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of the  
**Legislative Assembly of Manitoba**  
DEBATES  
and  
PROCEEDINGS

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TIME: 2:30 p.m.

OPENING PRAYER by Mr. Speaker.

**MR. SPEAKER, Honourable Peter Fox (Kildonan):** Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports; Notices of Motion; Introduction of Bills.

### ORAL QUESTIONS

**MR. SPEAKER:** The Honourable Member for Riel. **MR. DONALD W. CRAIK:** Mr. Speaker, I wonder, in the absence of the First Minister perhaps I can direct this to the Attorney-General. Can he indicate, or verify' or give any further information regarding reports that an option has been requested of the Provincial Government of some \$90 million with regard to the Churchill Forest Industries plant or the ManFor plant at The Pas?

**MR. SPEAKER:** The Honourable Minister of Mines.

**HONOURABLE SIDNEY GREEN (Inkster):** Mr. Speaker, nothing has been communicated to me in that respect except that this morning Mr. Huband, in explaining to me what they are talking about when they are talking about an offer, indicated that they want an option to be able to sell, that they have requested him to try and get from us an option permitting them to buy the complex at \$90 million; that that is the kind of thing that they are talking about. I'd like to indicate, Mr. Speaker, that we have invested over \$160 million in the complex.

**MR. CRAIK:** Mr. Speaker, I wonder if the Minister can indicate whether this option request has just been relayed to the government at this point.

**MR. GREEN:** Mr. Speaker, the first time I heard of it was this morning.

**MR. CRAIK:** Mr. Speaker, a further question to the House Leader then, as House Leader, I wonder if he can indicate whether he can have Mr. Huband as solicitor for the government appear before one of the remaining committees of the Legislature to answer questions directly on this matter.

**MR. GREEN:** Well, Mr. Speaker, this is a matter of administration of the government.

**MR. SPEAKER:** The Honourable Member for Lakeside.

**MR. HARRY J. ENNS:** Well, Mr. Speaker, just following, a supplementary question to the same Minister. Can the Minister confirm or deny that a similar offer was made by the parties in question within three months after receivership, prior to the last \$50 million or \$60 million being invested into the plant?

**MR. GREEN:** Mr. Speaker, from time to time' after the program went into receivership, suggestions were made that the matter could be settled. At any time the matter could have been settled by the people remedying the fault, which would mean to put up the moneys. The matter was in receivership. Any offer would not have been in the government's control to refuse because it could have been made to the court, Mr. Speaker, and in accordance with law, when the default is remedied the complex would go back.

All this suggestion, Mr. Speaker, that there was offers to put up money to purchase the complex are, in my opinion, merely attempts by the people who had the project received for default, who refused to appear before the Commission, merely attempts to try to offset the actions that have been taken against them.

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

**MR. A.R. (Pete) ADAM:** Thank you, Mr. Speaker. On the same subject, to the same Minister, I wonder if he could advise if it's the policy to have hired people make statements on policy or shouldn't the Minister make those statements.

**MR. GREEN:** Mr. Speaker, I'm not aware of any policy statements having been made. I know that matters have been printed in the papers but I have so often been misquoted in the papers that I don't necessarily attribute the statements as having been made. I was advised by Mr. Huband this morning that the suggestion by people overseas that offers were made to him related to vague suggestions that an option be given to them to try to find a buyer for \$90 million.

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

**MR. A.R. (Pete) ADAM:** A final supplementary, Mr. Speaker, to the same Minister. We have been listening to that announcement for two days now and I'm wondering why this statement should have been made publicly by Mr. Huband instead of to the Minister and by the Minister.

**MR. SPEAKER:** Order, please. The Honourable Member for Riel.

**MR. CRAIK:** Mr. Speaker, I direct a question to the Minister of Mines and Natural Resources on the same subject. Can he indicate whether there are any negotiations being carried on at the present time with regard to the sale of this particular plant; and secondly, the question of the offer or the request for option made, was the amount \$90 million or were there other figures negotiated or discussed as well?

**MR. SPEAKER:** The Honourable Minister of Mines.

**MR. GREEN:** Mr. Speaker, to my knowledge there are no negotiations under way for purchase or sale of the complex at The Pas. With regard to the suggestion that an option to permit an attempt to sell at \$90 million, to my recollection, the first I heard of it was this morning and I told the honourable member about it.

**MR. SPEAKER:** The Honourable Member for Wolseley.

**MR. ROBERT G. WILSON:** I have a question to the Minister of Tourism. Could the Minister confirm that another government department has booked the Gull Harbour Lodge for a seminar starting tomorrow?

**MR. SPEAKER:** The Honourable Minister of Tourism and Recreation.

**HONOURABLE BEN HANUSCHAK (Burrows):** No, Mr. Speaker.

**MR. SPEAKER:** The Honourable Member for Wolseley.

**MR. WILSON:** Well, then, a supplementary to the Minister in charge of Manitrade. Is the cost of the seminar being paid for by the Manitoba Trading Corporation, at Gull Harbour, starting tomorrow?

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

**HONOURABLE LEONARD S. EVANS (Brandon East):** Mr. Speaker, I'm not aware of the particular conference that the honourable member is speaking of. I have no knowledge of it. I'd be glad to hear of some of the details.

**MR. SPEAKER:** The Honourable Minister of Consumer and Corporate Affairs.

**HONOURABLE RENE TOUPIN (Springfield):** Mr. Speaker, last Friday I took a question as notice from the Member for Portage la Prairie in regard to a secretarial telephone answering service. I've had the matter investigated and a discussion took place between the Manitoba Telephone System and the company in question, and they have been informed of procedures that have been taken by the Manitoba Telephone System in regard to the accusation made by Mrs. Kaufman. There was no stealing of names from the company in question. The names that were gotten were gotten through the Manitoba Trade directory and from the Manitoba Telephone System directory itself.

They have been informed, like I'm informing the House, that most Canadian telephone companies have traditionally offered paging services as a standard offering to citizens.

**MR. SPEAKER:** The Honourable Member for La Verendrye.

**MR. BOB BANMAN:** Thank you, Mr. Speaker. I also have a question to put to the Minister of Industry and Commerce. I would ask him one again if he could confirm that Manitrade is holding a two-day seminar in Gull Harbour Lodge, starting this week?

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

**MR. EVANS:** Mr. Speaker, as I indicated, I have no knowledge of this and I intend to check into it now.

**MR. SPEAKER:** The Honourable Member for La Verendrye.

**MR. BANMAN:** I wonder if the Minister, at the same time, would check and inform the members of the Legislature whether the seminar is being held because of certain difficulties and problems within that particular corporation.

**MR. SPEAKER:** The Honourable Minister of Tourism and Recreation.

**MR. HANUSCHAK:** Yes, Mr. Speaker, I have taken the question of the Honourable Member for Wolseley as notice. I might be able to provide him more detailed information in a couple of days time. I haven't had an opportunity to check on the matter raised by him because I was busy attending to the final arrangements for a meeting between myself and a couple of Ministers from the Alberta Government, who are interested in establishing an operation similar to Gull Harbour Lodge and it is my intention to take them up there tomorrow.

**MR. SPEAKER:** The Honourable Member for Radisson.

**MR. HARRY SHAFRANSKY:** Thank you, Mr. Speaker. My question is to the Minister of Public Works. I have here a piece of political literature in which the Honourable Member for Wolseley states

**MR. SPEAKER:** Question, please.

**MR. SHAFRANSKY:** Mr. Speaker, I have a question to the Minister of Public Works. Can he indicate whether the Government of Manitoba paid some \$300,000 for three electric cars, as indicated in this literature? Is that a true statement?

**MR. SPEAKER:** The Honourable Minister of Public Works.

**HONOURABLE RUSSELL DOERN (Elmwood):** No, Mr. Speaker, the province paid \$100,000 for seven vehicles and one electric truck, and I might say that I've corrected that statement in the past.

**MR. SHAFRANSKY:** Well, in the light of the answer given by the Minister of Public Works, would the Minister indicate whether the Member for Wolseley is either lying or just plain stupid?

**MR. SPEAKER:** Order please. The Honourable Minister of Public Works.

**MR. DOERN:** Well, Mr. Speaker, there is a third alternative, it could be both.

**MR. SPEAKER:** The Honourable Member for Wolseley.

**MR. WILSON:** I have a question to the Minister of Corrections. Could the Minister tell the House

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whether the proposed agreement between the Federal and Provincial governments with the purpose of upgrading his ministry staff has indeed been signed by the Federal Government, the Order-in-Council?

**MR. SPEAKER:** The Honourable Minister of Corrections.

**HONOURABLE J. R. (Bud) BOYCE (Winnipeg Centre):** Gosh, I thought the member at least paid a little attention to what went on in the House, Mr. Speaker. This was announced several months ago in the House.

**MR. WILSON:** Well then a supplementary. Would the Minister confirm that this amount is approximately \$1 million of taxpayers' money and further, would the Minister confirm that the operation of his ministry is still being plagued by considerable disorganization at this time?

### **BUSINESS OF THE HOUSE**

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

**MR. JAMES R. FERGUSON:** Yes, before Orders of the Day, Mr. Speaker, I would like to make some changes on the Industrial Relations Committee and substitute the Member for Roblin for the Member for La Verendrye.

**MR. SPEAKER:** Is it agreed? (Agreed) The Honourable House Leader.

**MR. GREEN:** Yes, Mr. Speaker, I understand that arrangements have been made for Industrial Relations Committee to meet tonight at 8 and the Committee on Statutory Orders and Regulations to meet tomorrow at 10 o'clock.

### **ORDERS OF THE DAY**

#### **ORDERS FOR RETURN — NO. 42**

**MR. SPEAR:** The Honourable Member for Wolseley.

**MR. WILSON:** Mr. Speaker, I move, seconded by the Member for La Verendrye, that an Order of the House do issue for a return showing the following information for the fiscal year 1976:

1. The number of government vehicles registered in the name of the Province of Manitoba, specifying:

- (a) number of cars;
- (b) number of trucks.

2. The number of vehicles registered in:

- (a) Winnipeg;
- (b) outside Winnipeg.

3. The number of cars operating from:

- (a) Winnipeg;
- (b) outside Winnipeg.

4. The number of trucks operating from:

- (a) Winnipeg;
- (b) outside Winnipeg.

5. The make, model and year of each vehicle used by each member of the Cabinet.

6. The number of miles placed on vehicles by members of the Cabinet on their current automobiles; and the most important,

7. Cost to each Minister for personal mileage allowance.

**MR. SPEAKER:** The Honourable Minister of Mines.

**MR. GREEN:** Yes, Mr. Speaker, we will try our best to supply this information.

**MR. SPEAKER:** Order for Return so ordered. The Honourable House Leader. Before we proceed, the Honourable Member for Flin Flon.

**MR. THOMAS BARROW:** With leave, I would like to make a change on Industrial Relations, Mr. Speaker. The Minister of Renewable Resources will take the place of the Member for Churchill.

**MR. SPEAKER:** Agreed? (Agreed) The Honourable House Leader.

### **ADJOURNED DEBATES ON SECOND READING**

#### **BILL (NO. 40) — MAIN SUPPLY**

**MR. SPEAKER:** The Honourable House Leader.

**MR. GREEN:** Bill No. 40.

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

**MR. STERLING R. LYON (Souris-Killarney):** Thank you, Mr. Speaker. To the joy of most and the regret of few, I will try to conclude my remarks this afternoon in a relatively brief time — before 5:30 I can confidently assure the Minister of Labour, Mr. Speaker.

I think we had reached the point in the discussion on Thursday when I was talking about the activities of this government with respect to the ownership of farm land and the activities of the

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government with respect to being the biggest landlord in Manitoba and indicating to the government that this kind of activity was really counter-productive in the economy and in the straitened circumstances in which our economy finds itself today. I would add the further thought, Mr. Speaker, and I am sorry the Minister of Agriculture — well, he is in the House — but I would add the further thought that as has been demonstrated now time and time again to the Minister of Agriculture, the farm community of Manitoba do not want the government to become the biggest landlord, do not want the government, and they do not want the government to be operating the kind of peculiar state farms that my honourable friend seemed bound and determined he was going to impose on the farm community of this province whether it was their will or not. That he has subsequently modified his plan a touch, they note; that he has listened to the suggestions that were made from this side of the House, I doubt very much. I think he has modified it and permitted the tenants to make purchases of the land purely in response to some of the indicators that he, as a politician, was beginning to have impressed upon his mind, namely what I have said before, that the farm community did not want this kind of program.

What the farm community is concerned about, however, Mr. Speaker, is that in the event that this government — God forbid — is returned to office what then would happen to the plans of the Minister of Agriculture. Would he revert back to his first beloved and original plan, or would he still permit the present tenant farmers to purchase the land and to purchase the land under the terms and conditions that he announced so abruptly in his Estimates earlier in this session? I think the point is clear that we have a government that is prepared to fly in the face of the farm community of Manitoba with respect to land holdings. We have a government that is prepared to fly in the face of the farm community of Manitoba with respect to its pet plans for beef marketing boards. When they get the vote — and the vote, may I remind the Minister of Agriculture, notwithstanding all of the road blocks that he threw in the road of having a vote in Manitoba, the vote was 77 percent against his peculiar and particular kind of plan, notwithstanding all of the manoeuvrings and all of the waivings, and the weavings, and all of the support that he was able to accord to the group who were supporting his particular and rather peculiar proposition. — (Interjection) — surely.

**MR. SPEAKER:** The Honourable Minister of Agriculture.

**HONOURABLE SAMUEL USKIW (Lac du Bonnet):** The Leader of the Opposition alludes to road blocks to the referendum. Does he not recall that the recommendations of the Advisory Committee were that there be no referendum and that the government's decision was that the changes that were being proposed were such that they should only be made by a referendum? So I would like him to explain what the road blocks were.

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

**MR. LYON:** Mr. Speaker, as usual the Minister of Agriculture is talking about apples and we're talking about oranges.

**MR. SPEAKER:** Order, please.

**MR. LYON:** The Minister of Agriculture was trying to persuade the beef farmers of Manitoba that he had had a recommendation from the Advisory Committee to hold a referendum on the Beef Marketing Board, and they said, "Not so. What we wanted was some idea about compulsory check-off and some marketing information, not a Beef Marketing Board." — (Interjection) —

**MR. SPEAKER:** Order, please.

**MR. LYON:** So my honourable friend, Mr. Speaker, can carry out his argument with the livestock producers of Manitoba, not with me, because that's where the argument resides.

My honourable friend, I'll be happy to yield to him at the end of my remarks because he has that particular facility for wanting to talk about pork when we're talking about beef, and for wanting to talk about so-called "recommendations" he has received from the Beef Advisory Committee, which his own committee said he didn't receive. So we'll let my honourable friend worry about his arguments with the livestock producers in Manitoba.

I think the point is very clear that the livestock operators in Manitoba told my honourable friend, and in a way that I think even he is able to appreciate and I'm certain that his colleagues were able to appreciate, what they thought about his government's kind of direction of the Department of Agriculture in the Province of Manitoba; 77 percent against and 23 percent for. And if my honourable friend is naive enough to think that that vote manifested only the feelings of the livestock producers of Manitoba with respect to that particular proposition, then I suggest that he talk a little bit more deeply to the farmers of Manitoba and he'll find out that they recommended a general condemnation of the policies, or the absence of policies, of this government with respect to the biggest business in Manitoba — farming — and the way that this government has been in a confrontation posture with many aspects of that farm community ever since it has been in office.

Mr. Speaker, we are well aware of these private little schemes that my honourable friends opposite like to produce with respect to control of the private sector of our economy, whether it is the Crocus Food one that they had to back off last year — thank heaven they had to back off it — and you know, Mr. Speaker, I give the Minister of Agriculture a smidgen of credit — a . When smidgen of credit now

and then the political heat gets bad enough, even he can see it, and he backs off what he has been pushing and trying to ram down people's throats but I tell you, if we weren't in an election year or if we hadn't been approaching one last year, we could be looking at a Crocus Food plant at Selkirk, vertical integration of the dairy industry in Manitoba under the misguided hand of my honourable friend, the Minister of Agriculture. We could be looking at his kind of marketing board for the beef cattle producers whether they wanted it or not and he is only withdrawing back to lick his wounds for awhile and hoping that the voters of Manitoba will forget some of these entrepreneurial initiatives that he would like to take in the farm field hoping that the election is going to turn out all right and, if it does, watch out because he will be back in there again with Crocus and he'll be back in again with a marketing board and God knows what other kind of funny socialist scheme he will be trying to advance on the farm community in Manitoba which they don't want.

So, Mr. Speaker, when we're talking about the supply that is being voted for this government, we have to talk about some of these disasters or near disasters that my honourable friend, the Minister of Agriculture, has tried to perpetrate upon the farm community in Manitoba and do you know what they tell me? Do you know what they tell anybody who will listen to them?

**A MEMBER:** Who's they?

**MR. LYON:** The farmers of Manitoba. I suggest you go out and talk to them once in awhile and listen to them once in awhile. They love to be listened to once in awhile.

Well now, Mr. Speaker, my honourable friend went down to Souris-Killarney last fall and he talked to the farmers down there and I said to him on one occasion, and he will recall the occasion, that I hoped he would stay in my seat all during the whole election because everyday he was there I figured it was worth about 250 votes to me. You know, my mathematics was a bit wrong. My mae, . matics was a bit wrong on that because I don't know how many days he stayed there and I couldn't do the reverse computation on it but 66 percent of the people down there indicated in rather firm terms that they didn't support the government that my honourable friend is a member of. The candidate that was put forward — a decent, honourable man — by my honourable friends, instead of running second as their candidate did the time before, he ran third this time.

So, I suggest that between the beef marketing vote, between the recent by-election, my honourable friend even is beginning to get a few signals about what the farm community thinks about the agricultural policy of this particular government. We would be happy to go to the agricultural and to the city and urban communities in Manitoba anytime with respect to a general election. We're ready to go and if my honourable friend would like to go, and if he would like to come back down to Souris-Killarney and campaign there or campaign in the Interlake or anywhere else, fine and dandy. Let's get on with it. He'll soon find out that what I am saying about this government's policy or lack of policy toward the farm community will be manifested in that vote.

I want to suggest to my honourable friend, Mr. Speaker, that unlike his First Minister — and wasn't it his First Minister who was quoted in one of these long rambling interviews sometime earlier this winter — was saying that he would feel embarrassed — I believe the Premier of Manitoba said — he would feel embarrassed if he had members elected to his party from the south side of Winnipeg. I found that a very unusual statement particularly in light of the fact that the Member for Osborne, the Minister for Education, is a member of that peculiar collection which we call a Cabinet, that he would feel embarrassed if he had any members from Winnipeg South.

Now, Mr. Speaker, I have said it before and I say it again, in this party we don't feel embarrassed to have representatives from any part of Manitoba because we don't happen to think that any one part is better or worse than the other. Unlike my honourable friends opposite, we're prepared as a government to try and govern on behalf of all of the people of Manitoba, not just on the select bunch that happen to elect people to our side. It's that kind of an attitude, you know, reveals to me that particular kind of tunnel vision that my honourable friends have with respect to so many matters in this province, a peculiar kind of tunnel vision that they have.

You know, Mr. Speaker, in order for socialism to have any degree of integrity to it, and that's difficult at the best of times, they have to stimulate a phony kind of a class war. Now, you know, there are people who have lived in this province a long time — I am one of them who is getting up to that age — and they don't know anything about this so-called class war that my honourable friends started to preach a number of years ago, and have started now to try to implement — (Interjection) — I hear some unusual yippings from the other side of the House, Mr. Speaker. — (Interjections) —

**MR. SPEAKER:** Order please. Order please. ORDER PLEASE.

**MR. LYON:** Well, I think we were at the class war system. I think we were talking about this peculiar kind of class confrontation that some of my honourable friends opposite seem bound and determined that they have to stimulate in the Province of Manitoba if they are going to get any lubrication going with their rather peculiar ideology. And the First Minister's comment was along that line that he would feel uncomfortable if he had members from the south part of Winnipeg. What sort of nonsense is this, Mr. Speaker? What sort of nonsense is this to come from a man who is supposed to be the Premier of all the people of Manitoba? And if he speaks this kind of silly prattle that they

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preach, and even sometimes, I suppose, believe among themselves that we have some class kind of oriented society in this province and that we can only, when in government, do things for one particular group and so on. What peculiar kind of nonsense is this?

We have seen the Socialist Party in Great Britain take that country down into an economic form of degradation with that same kind of envy-ridden nonsense. Why don't we accept the fact that all the people in Manitoba need to have a government that is responsible to all of the people in Manitoba. When we do that, Mr. Speaker, and that's the lesson that I suggest has not been learned by this government in the last eight years, that they are responsible to all of the people in Manitoba, not just to their particular narrow constituency. Because, Mr. Speaker, you know, I would estimate that the number of doctrinaire Socialists in the Province of Manitoba represents about 17 percent of the population, and I am probably being extremely generous when I say that, extremely generous. In fact, if I were to listen to my friend, the House Leader, I am sure he would cut the figure back a bit. That's why I say I am being extremely generous.

And then you get a collection of socialists of different degrees of marriage to their particular doctrine into the House, and when you get the particularly intelligent and articulate ones like the House Leader, it's a joy to deal with him; it's a joy to debate with him. But when you get the ones who can see only the envy side of it, who can only see the put-down side of it, who can only see hatred toward business, who can only see a form of institutionalized kind of condemnation of anyone who doesn't agree with their point of view, that's when you run into the kind of polarized confrontation that you have in Britain today and that you have in other Socialist countries, which makes it extremely difficult for the parliamentary system to function.

I believe it was Laski, away back in 1927, Laski, who was one of the foremost lecturers and one of the foremost prophets of the socialist system, famous at the London School of Economics for 10 these many years, only to be succeeded, as my friend the House Leader would say, "God forbid" by Professor Oakshot, one of the great Tory exponents. It was Laski who once said that in the inevitable evolution of the Socialist doctrine on the parliamentary system, we must, if we believe in our doctrine, come inevitably to the belief that it is the best form of government and it should never be replaced, but we'll get onto that topic at another time, said Laski. I remember that particularly, because I know that most of my socialist friends don't subscribe to that. In fact, I doubt very much if Laski — he might have believed it at the time he wrote it — I'm sure that before he died, he came to repent that particular sin with respect to his view of democracy.

So I'm merely making a small point, and that is that a government has to be representative of all of the community of Manitoba, of all of the people of Manitoba. And that include the private sector, which is the large, the private business sector, the private farm sector, the people who work to make the wheels of this economy turn. And we can't have this kind of frenzied anti-business activity going on too long or it results inevitably in the kinds of statistics that we were talking about the other day, the lowest job creation record in western Canada, a taxation system that works a penalty against those that would involve themselves, small or large, in enterprise in Manitoba. That's what we have in Manitoba today and we are all suffering because of it.

All I'm saying to my honourable friends is that they should be able to see what everybody else in Manitoba can see — or a vast majority can see — and that everyone else in Canada can see, and that a good number of people abroad can see, those same people abroad, those economists who wrote recently about investment opportunities in Canada and compared Saskatchewan and Manitoba to a couple of the Third World developing countries because of the anti-business attitudes that they have towards taxation and investment in their particular province.

My honourable friends can laugh all they wish, but that is the kind of image that we are beginning to have abroad, and their friend, Mr. Blakeney in Saskatchewan, did his country, did his province, did this province inestimable harm when he decided, almost, one would think, in a pique, that he was going to nationalize the potash industry in that particular province. That action of his reverberated right around the world, that is, in the markets of the world where people are looking for investment opportunities in Canada and so on, right across Canada and internationally as well, because they understand that kind of point of view.

My honourable friend, the Minister of Mines, will recognize much more readily than others the fact that when the Kierans Report came down in Manitoba, it represented immediately a disincentive to the growth of the Manitoba mining community in this province and to more investment in Manitoba; and notwithstanding the fact that he and some of his colleagues have said that they do not adopt the recommendations contained in the Kierans Report, still it hangs like a Damocles sword with respect to future investment coming into Manitoba. And for the benefit of my Honourable Friend from Flin Flon who said only last week that he would like some to nationalize all of the mines in Manitoba — every time he says that, and I'm not complaining about his saying it, because it believes it; I'm not going to be like some members and say you shouldn't criticize Flyer because it's not good for their business; I think if you criticize Flyer on legitimate grounds, that's what you are here to do — I don't say that my honourable friend shouldn't talk about nationalizing the mines because he happens to

believe in that. But I just want him to know, when he says that, that directly or indirectly, that's just another straw on the camel's back with respect to job security of his constituents in Flin Flon because the exploration that is being carried on by our operating mines in Manitoba is drying up. — (Interjection)— It is drying; oh, yes, it is. — (Interjection)— At the end, sure, I'm trying to finish up in a hurry. We could go on all afternoon with my honourable friend's proposition.

I mention it only in passing to indicate the kind of climate and the kind of environment that is created when you get governments with a polarized point of view which is contrary and runs against the grain of the development that we have had in this country, trying to impose that peculiar kind of an ideology on one province, which is merely one small island in what is otherwise a sea of private enterprise. It doesn't work; it doesn't work and it does harm to the province in question.

Well, we've got head offices leaving Manitoba, notwithstanding the fact that the Minister of Industry and Commerce will talk about this industry that's come in, and that one that's come out. I don't have the statistics. I know, though, from people who have left this province, small businesses in particular, that they've gone to Alberta, they've gone to British Columbia because they can't stand the tax climate. And regrettably, I thought in this Session, when the Throne Speech came down, that we were going to hear, after the statement that was made in Saskatchewan about the Succession Duty and Gift Tax Act there — Saskatchewan getting out of it, dear old Socialist Saskatchewan getting out of the Succession Duty and Gift Tax Act? In Manitoba we still have it and it's causing a further drain of capital and of people from our province who will not live under that kind of a tax regime. It's that simple — they don't have to live here. They are mobile. And my honourable friends can use that simplistic explanation and say that because Quebec and Ontario have it, that two-thirds of Canada have it. That's two-thirds of Canada in terms of population and two provinces out of ten. That leaves an awful lot of territory to roam around on for people from Manitoba who don't particularly want to pay it here.

It's the farm community, I'm sure, who caused Mr. Blakeney to remove the tax in Saskatchewan, for the very same reason that it's the farm community in Manitoba who are being prejudiced by that tax in Manitoba today — the farm community. Because people who in their wildest imagination never thought they would have to be subject to this kind of an impost from the government, are finding that because of the joint cause of inflation and increasing land values because of international grain prices and so on, that lo and behold, they are in a taxable position. Never thought it in a month of Sundays.

I have had farmers come to me and say, "I never dreamed in my wildest imagination that my land would be worth \$300, \$400, \$500, \$600 an acre, but here it is. And as a result I have got a tax problem that really I don't deserve to have because it is inflated dollars, and why should I be stuck with this kind of a problem? I have worked my neck off to produce, make the farm a paying enterprise, my main object in life is to get it over to my son or get it over to my nephew, or get it over to some other member of the family. That is what I would like to do, but I can't do it under the existing tax regime."

And it is not just my honourable friends opposite. It is the impact of the capital gains tax as well, notwithstanding that there are exemptions for father to son and grandfather to grandson arrangements and so on. There are those exemptions, but when those exemptions are brought into play, I am told under the federal law, then my honourable friends come along with the gift tax and hit them there, so you have got them coming and going.

When the avowed policy, I think, of any political party in Manitoba today, of any political party, should be to encourage the settlement of young people on our farms, we see the NDP supporting a tax regime which works counterproductively to that desirable aim, and that's true. — (Interjection)— I have never really understood how it was that my friend the Minister of Public Works could always think of something so totally extraneous and unrelated. — (Interjection)— I am talking about government policy, I am not talking about economic forecasts. I am talking about government policy, and if my honourable friend can't tell the difference between a policy and a forecast, then he had better go back to university for awhile.

Again the whole idea and the whole concept of succession duty, I know why it is still being clung to by my honourable friends opposite, particularly the Member for St. Johns, because he really feels, in his heart of hearts, that nobody, nobody should have any more money than is permitted, even though it is an asset that they have worked for, such as a farm, even though its value has appreciated in a way that nobody could logically expect, nobody should have more than X number of dollars. I know that that's the way my honourable friend thinks. And really our point of view is very simple. Our point of view is that you have got to keep the tax system in this province competitive with other systems, and you don't have to have, and you can't afford to have any particular ideological hangup on this tax or that tax if it is going to do harm to the people of Manitoba. And it is doing harm to the people of Manitoba today.

The Minister of Finance tells us that only two percent of the estates are affected by it, but what his figure doesn't tell us is how many of those estates have already moved out of Manitoba so they won't



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be affected by it, and are continuing to move day by day, week by week, month by month. As my friend, the Member for Morris said in the course of a debate some two or three weeks ago when we were talking about the foreign land purchases in Manitoba, many of those cheques that came in to buy land in Manitoba weren't even deposited here. They went into banks, my honourable friends would like to say, in palm-studded isles, in tax havens. Well, they went into banks in Regina, in Edmonton, in Vancouver, in Victoria, in Red Deer and Bienfait and some of these other palm-studded isles that they would have us believe are the only tax havens left. —(Interjection)— No, the people of Manitoba are merely asking for an even break with respect to the taxation regime under which they operate in Manitoba.

One could talk at great lengths, and I don't intend to, Mr. Speaker, about the road program or the absence of a road program of this government, and the drainage program or the absence of it, in particular, of a drainage program of this government. The kind of fundamental, infrastructure government services that the people of Manitoba want, that are needed, primarily in rural Manitoba and in northern Manitoba to provide those services that nobody else can provide.

Now it may be a small thing, my honourable friends say, that they have committed something like \$4 million or whatever the figure is for the Hecla Island hotel. It may be a small thing, but that is merely money that has been diverted from a needed government service into something that suits their particular ideology, and that is where we find ourselves at cross-purposes so often with my honourable friends opposite, Mr. Speaker, that they have different priorities, that they march to a different drummer. They march to a different drummer than the vast majority of the people of Manitoba.

The priorities of this government are not the priorities of the people of Manitoba. I tell you that now; I repeat it again, and I say it again and again and again. They are not the priorities of the people of Manitoba. And my honourable friend is going to say the only way you can prove that is to have an election, and I say, well, bring it on. Bring it on because I think it is becoming apparent now, it is becoming apparent to many many tens of thousands of Manitobans that this government does not walk in step with them at all. It is off on a sidetrack of its own. It is not concerned about the local problems that the people are concerned about. It is concerned, rather, about some of its ideological enterprises.

It is concerned, very often, with confusing social welfare programs, which are adopted by all parties, with socialism, and then trying to sneak in the Crocus Food Plant and the Saunders Aircraft and so on under the same cover and say, "If you want one, you know you have to buy the whole package." Well, you don't have to. You don't have to. Social welfare is not socialism, and every government in Canada has good social welfare programs right across the board, some a little better, some a little worse, but by and large they all subscribe to the same basic programs. Indeed I would go so far as to say that 80 percent of the social programming of this government was inherited, not just from the previous Conservative government, but even from the Liberal government before that, from the Liberal government before them, 80 percent of fundamental social programming of Manitoba falls into that category and my honourable friends know that it does.

They also have this rather peculiar . . . what I now call the eight-year syndrome. The only points of comparison that are valid to my honourable friends opposite are those that occurred eight or ten or fifteen or twenty years ago. I don't know if it has really registered on them yet, Mr. Speaker, that they have been the government of this province for eight years, and it is about time they started answering for some of their own sins, because the people who are driving over the provincial roads in Manitoba who are finding them in worse condition than they were ten years ago aren't going to blame the Conservatives, they are going to look at this government and say, "What have you been doing about your responsibilities."

The people last year on the Souris River who were flooded didn't look at the previous Conservative government and say, "Why didn't you build a flood-control program or embark on one?" They said, "What has this government been doing sitting on its hands on a report that it had seven or eight years ago and about which it has done nothing?" Because its priorities are different. That's what we are finding in Manitoba today.

Well, Mr. Speaker, we saw produced the other day a series of tables by my friend, the Minister of Finance, attempting to show — I think I must use his words — attempting to show that the people of Manitoba by and large, the vast majority (this is a direct quote), "The vast majority of Manitoba taxpayers are better off than their counterparts in all other provinces," Finance Minister Saul Miller told the Legislature Wednesday. "Furthermore Manitobans in 1977 have a general two percent across-the-board income tax reduction from their 1976 rates." And then on and on it goes, "More than 97 percent are better off under the current tax system than under Ontario, and the typical Manitoba family of four with a total income of up to more than \$25,000 pays less." More than 96 percent, Mr. Speaker, of Manitobans are better off under the current personal tax system than that of Ontario. "More than 96 percent better off than their B. C. counterparts, as the typical family of four pays less than in B. C. up to \$25,000. About 83 percent of Manitobans were better off under the

current Manitoba personal tax system than the citizens of oil-rich Alberta, with the typical family of four paying less up to a \$15,000 income level."

Well, Mr. Speaker, my first response to that is: Who do you think you are trying to kid? Who in heavens name do you think you are trying to kid with some trumped-up figures produced by, he says on the outside of it, "Produced by the Department of Finance," a department, I would suggest, whose people would be much better employed if they were looking at means of encouraging the growth of the private sector in this province and encouraging the reduction of some of the anomalies that have occurred in the tax system under my honourable friends opposite. I merely say that it's pathetic; it's pathetic to see this kind of nonsensical document turned out, based on assumptions that are not explained; and with respect to the comparisons, I suggest verging on being misleading because the comparisons do not show and do not point up some of the economic facts of life as they exist in other provinces. And I am going to take one small example to point out to my honourable friends opposite just why I say that these figures are pathetic. Who do they think they're trying to kid, because nobody in Manitoba is going to believe them if they publish them from now until doomsday, that you're 97 percent better off living in Manitoba than you would be if you were living in oil-rich Alberta or in British Columbia or in Ontario.

Well now, Mr. Speaker, you know some time ago, my friends turned out a publication with some of the same kind of information in it. This was a second printing of a special issue of *The New Democrat*, "Your Money's Worth" was the title. They produced a table at the back then. They didn't attribute it to the Department of Finance, thank heavens; they produced a table then, a comparative table in which they attempted to indicate that, "Move to Ontario if You Are Rich; Stay in Manitoba if You're Not," that was a headline from a story that was produced in the *Winnipeg Free Press* — imagine that — in the *Winnipeg Free Press*. And they repeated the table, it shows the date, it was March 22, I guess, 1976. It could have been '77, I am not sure. They quoted, and they gave attribution to the *Winnipeg Free Press* because it showed "income to \$15,000, tax lower here." I am sorry, Mr. Speaker, I was exempting the Provincial Finance Department from this particular piece of figure, a manipulation. The story says, "According to Provincial Finance Department research findings" — so I am sorry I have to wipe out that exemption. Mr. Speaker, some of the facts of life that my honourable friends opposite don't like to comment upon are the ones that most of us know, and particularly people in Ontario know it because they've had access to these kinds of comparisons before and they know that it's just not always so.

First of all, Mr. Speaker, do my honourable friends when they are making this computation about the one topic upon which they are always the most vociferous, that the people of Manitoba do not pay hospital premiums. Is my friend, the Minister of Finance, not aware of the fact that in Ontario, over 82 percent of all of the OHIP premiums are paid by groups? Is he not aware of the fact that group coverage is mandatory for any enterprise employing more than 14 people in the Province of Ontario and it's optional for any enterprise employing between 5 five and 14? And does he not know that overall, it's estimated that 88 percent of group premium revenues are paid by employers as part of fringe benefit packages? My honourable friends haven't even caught the significance of it yet. So, when the premiums are paid, 88 percent of the premiums in Ontario are not paid out by the employers out of his wage packet. It's a conferred benefit that goes on to his income tax when he has to figure out his income tax at the end of the year. And up until—(Interjection)— sure he pays something. My honourable friend brought down his budget this year. They were paying at rates in Ontario that were about 40 percent cheaper than Manitoba, and in Alberta, they were 26 points when we were 42-½ points; Ontario was 30 or 31 points when we were 42-½. It hasn't changed all that much since.

I can tell my honourable friends that if they will work out their self-same tables based on those statistical facts of life — and the simple fact of life is that the employee doesn't reach into his pay packet and pay for that, that's a fringe benefit. The employer reaches in and pays it and that goes as a conferred benefit to the employee, but he pays on that conferred benefit at an income tax rate that is substantially lower than it is in Manitoba. Do you know what the effect of that is, Mr. Speaker? The effect of that is that at most income levels other than the one that they have chosen to select — you'll notice they always select an income level that is an odd figure — I think the income level that they picked out is 8,200 and some odd dollars, on the ratchet effect of taxation. If you happen to land right in at that particular point, that gives you the best comparison as between Manitoba and Ontario to favour Manitoba. But if you look beyond that and if you look at the way the OHIP premiums are paid in Ontario — and I am not defending Ontario, I am merely saying to my honourable friend, take another look at your figures. If you look beyond that, you'll find that what they've done is to have pre-selected probably the best example that they could have out of the range of incomes that could be shown in order to give Manitoba a very favourable position. And all that I am saying to my honourable friends opposite is: Take advantage of what you know from your treasury people in Ontario and find out when the government pays for OHIP premiums, find out what some of the other benefits are in the Province of Ontario if you want to make this kind of comparison, and then take a look at the net figures that you get and I think you're going to be a little bit surprised.

For instance, Mr. Speaker, I think that if you worked out somebody with a total income of \$6,700 in the Province of Ontario, and \$6,700 in Manitoba, you'll find that their taxable income is about \$1,533 each. You'll find that they don't pay any federal tax under the . . . I am talking now under the old system, not the amendments that my honourable friend presently has before the House. But you'll find that that same taxpayer in Ontario was paying no provincial tax — in Manitoba he was paying \$85 of provincial tax — and I am quick to add that my honourable friend is bringing in the amendment, it's just before us now, in order to wipe out those provincial taxpayers who previously have been wiped out in most other provinces in Canada. In the health premiums you'll find in Ontario with a man earning \$6,700, isn't paying anything out of his pocket; in Manitoba, he is not paying anything and if you assume, and that's all you can do, assume a property tax of \$480 for each of those taxpayers, and you then work out the credits that are available at that level of income, \$6,700, you'll find that in Ontario, they're \$275 and in Manitoba, they're \$300.00. And you add all of those figures up and you'll find that the net position of the Ontario taxpayer is that he pays \$205 and the Manitoba taxpayer pays \$265.00. So you know you can be very selective in these figures if you don't realize what some of the other programs are in other provinces that impact upon the different categories that my honourable friends see fit to offer in these tables. And I am talking about at 1976 tax levels because we haven't got the 1977 before us. The anomaly, of course, resulted in this particular example because of the amendment not being through, that my honourable friends are putting through this year, Manitoba used to collect \$85 provincial tax from that taxpayer who is earning \$6,700.00.

I suggest, Mr. Speaker, if you look at other examples, you'll find as between Manitoba and Ontario, that in addition to taxable income subsidies, the Province of Ontario provides free health care for pensioners, a group representing about ten percent of the population; and further, the province provides free prescription drugs, a pensioner credit, a guaranteed annual income scheme, a gain scheme, that is more generous than the scheme in Manitoba. And I am not patting Ontario on the back. I am merely saying that if you're going to make these comparisons, you have to know the policies that impact upon them. And if you look at a single pensioner and a married pensioner in Ontario and in Manitoba, you'll find this kind of interesting example that you can work out.

A single pensioner — and we're talking about 1976 figures — with a total income, and I'll use my honourable friend's figure, \$8,226. He earns the same in Ontario or Manitoba. His taxable income is \$3,726 in each province. His Federal tax is \$427 in each province. His provincial tax in Ontario is \$191, or was \$191, and it's \$267 in Manitoba. No health premium payable in either province. Property tax, \$480, assumed the same in each province, and that's being very fair to my honourable friends, and I'll come to this in a few moments, Manitoba has one of the highest per capita municipal tax bases of any province in Canada — second highest, to be exact. The credits that are available in Ontario are \$298 and they're \$278 in Manitoba, so you end up with a single pensioner earning \$8,226 paying \$800 in Ontario and \$896 in the Province of Manitoba.

While we have used that example, Mr. Speaker, of \$8,226 for the income comparison, the result, I suggest, is about the same if you work out, regardless of the choice, at all levels of income. Pensioners tend to pay less total taxes in Ontario than they do in Manitoba.

I ask my honourable friend to turn his finance researchers loose on that one and find out if there is not some substance of truth to that statement because my honourable friends have not previously taken into account the impact of these other policies that they find in other provinces.

I suggest he will find out as well, Mr. Speaker, that the tax burden on the majority of single taxpayers in Ontario in 1976 was lower than it was in Manitoba — single taxpayers, as a group.

So we can all take preselected figures and we can all try to make the best case that we can out of an income earner earning \$8,226 a year and so on. But that isn't going to fool too many of the troops for too long and it certainly isn't going to fool the troops to tell the people of Manitoba that 96 or 97 percent of them are better off than they would be living in Alberta or in B.C. or Ontario, because, Mr. Speaker, they just know better; they just know better, they really and absolutely do know better.

I'm sure that my honourable friend has had a look at the peek at the McMath Report, because I was referring to municipal taxes just a few moments ago. The McMath Report was published in British Columbia. The figures on it were published by the Canadian Tax Foundation in one of their publications in May of this year. I've only got a brief part of the Report in front of me but it's Table 2 of that Report shown on Page 3 and I'm sure my honourable friend's researchers can take a look at it — and I'll say it before he criticizes the figure, I don't think they deducted the rebates in any of the provinces. What they are showing are the gross property taxes, the real property tax per capita as a percent of municipal and personal income right across Canada. When you look at those figures, and I take it that those figures apply to the tax year 1974-75 according to the text in the report, when you look at those figures, you find that per capita, in Newfoundland the taxpayer pays \$20.44 for municipal taxes. The next lowest is Prince Edward Island where they pay \$75.94 per capita. After that, New Brunswick \$90.85 per capita, in municipal taxes. Next to that, Nova Scotia \$115.54 per capita. Next to that, Quebec \$145.75 per capita. Next to that, Alberta \$168.37 per capita. Next to that, Saskatchewan \$182.74 per capita. Next to that, Ontario \$199.19 per capita. Next to that, we ring the

bell, Manitoba \$200.77 per capita, and the worst record in Canada, British Columbia \$241.20 .

But we rang the gong as the second highest on a gross basis, on a gross basis in terms of municipal tax in Manitoba and that's why the statement is made that Manitobans do bear an undue proportion of their education tax in particular, on property compared to other provinces in Canada. And that's why my honourable friends, Mr. Speaker, must work in assumptions that are common to all provinces when they are trying to tell us that 97 percent of the people in Manitoba are better off than if they lived in Alberta or British Columbia or Ontario before anybody is going to really take those figures terribly seriously.

So I merely mention that as one small vignette of the kind of work that has to be done with respect to my honourable friend's figures because on the face of them, they don't wash. I think that what we all have to do on both sides of the House is to take a look at them on a properly comparative basis and just see where we do stand. I think it will be a surprise to my honourable friend, the Minister of Finance, as well, when he finds out what that comparison really and truly is.

In the meantime, we are in a position of having to — the figures that he passed down to us two or three days ago, I frankly confess, I haven't had the opportunity, nor have our research people, to look through them yet, but we are going to look at them with a long, hard and jaundiced eye, the same as we had to look at those previous figures that were printed by my honourable friends opposite with Mr. Schreyer's picture on the front, trying to tell us that we were better off, or the Free Press was trying to tell us that we were better off according to figures printed by the Department of Finance.

Mr. Speaker, I think it's clear that we have in front of us today a government that has run out of steam, a government that is impelled more by its own ideology than it is by the public interest and what should be done in the public interest for the people of Manitoba; a government that lacks decisiveness with respect to the problems that it confronts; Ministers who — and it's obvious here — day by day go their own way with no central overall direction as to what the policy of the government, to what the future of Manitoba is going to be. I have used the analogy before — they're something like a one-mile runner who has been thrown into a five-mile race and they are just lurching and catapulting themselves hopefully to the finish wire, the finish wire being the election. They don't know what is going to happen beyond the election because they have had enough trouble getting to this point. They haven't got any strategy for the Eighties; they don't know what is facing this province in the Eighties. We haven't heard them speak about national unity in this country, which is probably the greatest problem that is facing all Canadians today, the position of Manitoba, the position of western Canada with respect to maintaining Canada as a united country. We haven't heard them speak about the kind of taxation regime, the . . . for the next five or ten years in this province in order that we can put a damper on the amount of money that the province extracts from the gross provincial product so that the province's share of the wealth that is created in this province will not — the government's share — will not continue to grow like a snowball as it has in the last eight years, mainly because we've got to stop that same kind of growth in the national economy otherwise we're on the same slippery slope, as I said the other day, as Great Britain, taken by the same kinds of policies that my honourable friends are trying to implement here in the Province of Manitoba.

I would suggest there is no overall control to this government; there is no overall direction; there is no view for the future; no strategy for the Eighties. I did mention in the Budget Speech, they do have a strategy that they don't talk about too often, and that's 2-½ times 1, but it's only the franker members of the government opposite, such as the House Leader, the Minister of Mines, who likes to talk about that particular strategy, which is really pointing out to the people of Manitoba better than anything any opposition party could say, the kind of inward-looking, envy-ridden kinds of policies that we can expect from this government if, God forbid, it's given another four-year lease on life.

We have as well a First Minister who keeps saying to the press from time to time, he's lost interest in Manitoba — not lost interest in Manitoba, I correct myself — he thinks he can serve in other places. He said that three years ago; he said it two years ago; he said it this year; he said it just a few months ago, it seems to be always to eastern national reporters.

I think it is obvious that the Premier has lost interest. He has lost interest in what goes on in this House. . He seems to have lost interest in what his Ministers are doing. He tries to dance above their disasters, with not too much success anymore. But he has lost interest. The government hasn't even got as much arrogance, Mr. Speaker, as it used to have. You know, for a government whose arrogance was exceeded only by its incompetence, that's a bit of a compliment for it.

So I suggest, Mr. Speaker, that when we are voting on Supply for this government, whether today or whenever the vote may take place, that we are voting to supply a certain amount of money for this government or for a succeeding government to carry on in the public interest of Manitoba. My honourable friends can say you've made a partisan attack upon us, we don't have to pay any attention to what you say, I don't blame them particularly if they do that. But I am speaking in particular to my friend, the Minister of Finance. I hope he will have listened to some of the things that I said, some of the quotations that I read to him the other day, Thursday, I believe it was, with respect to where this national and where our provincial economy is being dragged as well. And to suggest to him as I do

most sincerely, not in a partisan sense, that in the few months that probably remain for his government, or if his government is re-elected, that he try to slow the growth of government participation and sharing of the wealth of this country in order that we can get our economy back on track, because if we don't, we are going to be subject to inflation, Mr. Speaker, to a second winding-up of inflation that is even more dangerous than the first.

We are facing the end of the AIB period. We are facing a situation — one doesn't want to use hyperbole, but we are facing a situation of extreme danger economically in this country, and with all that flows from that in terms of the political consequences of an unsettled population economically. So I say to my honourable friends as sincerely as I can that I hope that he will — (Interjection) — Mr. Speaker, I am speaking in particular to somebody who will understand and appreciate what I am saying, not to the Member for Radisson. I say that my honourable friend should listen to some of the comments that are being made, not just by me, that are being made by economic commentators throughout North America, in other parts of the western world, about the state of this economy in Canada and the part that we play in Manitoba.

One further hope I pass on to him, and it is this, that I hope that they will raise their eyes from their bootstraps and raise their eyes from such catch-things as two-and-a-half times one, and one-and-three-quarter times overtime and so on, and start thinking about the future of young people in this province, start thinking about the young people who today, the 70 out of every 100 young people today who can't find a job in Manitoba and who perforce are having to go elsewhere, and to start developing and to start permitting to develop in this province the kind of a private sector economy that can get that employment for those young people. Because they are more important, Mr. Speaker, than the New Democratic Party, they are more important than the Progressive-Conservative Party or any member of it. They are the future of this country, and we have got to be developing here in this province the kinds of policies that are going to keep our greatest resource, namely our young people, here.

I suggest to my honourable friend, Mr. Speaker, the Minister of Finance, with the greatest of respect, that his policy and the tax regimes and the attitudes that are being developed by his government and have been developed over the past years are counter productive to that. They are counter productive to keeping our young people in this province, and we have got to start worrying about that generation of young people more than we worry about political ideology, more than we worry about who's in or who's out, but start developing the kinds of policies that will keep our young people in Manitoba, because the future of this province is in their hands, not in ours.

**MR. SPEAKER:** The Honourable Member for Flin Flon has a question.

**MR. BARROW:** A question, Mr. Speaker. The Honourable Leader of the Opposition will admit that the future of Manitoba, as has been said many times by all parties, lies in the north. When you say that, that is the mineral extent. Would you not agree that the government should have some input into exploration, especially due to the new find they have in Trout Lake?

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

**MR. LYON:** Mr. Speaker, I don't remember making the particular statement that my honourable friend attributes to me, although I don't discount the fact that a good part of the future development of this province will take place in the north, in the northern part of our country. But I do say to him this, and it is clear and it is unequivocal, and on this I know we are all probably always going to disagree, that that development can better take place in hands other than the government's than if we try to do it the way Great Britain did with respect to the coal industry, or the way most other socialist countries have gone when they tried to control the mining industry. Their government, any government, doesn't know anything about running mines.

**MR. SPEAKER:** The Honourable Minister of Public Works.

**MR. DOERN:** Mr. Speaker, I have listened in this general debate going back to the original Budget, through the Job Creation Program and now for several days to the Honourable Leader of the Opposition, and I have learned one thing about him in this debate, and that is essentially that he hasn't learned anything.

He berated the government on a number of occasions because he says that the Premier isn't in the House at all times, and then he himself, who, I think, has a fairly poor record of attendance and has a practice of speaking and leaving, I think cannot put his own record up against that of the Premier either in terms of attendance or in terms of listening to responses by the government.

You know, Mr. Speaker, when I was a junior member in the Legislature some eleven years ago, I used to listen to the Leader of the Opposition when he was then the House Leader and when he continually berated members of the Opposition, he kept talking about their dogma and their rhetoric and their simplistic ideas and notions, etc., and I really think that he is the one who has the hang-ups, who sees the government in terms of the 1930s or the 1940s or prior to that.

He said to us today that we march to different pipers. He said we march to a piper or we march to a different tune than the members of the Conservative Party. Well, there is no doubt about that. I think

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there is no question that we hear different segments of society, we hear and listen to different people in this society. The Honourable Member says that he keeps hearing a certain kind of attitude expressed toward the government, and there is no question, Mr. Speaker, that that is in general a business attitude, and to a certain extent it is an attitude that might be expressed as partly rural. He hears the voices of southwestern Manitoba and a segment of Winnipeg. Those are the two groups that he continually speaks to, and those are the groups that he listens to. And we also know that he of course listens very much to the business community, because they are the people who financed his campaign and they are the people who support his leadership.

**A MEMBER:** Who are those people? Do we know them?

**MR. DOERN:** I can't help my honourable friend. No, I am sorry, not only do I not know, Mr. Speaker, who these people are . . .

**A MEMBER:** But he couldn't remember.

**MR. DOERN:** . . . but he does not know either. It is a well-guarded secret.

**A MEMBER:** He couldn't remember that he got \$3,000.00.

**MR. DOERN:** Well, that's another problem, but he does not know who these mysterious backers are.

So I say this, Mr. Speaker. He says that he represents the entire province. Well, I will tell you one thing we know. He doesn't represent the north. He does not communicate with people in the north. We know that he does not represent the people of Winnipeg, because the overwhelming number of people in Winnipeg have voted for our party. He has a certain even split in a section of the province between southwestern Manitoba outside of Winnipeg and the north. Around there it is probably a pretty even split. But the only place in Manitoba where the Conservative Party is heard loud and clear is in southwestern Manitoba, and that of course is where the Leader of the Opposition chose to run.

I think, Mr. Speaker, he presented some pretty poor leadership when he decided to run there and then switched to Charleswood. You know, that to me was a political mistake. That was an error in judgment. He should have run in an area in the City of Winnipeg against a Cabinet Minister. If he was going to lead his party to victory in the next election, it would only be reasonable to assume that he would show the way by knocking off a sitting Minister.

And if he was going to run scared, if he was going to be chicken, then I think he would choose a safe seat and he would say to the new Conservatives coming aboard, those new candidates, "Man, we must wipe out the socialist menace. We must take on sitting MLAs and sitting Ministers." And like the sergeants, I think, I can't remember which war they ran ahead and which war they ran behind, but in one of the world wars, when a sergeant said, "Charge," and blew their whistles, the men ran ahead and the sergeants ran behind. In the other war, they led the way. I assume that it was in the first war that they sent the men up ahead, and that is what the Leader of the Opposition is doing. He is sending his bravest young men, the new Tory recruits, the new Tory blood, those men with stars in their eyes who long for the glamour of political life. Oh, little do they know! And he's sending them into battle against hardened members of the government and Ministers of the government while he himself says, "Well, you know, I think I'd better run in Charleswood because we've held it for quite a while, and if the present MLA can hold it, then I am sure that I can manage as well." So this is the way out. This is the kind of leadership that we're getting.

Mr. Speaker, one of the main messages that we got from the Leader of the Opposition in his role as an economist — I think this is really where there is a flaw in the Conservative Party; there is something that I can see, it is, I think, the shortcomings of some of the members of the opposition, and that is in their lack of economics. Some of them have a very good grasp of business. They know the balance sheet. They have in their own lives risked their money and managed their businesses, and I think that that is to their credit. But when it comes to government, there is another sort of step up or maybe a quantum leap from being a small businessman, or maybe even a large businessman, and moving into government, and I think that the difference is this: That first of all, you need to have a broader understanding of economics, which they seem to lack, and I would like to deal with some of the economists that they quote to us; and secondly, you have to have a knowledge of what is in the public interest. You have to be concerned with the public interest, not with the business interest, not with the interest of a selected few but with what is best for the public, for the whole public. Well that's the old Li'l Abner thing about what is best for General Bullmoose is best for the country. Or as one chairman of the board of General Motors once said, "What is best for General Motors is best for the United States. And you know, Mr. Speaker, I think that is completely backwards or upside down. That isn't the way it works at all.

**MR. DOERN:** One of the main points made by the Leader of the Opposition was that governments cause inflation. That's a hobby horse that he has ridden and he is going to keep riding it for the next election and beyond because that is his big hangup. He wants to blame all the problems of our society on government because he thinks the government is a very bad thing. And yet there is always a peculiar contradiction here. Here is a bunch of Tories who keep saying, "Government is a terrible thing," and they spend all their time trying to take the government. It's a bit of a contradiction. They're

going to take power so they can commit suicide. Well, we know that that isn't going to happen. They are going to take power and they're going to then try to perpetuate themselves in power. This is what they are going to try to do. But they tell us that they believe in gentle government and quiet government and so on. This is what they tell us. And they tell us that all the problems of modern society and all the problems in Manitoba are the fault of the New Democratic Government. So what do we get? We get quotations.

The otherday, on Friday, we got quotations from the Leader of the Opposition about the causes of inflation. And he gives us a score of exciting economists. For instance, he gives us William Simon. Well, you know, William Simon is not an economist. I think he is a stockbroker, but he was a high ranking American government official. We get quotes from Milton Friedman. I didn't hear Herbert Kline. I was hoping that they would mention Herbert Kline who appeared in Winnipeg at a seminar sponsored by the Great West Life Company called, was it, not problems for tomorrow but Dilemmas of Modern Man or something like that, about a year or so ago. They brought in Herbert Kline who was practically booed off the stage of the Centennial Concert Hall because he was talking in such a right-wing manner that it was offensive to a large segment of the Manitoba audience. And he read to us the other day, or I guess a few weeks ago, he read us a report which really said in effect that extravagance in government spending would lead to the downfall of society and then they said something about Kubachek (?) in Brazil. So I thought this was a very peculiar kind of a quote. It's the sort of thing that they dig out from various obscure publications and obscure economists.

Mr. Speaker, I thought that this one sounded quite peculiar, but this was a major pronouncement by the Leader of the Opposition. He said that government spending will lead to the downfall of society. And he quoted from the annual report of the Bank Credit Analyst. I never heard of this outfit before so I asked somebody if they would check it out for me and this is the report back that I got. One is that it is not one of the important or major publications in economic analysis; the economist I asked had never seen a copy of the report, all they could tell us was the following: That it was published by a company called Monetary Resources Limited and they are from Front Street, Hamilton, Bermuda.

**MR. DOERN:** Who knows how many employees — this is just a one-man newsletter, you can buy it for \$275 a year and it's published by Storey, Beck and Associates. Mr. Speaker, nobody ever heard of these people. I don't think anybody here ever heard before of Monetary Resources Limited, of the annual report of the Bank Credit Analyst, of Storey-Beck Publishers. All it is is a corporate newsletter that is put out on a monthly basis, I suppose to bolster up some of the businessmen who are worried about socialism and make them feel better, that there is somebody out there who is thinking like them.

The Leader of the Opposition harps on this notion that governments cause inflation. I would like to just cite three counters to that notion: one from the Federal Government. In 1976 in a publication called *The Way Ahead, a Framework for Discussion*, they said as follows: "The notion that inflation results from excessive government spending is a popular one, and indeed there may be instances where governments must bear a large share of the responsibility for inflation. But to diagnose the inflationary spiral we have recently experienced is largely attributable to a profligate government, however, is simplistic to the point that it is misleading. Such a diagnosis ignores the fact that the recent acceleration of inflation was a world-wide phenomenon. It ignores the fact that all industrialized democracies have experienced gradually increasing inflation for at least the last three decades. And most fundamentally, it ignores the institutions that make up the Canadian economy and the complex relationships that define Canadian society."

So Mr. Speaker, here is the Federal Government commenting that for the last 30 years, which goes back to the Campbell government in Manitoba, the Roblin government and our government, that we have had in fact inflation and a pattern that certainly cannot be laid at the doorstep of one particular government no matter what their particular stripe is. Secondly, there has been a tremendous acceleration in the price of energy and those prices have simply driven up the prices of almost all manufactured and industrial commodities. That is not a problem that is attributable to the NDP in Manitoba. That is a world-wide phenomenon in industrial countries. And another example would be the international factors which have added to inflationary pressures, like the Vietnamese war where billions and billions and billions of dollars have been pumped into the world economy. Those are some of the causes of inflation. But the Leader of the Opposition, he has a simple explanation: It's the government; it's socialism. That's what causes inflation. Well, Mr. Speaker, I think you can see that that is simply totally false.

And he talks about we see the government in one way and he sees the government in the other; and we march to a different piper and he marches to a different piper and so on. The difference I think partly is this, that this side as I see it sees government as a tool of the people, that it is something that the public uses to have their voice heard in the economy and in society at large. The Conservative view is that the government should serve business, that government programs and government policies should be at the disposal of the business sector. And you know, I could give you a very good illustration of that. Well CFI is a good illustration. Another illustration that is before the Council of the

City of Winnipeg is a proposition put to them by a businessman about building an arena. I think this is the sort of thing that is near and dear to the hearts of my honourable friends. This is considered to be free enterprise. A businessman intends to give the people of this province and the people of Winnipeg in particular, wishes to give them free, an arena, worth \$15 or \$16 million, a free gift. And what does the city have to do in exchange? Well, all that is required on the government side is free land, free taxes in perpetuity, government grants if possible, guarantees, salaries and other commissions. This is considered free enterprise. What it is in fact, Mr. Speaker, is the opposite. It's a score of concessions, grants and loans to private industries subsidized by the taxpayers of the province. That's what it is. And that's what I think this government and individuals in this government are very very reluctant to support and what some of the members of the opposition are willing to rush headlong into — they are willing to make these concessions; they are willing to give these grants and they talk about this as if it's free enterprise. Their solution for job creation is give millions of dollars to the private sector and then this is called job creation, when in fact what it is it's indirect government job creation. The government puts up the money and the private sector hires the individuals. I think it is more honest and more direct, and I would say better for society there is no profit taken out in between — the government to simply create the jobs and hire the people rather than to perpetuate the thing through this indirect device of funding the private sector and then saying that the private sector created the jobs.

My honourable friend, the Member for St. James, he often kids me about the Memorial Park washroom. This is his big one-liner that he's been using this session. The only difference, Mr. Speaker, in the construction of that facility between the way that we did it and the way that the Conservatives would have done it is they would have installed pay toilets and they would have called that free enterprise. They would've said, "This is a really a step forward for the business sector."

I've listened to the Leader of the Opposition as he talks economics to us and he thinks, Mr. Speaker, that John Kenneth Galbraith is a novelist. I suppose that he also thinks that William Shakespeare or some of the great writers of the English language are economists. He probably thinks that Ayn Rand is an economist because I am sure that he reads her for inspiration.

We had in this debate a number of areas that were covered. One that I find very hard to understand is that the government has been criticized for not planning larger term projects. We've been criticized for developing a whole series of short-term job creation programs. I really find this hard to grasp, because if you look at the total thrust of the government, if you look at the Budget and the Job Creation Program side by side, you will see that both areas are covered. For instance, the Member for Fort Rouge made a big point about us not constructing more recreation facilities. Mr. Speaker, if you look at the Budget and the aspects of our Job Creation Program, you see the following kinds of projects. There are some \$500 million worth of long-term major capital construction projects in the Budget, several hundred million dollars in Hydro development, \$42 million for telephones, \$64 million for MHRC and housing, \$20 million in highways, \$21 million in public works. There's your big projects. There's your long-term development. There are the projects that will be standing for decades and beyond. So that criticism is certainly not valid.

And similarly, the Honourable, the Member for Fort Rouge among others said says, "We should be building permanent recreation programs and building permanent recreation facilities." Well, all I have to do is refer him to the Special Municipal Loans Fund. For instance, in the City of Winnipeg, that is apparently going to be used by the city for the construction of an arena. Let me start again, it's going to be used for the construction of a stadium. That will be a permanent recreation facility. It will probably also be used for the construction of an arena, providing that arena is built by the city.

And if you look throughout Manitoba, you see the following kinds of programs for recreation, all across the province. The Russell Memorial Arena will have renovations of \$8,000 — these are current. There will be an arena in St. Andrews; a sports field in McAuley; there will be an arena in Lynn Lake; renovations to Pine River Community Centre; the campground in Minnedosa; skating rink in Minnedosa; community arena and recreation ground in Altona. So that's throughout southwestern Manitoba and that's all around the province, including where the Conservatives represent their constituencies, and that's fine. It's equally distributed.

So, Mr. Speaker, we have tried to get this idea across to the Members of the Opposition. We have also announced, and yet we are heavily criticized by the Member for Fort Rouge, among others, a program of construction in the inner core of Winnipeg, which is demanded by Members of the Opposition, demanded by members of City Council, desired by the people of Winnipeg. And when we announce it and proceed to build a new Court Building, which we are planning, they don't want that; a new Laboratory Building which we are planning, they don't want that; a new Provincial Garage which is under construction, they don't want that; or a new Autopac Building. All of this is dismissed as more office buildings. Well, you know, I suppose that ultimately everything could be called an office building. But if you need a court building, because you have a backlog of court cases and the wheels of justice are grinding extremely slowly because of it, you have to put up a new court building and build new courtrooms. And if you want to relocate laboratories from mixed uses with office



buildings and from a decentralized basis, if you want laboratories, you know, you have to put them under a roof. And a garage — I don't know if you want to call a garage an office building, but the Leader of the Opposition thinks it is — and so on.

Mr. Speaker, I just have two more final points that I want to make. The whole Budget and the Job Creation Program cannot be seen in isolation and I think this is what has been done. Manitoba is trying to a certain extent to go it alone. We see the problem as unemployment; the Federal Government sees the problem as inflation and they are prepared to allow the unemployment rate across Canada to rise to over a million Canadians. You know, I think that's really shocking. We are trying to combat, as best we know how, as best we can within the limitations of a Provincial Budget, unemployment. And at the same time, we are trying to keep our budget in balance or as close to balance as is humanly possible.

You know, the Leader of the Opposition talks inflation but we still have our AA rating; we still have what is very close to a balanced budget, I think as close as any other government faced with the same sort of problems. If outsiders, whom the Members of the Opposition respect, examine our accounts, they will say that Manitoba is soundly administered and it is soundly run because that ultimately shows up in the ink of the Finance Department. So I say, do not look at our Job Creation Program or our Budget in isolation. It has to be seen in relation to Ottawa. We have done things for the small businessman too. We have provided money for the small businessman too, but Ottawa has put in a \$1 billion tax cut. I don't think that should be ignored. I don't think that the Members of the Opposition shouldn't say that business is not being helped; it is being helped by the Federal Government and by the Provincial Government. But the Federal Government in its direct program for employment, comes up with a miniscule \$100 million, compared to our \$33.5 million, and I think that it can be shown that our effort is some eight or ten times stronger than theirs.

We also have a short-term program because we think, and we hope, that Ottawa is going to do something in the fall. I believe that they will be driven by necessity, by the unemployment rates, by the pressures of society, to enact certain programs and undertake certain measures that will cause more job creation. So we are waiting to see what will happen in the fall, and that cannot be ignored.

So we can be criticized; we can be criticized for that, but I think it is a sound policy and I would like to know what the Members of the Opposition think is a better one, whether they think we should undertake additional hundreds of millions of dollars worth of capital over and above what we are doing, or whether we should undertake additional tens of millions of dollars of short job creation over what we are doing.

We also hope, nobody welcomes unemployment, but I think all of us hope there will be a recovery in the private sector, or that there will be a recovery in the United States to stimulate the Canadian economy.

So, Mr. Speaker, I could go on at some length but I won't. I would only make this other debating point to the Leader of the Opposition. He keeps talking about freedom. You know, everything is freedom. Well, I don't know anybody who is against freedom. I have never yet heard anybody say, "I'm against freedom." Nobody in North America has ever made that statement, to my knowledge. But you know, there is a problem with freedom, Mr. Speaker, and it is this, that you must also have a certain amount of security in order to have a certain amount of freedom and you know, some people have a lot of freedom because they have a lot of security.

So some people in our society have choices which are not available to people at the bottom of the ladder, the people in the bottom third of society, or maybe the people in the middle as well. All of us, all of us have the right to summer cottages and automobiles or second or third automobiles and so on, do we? Can anybody in society make that statement? Anybody can buy a Cadillac, anybody — all you have to do is have \$10,000 or \$12,000 or \$15,000.00. And there are many rights and many freedoms which are not available to people because they maybe started out with two strikes against them, or they were not able to advance themselves, maybe due to certain misfortunes or certain handicaps, psychological, physical, etc. etc. But to just say that freedom is the issue and security doesn't count, I think is a mistake. It's obviously a blend or a combination and there is such a thing as responsibility, I think, as well, to the less fortunate people in our society.

So I would conclude, Mr. Speaker, by the following. Will this Budget benefit the private sector? I say yes, it will. Will it tackle the short-run problem of unemployment for everybody including students who are coming onto the job market or more women who are coming onto the job market who seem to have special employment problems? Will it tackle that? I say yes. Does it contain projects of permanent value? Yes. And will it counter a downturn in the economy? Yes.

You know, the Members of the Opposition, they remind me of the people in the United States a long time ago in the Dirty Thirties and prior to that. They want us to kind of sit back and not do anything. They really don't want government action because they don't trust the government; they don't believe in the government. They are prepared to countenance or suffer unemployment. Well, Mr. Speaker, we are not. I believe that the Number One social and economic problem in Canada today is unemployment and this government is going to do everything in its power to combat that.

**MR. SPEAKER:** The Honourable Member for St. Matthews.

**MR. WALLY JOHANNSON:** Mr. Speaker, it is always difficult to debate with the Leader of the Opposition because he always hits and runs. At the beginning of this Session, I was looking forward to his presence in this House because I had heard that he had some reputation as a debater, but I haven't seen it during this Session, Mr. Speaker. The man comes into this House about once every seven days, makes his speech and runs out before anyone can reply. Not only does he do this, but today he makes slighting remarks about the Premier not being in the House. I have been in this House for eight years, and our Premier spends a good deal of time in this House and he spends a good deal of time in this province visiting the different communities in the province. When the Leader of the Opposition makes slighting remarks about the Premier having lost interest in the House, that's simply absurd because certainly our Premier has seen more people, visited more communities more often than any Premier in the history of this province. And not just before elections either. He does it all the time and he has done it over the last eight years. I have no concern about him losing interest in this province; I have no concern about him running out of steam or the government running out of steam.

Mr. Speaker, it's interesting to listen to the Leader of the Opposition. He continually accuses us of being ideologues, of being obsessed with ideology. And yet he spouts a continual line of invective which is ideologically generated. He doesn't talk about the issues. He doesn't argue about the facts. What he does is he damns us with invective. That's maybe a debating technique, but I don't think it's going to win him much support. It obviously won't win him support on this side of the House but more importantly, I don't think it's going to win him support among the people of this province.

I have noticed lately that he has started to hedge his bets. In the first month or so, he always was very clear about the fact that he was going to win the election coming up. Now, he is starting to say it is not so important that the Conservatives win the election. He makes references now to the fact that the government may just, by accident, be re-elected. But he's starting to hedge his bets. He is starting, Mr. Speaker, to protect his back because he knows what happens to Leaders of the Conservative Party who lose elections.

**MR. SPEAKER:** Order please.

**MR. JOHANNSON:** There is hope yet for the Member for Lakeside; there is hope yet.

I don't want to deal today with an ideological dispute; I don't want to deal with invective. I would prefer to talk about something said by the Leader of the Opposition and I would like to deal with it in terms of the facts. Let's forget about ideology; let's just talk about the facts.

And the facts are on record in this case. The Leader of the Opposition started this debate last Friday, I believe, and he is reported in the paper on what he said. I heard his comments in the House and the report in the paper seems reasonably accurate. This is from The Tribune and the headline is: "NDP Will Leave Treasury in a Mess, Says Lyon. Conservative Leader Sterling Lyon predicted Thursday," pardon me, I was wrong on the day, Thursday, he wasn't here on Friday. The Leader wasn't here on Friday to continue the debate; he was absent from the House. "He predicted Thursday that the NDP government will leave a financial mess behind when it is removed from office. Mr. Lyon said that the Provincial Auditor's refusal to certify the government's operating budget for the 1975-76 fiscal year is a condemnation of the NDP's management." Again, the Leader of the Opposition is hedging. He is stating that we are going to leave the Treasury in a mess, that there are financial skeletons rattling around, and that, if he is lucky enough to be elected, that would be his excuse to avoid doing anything specific. If he ever does make a promise which he binds himself to publicly, then he has a hedge to avoid carrying out that particular program which he has promised. So far I haven't heard him make a specific promise on anything. —(Interjection)— Well, Mr. Speaker, he is even hedging that. He is not so certain anymore that he is going to get rid of me or the government.

He states that the Auditor's hedging on certification of the 1975-76 Budget is a condemnation of our management, financial management. And he made some remark about the Honourable Member for St. Johns hectoring and harassing the Provincial Auditor in Public Accounts Committee. It's again interesting, Mr. Speaker, when the Member for Souris-Killarney, the Leader of the Opposition, indulges in persistent questioning — that is persistent questioning. If the Member for St. Johns indulges in persistent questioning — that is hectoring or harassing the Provincial Auditor.

I was in the Public Accounts, Mr. Speaker, when this questioning occurred, both by the Leader of the Opposition and by the Member for St. Johns and the questioning revolved around the qualification that the Auditor placed upon his certification of the Public Accounts and I want to read this into the record because I think it is really important. I'm quoting from Public Accounts, Thursday, May 5, 1977, Page 61:

"Mr. Cherniack: It's not that important. Now, Mr. Ziprick, you agreed with Mr. Lyon that the caveat you put on this last year's audit was a fundamentally important one.

"Mr. Ziprick: Yes.

"Mr. Cherniack: I believe you said that it was put in because of the more SCC recent, stringent

requirements of the and of the potential bond buyers.

"Mr. Ziprick: That was my main concern and consideration for being more specific.

"Mr. Cherniack: You also said that maybe you think now it could have gone in the last couple of years.

"Mr. Ziprick: That's right.

"Mr. Cherniack: If I may take you back ten to fifteen years, and except for a matter of degree, would you not have been faced with the same problem when Highways were being paid for out of both current and capital, or when universities were being paid for out of both current and capital?

"Mr. Ziprick: This same problem has existed in Manitoba from as far as I can remember." (And he is talking there about the difficulty in making a division between current and capital.)

"Mr. Cherniack: And the same caveats would have been applicable in those years as well.

"Mr. Ziprick: That's right.

"Mr. Cherniack: But you didn't do it because it wasn't asked for or stressed to the extent that it is now by and other credit-approving agencies?

"Mr. Ziprick: Essentially that's right, yes.

"Mr. Cherniack: I just want to help Mr. Lyon in his fair and honest evaluation and non-partisan approach to what is the report you are making, because you wouldn't want to assist him in showing an unfair presentation of the finances of the province."

Now the Auditor in his report put a caveat on his certification because of only one matter, the difficulty of deciding whether a matter should be placed in current or capital accounts.

I quote from the same page:

"Mr. Cherniack: And that then would eliminate the need in your mind for this kind of a caveat?

"Mr. Ziprick: That's right.

"Mr. Cherniack: But the figures wouldn't be any different, would they?

"Mr. Ziprick: The statement would be different.

"Mr. Cherniack: Well, the true statements combined would not be different, would they? But the two statements together presented the correct picture, didn't they?

"Mr. Ziprick: That's right, and that is critically important.

"The two pictures together of the current and capital present the correct picture, don't they?"

Mr. Ziprick said, "That's right."

So essentially, Mr. Speaker, the Provincial Auditor stated that the combined capital and current account presents a correct and clear picture of the province's finances. There is no mess. There was a caveat which was a technical one, essentially. There is no mess. The finances of the province are in good shape, in excellent shape.

You know, Mr. Speaker, the Leader of the Opposition has the guts of a burglar and the same level of honesty when he is debating in this House. He implies essentially that the Auditor and the Finance Department are covering up. Essentially he is implying that the Auditor and the Finance Department are lying to the people of this province, that they are not presenting a true financial picture to the people of this province.

And what did he say this afternoon? He said about a statistical release for the Finance Department that it was manipulation, that it was nonsense, pathetic, verging on misleading. He is not talking about a statement by the Minister, who is a political person, he is talking about a statement developed by the civil servants of the Finance Department.

Mr. Speaker, I don't think that anybody is a god-like figure. I don't think that anybody has god-like qualities. I don't even think that I myself qualify, and I don't think that we should erect the Provincial Auditor as a god-like figure. I don't think that his findings should not be subject to dispute, to argument, because he is within the political process and his questioning certainly should be subject to argument. Everything in the political arena should be subject to argument.

The Leader of the Opposition claims that we are in a financial mess and he claims it on the basis of a technicality in the certification of provincial accounts by the Auditor. And yet the Auditor has stated that the combined account presents a true picture.

We also have received from Moody's Bond Survey a AA rating. I am not going to exaggerate, we received a AA rating, which the previous Tory government never received. So we have received a AA rating on the handling of provincial finances, and Moody's have claimed that we handle our finances in a prudent, businesslike fashion.

I would also like to read some comments from Canadian Public Administration, Spring Volume, 1977, which deals with the Public Accounts Committees and Auditors General of the provinces and the Federal Government. It makes for rather interesting reading. It is current, up-to-date, and it says some interesting things about our position relative to those of our other provinces. For one thing there is a table evaluating the effectiveness of the Public Accounts Committees of the various provinces, and those that rank low in effectiveness are Newfoundland, Prince Edward Island, Alberta of all places — Alberta? — and British Columbia. The medium effectiveness provinces are Nova Scotia, New Brunswick and Quebec. The high effectiveness are Ontario, Manitoba and

Saskatchewan, Ontario, Manitoba and Saskatchewan are rated as having highly effective Public Accounts Committees.

Now partly that would be due, of course, to the role that the Opposition plays, but the measures of effectiveness are based upon a number of criteria:

- (1) Independence
  - (a) Tasks to perform
  - (b) Size and chairman
  - (c) Government members' behaviour
  - (d) Constraints upon scope
- (2) The Use of the Provincial Auditor
- (3) Depth
- (4) Seriousness
- (5) Atmosphere

So the Public Accounts Committee of Manitoba ranks high in effectiveness. And one further rather interesting finding from this article is that it deals with the scope of audits. "The second problem we identified concerned program audits. At the present time only Manitoba seems to be systematically entering this field." At the present time only Manitoba's seems to be systematically entering this field. In other words only in this province is the Provincial Auditor and the Public Accounts Committee attempting to move into the area of management audits, which hardly implies that we are mistreating or misusing the Committee.

It is sometimes useful to remember what has happened in this province when we are talking about current events, current developments, and, Mr. Speaker, just for the record I would like to contrast what happened when the Member for Souris-Killarney was a senior member of the Roblin government and what happens today. And I would like to look at both the Public Accounts Committee and the Provincial Auditor's Office.

When the Leader of the Opposition was in government, the Public Accounts Committee, Mr. Speaker, didn't have an Opposition member as chairman, it had a government member. I was checking through the records of the House and I ran through the names and the last name of the last Public Accounts chairman under the Tories was Reg Lissaman. We as a government have made it a policy that the Opposition shall have the chairmanship of the Public Accounts Committee, and this is one of the standard measures of a more competent, more effective Public Accounts Committee.

A second difference, Mr. Speaker, when the Member for Souris-Killarney was in government, they had no Hansard of Public Accounts Committees. They didn't keep a record of what was going on.

**A MEMBER:** Aha, covering up.

**MR. JOHANNSON:** Yes, that was open government. No record of the proceedings of the Public Accounts Committee. Today we have a Hansard, and we brought that in as a government, we brought it in almost immediately after we became government.

A third difference, Mr. Speaker: When the Tories were the government, the procedure of the Public Accounts Committee was basically to proceed page by page through Public Accounts, which is a rather inefficient use of the Committee's time. We now proceed primarily through the Auditor's Report, which increases the effectiveness of the Committee.

A fourth difference: When the Tories were government, the meetings of the Committee were relatively non-partisan and relatively short. Today the meetings of the Committee are highly partisan because we have a highly partisan Opposition. The Opposition today views any aspect of our procedure as a means to defeat the government. Now that's fair game, but I would simply like to point it out.

Fifth difference, there was a low effectiveness in those days of Public Accounts Committee, and today there is a high effectiveness. I would like to point out a couple of differences with regard to the Provincial Auditor. When the Tories were government there was no Provincial Auditor. There was a Comptroller General who had a different function. He was an employee of the Finance Department. He was not a servant of the Legislature as such. Today we have a Provincial Auditor who is basically a servant of the Legislature, not an employee of the government.

The second difference, formerly there was no auditing of Crown corporations by the Provincial Auditor. In the days when the Tories were government Crown corporations were not audited by the Provincial Auditor, and that meant that the Public Accounts Committee could not, in its proceedings, look at the audited statements of Crown corporations. Today of course the Public Accounts Committee looks at the Auditor's statements which arise pursuant to his auditing of Crown corporations.

A third difference, in the days when the Tories were government there was no attempt by the Comptroller General at a managerial audit. Today the Provincial Auditor is trying to expand his function into the managerial audit, and I am not saying that I agree with that. In fact there are parliamentary authorities in Britain, in Australia, who think that this is not a proper function for a Provincial Auditor.

Today the Provincial Auditor also, Mr. Speaker, has the a pre-audit function which he did not have formerly.

And finally, Mr. Speaker, I discovered, when I was looking through the records that prior to 1970, there was no such thing as a Report of the Provincial Auditor. There was no such thing as a Report of the Provincial Auditor because The Report of the Provincial Auditor is made pursuant to the Act which established the position, and that Act was not passed until the first session of this government, so the first Report of the Provincial Auditor was made to the Legislative Assembly for the fiscal year ended March 31, 1969, and this was tabled before the Public Accounts Committee in 1970. The Tories didn't even have a report from the Provincial Auditor. They had no Provincial Auditor. Mr. Speaker, when the Leader of the Opposition makes statements about our not being open about the affairs of government they are ludicrous when looked at in view of his record in government. The difference is like night day, things are so much more open now than they were when he was in government. So it is wise to keep that in mind when we listen to the speeches of the Honourable Leader of the Opposition.

**MR. SPEAKER:** The Honourable Member for Flin Flon.

**MR. BARROW:** If no one else wishes to speak, Mr. Speaker, I move, seconded by the Member for Gimli, that debate be adjourned.

**MOTION present and carried.**

**MR. SPEAKER:** The Honourable Minister of Health acting as House Leader.

**HONOURABLE LAURENT L. DESJARDINS (St. Boniface):** No. 79, Mr. Speaker.

### **BILL (NO. 79) — AN ACT TO AMEND THE REAL PROPERTY ACT**

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

**MR. HARRY E. GRAHAM:** Thank you, Mr. Speaker.

Mr. Speaker, this bill was brought in by the Honourable Attorney-General, but it is really a bill that deals with that famous other bill, the farm property bill. It is the amendment to The Real Property Act in this bill which will make the other bill operative.

When the Minister of Agriculture was speaking on Bill 56 the other day, I believe it was Thursday, he made a few comments that I think are worth looking at when we start dealing with this particular bill. He said that the purpose of Bill 56 was mainly to strengthen the owner-operated family farm structure in Manitoba. And the way he was going to do that was to the extent that they reduce the pressure on the market, the market for farm land, and that is what they are going to do when they bring in this Bill 79, An Act to amend The Real Property Act.

At least that is what the Minister of Agriculture thinks he is going to do. I suggest to you, Sir, that whether or not Bill 79 passes or whether or not Bill 56 passes, that the so-called pressures that the Minister of Agriculture refers to, those pressures will always exist on the farm land scene, that the price of farm land will always be dictated by those pressures, and those pressures are the pressures of the marketplace. They are not the pressures of legislative action. They are the pressures of the marketplace. And that marketplace is influenced by many factors, none of which are in this bill that will have any significance at all in that respect.

Whether or not you control foreign ownership of farm land, Mr. Speaker, I humbly submit, will not affect the price of farmland one iota in this province. There have been reports, and there have been reports that have been used for argument's sake in this Chamber, that have suggested that outside interests from other jurisdictions have been offering and paying extremely high prices for farm land in Manitoba. I don't think for a minute, Sir, that they have been paying extremely high prices. In fact, I can assure you, Mr. Speaker, that if you studied the sale of farm lands in this province, I can assure you that there are as many Manitobans who are engaged in the active business of farming who are paying prices just as high, if not higher, than those being paid by others outside the realm of this province.

I know that has occurred in my constituency and it will continue to occur as long as there are people who want to sell and there are people that want to buy and they arrive at a mutual price, those transactions will occur. However, if we attempt to curtail those transactions by legislative process, then you have to ask the question of whether or not that legislative process is acting in the interest of Manitoba and those that are involved in the active business of farming. I know of farmers who are doing an excellent job of farming, who who own some land of their own, and rent some land. They have done a very extensive cost analysis and they have come up with a formula which they believe is in their best interest to own some of the land and to rent some of the land. They have a mixed dichotomy that they believe anyway is to their best interest because there is an old saying that has existed for many years in the agricultural field, that a farmer can be land poor, that he can spend, effectively invest all of his capital in the purchase of farm land to the extent that he has not retained sufficient for operating capital to operate the land that he has purchased.

However, Mr. Speaker, I don't want to get too much into that discussion, I want to deal more in particular with some of the interesting facts that seem to be appearing which indicate some maybe accidental mistakes on the part of government, or they may indicate the philosophy of the

government when they are bringing in this type of legislation. It is quite clear from everything I can read in Bill 79 that there will not be the register of the transfer of any land by agreement for sale or caveat claiming an interest in the land unless that application for registration is accompanied by a statutory declaration, signed and executed by the purchaser or a person acting on behalf of the purchaser. That statutory declaration has some very interesting qualifications in it, Mr. Speaker. If the intent of the government is to restrict foreign ownership or if the intent of the government is to restrict the ownership of farm land to those who are not actively involved in the business of farming, then I would suspect that that statutory declaration would include a statement as to whether or not you are an active farmer. But it doesn't include that. There is nowhere in that, as far as I can see, that there is a statement to be made by the person who has purchased the land, that he is an active farmer who is presently engaged in the farming operations in the Province of Manitoba.

I understand from the legislation that that was one of the fundamental principles that was being enunciated in Bill 56, that you were to protect the farm land of Manitoba for the farmer who was actively engaged in farming operations in the Province of Manitoba, and to restrict —(Interjection)— 82(3)(e) Well, I would think, Mr. Speaker, that one of the first questions you would ask would be whether or not you were an active farmer. We have a question in here, it says, gives you the place to state whether or not the principal occupation of the purchaser is farming. But I would think that that would be the very first question you would ask.

There is another thing too. If you are an active farmer, then it doesn't really matter, it doesn't really matter how much land you have, you can still purchase some more land. But here, in this declaration, they want you to state on there the amount of land that you presently own, even though that is of no significance if you are an active farmer. They still want you to declare the amount of land that you own. I suspect, Mr. Speaker, that that may be asking for information that is maybe unnecessary. Is it really important to the government to know how much land each active farmer owns? I think it may be important, and I know that they do have the record of the amount of land that is suitable for agriculture, because it has all been classified and is registered in the Canada Land Bank.

On top of that, they want a brief description of the land, a statement of the acreage and the consideration and sworn value of the land being acquired. Now, I would suspect that the purchase price would be a reasonable figure to include there. That isn't what this says. It says they want a sworn declaration of the value of the land. Now, Mr. Speaker, we have always had arguments about the relative value of farm lands and we have had differing opinions on the value of farm land. I would like to know whose opinion you want on this declaration of what the sworn value of the land is. Is there going to be a penalty if he swears the value to be different than somebody else's opinion? Furthermore, Mr. Speaker, I doubt whether that information is of any particular value to the government. —(Interjection)— You already have that on your transfer, on your title. If it's already on there, why do you want it on your statutory declaration which is a separate document? What is the purpose? Why would you want duplication? There is no reason that I can see to have this additional . . . And if the figure that is put down as the sworn value is different than the purchase price, why would you need it on an extra piece of paper? —(Interjection)— Well, I beg to differ but I suspect that a copy of the declaration, a separate copy, has to be sent to a designated person, etc., under Section 82(9). I don't imagine it's the full agreement, but maybe I could be wrong. I would like to know what the intention is. I understand that this statutory declaration shall be a separate document, separate and apart from the agreement for sale or the land title.

I would think, Mr. Speaker, that the government had better do a little rethinking on this whole thing, and maybe when this bill goes to Committee, we can have some amendments that would come up that would make a little more sense than what we have at the present time included here. When the Minister is closing debate, maybe he can give us a little further clarity on that.

Where the purchaser is a corporation, they request the names and addresses of all the shareholders, whether or not they are resident Canadians, and the amount of land owned by each of the shareholders at the date of the declaration and also the principal occupation of each. Now, Mr. Speaker, if they are all farmers, and that has already been established, is it necessary that all this information be acquired? Then they go on further and they want the amount of land owned by the purchaser, where the transfer — then we are getting into the area of the trustee. But, Mr. Speaker, I think that there is a lot of information that is being requested here that may be of secondary or even questionable value when it comes to this statutory declaration.

There is a section though, Mr. Speaker, that does interest me considerably and this is a section dealing with exemption. And exemptions in most cases are covered by regulations, but there is an exemption where the corporation, the majority of whose members are appointed by the Lieutenant-Governor-in-Council or by the Governor-in-Council. Now, how many corporations are there that this would apply to? If there is a corporation, Mr. Speaker, and I would just use for argument's sake, probably the Minister of Mines and myself and the Member for River Heights and probably the Member for St. Boniface formed a corporation, or maybe none of us were Members of the Legislature, but we did or were successful in borrowing money from the Manitoba Development

Corporation. We do know that it has been practiced on numerous occasions before where the MDC has, instead of just lending money, taken an equity interest and in those cases they have been able to appoint directors to the boards of the corporations. Under this, I read it that that corporation would be exempt from this and would be able to buy and purchase as much land as they wanted to in the Province of Manitoba even though they weren't all farmers. In fact, maybe none of them were farmers, but they would be exempt from the regulations that apply to all others.

Now, if that is not the intention, if it is only a corporation, say a Crown corporation, then I would hope that we would spell it out as being a Crown corporation, but we do further on identify some corporations: a municipal corporation, school district or school division, a hospital district, etc. But you have identified a class of corporation here which I think is a pretty loose identification. All you say is that the majority of them shall be appointed by the Lieutenant-Governor-in-Council. Now, does the Lieutenant-Governor-in-Council operate entirely on its own, or is there the power of divesting that authority? Would that apply to, say, the Manitoba Development Corporation who are acting as agent for the Lieutenant-Governor-in-Council? I would like to have a little more clarification on that. Otherwise this looks as though it's a pretty open-ended type of classification.

I would ask the Attorney-General when he closes debate or when we're in committee on this to further look into that and give us a further clarification of what the real intent is there; because I think there may be an opening there that was not intended.

Then there is the other exemption of corporations by the Attorney-General himself. Now we have an exemption by the Lieutenant-Governor-in-Council and then we have a special one for the Attorney-General where he may exempt any corporation. Or under this section, "Upon such conditions, if any," is irrelevant, interesting, "as he considers appropriate," because there may be no conditions and he can still exempt, and I would like to know why the Attorney-General wants that additional power when already they have that power under the Lieutenant-Governor-in-Council.

Just one added area there that I think needs a little clarification. There is another area that does cause some concern to me and that's dealing with those who may make that declaration; and it may in fact be a person who has absolutely no knowledge of the facts at all. He can make this declaration; made on the basis of the information obtained by him and his belief therein. Now he can make that quite conscientiously believing it to be true and it may not be true. But if that is the case, who pays the penalty? Is it the person who made the statement or those that are involved in the transaction?

Sir, I would like to see several points cleaned up in this bill when it goes to committee. There may be other members who have seen some points in here that I have missed. There may be other members who want to comment on it, on second reading, before it goes to committee. But I look forward, Sir, to the comments of the Attorney-General when he closes debate and I would hope that there will be changes when it goes to committee.

**MR. SPEAKER:** The Honourable Attorney-General shall be closing debate. The Honourable Attorney-General.

**MR. PAWLEY:** Mr. Speaker, in connection with the comments pertaining to Bill 79, I will make just a few comments because I believe that most of the items raised can be more satisfactorily dealt with in the clause by clause analysis in committee.

Insofar as the swearing of value; the fact is that on the transfers of land today that one signs there is a provision for the swearing of the value of land which must be taken. The document here would simply be a copy of that which is required for purposes of the transfer of land, which would be used for purposes pertaining to the administration of the other Act; I would think that in committee we could have a discussion as to the need for the additional copy. But that is information that is requested or required today prior to the transfer of any land upon its registration in the Land Titles Office. Penalties would be as per the penalties that would be applied today in the event that one takes a false affidavit. Of course there are provisions pertaining to knowingly taking false affidavits and those are applied from time to time today.

The question as to why the amount of land is required, it would be my understanding that the amount of land would have to be shown on the declaration so as to make it possible to ascertain whether or not the particular purchaser had already exceeded the exemption, the amount of exemption permitted for that purchaser pertaining to that particular class of purchaser. So it's needed for information in that regard.

The other areas I think could be better dealt with in committee when a more detailed analysis can be done.

**QUESTION put, MOTION carried.**

**MR. SPEAKER:** Bill No. 82. The Honourable Member for Gladstone.

**MR. JAMES R. FERGUSON:** Stand, Mr. Speaker.

**MR. SPEAKER:** Bill No. 84, the Honourable Member for Gladstone.

**MR. FERGUSON:** Stand also, Mr. Speaker.

**MR. SPEAKER:** The Honourable Attorney-General.

**MR. PAWLEY:** Mr. Speaker, if you could call third readings on amended bills. Second readings? Okay, second readings.

**SECOND READING - GOVERNMENT BILLS**

**BILL(NO.87) - THE HOMEOWNERS TAX AND INSULATION**

**ASSISTANCE ACT**

2

**MR. SPEAKER:** The Honourable Minister of Finance.

**HONOURABLE SAUL A. MILLER (Seven Oaks)** presented Bill (NO. 87), The Homeowners Tax and Insulation Assistance Act, for second reading.

**MOTION presented.**

**MR. SPEAKER:** The Honourable Minister.

**MR. MILLER:** Mr. Speaker, this bill contains the provisions that are necessary to implement those three assistance measures for Manitoba homemakers, they were as I say, proposed in the Budget.

Part I of the bill contains the legislative provision for the Pensioners' Property Tax Deferral Program.

Part II of the bill contains the legislative authority for the Special Property Tax Treatment, that's regarding the assessment increases, increases of assessment which might arise from the installation of solar heating equipment for residential purposes.

Part III is the legislative authority for the Homeowner Insulation Loan Program.

Now, Mr. Speaker, with regard to Part I, which is the pensioner property tax deferral, they indicated during the Budget Address, we feel that in fact the present property tax, particularly the education portion, is not really a great burden to pensioners because of the tax credit scheme which we have in Manitoba. We know that 37 percent of all pensioners have their total realty taxes paid for through the tax credit system and that an additional 34 get the full \$375.00 tax credit. In other words, over 71 percent of the pensioners benefit considerably from the tax credit scheme. So we don't really think there is that great a problem, but we recognize that there has been some concern expressed and it has persisted that some of our senior citizens may be facing difficulty in meeting the costs of property taxes. So for that reason we are introducing this program. Now the program will deal with this concern expressed.

In its simplest form, Mr. Speaker, the bill provides that no pensioner in Manitoba will really ever have to be faced with the prospects of being forced, as has been expressed in the House, of being forced to sell his home because he cannot afford to pay his taxes, or that it is going to be sold out from under him if he fails to pay his taxes because it's three years in arrears. We are trying to protect just in case this is a problem. So that's really what the bill is going to do.

It will provide pensioners with an optional system under which they may choose — and it's really a matter of choice — choose to defer or to postpone any portion of their property taxes for as long as they wish. This means, Mr. Speaker, that pensioners no longer need fear losing their homes, as I say, due to a tax sale because of failure to pay property taxes. Instead, they will be able to elect to postpone the payment of this tax.

Now the first taxes plus interest will, of course, represent an accumulative liability which must be settled eventually, and that will take place when the pensioner ceases to use the residence as his principal residence; and generally this is when the person dies or decides to sell; that in the event of the death of course, unless the property passes on to a spouse in which case the tax deferral would continue until that spouse leaves the home. Now the owner would always have the option, Mr. Speaker, of paying off any or all of the amounts deferred at any time he or she wishes to do so. So that if they did wish to pay some amount of money on it, they could do so. It's an open thing, it's not something once you enter into a program you're locked into it. —(Interjection)— They can pay whatever amount they want on account.

Now although the province is providing the full funds necessary to finance the deferral, the responsibility for administration of the program will rest largely with the municipal government. That's the one that really is dealing with the taxpayer and has the tax rolls and so on. Frankly, I feel confident that all of the Manitoba municipalities will cooperate to ensure that the benefits of the program are available throughout the province and I really can't see why a municipality shouldn't participate. So that generally, the program will operate along these lines. The interested pensioner will complete an application form at his local government office. The municipality and the province will process and approve



the deferral. The municipality will forego the collection of the property tax in question and the province will advance to the municipality an amount to compensate the municipality for deferring the eligible pensioners' taxes. So in this manner, Mr. Speaker, pensioners will have maximum access to the program and the municipalities will be able to defer the taxes on the senior citizens without a loss of revenue which they would otherwise suffer, because the province will make up that amount.

The second portion of the bill, the second part, deals with the tax relief for solar heating, Mr. Speaker. Under the provisions of the bill, there will be two property tax assessments maintained by the municipality for all residences equipped with solar heating. There will be the normal assessment which shows the value of the house as is with the solar heating, and that's what normally would take place, and a special assessment which would show the value of the house as if it contained the more conventional heating. So you have what's considered the normal, that is with solar heating equipment in place; and the special value, a special assessment showing what it would be if more conventional heating were in place. Now in all cases where the solar heating had resulted in an increased assessment, the province would pay the property taxes on the assessment increase to the municipality on the owners' behalf, and the owner would be required to pay property taxes as if his home utilized conventional heating rather than the solar heating. So he'd still be paying an amount, of course, but it would be based on conventional heating rather than solar heating.

The third part of the bill as I indicated, Mr. Speaker, is the — if you've got it — the Homeowner's Insulation Loan Program and in this regard, Mr. Speaker, we've all been concerned about the rapid costs of heating homes and it is becoming a major factor in people's budgeting as home heating has become a larger and larger percentage of the cost of maintaining one's home and it does affect, of course, other basic needs of food, clothing, and other essentials. So, Mr. Speaker, Manitoba has taken the position, and it has been expressed by our Minister of Energy at conferences with Canada, that we are opposed to further increases in the price of oil at this time, that in fact we feel and have urged the Federal Government to make available that \$500 million-plus surplus which the Federal Government has accumulated in their oil compensation accounts, and we're asking and we have asked that that program which they now have in two of the Atlantic provinces should be extended to Manitoba. We're hoping that they will in fact do so. But rather than wait for that to happen, as I indicated it in the Budget, we're launching a program on our own. Of course, the moment the Federal Government wants to come in, we'll certainly work alongside with them.

We also hope that the Federal Government will not proceed with any further increase in oil prices at this time, Mr. Speaker, at least until the First Ministers have had a chance to convene and discuss the whole question of energy and the economic situation generally.

Now under the Loan Program, Mr. Speaker, what we're doing we'll be making available through the province loans up to \$1,000 to homeowners who wish to improve their insulation. The loans will be repayable for up to and as long as 20 years, if people want it that long, at an interest rate roughly equivalent to the province's long-term borrowing rate on the Canadian market, and that's about 9-½ percent I believe.

Now the main advantage of the program is that the extended repayment period will bring re-insulation within almost every homeowner's grasp because the monthly payments will be kept to under \$10.00 and that's the amount at least that they should save if the home is adequately insulated.

The program will be operated through both the Winnipeg and Manitoba Hydro. They'll administer the loans and collect the repayments on the Hydro bills. So the general conditions for obtaining the loan, Mr. Speaker, are, one, the loans will be available to all homeowner applicants regardless of financial position, and this includes landlords incidentally as well as homeowner residents. Manitoba and Winnipeg Hydro will have the option of registering liens against the property to ensure that they have adequate security. The loans will be available with respect to principal residences only. — by that I mean summer cottages and other secondary accommodations will not qualify. The loans will be for insulation purposes only. However, in defining insulation purposes, we will be including the consequential work or material which is required for, it installation of the insulation. And for an example because the Federal Energy people and our own Hydro people say that insulating your basement has a considerable effect on the amount of heat used. It's recognized that such work as the framing on basement walls on which the insulation is then tacked on is an example of the sort of consequential material which flows from the installation of the insulation.

The fourth, Mr. Speaker, is, while all the insulation materials purchased and installed by do-it-yourselfers will be eligible for these loans, we are concerned about the fact that this program might entice and attract some fly-by-night operators who will latch on because there may be quite a demand for this program. So, only work performed by contractors, installers in business as of that Budget night will be eligible immediately. New entrants into the field — we feel it's only proper to safeguard as much as we can the consumer — the new entrants into the industry will be able to make specific applications for registration under the program to the Hydro. In that way, I say we hope to prevent and discourage fly-by-night operators stepping in. At this point in time, Mr. Speaker, as indicated in the Budget Address, the apartment buildings and commercial premises will not qualify for loans.

Approval from the utility prior to the purchase or the installation of materials will be a prerequisite to obtaining the loan.

Now we anticipate that all the administrative arrangements for the program will be completed so that people will be able to apply for loans under the program in July. Of course, forms have to be printed, the arrangements for the two Hydros — I'm not sure they're finalized yet — they're being discussed at the staff level. We hope that in July the program can go forward.

So in summary then, the bill has three components to it. It insures that no pensioner will have to give up his or her home because of rising property taxes. It insures that homeowners who heat their homes with solar heating will not face property tax increases as a result. And it insures in the third item that all homeowners in the province will have access to financial resources necessary to upgrade their current insulation.

So, Mr. Speaker, that is Bill 87 and I commend it to the House.

**MR. SPEAKER:** The Honourable Member for Gladstone.

**MR. JAMES R. FERGUSON:** Mr. Speaker, I beg to move, seconded by the Honourable Member for Rhineland, that debate be adjourned.

**MOTION presented and carried.**

**MR. SPEAKER:** The Honourable Member for Flin Flon.

### **BUSINESS OF THE HOUSE**

**MR. BARROW:** Mr. Speaker, with leave I'd like to make two more changes on committees. Statutory Regulations the name of Dillen replaces that of Malinowski. On Industrial Relations the name of Shafransky replaces that of Jenkins.

**MR. SPEAKER:** Very well. The Honourable House Leader.

### **THIRD READINGS**

**MR. GREEN:** Mr. Speaker, I'm going to introduce those bills that appear on third reading.

**BILLS No. 8, 15, 21, 51, 52 and 16 were each read a third time and passed.**

**MR. GREEN:** Mr. Speaker, I move, seconded by the Honourable Attorney-General that Bill No. 18, The Retail Businesses Holiday Closing Act be now read a third time and passed.

**MR. SPEAKER:** Moved by the Honourable — (Interjection) — Just a minute, let me put the motion first.

**MOTION presented.**

**MR. SPEAKER:** The Honourable Member for Morris.

**MR. WARNER H. JORGENSEN:** Well, I was going to raise a Point of Order before you put the motion, Sir. I wonder if the House Leader. . . There will be some debate on Bill 18. I wonder if he would want to go through with the others and then call it 5:30 and leave Bill 18 because there will be debate.

**MR. GREEN:** Yes, I understand there will be debate. I wonder having had it read, whether it wouldn't be better if somebody adjourns the debate.

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

**MR. L. R. (Bud) SHERMAN:** Mr. Speaker, that being the case, I move, seconded by the Honourable Member for Morris, that debate be adjourned.

**MOTION presented and carried.**

**MR. SPEAKER:** The hour being 5:30 the House is now adjourned and stands adjourned until 2:30 tomorrow afternoon.