

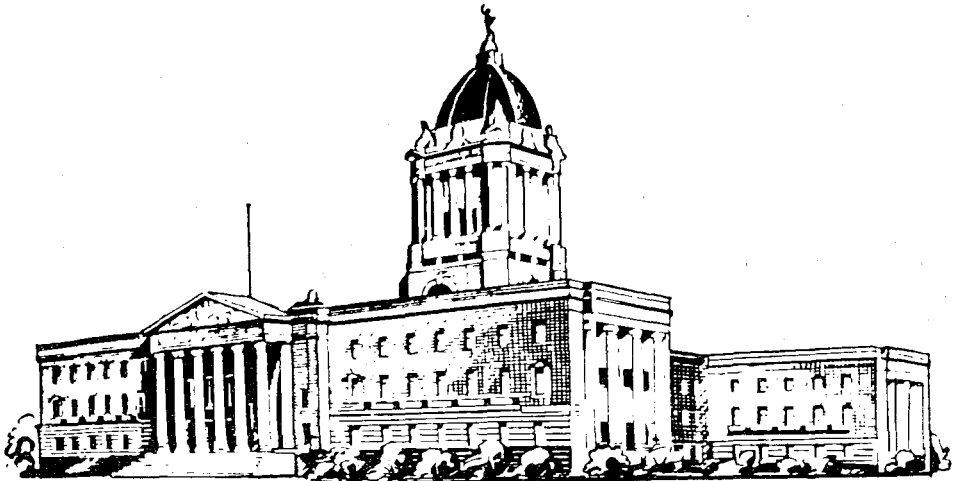


Legislative Assembly of Manitoba

DEBATES
and
PROCEEDINGS

Speaker

The Honourable Peter Fox



Vol. XX No. 112 2:30 p.m., Saturday, May 19th, 1973.

Fifth Session, 29th Legislature.

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Electoral Division	Name	Political Affiliation	Address	Postal Code
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ASSINIBOIA	Steve Patrick	Lib.	10 Red Robin Pl., Winnipeg	R3J 3L8
BIRTLE-RUSSELL	Harry E. Graham	P.C.	Binscarth, Man.	R0J 0G0
BRANDON EAST	Hon. Leonard S. Evans	NDP	Legislative Bldg., Winnipeg	R3C 0V8
BRANDON WEST	Edward McGILL	P.C.	2228 Princess Ave., Brandon	R7B 0H9
BURROWS	Hon. Ben Hanuschak	NDP	Legislative Bldg., Winnipeg	R3C 0V8
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WINNIPEG CENTRE	J.R. (Bud) Boyce	NDP	777 Winnipeg Ave., Winnipeg	R3E 0R5
WOLSELEY	I.H. Asper	Lib.	Legislative Bldg., Winnipeg	R3C 0V8

THE LEGISLATIVE ASSEMBLY OF MANITOBA
2:30 o'clock, Saturday, May 19, 1973

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports; Notices of Motion; Introduction of Bills. Oral Questions. The Honourable Member for Morris.

ORAL QUESTION PERIOD

MR. WARNER H. JORGENSON (Morris): I should like to direct my question to the Minister of Finance. I should like to direct my question to the Minister of Finance and ask him just what is the occasion that prompts him to bring in that plant into the House today.

MR. SPEAKER: The Honourable Minister of Finance.

HON. SAUL CHERNIACK, Q.C. (Minister of Finance) (St. Johns): Mr. Speaker, I'm not sure that I'm accountable for it, but may I say that this is in recognition by a person of the personality of my wife, and is a gift to my wife which I am the custodian of until I see my wife and present her with a piece of ivy which apparently is off a slip which came off ivy from Windsor Castle.

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

HON. SIDNEY GREEN, Q.C. (Minister of Mines, Resources and Environmental Management) (Inkster): Mr. Speaker, could you call Bill No. 49 and then Bill No. 50, please.

GOVERNMENT BILLS - BILL 49.

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona) presented Bill No. 49 an Act to amend the Civil Service Superannuation Act for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: My honourable friend from Riel won't let me get away with anything, Mr. Speaker. I'm not trying to get away with anything, may I add right off the bat.

I did cover the general principles involved in this bill while dealing with the Estimates of the Civil Service Commission. Basically the Act provides for an upgrading of pensions to civil servants over the first upgrading that we had in 1970. The Act provides for voluntary retirement at age 60 without penalty to the civil servants of Manitoba. At the present time, Mr. Speaker, there is a penalty of three percent per annum below the age of 65. You may recall, Mr. Speaker, that in 1970 or prior to the amendments made in 1970 the penalty was 6 percent, and we cut that in half to three percent, and now for early retirement between the ages of 60 and 65 we have eliminated the penalty for early retirement completely. This is a new trend I believe that will be acceptable in many other industries and many other jurisdictions as well.

Another basic principle of the Act before us, Mr. Speaker, is the matter of the years under which a person may select their average income. We are reducing from the best ten years in twelve to seven years as the averaging out for the base of the pension. That would be, Mr. Speaker, the best seven years in the last or a twelve year period that the employee worked. I might say in this connection, Mr. Speaker, that I regret that we were not able to acquiesce to what I consider the desired, that is averaging out on the best five years, but I suggest that this is a step in the right direction.

Another provision, Mr. Speaker, in this Act is to bring about at least a commencement of portability of pensions to civil servants. And if honourable members will take a look at the first page of Bill 49, they will see there listed the areas, the areas of recognized Canadian scene insofar as employees are concerned and portability. The portability will apply to civil servants in the Government of Canada, or of the government of a province or territory of Canada; an agency of the Government of Canada; municipality in Canada; school division; educational institution in Canada, and of a hospital or associated health facility in Canada. This will be the first time that the Civil Servants' Superannuation Fund will have such a provision. I recognize Manitoba has more or less hung back but here it is eventually provision for portability.

It is my hope, Mr. Speaker, that before too long we will be able to have legislation in Manitoba to bring about portability of industrial pensions as well as those of the Government of Manitoba.

There are other provisions in the Act, Mr. Speaker. One other major provision in the Act is to continue the cost of living bonus, to use that phrase, to the retired pensioners, and there's quite a considerable number of them; and of course this will also enhance the pensions

BILL 49.

(MR. PAULLEY cont'd) of those about to retire. We intend to continue the three per cent interest on refunds of contributions of the employees.

Another provision in the Act, Mr. Speaker, deals with the option for disability pensions to be on the last ten years of service, based on ten years of service prior to age 60, which is an improvement over the present Act.

Another provision, Mr. Speaker, in the Act is that the Government of the Province of Manitoba, or maybe more properly I should say the Crown, Mr. Speaker, has agreed that if there is not sufficient amounts of moneys in the employee part of the fund to pay for all of the benefits between now and the next review, which will be three years hence, that the Government of Manitoba has committed itself to pick up the slack. The last evaluation of the Fund and the Annual Report for the year ending 1971, the actuarial assessment, Mr. Speaker, of the Fund indicated a surplus of some \$12 million, roughly speaking. And of course that's in the employee's share. It is anticipated that the increased benefits would actually require a contribution for the employee over the period of the next three years amounting to about 18 millions of dollars as against the twelve. However, the government feels that the benefits and increases in the regulations of the scheme are such that the government is prepared, without the necessity of increasing the employee contribution, to pick up any additional required financial contribution.

There is a provision still contained in this Act, Mr. Speaker, for a return to the government of some \$260,000 as a result of the changeover in the Fund some years ago. That was provided for in the present Act; we are continuing that but, we anticipate that this will not be withdrawn from the employee share but the government will waive that in the event that the cost is greater than the anticipated surplus which is now in the employee part of the contribution. Because as honourable members I'm sure are aware, Mr. Speaker, it is not a fully-funded pension fund but the guarantee is made by the Crown to match employee contribution for any benefits. And as I've indicated, Mr. Speaker, if the employee contribution does not provide for all of the benefits contained in this bill, then the Crown will make up the difference without additional cost during the lifetime of this contract with the employees.

I may say the benefits were arrived at by negotiations between myself, the Cabinet responsible on government side and the liaison committee of the employees of the Civil Service, the Crown corporations and I was very pleased, Mr. Speaker, on the termination of our discussions to receive a letter from Mr. John Howden the President of the Manitoba Government Employees Association - I'm sorry I haven't it here to table, Mr. Speaker - but he indicated the great pleasure and acceptance by the Employees Association of the forward look, forward approach in respect of civil service pensions which are contained in this bill. In all fairness, I do say, Mr. Speaker, he did regret that we had not been able to make provision for the best five instead of the best seven years in service and we accept that.

And also, Mr. Speaker, there is another provision contained within the Act of recognition of some service that previously was not allowable, and that is in respect of an employee who was in the service prior to call up in the Second World War and the Korean and provision I believe is contained, Mr. Speaker, that if such an employee had some service with the government within a year of the call up, that would be recognized and also the period of his war services will also be used to compile his final pension.

I've had also, Mr. Speaker, a communication from the Retired Pensioner's Association of the Civil Service also commending the government in making provision for increases in their pension based on the seven year rather than the previous ten years.

I recommend this bill to all members of the House; I think it is a very progressive piece of legislation and that should be acceptable by the Assembly without any division and as I indicate, that the liaison committee of all the agencies accept it in good faith.

MR. SPEAKER: The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, I beg to move, seconded by the Member for Souris-Killarney that the debate be adjourned.

MOTION presented and carried.

BILL 50

HON. BEN HANUSCHAK (Minister of Education) (Burrows) presented Bill No. 50, an Act to amend the Teachers' Pension Act for second reading.

BILL 50

MOTION presented.

MR. SPEAKER: The Honourable Minister of Education.

MR. HANUSCHAK: Mr. Speaker, the Honourable Minister of Labour said same explanation and he is practically correct because the amendments to the two bills are in fact very very similar.

I would like to draw your attention, Mr. Speaker, to some of the highlights of this bill, especially those concerning early retirement since by law teachers must notify their employers of their decision to retire by the end of this month, by no later than May 31st.

Firstly, Mr. Speaker, I should say that this government is accepting financial responsibility for the unfunded liability which the Teachers' Retirement Fund is presently carrying by increasing the guaranteed net rate of return on investments to 7 1/2 percent, and this will have the effect of controlling the size of the unfunded liabilities. And also, Sir, we are accepting responsibility for additional costs to the Fund by reason of increased obligations by guaranteeing interest payments of 6 1/2 percent on the increased obligations.

And the reasons in brief for the above guarantees: Well, Mr. Speaker, no one can deny that the cost of living is increasing and taking this fact into account, we do not wish to deny teachers on pension some alleviation to the continuation of a cost of living adjustment which was begun in 1970 and that this will continue into the year '73, '74 and '75. This adjustment consists of two portions: One is a fixed amount for each year of service; the second portion is related to the basic pension and allows for the different effect which changes in the cost of living have at various income levels.

For the typical retiree, two-thirds of the increase would be based on the fixed amount and one-third of the increase would be based on the amount of his pension.

Next, Mr. Speaker, is an improvement in the pension formula which will result in pensions being based on the average salary in the seven years in which the salary is the highest. This would normally be the last seven years of a teacher's career. However, in order to accommodate persons who might wish to step down from administrative positions ahead of retirement the formula will allow for the best seven years out of the last twelve. This benefit will be extended to teachers already retired, Mr. Speaker, as well as to those who will retire now or in the future, effective July 1st, of this year.

The amendment I suppose which has created the greatest interest is the one which removes the penalty for retirement between the ages of 60 and 65. Honourable members will recall, Mr. Speaker, that in 1970 the penalty for retirement prior to 65 was reduced from five percent per year to three percent per year, and it is now proposed to remove this penalty altogether, and to permit a teacher who has completed at least ten years' service and attained age 60, to retire at a pension more nearly sufficient to his needs.

In addition, Mr. Speaker, a teacher who wishes to retire between 55 and 60 would have his pension calculated on the same formula as would be applicable to retirement at normal retirement date, but reduced by one quarter of one percent for each month that his age is less than 60 years.

I wish to emphasize, Mr. Speaker, that this benefit will also be extended to teachers who retired, between 1970 and the present. Their pensions will be recalculated to remove the three percent per annum penalty.

I should emphasize that the recalculations will not be retroactive to the date of retirement, they will take effect from January--I'm sorry, Mr. Speaker, from July 1st, 1973.

I wish to emphasize an item of great importance at this point. Serious consideration was given to making early retirement optional on the part of either the employer or the employee. However, Sir, after much further discussion it was decided that the compulsory retirement age should be left at 65, and thus early retirement is at the option of the employee and not the employer. And I wish to state clearly, however, that there is further discussion continuing on this point with all the parties concerned, and, should changes in the Canada Pension Plan benefits dictate a change, then a corresponding change may be made within the Teachers' Pension Fund.

This bill, Mr. Speaker, also provides for a life-time pension to the spouse of a teacher who dies while still in service. If there is no spouse, the bill provides for a pension to dependent children for a maximum of ten years. The pension will be payable in the case of a teacher who has completed at least ten years of service, and will be 60 percent of the pension accumulative for service to the date of death.

BILL 50

(MR. HANUSCHAK cont'd)

I emphasize, Mr. Speaker, that this provision is applicable only to teachers who die while in service. Teachers who retire, whether at 60 or 65, will still be required to elect the type of pension best suited to their particular needs. This provision is to protect those who at present are entitled only to the return of the teacher's contributions plus interest.

There's one final matter, Mr. Speaker, that I wish to draw to the attention of honourable members of the House. We have been made aware that the wording of the war service provisions of the Teachers Pension Act has denied credit for war service to a group of teachers who were teaching in Manitoba prior to enlistment but who were no longer employed by school boards at the actual time of enlistment. It is our intention to correct this situation by amending the relevant section of the Teachers Pension Act so that a teacher who had been employed by a school district within the 12 months immediately preceding his enlistment, and who meets the requirements with reference to returning to teaching following his discharge from service, will receive credit for his war service at no financial cost.

I am aware, Mr. Speaker, that there are other groups of teachers who are presently denied credit for war service because they either were not teachers prior to enlistment or because they did not return to teaching within the time limit spelled out in the Teachers Pension Act; however, I consider that these present a different problem altogether and one which requires a good deal of further discussion and study.

As I mentioned earlier, Mr. Speaker, there is some element of urgency about this bill and I would ask the cooperation of all members of the House in permitting this bill to proceed with all dispatch.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I move, seconded by the Member for Brandon West, that debate be adjourned.

MOTION presented and carried.

BILL 59.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Would you call Bill No. 59, Mr. Speaker?

MR. SPEAKER: The proposed motion of the Honourable Minister of Health.

HON. RENE E. TOUPIN (Minister of Health and Social Development) (Springfield) presented Bill No. 59, an Act to amend The Social Allowances Act, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Minister of Health.

MR. TOUPIN: Mr. Speaker, this bill provides for certain amendments to sections of this act. The intent and principle of the bill are as follows: "The addition of the term 'mental disorder' which is legally encompassing of mental retardates." This is consistent with the requirements of the Federal Government in order to qualify for federal cost-sharing of the Manitoba School for Retardates under the Canada Assistance Plan.

Another proposed amendment to the act will permit the consideration of the financial resources of parents of those applying for student aid. This amendment will clearly establish that the financial resources of parents may be taken into consideration in such cases. A subsection is being added as a housekeeping procedure, to take the definition of 'special care' out of the section of the act and include it in another section.

A subsection is added to another section to provide for application for social allowance from common-law spouses, but any application made by either party to a common-law union, the financial resources of both parties shall be taken into account in the determination of eligibility.

Another section provides for the amendment of the subsection to the act to permit the Lieutenant-Governor-in-Council to make regulations prescribing forms and rules to determine the financial resources of an applicant, his parents, or both.

It provides also for the addition of a subsection which will permit the passing on the retroactive benefits such as, for example: "Increases in Old Age Security or Guaranteed Income Supplement and other retroactive benefits as the government may decide from time to time to pass on to those in receipt of social allowance."

MR. SPEAKER: The Honourable Member for Fort Rouge.

BILL 59

MRS. INEZ TRUEMAN (Fort Rouge): Mr. Speaker, I move, seconded by the Member for Minnedosa, that the debate be adjourned.

MOTION presented and carried.

BILL 61.

MR. SPEAKER: The Honourable Minister.

MR. GREEN: Mr. Speaker, I am calling Bill No. 61. I don't know what the intentions of the Member for Sturgeon Creek are.

MR. SPEAKER: Did the Honourable Minister say 61?

MR. GREEN: 61, yes.

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. J. FRANK JOHNSTON (Sturgeon Creek): Thank you, Mr. Speaker. I rise to speak on this bill with rather surprise. You know, I can remember the debates in this House last year where the Opposition told the government that your rebate system and the system whereby you were returning the people's money to them was clumsy and awkward. "Why don't you take it off at source?" we said, "Why don't you just have a deduction from the taxes? We wouldn't have all the problems of administration; we wouldn't have all the advertising; we wouldn't have all the offices set up for phoning to help people work it out." We said, "Just deduct it at source." And the government stood up and the Finance Chairman and the Premier especially, after I called the--I repeated his words when he spoke on the rebate system that the previous government had; he called it "gimmickry" at that time and I reminded him of that, and he said, "No, no. It's not the same. This isn't gimmickry. This is a rebate on--with ability to pay," and he said, "Well, we've got it worked out that you get it off your income tax."

Now, Mr. Speaker, one year later we now have the rebate system being a deduction off taxes as we suggested, and also we have a system whereby the people's money was collected from them and five months later, or nine months later or so, is being paid back to them off the tax bill this year, \$100.00 of it.

Now, the other thing is that we--I can't understand and the Finance Minister has not explained to this House what's going to happen next year. I read his schedule here very closely, that is presented to us, on net incomes, taxable income, and here what do we do? We set up a system whereby this year they got return of up to \$140.00 by making out the income tax, and the Finance Minister gets up and explains that it's now at \$200.00 with a basic of \$100.00, which will happen next year. You know, if you're going to have a system, let's have it. You can either increase it or lower it as the government has done, but let's have continuity of the system. And all of a sudden this year we start to ruin the system because \$100.00 is given back right now. Now next year, when you make up your income tax, or when the people of Manitoba make up their income tax, they're going to do it the way they had to do it this year but, you know, let's take the schedule the Minister gave to us and--well, we'll start at \$7,000 and he deducts \$70.00 from \$200.00 and--yes, yes, I agree that it comes to \$130.00 as it said here, but next year he gets \$30.00, a guy making 90,000, \$9,000, you know, when we go through this system again next year he'll get 10. Now maybe I'm wrong, maybe the government has a way of giving them \$100.00; they've got a \$100.00 loan right here, or credit right here now. You're going to give \$100.00 of that money deductible from the taxes this year. Now that's the way I see it; it hasn't been explained any differently. So, you know, next year automatically, automatically you're \$100.00 short because you've given it this year.

Now I really--the Minister is looking at me. If he is saying that we're going to give you \$100.00 of the rebate or \$100.00 rebate off your taxes this year and it has no effect on this--no, I said if he's saying we're giving you \$100.00 off your real taxes this year and it will have no effect on this when you make up your income tax next year, I don't know. But here we have a rebate system that has been set up to be workable year after year, and all of a sudden we're giving \$100.00 this year off the real taxes. So next year the man who makes \$9,000 net a year he'll get \$10.00 because he's already got his hundred this year.

Now, Mr. Speaker, I sincerely hope that the Minister of Finance can explain what I have said. Well, if it doesn't need an explanation then I guess I'm right, he gets \$10.00 next year. All of a sudden in an election year - and I didn't say it over the other act - all of a sudden in an election year they've changed their whole system, the one that they bragged about last year, that they worked out on the ability to pay and done by the income tax, off your federal tax, wouldn't

BILL 61

(MR. F. JOHNSTON cont'd) cost you any money for collection, administration, etc. And now we have, you know, we have--this was the greatest system that had ever hit the road in Manitoba, and all of a sudden they change it; they deduct off the real taxes. And you know, we said that last year. Why all this problem? Why not deduct it at source? is what we said. And you know this is what they're doing this year. All of a sudden they go into this type of a system. But why this year type of thing? --(Interjection)-- Yeah, and the fight we got last year when we advised them to.

Now, so all of a sudden next year when you make out your income tax, you've already got \$100.00 given to you this year. And they used to say that, you know, in 1973 when you make out your income tax, you're really getting back 1972 money 'cause you're making out your '72 income tax, they said. Well, that's fine. I'll buy that. But when you're making out your 1973 income tax next year you're going to be \$100.00 short. You know, they had a system worked out for this year and the system was to carry on, you could make the limits higher or lower, but they just threw away the system, and the man who has \$130.00 coming to him off his 1973 income tax, when he makes it out next year he's going to get \$30.00 next year.

So all of a sudden, you know, and the Minister--I was very careful on another bill to say that I didn't say that this was a campaign gimmick. I wouldn't accuse the government of that, I said; I've accused them of a lot of things on that bill, but on this bill it's fairly obvious what has happened because they've gone to the trouble to say that the best thing they ever had for Manitoba, they've changed it. They've changed it right now.

Mr. Speaker, well, I don't know, next year--next year the people of Manitoba are going to be 100 bucks shorter than they are this year. You know, you've given them--you know, in 1973 they made out their income tax on the basis of what was put in last year and they got their money this year and they could have done the same next year--the system was working, but you just threw it out the window; next year the guy's \$100.00 short, he's got it this year.

Now what are you going to do next year? This is what we told them, that the rebate system was just the craziest type of thing to go into you could ever--you never really, you never really get out of it once you're into it, because you've got to keep raising and raising and raising. You're going to have to, you know, next year, somebody is going to have to find a way to see that the people of Manitoba in 1974, when they make up their income tax for 1973, has \$130.00 if he makes \$7,000 a year net.

Now, you've really--and then we argued, Mr. Speaker, that it--they argued it wasn't cumbersome to administrate, it wasn't costly to administrate. Maybe, Mr. Speaker, somebody can explain what the--in the estimates of this year under Urban Affairs we have an item "Education Tax Credit Plan, administration \$338,000." You know, that's not all. That doesn't include the advertising, doesn't include any part of that. You said, no, this won't be costly to operate, but there it is right in the Budget. I know we haven't got to Urban Affairs yet but I think that this is a very good place to bring it up - your administrative costs for doing this. You're going to have administrative costs continually with the advertising plans that you've got, the trouble too, the opening of offices, the long distance phone calls.

You know, Mr. Speaker, if a fellow were to be living in Portage la Prairie and couldn't figure out how to get his rebate back and all you had to do is dial a number and the call went into Winnipeg, no charge, they accepted the long distance phone calls, and I don't really know whether they explain it on the phone, but you know by the time you got the long distance phone call from a rural area and then you send a fellow out in a car or have somebody go out to help them do it, you know the guy that was getting \$70 back, you know, the government's probably spent that \$70 to go out; you know, what are the people of Manitoba gaining. It's the old basis, you know, straining the money and this is what they do with it. There were men going out saying well I'll help you with your tax form - very costly, very costly. And it's right there in the Budget. This was going to be an easy thing to administrate and we got \$338,000 for handling that operation in our Budget this year. --(Interjection)-- I said \$338,000 in the Estimates, Page 41 under Urban Affairs, Education Property Tax Plan, Administration - \$338,500.00. That's not the advertising, no that's --(Interjection)-- Well, I'll tell you, I don't know, the government must, a very very good discount house on advertising because if the amount they did with all the administration only cost that I'd be very surprised.

Mr. Speaker, I just want the Minister to stand up and explain how the people next year, or how he's going to handle it because they're a hundred dollars short. Their system, it was

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(MR. F. JOHNSTON cont'd) paid this year. You know, the member over there from St. Matthews, he's shaking his head.

A MEMBER: I'm nodding my head.

MR. F. JOHNSTON: Nodding your head? Well, I didn't say anything. I said explain it, that's all I want to know; that's all I want to know. Quite frankly, I can't really see why. You know, you really have to get down to business and think this over, when a government comes in and says, "We've got the best system ever." They said it last year; this was the greatest; Ontario was doing it; everybody's doing it; we are really doing this. This is a marvellous thing. . . . the ability to pay off your income tax form, Federal Government, and then all of a sudden changes the rates up or down, that's fine, and then absolutely discards the whole system they thought was so damned good. And you're saying that this is good government? This is good financing? Oh for heaven's sake, and he says he's going to vote for it. I'd give my right arm if he'd get up and speak on it because he doesn't understand it.

Now --(Interjection)-- Well, I'm only going by the form that was given to me, and if you're getting \$100.00 off your real tax this year, the communities are going to have to be credited, you know, because it's coming off the real taxes. There's some way that that's going to be done but next year, as far as I see it, the guy that earns \$8,000 net will get 20 bucks. You can say, oh well, we gave him 100 last year, but next year you give him 20 bucks according to this. So, Mr. Speaker, I'm looking for the explanation. Where does this money come from? The Minister gets always along and he says, you know, the ability to pay. The ability to pay. You know. I've pondered that in my mind for four years, the ability to pay. The ability to pay is any guy that goes out and works. Any guy. Not the rich or the big corporations or anything, any guy that goes out and works. So what does it boil down -- what is the ability to pay in Manitoba? And I've got the Budget here, and in 1971, in 1971 the income for Manitobans was 2.2 billion dollars, and between 4,000 and 15,000 dollars, 1,559,000,000 - over half - right in there. So if you take - right in here if you take between, if you take between 7,000 and 10,000 - \$796 million. You know, Mr. Speaker, what is the percentage under 4,000? It is about 48.6. Between 4,000 - 5,000 - 15,000 it's about 48.5. Now, under \$4,000 how many people pay income tax? Very few, very few. And if you read the article in the Tribune not too long ago it said if you took all the money from the people that make over \$15,000 or \$25,000 a year, you wouldn't really have enough money to make any difference to the budget. You know, 0.7 people make more than \$25,000 a year in Manitoba. The income from that is \$131 million and that person's in the 50 percent bracket, and then you turn around and he's buying annuities, he's buying pension plans, he's buying this. You know, the amount of tax gained from that area is nearly nil. From all the tax, the ability to pay in this province is right in the working man. And he has to pay for all this administration. He has to pay for all this advertising. He has to pay thousands of dollars for the Premier to send out a letter to everybody. I got two letters at my home. One to me, one to my daughter. A guy down the street got--three went to one family. You know, this is--and the Minister got up and said, "Well, you know . . .

MR. CHERNIACK: Would the honourable member please--I assume he is agreeing to permit a question. Two questions, if I may. One is, what kind of a letter is he talking about at taxpayers' expense for which he and his daughter received copies? The other unrelated question is: Would it not be more meaningful to give figures on a per capita basis in those classifications of income tax payers rather than groups? Would it not be more helpful if we knew how much each person in each bracket paid?

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Mr. Speaker, you know, he's talking per capita basis. That's fine if he wants to get into that argument. But, you know, I'm only going from what I have in front of me presented by the Premier, you know, and you just take--you've given the averages and the percentages right here, you know, and you've given all the figures right here. They're not hard to add up and look at very sensibly, you know. I didn't make this up, it was given to me by the government the night the Premier made a statement. So here we go again. The letter is the letter saying to my daughter and myself that I don't have to pay, I don't have to pay Medicare any more. --(Interjection)-- Be sure you don't. --(Interjection)-- Well I'll tell you what's wrong. Are you going to keep the money that the people sent in? If anybody makes a mistake and sends in their Medicare payment in July or October or after June, are you going to keep it? No, you're going to mail them a cheque back and say, "Ladies and gentlemen", or "Dear Sir,

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(MR. F. JOHNSTON cont'd) you have made a mistake. From June 1st on, it was not necessary to pay this bill." And you say, well, that's the guy that made a mistake, that's the guy that didn't see the advertising, that's the guy that didn't read all the newspapers, that's the guy that made that mistake, and you're going to write him a letter back and I swear you wouldn't have more than 5,000 letters if you had that--if you had that. Are you going to keep the money? So you write them all back, those who made the mistake and those who didn't see the advertising, "Dear Sir, the Provincial Government this year has taken away your Medicare payment after June 1st. There is no longer reason to pay it." And you've covered the whole thing at a very small cost. But in election year the Premier mails a letter out to everybody saying, you know, "Now you don't have to pay your Medicare" - at a tremendous cost to the taxpayers, two to my house, three to the guy down the street, etc. So this middle man, this middle man again is paying for all this administration.

The income from the corporate tax--I didn't make it up. This was made up by the government. Corporate income in the reports that we have from the government is estimated at \$41,000 this year - \$41 million this year. You know, that's a far cry from \$700 million which is what the Budget is. Who's the guy paying the tax through gasoline taxes and all those others that I related during the Budget Debate, that have gone up? The middle man again. So, you know, you take this money, strain it through all the problems of administration of government, give it back to him and this year you give him, you know, you give him a credit, you give him the money--you loan him the money this year, so to speak, and they say well, you know, you're only getting 30 bucks next year because we gave you a hundred of it this year. Ruining the whole system that they set up.

So really, Mr. Speaker, you know, the plan has been decided. Anybody making decisions in this government or in this Legislature always has to be considerate of the people, and if it's their money they should receive it. It's their money. But all this government does is take it from them for nine months, give them 100 back this year, they've got another plan that they got money back from 1972, this year, they've mucked up the plan for next year, you know, really, after they've played around with their systems and the people's money for a long time.

Mr. Speaker, you know, the Minister of Finance has always been regarded as a good financial man and I think he is, and that's why I can't understand him allowing the ruination of a system that was worked out that he thought was one of the best there ever was. Thank you.

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSEN: Mr. Speaker, I move, seconded by the Member for Lakeside, the debate be adjourned.

MOTION presented and carried.

MR. GREEN: Mr. Speaker, will you call the motion on concurrences please.

CONCURRENCE - HIGHWAYS

MR. SPEAKER: The resolution was the resolution on Highways. The Honourable Member for Birtle-Russell.

MR. HARRY E. GRAHAM (Birtle-Russell): Mr. Speaker, at 12:30 I was almost finished. I had one point to make and that was the callous way that this government and any other government, including the one that I was a member of previously, have treated the people of St. Lazare in the matter of promises for the construction of provincial trunk highways 41 and 42 in that area.

Mr. Speaker, we now find that we're on the eve of an election and once more in the highway program the Minister of Highways has a program just as we had a program in the 1969 election, and when the government changed the program was scrapped. I sincerely hope, Mr. Speaker, that whatever government takes over after this election is completed, that that road into the Village of St. Lazare is completed, the program that is presently offered and the tenders that we expect will be called in the near future, will be honoured by the government that takes over after this government is finished, and I suggest to you, Sir, that when the election is called this government will be finished.

MR. DEPUTY SPEAKER: The Honourable Member for Arthur.

MR. J. DOUGLAS WATT (Arthur): Mr. Speaker, I just want to make a few comments again on the Highways Department. Unfortunately the Minister of Highways is not in his seat today but I'm informed this morning by the Minister of Health and Social Services that the

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(MR. WATT cont'd) Minister of Highways is out inspecting the roads in the province's municipalities, or in municipalities within the province, and he's expecting and inspecting the potholes. Anyway, I'll just direct a few remarks and probably maybe the Minister of Finance might listen to something that I have to say because he became involved the other day --(Interjection)-- It's not fair. --(Interjection)-- No, it's not fair to make you work. No you never have, so why should you start now?

Mr. Speaker, I thought probably that again I should bring the attention to the Minister of Highways and so I will do so through the Minister of Finance and have it passed over on to the Minister of Highways who is out inspecting --(Interjection)-- You won't miss a word. But I would like --(Interjection)-- Yes, I recognize that the Minister of Agriculture probably is the acting Minister of Highways but

MR. DEPUTY SPEAKER: Order please. Order please. The Honourable Member for Arthur, to the item under discussion.

MR. WATT: Yes. My friend suggests that the Minister of Agriculture is probably a better Minister of Highways than he is of Agriculture since he hasn't done anything in agriculture. At least between he and the Minister of Highways they have wakened up a lot of people in the Province of Manitoba because you can't drive over a provincial road any more in this province without being wakened up. But I still, in spite of the fact that the Minister of Agriculture is the acting Minister of Highways at the moment, I want to just direct a few remarks to the Minister of Finance who became involved in highways the other day when I was discussing this. And I want to refer to Hansard of April 18th on Page 1904, when I asked the question of the Minister of Finance and the question I asked, Mr. Speaker, and I quote: "Is the honourable member prepared to admit that the increase in the per capita grant does not cover the cost of the reduction in the provincial road maintenance and in the municipalities in the past two years?"

Now I said the past two years, I should have said the past four years. But I want to read into the record, Mr. Speaker, the answer that I received from the Honourable the Minister of Finance, and I quote: "Mr. Speaker, the increase is due to the fact" - and he's referring to the increase in the per capita grant - "the increase is due to the fact that there is a recognition of increased costs, but the Provincial Government is still paying its proper share of provincial roads and it is not the same formula as it was before under the Conservative Government. It must be better. That is all I can say because it can't be worse." Now this comes from the Minister of Finance, the Minister of Finance who apparently is an expert on provincial roads. And I want to suggest, Mr. Speaker, that probably the Minister of Finance has some understanding of the condition of provincial roads although I don't believe that he would be leaving the City of Winnipeg for any other reason than for a pleasure drive for himself and his family, and I am quite sure that he would not be using provincial roads should he be leaving the City of Winnipeg, to drive through the Province of Manitoba on a pleasure trip. Because, you know, I can't see, Mr. Speaker, any reason why the Minister of Finance should be driving through the Province of Manitoba for any other reason - for other reason probably than politics - than for a pleasure drive, in which case he would not be using provincial roads and yet he is prepared to stand up in the House and say to this side of the House that the roads in the Province of Manitoba could not possibly be worse than they were. Well I just quoted him as saying --(Interjection)-- no, no. The honourable member was referring to the roads, to the formula and to the condition of the roads, to the formula, and he also said that we are putting more money into it. There is no question about it. We are - I could go on and read it. where he did say that we're putting more money into it. And it's quite agreed; there's no question about it that the Provincial Government did put more money into the municipality, or into the department insofar as provincial roads are concerned, but it did not go into the roads. It went to increased administration from the City of Winnipeg, from the Provincial Legislative Building, where there are probably 100 or 150 more cars involved, or probably two or three hundred more civil servants involved, but there is no more provincial maintenance of provincial roads in the Province of Manitoba. And I notice that the Minister of Agriculture is not interested at all because he doesn't know any more about roads than he does about agriculture, but the Minister of - the Provincial Treasurer apparently is quite interested. --(Interjection)-- Yes.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Chairman, may I ask the honourable member what he just read, quoting me as saying, is not a statement that I made that I was sure that the formula for

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(MR. CHERNIACK cont'd) . . . contribution by the province is better than that of the previous government but it couldn't be worse than that of the previous government's formula. I was not talking about the condition of roads, was I?

MR. WATT: Well I would say that when the Minister was talking about the formula that he was talking about the formula that had been set up by the Provincial Government, the Conservative Provincial Government on municipal roads, or provincial roads, at that time where there was a clear division made between provincial and municipal responsibility. And certain roads were designated as provincial roads and certain roads were designated as municipal responsibility. So we're talking about the formula. --(Interjection)-- Well I'm talking - but I'm talking about the condition of the provincial roads under the formula that was set up by Conservative Government and the formula that now exists, and the maintenance which now exists, or the lack of maintenance which now exists, between the province and the municipality insofar as provincial roads are concerned.

And I just want to point out, Mr. Speaker, that since the House opened, that I have constantly brought this before the Minister of Highways and that as of last weekend, when I was at home and where I had the misfortune to have to be travelling over provincial roads, I found the roads, and I found the municipal people agreeing with me, that they were in worse condition than ever as of last weekend. --(Interjection)-- No, you didn't talk about the condition of the roads just the formula. You said the formula, it could not have been worse --(Interjection)-- that's right. And that it was better now when I say that the formula has changed and now the roads are worse. And I think that it should be --(Interjection)-- does the Honourable Member from Brandon wish to say something from his seat? If he does I'll move over and I'll wait for him. I don't think the Honourable Minister of Industry and Commerce probably knows any more about highways than the Minister of Finance does when it comes down to the final - because the only roads that he ever sees is between here and Brandon, is between here and Brandon, because all that has gone between here and the southwest area is to Brandon east, to Brandon east, and that is the only road that he travels so I'm sure the Minister is not going to move around to his seat and make . . .

A MEMBER: How is the gravel?

MR. WATT: How is the gravel? What gravel? What gravel? That's what I'd like to know. Well I just want to point out, and I'm speaking not on behalf of myself or my constituency, I'm speaking on behalf of the reeves and the councillors of the municipalities throughout the Province of Manitoba who have pleaded with the Provincial Government, for God's sake do something about the provincial roads which are your responsibility, and have said by resolution, which I read into the record just a few days ago, it's costing us more money now than it was before the Conservative formula was set up because of the fact, because of the fact that the traffic is not moving over provincial roads now because they're not fit to drive over, and I'm not talking from something that I've read in the paper or from the resolution by the convention of the rural municipalities. I'm talking about experience of driving over those roads; I'm talking about what it has cost me for cars and trucks for shockers and broken springs, and what have you, driving on provincial roads in areas where we can avoid it. --(Interjection)--

If the Attorney-General wishes to make a statement on the provincial roads I'll sit down and let him make his statement right now. But he doesn't know anything more about provincial roads than the Minister of Agriculture, or the Minister of Highways, or the Minister of Finance. He doesn't know any more about them than any of those, or probably anybody else up in that - I just look around to the back, to the gang over there, and I just wonder which one of them knows anything about provincial roads, or the condition of provincial roads. My honourable friend the Attorney-General holds his hands up because he does know something about them, because he collects a lot of money in fines right now off the provincial roads and off the highways, and there's no doubt about it he's been reimbursed to that extent.

Now, Mr. Speaker, I don't intend to hold up the Estimates of the Minister of Highways. . .

MR. SPEAKER: Order please.

MR. WATT: . . . since he is not here today to face concurrence on his own estimates then probably we should just let them go and we'll have another opportunity to talk to him again, since there's no one else here that is in the position to answer for him or to have any responsibility in the area. Thank you.

MR. SPEAKER: The Honourable Member for Rock Lake.

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MR. HENRY J. EINARSON (Rock Lake): Mr. Speaker, I think it may be somewhat of a bit of repetition in dealing with the Department of Highways but I think that **when** we consider this government, and the total sums of money they're spending in the Province of Manitoba, and the total estimates of almost \$700 million, and we think of the amount of money that's being spent on highways, which is just about --(Interjection)-- just about \$60 million, Mr. Speaker, which is an increase of approximately \$3 million.

I want to make a comment, here, Mr. Speaker. When we're talking about the development of our roads in a whole province and this government when they were on this side, and even on us as government, they criticized us as a Conservative Party for doing practically nothing in the way of building roads in northern Manitoba. Let me remind the honourable gentleman that just about 25 percent of the total capital costs on highways in the Province of Manitoba went in to develop in the north.

I want to make a comment, Mr. Speaker, that a colleague of mine in the House of Commons, the Honourable John Diefenbaker (Hear. Hear.) a number of years ago who talked about the future was in the north. Roads to resources of the north. And I want to say, Mr. Speaker, I am one of those who is proud to associate myself with that comment, and I think we made a tremendous start in it, - and we did in the years that I know that I was associated with my colleagues on this side when we were government for four years, that I think that we made a tremendous contribution into providing roads to the north.

Mr. Speaker, one has to understand the difference in the cost of building a mile of road in the north as opposed to southern Manitoba or central part of the province. Also as my colleague from Arthur says, let's not forget where the tax base has been for the past 100 years, and I have no qualms or complaints about building roads and assisting as a taxpayer to provide roads to the north to develop our industries--let's make that point clear, Mr. Speaker--but this government are not doing that, and the Minister of Highways, who is not in his seat, did make when he made his brief introduction. And it's unfortunate, Mr. Speaker, we didn't have an opportunity to dwell into the Department of Highways much more than we had because I think it is the way this government engineered in the order in which the Estimates were going to be brought in as to how they wanted to conduct the business of the House.

I want to say, Mr. Speaker, and the Minister of Finance made comments about the formula that's been established in maintaining our provincial roads in this province, and I can think back in 1969 the conditions of roads at that time and look at them today, Mr. Speaker. I want to say that I agree with my colleague from Arthur that the formula that they have introduced is a dismal failure to the provincial roads of the Province of Manitoba.--(Interjection)-- This government, they can say what they like, who introduced them, they can say what they like. They've had four years of government and they must be held responsible for the roads and the conditions they're in today. It's immaterial whether we developed the formula. The point is that you can --(Interjection)-- the formula Mr. Speaker, is that if you develop something and make a change, and if you find that it isn't going to work then you change it. You change it. There's nothing wrong with that, Mr. Speaker. Mr. Speaker, I have made, and I have made constructive complaints to the Minister of Highways, but it just fell on deaf ears.

I can tell you Mr. Speaker, there was an accident of my constituent on a trunk highway in the southern part of the province where a bridge had been built last fall and as a result because it was improperly filled last fall, this spring when the frost started to go out of the ground, the earth that it was used to fill when the frost came out that earth settled down and as a result a farmer, who was an egg producer, had a large truck loaded with eggs went over this highway and had an accident right on the highway, overturned his truck and had a considerable loss. It was taken to the Minister's department for consideration as to whether they would consider granting some remuneration for the losses that this farmer incurred. An examination was made; all aspects were looked into it, and the department said that there was a bump sign on highway which indicated the bump on that particular bridge. But I had a discussion with the legal adviser of the Department of Highways and I found out, Mr. Speaker, that the proper signs and the flags were not there for the kind of bump that was on that road. I don't think that, you know, it has to be pretty bad, Mr. Speaker - there is a standard sign on every highway that indicates a bump --(Interjection)-- you don't have to indicate how big. Listen, Mr. Speaker, to what I'm trying to tell you. Listen, Mr. Speaker, if the Minister, if the Acting Minister of Highways would listen to what I'm trying to convey to him that . . .

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A MEMBER: The fact is there was a road on a bump.

MR. EINARSON: The fact was, Mr. Speaker, this is a standard sign for bumps and if you're travelling 35 or 40 miles an hour nothing will happen. But this farmer was travelling approximately at that speed and when he hit that bump the truck went completely out of control and overturned. What they didn't have were signs, were red flags which indicated this situation. As a result of considerable length of time and investigating the thing, a decision was made by the Department of Highways stating that, I'm sorry - they wrote a letter to the farmer saying that we cannot be held responsible for the accident that you had on that highway and you'll have to stand the cost yourself. Well, Mr. Speaker, I think this is a sad state of affairs. I don't know whether the government is playing politics when they talk about distributing the taxpayers' dollars in the maintenance and building of our highway system in this province, but it seems obvious that the last few years has certainly indicated that.

I want to say, Mr. Speaker, that it is unfortunate that when we were government we did develop a system of provincial roads to the tune of about 4,000 miles, that were in reasonable, and they were being developed, and by '69 were in reasonably good condition. But I regret, Mr. Speaker, to say that that has taken a turn for much worse, and it's certainly not the road system that we had in four years ago.

I want to make one other comment, Mr. Speaker, and then I'm going to sit down. It's a matter that my colleague from Birtle-Russell mentioned about the senior citizens as it pertains to those who have reached 65 years of age, and is automatic, as I am given to understand, they have to take their driver's test. And I've had the experience, Mr. Speaker, where a number of elderly people, say 70, or between 75 years of age, as my colleague from Birtle-Russell indicated, have driven for 50 years and never had an accident, and some of these people in their older age today, and when they were young like myself they didn't get around the country, and we didn't have the signs on the highways as we have today. And when they are given this handbook that they have to read, and they have to write an examination before they take their driver's test, some of them found it difficult to pass that written test on that driver's manual because it indicates and shows many signs that some of those elderly people have never seen. And I want to say, Mr. Speaker, I think, and I - this is a constructive criticism - that there should be some flexibility created within that law for our senior citizens when they are being asked to take that test. I think that it's such that it has created a real hardship on some of our senior citizens, and some of them are retired farmers living in town and all they want to do is to go out to their farm which is operated probably by their son. They may want to go and visit their friends, and they may only go 10, 15 or 20 miles away. And I think there's room Mr. Speaker, for allowing these elderly people when they have to take their test that if they don't qualify, such as myself or a young person, that there can be some leeway made whereby they can have their driver's test given back to them on a limited basis, because so many of them all they want to do is travel within their own community. And I want to make, Mr. Speaker, a suggestion to the government that they take a look at that aspect of the Motor Vehicle Branch. I think there's room for improvement there. Thank you.

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

MR. EARL McKELLAR (Souris-Killarney): Mr. Speaker, I'd like to say a few words on the Concurrence motion on Highways Estimates and I was one of those that did not speak during the Estimates, and I am sorry to see the Minister is not here this afternoon. And I have one highway, along with the Member for Rock Lake, that has never had any attention. The Honourable Member - I didn't realize that he was also the Highways Minister, --(Interjection)-- I'm just glad to know that. I didn't know who the heck - I thought maybe the Member for Radisson was the Highways Minister; he seems to be talking all afternoon. I was paying - I was doing some homework here and all I could hear was the rattle and roar of the Honourable Member for Radisson, and he didn't even sit in his own seat too. I was curious to know, you know. Well at least the Minister of Industry and Commerce isn't saying anything, that's one thing about him he's quiet. But the Honourable Member for Radisson has a continual vibration there that just seems to vibrate all over this whole room, and I am one of those that keeps quiet all afternoon paying attention to what I'm supposed to be doing, doing my homework, getting my speech ready for Tuesday to . . . you fellows by trying to revive my memories back in '64 and '65 so that I can get that speech. I'm going to read back a lot of speeches that were said in those good old days and this is what I got all this . . . books for. But lady and

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(MR. McKELLAR cont'd) gentlemen and members of the Legislature, I want to talk about highways, and I want to tell you about 258 Highway.

A MEMBER: Hear, Hear!

MR. McKELLAR: And I want to talk about a highway that was built by the Conservatives, and I want to talk about a highway that's been neglected by the New Democratic Party.

SOME MEMBERS: Hear, hear!

MR. McKELLAR: And I want to talk about a highway that runs through Conservative territory, and it will run through Conservative territory after the next election, because the people are fed up, fed up with putting up with dust and stones.

I want to tell you the history of 258 Highway. It runs from Neepawa to Cartwright, it runs from Neepawa to Cartwright. It was all built. The last year we were in office we got it all paved from Neepawa to Glenboro. I only got two miles left that's not paved, but I got two miles, the rest of the 28 miles that's not paved is in the Member for Rock Lake, and I don't have to speak on his behalf, but he forgot to mention it, and I'm going to mention it on his behalf. About 30 miles is not paved. You can expect the tourists from the United States to go over the biggest highway from Texas right to Flin Flon, they're not going to travel into our country. They reach the dust, they're going to stop. You know what will happen, Mr. Speaker? They'll decide to go back by Boissevain and Killarney and go back to the United States again; they'll decide that's far enough. They're not going to travel over dust. This is the extension of U. S. 281 Highway from Texas to Flin Flon. That's all we're asking, dust treatment, as the Member for Lakeside's been asking for all year; all year he's been asking for dust treatment. All we're asking for is a base and a seal coat, a base and a seal coat, 30 miles. But we're not going to get it because it isn't in the green book this year, the green book that we got.

Mr. Speaker, you know where all the money's being spent? If I can remember back here in 1958 and '59 when I first came in, all the money spent, all the money spent in the Conservative constituencies, and I'll tell you where it's spent today, I'll tell you where are the constituencies. Well, you know, I don't like to remind people but it takes me 15 years to bring me back to memory, 15 years, ladies and gentlemen, members of the Legislature, they're the ones over there. They say they're spending more money, but where are they spending it? They're not spending it in Souris-Killarney, they're not spending very much of it in Rock Lake, they're not spending it there, they're not spending very much of it there. But I tell you, the people, the people will decide on June 28th or some day later, whether the government of the day have spent the money that they have contributed to the current estimates in the Department of Highways in a manner in which they see fit, and they're going to decide on that given day whether they think that the job has been well done.

Mr. Speaker, we never saw so many patches as we saw this year. We've never experienced so many patches in our part of the country. Migosh, the highway that was built, No. 2 Highway past my place right through both sides of the farm, both sides of my farm, there's 10 inches of pavement is all breaking up this year. And why is it breaking up, Mr. Speaker? Simply because there's been no seal coating. My goodness, if your shingles wear out on your roof, what do you do? You put shingles on. If your highway wears out on top you put a seal coat on. That's what you do. I don't have to tell the Engineer's Department of Highways, but I know you folks over there don't understand. You folks don't understand, you don't understand that you got to put shingles on when they wear out and this is what isn't being done in the Highways Department.

The Honourable Member for Lakeside knows. He knew it, he put seal coat on all the highways when he was the Minister of Highways. He knew that he had to protect the roof with shingles, to repair the shingles. --(Interjections)-- That's all I'm saying, that the job isn't being done.

And speaking of highways, we talk about the great building construction going on up in the north. I want to tell you what happened in 1959 right in this Legislature and very few people were here at that time. The Minister of Highways, who was the late Honourable Errick Willis at that time, and the Member for Flin Flon at that time sat over here, and they fought it out and the Member for Flin Flon says, "we want a highway." The Minister of that time said, "we'll build you a highway, we'll build you a highway, 110 miles, and we'll build it all in one year." And the Member for Flin Flon said, "I'll take your bet." And you know what happened,

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(MR. McKELLAR cont'd) the Honourable Errick Willis said, "I'll have that highway built or I'll ski all the way from Swan River to Flin Flon in that year." The Minister of Highways built that road in one winter - something that's never been done in the history of the Province of Manitoba. And I just want to relate that to the members who were not here in 1959, because this was really something, and may I tell you, through that bog--and most of you know if you've been on the road to Flin Flon or The Pas, from Swan River to The Pas --(Interjections)-- Most of you know, what the bog is. That road was built, that road was built, an engineering feat that had never been done in the history of the Province of Manitoba before-- and it was done by the Conservative Party, and we didn't have much money in that day. We didn't have much money, but we build roads, we built them in the north, we built them in the south. And then, this government, this government is letting them all fall apart. --(Interjections)-- Now I am asking that through that \$60 million or whatever you have to spend, let's spend it, let's spend it. I don't know where that money goes. I think that the member before mentioned something, it's all going into cars, it's not going into roads. I don't know where the money's being spent, but very little of it's spent on highway contracts in the southern part of the province.

If I don't see action, and the people in my part of the province don't see action, I know how they're going to vote, I know how they're going to vote, because they told me in no uncertain terms when I was a member on the government side that if they didn't see action they would tell me in no uncertain terms at the next election what they would do with me. Now I'm on a different side of the House right now, and they know on what side of the bread the butter is put on, the underside or top side. And I tell you on June 28th, they know which side of ballot they're going to put their little X on, and I tell the Honourable Member for Radisson he can smile all he wants but I'll be over sitting in his seat, or one of those seats over there, after June 28th. And I may not be Minister of Highways, because I'm sure the Member for Lakeside here will either be Minister of Finance or Minister of Highways again --(Interjection)-- but I tell you, then we'll see action --(Interjection)-- then we'll see action; then we'll see the money spent in the right direction, (Applause) the way it should be spent, and was spent for 11 years under the Conservative administration when I was a member of that government.

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet): Mr. Speaker, it's rather amazing that the members opposite never cease to bring about a climate in this House which leads one to believe that we really ought to be out on the hustings rather than in the House. That's what the exercise appears to be all about this afternoon --(Interjections)-- and they are engaged in another one of those (Interjections)-- moments of theirs, Mr. Speaker, which happens so often in this Chamber, particularly in the last four or five weeks, moments of either misconception or an attempt to infer that there is something wrong with the Highways' program of Manitoba, an attempt to leave the wrong impression across the rural parts of this province --(Interjections)-- and I want to point out to the Member for Arthur, Rock Lake, and Souris-Killarney, that their whole position is so ridiculous, Mr. Speaker. They complain about roads being in the worst condition that they've ever been in the history of this province. And you know, you know, Mr. Speaker --(Interjections)-- all the logic, Mr. Speaker, all the logic, if one is to apply sheer logic militates against that argument, the logic being that we had a beautiful winter, we had virtually no snow in this province, no water problems, drainage problems which undermine roads every spring, no unusual frost problems this year compared to other years; much more minor damage occurred this year than any other year for many many years, Mr. Speaker. Road conditions this year, because of the weather conditions of last winter, are the best that they've been in at least ten years that I can recall, Mr. Speaker. We didn't have the usual muddy situations on roads that were newly built this year --(Interjections)-- We didn't have unusual rutting throughout the provincial road system, which usually occurs every spring when we get the spring thaw. All of a sudden for some apparent reason our roads are in a very sad state of affairs --(Interjections)-- and I suggest, Mr. Speaker, that the sad state of affairs is a political posture of my friends opposite. (Applause)

And then, Mr. Speaker, they want to launch an attack, they want to launch an attack, Mr. Speaker, on a new road grading formula that is the real cause of the problem. Mr. Speaker, the formula that the honourable members refer to, the formula developed by themselves, inherited by the government - the former Minister of Transportation who is not here

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(MR. USKIW cont'd) this afternoon, attempted to implement the formula and found out fairly soon that it was not all that practical, Mr. Speaker, and asked the provincial engineers to make adjustments based on their personal assessments, and that they would be grading the roads as the grading was required, rather than by strict adherence to the formula. But now the Member for Rock Lake would like to drag out that old issue which is now two and a half years old because of his weak political posture, Mr. Speaker --(Interjections)--

Then they would like to say --(Interjections)-- then they would like to say, Mr. Speaker --(Interjections)-- then they would like to say, Mr. Speaker, that we are not giving due consideration to all areas of the province, fair consideration; and you know if one only was to peruse the program as we have it tabled in this House one would have to really wonder about the credibility of statements, any statements ever made by members opposite. --(Interjections)-- Of course we're bound to have a good road program, and I don't --(Interjections)-- apologize for it, Mr. Speaker, but let not honourable members opposite suggest that there isn't one, and, Mr. Speaker, I can list you Highway No. 2, Highway No. 3, Highway No. 5, Highways No. 10, 12, and I can go on and on, Mr. Speaker --(Interjection)-- on and on, I can go through the whole list. It's full of highway programs in areas represented by members opposite --(Interjections)-- In fact better than some of them would have expected had they been the government. (Applause)

Let it be known, Mr. Speaker, that some member of the backbench said to me, or said to members on this side, last year and this year, said they're not unhappy with the road program. --(Interjections)-- But, Mr. Speaker, there is a need for some posturing for obvious reasons - the reason is, Mr. Speaker, that members opposite feel somewhat weak in facing the electoral test that is forthcoming, somewhat weak, and they are dragging up all sorts of issues, all sorts of issues, trying to confuse the people of Manitoba as to the intent of the government with respect to every program, not only roads program, every program. Some of the nonsensical arguments that were introduced over the last few days, is an example of the desperate position that members opposite find themselves in today. (Applause)

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSEN: Mr. Speaker, the Minister has just tried to convince us that insofar as the road program is concerned that all is well, but --(Interjection)-- that is just not the experience that we are finding out in the country --(Interjections)-- The Minister stated that the conditions during the past winter never were better, very little snow, very little run-off, so there were no erosion problems --(Interjections)-- everything and the kind of a spring that made it easy for the maintenance crews to do the kind of job that was necessary to maintain the roads in the condition that they should be maintained in. And then, if all of those things were so favourable to the government, how come the roads are in such bad shape? How come the provincial roads throughout this province are the subject of criticism by municipalities and by everybody who uses them. I don't know of any occasion when there has been more criticism --(Interjections)-- I don't know when there has been occasion when there's been more criticism of provincial roads than there has now --(Interjection)-- Now then, Sir --(Interjection)-- as soon as the Minister of Municipal Affairs has completed his remarks I will continue, Sir. --(Interjection)-- But this is a--this seems to be a characteristic of honourable gentlemen opposite, they can't contain themselves until their turn arrives to speak --(Interjections)-- and the Minister of Municipal Affairs knows that he's going to speak, if he wants to avail himself of that opportunity, avail himself of the opportunity of speaking during the course of this debate and making his position known, or rebutting the arguments that we've put forth here. That's an opportunity that's available to him and it would be far better, add to the decorum of this place, if honourable gentlemen opposite could just contain themselves and listen --(Interjections)-- because, Sir, --(Interjections)-- they . . . --(Interjections)--

MR. SPEAKER: Order please. Order please.

MR. JORGENSEN: . . . the difficulty with honourable gentlemen, Sir, is that they can't stand criticism; they think that they are so perfect, they think that everything they do is so good, that there's just no way that anybody should be able to criticize them. Well, that's not the case, Sir, that is not the case.

Now, in the road building program, that through the years has been an ongoing and a long-range planning function of the Department of Highways. And I know also that they attempt as much as possible to distribute the road construction program throughout the entire province so that all parts of the province will get their share of roads. And I'm speaking now of new

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(MR. JØRGENSEN cont'd) construction. The main criticism that has been levelled from this side of the House has been in the maintenance of provincial roads. But the new construction program, as I said, is an ongoing one and involves the planning and development of highways, new roads that may be necessary in order to service communities for various reasons, while at the same time the maintenance of those provincial roads and trunk highways that are necessary to accommodate the ever increasing flow of traffic - Highway 75, for example, is one of those such roads, where the volume of traffic going over that highway continues to be greater and greater each year. The fact that this highway has deteriorated to the position where it's almost an obstacle course now is evidence of the neglect on the part of this government in maintaining the existing roads in the condition that they should be maintained if we expect to accommodate traffic. And that can be evidenced, Sir, by the road building program, how the relative cost of the road building program--and I shouldn't use that word--and I see now honourable gentlemen are quiet and it's very nice to have them in that situation once in awhile --(Interjection)-- but they--I was just going to say that the word "relative" is one that I shouldn't use because it's a very sensitive one to the honourable gentlemen opposite--but the relative costs of government are rather interesting when you see the comparison of the increases between 1970 and 1974. In the area of salaries and general expenditures, the increase has been 94 percent; grants to Education have increased by 101 percent; direct welfare payments have increased by 56 percent, but Highways, Highways have only increased 14 percent, while health costs, other than salaries and expenditures, have increased by 233 percent. So it's an indication, notwithstanding what the Minister of Agriculture says, it's an indication of the concern that the government have towards highway construction costs. Sir, that 14 percent, that 14 percent does not even take care of the increase in salaries, let alone take care of the increase in costs of construction. So that can only mean that something is suffering, and what is really suffering is the highway building program itself.

MR. SPEAKER: The Honourable Minister.

MR. USKIW: Is the honourable member not aware that the Highways Department, the officials, prepare a program based on the expectancy of the contractors to be able to carry out throughout the construction season. That is the criteria and the growth of provincial spending has nothing to do with it. It is the capacity of the contractors to build roads.

MR. SPEAKER: The Honourable Member for Morris.

MR. JØRGENSEN: Well he says it's the capacity of the contractors to build roads, and I know that in the instances where you have a very poor construction year, as we have had on occasion - weather is the major governing factor - under those circumstances it's understandable that your highway construction program is going to be reduced considerably. Everybody knows that. But last year was an exceptionally good construction year. And from all indications the construction program, if it hasn't been, should have been under way a month or two ago because the conditions for road construction this year are the best ever. Even at that the expansion of the amount of money that is used for highway construction has only increased during that entire period by 14 percent. And as I said, Sir, that does not take care of the increase in the salaries and wages for the Highways Department, let alone the increase in the costs of highway construction themselves. It seems to me, Sir, that the government have placed a lower priority on the construction of highways than they do on other things, and again it's an indication of the kind of priorities that this government has in the rural areas. Notwithstanding all that they have said about regional development, rural development, and all of these other things, Sir, one of the important aspects of rural development is the provision of a proper system of communication, and that means, Sir, that roads must be maintained and that new roads must be built to service new communities and new priorities in those communities.

It's obvious from the results that have been achieved that this government places a very low priority on the construction of highways, as low almost as they place on the construction and the development of water resources throughout this province, as has often been pointed out by the Member for Pembina. If they are sincere about their program to diversify and develop the rural areas, then two of the first things, and two of the most important things, that must be done is the construction of a proper communication system and the construction of sufficient water supplies for those areas that will require water for the attraction of industries, if indeed industries are encouraged and allowed to move out into the rural areas.

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(MR. JORGENSEN cont'd)

The Minister cannot say that the increase in the budget for Highways - and I am not one who very frequently stands up in this House and asks the government to spend more money - but the maintenance of a system of communication is so important and so vital to all parts of this province, that the meagre increase of 14 percent in the total highway construction program from 1970 to 1974 is evidence of their lack of concern and the very low priority in which they place road and communications. Sir, the Minister in his reply to some of the criticisms that have been levelled against the Department of Highways made reference to a formula that had been adopted for the maintenance of roads, and true enough it was the previous government that commissioned a survey to be made, and recommendations to be made to the Department of Highways, as to the most efficient way of maintaining P.R. roads. And I recall when the former Minister of Highways, and the now Member for Thompson, released a description of that program - all of the district engineers got copies of it and indeed I think, if I remember correctly, he distributed copies of that program to some members of the House. I managed to get ahold of one somehow, I don't know whether it was the Minister that gave it to me or someone else. And when the Estimates of the Department of Highways were up for consideration in this House in 1970 I commented on that particular formula and said that it would not work, that the formula that was proposed by the engineer who proposed it, and incidentally his name happened to be Jorgensen, spelt with an "sen" not "son", no relative, and I remember making the comment at the time that if Jorgensen had developed it and recommended it, then I was prepared to give it a try but I didn't think it would work. The Minister announced the next year --and indeed the next year the program, the formula was abandoned, and the reason why it was abandoned was for the very reasons that I pointed out in 1970, that it did not take into consideration the peculiar conditions that existed, particularly in the Red River Valley where we simply must, where you simply must maintain roads when it is the most opportune time to maintain those roads, not at a given time of the month, or a given time of the day, as was proposed in the formula. It was an absolutely ridiculous assumption that the roads could be properly maintained with that kind of a formula. You almost have to do it when the engineers, or when the people who are actually working on the roads, know that it is the best time. And if it's after a heavy rain then it must be done as quickly after a rain as possible, not two weeks hence or two months hence or three days hence. If the roads are to be prevented from deteriorating to the point where they're beyond repair - and it was because of that experience, and because of the knowledge that finally dawned upon the Minister of Highways at that time that the formula was unworkable, that it was abandoned.

So the Minister does not need to try and stand up in this House and say that it was something that was initiated by the--or something that was - that was a legacy of theirs from the previous government because it wasn't. It was a formula that had just been developed and the recommendations had been presented to the government, they could have adopted them or they could have rejected them. The Minister at that time decided that he would try them. The Minister at that time decided that he would try them and in spite of the warning that he got from me he found out that it wouldn't work. So we spent a few thousand dollars in developing a formula and a recommendation that anyone with any experience in road construction or road maintenance, in the Red River Valley at least, knew wouldn't work. So the Minister should not try and get up in this House and say that this was a legacy from somebody else. It was completely within their hands to accept it or reject it. The Minister admitted that at the time and --(Interjection)-- well there's nothing wrong with it but the only difference is the Minister tried to create a different impression in this House, that's what's wrong. And he shouldn't try to do that --(Interjections)-- because the road grading formula that was adopted by the government was one that they could have either accepted or rejected, and so it's their responsibility not the previous government, as the Minister attempted to point out.

Now, Sir, there are, in spite of the fact that one gets the feeling, or gets the impression, that all the communication system that is developed in this province is completed, that there's no longer any need for additional road construction, particularly in those areas that are now currently being serviced, that is not taking into consideration the increase in the volume of traffic that is taking place and the new areas, particularly tourists, may want to go, so there is room in this province yet for a great deal of new construction. And I'm thinking of two particular areas, and the fact that they both happen to be in my constituency is perhaps just a

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(MR. JORGENSON cont'd) coincidence, but the completion of the hard surfacing of Highway 330 from the perimeter south to La Salle and thence on to Morris, is an undertaking that should be completed, mainly because the volume of traffic that now is on Highway 75 is at times too great for that highway to accommodate. The paving of that road would relieve much of the traffic that is coming currently over Highway 75, and the road has been constructed, the grading is completed, and indeed it was completed at a time when road construction was very difficult because of two or three very wet years. But it is completed now and that road is ready for hard surfacing but I note with regret that on the plan that the Minister placed before this House in the introduction of his estimates, that plan was not--that the further hard surfacing of that road was not included, and I regret that very much and I hope that very soon--and I recognize the priorities that exist within the government and maybe this doesn't have the kind of priority that other roads have, but I hope that it is not one that is to be abandoned, but that eventually the government do hope to complete that construction.

Now then, Sir --(Interjections)-- one other road that I think that the government should be looking at is a road south of Portage to the American border. There's an increasingly large number of people coming up from that area who would like access to the lake areas, and that could be provided by the completion of and the building of Highway 240. In addition to that, Sir, Portage la Prairie, as the Member for Portage will tell you, is perhaps the only town in this entire province that does not have a 4-way communication of hard surfacing road, hard surface roads--one of the major towns I should say. There is access to the town from the east and the west but not from the north and south, and I think for a town the size of Portage government should have a very serious look if, again, they are sincere about their efforts and their intents to encourage industrial development in those communities. If Portage is to be recognized as a growth centre, and indeed as it should, then access to Portage la Prairie from four directions instead of just two should be an important part of the development of that community and an important part of the government's program for rural development. I don't see anything in the estimates on that particular project as well, and I regret very much that the government has neglected to take into consideration the needs of that community, and the communities south of Portage so that they have access to this growth centre.

Sir, with those few remarks I hope that the Minister will take into consideration some of the recommendations that I have made, some of the suggestions that I've made, and that the Highways Department when they begin planning for the next year will examine the proposals to ensure that that system of communication that we feel is necessary will be built to help all areas of this province.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, before we concur in the Estimates of the Highways Department, may I just make a few comments. I did comment on the road program when it was tabled in the House the day we discussed the estimates. However, I would like to add a few more things to what was said at that time, and that is that we need dust-proofing of roads within the various villages or hamlets in my riding. And there is quite a number of them. These villages generally have a population from 100 to 300 and they all have schools, they have smaller stores, in many of them they have blacksmith shops or small service garages, and so they have smaller places of business to look after the needs of the people in these villages.

Now through a couple of these we have trunk highways going through, such as the one that is the case in Rhineland, and this particular village has had dust-proofing of their road, which is 243. And this is an immense improvement to the people living there because of the dust raised and the traffic along the street, and they only have one main street, these villages. Most of these villages need probably from half a mile to a mile of either dust-proofing or hard-surfacing, hard-topping. Naturally it would be preferable to have hard-topping in these villages, and I'm not even asking for the access to these villages because in most of those cases it's only half a mile or a mile to it.

And we have, for instance, Hochfeld which would be probably three-quarters of a mile long; Osterwick the same; Neuenburg half a mile long; there's Schanzenfeld would need a mile; Chortitz another mile; Friedensruh half a mile. Reinfeld three quarters of a mile; and then further east, we have the villages of Blumenort which would probably take three-quarters or half a mile; and Rosenort, Kronstal, Schoenwiese, Gnadenfeld, Bercthal and Sommerfeld, these are all villages in the southern portion of the province where we have dense population,

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(MR. FROESE cont'd) and where a lot of people could be serviced by not too much money. I think this is a matter which should be considered by the department because in many cases these people face severe dust especially during dry seasons and they have heavy traffic going through the various villages, and I sure would hope that either the department reinstitute the access road service, or road program that was on the books at one time whereby villages of this type did get roads comparable to the ones going off to the main highway. --(Interjection)-- Well then if it wasn't cancelled then certainly proceed and let's have the work done, because the cost involved to serve all those many people, and this would involve two to three thousand people anyway and it wouldn't be - the cost wouldn't be that large at all. And I would urge the government to take this into consideration and provide this for them. These are naturally the main street of the villages, these are the market roads, part of the market road system, and I do hope the government looks into this and if the other program is still in effect then let's put it under the program and get it done.

MR. SPEAKER: Resolution passed? The Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Yes, Mr. Speaker, the opportunity under the consideration of the Estimates in this department was rather limited by the time that remained, and it was not my opportunity at that time to participate and to just make a few comments on the work of this department. Sorry the Minister isn't here this afternoon; he's represented by the Minister of Agriculture so I'm sure he'll pass along any comments that he might have to make in respect to the operations of this department.

I was looking over the report, the annual report of the Department Highways and noting the Premier's message at the start of the report and I - Mr. Speaker, I think I can agree completely with the sentiments expressed in that message. He points out that this province has long realized the necessity of developing roads that make it possible to expand our economic base as well as to make it safe and comfortable to travel. And the Premier goes on to say that because of these considerations we're putting more of our resources into developing multi-lane highways and interchanges and improve safety measures. And in the concluding paragraph the First Minister says we will continue to give high priority to expansion improvement of our road system in all areas of the province so Manitobans can continue to take full advantage of economic and leisure opportunities. Well, Mr. Speaker, I think that sums up really why this department is of such a vital and important nature to the total well-being of this province. You can't speak about its tourist potential, you can't talk about really the potential of the revenue that can accrue to this province and to its businesses, without thinking about the kind of roads that make that possible. You can't talk about really Industry and Commerce in any depth without considering how important it is to have good roads to those regional areas which are now being carefully considered and carefully promoted as areas of industrial growth. I wonder what would happen to our mining industries in the north if we were not dedicated to the job of improving constantly the communications between those areas and our main areas of urban growth in the south.

But Mr. Speaker, it's difficult to relate the thoughts of the First Minister to the Estimates that are given to us by this department because in total the amount of money that's allocated to the Highways Department this year is really not greatly in excess of that which was given in the previous year. I don't see any practical indication or manifestation of the Premier's statement that we are giving constantly a higher priority to this communication system of ours.

One of the things that I think every tourist must consider as he enters our province is the kind of roadway that he experiences as he first crosses the border either from Saskatchewan to Manitoba, or from the United States perhaps by No. 10, or No. 75, into Manitoba. I think the impression gained, particularly from the west to the east at the moment, is not a good one, and that we need really to be concerned to give a higher priority in terms of allocation of funds to this department if we intend to seriously improve the tourist potential to greatly assist industry and commerce in regional industrial growth.

In agriculture the impact of the road system is one that hasn't been fully I think accepted nor considered by the department. Many of my colleagues from the rural areas in western and southern Manitoba have pointed out the condition of the roads at this time. I've had some experience, and I've had some calls in my constituency, which is essentially urban but takes in about twenty miles of rural area to the west, and there is a constant and continuing complaint that there seems to be some reduction of the maintenance program on these roads.

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(MR. MCGILL cont'd) Examining the Estimates, it would indicate that the amount of money provided for maintenance programs was slightly more than last year, not greatly, and probably accounts for perhaps the inflationary amount involved in the difference in cost of maintenance this year as compared with last year. So there is no real change, no manifestation of the Premier's thoughts on this matter that he's going to give this road system of ours a higher priority. I think we can't really overstate the importance of good access roads to rural areas in the constant changing pattern of communication where there is a phasing out of rail communications, road systems become vital to the growth of rural areas, and it is idle for the Minister of Industry and Commerce to state publicly that he is going to lure industry to rural areas of Manitoba unless the other departments of government support him in this general trend. Certainly if we do not continue to improve to provide more permanent all-weather hard-surfaces, then we're not going to present the kind of image to possible industrial developers that we might otherwise do had these higher priorities that the First Minister states he endorses, had they been put into some practical effect.

I wish the Minister of Highways were in his seat today because I wanted to tell him particularly about a group of high school students from the City of Brandon who were here visiting the Legislature just a few days ago and it was my opportunity to speak to them just before they went into the Legislature, and I tried to explain the process that they would be observing and at the conclusion just before they went into the Chamber, I asked this group of Grade 7, 8 and 9 students from Brandon Collegiate what items of concern they would bring to the attention of government if they had that opportunity on the day that they were there. And oddly enough the two or three suggestions that came from this group of students were related to the Highways Department, and they related to what I thought was a municipal responsibility, the traffic control systems on the corners of two areas in the City of Brandon. One was at the junction of 1A and 10 the corner of Victoria Avenue and 18th Street, and they pointed out, they said, if we had a chance to talk to this government we'd tell them to fix the traffic control system on that corner because we have to wait sometimes for two or three lights when we're driving through there in order to cross the intersection.

Another group of students said that they couldn't get across the street and 1st Street to go to school without the light changing and being caught in the centre of the wide avenue, and they thought that there was something wrong with the traffic control system at that point. Mr. Speaker, I told the students that I would take this up with the municipal authorities because I didn't think it was really a provincial responsibility. However, it turns out that all of the lights that they were talking about were actually, and are under the complete responsibility and jurisdiction of the Department of Highways because they happen to be on by-pass routes and on junctions of main highways.

So I am bringing to the attention of the department during these debates that while there is some evidence in the Minister's remarks, and the Premier's remarks, that they are giving increasing attention to these matters, there are some areas where the growth is taking place perhaps in excess of the projections being carried out, and I think that the Minister should look very carefully at these intersections and to the traffic controls that are established at those points, because they are providing chaotic conditions at certain times of the day. It happens too that these are areas on - one of them on No. 10 Highway and the other on No. 1A where tourists who are approaching and entering Manitoba, and have travelled perhaps to their first urban area, may become somewhat dismayed by the lack of efficient traffic control mechanisms. So I thought it was interesting that students, school students, should think of these things as being important areas to bring to the attention of government and I, on their behalf, do so because they can sit in the galleries when they come and observe, but they don't have the opportunity to say what they think is important to them.

Well, Mr. Speaker, the Acting Minister of Highways today mentioned one of the things that occurred this winter on the highways and that was that . . .

MR. PAULLEY: Mr. Speaker, I don't want to interrupt my honourable friend but would he permit a question?

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Has the Honourable Member for Brandon written to the Minister of Highways pointing out the observations of the students from Brandon as to the lack of control lights, or the timing of the same, at the intersection he refers to?

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MR. SPEAKER: The Honourable Member for Brandon West.

MR. MCGILL: Mr. Speaker, this would be the usual procedure had this, had this request taken place during a time when it was not an opportunity to use a more direct method. However . . .

MR. SPEAKER: Order please.

MR. MCGILL: . . . the students were here two or three days ago and after I did some research on this in the City of Brandon and discovered that this was the proper responsibility, and that it did belong here, I bring it now to the attention of the Minister through this method. If he is not here today, I am sure that he will get the message in this manner. --(Interjection)--

MR. SPEAKER: Order please. Order please. The Honourable Member for Brandon West. --(Interjection)--

MR. MCGILL: If the Minister is anxious to receive letters on this matter I think we can probably do both things, and we will certainly make sure that the Minister receives the information.

I was about to mention one or two remarks by the Acting Minister of Highways and his responses, and he mentioned with some degree of emphasis that the past winter has been one that lent itself particularly to highway maintenance and that there had been very little problem with snow and with the usual runoff problems that occur in the spring. So it would seem to me that this having happened that the budget for that part of the maintenance program would show some surpluses that might well be allocated to summertime maintenance, and this is the area I think where we have had, we think a deficient program for the last three or four years and during the time that this government has been in operation. So I would suggest, Mr. Speaker, that if indeed--and I would agree that probably the amount of maintenance for snow this winter has shown a surplus in respect to that activity--I would hope it will be allocated to the normal types of maintenance that are required by these roads.

Let me just conclude, Mr. Speaker, by again emphasizing that this department I think is underrated and underestimated in its importance to the general growth in our province. If we're to develop tourist potential, if we're to develop regionalized industrial growth, surely this department deserves more attention, more active promotion, than it is now receiving. And I would suggest that much can be done for not only the main trunk arteries but the provincial roads that link areas and communities of interest that are not necessarily associated with the main trunk highways. And in that way surely the stay-option will have more meaning to those people of western Manitoba, to those rural areas, than it now has. Surely regional growth will be a more practical concept than it is now under the present highway maintenance and construction program. Thank you.

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

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, I shall be brief in my remarks at this hour of twenty to five on Saturday. I'm sure that the Minister of Labour would like to get home to his back garden, or wherever he would go at this time of day. But I thank the Member for Morris when he raised the problem of a road south from Portage la Prairie. This has been a problem that has plagued our area for many years. It's a natural route for people to take to come up from the United States on the tourist traffic trail. To date anybody coming from the south has to, if they want to be on a paved road, have to go quite a few miles either east or west of Portage la Prairie in order to get into that region. We have many requests in Portage from people of St. Claude wishing that they could have a better means of communication by an all-weather road, and I mean an all-weather road, into the Portage area so that in the summertime especially they can get to the beaches on Lake Manitoba. While this may sound like a complaint, I would also add, Mr. Speaker, that over the years under successive administrations, and that would include Liberal, Conservative, and now NDP, that the Portage region hasn't been that poorly done by, and I appreciate that. We're on the Trans Canada Highway, which has been four-laned from Winnipeg to Portage, and now this year the four-laning is carrying on to McGregor. The Delta road has been upgraded, it's been paved. So really we do appreciate this over the years. But I do point out this one area where there is a problem.

Also to the east of Portage la Prairie there's a substation of the Trans Canada Pipe Line near Edwin and there's continuous shifts day and night of men having to go to work there, and

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(MR. G. JOHNSTON cont'd) they also have a problem using the provincial road in that area. The number of the road escapes me now but it is a provincial road, and the Trans Canada Pipe Lines, which my friends opposite will say, well that's big business and we're not that concerned, but they pay a pretty heavy tax in the Province of Manitoba, an extremely heavy tax, and surely their main plants, the substations can be served by --(Interjection)-- by an all-weather road. So I bring that forward also.

Another problem we have which has been created by government, and inadvertently I must say, when the by-pass was put around Portage la Prairie, naturally a by-pass is a high-speed operation designed to take the heavy truck traffic and the through traffic around cities and towns, and we have no quarrel with that, but there's a large military establishment, the Canadian Forces Base, to the south of the by-pass and ever since the by-pass has been put in there have been many many accidents, many of them serious, many fatal accidents. The way it stands at the present moment there's a 45 mile an hour down-grading of the 65 mile an hour speed zone in the area and there's a light, but even so when the heavy transports are cranked up to 70 and 65 miles an hour and the amber light comes on, many of them go through, and even as recently as this spring there's been many bad accidents where people have been severely maimed--I must say there hasn't been a death for nearly a year, but there has been many deaths at that corner. And when we approach the Department of Highways we're told that, well the traffic doesn't warrant an overpass, but I would like to know, what does warrant an overpass? If you have three or four hundred cars a day going back and forth, plus normal traffic to the Oakville area, surely this deserves some consideration for an overpass. The Minister of Labour said, well did the Member for Brandon ever bring these problems forward to the Department of Highways by letter or by some other means? --(Interjection)-- Well, I would say in all the positions I'm talking about now, I have over the years brought these forward to all the Cabinet Ministers, the problems I'm talking about now --(Interjection)-- So again I state the problems we have in our area. I know that there's a limited amount of dollars to be spent, and I know that there's other areas of the province who are still waiting for their first road, and I appreciate this, but I would like when the appropriations are made for next year, that the three problems that I draw to your attention are considered.

Again I say, and it has been said by members for the north, that while we talk about tourism, and we talk about opening up the north, and opening up the various areas, so far it's mainly been talk, with the exception of the road into Lynn Lake from Thompson there really hasn't been that much construction in the north. --(Interjection)-- I would ask the--I'm being heckled a little bit by the Minister of Northern Affairs, it kind of upsets him when somebody else ever talks about the north, but I'm sure that the southern members do not complain when he speaks about problems in the south, so I thought I would devote a moment or two to what I think are some of the problems in the north with respect to a lack of communication, high prices for food, high prices for other goods. And really the high prices come down to the problem of transportation really.

I'm surprised that in the last few years--and we have a preponderance of NDP members for the north--that there has been not even a mention of a study, or not even a cost estimate of building a highway to Churchill. There's been no mention at all of it, yet this would be a tremendous boon tourist-wise, and also for the people who live there, and all the communities along the way. There's been no mention whatsoever of a permanent road on the east side of Lake Winnipeg up to the north, no mention at all, and I would think at least that the Department of Highways' Minister would say, well we have a long-range plan, we're hoping for the future, here's what our staging-in proposition is, but there has been no mention at all of this. And we all know it that a decent road is the first stage in opening up an area; it's the first stage in lowering of prices of commodities and necessities for the people who live in the area. So while I know the Minister of Highways is not here today and under our rules the Acting Minister, the present Minister of Agriculture has spoken, I would hope that at some time before the session ends the Minister of Highways could give an official statement on some of the problems that I have raised and other members have raised.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L. R. (Bud) SHERMAN (Fort Garry): Thank you, Mr. Speaker. Like the earlier speaker, the Honourable Member for Portage la Prairie, I must express some disappointment that the Minister of Highways is not able to be here today due to other commitments because

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(MR. SHERMAN cont'd) we haven't had a chance to talk to him and ask him for direct answers on the programs in his department, having been boxed into a situation where we were extremely limited in what we could do in that area while the Estimates were being considered.

A MEMBER: There's no validity in that statement and you know it.

MR. SHERMAN: Mr. Speaker, Even a cursory glance of the Department of Highways construction program for 1973-74 reveals at least one glaring oversight to me, and I'm sure to others whose constituencies border on the main north-south route out of southern Manitoba and into the United States. Sir, there is substantial patchwork programs listed in this construction review that relate to various sections of various highways, of provincial trunk highways and others throughout the province, but scarcely a jot or a tittle of anything, Sir, for Highway 75. There are 12.7 miles of bituminous overlay and stabilized shoulder work scheduled on 75 and at the south limit of Winnipeg, and that is all, Sir, for a highway that is the main arterial route from the midwestern United States into Manitoba and for Manitobans traveling in the other direction. It's a highway that . . .

A MEMBER: How about 59?

MR. SHERMAN: It's a highway that is a highly travelled one, intensively travelled one; it's a 60-mile zone, 60-mile speed zone; it's two lanes and, Sir, the danger to the traffic which continues to intensify and build up on that artery grows worse yearly. I think it is no exaggeration to say that if extensive expansion work and improvement work on that highway is not undertaken very shortly that there will be sections of it that will constitute death traps at certain times of the day and at certain times of the calendar year. It is no longer capable, Sir, of accommodating the kind of flow and the kind of concentration of traffic which it is forced to carry at certain times of the year, and I think that the appropriation and the plan contained in this program covering just 12.7 miles of that particular route, and just at the south limit of Winnipeg, is totally inadequate, totally inadequate when measured in the perspective of the highway's importance and its use. So I want to register my immediate unhappiness with that specific, Sir, and I would have done so with the Minister of Highways on his Estimates if we'd had the chance, and I would have done so --(Interjection)-- and I would have done so with the Minister of Highways were he here today, but I had neither of those chances, so I register my displeasure on this point with the Acting Minister of Highways and hope that he will convey the message to the Minister. That is not good enough on Highway 75 in the present circumstances, Mr. Speaker, and I'm sure that other members of this House on both sides whose constituencies border on, or are traversed in any measure by part or all of Highway 75, would agree.

Mr. Speaker, a number of members have mentioned the direct relationship between highways maintenance and highways development, and some of the other areas of responsibility in terms of the administration of the province, and I want to make reference to specific problems in that area as well. I think that it's totally unrealistic and unreasonable to expect the Minister of Tourism to do the kind of job that is necessary to keep this province competitive in the Tourist industry, to keep the Tourist industry as important and as substantial as it is in the Province of Manitoba, with the roads that he's being given, with the support that he's being given from the Highways Department. It's totally unrealistic and unreasonable to expect him to build the tourist programs with the kind of disrepair, condition of disrepair, and lack of maintenance, and lack of improvement, that is being allowed to develop in the area of the infrastructure of the province's highways.

Sir, the Duff Roblin administration made three watershed contributions to this province, above all other things that it did.

One of them was that it put top rate secondary school education opportunities within reach of communities the length and breadth of the province.

The second one was that it expanded the electrification program and the development of our hydro electric potential to the point where we had the resources necessary for comfortable living in terms of lighting and hydro needs and for industrial growth.

And the third thing that it did was it built the roads that knitted this province together, north, south, east and west.

Sir, it's a tragedy to see that structure of highways, that network of communications, be allowed to decay to the extent that it is, and honourable members opposite may deny that. They may heckle and they may try to shout down our protestations on this point, but they can't do it outside this House, Sir. --(Interjection)-- They can shout all they want in this Chamber

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(MR. SHERMAN cont'd) and try to drown us out, but they can't drown out the voices of Manitobans who drive those roads every day, every day, and every week, month in, month out, of the year, and it's those people, it's those people, the people of Manitoba on those roads, who depend on those roads, to whom this government is going to have to go for its hoped for mandate -- I mean hoped for from its point of view -- and that is where they can't drown out the criticisms, the constructive criticisms, and the logical complaints, that are raised. They can drown us out simply by a cat call session from their side of the Chamber, but they can't drown out those legitimate complaints, and if they care to ask Manitobans, travelling the highways and the roads of this province today, they will know, they will find out, and they know in their hearts now that what we say is true that that network is being allowed to decay, that it hasn't been maintained and expanded and developed properly. And, Sir, nowhere is the difference between the approach to the affairs of Manitoba held by the present government, and held by ourselves, more clearly illustrated than in this Highways Department, and in this general area of the condition of our highways and our highway communications. Nowhere do you more clearly see the difference between the NDP approach to how to run a province and what is important in a province, and the Conservative approach as to what is important in the province. It's the difference, Sir, between social tinkering and experimentation on the one hand - that hand being the hand of the present government - and the realities of trying to develop a society and economy, and to remain competitive, and to remain productive, and to remain prosperous; on the other hand - that hand being the Progressive Conservative Party's approach to the needs of Manitobans. The real needs in the area of communication, in the area of travel, in the area of Tourist Development, in the area of northern development, in the area of industrial growth, are pegged to the highways system and the transportation in this province undeniably, Sir - not even my friend the Minister of Labour, I think, would attempt to refute that point. All those hopes, all those ambitions, all those goals, are pegged to the transportation system and network in this province, and the reality is that those roads are being allowed to fall into disrepair. The network is not being expanded and extended in the way that it should, and in place of that we get all kinds of social experimentation and tinkering. Well, Sir, the people of Manitoba would like some action on the highways, and I commend - I make that suggestion to the Minister of Labour and the Minister of Highways, and the Acting Minister of Highways, and their colleagues, in all sincerity. If they want the kind of response from the people of Manitoba that they think they are going to get, they'd better get to work on that highway structure. They'd better get to work on those roads, Sir, and forget the social tinkering and the hothouse theorizing for awhile. --(Interjection)-- Well the next --(Interjection)-- Mr. Speaker, my friend the Minister of Colleges and Universities says, if they did that they would win the election and we'd be sad. Well, perhaps from one point of view, a purely, cynically, political, point of view I might be unhappy, Sir, but I tell you as a Manitoban - I tell you sincerely as a Manitoban, Sir, I'd be happy. I would be happy if they did that, I'll take my chances on whether they win the election or not, or whether we win it or not. I would be happy as a Manitoban that they were working on the real needs of the people of Manitoba at the present time.

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MR. SPEAKER: The Honourable Member for Minnedosa.

MR. DAVID R. BLAKE (Minnedosa): Thank you, Mr. Speaker, I am afraid that I won't belabour the Highways Department Estimates too long but there is one or two points I would like to make that I think are important in my constituency, and I don't think the point has been emphasized enough today of the fact that with the impending rail line abandonment fast approaching, and there appears to be no way that it can be stopped in any significant degree, this is going to place an extremely heavy load on the road structure in hauling the grain in the rural areas, particularly in the western part of my constituency, Mr. Speaker - that's one area that is going to be extremely hard hit by rail line abandonment, and it's a high grain producing area as the traffic through the elevator system there now will indicate.

I think Highway 250 is one of the roads that will be a main artery when the grain has to be hauled an extra 30 or 40 or 50 miles, wherever the elevator terminals will be located -- that is another point that hasn't been established yet -- but there are none of those roads at the present time. I don't think, that would stand very much traffic of the large semi-trailer type of grain truck that will be required to haul the grain to the elevator points. Within a very, very short period of time in a busy shipping season these roads would deteriorate to the point where it would take millions and millions of dollars to rebuild them and put a proper base down so as they would handle this traffic, and I would like to have the Minister take note of that fact and start immediately to devise some plan to put a proper base on these rural roads in order that they will be able to handle the heavy grain traffic that they will be required to handle in the not too distant future. I know on the particular 250 there is some work being done now that is of the grade and gravel type and it may be some indication that they are aware of the problem.

Another area where I think it's been brought to the attention of the authorities for years on end and nothing seems to be done about it, and it seems to be a very simple problem, and that is the road restrictions that come on every spring, and we know that they are necessary, but they come on about the same time that they open the quotas for grain hauling, and the farmer goes to haul his grain and he is faced with road restrictions. And this same applies of course to the spring season when the farmer is hauling his fertilizer requirements back to his farm to have them in storage there and ready for the spring planting operation. The road restrictions are on and he's reduced to a very small load, which of course increases production costs by the extra haulage required to get his fertilizer needs satisfied. But it would seem a very simple problem for the people involved in setting the quotas for grain deliveries to set them at such a time of the year that the farmer could haul the grain when the roads are completely frozen, in the middle of the winter, and the old argument that the bins are back in the field and they're bound in with snow certainly doesn't hold true any more. I think every farmer has a blade or a snowblower on his tractor and he can certainly clear a road to his bins if he has a quota open and is able to deliver his grain. This would take a heavy burden off the road system in the spring when the frost is coming out and when the roads are subject to severe damage and pounding by trucks, regardless of what load limits might be put on them.

But the problem of the heavy traffic that will be travelling the roads when the rail line abandonment program is completed I think should have real priority. It's going to be an extremely serious problem, and I couldn't emphasize it too strongly that the Minister take heed of the needs of the rural farm area and make sure that the roads are - the proper base structure is undertaken to provide the roads for this particular purpose.

MR. SPEAKER: The Honourable Member for Pembina.

MR. GEORGE HENDERSON (Pembina): Well, Mr. Speaker, there's just a few things I'd like to say. One of them I rather hesitate to say because I've heard so much complaint about all the bad roads that I hate to mention it, but I really think though that we have some of the highways that are pretty good, and in some cases I think our highway speed limits should be a little higher. And it's something that hasn't been said but we have better cars than we had years ago, and I venture to say that pretty well everybody in here is breaking the speed limit quite often. There's no problem getting the cars to go that fast and I'm pretty sure that we're all breaking the speed limit a lot of times and so I think this is something the Highway Department should look at and see if it possible couldn't raise the speed limit.

And another thing I'd like to mention is that I have these here P.T.O. roads too that everybody's complaining about. I think you must be aware of it by now, and I don't say that it isn't that you're doing as much maintaining and that, it's just that the traffic today is so much

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(MR. HENDERSON cont'd) greater than it ever way. You take any back road that you have where people only used to travel once in awhile, you'll see dozens of cars travelling on it today and any main road there's just travel all the time, so I think you're going to have to realize that all the provincial roads are going to really take a lot more maintaining than they ever did before, and it's because of travelling.

That brings me back to the Budget which is really out of proportion. The other day when I was talking about it I used the wrong percentage, but nevertheless your budget is only up about two and a half million dollars, which is very very small considering that highways are so essential today. And there hasn't been - I don't think anybody that's spoke here today that is not in favour of you putting the money to good use because they feel that if you build highways and roads that it's an investment for them; it's easier on their cars, trucks, and that it's a good thing to do. So I don't know whether the Minister can get a larger appropriation next year, or what's the trouble, but he certainly seems to have the consent of this side, and I'm really hoping that another year that we'll see more in this department so that we can have these better roads.

Outside of that, that's all that I have. Of course I have roads in my area that I'd like improved too; we all like all paved roads, but it comes back to the fact again that this department does deserve a bigger budget and I hope another year it'll have it.

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. F. JOHNSTON: Thank you, Mr. Speaker. I don't really give a damn what the Minister says quite frankly. Mr. Speaker, in fact I was in the coffee room or the lounge a little while ago and I mentioned to one of the members that I don't have many provincial roads in my constituency, in fact I don't know that I have any -- I may have one Federal road up by the airport or something of that nature -- and I didn't know that I would have too much to say on Highways. Frankly the highways in my constituency are the concern of the government from the basis that the Provincial Government on roads done by the city which are main arteries are 50 percent paid for by the province. I've listened to the argument on the Highways Branch and I think there's one thing that I'd like to bring up because it's a very definite constituency matter to me, and that is the Beltway.

There has been no decision or we're not getting any decision from the government regarding the Inner Perimeter Beltway that was originally planned by Metro. Our Party on this side has made a very definite statement that we are opposed to the Beltway, we are opposed to that amount of money being spent in that there are other ways of moving the transportation and many things that are more required than an Inner Perimeter Beltway at the present time.

But, Mr. Speaker, the people of Sturgeon Creek where this Beltway would go - it would come down Sturgeon Road and cross directly in front of the Grace General Hospital and through a beautiful park. That's the plan we have before us at the present time. There has been another study made which says the Beltway system is not a necessity, and that pretty well gives another roadway. But we have never really heard from the Provincial Government that the concept of the Beltway is not a good one and the people of Sturgeon Creek have never really heard that the concept of the Beltway as it now stands, which would run through a beautiful park and in front of a hospital, or two parks, Mr. Speaker, one on the north and one on the south side of Portage, is a concept that should be done away with at the present time.

The other report as far as roads are concerned has not been too well publicized and right at the present time nobody in this city knows where it stands or where the Beltway stands or whether it's going ahead or not. We've also had a situation, Mr. Speaker, which upsets many of the people in the Sturgeon Creek area. The government is allowing Metro to purchase land along Sturgeon Road. There was a couple of purchases last year, I'm not sure whether there will be any this year, and the government has to approve those purchases because they pay 50 percent of the road mile. But, Mr. Speaker, that doesn't stop Metro from making those purchases. If they want to buy that land or buy that land for a road they can go ahead and do it but it only means that they have to pay the whole cost and that's too expensive.

Mr. Speaker, the people of Winnipeg or the people of Manitoba firstly should know if the government is planning to go into a \$500 million program for a Beltway around Winnipeg; the people of Winnipeg should certainly know if that Beltway is going to go ahead and the people of Sturgeon Creek who live right on the creek should definitely have some knowledge of what is going to happen. There is one other area in my constituency that has to do with a provincial

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(MR. F. JOHNSTON cont'd) road, but again it's being done by the city, Sir. We have along Sturgeon Creek north of Hamilton and a little bridge there that crosses over, we have a development going in -- and the east-west freeway which is being worked on, Sir, and I'm very glad it is, is fast coming to a reality, that's north of Portage or another artery into the western part. We had a situation where a developer owned the land and where that road should rightfully have gone is, you know, really right through the middle of that developer's land. And the only way that that could be accomplished is that, it's a road that the Provincial Government is working with the city on, is that the price of getting that land back was so high that it was decided to move the highway to the west of the piece of property just north of the little Hamilton Bridge there at Sturgeon Creek and run the road along beside the creek bed, and from the centre of the creek in some areas you would only be 90 feet from the road. This situation is one that is going to ruin a beautiful, not park area, but it's going to just absolutely ruin that Sturgeon Creek bank edge. I personally was down to the council chambers when this was decided upon to go through and gave my objections to it because I think that in this case we have one thing; we either have room for that road to go through or we have room for the development. We don't have room for both. And it's an absolute necessity that we have another east-west freeway in Winnipeg.

As you know, Mr. Speaker, if you look at the western part of Winnipeg, Portage Avenue is really the only street that goes out there. Ness stops very bluntly at St. James Street; Ellice and Sargent stop very bluntly when you get to the airport. And we have a situation of Winnipeg itself, the city, when you get into the centre of Winnipeg and the north - Winnipeg goes much further north than the airport itself, so you have to come down from the northern part of Winnipeg and either come down through Portage Avenue or you've got to come down from the northern part of Winnipeg on to St. James Street to get to Portage Avenue or Ness Avenue. So we are definitely going to have to have that artery. I think the Provincial Government in this case, working with the city should very definitely take a look at the fact - I know that it's going to be costly to buy that land back from a developer but there may be some way we can accomplish having that road not going along that creek bed. --(Interjection)-- I beg your pardon? Does the member have a question?

MR. SPEAKER: The Honourable Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): Yes. When we talk of the Beltway, how long a stretch of road do we speak of?

MR. F. JOHNSTON: Well you're talking, Sir, through you to the member, we're not talking more than a half a mile of road. I think all of you know where Boeing is, it comes past through a piece of property in front of Boeing and then takes a slight swing to the north and then it has to take a further swing to the north and it goes along the creek bed there from Hamilton to Saskatchewan Avenue which is about a half a mile. That half mile is going to go along the side of a creek bed and it is just not proper because that creek bed should be kept as a recreation area.

The other thing is, there's a park right near the bridge which will be on the other side from the development, the development that will go in, and anybody in that area that wants to use the park will have to cross that road. The park really becomes useless because the freeway will be a six-lane traffic highway. So you really cut off the use of a little park that's there also.

Mr. Speaker, that's all I have to say. I think that the government should give us a decision as to what is going to happen with the Inner Perimeter Beltway.

MR. SPEAKER: Resolution pass? (Agreed) Resolved that there be granted to Her Majesty a sum not exceeding \$4,895,900 for Industry and Commerce -- pass? The Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, I regret that the Minister is not in his chair this afternoon. We had no opportunity at all to deal with this department under the Estimates and I must say, Sir, that I regret that we didn't have the opportunity to hear the Minister's presentation of his Estimates at that time. I always am somewhat buoyed up by the Minister because he has a kind of optimism about his announcements that never fails to give me new enthusiasm for the affairs of Industry and Commerce in the province. His method of constantly predicting great things and great improvements is something that we've come to associate with all of his explanations, all of his announcements to the news media and to the House.

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(MR. MCGILL cont'd)

Mr. Speaker, the Department which he represents I think is certainly one of the most important of all the portfolios of government, and perhaps next to the First Minister his responsibility is the next on the order of importance. His statements in his report I have noted with interest; he says that they have been reviewing the guidelines of the Department and that the economy in 1971 emerged with signs of recovery from the recessionary lows which were the case in the previous year. Well, we can only hope that the Minister has produced something that will be somewhere in keeping with the kind of reports that he's been giving us through the news media and through the Manitoba Government Information Service Branch.

Mr. Speaker, I'd like to comment just for a moment about those announcements that are made by the Minister in the News Service. The News Service by its title would indicate that it is a service that is dedicated to presenting news of events to the province and to those who are interested in the activities of the various departments. But I've noticed, Mr. Speaker, that in respect to the Minister of Industry and Commerce it is being used more and more frequently for announcements and for opinions of the Minister's estimate of what he hopes will happen in the future and that quite frequently there are announcements of things which are said to have happened which in fact prove to have not happened. Mr. Speaker, I think this is something that should concern us all because we have been given to understand that announcements of decisions, announcements of industrial growth, announcement of new horizons that have been achieved, new levels of business that have been achieved by his department - we should be able to accept them as factual when they appear in the Manitoba Government News Service.

I have mentioned before and I don't propose to dwell with it at any length, but one such example was the announcement of a sale of five aircraft to a United States Airline by Saunders Aircraft. Mr. Speaker, that sale never did take place although it was announced as an accomplished fact, and it would seem to me that in making these announcements of something as desirable and as good for the general well-being of Industry and Commerce and the department, if it's to be made in that way then when it turns out to be an inaccurate announcement, that the Minister should be equally responsible in announcing and correcting the misinformation which has been published in that way. This is just one example of the kind of thing that occurs when a News Service is used for announcing advances in industry which turn out later not to have occurred. Mr. Speaker, I mention, too, that the News Service should be used in my view more for factual information rather than for anticipated results or projections of the future that are hoped for but not necessarily likely to be realized.

One such announcement that I think is questionable is in a News release of March 3, 1972 wherein one paragraph - the title of the news Release is "Direct Trade Agreement Reached". It says: "Mr. Evans said that as a result of the new arrangements Mackenzie's will enjoy at least \$500,000 worth of trade with a Mexican firm in its first year of operation, and possibly as much as one million." Mr. Speaker, there's no way of knowing whether that ever occurred or not but it should be decided I think by government whether this service is to be used for factual information or whether it is to be used for conjecture, hoped for enthusiastic estimates of what may occur in the future.

Well in respect to the results of the Minister's activities over the years really I suppose the main kind of yardstick might be that of the Statistics Canada report on the gross provincial product for Manitoba as it is improved over the years. I notice that in 1968 there was a 10 percent increase over the previous year in the gross provincial product. Mr. Speaker, in 1969 the gross provincial product increase dropped to 9 percent and in 1970 down to 6.4 percent. In 1971, Mr. Speaker, the last year for which we have any figure from Statistics Canada as to the gross provincial product, the increase over 1970 was 9 percent. Well there is no correction there, no adjustment for inflationary factors involved in the percentage increases, so I suggest, Mr. Speaker, that the results have not been producing increases that would in any way relate to the kind of announcements that the Minister of Industry and Commerce has been making about the activities of his department.

The other figure which might be of interest would be the total investments in the Province of Manitoba, which I think would be indicative of the success or otherwise of the Department of Industry and Commerce, and I notice that in 1969 there was one billion, one hundred and forty-eight millions of dollars invested in Manitoba in total; and in 1971 it dropped to one billion and seventy-six million. So that we actually suffered a percentage drop in the total investment in

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(MR. MCGILL cont'd) the Province of Manitoba in that time. In 1972 there was a slight recovery from 1971 which seemed to be the low point. But, Mr. Speaker, there is no evidence in the figures that are available from Statistics Canada that Manitoba industrially is making the kind of a year by year percentage increase that we should expect from a department's activities wherein we are promoting, we are developing programs according to the Minister, we are making contacts all over the world, we are very much concerned with regional development.

The primary industries in construction in Manitoba - the figures are interesting. I think in 1968 and 1969, \$212 million were the amounts involved in primary industry in construction in Manitoba, and in 1972, the last figure, it had dropped to \$192.1 million. Mr. Speaker, this indicates to me that the Minister of Industry and Commerce is having a very serious problem with inspiring some kind of confidence in the private sector and in their relationship with government in the Province of Manitoba. The amount of increase, or the lack of it, in fact the decrease in the total investment in this province during the years that this government has been in office, would indicate to me that something seriously is wrong between private industry and the Government of Manitoba. And it will be very difficult, no matter how many programs the Minister of Industry and Commerce develops, no matter how many research projects he undertakes, how many trips he makes abroad, how many trade missions he makes to the United States, if he cannot in some way overcome this basic difficulty of a climate for private industry in this province that does not attract industry and developers and entrepreneurs from other parts of our country and from other parts of the world. Because clearly from the figures that we now have for the two or three years - they're complete I think up to the end of 1971 and projected in 1972 - clearly that confidence is not present in the manufacturing or private industrial sector.

The second factor, and this is related of course to the confidence in which private industry will come to this province, I think must be related to and associated with the direction this government is going in acquiring interest in and becoming operators of competitive industries in the industrial sector. We had an example of that during the adjustments which took place after the government took over the cannery business at Morden and another cannery operation in the general area indicated that they felt that it would be very difficult to compete with government in the same industry and the result was some restriction and reduction in the total involvement in the vegetable canning industry in our province.

Mr. Speaker, this can happen and is likely to be enlarged if the government continues to be in power in the Province of Manitoba. There is going to be a continuation of equity positions, a continuation of the development and interest of the government in those areas of industry where the private sector might normally be expanding its sphere of operation in our province.

Mr. Speaker, I see you looking at the clock with some apprehension and I'm prepared to terminate my remarks for the time being if you . . .

MR. SPEAKER: The honourable member will have 25 minutes next time. The Honourable House Leader wish to state something before we adjourn?

MR. GREEN: No.

MR. SPEAKER: The House is now adjourned and stands adjourned until 10 a.m. Tuesday morning.