR. SPEAKER: Order, please. I'm sorry I must interrupt the honourable member. Our procedure calls for by Rule 19 to go to Private Members' Hour. The Honourable Member will be able to continue next time we come to this item. Under Wednesday, the first item under Private Members' Hour is Orders for Returns. Addresses for Papers up for debate.

PRIVATE MEMBERS' HOUR

MR. SPEAKER: Proposed Order for Return by the Honourable Member for Brandon West. The Honourable Member for Brandon West.

MR. MCGILL: Mr. Speaker, in presenting this Order for Return requesting information on this eventual employment program I would like to be as brief and as direct as possible in explaining the reasons for requesting the information that is outlined in the clauses of the Order.

Sir, it is the primary function of an opposition to examine the spending patterns and the spending estimates of the government of the day and to examine them carefully and in detail and in a critical way to determine if the public purse is being introduced to the proper advantage insofar as this is possible. Now, Mr. Speaker, most of the spending estimates are of a recurring nature, and so the pattern of debate and the pattern in which the estimates can be examined is pretty clearly laid out as they are presented by the various Ministers for their department. But Sir, this is a nature of an emergent program and as such might be classified as non-recurring hopefully; but it was presented more than a year ago in the first instance because of a need to create employment, and I believe, Sir, that some considerable success was achieved in this total employment program initiated by the government.

But we are presenting our request for information because there is no estimate in the Estimates for Expenditures so far as I can determine for such a program this year. I noticed that last year there was \$4 million for Winter Works program under the Department of Municipal Affairs. We are sincere in this request. We are not in any way critical of the program generally but we feel it is our responsibility to examine in detail the manner in which these funds have been allocated. I would acknowledge the very candid reasons presented by the First Minister for rejecting this application. He has indicated, Sir, to the House that he feels that the information being asked for would require an unreasonable amount of labour and expense. I would merely observe, Sir, that it is somewhat difficult to accept this point because the nature of the program and by very intent is to create employment, and I think that perhaps the First Minister should consider that if indeed this would require additional hours of work, it is not entirely in opposition to the general intent of the program which was to create employment.

(MR. MCGILL cont'd)

Sir, we do not wish to belabour the point. We are asking for information as an official opposition in order to do our job in examining the spending patterns of the government. We do not wish to prolong the debate; we are prepared on this side to put this question to the vote forthwith. Thank you.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, some of the information that is being requested in this Order for Return is, of course, the kind of information which the honourable member has every right to ask for. On the other hand, there are other kinds of information -- questions contained in this Order for Return which really are not in keeping with understood practice as far as the kind of information that is divulged. It is no secret who the person, who the principal person in charge of processing the applications under this Winter Works program is, but if the honourable member is asking -- as it seems clear to me that he is asking -- for the name of the different persons, the various echelon of the public service dealing with individual applications, specific applications, that is not the kind of information that we are inclined to provide, nor has that kind of information been provided in the past. If a division or branch of a department of government makes certain recommendations in respect to certain applications, it is not the practice to indicate who the individual civil servants are that have recommended for or against applications and so on.

I believe the honourable, the Member for Brandon would have more success obtaining the more important part of the information he seeks if he were to re-submit an Order for Return in a different style and different format. I have already indicated that one of the reasons why we are not inclined to accept this Order for Return is that in the form that it is before us will involve a good deal of effort and therefore of expense, and as I indicated, Sir, the last time this was before us under Citation 213, of Beausheue it is well understood that orders can be refused for that reason alone.

What can I say to the Honourable Member from Brandon except that if he wishes to obtain information as to the amounts that have been approved under the Winter Works program per community and per region of the province, that kind of information can be provided. If he is asking for rate specification as to the criteria that is used in determining eligibility in -- if he is expecting us to indicate the date of each individual application under this program, the names of the individual public servants who have dealt with these applications, that is the kind of information that we are not inclined to give.

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

MR. MCGILL: . . . Mr. Speaker, yeas and nays.

MR. SPEAKER: Call in the members.

MR. SPEAKER: Order, please. The motion before the House is the approval or disapproval of Order for Return by the Honourable Member for Brandon West.

A STANDING VOTE was taken, the result being as follows:

YEAS: Messrs. Barkman, Bilton, Blake, Craik, Einarson, Enns, Ferguson, Froese, Girard, Henderson, F. Johnston, (Sturgeon Creek), Jorgenson, McGill, McGregor, McKellar, Moug, Patrick, Spivak and Mrs. Trueman.

NAYS: Messrs. Adam, Barrow, Boyce, Burtniak, Cherniack, Desjardins, Doern, Gottfried, Hanuschak, Jenkins, Johannson, McBryde, Mackling, Paulley, Pawley, Petursson, Schreyer, Safransky, Toupin, Turnbull, Uskiw, Uruski and Walding.

MR. CLERK: Yeas 19; Nays 23.

MR. SPEAKER: In my opinion, the nays have it, I declare the motion lost. The Honourable Member for Churchill.

MR. BEARD: Mr. Speaker, I was paired with the Member for Inkster. If I had voted, I'd have voted "yea".

MR. SPEAKER: On the proposed Order for Return by the Honourable Member for Minnedosa. The Honourable Member for Minnedosa.

MR. ENNS: Mr. Speaker, I believe the Honourable Member for Minnedosa has already spoken on this

MR. SPEAKER: No, our procedure is that if a member is introducing it, we do not classify it as debate until it's been transferred. So therefore it's still in the name of the Honourable Member for Minnedosa.

MR. DAVID R. BLAKE (Minnedosa): I would relinquish my right to speak, Mr. Speaker,

(MR. BLAKE cont'd) in favour of my colleague from Lakeside.

MR. SPEAKER: The Honourable Member for Lakeside. The Honourable Minister of Labour.

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): Mr. Speaker. I wonder if I may just on this point. It's not a question of the Honourable Member for Minnedosa in my opinion, Mr. Speaker, - - and I trust that you will give us your guidance - - relinquishing his right in favour of anyone else, it is a question of him not proceeding in the debate. And if you, Sir, recognized the Honourable Member for Lakeside that would be okay. I wouldn't want to see it established in this House that any individual member could suggest who should speak next.

MR. SPEAKER: The point is well taken. I should also like to point out to the Honourable Member from Minnedosa that he has given up his right to speak because having taken the adjournment and then not proceeding after he's been called is an indication of having spoken. The Honourable Member for Lakeside.

MR. ENNS: Thank you, Mr. Speaker. I don't really believe that the Honourable House Leader is that careful of any comments that I might make that he would want to in any way subdue the comments that I may choose to make on this particular matter.

Mr. Speaker, my comments will be very brief. Sir, we believe that in an area of government expenditure that has risen unexplainedly by some 45 percent in terms of salaries, that has risen by some 35 percent in the total expenditures, that an Order for Return as we have before us here is in order and is indeed called for by the opposition. I think, Mr. Speaker, that what is beginning to concern us on this side is the number of Orders for Returns or Address for Papers that have been turned down by this government or have been accepted with a great number of qualifications; qualifications to the point that makes them meaningless.

Mr. Speaker, the Honourable Minister of Finance in speaking to this some time ago. and it was some time ago that we dealt with this matter, suggested that the situation that this government found themselves in when they took office, the embryo of these two particular secretariats was just that - or we're referring to the one now - the Management Committee. Let me suggest, Mr. Speaker, that it was certainly our intention -- I should refresh the Honourable Minister of Finance's remarks at that particular time. He said: "But, Mr. Speaker, when we came into government we found two embryos in those Cabinet Committees. They were not developed, they were not performing the full function that was planned for them." and it is essentially on that basis that he goes on further to say, "we will not back away from the fact that the committees have grown and indeed justifies the growth of these committees on the strength that these were just in their formative stages."

Mr. Speaker, I recall very well the reasons, the purposes that the former Premier, the Honourable Walter Weir instituted these studies, had set up these committees. There was first of all of course the overriding concern about government performance, particularly its in-House performance, and one of the main reasons for setting up this Management Committee as well as the Planning and Priority Committee was to bring about a greater degree of co-operation and liaison within the departments and to have less opportunities or less chance of happening where you have one department very often working not in concert with what other departmental activities in other departments were, and to generally improve the system of delivery of government services within government. The decision therefore was to maintain these two committees at the highest possible level, a level of ministerial rank served by a secretariat. Now it was never conceived, at least in those days, that that particular area of government programming would be or could be or should be the haven for all kinds of people with vaguely defined responsibilities, vaguely defined abilities and all too often, all too often, all too often very loosely and uncontrolled attachment to those specific areas, those specific departments where in the natural course of the study, the scrutiny of estimates, the opposition could quite correctly get at their particular functions, arrive indeed at their particular salaries and in other words find out just what they're doing.

Mr. Speaker, we believe that there is sufficient reason to ask for this information. We believe that when apparently ministerial orders are issued to restrain travel conditions or travelling privileges by members of whom we do not know but of this all great committee - as was pointed out the other day by the Honourable Member from Portage - that that among many other reasons all add up to the fact that in this particular area where we're spending \$1,352,000, an increase of some 352,000 over last year; in other words, some 35 percent.

(MR. ENNS cont'd) In this particular committee where the salaries have increased from \$683, 000 to \$985, 000, an increase of virtually 45 percent. This, let's understand it, is not an operative department, these are people who were not being told from day to day precisely what function they are carrying out in government. It's a most significant rise in expenditures. I feel, Mr. Speaker, that the government can of course reject this Order for Return; they must do so with the clear understanding that as they continue to reject information of this kind to the members of the Opposition, their much vaunted claim to open government and to the process of making information more freely available than even it has ever been made before by governments, begins to have a hollow ring.

Mr. Speaker, I believe that the information requested is valid, it's being asked for in the interests of the taxpayers of Manitoba and if this government chooses to withhold this kind of information then of course that is a decision that they will have to live with.

MR. SPEAKER: Order, please. I must indicate to honourable members that I was in error in assuming that this had reached the floor for the first time. Votes and Proceedings indicate that this had been debated before. The Honourable First Minister had spoken. Fortunately, the Honourable Member for Lakeside had not so therefore he had an opportunity to go. The other persons who had spoken are the Honourable Member for Fort Garry, the Honourable Minister of Finance, and if the Clerk will show me the Votes and Proceedings, I believe there is one other member that had spoken on this question - the Honourable Member for Riel, that's right. So therefore, the floor is now open to any other member who wishes to speak. The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I rise in support of the Order. I feel that some of the information asked for here should definitely be made available to members of this House.

MR. SPEAKER: The Honourable Member for Morris.

MR. WARNER H. JORGENSON (Morris): . . . I should raise a point of order at this stage. In the initial proceedings on this particular debate today, you suggested that the Honourable Member for Minnedosa had the right to the floor. The fact is it was the Member for Minnedosa that introduced this resolution at that time and I wonder now if in our proceedings, if we follow the same procedure we do in the introduction of bills, if he has a right to close that debate.

MR. SPEAKER: Well that's precisely the point that I shall have to ponder. I don't know whether I should give an answer at the moment, but in my opinion we do not have any particular rules in regard to the Private Members' Resolutions or in regard to Orders for Return that indicate that I would assume that the normal rules of debate would apply and consequently I would suggest that the Honourable Member for Minnedosa will have an opportunity to close debate.

The other aspect about it is this: That the only reason that I asked for the Honourable Member for Minnedosa to proceed because no one had adjourned the debate and there was no name underneath. Consequently I assumed that it was the first time it had reached this item until I saw the Votes and Proceedings. So the Chair apologizes for this oversight. But the Honourable Member for Minnedosa has already spoken when he introduced it. The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, as indicated I rise in support of the Return. I feel that some of the information requested in this Return is very vital and that it should be made available to members of the House. For instance, on the matter of engaging consultants - by the time that we receive Public Accounts, the expenditures will be shown and at that time we will have a right to question the government as to the particulars on this and I see no reason if that information is going to be made available at that time why it shouldn't come forward at this time. In fact now is the time that it should be revealed so that we could discuss it properly and know what's going on, and specially when engaging consultants we would like to know what type of work they are going to be engaged in and the contractual terms, the qualifications of the people employed in this regard. I feel too that some of the other requests made, especially in those where transfers occur from temporary to permanent employment, why should the government refuse to oblige? Certainly this is matters that should be made available to this side of the House.

The Committee of Cabinet and the management of that particular committee, the people that will be employed within and with them, I think, too, should be a matter of record so that we know and that we don't have to wait until such a time where it becomes a matter of public record. I feel that this information should be made available now and when it is more useful.

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

MR. JORGENSEN: The yeas and nays, Mr. Speaker.

MR. SPEAKER: Call in the members. Order, please. All those in favour of the motion please rise.

A STANDING VOTE was taken the result being as follows:

YEAS: Messrs: Barkman, Bilton, Blake, Craik, Einarson, Enns, Ferguson, Froese, Girard, Henderson, Jorgenson, McGill, McGregor, McKellar, Moug, Patrick, Spivak and Mrs. Trueman.

NAYS: Messrs: Adam, Barrow, Boyce, Burtiak, Cherniak, Desjardins, Doern, Gottfried, Hanuschak, Jenkins, Johannson, McBryde, Mackling, Malinowski, Paulley, Pawley, Petursson, Schreyer, Shafransky, Toupin, Turnbull, Uskiw, Uruski, Walding.

MR. CLERK: Yeas 18; nays 24.

MR. SPEAKER: In my opinion the Nays have it. I declare the motion lost.

MR. SPEAKER: Proposed Order for Return of the Honourable Member for Portage la Prairie. Are you ready for the question? The Honourable Member for Churchill wishes to say something?

MR. BEARD: I wanted to vote. Mr. Speaker I was paired with the Member for Inkster. If I had voted I would have voted "yea".

MR. SPEAKER: On the proposed motion of the Honourable Member for Portage la Prairie -- are you ready for the question? The Honourable Member for La Verendrye.

MR. LEONARD A. BARKMAN (La Verendrye): Could we ask the indulgence of this House to have this matter stand, and we understand the consequences.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: May I refer my honourable friend to Rule No. 22, subsection (3): "During the Private Members' Hour no requests shall be made by a member to allow a matter to stand and no motion to adjourn will be entertained with respect to a private member's resolution." This is a resolution Mr. Speaker. I don't think that the request of my honourable friend is in order.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. BARKMAN: Mr. Speaker for clarification, is it then automatically just dropped to the bottom of the Order Paper?

MR. PAULLEY: . . . Mr. Speaker, the rulings of the House are in your hands of course. It would be my opinion that it is removed from the Order Paper.

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSEN: I don't think that the intention of the Rules Committee -- I don't think that it is the practice in the House of Commons as well that when a motion is not proceeded with that it disappears off the Order Paper. It merely drops down to the bottom of the Order Paper. The consequence of such a motion dropping down to the bottom of the Order Paper in the House of Commons is well known. It is very unlikely that it will reappear, but in this Chamber there is possibility that even if it does drop down to the bottom of the Order Paper, it can reappear at some future date in our proceedings and I question very much the judgment of the House Leader when he says that the motion should disappear off the Order Paper. It doesn't say so explicitly in the rule. I think it's a general understanding that if one is not here to proceed with a motion it then drops down to the bottom of the Order Paper and reappears in the normal course of events.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: On that same point of order, I think we have been distinguishing between Orders for Return and Resolutions and that we have stood over Orders for Return from time to time.

MR. SPEAKER: Order, please. I have had sufficient advice but I should also remind honourable members that our rule 22 (4) says and this is a substantive motion or a resolution: "Where a resolution of members is reached for the first time on the Order Paper during the Private Members' Hour if the member is not present or does not proceed with the resolution at that time the resolution shall be placed at the bottom of the Order Paper" -- and that's where it will go. Transfer of Papers, Address for Papers. The Honourable Member for Brandon West's resolution. Has he spoken? Is this the first time, clerk? Order, please. The Honourable Member for Brandon West.

MR. MCGILL: Mr. Speaker, I presented this Address to His Honour the

(MR. MCGILL cont'd) Lieutenant-Governor on behalf of my colleague, the Honourable Member for Riel.

MR. SPEAKER: The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, there are a number of addresses for papers that deal with the Hydro issue and all of them are requested for a specific purpose. The specific purpose of asking for the one in question that we are looking at -- correspondence between the Executive Council and Manitoba Hydro concerning the regulation of Lake Winnipeg; and the erection of structures to control the level of Lake Winnipeg and/or plans to derive electrical power from the regulation of Lake Winnipeg -- are designed primarily to determine where the basic decisions were made in all of this great controversy that surrounds power development in Northern Manitoba.

We have thought for some time that a lot of the decision making stemmed back to that report that was published in September of 1969 under the authorship of the present Chairman of the Manitoba Hydro, Mr. Cass-Beggs. However, there are certain questions that would lead us to believe that the basic decision is a political decision on Lake Winnipeg and on the Nelson River diversion -- or on the Churchill River diversion. All of the decisions whether they are made by Mr. Cass-Beggs or by the consultants since then hinge around the one basic, original decision that somebody made that South Indian Lake should not go above 850 feet.

There have been many of hundreds of thousands of dollars worth, millions of dollars worth of money spent on reports since the change of government in 1969 but there has always been one proviso in all the reports, with the exception of one report which was done by a consultant in late 1969 that is the Underwood McLellan Report where they did in fact, look at alternatives on South Indian Lake which went above the 850 level. And in that report we see that there are substantial economics to be gained from going to 2-4 feet above that level. But the reports that were done later by the task force and Hydro and by the Crippen Company all had the constraint put on them that they should not under any condition look at any level of water on South Indian Lake above 850 feet, which is about ten feet of water above the normal level, Mr. Speaker.

The best report from the point of view of the reaching an optimum said 852 to 854 -- and we have never really known from the government, never had an answer from the government why they did not accept that -- instead of that what appears to be an arbitrary constraint of 850 was placed on, which was just enough to change the entire economics of the system enough that Lake Winnipeg all of a sudden appeared to offer some economic advantages. But without the 850 constraint Lake Winnipeg, of course, regulation is almost completely a waste of taxpayer dollars, somewhere between \$56.5 and \$100 million, so that that arbitrary decision that was made at 850 wasn't simply a question of whether there was 2 or 4 feet of water on South Indian Lake, it was a question of whether the taxpayers of Manitoba should spend somewhere up to \$100 million for a diversion scheme on Lake Winnipeg that offered them very little in return. -- (Interjection) -- The taxpayers of Manitoba -- the power users, the ratepayers of Manitoba.

Well, Mr. Speaker, the interest rate on that even at 8 percent -- that is about what the government is now paying for money -- amounts to probably \$8 million a year on the interest alone on a diversion scheme on Lake Winnipeg which as we know by one presentation to the Manitoba Water Commission is a very ill-conceived one -- and in fact, a diversion scheme which in fact caused the wastage of water greater than what you would have with a power system on the Nelson River which could utilize the entire flow rather than spilling water by control during part of the year. So more and more we see that the decision, whoever made it, the decision of 850 on South Indian Lake was one which held great implications for Manitobans; but one which has been adhered to religiously by both the chairman of Manitoba Hydro -- and I say the chairman, because the chairman put the constraints on the task force and he put the constraints on the Crippen people. Now I'll retract that Mr. Speaker. I think it was the government that put the constraints on the Crippen people at 850 and that of course, is what we are asking for in another one of the Returns that we have asked for. But the First Minister has said in this House that the 850 level constraint was not a political decision, meaning I would take it from that, that it was not a decision that was made by he or the Cabinet or by the Executive Council, and that precisely is what we are asking for.

Was there a directive went from the Executive Council to the Hydro or to the consultants that said "the conditions of your study are that you shall not look at anything above 850

(MR. CRAIK cont'd) feet above sea level on South Indian Lake". We've had it said that it was not a political decision, we simply want to have it verified. We want to know where it comes from. We do not recognize the report done by Mr. Cass-Beggs in the September of 1969 as being in any way, shape or form a valid piece of engineering work. It was in fact, very much a piece of work which I am sure that he must have wondered since whether any competent technical person should ever have put his name to it, particularly in light of the many millions of dollars that had gone before him. And probably even more so because of the fact that a very competent man who had been his colleague in Saskatchewan and had worked with him for several weeks on the project, had disassociated himself from the project and of course, had gone back and his name does not appear on the report, despite the fact that he had done most of the research work, from all appearances, that led up to that very ill-considered report put out by the now chairman of Hydro. But that report essentially which said you do one of two things: you go to thermal plants or you control Lake Winnipeg, has been the guiding light of everything that has happened, the thermal plant alternative was ruled out fairly early in the game but the decision to regulate Lake Winnipeg has remained and everything that has happened since then has somehow or other verified that decision. Now was the decision made by the government or was the decision made by the Chairman of Manitoba Hydro? The decision was not made by the Task Force.

Mr. Speaker, the First Minister has accused me here of somehow maligning the members of the Task Force. Let me say unequivocally that the Members of the Task Force simply did what they were told. They were told the constraints to which they should work and when they had finished their work and presented their conclusions, the recommendations that were drawn from those conclusions were drawn not by the members of the Task Force but were drawn by the Chairman of the Manitoba Hydro Board in conjunction with the other author of the report, Mr. Leonard Bateman.

MR. SPEAKER: Order, please. I hate to interrupt the honourable member but I should like to indicate to him that his debate is reaching a wide latitude. I am sure he is aware he has got about three or four resolutions all in the same vein, and if his latitude is too extended at this debate, I shall have to rule out all his other debate as repetitive in the future. I'm just cautioning the honourable member to bear that in mind when he is straying from the exact resolution at the present moment before us. The Honourable Member for Riel.

MR. CRAIK: Mr. Chairman, to repeat the aim of this Address for Papers, it is to ask for legitimate information, that is, instructions from the Executive Council to the Manitoba Hydro to determine where the decisions came from. It is going to be a matter of some importance in the future and ultimately it has to come into the open as to where the decisions originated. I've said before, not in this House but outside, that the inquiry into the Churchill Forest Industries project in terms of amounts of money will be pale in comparison to the inquiry that will go into the decision making in the Hydro project.

I say that, Mr. Speaker, because the amount of money that is at stake in Hydro project, to use the words of the First Minister, will amount before it is completed, to three billion dollars; and the September 1960 report of Mr. Cass-Beggs says in effect that "alternatives within a ten percent of total cost limits are reasonable alternatives to look at." Well if we look at it -- if he was thinking of three billion dollars when he said that, Mr. Speaker, the First Minister has said three billion dollars here in this House about two weeks ago -- if Lake Winnipeg and all the other alternatives at worst are ten percent of the difference, that's only \$300 million -- only \$300 million Mr. Speaker. And \$300 million as you know, since we have just finished the Budget, is enough money to pay for all of Medicare for not only this year but next year and the year after that, and to do away with the sales tax for the next five years or more, and to do any number of things that might be socially desirable in Manitoba, if we look at it as being what the First Minister has said, three billion dollars in total, what the Chairman of Hydro has said in his September report that we are only talking about alternatives which at worst talk about ten percent of the total cost of the project.

Well to the average Manitoban, when you talk about ten percent it doesn't sound like much but when you talk about \$300 million it amounts to more than what he can sustain. The First Minister has said that the dead weight debt of the province is \$27 million. This represents in amount of money, \$300 million which is ten times that great, and it can't certainly be considered as productive debt if it's unnecessary debt. But anyway it all hinges back to this very arbitrary decision on what the level on South Indian Lake should be, because the

(MR. CRAIK cont'd) reports do show -- and nobody has refuted this -- the reports do show that if a level of 854 is achieved on South Indian Lake, that the control of Lake Winnipeg probably becomes unnecessary forever; at least, it doesn't show up as a desirable aspect of any sequence before 1991 or 1993.

MR. SPEAKER: The honourable member has three minutes.

MR. CRAIK: Therefore that initial and arbitrary decision of 850 on South Indian Lake, which I suspect stems somewhat from some body somewhere deciding that 850 was the average level on Granville Lake and if you put any more on South Indian Lake it backed up into Granville and flooded somebody in Granville Lake, and therefore that that should be the limit on South Indian Lake.

Now these are all speculations; Mr. Speaker, but nowhere yet have we had any statement about why 850 on South Indian Lake, because you had set the stage for hundreds of thousands of dollars worth of reports which is specifically what we are asking for here and which as a second best we might ask the First Minister, or whoever made the decision on the Executive Council, or passed it along, why 850 was selected. Particularly now since there is some indication that South Indian Lake flooding or damming, whatever you want to call it, control, may be given up completely as an alternative, which means that even those studies that have taken place up till this date are probably almost completely invalidated and now we will have another complete set of studies.

That's the purpose of the Order, Mr. Speaker, is to determine when the instructions went out and who imposed the constraint of 850 feet that has governed everything that has happened in Hydro for the last 2 1/2 years.

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

MR. SPEAKER: The hour being 5:30 the House . . .

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Ayes and Nays, please.

MR. SPEAKER: Call in the members.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: On a point of order. It's after 5:30.

MR. SPEAKER: What was the point of order? I didn't hear it.

MR. FROESE: The point of order was that it's after 5:30 and it's not in order to have a vote after 5:30.

MR. SPEAKER: A division takes precedence over any other motion

MR. SPEAKER: Order, please. All those in favour of the motion please rise.

A STANDING VOTE was taken, the result being as follows:

YEAS: Messrs: Barkman, Bilton, Blake, Craik, Einarson, Enns, Ferguson, Froese, Girard, Graham, Henderson, Johnston (Sturgeon Creek), Jorgenson, McGill, McGregor, McKellar, McKenzie, Moug, Patrick, Spivak, and Mrs. Trueman.

NAYS: Messrs: Adam, Barrow, Boyce, Burtniak, Cherniack, Desjardins, Doern, Gottfried, Hansuchak, Jenkins, Johannson, McBryde, Malinowski, Paulley, Pawley, Petursson, Schreyer, Shafransky, Toupin, Turnbull, Uskiw, Uruski, Walding.

MR. CLERK: Yeas 21; Nays 23.

MR. SPEAKER: In my opinion the nays have it. I declare the motion lost.

The Honourable Member for Churchill.

MR. BEARD: I was paired with the Member for Inkster. If I had voted I would have voted for the resolution.

MR. SPEAKER: The hour of adjournment having arrived, the House is accordingly adjourned until 2:30 tomorrow, (Thursday) afternoon.