

LEGISLATIVE ASSEMBLY OF MANITOBA  
Thursday, 3 April, 1980

Time: 10:00 a.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Hon. Harry E. Graham (Birtle-Russell): Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees . . .

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. JAMES E. DOWNEY (Arthur): Mr. Speaker, I have a statement I would like to make and I have copies here for members. Mr. Speaker, I would like to make a statement regarding the Manitoba Beef Producers' Income Assurance Plan.

Farmers participating in the Beef Producers' Income Assurance Plan will be able to terminate their contracts by indicating their intention to withdraw from the plan, upon full settlement of their current accounts on or before May 31, 1980.

The program was introduced in 1985 to ensure a stable income for the cattle producers in Manitoba. --(Interjection)-- Pardon me, Mr. Speaker, a correction.

The program was introduced in 1975 to ensure a stable income for the cattle producers in Manitoba. During its first two years 6,036 cattle producers joined the program and received subsidies of some \$33.7 million.

In 1977 a Federal Stabilization Program was introduced and 1,417 producers chose to opt out of the provincial plan and there were then approximately 4,500 Manitoba beef producers benefiting from each of the two programs. Subsequent terminations reduced the number of participants in the Manitoba plan to 3,641 by January of 1980. While subsidy payments to March, 1980 totalled \$41.2 million, subsidies amounting to \$14.9 million have been paid to Manitoba producers who have opted out of the provincial program. Market prices rose above the support price in the second quarter of 1978 and have remained about that support level. The first billings for the payment by producers amounting to \$2.5 million were sent out in July of 1979. Fifty percent of that amount has been collected.

The Beef Producers Income Assurance Plan fulfilled an immediate financial need when it was introduced. However, its weaknesses are now apparent. It has been most beneficial to the producers who opted out or terminated their contracts in the early years. Contrary to its intent, it has encouraged producers to get out of the cattle business. The plan has been a contributing factor to the decline in the province's cattle herds and this action is being taken to prevent the possibility of further declines.

Manitoba's cattle population reached a high of 1,259,000 head including 480,000 beef cows in 1977. It is estimated that by January 1, 1980, the beef cow population had dropped by about 20 percent to 386,000 head. In the interest of the consumers, the meat packing industry and the beef producers, it is desirable to discontinue this program. It has actually discouraged the production of beef. We want to encourage the growth in the beef industry and this action is consistent with our objective to provide an incentive for expansion.

In addition to my department's objective of developing enhanced programs to expand marketing opportunities for the livestock producers, we support the concept and the need for an improved voluntary producer contributory national stabilization program. The termination of the Manitoba plan will clear the way for all producers to participate in any new federal or provincial stabilization program. We need to ensure livestock production to diversify our agricultural base and to establish a more stable income for farmers, which in turn will provide general employment opportunities for people serving the agricultural industry. An improved voluntary national stabilization program would allow producers to operate

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in an environment conducive to long-term security while ensuring an adequate supply of beef products for consumers. Additional information will be available from our local agricultural representatives throughout the province.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. HOWARD PAWLEY (Selkirk): Mr. Speaker, we have received the statement by the Minister of Agriculture. First I would like to comment pertaining to this program, that it ensured that many beef producers that would otherwise been squeezed out of beef production were able to ensure the continuation of their beef program. And the Minister of Agriculture acknowledges that in his statement by acknowledging that in fact there were very positive features to the program.

Mr. Speaker, we stand in support of continuation of stabilization programs to ensure that the mountains and the valleys insofar as prices are concerned pertaining to farm products are maintained on a level basis and that we avoid those dips and those downs.

Mr. Speaker, we have here a government that is not committed basically to stabilization of farm prices, whether it be beef or otherwise, a government that is not committed to orderly marketing of farm products, and this statement therefore, does not come as a surprise to this side of the House. Mr. Speaker, it is a fact that the beef production in this province was encouraged during trying times by the development of this program. We do not concur that in fact the beef producers have been forced out of beef production by way of this program. I do believe, Mr. Speaker, that the problem has been by a government that has not been committed to stabilization of prices pertaining to farm production. That has been the problem insofar as Manitoba is concerned.

We look forward, Mr. Speaker, to having other opportunities during the debate on Estimates when the Minister brings those Estimates forward, to discuss stabilization of farm prices pertaining to farm products, and including specifically, the contribution which this program has made to the Province of Manitoba despite the begrudging type of involvement on the part of the present government pertaining to that program.

MR. SPEAKER: Ministerial Statements and Tabling of Reports. . . Notices of Motion.

#### INTRODUCTION OF BILLS

MR. WARREN STEEN (Crescentwood) introduced Bill No. 30, The Canadian Institute of Management (Manitoba Division) Act.

#### ORAL QUESTIONS

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. PAWLEY: Mr. Speaker, my question to the Minister responsible for Housing. The Minister confirmed that Statistics Canada figures released only this week have indicated that the number of housing units started in Manitoba in this year, 1980, January and February, is down from 955 last year to a figure of some 169 housing units this year, 1980.

MR. SPEAKER: The Honourable Minister of Economic Development.

HON. J. FRANK JOHNSTON (Sturgeon Creek): I'm not quite sure of the honourable member's figures, Mr. Speaker, but, yes, it is down in 1980.

MR. PAWLEY: Mr. Speaker, in view of the acknowledgment from the Minister of Housing that this year is starting out even more sluggish than last year pertaining to the housing industry and construction industry in Manitoba as compared to last year, which was also sluggish and stagnant, does the Minister propose any items by which there can be some further development of construction pertaining to affordable housing and which, in many parts of this province, there is a shortage of.

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MR. JOHNSTON: Mr. Speaker, in 1976 there were approximately 9,000 houses built in Manitoba; in 1978, approximately 9,000; and in 1979, or pardon me - in 1978, there were 12,000 houses built in the province of Manitoba; in 1979, we moved back to about 7,000 to 8,000. The average houses being built in the province of Manitoba has stayed stable over a four-year period. The high influx of 12,000 during 1978 was created by the MURB situation, it was created by tax incentive situations. And with a very high percentage in 1978, we were bound to be down in 1979, but the average is still there. In 1980, Mr. Speaker, we are overbuilding houses, and it is not intention of this government, as it was by the other government, to build whether you need them or not, just build.

MR. PAWLEY: Mr. Speaker, as the tax incentive program was a Canada-wide program, certainly the effects of that program, which in some instances may have been misguided also applied to the province of Manitoba. Can the Minister confirm that, considering all the figures which are available to him, it is a fact that Manitoba's decrease in housing starts last year was 44 percent, the sharpest decrease of any province in Canada 44 percent, the sharpest decrease in any province in Canada.

MR. SPEAKER: The Honourable Minister of Economics.

MR. JOHNSTON: In 1978, Mr. Speaker, we had the sharpest increase of any province in Canada.

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

MR. CHERNIACK: Thank you Mr. Speaker, I wonder if the . . .

MR. PAWLEY: That's not so. That's not so.

MR. CHERNIACK: I wonder if I could address a question, Mr. Speaker, I think it is either to the Honourable the Attorney-General or the Minister of Finance. Since I would not like to file an Order for Return by naming an individual, I am wondering if I could send a name across the aisle to one of the ministers and be informed by them if that person, a tax refund discounter, has been investigated for excessive discounts and what has been done by government as a result of the investigations which have been made; whether or not he has been required to make adequate refunds and whether he is presently licensed to continue to act as a tax discounter?

I propose the question - all the Ministers would have to indicate is that if I send the name across, they would investigate and report in due course. I think that would be the better way of dealing with it than a formal Order for Return. Would they accept this as a question in that way?

MR. SPEAKER: The Honourable Minister of Finance.

MR. CRAIK: Yes, Mr. Speaker, if we can be provided with that information, we will do so.

MR. SPEAKER: The Honourable Member for Minnedosa.

MR. DAVID BLAKE: Mr. Speaker, I have a question for the Minister responsible for Cultural Affairs. In view of recent statements by the President of the Societe Franco-Manitobaine in connection with the vote in Quebec, and the statement in the Tribune, "We don't want our provincial government to represent us," would the minister confirm if provincial funds are going to support that organization or if they will be withdrawn?

MR. SPEAKER: The Honourable Minister of Cultural Affairs.

HON. NORMA L. PRICE (Assiniboia): Mr. Speaker, the provincial government does not fund any grants to this society; they are totally funded government-wise by the federal government.

MR. SPEAKER: The Honourable Member for Inkster.

MR. SIDNEY GREEN: Mr. Speaker, I would like to address a question to the Minister of Agriculture, in connection with the announcement that he made today. Can he tell the people of Manitoba, or give them an estimate as to how much money will not be recovered from cattle producers; or how much, at least, they will still be owing to the Province of Manitoba, which won't be settled by them settling their current accounts, which the honourable member has said that they could opt out of the plan if they settled their current accounts. Will that mean that the balance of their account will be written off, and how much will that balance be?

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. DOWNEY: Mr. Speaker, as I am sure most members of the House are aware, and the Honourable Member for Inkster is aware of the fact that the movement of the price of beef up and down in relationship to the price which was put on as a stabilization price, which by the way under their government kept reducing that stabilization price, instead of increasing it with the cost of production, they were putting it the other way, it is difficult to determine whether in fact there would be continuing moneys owed back to the province, or in fact if the province could revert back to paying to those producers. At this particular time it would be very difficult to qualify the amount paid either way.

MR. GREEN: Mr. Speaker, perhaps the Minister could be helpful in telling us that as at this day, today, how much is owing by those farmers who are still in the plant. Could he tell us how much money he is abandoning by virtue of his announcement?

MR. DOWNEY: Mr. Speaker, the announcement that we have made this morning, I indicated in the statement that the total payback that was being billed for at this particular time was about 2.5 million, of which half of that is paid back to this particular time.

MR. GREEN: Mr. Speaker, could the Minister be more specific and tell us how much of the 34 million that has been advanced to farmers will remain unpaid after the making of this announcement?

MR. DOWNEY: Mr. Speaker, there has already been \$10 million that is not recoverable because of the fact that under their government, in fact they had let that much money go. The additional money, as I have indicated, is not particularly money owed to the province. It is money that was paid out during a time of low cattle prices and in fact, Mr. Speaker, I would understand the intent of the program would be never to have farmers pay that money back to the province but in fact to help the people who generate the economy of this province, and that's the farmers of Manitoba.

MR. GREEN: Mr. Speaker, will the Minister of Agriculture make a recommendation to his government that the same rule be applied to those people who have liens on their homes by virtue of receiving social assistance during low periods, that if they come off social assistance, the debt to the municipality or the province with respect to their receipt of social assistance when they needed stabilization will be wiped out? Will he recommend that to the government and will it be done?

MR. DOWNEY: Mr. Speaker, I would have to say I am concerned about those people as I am about the farmers of this province and I think, Mr. Speaker, that we would have to say that the people who are carrying the majority of the tax load in this province are fair and equitable and will see that all people are treated in the manner which is to the best interests of the economy of Manitoba.

MR. SPEAKER: The Honourable Member for Fort Rouge.

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MRS. JUNE WESTBURY: Mr. Speaker, my question is addressed to the Honourable Minister of Consumer Affairs and follows questions earlier in the week. Would the Minister confirm that the March report of the Real Estate Board reveals that under 2 percent of the vacant apartments in Winnipeg have rentals under \$250.00 per month and would the Minister tell the House what, if anything, the government is proposing to do to make more rental accommodation available for low-income and regular-income tenants?

MR. SPEAKER: The Honourable Minister of Consumer Affairs.

HON. WARNER H. JORGENSEN (Morris): Mr. Speaker, the government has initiated programs that have intended to alleviate that particular situation. I mention one, the SAFER Program.

MRS. WESTBURY: Thank you, Mr. Speaker. Would the Minister tell the House, please, what he is proposing to do for those people who are under 65 years of age, and particularly single-parent families and those between the ages of 50 and 65 who are on low incomes?

MR. JORGENSEN: Mr. Speaker, a decision of that nature is one that would be made by Cabinet and when it is made it will be announced in the House.

MRS. WESTBURY: On another matter, Mr. Speaker, to the Minister of Health. Would the Minister advise the House what steps he is taking to ensure that the rights of veterans are protected if any transfer of Deer Lodge Hospital is taken and during the negotiations with the federal government in order that their present rights and futures rights may be secure? A number of families of veterans have mentioned this to me.

MR. SPEAKER: The Honourable Minister of Health.

HON. L.R. (Bud) SHERMAN (Fort Garry): Every step that we can, Mr. Speaker, we are meeting in close consultation with the Royal Canadian Legion and with the Manitoba Northwest Ontario Command leadership of the Legion on the Deer Lodge negotiations and their concerns are foremost among our considerations, such as the number of beds that would be held for future use by veterans.

MR. SPEAKER: The Honourable Member for Radisson.

MR. ABE KOVNATS: Thank you, Mr. Speaker. I would direct my question to the Honourable Minister of Economic Development. Can the Minister of Economic Development advise the House what he and the province of Manitoba are doing to ensure that Manitoba receives its fair share of the Support Services that would be generated with the new Fighter Aircraft Program?

MR. SPEAKER: The Honourable Minister of Economic Development.

MR. JOHNSTON: Mr. Speaker, I'd like to inform the member that we are very concerned about the reports that are coming out of Ottawa and the paper, but we recognize that a lot of them are mainly by rumour or not factual information because the federal Cabinet has not made a decision on which airplane it is. But it would seem that if one airplane is chosen, the F16, that most of the work would go to Quebec.

I have been in touch with the Honourable Gilles Lamontagne, Minister of Defence and the Honourable Herb Gray, Minister of Industry and Commerce. I have sent them communication informing them of the concern in Manitoba and asking them also that we be given the privilege to come down and give the Manitoba position. And we are very concerned because if the support of the aircraft that is chosen goes to Quebec, or another province, our aerospace industry will lose a position that we've had for years, and that is a tremendous amount of employment because we have had the support system for the CF101 for many years. We'd like to make that very plain to the federal government, that it isn't a case of giving us something; any

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decision that would be made for all the work to go to Quebec would be taking something away from Manitoba.

MR. KOVNATS: A supplementary, Mr. Speaker. I would ask the Honourable Minister if and when he is able to have his meetings with Ottawa, he would recommend that the Fighter Aircraft Program be a two-engined fighter aircraft rather than a one-engined fighter aircraft. After having spoken to a few pilots here in the province, I have been advised that the two-engine program would be a much better program. Would the Honourable Minister make that recommendation to the federal government?

MR. JOHNSTON: Mr. Speaker, it hasn't been the policy of the province of Manitoba in the negotiations with the federal government regarding the two fighters to tell the federal government which aircraft was the best. Our position has been that we be treated fairly no matter which one was chosen. I might say, up to the last month, we had the feeling that whichever aircraft was chosen, Manitoba would be in a very good position; that seems to be changing. But Manitoba has taken the attitude regarding the aircraft that the federal government should take the advice of the military, which we understand is the F18 on the basis of which is the best aircraft for Canada and the most important basis, which is the safest for the pilots.

MR. SPEAKER: The Honourable Member for Elmwood.

MR. RUSSELL DOERN: Mr. Speaker, I would like to direct a question to the Minister of Education and ask him whether he can confirm that his department will not be providing funds related to a recent death of a basketball player, they will not be providing funds to school divisions to pad school gymnasiums and that there have been some 20 applications in that regard that have been rejected by the Public Schools Finance Board?

MR. SPEAKER: The Honourable Minister of Education.

HON. KEITH A. COSENS (Gimli): Mr. Speaker, in answer to the question of the Member for Elmwood, let me say that it is not our intention to pad school gymnasiums in the sense that he states it this morning, but we do subscribe, Mr. Speaker, to the idea of having gymnasium mats placed in positions by basketball --(Interjections)--

MR. SPEAKER: Order please. Order please. Thank you very much. If members want to carry on private conversations, I suggest they do it outside this Chamber.

The Honourable Minister of Education.

MR. COSENS: If I can merely add, Mr. Speaker, we do subscribe to the position that gymnasium mats should be placed strategically around basketball nets to make sure that any danger that could accrue under those baskets can be prevented. This is a much more reasonable position. I think the Member for Elmwood realizes that the baskets and the basketball courts in the gymnasiums of this province are not located just at each end of the court but there are also practice baskets along the sides of the gymnasiums. If he is talking about padding gymnasiums to protect under these particular baskets, then we would be enclosing the whole gymnasium in the form of a cocoon. The use of mats is a much more practical measure and one that we subscribe to and certainly are encouraging school divisions to follow.

MR. DOERN: Mr. Speaker, I would ask the Minister if he is familiar with the two recommendations made by Provincial Judge T.J. Lismer into an inquest into the death of a basketball player, that there should be first of all padding of the end walls of gymnasiums and secondly, that gymnasiums should be built with a 10-foot clearance at each end of the basketball court?

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MR. COSENS: Yes, I am very much aware of those two recommendations, Mr. Speaker, and certainly when we speak of padding, I suggest to the honourable member that this can be accomplished by the use of gymnasiums mats suspended underneath the baskets.

MR. SPEAKER: The Honourable Member for Elmwood with a final supplementary.

MR. DOERN: Mr. Chairman, the Minister didn't answer the second part of my question, but I would ask the Attorney-General whether he has any responsibility to study the findings of the inquest and draw those recommendations to the attention of the Minister of Education?

MR. SPEAKER: The Honourable Attorney-General.

HON. GERALD W.J. MERCIER (Osborne): Mr. Speaker, I believe that the Minister of Education is fully aware of the recommendations from that inquest.

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: Mr. Speaker, earlier this week in response to a question from the Honourable Member for Inkster, I gave an undertaking to report to the House on the recent regrettable accidental death of a patient at the Brandon Mental Health Centre. The patient, sir, was a 73 year old man with a long history of psychosis. He had, in fact, been first admitted to the Brandon Mental Health Centre in 1938, had been discharged at one point in the 1970s but readmitted in 1976. He was described as a wanderer with a habit of perching himself on top of radiators, window sills and like furnishings.

On February 10, 1980, he apparently wandered from the ward dining room, unnoticed, into the adjacent dishwashing room. His cry alerted the nursing staff who were assisting other patients to the dining room. He had at that juncture, Sir, unfortunately, fallen into hot water. He was immediately attended by the medical officer on duty and transferred to Brandon General Hospital. That was February 10. Regrettably, Sir, he died on February 14. The medical examiner was notified and next-of-kin was notified.

I make that report, Sir, with what I'm sure is a feeling shared by all members of the House, regret.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. PAWLEY: Mr. Speaker, just a supplementary to that report which we thank the Minister for. To the Attorney-General, has the Attorney-General determined yet whether an inquest will be held pertaining to this case?

MR. SPEAKER: The Honourable Attorney-General.

MR. MERCIER: Mr. Speaker, we have still not received a report from the police department, to my knowledge, and as soon as that is received, we will be making a decision. I would suggest that, as a matter of policy in the past where such deaths have occurred in institutions, an inquest has been held in virtually every case.

MR. SPEAKER: The Honourable Member for River Heights.

MR. GARY FILMON: Mr. Speaker, my question is to the Honourable the Attorney-General. I wonder if he could comment on a report by a recent former Crown Attorney that criminals are receiving breaks in this province as a result of plea bargaining, excessive plea bargaining?

MR. SPEAKER: The Honourable Attorney-General.

MR. MERCIER: Mr. Speaker, all I can say in answer to that suggestion is to point out departmental policy which, as late as January 8 of this year, was reaffirmed to all Crown Attorneys. Part of that policy states that the acceptance

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of a plea of guilty to a lesser charge should be based on the nature and quality of the evidence available as a result of the exchange of particulars and discussions with defence counsel and further discussions with police investigation officers. The decision on the appropriate charge should never be made on the basis of convenience or expediency.

MR. FILMON: A supplementary question. I wonder if he could react to the suggestion that Crown prosecutors are under pressure to deal in order to reduce court backlogs?

MR. MERCIER: No, Mr. Speaker, there has been no pressure on Crown Attorneys to deal. There has been an emphasis placed on providing more senior, experienced personnel at the front end of the system to review the charges and the police reports with defence counsel as sort of a filtering process to get to the heart of the matter with defence counsel, and that has been a continuing program for some time and has been successful in reducing the backlog in the Provincial Judges' criminal courts to approximately four to four-and-a-half months at the present time. But there has been no pressure to deal on the charges, simply that there has been an increased emphasis in personnel to review matters at the front of the system.

MR. FILMON: Then I wonder, Mr. Speaker, as a final supplementary, if the Attorney-General could comment on the further suggestion by this former Crown Attorney that the former Attorney-General did not take a tough enough stand on criminal matters, and in fact didn't back up his Crown prosecutors too well.

MR. MERCIER: I have no knowledge of that, Mr. Speaker.

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

MR. CHERNIACK: Thank you, Mr. Speaker. Just to assist the Attorney-General in making his ministerial statements, would he care to read from his documentation, his report that he promised to make on March 24th last, dealing with the item of a Crown Attorney who "is applauding", as I quote the headlines, "applauding the RCMP officer for break-ins and saying that you can break the law if you don't intend to steal". Is the Minister now ready to report as he undertook to do - oh, to comment I'm sorry, Mr. Speaker, to comment on this statement?

MR. MERCIER: Mr. Speaker, I am advised by the Crown Attorney in question that the headline in that particular instance was a distortion of his remarks.

MR. CHERNIACK: Mr. Speaker, in the light of the fact that the Crown Attorney, regardless of the headline, did state that he believed that it was in order for the RCMP to break into premises in order to get evidence as long as their intent was not to steal, and in view of the fact that he did make that statement, I think the Attorney-General can report on the exact statement he made. Is the Attorney-General prepared to countenance and agree with that kind of statement, that is, the principle involved? Will he please comment in that regard?

MR. MERCIER: Mr. Speaker, I am advised by the Crown Attorney involved that he did not applaud criminal conduct as was mentioned in that particular article. In fact, Mr. Speaker, there were certain comments apparently made in response to questions from members of the audience and he replied, referring to really a situation that is presently before the McDonald Commission, and hopefully that McDonald Commission will report in the very near future because that is the essence of certainly one of the major matters before them; what sort of powers can be given to police authorities to investigate crimes and where the proper protection for the public.

MR. SPEAKER: The Honourable Member for St. Johns with a final supplementary.



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MR. CHERNIACK: As a final supplementary, knowing that I cannot ask further questions, could I ask the Attorney-General to comment on a statement which is reported to have been made and which says, "Many people are of the view that a police officer who breaks and enters premises in the interests of national security has committed a criminal offense. However, when an officer enters the premises in circumstances such as that of Superintendent Cobb of the RCMP, I applaud his dedication and I applaud his resourcefulness. He is not there in any role other than that of an investigator, not as a criminal. One of the ingredients of break and enter is lacking; the intent to commit an indictable offense.

Will the Minister comment, not as to whether or not the Crown prosecutor said that, but whether or not he agrees with that statement?

MR. SPEAKER: Order please. May I suggest to the honourable member that repetition in the Question Period is not advisable.

The Honourable Member for St. Johns.

MR. CHERNIACK: On a point of order, Mr. Speaker. I was careful, I believe, not to repeat the headline, nor to repeat what the Minister said, but rather to give to him a statement and just like the Member for River Heights, I wanted the Minister to comment if he would on a policy statement to see whether he agrees with it or not. It's a straightforward matter. If the Minister didn't hear precisely what I asked him to comment on, I don't mind his reading it in Hansard and commenting in due course, either by reading the statement or by answering in Oral Questions.

MR. SPEAKER: The Honourable Attorney-General.

MR. MERCIER: Well, in general, Mr. Speaker, I would be of the view that there must be procedures implemented in order to protect the public interest. We have seen that done in cases of wire-tapping where the code expressly requires an application to a judge to permit wire-tapping and it can only be granted in certain specified circumstances. And I think similarly, in general, in areas like this and hopefully the McDonald Commission will deal with this matter in its report. I think it has to in view of the circumstances that have been brought forward to it, that they will be recommending similar procedures for the protection of the public interests.

MR. SPEAKER: The Honourable Member for Transcona.

MR. WILSON PARASIUK: Mr. Speaker, my question is directed to the Minister of Health. In view of the fact that the hospitals and nursing homes in Manitoba have informed the Manitoba health organizations that the average need for additional funds in Manitoba is 10 percent for the current fiscal year, has the government told the hospitals and nursing homes which services to cut back as a result of the government only providing an 8 percent increase to these nursing homes and hospitals?

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: No, certainly not, Mr. Speaker. And the government and the Health Services Commission will pursue the course that has been followed in the past, that of sitting down with individual health facilities to work with them to adjust their budgets or make adjustments to the budgets that ensure that health care quality is maintained at its current level.

MR. PARASIUK: A supplementary to the Minister. Since the government isn't telling the hospitals which specific services to cut back, is it then the government's intention to force these hospitals and nursing homes to make the cuts on their own hook and take the flack politically for it because the government isn't providing sufficient funds to provide adequate hospital and nursing home care, in view of the technical reports out of these institutions that they need 10 or 11 percent per year?

MR. SHERMAN: Mr. Speaker, as the honourable member well knows, health facilities were put on global budgets at their own request a couple of years ago. They find it much more practical and reasonable to make those decisions on their own. They are instructed in no such way as that suggested by the Honourable Member for Transcona. We do work with them on adjusting their budgetary difficulties, even to the point of adjusting their base lines when and where necessary. Up to this point in time, the record has been exemplary and the record of those health facilities who came in under budget, and in some cases on-budget and in some cases under-budget, in the past year, has been exemplary.

MR. PARASIUK: Would the Minister confirm that the government has offered hospitals and nursing homes only an 8 percent increase for this year when they themselves have said that on the basis of technical need, they need at least a 10 percent increase. Would the Minister confirm that that is the government's position?

MR. SHERMAN: Mr. Speaker, I can certainly confirm that the general guideline instructed to the . . . sent as an instruction to the health facilities is 8 percent. But last year the general guideline was an average median increase of 6 percent, and as the honourable member well knows, some facilities got more, some facilities got less. I would remind the honourable member that our 8 percent guideline compares very favourably with Ontario's, which was 7.8 percent.

MR. SPEAKER: The Honourable Minister of Finance.

HON. DONALD W. CRAIK (Riel): Mr. Speaker, I'm reported as having stated in relation to responsibilities for Manitoba Hydro, in yesterday's Free Press that neither as the Minister responsible nor the Chief Executive Officer of Hydro, neither one would be involved in the awarding of contracts, or tenders, or whatever. Mr. Speaker, I trust that the answers that were given, from which the report was made, were not so vague as to imply that the Chief Executive Officer of Hydro, or of any other Crown corporation or utility, would not be responsible for making recommendations with regard to contracts. To that extent, Mr. Speaker, I trust that the information that went out in that regard in the Free Press report will not be taken generally as a new or different responsibility for a CEO. It would be the heights of irresponsibility if the CEO was not responsible for those recommendations.

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, I'm glad that the Minister now says that the chairman should be responsible for making recommendations, contrary to the recommendations of the Tritschler Report. Mr. Chairman, I'd like to address a question to the Minister of Economic Development. Is it the position of the Province of Manitoba to discourage professional consulting firms to set up branch offices in the province of Manitoba? To the Minister of Economic Development.

MR. SPEAKER: The Honourable Minister of Economic Development.

MR. JOHNSTON: I wonder if the honourable member would repeat the question.

MR. GREEN: Is it the policy of the Province of Manitoba to discourage professional consulting firms to set up branch offices in the province of Manitoba?

MR. JOHNSTON: No, Mr. Speaker, it isn't. It would be preferable as far as my department is concerned, when we're working with consultants, to use Manitoba consultants and if, as has happened, the expertise required must come from another province, we would say that we don't mind that happening providing there is a large Manitoba content; in other words, Manitoba consultants being used, and this also helps Manitoba consultants learn something that they were not capable of working on before. So we don't have any opposition to anybody setting up in Manitoba, but we would encourage anybody that does to use a lot of Manitoba content or work with Manitoba consultants.

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MR. GREEN: Mr. Chairman, could the Minister of Economic Development assure consultants the setup in the province of Manitoba, that they will not be discriminated against with regard to tenders called by the Province of Manitoba to the extent that if they are recommended, they will be pushed aside in favour of people who have not been recommended by professional staff of the agencies involved?

MR. JOHNSTON: Mr. Speaker, I will only say that I would hope that anybody in the province of Manitoba, a government or Crown corporation, would adhere to the general policies of the purchasing practice of the province of Manitoba; that is, all things being equal, that Manitoba would get it, and if there are other circumstances that they would have to be looked at.

MR. SPEAKER: The Honourable Member for Inkster with a final supplementary.

MR. GREEN: Mr. Speaker, would the Minister investigate the practice of Manitoba Hydro, as stated by a member of the board, that they are not going to accept the best tender and they are going to see whether the work can be performed by a Manitoba contractor as against a consulting firm which has an office in the province of Manitoba, even though the Manitoba contractor was against the recommendation of all of the professional staff at Hydro?

MR. SPEAKER: The Honourable Minister of Finance.

MR. CRAIK: Mr. Speaker, I want to say in relation to this, that the member has a practice of always shooting in words that were not used, "best tender," Mr. Speaker. Mr. Speaker, I want to also, as a matter of House privilege suggest that if individuals and organizations are going maligned by members using House privilege, that those members ought to have the intestinal fortitude to go into the hallway where those individuals can protect themselves.

MR. SPEAKER: Order please, order please.

The Honourable Minister of Municipal Affairs.

The Honourable Member for Inkster on a point of privilege.

MR. GREEN: Mr. Speaker, I asked a question on a point of privilege. The Minister of Finance answered as a point of privilege. I wish now to speak to the point of privilege. I asked a question of the Minister; the Minister of Finance didn't answer it. If there is no answer for us coming from the Minister, then I say, Mr. Speaker, on the point of privilege, the only people who I have suggested any corruption on the part of, is the Minister and his government because they are indeed corrupt in what they have done.

MR. SPEAKER: Order please, order please. I'm very surprised at the honourable member who rose on a point of privilege. He should know the rules of the House. A point of privilege must be raised in the House by means of motion. The honourable member did not bring forward a motion and therefore he has no point of privilege.

The Honourable Minister of Municipal Affairs.

HON. DOUG GOURLAY (Swan River): Thank you, Mr. Speaker. Last week I took as notice a question from the Member for The Pas regarding . . .

MR. SPEAKER: Order, order please. The Honourable Minister of Municipal Affairs.

MR. GOURLAY: Thank you, Mr. Speaker. Last week I took as notice a question from the Member for The Pas regarding a faulty installation water system in the community of Cormorant. I've now received information that the community of Cormorant entered into a contract with CMHC to install a water system in a new subdivision in that community. It was installed in 1979, and when the system was turned on, in fact there was a melt-down and the system did not work.

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MR. SPEAKER: Order please. Order please. I'm going to have to ask members in this Chamber to preserve the decorum, or else if they don't like that, they should remove themselves from the Chamber.

The Honourable Minister of Municipal Affairs.

MR. GOURLAY: Thank you, Mr. Speaker, once again.

MR. SPEAKER: Order please. Order please. May I suggest to the Honourable Member for Inkster that he cease and desist and allow the courtesy of the Chamber to the member who has the floor.

The Honourable Minister of Municipal Affairs.

MR. GOURLAY: Mr. Speaker, I don't intend to review what I've already stated but briefly, the water system that was installed by CHMC in the community of Cormorant is not functional. This had been determined last year, but because of the disagreement between the installer and the community, the system is still not operating, but I am informed by my staff that they will be looking into it early this spring and rectify the situation for the community and then determine who has been at fault, subsequently.

MR. SPEAKER: Order please. The time for Question Period having expired, we will proceed with Orders of the Day. The Honourable Government House Leader.

#### ORDERS OF THE DAY

MR. MERCIER: Mr. Speaker, firstly the Committee on Public Accounts will meet again next Tuesday at 10:00 a.m. Mr. Speaker, I move, seconded by the Minister of Government Services, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee of the Whole to consider and report of the following Bill for Third Reading No. 22 - An Act for Granting to Her Majesty Certain Sums of Money for the Public Service of the Province for the Fiscal Year Ending the 31st day of March, 1981, and to Authorize Commitments to Expend Additional Money in Subsequent Years.

MOTION presented and carried.

#### COMMITTEE OF THE WHOLE

#### ADJOURNED DEBATE ON THIRD READING

#### BILL NO. 22 - THE INTERIM APPROPRIATION ACT, 1980

MR. CHAIRMAN, Abe Kovnats (Radisson): This Committee will come to order. Bill No. 22. Item under discussion is on Page 3, Section 7--pass. The Honourable Minister of Finance.

MR. CRAIK: Mr. Chairman, when we finished off the other night we were on Section 7. The Member for St. Johns had been pursuing some questions with regards to the necessity for this section. I have had a study of it done by the Legislative Council and the perceived change is really the same provision that has always been in the Act, whether it is Interim Supply or the Main Appropriation and I think you will find that there has been a clause like this always present over the years, including last year, of the same nature. Mr. Chairman, I can read you the entire explanation. If it goes beyond that I am probably going to have to require the assistance of the Legislative Council because it is pretty much a drafting-type of problem. It isn't a matter of principle that has been changed here with regards to the operation or setup of the Interim or Main Appropriations.

I perhaps should read it into the record and it will be there, and I will also hand out the explanation as it has been put together.

As I mentioned the other night, Section 7 - Authority for expenditures in anticipation of recoveries is revised as compared to the 1979 Interim Supply Bill. Instead of listing appropriations which have nil votes or listing appropriations where timing problems could be experienced in effecting recoveries from

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other appropriations, a section has been used which is the same as one included in The Appropriation Act 1979, last year's Appropriation Act. This provides the same authority to make expenditures, but as a general procedure without specifying the individual appropriations.

In other words, a more generally worded section from The Appropriation Act 1979 was used in this Interim Appropriation Act 1980, instead of a more detailed section as was used in previous years which detailed each nil appropriation and the provision for public sector advertising which is much in excess of the amount quoted for the Main Appropriation within which it is located.

Section 39 of The Financial Administration Act formerly read as follows, and I quote: "Restrictions on Payments. Subject is herein provided no payment shall be made from any appropriation that will exceed the amount voted or granted for the purposes of that appropriation." At the 1979 Session, Section 39 of the Financial Administration Act was amended to read as follows "Restriction on Payments. No payments shall be made from the Consolidated Fund for any purpose (a) which, where the payment is to be charged to an appropriation authorized for that purpose, is in excess of the sums remaining unexpended in that appropriation or (b) which, when the expenditure is to be charged to a trust account held in trust for that purpose, is in excess of the sums remaining in that trust account or (c) which, where the expenditure is to be charged to an account for funds received for that purpose, is in excess of amounts remaining in that account."

The revised version of Section 39, while more explicit because of changes to the composition of the Consolidated Fund, still says the same thing, you cannot spend any amount unless it is voted by the Legislature in an appropriation. However, the Main Estimates of Expenditure have for some years contained nil votes. There are two of these in the 1980/81 Main Estimates where the actual expenditure of money is voted in other departments or appropriations. One is Appropriation OA-5, The Land Value Appraisal Commission on Page 57 of the Main Estimates, with a total estimated expenditure of \$68,100 to be 100 percent recovered from departments or agencies. The other is Appropriation 13-8, Canada Manitoba Northlands Agreement on Page 73 of the Main Estimates, with a total estimated expenditure of \$162,500, to be 100 percent recovered from Northern Affairs. In addition to these two nil votes, Sub-Appropriation 05-4C-3, Expenditure for Public Sector Advertising, on Page 25 of the Main Estimates, is estimated at \$2,060,000, even though it is contained within Appropriation 05-4 with a total amount to be voted of \$984,000.00. The amount of \$2,060,000 is 100 percent recoverable from departments and agencies.

Section 6 of The Interim Appropriation Act 1979, listed each of the nil appropriations for that year and made reference to the insufficient item for Public Sector Advertising as follows, "Expenditures authorized in anticipation of matching recoveries, notwithstanding Section 39 of The Financial Administration Act payments up to \$840,000, the expenditure of which for Land Acquisition and the Land Value Appraisal Commission is to be provided for in the Main Estimates, under service heading "Government Services VIII, and in Appropriation No. 5, Provincial Land Acquisition under the heading ((b) \$2,060,000, the expenditure of which for public sector advertising and production is to be provided for in the Main Estimates under Service heading, Consumer and Corporate Affairs (V) and in Appropriation number 7, Queen's Printer, under that heading;

(c) \$180,500, the expenditure for which for Canada-Manitoba Northlands Agreement is to be provided for in the Main Estimates under Service heading, Municipal and Urban Affairs (XIII) and in Appropriation number 8. Canada-Manitoba Northlands Agreement, under that heading; and

(d) \$273,100, the expenditure for which for Administrative Support Services is to be provided for in the Main Estimates under Service heading Northern Affairs (XIX) and in appropriation number 2. Administrative Support Services, under that heading:

Are hereby authorized in anticipation of matching recoveries from other appropriations and agencies. In the event that recoveries in the fiscal year are deemed to be insufficient to match expenditures, the appropriations must be supplemented accordingly in the same matter as any appropriation for which money is voted may be supplemented."

The intent of Section 6 in last year's Interim Bill and the revised Section 6 in this year's bill is: Notwithstanding the requirements of Section 39 of The

Financial Administration Act to provide Authority to make expenditures where no funds - that is, no votes - or insufficient funds are voted by the Legislature in anticipation of recoveries from other appropriations, departments or agencies. It should be borne in mind that The Interim Appropriation Acts are in effect only until The Appropriation Act is passed each year. Special sections required for a special purpose should be the same in both Acts.

Reference to previous Appropriation Acts reveals that in 1973, a special section was included in The Appropriation Act dealing with authority to make expenditures for Nil Votes. In 1974, the Nil Votes were still listed separately but for the first time, reference was made to the insufficiency of the vote for public sector advertising. In 1975, this section of The Appropriation Act was changed on the advice and recommendation of the legislative counsel to the wording, "providing general spending authority," which has been used every year since then in the annual Appropriation Acts, up to and including 1979, which is identical to Section 7 in the Act we are dealing with here.

What the new Section 7 does is make this provision of the Interim Supply Bill identical in wording to that approved for the Main Supply Bill since 1975. This change, to achieve consistency as between these two annual supply bills, was recommended again by the legislative counsel.

Mr. Chairman, I know that is very long and technical, but the long and short of it is that it is a fairly standard provision and it's been a draftsmanship change rather than anything else.

MR. CHAIRMAN: The Honourable Member for St. Johns.

MR. CHERNIACK: Mr. Chairman, I appreciate the homework that has been done now to bring this statement before us. I must say, Mr. Chairman, that I have learned, and it has taken a long time, but I have learned to be cautious when I see sections that read subject to section so and so, or notwithstanding section so and so. It always makes you go back to what it is that is being varied or followed and it even makes it more a matter of concern when it relates to another Act altogether as in this case: "Notwithstanding Section 39 of The Financial Administration Act," we can do the following thing. That makes it even more important.

Mr. Chairman, it should not be necessary, really, to go from one Act to another Act to find out what is the law. I am sure that I have brought in legislation with similar phrases that makes variations from the law as it was and I don't want to make any more lengthy discussion on this section but, Mr. Chairman, I think it is a good idea to look at sections afresh and say why is it there, not was it there before and therefore it's okay today, but rather, why is it there today and maybe, why was it there yesterday or last year?

Now, the presentation given this morning refers to the fact that this seems to be much the same section as in previous years, back to 1973. But there is a very important difference this year from last year because Section 39 is a new Section 39 this year from what it was last year. So now we are saying notwithstanding whichever Section 39 - last year's 39, this year's 39 - we still want to vary from it. I do believe that when laws - as we advance in administrative practices, certain laws may become archaic or inappropriate. Then the law should be changed and in the interval, we may have to say, well, notwithstanding what that old law says, administratively we have to deal with this problem in a different way.

But the point I made the other day, Mr. Chairman, was that they are different Section 39's, although somewhat similar in content. What last year's Interim Appropriation Bill said, as set out in this statement distributed by the Minister and read into the record, is that the wording was much more specific previously where it dealt with very specific expenditure appropriation items. So at least it said, in these particular cases we want certain freedom. Now it has been generalized into a broader way and, Mr. Chairman, I have had enough experience to know that when you go to administration and you say, I want to do so and so, the administration can't say to you, well, but the legislation doesn't permit it. However, if we have a section that gives us certain discretionary authority, then we can deal with it. So I think it is in the practical interest of an administration to have broader and broader scope to deal effectively with certain desired procedures. I suspect that if administration, bureaucracy alone, and I use that word in no ways in a condemnatory way but in recognition of the people who form

the bureaucracy for whom I've acquired tremendous respect and en passant, may I say, Mr. Chairman, that I think that bureaucracy within the Civil Service is more to be respected than that in other corporate enterprises in private industry. I say that advisedly because the Civil Service is always being attacked by everybody, from hotlines to politicians to the man on the street, and I think unjustly.

Nevertheless, it is a great convenience for the bureaucracy to have the widest possible discretion so that it can say to its political leadership, yes, there is a way to deal with what you want to accomplish. Nevertheless, it is the role in the Legislature to hem in and confine this discretion, to make sure that the Legislature knows exactly what authority it is granting.

Therefore, I say that it is a matter of concern when one sees a section start out with, "subject to" another section, or "notwithstanding" another section or another Act.

I believe that The Financial Administration Act, which I recall I first dealt with in 1969 when the former Minister of Finance had it all prepared and it may even have been on the Order Paper and was thrown down the drain along with Conservative hopes of managing the affairs of the province for years to come when the Minister of Finance, along with Walter Weir, dumped everything down the drain and ran to an election. I was presented with a Financial Administrative Act which had been newly redrafted and I know I didn't understand it at all when I brought it in. I tried to do my homework as best I could.

But since that time, there have been some changes in The Financial Administration Act and last year there was a fairly extensive series of amendments, which included a new Section 39 which in effect replaced Section 40, 41 and 40 and 41 were repealed and then there were changes. So you can't say because we did something for the last five years we're doing it in the same way now. We're dealing with a new apple compared with the old oranges, if I can use that analogy, and I say that, Mr. Speaker, because I went back to the records at 5:30 on Wednesday.

I went back to 1979 Statutes and what did I find - and I think this is interesting - at least it is to me so I'm going to read it to you hoping that you will find it interesting. Interim Supply in 1979 received Royal Assent on April 2, 1979, and Section 6 in that Act commences with the phrases: "Notwithstanding Section 39". Now this had to refer to old Section 39 because The Financial Administration Act of 1979 received Royal Assent on June 15, 1979. So since the new 39 was not enacted until June 15, 1979, then obviously a Bill passed some months previously, April 2, referring to Section 39, referred to old 39 and that's obvious. Well then if you look further you find The Main Appropriation Act received Royal Assent on June 15, 1979, on the same date and within moments of the passing of the amendments to The Financial Administration Act. So when we were dealing with The Main Appropriation Act last year, in committee and Second and Third Readings, obviously we were still dealing with old Section 39 because there was no new Section 39. And there was Section 41 there, which is no longer there and Section 41 does give certain powers. So I'm saying that I assume that The Main Appropriation Act of last year saying: "Notwithstanding Section 39" applied to old 39. I am then, rightly or wrongly - and may in the minds of all of us - was the Section 39 which we had not yet passed, or we're just about to pass, but I think that made it necessary, at least to me, to have a new look at the question.

And my new look at the question brings me to the conclusion that we would be much better off to make the change that is desired here, or the extension or enable the discretion in Section 7, may put it in The Financial Administration Act and let it rest there. But if we do that, Mr. Chairman, I assure you it would have to be much more precise and restrictive and maybe would have to involve the concurrence of at least the Provincial Auditor - the direct concurrence - if any discretionary change is exercised. Because just as the Minister last year brought in legislation - I did not read Hansard to see what he said about the changes to The Financial Administration Act - but just as he made changes, so should he have foreseen the possibility that having made the change, he would already want to exempt himself from it.

Having said that, Mr. Chairman, because I believe that insufficient homework was done to clarify the continuation of an old section in spite of changes that I have just enumerated, I would suggest to the Honourable Minister that rather than proceed at this stage to discuss this further and rather than to rely on the

administration to recommend this kind of discretionary power, that it be reviewed again.

I must say, and I'm trying to be fair about it, I discussed this with the Provincial Auditor as soon as we received this Interim Appropriation Act - before we discussed it here - and he did not see the necessity for it and in this Bill, but I said I want to be fair. I want also to indicate that he had only a cursory look at it and he may well want to change that offhand reaction that he gave me to a different one altogether and in all fairness I would accept that if he said, "I've looked at it more carefully and I now see a point to it".

But I want to ask the Honourable, the Minister of Finance that when he brings The Main Appropriation Act, he come armed with - if the same as last year - with the full explanation backed up by the servants of this Legislature, that is, Legislative Counsel and the Provincial Auditor - or that he rethink the need for this broad discretion that is in Section 7, and which I find offensive because I do think it is wrong to set aside a section of another Act and say, well, we'll ignore that, we'll go ahead with this power. So I think - and he's got time and it'll be awhile before The Main Appropriation Bill comes - if it is necessary, support that with the independent advice outside of the administration. If it is necessary then maybe it belongs in The Financial Administration Act and not in every year's Appropriation Bill. If it's necessary why doesn't it rest there? Or if what he wants is an authority more limited than what he is given here, as described in his memo relating to specific appropriations, why not go back to the former approach of having those specific items mentioned rather than the broad one? And finally, if he finds that it is not necessary, let's not have it again in The Appropriation Bill and have it explained, because it was there last year.

Now on that basis, I for one, don't care whether this . . . I mean, I'm quite satisfied that if the Minister feels he needs it - and obviously he does - then from my standpoint he could pass Section 7.

MR. CHAIRMAN: Section 7--pass; Section 8--pass; Section 9--pass. Preamble--pass - the Honourable Leader of the Opposition.

MR. PAWLEY: Mr. Chairman, we had opportunity only a few days ago to discuss the general economic failings that have taken place on the part of this government since 1977. Since speaking on Monday further information has come to light which I would like to deal with at this stage. Material which I believe again continues to provide further accumulated evidence that indeed this government is failing badly.

The other day I mentioned the fact that in 1977 there were commitments and promises on the part of the then Opposition Leader, the present Premier of this province, that there would be a rebirth of economic activity and certainly those who were involved in the small business community of this province expected an encouragement of investment opportunity. Those that were working men and women anticipated that there would be greater job security in the province of Manitoba. They were led to believe, Mr. Chairman, that in fact this government would bring about a great improvement in the total economic life of the province.

Mr. Chairman, unfortunately those were promises that were not kept and promises which, day by day, are becoming more and more obvious to Manitobans as pledges and promises that were less valuable than the paper they were written on as there is developing accumulation of material to show demonstrably the utter, and total, and absolute failure on the part of this government to properly manage the economy of the Province of Manitoba. And it is for that reason, Mr. Chairman, that we will continue to charge this government with incompetence and mismanagement of Manitoba. This government has done so much, unfortunately, Mr. Chairman, in the space of about two-and-a-half years to turn the economy of this province upside down and, year by year, there is additional evidence to substantiate that.

Mr. Chairman, StatsCan figures, which have just been released, demonstrating the private sector growth, 1978-1979, for each province in Canada, and also providing the projection insofar as 1980, private investment growth, indicates that on private sector projections for 1980, Manitoba will be the lowest in Canada with the exception of Newfoundland and New Brunswick. And, Mr. Chairman, if we take the average of 1979-1980, Manitoba is the lowest, the lowest, insofar as private



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sector growth in Canada - the lowest. And this was the sector that this government and the Conservative Party in Manitoba said that they would bring about a stimulation, that there would be greater job opportunities and security. That's what they lead us to believe, but the StatsCanada figures show conclusively - and I would like to run through those figures because I believe it is important that those figures be imprinted upon our consciousness, so we can clearly identify the problem that is presently confronting us in Manitoba. So that when members shout "doom and gloom", they will know that is not doom and gloom, but it is the reality of the situation confronting Manitobans. And if this irresponsible government across the way is unconscious of that, Manitobans in their hearts and from their awareness with fellow Manitobans are fully conscious, and it's unfortunate that the last group of individuals in this province that is conscious of the fact that there is an economic problem in Manitoba are the 33 members across the way. That is the unfortunate aspect of the present situation in the province of Manitoba. --(Interjection)-- Doom and gloom again, that's all they have to offer. No programs, no initiative, no suggestions as to how they are going to turn around the economy of this province, except a laissez-faire do-nothing approach that Manitobans are becoming increasingly dissatisfied with day by day.

Capital expenditure by provinces for 1979 - and I have all the other calculations here released by StatsCanada, which I won't go into in as much detail as I would like to this morning because we are pressed for time. But I do believe that certain, certain of those figures are very very important. 1979, private sector increase in Manitoba was 2.7, 2.7, Mr. Chairman. 1979 over 1978, the lowest in Canada. And I want to read some of the other figures. The other day, maybe disrespectfully, I made reference to Manitoba becoming the Newfoundland of Western Canada. Well, 1979, Newfoundland enjoyed a private sector percentage increase of 40.5 percent, 40.5 percent, compared to Manitoba's 2.7 percent; Prince Edward Island, 13.3 percent; Nova Scotia, 15.7 percent increase; New Brunswick, 32.5 percent; Quebec, 12.6 percent; Ontario, 10.7; and that terrible Marxist-Leninist Socialist Saskatchewan that the First Minister refers to, where you would expect there would be a fleeing of private investment, an increase of 26.8 percent in private investment compared to 2.7 percent in the province of Manitoba. The evidence is here, Mr. Chairman. This is not released by the New Democratic Party research office in Ottawa, these are statistics from Statistics Canada. And yet, this government continues to muck about, not knowing where they're going insofar as ensuring the re-stimulation of the economy in the province of Manitoba in comparison to what is happening elsewhere in Canada. 21 percent in Alberta; 20.3 percent in B.C.; a Canadian average of 16.1; Manitoba, the bottom of the totem pole, 2.7. 1980, what is projected? I'd like to read those figures into the record, Mr. Chairman.

We will be under the projections for 1980, Manitoba will be the lowest, with the exception of Newfoundland and New Brunswick. Newfoundland, which enjoyed 40.5 percent last year; 5.3 this year; so, overall, it's about a 22 percent average, 1979-1980, pretty good. Good record in 1979, slippage in 1980, but overall average of 22.some. Prince Edward Island, 13.4 percent projected; Nova Scotia, 11.1; New Brunswick, which had enjoyed 32.some percent increase last year, declined 6.7 percent this year, but again, an average of probably 12, 13 percent; it's not bad, about the rate of inflation; Quebec, 8.3 percent; Ontario, 16.5; Manitoba, 7 percent, 7 percent projected for 1980; Saskatchewan, 14.4 percent, double, double the Manitoba projected increase, private sector investment increase; Alberta, 15.2; British Columbia, 19.9; Canada, as a whole, 14 percent; again, a contrast to 7 percent, insofar as Manitoba is concerned. You take the average for the past two years, in fact, the past three years, Manitoba - the bottom of the totem pole. This year projected, only less would be Newfoundland and New Brunswick, but that has to be taken into consideration of the good showing in both New Brunswick and Newfoundland last year. Regrettably, Mr. Chairman, the situation in Manitoba is becoming like the Maritimes over many many years. A lack of investment generation, a lack of job security for working men and women in this province.

Total capital expenditure by province and, again, this is even more telling as to what is happening in Manitoba. The 1980 figures show that, with the exception of New Brunswick, Manitoba will be the lowest. Now, again, I'd like to read these figures and the figures are here for '79 and '78 as well, and the 1980 figures are not in isolation from the situation under the Conservative government of this

province in 1978 and 1979. Newfoundland, total capital expenditure; both public and private, increase of 9 percent; Prince Edward Island, 10.5 percent; Nova Scotia, 8.8 percent; New Brunswick, decline, 9.7; Quebec, 6.1 percent; Ontario, 14.3; Manitoba, 5 percent, 5 percent for Manitoba; Saskatchewan, 15.2; Alberta, 15.6; British Columbia, 17.6; Canada average, 12 percent, with Manitoba's being 5 percent.

And I remember in that period of time, 1969-1979, how we heard repeatedly and repeatedly, till it was repetitious, Mr. Chairman. Talk about repetition, God, how this was repeated to us, how jobs were leaving the province, how investment was being frightened away by those terrible socialist managers that were then running the Province of Manitoba. But, Mr. Chairman, our record was a sound record; it stood up well in comparison with other provinces in Canada, stood up well with provinces elsewhere in Canada. We were pleased with that record, and with the exception of the mini recession which took place in 1977, Manitoba stood up well, stood up well, we compared well to the dismal, sluggish performance that has taken place under that government across the way. Stood up well and, Mr. Chairman, we will at any time, at any place, be prepared to debate and to discuss the Manitoba record vis-a-vis economic management of the affairs of this province with any member of the Treasury Branch, the period 1969 to 1977 and, again, from '77 to the present time. It's as night to day.

So, Mr. Chairman, we cannot but at this point be concerned as are all, pretty well all Manitobans because there appears to be no leadership. I know that they're ingrained with the thought that the least government is the best government. They're ingrained with the thought that laissez-faire economics is the best solution to the problems that are presently confronting peoples all over the world, insofar as economic difficulty. But, Mr. Chairman, that process of neo-conservatism, which has brought about an exercise of mindless restraint hurting mainly those in the low and the middle income groups, whether it be in health, or whether it be in education, or whether it be in other fields of social endeavour, that lack of ensuring that the motor is used of government to stimulate the economy has been the type of message and the type of ideology that has brought about the type of deficits - if they want to talk about deficits - the type of deficits which presently exist from one province of this country to the other. Neo-conservatism is what we are confronted with now in Canada. And I don't care whether it travels under the guise of the Liberal Party or the Conservative Party; they're both the same. Their phraseology may be a little different from time to time, but the Liberal Party's pattern of neo-conservatism as was practised throughout 1978 and into '79 helped bring about the present economic situation that we have in Canada. But that situation has been aggravated by governments such as that government which we've had in Manitoba. What was already a difficult situation throughout Canada has been aggravated by the present government in this province.

It is a situation that has, rather than been mitigated against and should be expected of a provincial government, has been one that has been aggravated by a group of irresponsible, ideologues that knew not where they were going, Mr. Chairman. A God that failed, a God that failed, the God that failed was the God that government pull out, government remove itself from stimulating the economy; government had no responsibility. You place the private sector on trial, that God has failed, Mr. Chairman. And Manitobans, Manitobans are fully aware and I believe that was much of the reason that in the recent federal election, Manitobans in increasing numbers demonstrated their rejection of neo-conservatism, whether that neo-conservatism travelled under the guise of the Liberal Party of Canada or under the Progressive Conservative Party of Canada, it meant not a difference. They were Tweedledee and Tweedledum insofar as Manitobans were concerned in increasing numbers.

Mr. Chairman, we have waited, we have waited weeks, we have waited months to hear some evidence of some leadership from across the way. Manitobans, Mr. Chairman, are asking us as opposition members from week to week, what is the government of the Province of Manitoba intending to do in order to ensure that our sons, and our daughters, and others in this province are not forced, are not compelled to leave Manitoba to points west and to points east. They expect some action on the part of this government. And here we have a government that sloganned itself as the friend of small business, the private sector in this province. And, Mr.

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Chairman, I have never had so many small businessmen complain to me about a government over the space of six months than I have had in the past six months by way of complaints that I have been receiving from small businessmen and small contractors and those in the construction field about the lack of leadership being demonstrated by the present government in the Province of Manitoba; never before have I had so many complaints from that particular sector.

Mr. Chairman, the reason that we speak at this point with concern about what is happening, is that I trust the Minister will be bringing forward his budget in the not too distant future. I would hope that the Minister would formally announce his abdication of the type of worn-out doctrinaire cliches and sloganizing that we've heard from the First Minister of this province over the last two-and-a-half years and would set us on a new path, a new path which would recognize that the provincial community through the provincial government does have a responsibility, and that responsibility is to Manitobans, and to mitigate the effects of the economic decline which is taking place throughout Canada within the Province of Manitoba. That's the minimum that Manitobans expect from their provincial government, the minimum.

Mr. Chairman, it certainly gives me no pleasure to participate in this debate and to express these comments, because I had hoped that indeed that Manitobans would be able to enjoy a better development insofar as investment opportunity over the next year; that there would be improved job security, and that Manitobans would enjoy improvement insofar as health and education and other social services because of an improved economic climate. And I regret, Mr. Chairman, that we can not stand in our places and look forward with any anticipation of that happening during the next year in the Province of Manitoba.

The Estimates which they have introduced to this House, the moneys that are being spent, were a clever piece of cosmetic surgery, attempting to cover up the deficiencies which exist within the government across the way by closer examination. What we have heard from the ratepayers of this province at the school division level, the municipal level, from those that are receiving services, whether it be day care, whether it be the students at the universities, are telling us that their whole exercise has been but a sham, has been but a shell game in which costs have been shifted on to the local ratepayer at the local level and by way of increased user services upon those that are able to afford those user fees.

So, Mr. Chairman, in conclusion I charge this government with total and complete disregard of economic management of the affairs of Manitoba, economic mismanagement that has led Manitoba to the lowest level of economic growth of any province in Canada, a record which we can not but be saddened with. We charge this government as well, Mr. Chairman, of permitting the services to Manitobans to deteriorate and to decline, whether it be by way of health, whether it be by way of educational services. Other social services in this province such as day care have been neglected and have been permitted to deteriorate in the Province of Manitoba. A government that has failed dismally in the management of its own internal workings to the extent, Mr. Chairman, that we now have a per capita debt in the Province of Manitoba that exceeds that in 1977 by \$800 per person; \$800 per person. And they said, Mr. Chairman, that we were facing bankruptcy in 1977. If we were facing bankruptcy according to their forecasts in 1977, we must in fact be in the bankruptcy court now if we accept their standards as to what debt means.

Mr. Chairman, they have failed in every criteria that is used. Rather than bringing about the promises that the First Minister made back in 1977 that there would be an improvement in social harmony throughout the province, that Manitobans would work together with their government in order to bring about a general improvement in the state of affairs of Manitoba, we have greater dis-harmony from one group to another now in Manitoba than we have ever had because of the economic strains that have been brought up upon this province by their economic mismanagement.

So, Mr. Chairman, we shall be permitting this emergency supply to go its way as per the understanding which we had with the Finance Minister the other day. But we do so with sadness that there is no leadership being demonstrated, there are no programs being proposed, there is no new thrust, and we apparently can only look forward to another year of poor economic performance in Manitoba as a result of a lack of political leadership in this province.

MR. CHAIRMAN: The Honourable Minister of Natural Resources.

HON. BRIAN RANSOM (Souris-Killarney): Mr. Chairman, I am not going to try and match that high-blown rhetoric that we just heard from the Leader of the Opposition, but I think that it is necessary once again to place a few facts on the record, otherwise anyone listening or bothering to read what the Honourable Leader of the Opposition has said, I simply want to place a few facts on the record once again, Mr. Chairman. Those facts relate to the record of those honourable gentlemen when they were in government, and I don't see that the people of the province have any reason to expect any more from them today if they were to return to government, than they did then.

And from 1974 to 1977, which was a period of considerable expansion in the economy across this country, from 1974 to 1977, there was a net increase of 10,000 people employed in this province. In four years, 10,000 people, Mr. Chairman. And in one of those periods from 1974 to 1975, I believe, there was actually a decline of some 2,000 people employed in this province. And a major portion of that increase, Mr. Chairman, was in the public sector; not in the private sector, but in the public sector, fuelled by the extravagant plans and expenditures of those honourable gentlemen when they were in government.

The Honourable Leader of the Opposition didn't talk too much this time about people fleeing the province in droves, but he did make one reference again to people asking him about the opportunity for young people to have jobs in this province. He should look at the record of his government in terms of providing employment for young people. From 1975 to 1977, Mr. Chairman, there were 4,000 people in the age group of 15 to 24 years, who joined the labour force in this province; 4,000. The number of employed people from 15 to 24 years of age didn't increase one whit. There were 4,000 people under the government that he was a part of, joining the labour force who didn't have any increase in the net opportunities for employment; not one.

From 1977 to 1979, Mr. Chairman, there were 6,000 people in that age group from 15 to 24 who joined the labour force. And, Mr. Chairman, there were 6,000 new job opportunities for those people joining the province in that period of time. Now he can dig out all the selective statistics he wants and all the projections he wants to, Mr. Chairman, these are facts. These are things that have happened. These facts show that the financial and economic activities that have taken place in this province while we have been in government - and we have not said that these are created by government. They were not created by government. They were created by the private sector operating under the sort of climate for investment that the private sector needs to operate and to flourish and to provide jobs. This is what's happened in the period of our government, Mr. Chairman, and I am sure that when the record comes in next year and the year after, we'll find that the performance of the economy in this province has been far in excess, far in excess, relative to the performance of the economy when those honourable gentlemen were in government, Mr. Chairman.

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, there is no doubt that there have been some dramatic statistical advances under the Conservative administration - no doubt; like mortgage foreclosures have gone up, Mr. Chairman, in such a fashion as to be almost unbelievable. Well, you know, the members say, definitely our fault. The figures that advance their position, they take credit for, they approbate them; the figures that are not satisfactory to them, they reprobate them, and we have, Mr. Chairman, a principle of law which apparently the honourable members will not accept, that you can not approbate and reprobate. The fact is that there are some dramatic figures, Mr. Chairman; that of bankruptcies, Mr. Chairman, has for me increased dramatically; that of foreclosures has increased dramatically; that of sheriffs' executions, Mr. Chairman, have increased, but not quite as dramatically as the others.

So, as the Member for Wolseley pointed out two years ago, he said, "I know a firm," Mr. Chairman. He said in this House, "I know a firm that is presently looking for six employees," and seeing that I knew some people who were unemployed, I got up and asked the member, "Which firm?" He said, "It's a bailiff's firm." And

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it's true, Mr. Chairman, there is need for bailiffs, for foreclosures, for executions, for matters of this kind, for bankruptcies. There is indeed, Mr. Chairman, more people employed in such professions. And it's true, Mr. Chairman, that my learned friend, the Member for Souris-Killarney, the Minister, seems to think that if a job is created in the public sector, it's worthless, and no doubt he is thinking of the jobs that are occupied by the 17 members of the Conservative administration. He looks at them and says, they're worthless, therefore anybody who is employed by the public is worthless. And if a person is working as a nurse, she is worthless; if a person is working for a school, he is worthless.

MR. CHAIRMAN: The Honourable Minister on a point of order.

MR. RANSOM: On a point of order, Mr. Chairman. The Member for Inkster is attempting to attribute remarks to me which I did not make.

MR. GREEN: Mr. Chairman, the Honourable Minister said that these jobs are in the private sector, not in the public sector, as created. . .that's what he said. He can go back to Hansard and he will find that. . .

MR. CHAIRMAN: Order please, order please. Order please. I think, to the honourable members, that to keep the record straight so that we can make reference to Hansard, that if the speaker will rise in his place and be acknowledged, then it can be recorded in Hansard.

The Honourable Member for Inkster.

MR. GREEN: Mr. Chairman, the Honourable Minister of Mines says I should stick to the rules of the House. Will you tell him whether or not he had a point of order, because he is interested in the rules of the House?

MR. CHAIRMAN: To the honourable members, a ruling. I was listening to the debate. I am not really that positive of it. I think that the Honourable Minister made reference to remarks made that the Honourable Member for Inkster had made. The inference was there, but I am not sure in fact whether the actual accusation was there.

The Honourable Minister on a point of order.

MR. RANSOM: Would you advise that, irrespective of whether or not the point of order raised was in fact a point of order, that I do have the right to raise the question?

MR. CHAIRMAN: To the Honourable Minister, there's no doubt in my mind that you do have that right and you were allowed to raise that point.

The Honourable Member for Inkster.

MR. GREEN: Mr. Chairman, I'm sure that he has the right to raise it and he has the right to declare it out of order, which he was, Mr. Chairman. And the fact is, Mr. Chairman, he said that there was extravagant creation of jobs by spending and that their jobs were created in the private sector. And I'd indicated that the honourable member appeared to suggest that the jobs in the private sector are wonderful jobs, whether, Mr. Chairman, they be jobs in massage parlours, whether they be jobs in the circus, the Royal American Shows or any other type of activity, whereas the jobs that nurses do, the jobs that are done with regard to the improvement of the countryside, generally, the jobs that teachers do, since they are in the public sector they don't count according to my honourable friend or, Mr. Chairman, a reasonable interpretation of what he was inferring to this House and what I have heard, Mr. Chairman, from time immemorial from members on the other side. They always say that. They always say that the jobs in the public sector do not count; we are looking only at the jobs in the . . . All of their statistics, Mr. Chairman, deal with private sector investment has increased because they won't dare deal with the total investment, they only count private sector investment, that's the only thing that they consider valuable.

Now, Mr. Chairman, I'm not going to deal with those statistics, the dramatic changes and bankruptcies and executions and foreclosures that the Conservatives on

the other side appear to be so proud of in terms of dealing with their statistics. I want to deal, Mr. Chairman, with another point which I see creeping into this government, Mr. Chairman, and I think that we have only seen the tip of the iceberg. And you've heard me, Mr. Chairman, I haven't objected. As a matter of fact I have said that if they want to appoint a young man as a Deputy Clerk and he's a man of integrity, I don't object because he happened to be a Conservative. That kind of governmental appointment I have found no objection to, although various members of this side have. They call it patronage. But I'm not going to deal with patronage, Mr. Chairman, I'm going to deal with something far more insidious, and that is corruption. Because, Mr. Chairman, in the last year and particularly in the last few months, we have seen the insidious hand of corruption making itself felt within that government - and there are four examples - three of them in the last day, Mr. Chairman.

The Honourable Member for Elmwood asked a very very powerful question. Mr. Chairman, in north Winnipeg a young fellow was playing basketball in a school and he ran, what is a normal basketball move to anybody who knows it, running towards the back, went up to the basket, ran against the wall and was killed, Mr. Chairman, was killed. The schools have asked the Minister of Education to do what should have been done before this happened, because anybody knows that that can happen and we are merely waiting for the incident to occur, and it did occur, and a young Manitoban was killed. The Minister says he will not, Mr. Chairman, he will not provide the schools with funding. To do what? To provide padding on the walls where children are running into the basket. He will not do that, Mr. Chairman, at a cost of what I suppose is some \$3 million throughout the province - that was the suggestion - not even in stages.

But at the same time, Mr. Chairman, the Minister of Mines comes in with figures - and that's why I compared them - comes in with figures which have not substantially changed, says that he's going to spend \$5 million because the people of Carman had been screaming about flood protection. And the figures showed, Mr. Chairman - they were prepared by people in that department and there is no change in those figures - that to spend \$5 million, there is no way that there will be a return on that investment. That the amount of damages which would have to be suffered in Carman to justify an expenditure of \$5 million in capital, is \$750,000 each and every year. --(Interjection)-- Mr. Chairman, the member says the people will drown. Nobody has drowned in Carman, nobody will . . . --(Interjection)-- Mr. Chairman, wait until not somebody may be drowned, but somebody is killed, a youngster is killed by something that we know will kill him.

We know that of all the flooding in the Province of Manitoba, Mr. Chairman, of all the flooding in the province of Manitoba - look how they're justifying it, look at the straws that they're leaping to, and that's what I mean by corruption - of all the flooding in the Province of Manitoba, I think that in the 1950 flood, which was one of the worst, one person was drowned, and it really had nothing to do with the flood. They got caught in a sort of a sub-basin with the top down. It had nothing to do with waters coming in and flooding. But there was one drowning in the 1950 flood.

In the floods last year nobody drowned, Mr. Chairman, and there has never been a danger of a drowning in Carman. What there has been is inconvenience, and I, Mr. Chairman, don't want to justify that. I don't want to say that it's okay. But I know that no engineering reports have been brought or were brought or are now before the Minister which shows that it makes sense, Mr. Chairman, to spend \$5 million to save the kind of damages that have occurred in that community. You would have to prove \$750 a year every year, because that's what the interest rate is. --(Interjection)-- Pardon me? \$750,000 a year, every year. And there is no figures that the Minister will show to that. But what we do have, Mr. Chairman, we have corruption.

MR. CHAIRMAN: The Honourable Attorney-General on a point of order.

MR. MERCIER: On a point of order, Mr. Chairman. I suggest that the use of the word "corruption" is unparliamentary and the Member for Inkster should be requested to withdraw that.

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MR. GREEN: . . . they said that Cass-Beggs was corrupt. Am I not entitled to respond to that?

MR. CHAIRMAN: To the Honourable Attorney-General. I think that the Honourable Member for Inkster had clarified his remarks on corruption previously. I can't recall the exact wording but it wasn't an accusation of the government of Manitoba being corrupt.

The Honourable Member for Inkster.

MR. GREEN: Mr. Chairman, I'm sorry that you made that qualification, because I think that the government of Manitoba is acting in a corrupt way, in a corrupt way, Mr. Chairman. I am going to give you the examples, and it will be for someone else to judge whether this shows that they are corrupt. But the things that they are doing, Mr. Chairman, and there are several of them, and that business of turning down the schools for this child who was killed and pouring \$5 million because they elected a member from Carman with the squeaky wheel, Mr. Chairman, I think that that is acting in a corrupt way.

Mr. Chairman, I say it is acting in a corrupt way for the Minister of Finance, contrary to all legal principles, contrary, Mr. Chairman, to all legal principles to relieve the wife, the widow of a former member of his party, of her proper share of Estate taxes on the basis of his individual change in what the department said was a normal assessment. I believe, Mr. Chairman, that that is a government acting in a corrupt way. Mr. Chairman, I believe that it is a government acting in a corrupt way that says that they are going to relieve a group of people in the province of Manitoba from repaying what was paid to them, Mr. Chairman, as a matter of price stabilization on the understanding that when the price goes up, the province will be repaid. And we have the Minister of Agriculture getting up, Mr. Chairman, and saying that he is going to relieve these people.

At the same time, Mr. Chairman, we've had hundreds of people receiving social assistance, many of them who have had liens on their house because the assistance has been received from the municipality or because, Mr. Chairman, it involves a capital improvement or a payment of a mortgage payment. And those people are not told, the day you get off welfare you can be relieved of that obligation to the Crown, because that's what it was, Mr. Chairman. It was a Social Assistance Program to these hog producers so that they would continue to produce hogs and receive a price for it . . . --(Interjection)-- Well, Mr. Chairman, they all agreed to take it on that basis. They all agreed to go into the program on that basis. They were being paid . . . --(Interjection)--

MR. CHAIRMAN: The Honourable Minister of Agriculture on a point of order.

MR. DOWNEY: Mr. Chairman, it's the Beef Producers Program that I referred to in my statement.

MR. CHAIRMAN: The Honourable Member for Inkster.

MR. GREEN: Mr. Chairman, that makes it kosher, because I was talking about hogs, and it's a different story. But it makes it a Beef Program. That is correct. The fact is, Mr. Chairman, that the Minister unabashedly comes in and relieves these people of an obligation which they undertook, in which he says that if we don't release them from it - this is his opinion of the farmers of the province of Manitoba. This is his opinion; that they will, rather than stay in business and pay off a lawful debt, that they will get out of business; that they will leave business rather than pay back what was a lawful debt, Mr. Chairman, and one which they asked the public to support them while the prices were low. And I say, Mr. Chairman, that the farmers of Manitoba would stay in business and they would pay their debt, but that's not what the Minister is doing. The Minister and that government that keeps talking about the expenditure of taxpayers' money, is willing to put it into Carman, to satisfy a squeaky wheel; is willing to relieve beef producers, because they happen to be friends of the government, in their opinion, and I don't know that they are; they'll relieve the widow of a member of the Legislature of what everybody else would have to pay . . .

MR. CHAIRMAN: Order, please. The Honourable Minister on a point of order.

MR. RANSOM: I wish the Honourable Member would permit a question. I just wonder - he made reference to it being corrupt to provide - acting in a corrupt fashion to provide flood protection for Carman because it had elected a Conservative member who was a squeaking wheel. Would he also consider it to be corrupt to offer to provide flood protection to Ste. Rose, who has an NDP member?

MR. CHAIRMAN: The Honourable Member for Inkster.

MR. GREEN: Mr. Chairman, if the sop to Ste. Rose is meant that you could do it for Carman, I would say yes. But I say that I would provide it anywhere where it makes sense, and that's what we said, Mr. Chairman. We said that we would provide flood protection anywhere where it made sense, but it does not make sense, Mr. Chairman, it does not make sense to spend \$5 million on flood protection to protect damages which may average \$200,000 a year. It does not make sense. The damages would have to reach \$750,000 per year every year before you spend \$5 million. Conservatives don't know that. Conservatives can't count. --(Interjection)-- I answered the question. Mr. Chairman, the honourable member didn't hear me; I answered the question. I said, that if you're doing it for Ste. Rose, in order that you could do it for Carman - yes, it is a corrupt way of behaving. If you have to show that this is what you're doing to Ste. Rose in order to come along and do it for Carman, which is what you really want to do, yes, that is correct.

And Mr. Chairman, we heard the other day, and it is interesting now, that not a single fact . . .

MR. CHAIRMAN: The Honourable Minister of Finance on a point of order.

MR. CRAIK: Mr. Chairman, a further point of order, since the member is changing direction, I believe. He's made the suggestion that there's something untoward about the settlements being made on estates, particularly involving one particular case which he has made no hesitation identifying. I point out to him, Mr. Chairman, it's a point of order, because he referred to it as a gift, or something else. Out of a number of adjustments that were made at the tail end of that particular tax, that was one of them. I want to correct the member to the extent that, although an offer of settlement was made at that time, I believe it's perhaps the only one of the total number of settlements that has not been accepted, and I think his statement is out of context; it's untrue.

MR. CHAIRMAN: The Honourable Member for Inkster.

MR. GREEN: It makes no difference; the Crown has offered to waive this estate tax. They've offered to do it without any legal justification for doing it. There is no law whatsoever, Mr. Chairman, which they are following by doing it. There was a recent case in the western weeklies this week which said that where a man held property as joint tenants and there was a suggestion that he wanted the other to have the whole, that on that suggestion alone, they cannot presume that they were entitled to the whole.

MR. CRAIK: On a further point of order.

MR. CHAIRMAN: Order please. The Honourable Minister of Finance on a point of order.

MR. CRAIK: Yes, the member has gone on further now and said that these weren't legal. At the time this was last discussed in the House, the sections of the Act were read out and the Act was passed by this House. The Act is administered by this government; it is perfectly legal, Mr. Chairman. It is an Act of this Legislature.

MR. GREEN: . . . I said there was no legal justification.



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MR. CHAIRMAN: Order please. Order please. I think rather than allow it to get into an argument, it is a matter of debate at this point, and if the honourable members would please just wait to be acknowledged, it can be recorded in Hansard.

The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, I said that there was no legal justification for what the Minister did. What he did was legal. What he did was legal and corrupt, but there was no legal justification for making a decision that this taxpayer would be relieved of paying succession duties to the extent of that share of the estate. There is no legal basis upon which such a decision can be made. What the Minister did was made it, that's all. He just made it because he had the legal right to do it. Which only proves, Mr. Chairman, that power corrupts. It doesn't mean that it is illegal. It was legal to execute Sacco and Vanzetti too, but it doesn't mean there was any legal justification for doing it. But it's legal, yes. When you are in power, you can do certain things that are legal merely by virtue of being the Minister, and the Act gave the Minister the authority to do that, and that's why, Mr. Chairman, ministerial responsibility is such a heavy responsibility.

Mr. Chairman, the last one, which came up the other day, and since I've asked the question, nothing had happened except to confirm, because the nature of the suggestions that were made to me and which I wanted to receive answers from the Minister. What we have learned since the questions were asked, Mr. Chairman, is that there was a tender put out by Hydro for Burntwood environmental studies; that several people answered the tender; that as a result of evaluating the tenders, a certain group was eliminated and a certain group was further considered; that of the group further considered a recommendation was made to Hydro; that the board did not accept that recommendation; that after the board did not accept that recommendation and waited for months on it - the consulting firm has an office here in the Province of Manitoba - that after waiting for months on it, or for a lengthy period of time, so that I am not caught up on just the phrase, that the board or someone, and that's the mystery, has told the staff that they are to reconsider and they are to include in their consideration a group composed of several firms, and one of whose participants is the firm that is run by Gordon Spafford, or which he is in. All of that is confirmed.

What the Minister says, Mr. Chairman, and the member of the board says, is that, yes, we did this type of thing, but we prefer local talent. Now, Mr. Chairman, what the Minister says is, "I didn't know about it." Well, he has got a member of the board sitting in his caucus, and what else is the situation, Mr. Chairman? One of the big criticisms by Mr. Justice Tritschler of the Hydro situation was that Cass-Beggs regarded himself as somewhat of a Deputy Minister to the Minister, and Mr. Justice Tritschler said that that is a very bad situation. I think he even made an interim report, Mr. Chairman, suggesting that that situation should not exist.

Who is the Chairman of Hydro today? The Deputy Minister to the Minister of Finance, and has been for many months. I am not criticizing the Deputy Minister, but with that relationship, Mr. Chairman, and I ask you in the future to imagine some commissioner examining this program, this tender situation, and saying that the entire staff wanted them to take this person, that there was some delay in doing it and they were referred back to somebody who was not suggested at all, and the Minister claimed that he didn't know about it.

Now I am going to read what a commissioner, if he is as judicious as Tritschler, would say about that statement, without any evidence whatsoever, Mr. Chairman, just so that the Minister knows what he faces, because he thinks Tritschler made very judicious findings. How did Mr. Justice Tritschler find that Mr. Cass-Beggs knew that the estimate had gone up? The Minister denies it. Well, I am going to read what the commissioner is going to say about the Minister of Finance who says, I didn't know anything about it. I had a member of the caucus who was on the board; my Deputy Minister was the Chairman of the Board, but I knew nothing about it. "It is not possible for the commission to believe that the Minister was unaware of it." And I'm just paraphrasing, Mr. Chairman, Mr. Justice Tritschler, the way he made his findings. No evidence whatsoever. Mr. Cass-Beggs denied it. But, "It is not possible for the commission to believe," Mr. Chairman.

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So let the Minister of Finance know that somebody in the future looking at this situation, if he had the same mind, the same intelligence, the same judiciousness as Mr. Justice Tritschler, would say, "It is not possible for the commission to believe that the Minister didn't know about it."

He says he didn't know about it. I can't prove that he didn't know about it. I can prove that his Deputy Minister is the Chairman of the Board. I can prove that a member of his caucus is a member of the board. I can prove that he discussed - well, I can't really prove that - I cannot prove that he had any conversation with Mr. Blachford. I cannot prove that the Minister had any conversation with Mr. Blachford since he has come to Manitoba. We don't know whether he said hello to him. We don't know whether he said hello, or told his Deputy Minister to say hello to him.

What we do know is that somewhere or other, the Hydro Board has not accepted what the entire staff has told them to accept, and has told the staff to go get Spafford; go investigate; go reconsider a proposal which includes Spafford.

MR. CRAIK: Garbage, absolute garbage!

MR. GREEN: Well, Mr Chairman, that was reported yesterday as what the member of the board said, the Honourable Member for Rhineland. Well, if it is garbage, tell him it is garbage, because that is what he is reported as telling the newspapers, Mr. Chairman. --(Interjection)-- Well, I think that things are pretty bad for you. I think that things are pretty rough, Mr. Chairman. I think that things are pretty rough, and they will get rougher, because this government has chosen this path, Mr. Chairman. They are determined to go along with it. They think erroneously, that all they have to do in order to secure themselves in office, is to refer to the rat-infested nests of the New Democratic Party administration and to the Tritschler Report. It won't wash, Mr. Chairman, and therefore, contrary to what the Leader of the Opposition said, I never had hoped that the government would change, never had hoped that they would adopt a new course, never believed they would, know they won't, and they are adopting that course right out of office, Mr. Chairman, right out of office, which is where they should be.

MR. CHAIRMAN: The Honourable Minister.

MR. CRAIK: Mr. Chairman, it has to be straightened out on the record. First of all, I don't want to delay this discussion, for obvious reasons, but first of all, to straighten out the Member for Inkster - I shouldn't say that because nothing is going to straighten him out. He is on such a kick, he's got his mind made up. He has decided he is going to vilify somebody. He keeps changing his tack. Every time he finds out he is wrong, he shades it a little bit this way or back and forth. Now he's talking about tenders called, tenders not received; the Minister was aware, and he said he was unaware; all of this.

I point out first of all, to give you some of the history of this, the Member for Fort Rouge asked a question in this House several weeks ago, long before the Member for Inkster raised a question, as to whether or not the Hydro was calling for tenders or proposals or studies or whatever on the Burntwood River. I said, yes, it was my understanding that they were and that they were examining them. So I was aware obviously, Mr. Chairman.

Let me tell you a little further that the Member for Inkster always has to gild the lily, you know, bend it as far as he can, as if here is a tender call; there is so much structural steel, and there is this and there is that, and there is going to be a tender call. Mr. Chairman, my understanding of it is that Hydro decided that probably the total study would be somewhere in the order of \$750,000, and then they went to look for people to do the study. They made a recommendation from the staff to the board with regard to who should do the study. Mr. Chairman, is that a tender? That's an award of a proposal, or whatever it is. Anyway, it is not an abnormal practice.

But the member wants to suggest that somehow, you know, there was a dollar difference and therefore it was clearcut and the board had no option but to exercise --(Interjection)-- Well, he is implying it. He never says anything. It's just like his legal whatever it is, you know, there was no legal whatever it was. Well, it was perfectly legal. There was an Act passed by this House. What he is

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saying, that unless a lawyer administers that Act, it shouldn't be administered. That is what he is really saying. In his estimation as a lawyer, even though an Act of this House is passed, it shouldn't be administered by anybody but a lawyer, and preferably him. That's effectively what he is trying to say.

Mr. Chairman, let's get it back down. The Member for Inkster first of all started out his line of questioning several days ago. He facts were wrong in every case. He made the accusation that one firm, mainly UNIES, the reason the whole thing got erupted is that they didn't have a chance and they wanted to come in after the fact. --(Interjection)-- He said that in the House too. Mr. Chairman, he said that in the House. --(Interjection)-- Well, we will go back into the Hansard . . .

MR. CHAIRMAN: Order please. The Honourable Member for Inkster on a point of order.

MR. GREEN: On a point of privilege, Mr. Chairman. I said that that person was not one of the group that was chosen by the staff to be considered. It was one that was not considered in the original consideration, although it was one of the proposals.

MR. CHAIRMAN: The Honourable Minister.

MR. CRAIK: So now the tune is changing. He just said it himself. He said first they weren't in the proposal thing; now he is saying they were, but they weren't considered. Mr. Chairman, I have told the committee --(Interjection)-- No, he has got his mind made up, but I just don't want this thing to go on the record because of his paranoia, as I said it was before, which it was. To the best of my knowledge, the UNIES firm was not involved. I can tell you what did happen with regard to all this. When this recommendation went to the board, all of the board came under a degree of question and request from locally-located operations, businesses based in Winnipeg, that they felt that the procedures were not just quite the way they should be and in addition to that, they wanted an opportunity to make their propositions to the board. I think, Mr. Chairman, that any board has its right to do that.

The member also started out by accusing me of instructing the board what to do. --(Interjection)-- Oh, he did. You see, he keeps saying . . .

MR. CHAIRMAN: Order please. Order please. If your remarks are to go on the record, I would hope that you would rise and be acknowledged and we will allow you to be acknowledged.

The Honourable Minister.

MR. CRAIK: Well, Mr. Chairman, I think we have seen a sampling enough here to indicate what has really been happening. To bring it up to date, to the best of my knowledge the staff has made a proposal of recommendation to the board; the board is going to adjudicate it and the board, in this new course, will make the decision for which boards are intended. And that recommendation will probably come through the staff. I noticed the report yesterday that said, that I said he didn't have the right to make a recommendation to the board. That would be the most foolish thing he could possibly think of. That is, --(Interjection)-- well, that's his job. But he, again, this morning, Mr. Chairman, --(Interjection)-- Mr. Chairman, when I am referring to "he", I'm talking about the Member for Inkster. --(Interjection)-- No, he confused, this morning, the Chairman and the CEO, Mr. Chairman. The member this morning, when I at the end of the question period got up and said it was entirely appropriate and would be expected that a CEO would make a recommendation to the board, that is the proper procedure, Mr. Chairman. I think that it doesn't take a commission of inquiry or anybody else to rationalize that logic, that is what's expected, but the report yesterday claimed that I said otherwise. I think it was probably misreported; probably because it came across unclear. I'm not suggesting that there's anything untoward and/or anything, it shouldn't just go out as being an interpretation of how the board should function. But the member this morning, again, referred to the CEO as the Chairman; he's not. The chairmanship's job has not been filled, the Vice Chairman

of the committee has been since last fall on a temporary basis, is the Deputy Minister of Finance.

So, Mr. Chairman, in due course this will all be looked after and, as we indicated a year ago, this is a general approach we want to take to the Crown corporations. So I want to put this on record, Mr. Chairman. The board is doing its job the way you would expect any government would expect any board to do its job. And as far as I'm concerned, they are doing it properly when they entertain more than submissions from their staff. If they get a submission saying that there's something that ought to be checked further, they're entirely within their right to do it and they should do that. It would be disappointing if they did not do it. So, Mr. Chairman, so much for that.

As far as the rest of the discussion this morning is concerned, the Minister of Natural Resources pointed out a few things that should cast into some doubt the statements by the Leader of the Opposition. I would go somewhat further and say that he's making a selective use of statistics. There are people who make a practice of doing that and usually end up in some disrepute, and I think if he wants to gain a spot in with that group of people who misuse and abuse statistics, he can gain their same incredibility. I suggest he may more importantly separate out the drop in housing from the total statistics and look at the directions that are happening in manufacturing, along with the statements by the Minister of Natural Resources. He'll find out that the base, if you take it out of context, you can, if you look at the total base, you'll find that there is a much more satisfactory direction being taken in the industrial base in Manitoba than there has for some time. Mr. Chairman, thank you very much.

MR. CHAIRMAN: The Honourable Member for Elmwood.

MR. DOERN: Mr. Chairman, I was intrigued with the question period today and yesterday in regard to the priorities of this government. You know, it was a couple of years ago, when there was a tragic fire in Portage la Prairie, and now when the government, which tried to make some political hay out of that particular issue, is questioned on its policies in regard to fire safety in the province, they give us some very peculiar answers. I speak of the Minister of Government Services, in particular, and I speak of the Premier of Manitoba in particular.

You know, some people try to capitalize on a situation and other people try to do their job. This morning I asked the Minister of Education, who is charged with the health, safety, and education of the students of Manitoba, whether he was going to follow the recommendations of a provincial inquest into the death of a basketball player. And, well, I guess one could interpret in various ways what he said, but I interpreted what he said to be that, first of all, he was not going to follow the recommendations about padding, but he was going to provide a substitute and, secondly, he was going to ignore the recommendation that there be extended room on each end of the gymnasium floors. I then asked the Attorney-General, and he seems to think that he'll leave it up to the Minister of Education.

You know, Mr. Chairman, when there was a fire in Portage la Prairie three years ago, and when there was an inquest, the First Minister, who is a master of deception, first of all came out and then said that it was a terrible thing. But he couldn't resist, during an election campaign, of introducing that issue and trying to whip up an emotional reaction on the part of the public. I think that will stand as a blemish on his record forever, and I quote to you what the Brandon Sun said in September of 1977 about Premier Lyon, who was then the Leader of the Opposition. They said, "In a zest for perpetual agitation against the government, Sterling Lyon lost no time in cashing in on Judge Trudel's report into the Portage fire." And it says in the last paragraph, "If he insists on pursuing the partisan point that he, not the government, is the champion of the retardates at the Portage School, he ought to be reminded that this government has done more, far more, than was done by the previous administration of which Mr. Lyon was a key member."

And when we asked yesterday, questions of the Minister of Corrections and the Minister of Government Services about what they were going to do in Dauphin and Glenboro, what kind of an answer did we get? We have all this malarkey, Mr. Chairman, from three years ago, how they were going to undertake a marvellous restructuring and they were going to adhere to the fire code; they were going to do things that weren't done by the previous administration. Oh, they ignored the

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fact that we were steadily improving conditions around the province; they ignored the fact that we brought in a new tough fire code. What they said, first of all, their first action of the Labour Minister when they came into power was to say, "We're going to delay these implementations." Then the Minister gets up and he has the gall to say that they are making progress, and he points out to the members of the Chamber that it's going to take 10 years to meet these requirements. He is giving us an ironclad agreement, Mr. Chairman, that it'll take 10 years before these fire code requirements are met, which means that for at least 10 years, this administration which won't be around very much longer, but that he's guaranteeing us that if they had the authority, they would be in violation, in violation. They give us an ironclad statement for 10 years, and we ask the Minister of Corrections what he's going to do about a situation where there's a fire problem, and he said, "Well, there's a ladder; they put a ladder outside the window."

A MEMBER: It's a wooden ladder.

MR. DOERN: Yes, I don't know if it was wooden or if it was metal. That's something that I would be very interested in. But there is what they are going to do about fire safety. Go to the end of the hall and go down the ladder. You know, it could have been a rope, it could have been an umbrella. I'm waiting for the Minister of Corrections or the Minister of Highways to supply a bunch of umbrellas in some of our institutions, like Air Canada does when it's raining, and in the event of a fire, take an umbrella, open it up and jump out the window. And, you know, this is the kind of policies that they are trying to tell us that they are introducing to bring fire standards up in Manitoba. And they say, it's okay. The Minister of Corrections thought it was very good. His Deputy said, "We're keeping our fingers crossed; we're hoping that things will not go array." And, you know, I just say that . . .

MR. CHAIRMAN: The Honourable Minister of Corrections on a point of privilege.

MR. MINAKER: The Honourable Member for Elmwood indicated that my Deputy made that statement. I would like to correct that my Deputy did not make that statement, or never has made that statement.

MR. DOERN: Well, Mr. Chairman, I believe it was Hans Schneider. I'm referring to an article in the newspaper. Maybe he has another title, Commissioner of Corrections, so I stand corrected; his top employee in that area.

Mr. Chairman, I'm simply saying that when the Fire Commissioner lays down requirements, this government can't as easily as it thinks avoid them. This is a government that condemned us for not meeting all the requirements, and this is a government that is bringing in phoney substitutions and so-called equivalencies. And what kind of protection, the bucket brigade, is that a substitute for a fire department? Is a wooden ladder a substitute for a fire exit? Are they going to hand out umbrellas to people? Are they going to say to people on the second floor, "Well, make that equivalent to the main floor. You could jump the 10 or 20 feet, it's not going to harm you and it's going to save us a lot of money." Is this the kind of action that we're getting from a government which beat the drum and tried to take advantage of a death in an institution? Nobody on this side is going to get up and say that the Minister of Education caused the death of a basketball player, no one is going to say that. People on this side are going to say that the recommendations of the Fire Commissioner's Report should be implemented and I think that's a reasonable position, but it's not the kind of position, Mr. Chairman, that was taken by people on the other side.

We're going to watch very carefully what the actions of this government are going to be in that regard, given their past record and the mighty mouth of the First Minister.

MR. CHAIRMAN: Order please. The hour is now 12:30, I am leaving the Chair and will return at 2:30.