

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
2:30 o'clock, Wednesday, March 27, 1974

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees.

STANDING COMMITTEE REPORT

MR. SPEAKER: The Honourable Member for Logan.

MR. WILLIAM JENKINS (Logan): Mr. Speaker, I beg to present the First Reports of the Standing Committee on Law Amendments.

MR. CLERK: Your Standing Committee on Law Amendments begs me to present the following as their First Report.

Your Committee met for organization on Wednesday, March 27, 1974, and appointed Mr. Jenkins as Chairman. Your Committee has agreed that, for the remainder of the session, the quorum of this Committee shall consist of 16 members.

Your Committee has considered:

Bill No. 22 - an Act to amend The Law Society Act,  
And has agreed to report the same without amendment.  
All of which is respectfully submitted.

MR. SPEAKER: The Honourable Member for Logan.

MR. JENKINS: Mr. Speaker, I move, seconded by the Honourable Member for Thompson, that the Report of the Committee be received.

MOTION presented and carried.

MR. SPEAKER: Ministerial Statements and Tabling of Reports; Notices of Motion; Introduction of Bills; Questions.

ORAL QUESTIONS

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SIDNEY SPIVAK, Q. C. (Leader of the Official Opposition)(River Heights): Mr. Speaker, in the absence of the First Minister, my question is to the Acting Premier. I wonder if he can indicate whether the government will confirm that a letter has been sent to them from the President of the Manitoba Metis Federation asking for an investigation into the charges relating to the fishermen's co-op and stating whether the government intends, or at least would indicate their intention about reimbursement of losses that have occurred to their fishermen.

MR. SPEAKER: The Honourable Minister of Finance.

HON. SAUL CHERNIACK, Q. C. (Minister of Finance)(St. Johns): No, Mr. Speaker, I cannot confirm that.

MR. SPIVAK: Well, I wonder if the Minister of Finance would take the matter as notice and would be in a position to indicate tomorrow what the government's intention would be.

MR. CHERNIACK: Mr. Speaker, a record will be made of the request.

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

MR. I. H. ASPER (Leader of the Liberal Party)(Wolseley): Mr. Speaker, my question is to the Honourable Minister of Mines responsible for the Manitoba Development Corporation. Could he indicate to the House how much money was lost, approximately how much money was lost, by the public creditors as opposed to the government, upon the bankruptcy or commercial failure of St. Jean Sportswear?

MR. SPEAKER: The Honourable Minister of Mines.

HON. SIDNEY GREEN, Q. C. (Minister of Mines, Resources and Environmental Management)(Inkster): Mr. Speaker, that would not be within my jurisdiction, but if there was a bankruptcy the rules respecting bankruptcies would require, as I understand it, that all that information would be launched with the Registrar in Bankruptcy.

Mr. Speaker, while I'm on my feet - on a matter of privilege, both newspapers carried headlines to the effect that I denied that the government was negotiating equity with Abitibi. The truth or non-truth of that position has never been indicated in this House. I never did deny that the government was negotiating with Abitibi. In other words, both headlines and to some extent the content of the stories are incorrect. As I recall it, the Honourable Member for St. Boniface asked me whether the Manitoba Development Corporation was negotiating equity in Abitibi. And as I recall it - and again without the Hansard in front of me or knowing what it said - I said, no, and then I said, but that would be a misleading answer, that the government

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(MR. GREEN cont'd) . . . was dealing with Abitibi and that all of the answers previous to that did not exclude equity positions. It did not verify equity positions but did not exclude equity positions. The reason that I indicated the answer was misleading should be obvious; and if it is not, then I indicate to the honourable member he referred to the Manitoba Development Corporation, and I indicated "no". The reason I did that is because all of the discussions between Abitibi have been with the Department of Mines and Natural Resources.

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

MR. ASPER: Mr. Speaker, to the Mines Minister responsible for the Manitoba Development Corporation. Does he - or has he had it brought to his attention, that the Manitoba Development Corporation encouraged trade creditors to continue supplying St. Jean Sportswear with credit, because the government was hoping to resuscitate the company and that those creditors who did supply credit have now suffered a \$200,000 loss?

MR. GREEN: Mr. Speaker, I cannot confirm that, and I know that - again my experience with bankruptcy in the private sector is that creditors become very resentful when they are unable to collect their claims, understandable so, Mr. Speaker. It happens in every bankruptcy and sometimes all kinds of bitterness results and all kinds of recriminations. If the honourable member is correct in what he says, I am not certain, but I believe that the so-agreed creditors could make a claim against the Manitoba Development Corporation. I'm not certain, but it seems to me that that would indeed be a possibility.

MR. ASPER: Mr. Speaker, to the same Minister. It related to questions and answers of the same type over the last year or so. Could the Minister indicate the government's policy or whether the government has a policy of repaying or making good to creditors who support MDC-backed companies when they have done so at the request of or by the inducement of the MDC? I recall a statement of policy being made by the First Minister, I believe, about a year or so - maybe two years ago, to the effect that . . .

MR. SPEAKER: Order please.

MR. ASPER: Yes, Mr. Speaker. Could the Minister indicate whether there is such a policy to reimburse creditors who lose money as a result of supporting a government-backed company?

MR. GREEN: Mr. Speaker, I indicated quite the contrary. When the Manitoba Development Corporation loans money to a debenture, loans money to a company, secures itself by a debenture, it exercises every right to first security under that debenture, realizes that security and, if there is anything left over for unsecured creditors, it is paid. That was done with Damascus Steel; it was done with Cowl Equipment; it was done with numerous other corporations. The fact that the Development Corporation is one of the advancers of funds should not induce any creditor to advance moneys to the corporation on any other than prudent business practices.

MR. ASPER: Yes, Mr. Speaker, a supplementary. Will the Minister confirm, that in substantially all of the cases where MDC supported companies have gone bankrupt - the leading ones have been discussed in this House - that the entire security has gone to the MDC, and the unsecured general creditors have received zero?

MR. GREEN: Mr. Speaker, the case is, Mr. Speaker, that in most of the instances that the honourable member is referring to, the MDC got less money back than it advanced but it got a first charge. And, Mr. Speaker, if anything else happened, if we had paid creditors beyond the advances that we had made to the company when we were secured by a first charge, the Honourable the Leader of the Liberal Party would accuse me of mismanagement, squandering of public funds and giving money to creditors who had no entitlement to it.

MR. ASPER: In the light of the Minister's answer, will he please explain why the Government of Manitoba, having first charge on the assets of CFI, found it necessary to pay several millions of dollars to the unsecured creditors in that case?

MR. GREEN: Because the - just to one extent. All of that was in litigation. The lawyer for the MDC, Mr. Walter Newman, Q.C. said that he registered a debenture for the previous administration and for ours - because he was also our lawyer - and that his debenture was a genius type of debenture. It provided us with the security after the unsecured creditors. It is the only registered mortgage in history which succeeded in giving you a second charge to unsecured creditors.

A MEMBER: How did you make out?

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MR. SPEAKER: The Honourable Leader of the Opposition. Order, please.

MR. SPIVAK: My question is to the Minister of Mines and Natural Resources answering for the Manitoba Development Corporation and the Communities Economic Development Fund. I wonder if he can indicate to the House that there have been occasions in which the Communities Economic Development Fund and the Manitoba Development Corporation have in fact guaranteed credit that has been applied to companies in which they have been involved both in equity or by way of a loan.

MR. SPEAKER: The Honourable Minister.

MR. GREEN: Yes, Mr. Speaker, this has occurred. And by the way, Mr. Speaker, the equity companies stand in a somewhat different position than companies that have received a mere loan, with the corporation taking back a first debenture. But I would imagine, yes, there are times when the Development Corporation has indicated that if a creditor supplies, his purchases will be guaranteed, although I am not aware of any specific one - my understanding is that there have been.

MR. SPIVAK: Then I wonder if the Minister can confirm that the Communities Economic Development Fund guaranteed some of the creditors of R & M Construction?

MR. GREEN: Mr. Speaker, I cannot recall that. I have read voluminous material on this matter since approximately the day after, or the afternoon of the day, starting from the afternoon of the day that the honourable member introduced it into the House. I can recall that one of the things that occurred is that they did not pay all of the creditors of JMK and that that was the problem. I cannot recall whether they guaranteed any of the creditors of R and M, I'd have to go back and look at it.

MR. SPIVAK: Yes, I wonder if the Minister is in a position to confirm whether some of the loan officers of the Communities Economic Development Fund established credit for the by alluding to the fact that the moneys would be paid by the Communities Economic Development Fund.

MR. GREEN: Mr. Speaker, I can't confirm that or deny it - but I want to go back and remind honourable members that I am not in a position to answer questions on the day to day operations of commercial enterprises under either of the two funds, although I provide a lot more information than the Leader of the Opposition used to supply when he was the Minister in charge of the Fund, but I'm not able to do it on a day to day basis. The Communities Economic Development Fund will be back before the Economic Development Committee, hopefully very soon; the honourable member will have a full opportunity of examining the activities of that organization in such scope as was never provided under the previous Conservative administration, and to my understanding is not provided under any similar loaning institution by any government in this country.

MR. SPIVAK: To the Minister of Mines and Natural Resources. In view of his last statement, I wonder whether the Minister can confirm that two directors of the Community Economic Development Fund, Mr. Donald McIvor and Mr. Ben Thompson will be allowed to appear before the Committee and allowed to be examined by the committee?

MR. GREEN: Mr. Speaker, the answer that I gave to the previous question is correct, without the supplement that the honourable member now requests. I indicated previously that that is something for Committee to decide, as to who it wants to hear. He knows my opinion full well that I feel, that the Chairman has answered for the Committee and will continue to answer for the Committee.

MR. SPIVAK: Yes, I wonder if he can confirm if the Chairman of the Committee takes his instructions from the Minister of Mines and Natural Resources?

MR. SPEAKER: Order, please. Order, please. I do believe that the Honourable Leader of the Opposition is aware the question was totally out of order and unfair. The Honourable Leader of the Liberal Party.

MR. ASPER: Thank you, Mr. Speaker. My question is to the Minister for Co-operative Affairs, Co-operative Development. Can he confirm that the Northern Fishing Co-operatives have left a trail of debts around the City of Winnipeg in the approximate amount of \$300,000?

HON. SAMUEL USKIW (Minister of Agriculture)(Lac du Bonnet): Well, Mr. Speaker, I'm not in a position to know the extent of debts unpaid or due or otherwise of the co-operatives in northern Manitoba. That is a matter for their own board of directors to deal with.

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MR. ASPER: Well, Mr. Speaker, to the same Minister. In view of the fact that credit was provided because of the well known government support for the Co-ops . . .

MR. SPEAKER: Question please.

MR. ASPER: . . . does the Minister have any plan to reimburse the creditors who supplied credit to the Northern Fishing Co-ops and now face total loss?

MR. USKIW: Mr. Speaker, the Leader of the Liberal Party astonishes me, knowing that he has the capability to understand finance better than that.

MR. SPEAKER: The Honourable Member for Virden.

MR. MORRIS McGREGOR (Virden): Mr. Speaker, I address this question to the Minister of Mines and Natural Resources and Environmental Management. Is the provincial government negotiating with any oil companies at the present time with regard to the future exploration in the province? And a follow up. Has the government side contracts with Asamara Oils, Berry Petroleum and Spruce Oils Limited?

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, I thank the honourable member for having given me verbal notice of this question prior to the session having commenced. I am aware that we have signed contracts with Asamara and, I believe, Berry Petroleum. I am aware that there are continued negotiations with various firms; as to whether there has been a signed contract with the third one or whether that is under negotiation, I cannot give him from memory - I will take it as notice. But we did sign an announced contract with Asamara, and I believe there was one recently concluded with a firm which I seem to recall as being named Berry Petroleum, and that is done with the Manitoba Mineral Resources Company.

MR. McGREGOR: Mr. Speaker, supplementary to the same Minister. Will the Minister release to this House details of those and other contracts when they come?

MR. GREEN: Well, Mr. Speaker, I'll certainly look into it. We certainly will have no objection to releasing the overall nature of the contract, which was already done sometime ago, but I'll give my honourable friend particulars of it.

MR. SPEAKER: The Honourable Member for St. Boniface.

MR. J. PAUL MARION (St. Boniface): Mr. Speaker, I'd like to direct my question to the Honourable the Attorney-General. Has the Minister received a complaint from Tudor House in Selkirk dealing with strikers harassing the staff of that establishment?

MR. SPEAKER: The Honourable Attorney-General.

HON. HOWARD PAWLEY (Attorney-General)(Selkirk): I think that the Minister of Labour has received such a complaint.

MR. SPEAKER: The Honourable Member for St. Boniface.

MR. MARION: I'd like to direct my question then, Mr. Speaker, to the Honourable the Minister of Labour.

HON. RUSSELL PAULLEY (Minister of Labour)(Transcona): There have been complaints, Mr. Speaker, as generally are normal in any industrial dispute in which there are picketers. Different people have different opinions as to the involvement of picketers; nothing of any serious nature.

MR. MARION: Mr. Speaker, to the same Minister. Was it ascertained if the staff were being followed from their place of business to their homes by the picketers in a method of intimidation?

MR. PAULLEY: Not to my knowledge, Mr. Speaker, but people being individuals some use different approaches. But as far as I'm aware, at the site of the strike there hasn't been any incidents that are not within the general common law.

MR. MARION: To the same Minister, Mr. Speaker. What steps are being taken to insure that the present harassment ceases and desists?

MR. PAULLEY: Mr. Speaker, my honourable friend from St. Boniface is attempting to establish some presumption which I do not share with him.

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

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, I direct my question to the Minister of Agriculture. It relates to the recent introduction of a bill into the Saskatchewan Legislature, which will restrict . . .

MR. SPEAKER: Question please.

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MR. G. JOHNSTON: . . . farm land to non-residents. My question is, how many Manitoba farmers will be affected by the passage of this bill?

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: Well, Mr. Speaker, I really don't know the content of the bill that my honourable friend refers to, nor would I know how many farmers it would affect.

MR. G. JOHNSTON: Well, has the Minister had any consultation with the Agricultural Minister in Saskatchewan with respect to the introduction of this bill?

MR. USKIW: No, Mr. Speaker. No.

MR. G. JOHNSTON: Well, will the Minister give an assurance that he will hold a consultation to see how many Manitoba farmers will be affected, and what can be done to alleviate any possible harm?

MR. USKIW: Well, Mr. Speaker, there has been no representation to my office from anyone for such consultation to take place, so really I think it would be inappropriate for me to even consider it at this point.

MR. SPEAKER: The Honourable Member for Charleswood.

MR. ARTHUR MOUG (Charleswood): Mr. Speaker, I'd like to direct a question to the Deputy Premier. How many City of Winnipeg contracts, if any, are being held by the government awaiting approval and signature of the appropriate Minister so they can be awarded by the City?

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: I do not have any idea, Mr. Speaker.

MR. MOUG: Supplementary. Would the Minister responsible to the City of Winnipeg in this department have any?

MR. CHERNIACK: Mr. Speaker, if the Honourable Member for Charleswood has any knowledge of these, then it would be very helpful if he could inform us of the specifics, so we could trace them through and get the truth. The same applies of course, if the City of Winnipeg is aware of it. So that all I can do other than that, if I don't get any help from the Member for Charleswood, is to ask the Minister responsible in due course whether there are any such alleged documents on his desk.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Thank you, Mr. Speaker. My question is to the Honourable Minister of Labour. Has the Minister of Labour met with the Injured Workers Association to consider changes in the Workmen's Compensation Act and to consider their brief respecting annual adjustment of compensation to reflect cost of living?

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, in this connection I'm somewhat confused. Yesterday evening, I noted a reference to the Injured Workers Association in a brief - I believe it was over Channel 6 last night - where it was indicated a meeting would be held with me and a brief had been submitted. I did receive two persons back in January into my office, and at that particular time I was given a document indicating a desire for certain changes. I believe on the outside of the document there was reference to the Injured Workers Association. I'm not sure, Mr. Speaker, whether or not the question that the Honourable Member for Assiniboia directs to me has reference to that particular brief, or a new one, because it was indicated to me - at least as I assessed the program yesterday evening - something new would have happened. However, my office did receive a call this morning, Mr. Chairman, by one individual who expressed a desire to meet with me in connection with the points raised by the Injured Workers Association, and I suggested to my office staff that if the gentleman calls again that I would be prepared to meet with him in due course when some of my other responsibilities have eased somewhat.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: A supplementary question, Mr. Speaker. Has the Minister studied the charges made by the Executive Director of Social Welfare and Planning Council about conflict of interest existing in the Manitoba Compensation Board respecting compensation - hearing cases and appeals?

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: No, I also saw the image of - I believe the individual's name is Lloyd Blenton. I've never met with this honourable gentleman, and as far as I am aware he

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(MR. PAULLEY cont'd) . . . has never made representations to me for a meeting where he could indicate to me as Minister of Labour what apparently he did to the public by the news media yesterday evening.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Supplementary to the Minister, Mr. Speaker. The amendments requested to the Workmen's Compensation Board by the Injured Workers Association, are they the same that are requested by the Manitoba Federation of Labour as well? I believe the Minister has both briefs now.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: May I indicate to my honourable friend that the Throne Speech contained a passage that amendments to the Workmen's Compensation Act will be presented for the Assembly for its consideration in due course, and I'm sure that my honourable friend is waiting in anticipation, as are others, to see what will be contained in the bill that I will be introducing. It's in the process now in respect of Workmen's Compensation amendments.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY McKENZIE (Roblin): Mr. Speaker, I have a question for the honourable, the Minister of Tourism, Recreation and Cultural Affairs. I wonder if the Honourable Minister, Mr. Speaker, could advise the House of the percentage of the profits from WesCan Lotteries that will be turned over to the Montreal Olympic Committee for the 1976 games?

MR. SPEAKER: The Honourable Minister of Tourism.

HON. RENE E. TOUPIN (Minister of Tourism, Recreation and Cultural Affairs): Well, Mr. Speaker, I'm sorry - maybe I didn't hear the question right. But there's no revenue from the WesCan Lotteries that will be turned over to the Olympics, not whatsoever - on the contrary. If it is decided jointly by the participating provinces that the agencies involved in the different provinces will eventually sell for the Olympics, that there will be a commission payable by the Olympics to those involved in the selling of tickets, but not vice versa.

MR. McKENZIE: Well, I have a supplementary question then, Mr. Speaker. I wonder can the Honourable Minister advise the House, will the Montreal Olympic Committee be authorized at any time to sell their tickets in this province, or in the western provinces?

MR. TOUPIN: Well, again, Mr. Speaker, only by mutual consent. Any other provinces in Canada will not be allowed to set up agencies in this province or any other province participating in WesCan till there is an agreement reached. So at this moment, they're not allowed to set up an agency in this province no more so than we're allowed to set up an agency in the Province of Quebec.

MR. McKENZIE: A supplementary question, Mr. Speaker. Is the Yukon being considered as a full partner in the WesCan agreement?

MR. TOUPIN: Mr. Speaker, at the last meeting in Regina, the Yukon had made application to the unofficial committee of four Ministers from the four western provinces, and it was decided then that the respective Ministers would recommend to their governments that the Yukon be accepted; not as an equal partner, but accepted to be a - say, that they form a selling agency in the Yukon and receive the same benefits apart from voting rights on the commission.

MR. SPEAKER: The Honourable Member for Virden.

MR. McGREGOR: Mr. Speaker, I address this question to the Minister of Tourism and Recreation. What assistance is the Department of Tourism and Recreation giving to the standard bred and thoroughbred industry in the Province of Manitoba this year?

MR. SPEAKER: The Honourable Minister.

MR. TOUPIN: Well, Mr. Speaker, within the existing budget of this fiscal year, there is an amount of \$50,000 that is allocated within the estimates to be made payable to horse breeders in the Province of Manitoba. As the honourable member is quite aware, the fiscal year ends in a few days, and it has been decided by Cabinet that this amount be held in trust till the Minister - that is myself - is in a position to recommend to Cabinet that the purse structure itself will meet the benefit of more horse breeders in the Province of Manitoba than less. At this time I am not satisfied of the recommendations being made, so I am not in a position to recommend to Cabinet the allocation of this \$50,000, and this is why I have recommended to Cabinet that it be held in trust.

MR. SPEAKER: The Honourable Member for Virden.

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MR. MCGREGOR: A supplementary. When would the Minister - might he indicate when the horse breeding industry would know as to when, how it's going to be allocated.

MR. SPEAKER: The Honourable Minister.

MR. TOUPIN: Well, again, Mr. Speaker, this will be a joint effort. I've asked the Horse Racing Commission as one official body to make the recommendations. I'm informed that I should be getting that recommendation probably late next week. I've asked individuals involved in racing in the Province of Manitoba to make their comments known to me, and after having received those I contend to be in a position to make certain recommendations to my colleagues. --(Interjection)-- I'm sorry, Mr. Speaker - hopefully within a month.

MR. SPEAKER: The Honourable Member for Crescentwood.

MR. HARVEY PATTERSON (Crescentwood): Mr. Speaker, I have a question for the Minister of Northern Affairs. Could he advise as to the present conditions of the winter roads in northern Manitoba?

HON. RON MCBRYDE (Minister of Northern Affairs): Mr. Speaker, I have been bringing winter road reports with me for the last number of weeks, hoping for a question. Now, I hope I have it here. The winter roads, Mr. Speaker, with the exception of the Norway House winter road, are still open and in full operation. The majority of the roads are in good condition. The roads to the small communities of Red Sucker Lake and Little Grand Rapids will not have truck roads this year, but tractor train hauls will be going into the community of Red Sucker Lake.

MR. PATTERSON: A supplementary, Mr. Speaker. Could the minister advise as to the tonnage hauled over the roads into the northern communities?

MR. MCBRYDE: Mr. Chairman, the main winter road haul, that is, to the Island Lake area, the estimated amount to go to that community was 6,618 tons; and the amount hauled in, estimated in at this date, is 6,618 tons. That is, all the amount that was anticipated to go to those communities has been delivered. There are some people who are now deciding to make further deliveries beyond that, so trucks are still hauling on that road, but all the goods that were anticipated to go have now been hauled in. The same is true for the Berens River road, where 313 tons have been hauled in; for the Bloodvein road, where 566 tons have been hauled in; the Cross Lake road, where 2,411 tons have been hauled in; the Norway House road, where 7,996-1/2 tons have been hauled in; the York Landing and Split Lake roads have 636 tons hauled in, with 70 tons still in the process as of to date, still being hauled in to those communities. The Community of Oxford House, the full anticipated amount of 2,295 tons has been hauled in; to God's Narrows, the full anticipated amount of 2,858-1/2 tons has been hauled in; to South Indian Lake, the full anticipated amount, I believe that figure is 26,276 tons has been hauled in; in Moose Lake, the full anticipated amount of 12,153 tons has been hauled in. The haul in these communities on winter roads, Mr. Chairman, is essentially complete at this time, with some of the haulers having delayed because of rumours of roads not being in, having delayed their hauls. There are still a few late hauls going in, the odd load, but essentially the amount anticipated has been hauled in as of today.

MR. PATTERSON: Another supplementary, Mr. Speaker, in view of that impressive record, could the Minister advise as to what effect it will have on lowering the prices in northern Manitoba?

MR. MCBRYDE: Well, Mr. Speaker, since the cost of hauling goods, the goods into the retail stores in these communities have been considerably reduced. Those retail stores will certainly have considerable explaining to do if in fact the cost to their customers is not considerably reduced.

MR. SPEAKER: The Honourable Member for Arthur.

MR. J. DOUGLAS WATT (Arthur): Mr. Speaker, while we're on roads I would like to direct a question to the Minister of Highways and provincial roads. Since the weather - if I may use a slight preamble - since the weather will rediscover the provincial roads, is it the intention of the Minister to re-establish and to maintain the provincial roads as they were maintained and held up by the Conservative Government as of four years ago?

MR. SPEAKER: The Honourable Minister of Highways.

HON. PETER BURTNIAK (Minister of Highways)(Dauphin): Mr. Speaker, I believe this question was asked by the honourable member some time ago.. .

A MEMBER: Four years ago.

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MR. BURTNIACK: . . . and I would say to him that we have done a pretty good job and I don't think that we would like to go back and reduce our service that was done under the previous administration.

MR. WATT: A supplementary then, Mr. Speaker. I again ask the Minister if he has agreed with the rural municipal people . . .

MR. SPEAKER: Question please.

MR. WATT: I asked him the question. Does he agree with the rural municipalities - who disagree with the fact that the maintenance of the municipal roads or the government roads have been kept up the way they were in the good old days of the Conservative time?

MR. BURTNIACK: Mr. Speaker, just to answer that, I've never received any disagreement from anyone.

MR. SPEAKER: The Honourable Member for Morris.

MR. WARNER H. JORGENSEN (Morris): I should like to direct my question to the Minister who answers to the House for the Manitoba Public Insurance Corporation, and ask him if he is going to give some consideration to a Mr. Bartlett whose truck was ruined on the winter roads during the last winter, so that this man will be able to continue his operation. He is unable to earn his living as a result of the actions of the MPIC.

MR. SPEAKER: The Honourable Minister.

HON. BILLIE URUSKI (Minister responsible for the Manitoba Public Insurance Corporation)(St. George): Mr. Speaker, my information is that the unit that was used on the winter roads was a 1959 Mac truck, and the damages that resulted from going . . .

A MEMBER: Fifty miles an hour.

MR. URUSKI: No, considerably - you know, at a considerable speed on the winter roads, which are designed as I am informed for somewhat under 20 miles an hour - were designed because they are winter roads - that the damage incurred was in fact a frame fracture, which is what is commonly known as a mechanical fracture and would not have been considered as a claim under the insurance coverage.

MR. JORGENSEN: I wonder if the Minister could tell whether that clause was written into his contract when he took out an insurance policy in good faith?

MR. URUSKI: Mr. Speaker, the coverages are standard insofar as mechanical fractures to vehicles or engines or the like, that we would not be covering breakdowns in motors or frames that would be as a result of wear and tear on the vehicle.

POINT OF ORDER

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

MR. G. JOHNSTON: Well, Mr. Speaker, first I rise on a point of order, and then I have a brief question. But my point of order is, that whenever a member makes an inaccurate statement then it behooves him to correct that statement at the earliest possible opportunity, and yesterday in the questions period I did make an untruthful statement. I said that the Chairman of the Economic Committee was the most unbiased chairman I've ever seen - and I wish to apologize, I wish to apologize to the member, because I know it will do him irreparable harm in his Party standing. I meant to say he was the most biased chairman.

ORAL QUESTIONS (Cont'd)

MR. JOHNSTON: My question is to the Minister of Agriculture, and relates to his loaded ballot vote on the feed grain ballot. My question is - I understand that the 29th is the deadline of this month - my question is: even if the ballot doesn't come out in favour of the Minister does he intend to publish the results?

MR. SPEAKER: The Honourable Minister.

MR. USKIW: Mr. Speaker, the Manitoba Marketing Board who are conducting the referendum, will operate as they always do and always have done. There will be no change in procedure.

MR. SPEAKER: The Honourable Member for Rock Lake. Order. The Honourable Member for Portage.

MR. G. JOHNSTON: Well, Mr. Speaker, because the ballot is being conducted from the Minister's office and by taxpayers' funds, will he not make the information public?

MR. USKIW: Mr. Speaker, I don't ever recall an incidence where the Manitoba Marketing Board held a referendum in which case the results were never made public, and I don't expect that to be the case this time.



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MR. SPEAKER: The Honourable Member for Rock Lake.

MR. HENRY J. EINARSON (Rock Lake): Mr. Speaker, I direct this question to the Minister of Agriculture, and would like to ask him, could he indicate how many applications on the vote in question on the marketing of feed grains has been received to date? How many applications that were sent out have been returned as of today?

MR. USKIW: I would think that the honourable member means ballots.

MR. EINARSON: Mr. Speaker, I meant ballots.

MR. USKIW: I am not sure, but I would guess that it is somewhere in the area of twelve or thirteen thousand.

MR. SPEAKER: The Honourable Member for Radisson.

MR. HARRY SHAFRANSKY (Radisson): Mr. Speaker, on a point of order. First of all I wish to thank the Honourable Member for Portage la Prairie - was it yesterday - when he mentioned that I was unbiased. I didn't know whether he was . . .

MR. SPEAKER: Question.

MR. SHAFRANSKY: . . . condemning or complimenting me. However he made it quite clear, and I categorically deny the fact that I am biased, but I - I rose on a point of order.

NOTICE OF MEETING

MR. SHAFRANSKY: In the notice of meetings, I noticed that the meeting which was announced at the last Public Utilities Committee meeting on March 21st is not indicated in the Votes and Proceedings. The Standing Committee on Public Utilities will meet on Tuesday, April 2nd at 10:00 a. m. in Room 254 to consider the Annual Report of Manitoba Hydro. This was indicated at the last Committee meeting and I notice that it did not appear in the Votes and Proceedings.

ORAL QUESTIONS Cont'd

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L.R. (Bud) SHERMAN (Fort Garry): Mr. Speaker, my question is to the Honourable the Minister of Tourism, Recreation and Cultural Affairs. Can the Minister advise the House whether among the letters of intent on the WesCan Lottery, which he says this government has received from other western provinces, there has been an actual letter of intent received from the Province of Alberta?

MR. SPEAKER: The Honourable Minister.

MR. TOUPIN: Mr. Speaker, the intent of the three western provinces, that is Manitoba, Saskatchewan - Manitoba was tabled at the last meeting that we had at Regina - the intent of Alberta was equally tabled and to be followed by a letter of intent which I still haven't seen. But it was definitely stated at the meeting in Regina that Alberta will be participating in the inter-provincial WesCan Lottery Commission, as was the intent of the Yukon to participate equally.

MR. SHERMAN: Can the Minister advise the House who made that statement on behalf of the Province of Alberta?

MR. TOUPIN: Mr. Speaker, I indicated I believe one or two days ago that the Minister of Alberta was unable to attend the meeting in Regina and I can't recall the name of the individual that was - there was two or three there but the spokesman for Alberta I believe was either the Deputy Minister or - it was a senior civil servant of the Department of Recreation in Alberta but I can't recall his name. I could find out and let the honourable member know.

MR. SHERMAN: I'd appreciate if the Minister could find that out, Mr. Speaker. A final supplementary. At the time that that intent was signified did the Alberta spokesman or the Alberta delegation indicate that that position was in direct juxtaposition, direct contradiction to an official position taken by the Government of Alberta on June 12th, 1973.

MR. TOUPIN: Well again, Mr. Speaker, it's very difficult to relate the previous discussions of the Minister responsible in Alberta and the Premier because there has been seemingly contradictory statements made, but the member speaking for the Government of Alberta at the Regina meeting did so after confirming with his Minister.

MR. SPEAKER: The Honourable Member for Wolseley, Leader of the Liberal Party.

MR. ASPER: Mr. Speaker, my question is to the Minister responsible for Co-operative Development. I wonder if he would give the House an assurance that he would check with his officers in the Department to determine whether or not any of them induced Winnipeg businessmen

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(MR. ASPER cont'd) . . . to grant credit to the northern fishing co-ops, and when he finds that that is the case whether he will recommend . . .

MR. SPEAKER: Order please. The latter part is hypothetical.

MR. ASPER: Yes, Mr. Speaker. My question really is this: will the Minister recommend payment to those creditors who extended credit to the northern co-ops upon the inducement of members of his department.

MR. SPEAKER: That question, too, is hypothetical. The Honourable Minister.

MR. USKIW: Mr. Speaker, since you rule the question hypothetical I'm afraid I'm not in a position to respond, but I do wish to respond to questions put several days ago on the same subject, one in particular put to me by the Member for Assiniboia, and it has to do with the amount of moneys loaned to three co-operatives in particular, namely Kee Noe Zae, Ilford and Maniou Sakahikum. Let me advise my honourable friend that Kee Noe Zae Co-operative has a loan of \$88,900 under our loan guarantee fund. Ilford Co-operative has a loan of \$100,000 and Maniou Sakahikum has a loan of \$15,000.

The Member for Brandon West who is not here at the moment but hopefully his colleagues will advise him of the answer, put a series of questions. I think perhaps, Mr. Speaker, I should read the questions and then the responds to make sure that we have the answers in proper order.

The questions as follows: "I wonder if the Minister could indicate how much of the \$1.3 million paid out of the Consolidated Fund under the authority of The Fisheries Act and loaned by the Manitoba Agricultural Credit Corporation to fishermen and fishing co-operatives is in arrears at this time?" And then we have a series of observations by way of an answer.

No. 1 - There are no loans to fishing co-operatives considered to be in arrears.

No. 2 - Fishing co-operatives as well as private fishermen agree to repay loans on a percentage of catch basis yearly. The agreement takes note of the fact that because of conditions there may be a discontinuance of fishing for periods of time. No payment is expected during these periods.

The above would suggest that only if a fishing co-operative became totally dormant or dissolved or if they failed to honour the agreement on percentage of catch could the loan be considered in arrears. The Corporation has established a list of doubtful accounts which includes the following: only one fishermen's co-operative, namely Maniou Sakahikum Co-operative. The Corporation is in a position to salvage moneys by way of repossession of the physical assets still in possession of the borrower. There are some total seven fishermen loans that are in the doubtful category at the moment, Mr. Speaker.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Yes, I wonder - to the Minister of Co-operative Affairs - whether he can confirm that the amount is a million three or really at this point higher than a million three?

MR. SPEAKER: The Honourable Minister.

MR. USKIW: Mr. Speaker, I'm not sure of that particular aspect of it. I have not researched the total amounts of money that were advanced by way of loan, but I can get the information for my honourable friend.

MR. SPIVAK: I wonder if he's been informed by the Freshwater Fish Marketing Board that the likelihood is that a million dollars of that million three will have to be written off?

MR. USKIW: Mr. Speaker, I think the Leader of the Opposition has to appreciate the fact that it is very difficult to project the fishing seasons on the northern lakes at any given point in time, and it would not at all surprise me, Mr. Speaker, if we did have problems of the nature that he describes. That is not something that we are not unaware of even when the loans are made in the first place. That is the nature of northern Manitoba. To the extent that we have a successful fishery we will realize most of our objectives and most of the loans will be repaid. To the extent that we have failures for one reason or another we will have our problems and we know that when we take these risks by way of loan guarantees. It's a very conscious decision on the part of the Department to put forward capital to allow these kind of developments to take place knowing that we may have a high risk situation.

MR. SPIVAK: I wonder if the Minister could confirm that based on the calculations made by his Department that it will be impossible for the Southern Indian Lake Co-op to pay off the obligation of \$637,000 that he indicated, and that in effect the government will have to write that off as well?

## ORAL QUESTIONS

MR. SPEAKER: The Honourable Minister.

MR. USKIW: Well, Mr. Speaker, again, the Leader of the Opposition, while his statement may be accurate, and I suspect that it indeed will be a difficult task for that particular co-operative to repay that kind of capital debt, my own impression is that that would be a correct assessment. Let me assure him however though, that that is or was never intended -- the co-operative had never intended to undertake that kind of capital indebtedness in that there was an expectation of much greater Federal grants towards the co-operative which did not materialize fully. So, therefore, there is some problem in that respect. It was expected that there would be almost a 100 percent grant of the facility to the fishermen of South Indian Lake.

Secondly, Mr. Speaker, with all the best of intentions I want to assure my honourable friend that because of the added job opportunities in northern Manitoba through the works of Manitoba Hydro and other government agencies, many of the fishermen are looking to these areas for employment which do provide better incomes than does the fishing industry. And therefore to the extent that we don't have the same number of fishermen fishing on those lakes and the same poundage, or a reasonable amount of poundage or tonnage going through the plant there will be difficulty in maintaining a viable operation. But again, Mr. Speaker, even if that is so, I want my honourable friend, the Leader of the Opposition to appreciate that we are indeed happy that there are job alternatives which provide a higher rate of salary which the fishermen can adjust to. And if that is what happens and we suffer because of it, we have to accept that as part of the progress of northern Manitoba.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, in view of the fact that we're talking approximately 600 to 800 thousand dollars for the South Indian Lake co-op, I wonder if the Minister could not confirm that it would have been better for the government to have given each fisherman \$12,000.00?

MR. SPEAKER: Order, please. The question is argumentative. The Honourable Leader of the Liberal Party.

MR. ASPER: Mr. Speaker, my question is to the Acting First Minister. My question is, does the Government of Manitoba intend to make representations as trustee for all the people of Manitoba to the Government of Saskatchewan with a view to inducing the Government of Saskatchewan to permit or to refrain from enacting legislation which would make it unlawful for Manitobans to own farmland in Saskatchewan?

MR. SPEAKER: That question, too, is argumentative. The honourable member wish to rephrase it?

MR. ASPER: Mr. Speaker, on a Point of Order.

MR. SPEAKER: Order, please. The question had an opinion as a base. That becomes argumentative. The honourable member wish to rephrase it?

MR. ASPER: Mr. Speaker, I wonder if you might instruct me, on a Point of Order, as to what opinion the question contained? The question was a matter of fact. Law has been introduced which will make it unlawful for Manitobans to own land in Saskatchewan. My question simply is, does the government intend to make representations to request the Government of Saskatchewan to remove that legislation as it affects Manitobans? Now, that's not argumentative.

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

MR. ASPER: Mr. Speaker, I have another question for the Acting First Minister. Is it the policy of his government to continue to hire NDP political organizers to work as responsible directors and co-ordinators within the Government of Manitoba?

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, it has been often stated that it is a policy of our government to hire those people who can best serve the roles which are assigned to them.

May I say, Mr. Speaker, that in relation to the situation that has been proposed for Saskatchewan's land policy, I would think that this government will be very careful to read the sayings and the intent and the expressions of members opposite as well as members present to try to determine the position it ought to take. This may include any suggestions of exclusiveness for people of certain geographic areas or racial or national citizenship.

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

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MR. ASPER: Yes, Mr. Speaker, will the Acting First Minister confirm that one, Allan Early, a New Democratic Party paid organizer has been engaged as a senior director in the Department of Industry and Commerce, as a Director of Promotions?

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, it would not be for me to decide how long a person has a role once he played it. For example, the member who is asking questions has acted as Counsel to the Manitoba Government. That doesn't mean that forever he can be considered by anyone to be legal representative on behalf of the Province of Manitoba. The question asked about Allan Early is a matter of record, but if the member really wants to know the position he occupies I suppose we can find it out. As to his background and past, I don't know whether the member seriously wants to know the background and past of every person who becomes a civil servant. If he does, I would not play that game with him.

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

MR. ASPER: Mr. Speaker, in view of the fact that the person I have referred to in my question has been engaged primarily as a political organizer, will the Acting First Minister please indicate to the House what credentials, other than his political prowess, this man has to occupy a senior executive position in the Department of Industry and Commerce?

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, the honourable member has not been in this House as long as this government has been, so he will not recall that -- but I recall well, that early in the time of this government we have not agreed to answer questions relating to individual appointees because we felt that their privacy is something that we would want to respect, even though members such as the Leader of the Liberal Party is prepared to attack. Nevertheless, Mr. Speaker, it is obvious to me that the appointment made by this government, and any preceding government, would take into account the qualifications which that government felt were advisable and worthwhile in order to attract people to come to work for them. Therefore, I would say that regardless of the job to which this person was appointed -- and I don't know what it is -- he must have been considered to be properly qualified to handle the job assigned to him.

MR. SPEAKER: The Honourable Member for St. Boniface.

MR. MARION: Mr. Speaker, I'd like to direct my question to the Honourable, the Minister of Education. Will the Minister advise if a revision of the teacher/pupil ration which is the basis for which school boards receive their department grants, is imminent for the coming school year at both the elementary and secondary levels?

MR. SPEAKER: The Honourable Minister of Education.

HON. BEN HANUSCHAK (Minister of Education, Minister of Colleges and Universities Affairs): No, Mr. Speaker.

MR. SPEAKER: The Honourable Member for St. Boniface.

MR. MARION: Thank you, Mr. Speaker. Is the basis for arriving at the grants being studied now?

MR. SPEAKER: The Honourable Minister.

MR. HANUSCHAK: Yes, Mr. Speaker, it's under continuous study.

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

MR. GREEN: Mr. Speaker, just before the Orders of the Day I'd like to answer some questions that were asked by the Honourable Member for Assiniboia relative to land acquisition in the Delta Marsh. The estimated amount that is allowed for land acquisition is \$2 million dollars over a period of five years. The Crown now owns about 40,000 acres and we acquired about 160 acres during the past twelve months. The plan calls for the acquisition of about 40,000 acres additional land. The cost sharing is on a 50-50 basis with Ottawa. The land acquisition estimate is based on an average purchase price of \$50.00 an acre and of course this is to be negotiated with each owner, and I don't think you can take that figure as being of great meaning. And we intend to aggressively step up the acquisition program during the next two years. Now, Mr. Speaker, I presume that we are going into the Budget Speech Debate.

MR. SPEAKER: Yes. The Honourable Member for Fort Garry.

MR. SHERMAN: A supplementary question to the Minister of Environmental Management, supplementary to the information he just gave us, Mr. Speaker. Does the acquisition program

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(MR. SHERMAN cont'd) . . . include beach property or marsh property or waterfowl nesting property or farm property, or precisely what; or all forms of property in the Delta area?

MR. SPEAKER: The Honourable Minister.

MR. GREEN: Yes, Mr. Speaker.

MR. SHERMAN: Mr. Speaker, for clarification, perhaps I'd better rephrase the question.

MR. GREEN: Mr. Speaker, the most satisfactory answer is yes, all the forms that the honourable member has mentioned.

BUDGET DEBATE

MR. SPEAKER: On the proposed motion of the Honourable Minister of Finance and the amendment thereto by the Honourable Leader of the Opposition, and amendment thereto by the Leader of the Liberal Party. The Honourable Member for Birtle-Russell.

MR. HARRY E. GRAHAM (Birtle-Russell): Thank you, Mr. Speaker. Last week, last Thursday to be exact, Mr. Speaker, we had a rather unusual day in this Legislative Assembly. First of all, we had the announcement of the Hydro rates for the Province of Manitoba which will increase the rates almost 20 percent to the people of Manitoba. Secondly, we had the Minister of Mines announcing his program for the mining industry. And then thirdly, we had the Minister of Finance putting on his Budget speech in the evening. It was, all in all, Mr. Speaker, quite a full day. And one has to sit back and wonder why they put all three together. Whether the one was the sugar-coated pill to make the other two a little more palatable or what was the intended purpose of the mass saturation, so to speak, of these programs all at the one time? And one can only conclude, Sir, that in bringing this forward in this manner, it is intended to portray the Minister of Finance -- who I'm sorry is not in the House at the present time, but I'm sure he will be right back -- intended to portray him as sort of a benign Santa Claus, if you may, whether or not he believes in the Santa Claus concept, intended to portray him as the kindly gentle spirit that is going to give the sugar-coated candy and then all will be well. Mr. Speaker, I don't believe that such is the case. I can just picture the Minister in his very charming manner, smiling, kindly face. He is the fatherly type, and as such he is administering goodies to all around.

Now, Mr. Speaker, this isn't the first budget speech that he has presented, and since this party has come into power we have seen considerable amounts of legislation brought forward. We've seen in particular an awful lot of legislation designed to help the consumer. We have established a Department of Consumer Affairs, and we have a Minister -- I think we have a Minister in charge of it, anyway. And the whole purpose of that department, Sir, to me anyway, would indicate that it is to protect the consumer. And I always ask the question -- protect them from whom? Or is it to protect them from themselves, while the Minister sits there and smiles. I think that he would say that his job really is to protect the consumer from the sharpie, the shill in business; to protect them from those sharp cookies in business that are trying to take the consumer's dollar from him in any way that he can and to do it in a manner that the consumer is not fully aware of what his rights are.

But, Mr. Speaker, sometimes I think that the ministry of Consumer Affairs should be looking at other avenues, too, and maybe they should be looking at protecting the consumer from the Minister of Finance as well, because at one time I see the Minister of Finance as the kindly Santa Claus type. It also reminds me that those that believe in that Santa Claus story, this occurs at a time in the year which is very late in the calendar year, and usually the day or two after Christmas we're into the year end, and anybody that watched the business field realizes that a day or two after Christmas you have your giant fire sales, your wall to wall clearance sales, and there's bargains galore for the buying public. This is where the image of the Minister of Finance changes slightly; from being the kindly, benign Santa Claus type suddenly his ears get a little sharper, he gets a pencil-line mustache, and he then becomes the sharpie or the shill who is having his giant fire sale. And in that giant fire sale he is advertising to all and sundry special bargains. But there is one fundamental difference. When the consumer in the ordinary market is one of the buying public and he sees this giant fire sale, special low prices, he expects to buy goods that are maybe slightly fire damaged or water damaged or something. But here we find the Minister of Finance isn't selling fire-damaged goods. Really, what is he selling? He's selling the fire. He's got a special bargain and he's selling a fire --

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(MR. GRAHAM cont'd). . . the fire of inflation. Because the budget that we see before us is an inflated budget. The spending that we have seen in this Legislature has been inflated, and in all the government spending and all the programs that are put forward, supposedly programs to help people, the one problem that government does nothing about is the problem of inflation. And that is the number one concern of every consumer in the Province of Manitoba, the Province of Saskatchewan, Alberta, B. C. and all the other provinces in Canada. Inflation is our number one problem. The consumer certainly does not benefit from inflation. Well, if the consumer doesn't benefit, does any benefit? And I suggest to you, Mr. Speaker, that the only institution that benefits from inflation is government. Because the dollars that they take in today or the dollars that they spend today and borrow today, they pay back with 40 cent. dollars, 50 cent dollars, and really it is only government that benefits from inflation. As the spiral turns, as the wheel turns and increases in speed and the spiral tightens, the consumer gets hurt and government benefits.

We have seen the Minister indicate in his budget, revenue far exceeding that which he anticipated, and that, Sir, to me indicates again that government is the only one that benefits from inflation. Since this government has taken office, and using the Minister's own figures, the gross provincial product has increased by 50 percent. Government spending has increased five times faster than that. We are now facing a total government spending program for this coming year of one and a half billion dollars, Mr. Speaker, made up of 789 million in main estimates, 699 million in capital supply, and 35-3/4 million in supplementary estimates. Totalling one billion, 533 million.

Government spending since this government has taken office has more than doubled, in fact it has almost tripled, while the output of this province has increased 50 percent.

I said the other night, last night, that while the population of this province has increased only slightly, that the rate of increase in the Civil Service, the bureaucracy, has increased at a rate five times greater. Mr. Speaker, as government bureaucracy increases and as government spending increases and the total productivity of the province increases at a lesser amount, that means that there is less and less of the total productivity of the province left for the individual to spend in the manner in which he chooses.

If the rate of increase of government expenditure continues at its present rate and if the provincial income increases at its present rate, we won't see the end of this century before the total productivity of the province will be spent by the government and there'll be nothing left for the individual. Of course, Mr. Speaker, we realize that that won't happen, because if these programs continue in the direction they're going and they are allowed to continue unchecked, before the government is allowed to spend every cent of the individual's money we would end up in revolution. There is a point -- as the Minister of Agriculture says, am I advocating revolution? In no way. What I am trying to indicate to the government is that unless they curtail their government spending, unless they cut back on some of these programs and leave the individual with a reasonable amount of the money that he himself has earned, that unless that happens there will be disillusionment with the people to the extent that, dependent on the heeds of government, if government totally ignores it, then I would say that revolution would be inevitable. Because, Mr. Speaker, there is no society or no particular country in the world today where they do not recognize some right of the individual. Even in those countries which are under the most rigid government control the individual still has some rights.

Mr. Speaker, I raise these issues at this time because I can see the direction that we are heading, I can see the speed with which we are heading in those directions, and it alarms me, as I'm sure it will alarm many Manitobans if it is allowed to continue unchecked. And so, Mr. Speaker, I want to issue or suggest to the House at this present time that we should take a look at the direction we're going and be very careful at the speed with which we are going, because the danger signals are out.

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MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. J. FRANK JOHNSTON (Sturgeon Creek): Thank you, Mr. Speaker. Mr. Speaker, the first thing I would like to put clear on the record of the House, especially because of the statement the Member from Crescentwood made in his speech, and that is that I did not vote for the Budget last year. None of this side voted for the Budget last year. We voted non-confidence twice, and the fact that we did not vote for the Budget, the fact that we did not vote for the Budget, Mr. Speaker, was used in the political slipperiness by the government during election, and for the Minister to say that we did, I will quote what we voted for: "We voted on the Budget, Mr. Speaker," and so, Mr. Speaker, I beg to move, proudly, seconded by the Minister of Labour, that Mr. Speaker, do now leave the Chair and the House resolve itself into Committee to consider the Ways and Means of raising the Supply to be granted to Her Majesty." That's what we voted on last year, that's what we will vote on this year, except that the Minister seems to think it's quite a technicality as to whether the motion is put before or after his speech. I don't really know why he wants to do that but I suspect that he wants to come out of this House again and say we all voted for the Budget. But I just want to make the record clear that I will vote for the non-confidence motion of the Leader of the Liberal Party, I will vote for the non-confidence motion of my Leader, and I will vote that the Speaker do now leave the Chair.

Mr. Speaker, there has been some discussion in the House and in the question period in the last three or four days about the report of the Manitoba Housing and Renewal Corporation. We've been asking if we've got the report or when will we get the report, and of course if we had been on our toes just a little bit faster, I guess, we would have known, as the Minister doesn't seem to know, that the report has been presented to this House for the year ending March 1973. The financial report.

Mr. Speaker, it's contained in this big book that I get very suspicious of, which is presented to you all at once so that they won't maybe take the time to read it. But we do have people on this side of the House that research and do read. And the questions we have been asking obviously should have been asked now that we have this report in front of us, which is fairly good reason for questioning the government on the Manitoba Housing and Renewal Corporation Financial Report. Mr. Speaker, the auditor, the Provincial Auditor, comments on this report as he does all others, and I would like to read the comment of the Provincial Auditor on this report, in the second paragraph especially.

"Permanent housing under construction of \$34, 673, 865.75 as of March 31, 1973 includes an amount of \$1, 517, 191.91 advanced to the Northern Manpower Corporation, Department of Northern Affairs, Province of Manitoba. Subsequent to March 31, 1973, further advances of \$1, 611, 144.62 have been made to or on behalf of the Northern Manpower Corporation, resulting in the total advances to date of \$3, 128, 336.53. These amounts were advanced on account of contract for the construction of 39 family units at Churchill, Manitoba, at a cost of \$885, 490 subject to provisions for the modification adjustments, and on account of arrangements to construct a further 80 family units estimated by the Corporation to cost \$2, 800, 000"--they don't mention Churchill after that figure, Mr. Speaker. The auditor doesn't mention Churchill after that figure--". . . which are not covered by formal contract as at the date of this report. The Northern Manpower Corporation has also been constructing housing and facilities for Northwest Territories and has financed these operations from the aforementioned advances. Because of the lack of effective expenditure allocations. . . "--that's worth repeating--"Because of the lack of effective expenditure allocations, the position vis-a-vis the various governments interest cannot be determined at this time."

Mr. Speaker, there's two or three things here. They don't mention Churchill, as I said, and right after that they said, "by the corporation at a cost of \$2, 800, 000, which are not covered by formal contract as at the date of this report." Mr. Speaker, first of all this Legislature meets to go over the Capital Estimates and we vote moneys to be spent on certain provisions. In fact this last year we voted \$25 million to the Manitoba Housing and Renewal Corporation and this year they're asking for \$20 million. And you know, what authority do we, or what authority does the Manitoba Housing and Renewal Corporation, under what authority, you might say, do they advance to the Northern Manpower Corporation under Northern Affairs to construct houses to be built in the Northwest Territories or for that matter of fact, anywhere else in the world?

Mr. Speaker, the authority that we vote in this House - and I've looked at the Act, the Manitoba Housing and Renewal Act; there's some vague references as to getting into

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(MR. F. JOHNSTON cont'd). . . agreements with Federal Government but it does not really say anywhere that the money we vote for building units in Manitoba are to be used for building units elsewhere. And it would seem that the Housing Corporation, in fact the auditor says that the Housing Corporation has advanced these funds to Northern Manpower, and it would also seem because they mention the first units specifically for Churchill, there all of a sudden is the mention of \$2, 800, 000 and they don't mention Churchill, so it would seem that the Northern Manpower Corporation might have been using money that should have been spent in the Province of Manitoba to build houses in the Northwest Territories. And on what authority?

The Minister of Finance really has to answer that question. He was voted money to give to the Manitoba Housing Corporation which all of a sudden ends up building houses which are to be shipped into northern Manitoba.

Mr. Speaker, by what procedure do we advance it, as I've asked? Mr. Speaker, where - where does the Northern Manpower under Northern Affairs get the authority? Do they get the authority from the Manitoba Housing or do they get the authority from the Minister? They certainly didn't have the authority from this Legislature and it would be very interesting to know why this has happened.

Mr. Speaker, there's another little thing, Mr. Speaker. You know, when you add, when you get to the figures of \$3, 128, 000 and you find that they have a commitment, without a contract mind you, a commitment without a contract for \$3, 685, 000, where is the \$550, 000 coming from, Mr. Speaker? When is that \$550, 000 going to be paid and under what procedure is the Manitoba--the Manpower Corporation or the Housing Corporation, how are they going to pay it? Are they going to pay it out of this \$20 million the Minister is asking us for this year? If so, I would like the Minister when he closes debate on this Budget to tell us that there's \$550, 000 of this 20 million was to be spent or transferred to Northern Manpower to build houses in Northwest Territories.

I would also like him to explain the \$2, 800, 000 which has been used by Northern Manpower funds from the Manitoba Housing Corporation to build units in the Northwest Territories. There are hotels being built and being shipped to the Northwest Territories; there's housing units; and here we are in the Province of Manitoba continually talking about the shortages that we have in housing, and we now have over \$3 million being spent to build houses for the Northwest Territories without a contract, Mr. Speaker. And these gentlemen say they can handle money. The honourable members on the other side say they can handle money. The honourable members on the other side, Mr. Speaker, get very very surprised about it when we ask them to please, please check what happens to the money that we give to these corporations and the Northern Manpower. Please have an auditor-general go in and see what's happening.

Now, Mr. Speaker, the questions that we've been asking in the past few days, because - and the Auditor says this - "because of lack of effective expenditure allocation - isn't that a dandy? - the positions vis-a-vis the various government interests cannot be determined at this time." I'd like to make it very clear, Mr. Speaker, that I'm well aware of the fact that the Manitoba Housing and Renewal Corporation let contracts to people to build houses. That's no problem. So they let a contract to Northern Manpower because they have a plant up in Churchill to build houses. And if there is some arrangement between federal and provincial governments on the construction of the houses because of the moneys going into Churchill, that's fine. We know that. But what do we have? We have at least, according to this, we have at least \$2, 800, 000 or part of it, I should say--or part of that \$2, 800, 000 because it doesn't say Churchill--used by the Northern Manpower Corporation to build houses for another area. You know, are we going to now start doing this for the Northern Manpower Corporation? Maybe when we've let contracts or loaned money, Mr. Speaker, when the Manitoba Housing and Development Corporation let a contract to a contractor to build units in this province, we should make it clear to him that he can build them in Saskatchewan or Ontario as well, the same as the Northern Manpower Corporation is doing.

Mr. Speaker, on what authority? The Auditor would like to have it explained; possibly this House could have it explained, Mr. Speaker, because, you know, it's just a complete juggling of money. Little pockets here, little pockets here, bigger pockets over there, sticky fingers there, every place you look this government has placed little bits of money here and there where people spend without what I would say authority. Mr. Speaker, the authority of government spending is almost and in many cases a very very specialized legal profession,



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(MR. F. JOHNSTON cont'd). . . the authority of government on money. And it would seem that this government has absolutely forgotten the authority of spending money. They don't really care after they give the Manitoba Housing and Renewal Corporation \$25 million how they spend it. So, Mr. Speaker, it would be very nice to have the answers, it would be very very nice to have the answers, Mr. Speaker, on a factual figures point of view. We will get them; without any doubt, Mr. Speaker, we'll have a member from the other side stand up and say, "Well, I've talked to somebody in the Manitoba Housing and Renewal Corporation and he says everything's all right." Everything's all right. So therefore that we would accept that and accept that everything's all right.

Quite frankly, Mr. Speaker, that particular paragraph--(Interjection)--Well, it would seem they've got to find \$500,000 somewhere and actually I would say any money that was used by the Manpower Corporation to build houses in Northwest Territories, the income they receive from it has to be paid back to the Manitoba Housing and Renewal Corporation, and it would seem that it shouldn't have gone there in the first place because there isn't any authority, and it would also seem, Mr. Speaker, that they're more interested in having contractors build houses in other areas than they are for building shelter for the people of Manitoba. And, Mr. Speaker, it also is another insult to this House, insult to this House that we are not told when these Estimates come forward, these requests for these large sums of money, that we're just going to give it to a group of people and let them spend it any way they like. You know the - what is it? The chicken is coming home to roost or something? And it's now there. You're now going to have to answer for your four years of incompetence to this House and it's time that this government did.

Mr. Speaker, what will happen, the Attorney-General will be asked to investigate, and the Attorney-General will be asked to investigate the M. A. and R. C. which he himself controlled. He'll be asked to investigate those departments and he was in control of those departments when this was happening. I would suggest that the Provincial Auditor be made truly, truly an Auditor-General to walk in there at any time and look at those books and report to this House, but they haven't got the internal fortitude to do it. Mr. Speaker, so much for the housing and the incompetence of the Auditor-General. You know, Mr. Speaker, I might just say I'd also like them to tell me where in this financial report do we find the figures that the Provincial Auditor referred to in his report. It would be very interesting. It's quite obviously buried somewhere in here and it would be a nice gesture on the part of the government to kind of tell us where they're burying these figures.

Mr. Speaker, I was very taken with the speech of my colleague the Member for Lakeside last night when he made it fairly clear that this side speaks for Conservatives and that we're very very sure that we have a way--our philosophy is a way of life that will be better for everybody concerned, and I hope the Minister doesn't leave. The truth comes out when the Minister of Northern Affairs--the Minister, by the way, who learned northern affairs by his own admission sitting in an outhouse on a cold winter day with the wind blowing, and that for sure is the way he learned it, by his own admission that's about all he learned. And Mr. Speaker, he gets up and he refers to the business as "fat cats." You know, I would remind the Minister that there's a word that would miss ten "cannots" I happen to use in my literature, and happen to say you cannot further brotherhood of men by inciting class hatred. And you fellows get up and call businessmen, hard-working businessmen who are capable of making a living, fat cats? You know, really you know. --(Interjection)-- Oh yes. And those fat cats that are healthy have worked hard for it; they've worked hard for it. Nobody's ever questioned the miners' increase in this House on this side. And, Mr. Speaker, the only--you know, Mr. Speaker, there's something about the Minister of Consumer and Corporate Affairs. You know, last year I was accused in the paper, it was written up in the paper that he and I had a bit of a scramble in the hall. The paper read that I had punched him square in the nose, and the fact that I have been accused and convicted, you know, I really have the right to give him one and I should do it, but I made a statement, I made a statement after that happened that never again will a person of his calibre be allowed to get under my skin. Mr. Speaker, the Minister also when he was speaking, he made some statements. . .

MR. SPEAKER: Order please.

MR. F. JOHNSTON: Well, Mr. Speaker, he says which Minister I'm talking about now. I wouldn't waste any more time on him.

## BUDGET DEBATE

(MR. F. JOHNSTON cont'd)

Mr. Speaker, the Minister of Northern Affairs also got up and he said, "My colleagues behind me are very disappointed that the Minister of Mines and Natural Resources didn't go further by taking over the mining industry. You know, Mr. Speaker, these fellows aren't kidding anybody and it's gradually coming out. The Minister of Mines and Natural Resources, before I had to leave last night, spoke about equitable distribution of money, and that was what this government always talked about, equitable distribution of money. The ability to pay. Mind you, the ability to pay is anybody that will go out and work. I've said that before, but you know the ability-to-pay principle. The equitable distribution of money. But you know, on Page 2 - and this is their book again, this is their book - they have finally decided to tell us what they are going to do or what their philosophy is. It says, "A government fully committed to working for real political, social and economic equality for the average wage earner." That means that we all make the same amount of money, we all live in the same houses, the government takes over everything, and they're going to use the semantics about people but they're just kidding themselves.

But anyway they have finally said "social and economic equality." The words "equitable distribution" are not used any more and they've gone that step further. See, they're in here for another couple or a few years or so, and they've gone that step further and they're going to move very fast to do it. They're going to move into the mining industry, they will have complete control of the money in the north. The Minister of Agriculture, although he kids people, he is after the mineral rights and he's after the farmland in this province, and you know, I didn't ever kid anybody when I was elected that you want control because that's what you want. You see, their system is control. They can't operate any other way. And then they--(Interjection)--Yes, by the people. Well let's by the people, Mr. Speaker, the government. The government, that's right. The government is the people no matter what party is in power.

Now, Mr. Speaker, what he says--(Interjection)--No, I don't agree with that either. We could have a Communist government and that's not one for the people.--(Interjection)--Yes, that's right. But the people have voted for a government and the people--you fellows, you know, you take the attitude that because you're there, because you're there you believe that you, by the fact that you were elected by the people, that it gives you--(Interjection)--That's right, some of the people, but they are the majority, Mr. Speaker, yes. They are the people. That it gives you the God-given right to take over the insurance agents, get rid of them, and yet there was a majority of people told you what would happen. It would give you--(Interjection)--No, it's not people given right that they have, they have a real divine attitude. They have the attitude that they can take over the insurance; they have the attitude that they don't have to go by what the people of Winnipeg wanted when they put through Unicity. They had to go up there in the last election with the Premier and say, "Oh, well, we're not going to move that fast on the Kierans Report; it's just a report, you know." All through the elections we had it and all of a sudden this divine right comes ahead again. Their election campaigns are nothing but shams of saying, "I'm going to do something for you," and when you get them there they take over and push people around.

Now, Mr. Speaker, --(Interjection)-- No. Mr. Speaker, the Minister was talking about the elephants and the chickens last night before I left, and he inferred that the Progressive Conservative Party were the chickens, that we're being stomped on by Socialism, that big elephant. Well that's my attitude in confirmation of it. That big elephant. And we'd better accept it because it's a sweeping wave. That's how I interpret what he said, Mr. Speaker. And that's just about what it is, but I'll tell you, there never has been a time when some big giant tries to take over that the people didn't catch up to him, smarten up and kick him out.

Mr. Speaker, never did the government, before 1969, tell people they couldn't be an insurance agent if they didn't want to be. Never, never, never could they tell somebody that they couldn't sell fire insurance. Never before that time would they have collected so much money. The priorities at that time were schools, roads, the beginning of nursing homes, and that's what you got. Your priorities that were looked at were done, and I've often said in this House I won't argue with priorities but, you know, I refuse to accept the fact that we were cavemen before you fellows came along. Mr. Speaker, the reasons that this government has given for doing all these things is "because the people tell us to."

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(MR. F. JOHNSTON cont'd)

Mr. Speaker, the average member on the other side of the House is about as close to the people as that chair leg is over there. They have about as much knowledge and common sense of people's thinking as that chair leg over there. And they display it, they display it continually when facts are put before them, and they sit over there and they laugh about it. They laugh about it. That's the real knowledge of the people. And the Member from Crescentwood yesterday - well no, the other day when he was speaking and he was talking about it - that's quite strange, Mr. Speaker, he was talking about rules and procedures of the House. All of a sudden he changes the procedures of the House. . .but that's his business. He said the workers really don't care about high finance. All they're concerned about is how much they're going to get back. Now isn't that something to say about the workers of Manitoba? . . .any longer, just saying the people of Manitoba don't care, and this, you're listening to the people with an attitude that they don't care about the finances, they don't care what the government does, they just care what we're going to give them back. And you're listening to the people.

Mr. Speaker, I would have been very pleased if I'd seen the Minister of Finance come into the House and say, "I've got a lot of money." He did come in and say he'd changed the meals from \$2.00 to \$3.00 which I thank him for. It was my resolution last year which the House accepted. But I would have expected with all the money that he had come in, that he would have been a kind enough man to have looked over the sales tax situation and maybe said, "I can't cut the whole thing completely." He would have to, I would have to say I give him credit for taking a very close look at it - if he's looked at it. Anyway, he might have said, you know, why should a young boy that goes down to the store to buy a hockey stick to play hockey when he's sold papers for a week to buy that hockey stick, pay tax on it? I was buying a hockey stick in a store the other day, Mr. Speaker, and the paper boy who comes to my house walked in and paid \$3.00 for a hockey stick and 15 cents tax. Wouldn't it have been nice if the Minister had said, you know, we have a situation in Canada, or in Manitoba too, where if we could have a healthy province and a healthy nation we'd have less people in hospitals? Wouldn't it have been nice if he'd have said on sporting equipment where we can keep sound bodies, sound minds, young people playing, enjoying life, which we want them to do, wouldn't it have been nice?

A MEMBER: He won't even exempt safety equipment.

MR. F. JOHNSTON: Wouldn't it have been nice if he'd have said, "I'll take the sales tax off that little boy's hockey stick or pair of skates or little girl's bicycle.--(Interjection)-- Why didn't we take it off? Because our Budget was 317 million and just because of inflationary circumstances which the government has helped cause, your Budget's 800 million.

Mr. Speaker, he now has another give-away program, another rebate program. You know, this is another one of these Socialist shams I was telling you about. The Minister of Mines and Natural Resources quite often gets up and talks about the number of people that were on the dole years ago in Britain, the fact that the big business wanted it that way and they could have these people waiting for their handouts. And we've proven, it's been proven many times, that if you keep feeding and giving to people you will gradually get control over them.

MR. DEPUTY SPEAKER: The honourable member has five minutes.

MR. F. JOHNSTON: Thank you, Mr. Speaker. And he will get control over them and he says, "I am going to take your money and I'm going to give it back to you." And he advertises right in this book here, we've got administration fees of \$328,000 for advertising, and before he gets the paper that he pulls out all the time, I would say to him that he can take that piece of paper and put it in the same outhouse with the Minister of Northern Affairs. He can use it.

But Mr. Speaker, the thing that we really have to be concerned about now haven't we got every taxpayer in Manitoba on the dole? Aren't we--we've had last year, we had a rebate system. This year we get a little more rebate system, and all of a sudden, Mr. Speaker, we'll all be standing around every year saying, "Now how much of our own money is the government going to give us back this year? How much of our own money is he going to say you can have back to spend?" You know, another rebate system, or two or three more, of taking the people's money and waiting each year to see how much this government doles out for them to spend, and you say that you're not getting the whole of this province on welfare. You've

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(MR. F. JOHNSTON cont'd). . . got a lot of it depending completely on you now without any efforts—Oh a lot of efforts in black and white but now you have got every taxpayer in this province on the dole. You got them there last year. You increased it this year and with your policies you're going to try and increase it again; and you do it by taking their money this year, getting the interest off it and giving it back to them next year. With great big administration costs, and you say—and Mr. Speaker, just to end, they said it. They said it. The Minister said it right on page 2. He didn't say anything more about equitable distribution, "the government fully committed to working for real political, social and economic equality." Where you live in the same house, everybody lives in the same house, everybody makes the same amount of money. The government, and when it gets to that point it is the government that tells you where to work and not where to work, it's not the people, because they don't have any say. And they do it through their continually going to the people on the basis of "we're going to do more for you." Well, Mr. Speaker, they're doing more for them. They're putting them on welfare. Every taxpayer in Manitoba is now on the dole, Mr. Speaker, and that's not something the Minister of Finance can be proud of, because his own party believed when they had people on the dole, where people were on the dole they were controlled by the big businessmen and now you've got this government, by the big government, got everybody on the dole in Manitoba, and they're proud of it. Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Minister of Consumer Affairs.

HON. IAN TURNBULL (Minister of Consumer, Corporate and Internal Services) (Osborne): Thank you, Mr. Speaker. In the session so far I've contented myself with what I will refer to as my little speeches, little speeches made from my seat when Members of the Opposition are speaking. So far it appears that I have been more devastating to them than I had thought, my little speeches apparently have tempered the Member for Lakeside, and according to what the Member for Roblin said the other night I gather that he too has felt the impact of my little speeches.

However, I do want to say, Sir, that I want to come to grips with this Budget and how I think that it does in fact protect the consumers in Manitoba, and to deal too, with whether or not this budget can be considered by any stretch of the imagination to be inflationary or not inflationary. I should say that the Member for Sturgeon Creek when he speaks, seems to be concerned that this government with its programs over the last four years and I think with the programs that have been announced in the Budget this year, have apparently won the support of most of the people of Manitoba. And I will say to him, although I apparently have driven him from the Chamber again, that if the Conservative Party can put forward a program, any program at all, they might have some success at the polls. So far, Sir, their criticism not only of this budget but of the previous budgets of the New Democratic Party in government, have been so futile, so empty of meaning, that the people of this province have not seen fit to elect them in the numbers that they obviously hoped they would be elected in.

I might say, Sir, that we have increased on this side our majority, and I would expect that this budget will in fact lead to a further increase in the support at the polls in four years, or whenever we next go to the polls.

Mr. Speaker, the Leader of the Opposition, the Member for River Heights, said in his comments during his contribution to the debate on the budget, that it was a budget that tended to fan the fires of inflation. That was the term that he used. I, Sir, would never use such inflammatory language. But I would like to point out to the honourable members that the budget, if they care to read it, does contain in one of the tables a comparison of the provincial gross product and the gross national product of the country. And I want to recite it for them because I'm convinced that they don't read the budget address of this government.

The change in the national gross product, Sir, was some 14.8 percent. The GNP in the country is up to 118 billion and our own provincial gross product is now about 5.2 billion, an increase of 15.4. When the impact of inflation is netted out, as was indicated in the budget speech, the actual increase in the gross national product was 7.7 and the increase in the provincial gross product was 6.9, — the difference, Sir, is not overwhelming but it is a difference indicating that the inflationary impact in this province has been less than it has been throughout the country as a whole. And I think that is important to remember, because one of the reasons that the gross national product is higher than it is for the provincial gross product in Manitoba, is simply that we have provided in this province programs which

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(MR. TURNBULL cont'd). . . have reduced the costs of certain services to the people of the province, and that is reflected in the provincial gross product.

I should also point out, Sir, that as the Minister responsible for Consumer Affairs I was particularly interested in the cost of living tax credit that the budget provided. I point out to honourable members opposite, although I hope they know this, that the statutes for which I am responsible as the Minister of Consumer Affairs nowhere contain the authority to become involved in price regulation or price control, that the legislation for which I am responsible is primarily concerned with lending, cost of money to the consumer, and Landlord and Tenant Act and such things as that. However, I was particularly concerned with the cost of living tax credit because within the powers and authority that the provincial government has, any provincial government has, I feel that the redistribution of income through progressive taxation and through rebate, is the most successful program that a province can implement to relieve the pressure of inflation on those who can least cope with it.

Now it did concern me that the rebate, which amounts to some \$14 million under this Budget, would perhaps cause some heating of the economy within the province. So, Sir, I did make some inquiries to try to determine if that in fact was the case, inquiries of people that I considered to be fully qualified in economics, and I did find that indeed this was not a rebate that could in any way be considered to be inflationary, and I just want to relate to the members opposite the very simply arithmetical figure. The provincial gross product, as I said earlier, was some \$5.2 billion. The rebate scheme is \$14 million. That, Sir, is .002 percent of the gross provincial product. I don't consider such a small, such an infinitesimal amount to be inflationary. It cannot be inflationary, Mr. Speaker.

But if we could assume for a moment and take the Leader of the Conservative Party's figures and assumptions, inaccurate assumptions, and assume that the budget was inflationary, if we take that assumption let us consider what he has proposed to relieve inflation within this province. I listened attentively, Sir, for the Conservative Party's program of how they would deal with inflation, because I know they want to fight the federal election campaign in this House. I heard nothing. I listened, I heard nothing; not a line, not a sentence, that indicated to me that they had any idea of what the source of inflation was. Indeed I called across to the Member for River Heights in one of my little speeches, called across to him to indicate what the source of inflation was in the province and he did not answer. And he must have heard me because I know the Member for Roblin says that I can be heard for blocks away. So the Leader of the Conservative Party must have heard me but he would not answer and tell me what the source of inflation was. Not being able to identify the source of inflation, I suppose the Conservative Party cannot propose any remedy for it, except of course that old Conservative Philosophy of general across-the-board tax cuts. A general and immediate tax cut. Sir, I can think of no program, no suggestion that would be more inflationary than a general tax cut in the province today. That is a simple economic fact.

Now, I know that the honourable members opposite are not schooled in economics and I regret that. Because of that lack of knowledge we get the kinds of speeches we do, we get the kinds of proposals that we do, from them. Their world view, Sir, is circumscribed by their own particular business interests, and that's fine. But certainly, surely, we can't expect that their experience in business, narrow as it is, can be projected across the total provincial scene, across the national economy, and find in their interest in business, in their knowledge of their particular business, remedies for inflation that are not only national in scope, but international in scope. So, Sir, I say that the Leader of the Opposition cannot have it both ways. If the budget is considered by him to be inflationary, and if he thinks that we are fanning inflation and sees inflation as the major problem, then surely he should not be proposing a general across-the-board and immediate tax cuts. Nonetheless, Sir, that is what they have done. They made the same proposals as I recall, last year, and the year before. And I don't blame them, Sir. General across-the-board tax cuts would help their friends, there is no question about it. If you are making \$6,000 a year you know, and you've got two kids, it's very tough, very tough to get by and it's particularly tough in an inflationary situation that we happen to have in Manitoba and in Canada today, inflation caused by international pressures.

But I think that the Leader of the Opposition has really fallen into his most common failing, and that is his love of what is called the non sequitur, his love of making a statement which has no connection to previous statements, has no relationship and does not follow

## BUDGET DEBATE

(MR. TURNBULL cont'd). . . logically at all. And I put in that definition of a non sequitur for the members opposite. It reminds me, Sir, of his most favourite fairy tale, and that is the one that says that you can make poor people richer by giving rich people tax breaks. That's what the Conservative Party is trying to do. By giving rich people tax breaks, through this proposal of a general across-the-board tax cut, they think that somehow the poor man, the working man is going to benefit. And, Sir, I say that that is just nonsense. It would not only be inflationary, it would be discriminatory, it would be discriminating against those on low income and those with families.

Sir, I have heard both the Leader of the Liberal Party and the Leader of the Conservative Party attempt to come to grips with the budget and cite figures, statistics that they have called from Statistics Canada documents and what not. I was somewhat startled, Sir, when I learned from the mouth of the Leader of the Liberal Party the other day as he recited - regurgitated I might say, the figures that he had culled or somebody had culled for him. I can recall him saying that inflation in Manitoba was 15 percent and the inflation across the country was only seven percent. And the Minister of Finance challenged him on those figures, challenged the Leader of the Liberal Party. And the Leader of the Liberal Party, Sir, he wasn't going to listen to the Minister of Finance, so he denied that he made a mistake he denied that the Liberal Party could make a mistake. He said that he was going to take the Minister of Finance and get -- well, I haven't --

A MEMBER: I think that's "I'll check."

MR. TURNBULL: He said he would take the Minister of Finance, Sir, and show him the figures, 15 percent Manitoba inflation and seven percent the national inflation. And then, Sir, after some exchange between the Minister of Finance and the Leader of the Liberal Party, the Leader of the Liberal Party came back a couple of hours later, having checked with somebody, and said, "Well, I'm sorry, the Liberal Party was incorrect. We did transpose the figures." I think "transposed" was correct. That's the term, I believe the Leader of the Liberal Party used. And then he went on to say, he went on to say - not only did they transpose the figures, but they had the wrong figures. Because the 15 percent figure he was using was not the figure that he intended to use at all. What he wanted to use, was I believe, the seven percent figure which is the one that he could find in the Statistics Canada documents indicating the net increase in G and P as a result of netting out the cost of inflation. Well, that was one error, Mr. Speaker. I don't want to dwell on these errors too much. That was a comedy, I thought, a comedy of errors. I found it disturbing, Sir, because the Leader of the Liberal Party wanted to insist that he was right even though he was wrong. And he not only insisted that he was right, he kept repeating what he had said initially, that the inflation in Manitoba was higher than it was across the country. And he was wrong, wrong, and he would not admit it, Sir. Now really I don't know, you know, what arrogance we have to tolerate on this side of the House. That, Sir, was a good example of Liberal arrogance.

It reminds me, Mr. Speaker, if you recall the Energy Conference projected on the TV--it reminds me of that Liberal Cabinet Minister, Mr. Marchand, who was shown clearly on TV, while the Premier of this Province was addressing the conference, to be reading Time Magazine. Now, Mr. Speaker, I don't want to blame western alienation on the Liberal Party of Canada, but I really think that that kind of disdain for the west perhaps could be purged, if I may use that term, from the Liberal Party - and then, Sir, maybe Manitoba and Saskatchewan and the other western provinces will get what we hope will be our due in this nation, namely, the decentralization an increased decentralization of federal agencies and federal moneys.--(Interjection)-- Mr. Marchand could have at least read McLeans rather than Time Magazine, that would have indicated that he was a Canadian at least.

The other couple of errors that I recall from the contribution made by the Leader of the Conservative Party related to his citation of the number of tax filers that we had in Manitoba last tax year as compared to the previous tax year. It showed to me that the Leader of the Conservative Party or his research assistants who I know, some of them whom I went to university with, had made an error there. The Leader of the Conservative Party clearly did not have information that correctly indicated the difference between a tax filer and a taxpayer, and consequently he was wrong there, he was incorrect in the figures that he gave during his contribution to this debate.

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(MR. TURNBULL cont'd)

More serious than that, Sir, the Leader of the Conservative Party tried to mislead this House by stating, categorically, that the income of Indians on reserves had declined rather than gone up. And he stood up in his place Sir, the Leader of the Conservative Party with what apparently was a document containing this information that he was giving us, and insisted that the income of Indians on reserves had gone down. And he was wrong. He was wrong. The Minister of Northern Affairs corrected him the night following, I believe, indicating that the Conservative Party had deliberately tried to use income on reserves as being the total income earned by Indians. And of course, Sir, the two are not comparable. It was a comparison of apples and oranges.

Now, Sir, I say they misled because, really I have more respect for the Leader of the Conservative Party than some of the members opposite seem to have for us, and I assumed that he was intelligent enough, certainly his chief researcher, Bill Neville, a Rhodes scholar, is intelligent enough to know the difference between income earned on reserves and income earned by Indians on and off reserves. So I can only assume - and I'm charitable to the Conservative Party, and the Leader of the Conservative Party, I am charitable and they need charity, Sir, I am charitable to say to them that they must have misled this House because they could not have been so uninformed of statistics and their use as to indicate to us that the income of Indians on reserves had gone down.

Mr. Speaker, the question should be asked I suppose, and has been by, I think, both the Leader of the Liberal Party and the Leader of the Conservative Party, who benefits from inflation? They are trying to claim, Sir, that government then benefits from inflation. Well, Sir, I concede them the point. Government does benefit from inflation. I also say to them that the rebate program that this government has introduced happen to be of greater benefit to those who are least capable of dealing with inflation than any other program that the province could introduce. Now, it's clear to me that they, that is the Conservative and the Liberal Party, have not been talking to the people. The two leaders of the Opposition parties have got themselves tangled up in statistics. I have cited some of the errors that they made, glaring errors, stupid errors; or, Sir, worse, I think, they've misled the House on those errors. Those two speeches, Sir, were a comedy of errors, and that's all they were. A comedy of errors that certainly were either based on inadequate research or detached completely from information that they could easily have picked up by talking to people in the community - people in the community. Now, I am certain they must, surely the members that is, of those two parties there, must talk to the ordinary person in their constituencies. I make a habit of going around Sir, knocking on doors saying, 'you know, "Here I am. Let's have it, good or bad for the government." I do that on a regular weekly basis. And I can tell you, Mr. Speaker, I can tell you, Mr. Speaker, that that function of a politician is perhaps more important than any other thing that he does. Because the government surely should be connected to the grass roots, should know what the people in the constituencies are saying.

I can tell him I have been into areas recently, areas that did not vote for the New Democratic Party in the last election, areas where the average income I would think, given you know the environment that people are living in, must be pretty high. And I can tell you that there are people in those areas that say they have never voted NDP. They didn't vote for me last time. They didn't vote for me in '69, and next time they are going to. And do you know why? Because of the programs we have introduced. These people I am talking about, perhaps, had incomes high enough, or were in a position in society that they could cope with inflation by passing on increased costs to whoever was paying them money, but they were benefitting from certain programs, and one program in particular with this family that I'm talking about, was the home-care program. The home-care program which enables a married couple, for example, when one of them is ill, it enables the family to have into their house a person who can treat the person that is ill. And, Sir, that is a program that I am proud of, I'm as proud of that program as I am of the tax rebate program, the property tax rebate program, the ambulance service program, the senior citizens' home program, senior citizens' repair program--those programs, Sir, are meaningful and have helped the people of this province to cope with inflation. (Applause) And if the members opposite think that they can get up and delude the people of Manitoba with that comedy of errors which was the contribution

## BUDGET DEBATE

(MR. TURNBULL cont'd). . . of the two leaders opposite to the budget debate, then I say they are wrong. They should go out and talk to the people. Go out door to door, knock on the doors of the people in your constituencies and say to them, "Have you benefitted from this program or that program?" See what they say. See what they say. They have told me, Sir, that they have benefitted from them. There's a senior citizens apartment in my constituency. There are such apartments in other constituencies. I think the Member for Charleswood has one. I know people in it--and so does he, yes. He's a self-made man, that guy from Charleswood, I think, unlike his leader, and I think he has contact with the people in the constituency. That's the feedback I get anyway, and he knows. I would think, Sir, unless the people in Charleswood are different than everybody else in the country, they must be benefiting from the programs that the government has introduced. Why don't you say so? Home care? That's right. Home care and senior citizens program, and others. Well, he says that they voted Conservative. I'm sure they did, obviously, they did obviously. But that's not the point, Mr. Speaker, I don't care how they vote. The fact is that they voted for him and they happen to have benefitted from the program and it's the benefits, Sir, that I'm concerned with.

Now, I don't know, some members opposite, Sir, have been in politics for many, many years. The Member for Pembina I think was a Councillor, the Member for Charleswood, Councillor. . .

A MEMBER: No, Mayor.

MR. TURNBULL: No? Mayor? Member for Morris has been involved. The Member for Rock Lake I know, I hear much about him when I'm visiting my in-laws, been in politics for years, been in politics for years, I cannot accept Sir, that they do not know people that have benefitted from the programs of this government. --(Interjection)--Well, Sir, it depends who you ask; it depends who you ask about the programs of this government. If you ask the ordinary guy, the guy who carries a lunch pail, the old age pensioner, he'll tell you quite frankly and straightforwardly "I didn't vote for you, but by golly I sure like this program." And I think, Sir, that that's universal in this province. It doesn't happen to be a peculiarity of my constituency.

Well, Sir, who does benefit from inflation? The opposition say it's government. I say corporations. I say the corporations, and I say **those people benefit from inflation** who can pass on the costs to others. Who's in the best position to do that? Professionals - professionals can do that. Lawyers, doctors, engineers, accountants, professionals can do that. People need their services and they can raise their fees.--(Interjection)--And school teachers can do that apparently, Sir, they have a powerful union. They can cope with inflation. Many organized people can cope with inflation. And most of all, Sir, businesses should cope with inflation. Mr. Speaker, one does not have to look around very hard to find just how much businesses have benefitted from inflation.

Mr. Speaker, I have an article from the Globe and Mail last September which reported second quarter 1973 profits as compared to second quarter 1971, I'm sorry--I have an article saying 1973 profit, second quarter compared to '72 second quarter profit. The increase, almost 50 percent. Mr. Speaker, that's for all of those businesses, 281 or something of them, certain businesses, certain sectors of the economy have managed to make even more profit. --(Interjection)--Mr. Speaker, what's wrong with that? The Member for Souris-Killarney who is a director of Wawanesa Insurance, I believe, says--oh, I'm sorry, Portage Co-op?

MR. EARL McKELLAR (Souris-Killarney): Point of order. I'd like to correct the Honourable Minister. I'm not a director of Wawanesa. . .

A MEMBER: Portage Co-op?

MR. McKELLAR: Portage Mutual Insurance Company.

MR. TURNBULL: I'm sorry, Mr. Speaker. The Member for Souris-Killarney is a Director of Portage Mutual Insurance and it's the Member for Riel who is a director of Wawanesa Insurance.

Now, I can appreciate that those two members and the other members opposite would in fact, would in fact not want to say in this House or anywhere else that business benefits from inflation. Good Lord they might get kicked off the Board of Directors and they couldn't have that. I wouldn't mind. They couldn't have that.

Well, Sir, I want you to just listen to this. In the food processing industry - and I'm



BUDGET DEBATE

(MR. TURNBULL cont'd). . .using the Globe and Mail figures because members opposite have this deep suspicion of government you know, if you give them a government statistic they say it's incorrect which is a mystery to me but that's the way they are. So I use the Globe and Mail, which by the way is a Free Press publication and I hope will continue to have the same high standard of reporting in a year or two when Mr. Malone goes to be its managing editor, as it does now.

MR. SPEAKER: Order please.

MR. TURNBULL: And I pray for that, Sir, because the Globe and Mail is a good paper.

. . . . . continued next page

## BUDGET DEBATE

MR. TURNBULL: The food processing industry, Sir, was reported to have in the fourth quarter of 1973 profits of 82 percent higher than the previous quarter, and profits generally, 1973 as compared to 1972, were up to almost 60 percent more than they were the year before. Sixty percent. Mr. Speaker, I don't know what the members opposite have been dreaming about. They have a dream that the government is benefitting from inflation. Sir, I tell them the facts to show that the people that are benefitting from inflation are the corporations in this country, and particularly it seems, the corporations that are involved in food processing - in food processing. Now, Sir, I realize, as members opposite I hope do, that their long-term profits have not been that high - 6 percent, 8 percent, 12 percent, you know that's all. I think that's substantial, by the way, but you know it isn't as high as 60 percent all the time. But those corporations have benefitted from the increase in pricing, from inflation.

Mr. Speaker, there are reasons why corporations are able to benefit from inflation more so than government. It's simply that the structure of industry is such, the structure of industry is such that they are able to charge practically what they want for whatever commodity they happen to be selling. The government can do nothing about it, especially a provincial government. And I'll say to the honourable members opposite now, that if legislation is introduced by the Conservative Party in Ottawa - if they happen to be lucky at the next election - to control prices I would hope that they would recognize that that is a complete negation, would be a complete negation of everything that the members of the Conservative Party opposite have said in this House, because all that becomes clear from everything they've ever said is that the least government is best. That is all that has come across to this side of the House from over there. But, Sir, in Ottawa they have another face, another tongue, and they say in Ottawa, price control and wage control. That is the Conservative national policy.

Mr. Speaker, the Member for Roblin got up in this House a few weeks ago and wanted to know what I was going to do about the sugar price increase in this province. Well I'll tell the Honourable Member from Roblin, that if the time ever comes under this government or any other government that the sugar industry in this province is regulated, I seek his support. I seek his support. Because the sugar industry in this province, Sir, clearly charges whatever it wants for sugar. There's no reason they have to charge prices for sugar in this province which are connected to the international price that's landed at Montreal. What is the relationship - especially in a period of rising prices? There is no relationship at all. But they charge what the international price of sugar is. I say to the Honourable Member for Charleswood that the sugar industry is one example and there are many, there are many of how prices can be set by an industry or by a firm that controls the market. And it's as simple as that.

Mr. Speaker, there is another group that, perhaps in business, perhaps not, that benefits from inflation. That are the . . . speculators. Speculators. Speculation in sugar, Sir, has forced the price up too. Speculation in a lot of things can put the price up over the short term. And the honourable members over there should know that, they should know that. Mr. Speaker, I don't have to defend that, all I've got to do is reach down, pull out an article I read in the Free Press indicating that people went out of grain, went out of other commodities and into sugar because the sugar price was rising. It's an old story, not one that is made here for the first time.

Well, Sir, I should point out to honourable members opposite that I have listened carefully to the speeches of their two leaders. I have seen nothing but a comedy of errors; I have seen no program from the Conservative Party at all, not even, Sir, the recognition of what their National Conservative policy is, which is wage and price control. Not even that, because they over there believe in the Conservative Party that the least government is the best. And I say, Sir, that that argument, that philosophy carried to its logical extreme means that they speak for nothing, nothing at all, because ultimately in their mind no government, no government at all would be the logical conclusion and the best. And so I say, Sir, to them, it matters not who speaks for Conservatism, it matters not whether it's the Leader of the Conservative Party or the Member for Sturgeon Creek who speaks for Conservatism, because Conservatism, Sir, as I have heard it enunciated in this House, is nothing, nothing at all. (Applause)

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSEN: Mr. Speaker, if no one else wishes to speak I'd like to move, seconded by the Honourable Member for Rock Lake, that the debate be adjourned.

MOTION presented and carried.

## BUDGET DEBATE

MR. SPEAKER: There is one Order for Return if we go to the next item. The Honourable Member for . . .

MR. GREEN: Mr. Speaker, the Honourable Member for Fort Rouge does not appear to be here.

MR. JORGENSON: I think we're in Private Members' Hour right now, Sir.

MR. GREEN: That is correct and I believe that -- I believe that the -- oh that is correct. Orders for Return would come during government business. The private members' resolutions, Mr. Speaker, start with Resolution No. -- Orders for Return transferred for debate. The Honourable Member for Wolseley, the Leader of the Liberal Party. Mr. Speaker, I think that probably it was unexpected by some that we would reach private members' resolutions today in view of the precedence of the Budget Speech. I wonder if there would be any inclination to continue the debate on Interim Supply if that is agreeable.

As honourable members know Interim Supply is normally required before the end of the month and if the members who are speaking -- the Honourable Member for Birtle-Russell is here in his seat and if nobody objects, I'm sure private members probably didn't realize that the resolutions would reach this far, we could proceed with Supply.

MR. SPEAKER: The Honourable Member for Birtle-Russell.

MR. GRAHAM: Mr. Speaker, on a point of order. Since my name was mentioned, I was anticipating speaking on the Mineral Acreage Tax, which is a private member's resolution.

MR. GREEN: Yes, Mr. Speaker, but that resolution does not come up -- oh! Oh yes. The first one would be the Order for Return.

MR. PATRICK: Mr. Speaker, in the absence of the Member for Fort Rouge, I would like to move, seconded by the Honourable Member for St. Boniface, that an Order of the House do issue for a Return showing . . .

MR. GREEN: No, Mr. Speaker, we're not dealing with Orders for Return. We are dealing with private members' hour, unless there is consent to go into Interim Supply. I take it that there is not consent to go into Interim Supply, the Honourable Member for Birtle-Russell says that he was thinking of talking on the Mineral Acreage Tax Act. There is no assurance that he will be recognized for the Mineral Acreage Tax Act, whereas if he is on the Supply motion I would think that he would have the ingenuity of dealing with that matter and on which he is the lead speaker.

A MEMBER: I'll take my chances.

MR. GREEN: You'll take your chances? That's fine. Well, Mr. Speaker, if that is the case, we are in the Orders for Return, the Private Members' schedule.

MR. SPEAKER: The Honourable Minister of Finance.

MR. GREEN: Well, Mr. Speaker, the matter stands open on the Order Paper but my impression is that when this was discussed last, when it is transferred for debate it is expected to be introduced by the member who asked for it to be transferred. It is not in that respect open because the member who asked for the Order for Return would be the one who would be given the opportunity of introducing the resolution, and that was discussed the last time it came up. I'm not suggesting that it wasn't stood once or can't be stood ten times, I'm not sure that an Order for Return stands in the same position as a private member's resolution. If it does then it drops from the Order Paper, but I do not believe that it is in the same position. And if the Honourable the Leader of the Liberal Party is not here then I imagine that it just moves over to the next day on which it comes up, in which case we are dealing with Resolution No. 20.

PRIVATE MEMBERS' HOUR - RESOLUTION NO. 20

MR. SPEAKER: The Honourable Minister of Finance. Resolution 20.

MR. CHERNIACK: Well, Mr. Speaker, I was hoping that we could have dealt with Interim Supply, which is a matter that normally is dealt with in a matter of minutes, which was introduced into this House about -- oh a couple of weeks ago and which normally should be passed -- well which must be passed before the end of this month in order to authorize payment of moneys on April 1st. But apparently we're into private members rather than dealing with the needs of the people to whom payments would normally be made commencing April 1st. However I think, I think that probably private members have a right to determine that private members' matters be dealt with in the last hour of every day and if we cannot make payments

## RESOLUTION 20

(MR. CHERNIACK Cont'd) . . . . because of Interim Supply not being available for us to pay our bills at the beginning of April, then that's the way the House may want to do it, and maybe that's the way the honourable member who wishes to speak on mineral acreage tax is so anxious to speak about it under this resolution of private members that he didn't want to avail himself of the opportunity which he had to speak on it under Interim Supply, and the result is that we are not dealing with Interim Supply, which would have given him an opportunity to speak ahead of me, and it will also -- on Interim Supply with 40 minutes he could speak indefinitely, and if he now suggests that he's prepared to deal with Interim Supply I would be prepared, and I'm sure our side would be prepared to co-operate to make it possible since we would need unanimous consent. But on the other hand, it is clear to me that if we do not deal with Interim Supply this month then the House will not have authorized the moneys which are normally authorized to be paid commencing April 1st and therefore the machines would have to stop issuing cheques and whoever is expecting a cheque from the Province of Manitoba wouldn't get it. And that seems to be the desire of some of the people who want to speak under mineral acreage tax, private member's resolu~~tion~~, rather than speak on the Interim Supply motion.

Now, Mr. Speaker, I use that introduction to indicate that honourable members who started this session on the question of the Mineral Acreage Tax Act were prepared to make such an issue of that that they were prepared to create what I recall as the worst dissention and the worst atmosphere that has ever taken place in this House in my short time of some 12 years. Maybe the Member for Swan River has a better memory than I and can remember a worse situation that has existed on the floor in this House in attacking of personalities, and attacking of individuals, and I say - and maybe I'm overly sensitive - that it started with the Mineral Acreage Tax Act and is continuing.

I want to give credit to the Member for Pembina who was the first, and I guess the only member opposite, who speaking on this question had the grace to say that he didn't really believe that the government on this side or that I "deliberately" misled. As far as I recall he is the only one who has said that. For the rest, those who spoke about it, made it a personal attack, a personal accusation. I suppose now the Member for Pembina will be in the same embarrassing situation as the Member for Lakeside was on the very same issue some two years ago because he said something nice, and the tenor this year is you don't say anything nice. You are bitter, you are malicious, you invite reaction - and I admit that I reacted when I was attacked by members who are now saying oh no, oh no.

Well, Mr. Speaker, the question of mineral acreage tax is an important one, it was a tax that took a great deal of debate during that time when the Member for Lakeside made it clear this time that they were all so tired and so worn out two years ago, that the pressures were such, and that my persuasive influence was such that they didn't know what they were doing. That the members opposite, the Member for Swan River who is here almost all the time and listens - I think of all members opposite listens most attentively to debate, wasn't conscience of what was going on two years ago. That other members present weren't conscience of what was going on because we were in speed-up, because we were here till two, three, four in the morning. I heard somebody say five in the morning. The Member for Souris-Lansdowne says yes that's right, that's right. And you remember the Member for Morris saying why we went ahead at the request of the Minister of Finance because he had to leave the city, which I proved to be untrue, which the record show did not happen. That he was grasping for a straw and found one that wouldn't support him at all but grasped at it. That the Member for Souris-Lansdowne just said, "oh yes that's right, we were working awfully late."

Well I went to a little trouble, Mr. Speaker, and I find that on July 6th, 1972 at 8 o'clock in the evening the session started. At 8:30 I moved that Bill No. 59 be read a second time - may I say the Bill was introduced on May 15th, 1972 for first reading - but second reading was moved by me on July 6th and as the practice is of course the Bill had to be distributed before second reading. So at 8:30 I moved second reading, I presume I spoke, the Member for Lakeside adjourned debate. Eight other bills were debated afterwards, then two resolutions were debated, then 15 bills were read a third time and passed and the evening ended at 12:15 a.m.

On July 6th at 2:30 p.m. debate on Bill 59 resumed, the Member for Lakeside spoke, the then Member for Rhineland, Mr. Froese, spoke; Bill 59 was read a second time and referred to Committee of the Whole House. So honourable members other than the Member for Lakeside were not involved in wishing to debate it on second reading and we ended at 5:30 in the afternoon

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(MR. CHERNIACK Cont'd) . . . . and we readjourned July 7th at 8 o'clock and the evening ended at 10:30, the session did. And on July 8th at 10 a. m. we met, the bill was not debated and the evening ended according to my notes at 12:30 a.m. On July 10th - July 9th I assume we didn't sit at all. It was probably Sunday. July 10, 1972 we sat in the afternoon and evening, the bill was not debated, the evening ended at 11:40 p.m.

July 11th we met at 2:30, the bill was considered in Committee of the Whole House and was reported with certain amendments, was debated, it was discussed in committee. I note that the Minister of Labour moved third reading and the Member for Rhineland spoke. We adjourned at 5:30 on July 11th. At 8 o'clock Bill 59 was spoken to third reading. Members who spoke were Jake Froese, Member for Rhineland, the present Member for Souris-Lansdowne, the present Member for Assiniboia, the Leader of the Official Opposition, the Member for Riel, the Member for Rock Lake, the Leader of the Liberal Party, they all spoke on July 11th at 8 o'clock. The evening ended July 11th, 1972, the member woke up and made a contribution. The evening ended at 11:45 p.m. July 12th in the afternoon the bill was not debated, July 12th 1972 at 8 o'clock debate was resumed and that being the day when the debate ended on that Bill I actually counted pages and divided them up to try and assess the approximate time spent on this bill. There was a question period that lasted some three and a half pages and we then resumed debate on Bill 59, the Premier spoke and I spoke. And I moved that the order with respect to third reading be discharged and that Bill 59 be recommitted to Committee of the Whole House for further considerations of Sections 1, 2, 3, 4 and 9, and this was agreed to. That was an unusual proceeding. It was agreed to and referred back. And the House resolved itself into a Committee of the Whole House and Bill 59 was reconsidered in Committee of the Whole House, was reported with certain amendments, then Bill 59 was read a third time and passed.

It was at that time as I recall it, and I have the record completely here, at that time that I thanked the House Leader, the Member for Morris, the House Leader of the Conservative Party, the Member for Morris, I thanked him for accommodating my staff which had worked on this all day, and I said it would be nice for them to know that we can complete this matter today so that they could go home and not have to come back tomorrow. That was two years ago, but a month or two ago he was saying that they accommodated me because I had to leave the city. And I produce the record to show that I was here for every day thereafter and that therefore the Member from Morris was wrong. I didn't accuse him of deliberately misleading the House on that. I said that he was wrong and he was. The total number of pages in Hansard on the debate on that evening was 9 pages, and I calculate that we must have ended on the basis of number of pages against number of hours, at about 9:30 in the evening we concluded debate on third reading on this bill - 9:30 in the evening, the evening continued until 11:55 p.m.

Mr. Speaker, don't let honourable members mislead themselves in saying they didn't know what they were doing because they were so drugged with tiredness and sleep. Let them not tell us that they were here till 2, 3, 4 in the morning every morning when it seems to me that the one occasion that we were here after midnight we ended at 12:30 a. m. And all other occasions were before midnight. And the debate itself was conducted not in the late hours of the morning but in the early hours of the evening and in the afternoon.

Now I don't want to review again and again what happened because those who want to go out into the rural areas of Manitoba and lie about what happened have every right to do so, nobody can stop them. Those who want to be truthful and honest about it will also do that. I can't encourage them to do more than to point out the truth and ask them to tell the truth, and once I've asked them to tell the truth I can do no more. I can remind honourable members that their name appears - everyone of the Members of the Conservative party's name appeared on this advertisement and that none of them to my recollection objected having his name there except a member from Fort Garry who immediately when I called out, immediately said you won't find my name there, and I did. And the reason he said it is that he didn't know that his name was being used on this advertisement. Other members may have know, may have been consulted, I don't know. All I know is that I've heard none of them, none of them reject this advertisement for the falsehood contained in it. Not one, except the Member from Fort Garry as I say who called out "you won't find my name there." But all your names are there Members of the Conservative Party. All of you are saying the Mineral Acreage Tax Act is cruel and then go on to say that Members of the Legislature, the people of Manitoba have been

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(MR. CHERNIACK Cont'd) . . . . deceived by the Schreyer administration regarding this Act. Quote me, as members opposite have been quoting, the first few sentences I used in the introduction on second reading, and then goes on to say "despite this assurance from the Minister individuals have received tax notices." As if members opposite don't know the truth. That is that the Act was changed from the time I introduced it on second reading until completion. As if they weren't present, and most of them were present, in body if not in mind, during the debate. This doesn't reveal any of that truth at all and it invites people to phone the Progressive Conservative MLA. And if they phoned any one of you did any one of you, when you learnt the truth tell the truth. Did you tell the truth when you were telephoned, after you knew the truth?

MR. SPEAKER: The Honourable Minister has five minutes.

MR. CHERNIACK: Thank you, Mr. Speaker. --(Interjection)-- Pardon? Yes, the honourable member does indicate, the Member from Arthur says if you'd told him the truth about the government they wouldn't believe you. And I would say that the Honourable Member for Arthur is one of those who has made it possible for him and others to go around the province and so distort situations that if you tell the people the truth about this government they won't believe you. And I accept that statement to be true as coming from one of the honourable members who has been going through the southwest corner and telling stories to the people to such an extent that if you'd told them the truth they wouldn't believe it.

Mr. Speaker, I indicated two years ago, I indicated again this year, that we are attempting to ascertain the full impact of taxation. We are not taxing farmers who are farming the land. Now for some peculiar reason members opposite have suggested that people who are not farming the land are still farmers. And I would like to hear more about that because, Mr. Speaker, it is still open to us in this session, and if not this session the next session, to make changes to the Act, and we are prepared to look at it. But, Mr. Speaker, not by being misled, not by having somebody say, and the Leader of the Liberal Party no doubt will speak on this, that he's already said, well we didn't know how you were going to interpret "farmer". Well if we didn't know then let's discuss what a farmer is. I think we should. I say now that it is my impression that a farmer is a person who farms the land, and that land owned by a farmer which he is farming should be exempt in accordance with the correct interpretation of the Act. If there should be another one let's discuss it. Let's try to discuss it without maliciousness. Let's try to discuss it in truth and let's try to discuss it so that we can come to a conclusion.

What I have to say as of now, Mr. Speaker, is that my department is studying all the information it is acquiring in order to be able to report to us on the impact of taxation on various people. One of the things I'm becoming aware of is the large number of people in the southwest corner of this province who sold their lands but retained the mineral rights, and now I'm not sure whether you call those people farmers. I have difficulty calling them farmers, but I think that there seemed to be quite a number who own mineral rights and mineral rights only. Should they be exempt, should they not be; I'd like to hear a discussion rather than a belligerent attack by those who would rather downgrade what they themselves participate in doing but want to discuss it properly. And I would like to know, if you own mineral rights without the land are you a farmer, should you be exempt? Or, if you own land including mineral rights and rent the land are you a farmer, should you be exempt? Those are the kinds of questions that I think we ought to be discussing and we ought to be discussing them, we ought to be discussing them with some degree of reasonableness. I still have an open mind on it but that doesn't mean that I'm going to be bludgeoned into making a change before we know the full impact.

And, Mr. Speaker, I must be coming to a conclusion of my time. I want to say this, that nobody in Manitoba really know how much mineral acreage there is owned by private individuals and corporations because since they have never paid taxes it has never been recorded. We know how much acreage there is in various taxable surface lands but since people who've lived with mineral rights only have never been taxed on them, it is difficult to know unless you search each title whether a person owns mineral rights or not. So we don't even know the answers yet. Hopefully during this year we will get the answers and then we will be able to discuss this much more intelligently. (Applause)

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

MR. ASPER: Mr. Speaker, I don't intend to be long . . .

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MR. SPEAKER: Order, please.

MR. ASPER: . . . but I recognize that there's only six minutes left and I am afraid I won't be able to conclude my remarks, but I'll begin them, Mr. Speaker.

MR. SPEAKER: Order, please.

MR. ASPER: Mr. Speaker, in following the debate I don't think it's particularly productive for any of us to rehash how we got to this situation but let's recognize that we're in it. Mr. Speaker, the Honourable Minister for Finance proposed a bill, the Mineral Acreage Tax Act, a couple of years ago and the bill certainly in principle was an acceptable bill. Mr. Speaker, I'm trying to be fair but if the honourable members opposite insist on trying to debate this from the floor I will have to respond to them and we'll have to do this another time. Mr. Speaker, he is not the first Minister of Finance and I don't blame him at all on a personal basis nor do I blame the Government of Manitoba at all for what's happened. I think what's happened is we've got a bill, we've got a bill that is acceptable in principle and we've got a bill that's shown some flaws or some irritations in the implementation. Now it seems to me that the appropriate posture to take is not to look at the bill but to look at the result. There's no need for the Honourable Minister to feel beset on this issue, nor is there any, I hope no feeling on this side of the House, either the Conservative Party or the Liberal Party, that there's an intransigent setting in here. I hope no one will dig in their heel. We simply have a bill that has a result which is clearly unsatisfactory in a very minor way in the context of the whole bill.

The revenue implications of what we're discussing here, Mr. Speaker, are so minor when you consider the other activities of government, that it really doesn't merit the time of the Legislature to take hours in debate. The total revenue of the Act in its full implication is I believe \$300,000. I wish the Finance Minister would listen so he might indicate whether the figures I'm using are correct. I'm assuming that the total revenue from the bill is approximately \$300,000?

MR. CHERNIACK: That was for corporation only. It would be something more now.

MR. ASPER: What would it be - \$800,000? It's even less than half a million maybe.

MR. CHERNIACK: Well Ted says you wanted it now.

MR. ASPER: Yes, Mr. Speaker, the Honourable Finance Minister reminds me that I spoke in favour - well certainly, Mr. Speaker, I spoke in favour of the bill and I also spoke in favour of a higher rate for a genuine Mineral Tax Act. And I support the Minister of Finance in that objective. Mr. Speaker, all we're worried about - I look at the resolution and the resolution reads to me exactly what the Minister of Finance says he's doing anyway. He says he's reviewing the Act and all the House is asking is exactly what he said he would do. That he would consider amending it. Now I want to be in the unusual position, Mr. Speaker, of defending the Minister of Finance's posture to that moment, but I ask him to accept the resolution, to put teeth into what he said because I think we all agree that the Act has created some anomalies, some frustrations and irritations that mean nothing, virtually nothing in revenue terms. So the only issue before the Minister is the question of equity, whether one should escape the tax because one is the retired farmer as opposed to the operating farmer or the widow of the farmer who has moved to town and so on. We all know the people who are aggravated by the tax.

Mr. Speaker, I'm sure the Minister of Finance doesn't want five cents of the revenue because it is very clear when we look at an Act that produces returns, that requires administration and that produces \$500,000 out of 830 - some million dollars, we can clearly say the Minister of Finance is not looking for revenue. Incidentally, I am quite sure that any lawyer would find it possible to argue, even with the Act as drafted, as to whether a certain farmer falls under the definition or not. Those who are being taxed may very well have a legal complaint. It may be arguable that one is still a farmer farming the land when he lives someplace else but leases it and caused it to be farmed by someone else. So I'm not yet prepared to say that the Act doesn't protect that man. But, Mr. Speaker, this is a pinprick problem, it's an aggravating problem, it's an annoying problem to so many people in the province that I would ask both sides of the House, the Conservatives who feel so strongly and the Minister who has in effect said he will do this in any event, to be reasonable with each other -- Well I think the Minister has said that he will consider it in any event -- and not frighten people by this kind of a debate by saying they may lose their mineral rights, because

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(MR. ASPER Cont'd) . . . . people are very emotional about that kind of thing in this province, especially the family farm operation.

Mr. Speaker, the purpose of the tax is legitimate, the bill is legitimate, a flaw has arisen in its implementation or interpretation that's aggravating people. We have the largesse with which to deal with it, Mr. Speaker, I hope the Minister means what he says when he says he is in fact doing what the resolution calls for and will easily accept the resolution. Thank you, Mr. Speaker.

MR. SPEAKER: The hour being 5:30, the House is now adjourned and stands adjourned until 2:30 tomorrow. (Thursday)