

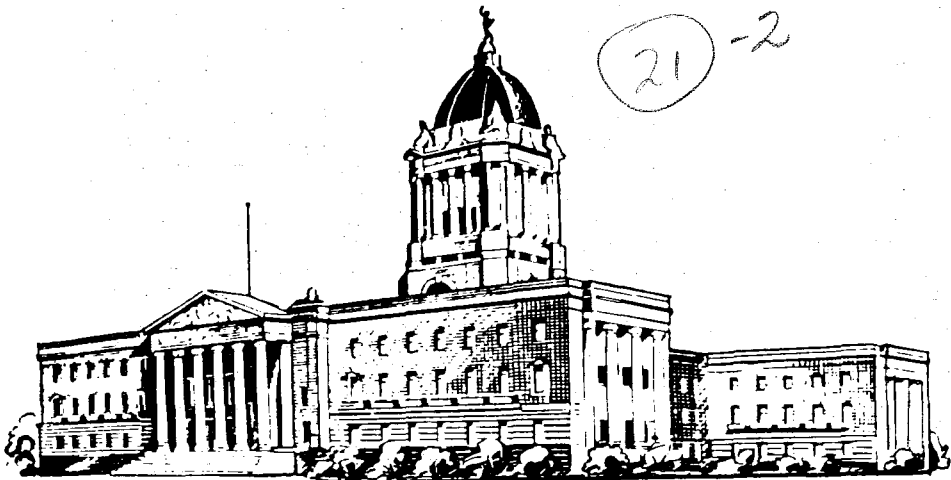


Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

Speaker

The Honourable Peter Fox



Vol. XVIII No. 46 2:30 p.m., Wednesday, May 19th, 1971. Third Session, 29th Legislature.

ELECTORAL DIVISION	NAME	ADDRESS
ARTHUR	J. Douglas Watt	Reston, Manitoba
ASSINIBOIA	Steve Patrick	10 Red Robin Place, Winnipeg 12
BIRTLE-RUSSELL	Harry E. Graham	Binscarth, Manitoba
BRANDON EAST	Hon. Leonard S. Evans	Legislative Bldg., Winnipeg 1
BRANDON WEST	Edward McGill	2228 Princess Ave., Brandon, Man.
BURROWS	Hon. Ben Hanuschak	Legislative Building, Winnipeg 1
CHARLESWOOD	Arthur Moug	29 Willow Ridge Rd., Winnipeg 20
CHURCHILL	Gordon Wilbert Beard	148 Riverside Drive, Thompson, Man.
CRESCENTWOOD	Cy Gonick	115 Kingsway, Winnipeg 9
DAUPHIN	Hon. Peter Burtniak	Legislative Bldg., Winnipeg 1
ELMWOOD	Hon. Russell J. Doern	Legislative Building, Winnipeg 1
EMERSON	Gabriel Girard	25 Lomond Blvd., St. Boniface 6
FLIN FLON	Thomas Barrow	Cranberry Portage, Manitoba
FORT GARRY	L. R. (Bud) Sherman	86 Niagara St., Winnipeg 9
FORT ROUGE	Mrs. Inez Trueman	179 Oxford St., Winnipeg 9
GIMLI	John C. Gottfried	44 - 3rd Ave., Gimli, Man.
GLADSTONE	James Robert Ferguson	Gladstone, Manitoba
INKSTER	Hon. Sidney Green, Q.C.	Legislative Bldg., Winnipeg 1
KILDONAN	Hon. Peter Fox	627 Prince Rupert Ave., Winnipeg 15
LAC DU BONNET	Hon. Sam Uskiw	Legislative Bldg., Winnipeg 1
LAKESIDE	Harry J. Enns	Woodlands, Manitoba
LA VERENDRYE	Leonard A. Barkman	Box 130, Steinbach, Man.
LOGAN	William Jenkins	1287 Alexander Ave., Winnipeg 3
MINNEDOSA	Walter Weir	Room 250, Legislative Bldg., Winnipeg 1
MORRIS	Warner H. Jorgenson	Box 185, Morris, Man.
OSBORNE	Ian Turnbull	284 Wildwood Park, Winnipeg 19
PEMBINA	George Henderson	Manitou, Manitoba
POINT DOUGLAS	Donald Malinowski	361 Burrows Ave., Winnipeg 4
PORTAGE LA PRAIRIE	Gordon E. Johnston	Room 248, Legislative Bldg., Winnipeg 1
RADISSON	Harry Shafransky	4 Maplehurst Rd., St. Boniface 6
RHINELAND	Jacob M. Froese	Box 40, Winkler, Manitoba
RIEL	Donald W. Craik	2 River Lane, Winnipeg 8
RIVER HEIGHTS	Sidney Spivak, Q.C.	1516 Mathers Bay, West, Winnipeg 9
ROBLIN	J. Wally McKenzie	Inglis, Manitoba
ROCK LAKE	Henry J. Einarson	Glenboro, Manitoba
ROSSMERE	Hon. Ed. Schreyer	Legislative Bldg., Winnipeg 1
RUPERTSLAND	Jean Allard	602 - 245 Provencher Ave., St. Boniface 6
ST. BONIFACE	Laurent L. Desjardins	357 Des Meurons St., St. Boniface 6
ST. GEORGE	William Uruski	Box 580, Arborg, Manitoba
ST. JAMES	Hon. A. H. Mackling, Q.C.	Legislative Bldg., Winnipeg 1
ST. JOHNS	Hon. Saul Cherniack, Q.C.	Legislative Bldg., Winnipeg 1
ST. MATTHEWS	Wally Johannson	23 - 500 Burnell St., Winnipeg 10
ST. VITAL	D. J. Walding	31 Lochinvar Ave., Winnipeg 6
STE. ROSE	A. R. (Pete) Adam	Ste. Rose du Lac, Manitoba
SELKIRK	Hon. Howard Pawley	Legislative Bldg., Winnipeg 1
SEVEN OAKS	Hon. Saul A. Miller	Legislative Bldg., Winnipeg 1
SOURIS-KILLARNEY	Earl McKellar	Nesbitt, Manitoba
SPRINGFIELD	Hon. Rene E. Toupin	Legislative Bldg., Winnipeg 1
STURGEON CREEK	Frank Johnston	310 Overdale St., Winnipeg 12
SWAN RIVER	James H. Bilton	Swan River, Manitoba
THE PAS	Ron McBryde	Box 1295, The Pas, Manitoba
THOMPSON	Hon. Joseph P. Borowski	Legislative Bldg., Winnipeg 1
TRANSCONA	Hon. Russell Paulley	Legislative Bldg., Winnipeg 1
VIRDEN	Morris McGregor	Kenton, Manitoba
WELLINGTON	Philip M. Petursson	681 Banning St., Winnipeg 10
WINNIPEG CENTRE	J. R. (Bud) Boyce	777 Winnipeg Ave., Winnipeg 3
WOLSELEY	Leonard H. Claydon	116½ Sherbrook St., Winnipeg 1

THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Wednesday, May 19, 1971

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions.

The Honourable Member for Radisson.

MR. HARRY SHAFRANSKY (Radisson): Mr. Speaker, I beg to present the petition of The Dean and Chapter of St. John's Cathedral praying for the passing of the St. John's Cathedral and Chapter Act.

MR. SPEAKER: The Honourable Member for Osborne.

MR. IAN TURNBULL (Osborne): Mr. Speaker, I beg to present the petition of Sandra Bressler and others praying for the passing of an Act to incorporate The Association of Occupational Therapists of Manitoba.

MR. SPEAKER: The Honourable Member for Radisson.

MR. SHAFRANSKY: Mr. Speaker, I beg to present the petition of the Credit Union League of Manitoba 1967 Limited and Co-operative Credit Society of Manitoba Limited praying for the passing of an Act to provide for the Merger of Credit Union League of Manitoba 1967 Limited and Co-operative Credit Society of Manitoba Limited.

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

INTRODUCTION OF GUESTS

Before we proceed I should like to direct the attention of the Honourable Members to the gallery where we have 40 students of Grade 11 standing of the Princess Elizabeth High School of Camp Shilo. These students are under the direction of Mr. Balkwill and Mrs. Bauman. This school is located in the constituency of the Honourable Minister of Industry and Commerce, Brandon East.

We also have 60 students of Grade 5 and 6 standing of the Brock Corydon School. These students are under the direction of Mr. Hildebrand and Mrs. Cox. This school is located in the constituency of the Honourable Leader of the Opposition, River Heights.

We also have 22 students of Grade 11 standing of the Rosenort Collegiate. These students are under the direction of Mr. H. Bjarnason. This school is located in the constituency of the Honourable Member for Morris.

We have 28 students of Grade 11 standing of the Austin Collegiate. These students are under the direction of Messrs. J. Bender and E. Holtzman. This school is located in the constituency of the Honourable Member for Gladstone.

And there are 40 students of Grade 9 and 11 standing of the Sprague School. These students are under the direction of Mr. Gotziaman and Miss Fidler. This school is located in the constituency of the Honourable Member for Emerson.

And a further 12 students of Grade 9 standing of the Westgate Junior High School. These students are under the direction of Mr. J. Sawatzky and this school is located in the constituency of the Honourable Member for Wolseley.

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

MR. SPEAKER: Adjourned debate on the proposed motion of the Honourable Member for The Pas. The Honourable Member for St. Matthews.

MR. WALLY JOHANNSON (St. Matthews): . . . stand, Mr. Speaker. (Agreed)

MR. SPEAKER: Notices of Motion.

INTRODUCTION OF BILLS

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

HON. BEN HANUSCHAK (Minister of Consumer, Corporate and Internal Services) (Burrows) introduced Bill No. 45, an Act to amend the Securities Act.

MR. SPEAKER: The Honourable Member for The Pas -- The Honourable Member for St. Matthews.

MR. JOHANNSON, on behalf of the Honourable Member for The Pas, introduced Bill No. 46, an Act to amend The Jury Act. (Second Reading Friday night)

ORAL QUESTION PERIOD

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SIDNEY SPIVAK, Q.C. (Leader of the Opposition) (River Heights): Mr. Speaker, my question is to the First Minister and through him to the Minister that may be involved. Some time ago there was oil found floating on the Assiniboine River. I gather the . . . had been located, the industry involved, the responsibility has been located. I wonder whether he can indicate what provincial involvement took place in the research in finding where the oil was coming from and where the pollution was taking place.

MR. SPEAKER: The Honourable the First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): Mr. Speaker, it's not clear to me from the question whether the incident referred to by the Honourable the Leader of the Opposition is the one that involves the Metropolitan Corporation of Greater Winnipeg. If that is the pollution incident, then I would have to say that I am not aware as to whether or not the Metropolitan Corporation contacted the Minister of Mines, Resources and Environmental Management or not. I have no -- I am quite sure that the Corporation did not contact my office.

MR. SPEAKER: The Honourable Minister of Mines and Natural Resources.

HON. SIDNEY GREEN, Q.C. (Minister of Mines, Resources and Environmental Management) (Inkster): Mr. Speaker, I'll get the information for the honourable member.

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet): I think in this morning's Tribune there is a report of the proceedings of the House of yesterday afternoon dealing with the question and answer period wherein I had replied to a question put by the Member for Lakeside.

MR. SPEAKER: Order, please. Is the Honourable Minister stating a matter of privilege or making a statement? This is the question . . .

MR. USKIW: . . . , Mr. Speaker, wherein the report leaves the impression that the government has no policy for financial assistance to co-operatives. In no way did I say that yesterday in answer to the question put by the Member for Lakeside. I was making reference to Plains Agra-Corp. Limited.

MR. SPEAKER: The Honourable Minister of Finance.

HON. SAUL CHERNIACK, Q.C. (Minister of Finance) (St. Johns): Mr. Speaker, I wonder if I may respond to a question asked by the Honourable Member for Rhineland yesterday who wanted to know if any reports of the Federal-Provincial Tax Structure Committee meeting of last June 5th and 6th, 1970, are available or are they out. I can confirm the general statement I made yesterday. The meeting referred to must be the meeting of the Ministers of Finance and Provincial Treasurers which is not technically known as the Tax Structure Committee. The meeting of Finance Ministers was held in camera and no official reports were made available other than the material which I tabled in the House at our last session.

May I just inform the honourable member that the proceedings have been of a nature that are supposed to encourage full and free discussion and therefore the reason they are held in camera - and I'm not indicating that I agree with the principle - but the reason they are held in camera is so that every representative of government may speak freely, and then on leaving the meeting is honour bound not to report what others have said but is of course free to report what he himself said, and I have laid before this Legislature all the statement which I made which I didn't feel had to be in camera at all.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, I wish to direct my question to the First Minister. Would the First Minister consider inviting members of the opposition parties to join the government delegation to the -- (Interjection) -- well, I don't know if the First Minister heard the question. I wonder if the First Minister would give consideration to inviting at least each one member from the Opposition parties to join the government delegation to attend the Constitutional Conference in Victoria in May, which some of the other provinces have done at the present time.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, it's true that some of the provinces have done this from time to time in the past. It is not a regular practice, and to the best of my recollection at the last conference there was no such attendance or representation.

MR. PATRICK: A supplementary. Would the First Minister take into consideration going to the Constitutional Conference, the views of the Opposition parties in this House?

MR. SCHREYER: Certainly, Mr. Speaker, it's not only possible, I think it's desirable to take into account the views of honourable members opposite with respect to that matter, but that's a separate question quite apart from attendance at the conference.

MR. PATRICK: I have one more supplementary, Mr. Speaker. I wonder how this can be arrived at? Would the Minister consider having a committee of the House hearing briefs from the people as well from the general public? It could be a Committee of the Whole House to hear briefs and take into consideration what many people may have in mind in respect of the constitution.

MR. SCHREYER: Mr. Speaker, of course I should explain to the honourable member that whatever happens at the Constitutional Conference in Victoria in June, there will be no actual signing or no actual formal ratification or -- there will be no finalizing of anything that may be agreed upon at that conference, therefore I think that a logical course of action might be to convene an appropriate standing committee of this House to deal with the matter at the appropriate time. I am not sure whether that would be prior to the conference or whether it couldn't better be held after the conference but before there is any finalization or ratification.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, my question is to the First Minister. In connection with the Constitutional Conference, I wonder whether the government would consider the possibility of taking some of the youth leaders of the non-political organizations as representative to the conference?

MR. SCHREYER: Well, Mr. Speaker, that suggestion can be considered, although obviously no one province can take it upon itself to attend with a delegation of that kind. There would have to be consultation with the federal authorities and the other provinces. There was no suggestion hitherto that a delegation of this kind would be expected, and for me to give a commitment now that such a delegation would be taken from Manitoba would be completely impossible for me to do. It's not up to Manitoba to decide unilaterally as to the kind of extra governmental personnel that will be carried in the delegation.

MR. SPIVAK: I wonder whether the First Minister can inform us whether any other province have not in the past taken a youth delegate to such a conference?

MR. SCHREYER: Not per se, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, on a matter of privilege, yesterday when speaking on the Municipal Committee's report, I stated that the assessment of the Municipality of Stanley had increased from 5,000 to 10,000 or 98 percent. It should have been 5 million to 10 million. Somehow I made the error and I just wanted to make the correction in Hansard.

MR. SPEAKER: The correction will be noted. The Honourable Member for Charleswood.

MR. ARTHUR MOUG (Charleswood): Mr. Speaker, I would like to re-phrase a question to the Minister of Municipal Affairs that I asked previously. Can a person pay the insurance portion of his driver's licence with a cheque dated October 31st.

MR. SPEAKER: Out of order. It was asked exactly the same way the other day. The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I wish to direct a question to the Honourable Minister of Industry and Commerce. Would the Minister consider expediting the Air Policy Committee in respect to the CAE aircraft situation because of the unstable situation in respect to employment?

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

HON. LEONARD S. EVANS (Minister of Industry and Commerce) (Brandon East): Mr. Speaker, we are going to do everything we possibly can to make effective representation to Ottawa in this matter. As the honourable member should know, we have already wired the Honourable Mr. Richardson, who is the Minister of Supply and Services and the Minister most directly concerned in the CAE question. Furthermore, we are preparing material for this, if you wish to call it the Air Canada Policy Committee or whatever other name you wish to give it, but we are working. We have had extensive discussions with the company involved; we are in constant communication with Ottawa and we are hoping that we will be able to take a suitable

(MR. EVANS cont'd.) delegation representing Manitoba within the next ten days. We are doing everything in our power to expedite this matter.

MR. PATRICK: A supplementary question, Mr. Speaker. I wonder if the Minister can answer yes or no whether some of the skilled people are leaving CAE aircraft industries of their own accord because of the unstable situation.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, a supplementary to the question of the Honourable Member for Assiniboia. I wonder whether the Minister can tell us whether it is the intention of the government to present a statement of the implications of the CAE contract and its implications for those people who were formerly employed by Air Canada prior to a presentation in Ottawa. Is this House going to be told the facts or not?

MR. SPEAKER: That's an argumentative question. The Honourable Leader of the Opposition wish to re-phrase it?

MR. SPIVAK: On a point of order, Mr. Speaker, I'm not mentioning -- I am asking whether the government's intention . . .

MR. SPEAKER: Order please. I am well able to adjudicate whether the honourable member is going to make a statement or a question. I did make a ruling; I asked him to re-phrase his question. Now I will listen to it and see if he is in order.

MR. SPIVAK: My question then is to the Minister of Industry and Commerce. Is it his intention to make a statement of what the facts are in connection with the CAE cancellation and the implications for those people who were formerly employed by Air Canada prior to, prior to the meeting in Ottawa.

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

MR. EVANS: Mr. Speaker, I have made it known to each party in this House that it was the government's intention to issue a statement in this matter before going to Ottawa.

MR. SPIVAK: May I ask the Minister of Industry and Commerce - in this House, prior to, or outside of this House?

MR. SPEAKER: The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, a question to the First Minister. I wonder if he could confirm, or otherwise, that he is intending to establish a food contamination and film censorship department which will be assigned to the Minister from Thompson.

MR. SPEAKER: Order please. I would suggest that this is the second time the honourable member has asked a frivolous question. I am sure that this -- The Honourable Member for Portage la Prairie.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, my question is for the Minister of Transport and it's to do with the Macdonald Air Base sale. If it has been found that the sale has been made to American interests, will any steps be taken to change the decision?

MR. SPEAKER: It's a hypothetical question, I would remind the Honourable Member for Portage la Prairie.

MR. G. JOHNSTON: Mr. Speaker, I'll re-phrase the question.

MR. SPEAKER: The Honourable First Minister on a point of order?

MR. SCHREYER: I'm rising on a point of order, Mr. Speaker. Unfortunately, Sir, I didn't hear your ruling but I'm rising to . . .

MR. SPEAKER: I suggested the question was hypothetical because it was prefaced with "if".

MR. SCHREYER: Oh, quite right.

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

MR. G. JOHNSTON: Mr. Speaker, according to a statement of the Reeve of the Municipality of Portage la Prairie, Mr. Adrian, Macdonald Air Base has been purchased indirectly for American interests. I am asking the Minister of Transportation, whose responsibility it is, will the sale be allowed to stand?

MR. SPEAKER: The Honourable Minister of Transportation.

HON. JOSEPH P. BOROWSKI (Minister of Public Works and Highways) (Thompson): Mr. Speaker, we have read the same statement as the Member for Portage has and the money we receive is the same type that you have in your pocket. I can't tell the difference if it's American or Canadian. We have asked the Colony and they say it's Canadian money, although there may have been a loan from their Brethren in the U.S. There may have been a loan, they did

(MR. BOROWSKI cont'd.) indicate, and as far as I'm concerned, we are not going to discriminate on that basis either.

MR. G. JOHNSTON: Mr. Speaker, I direct my question to the Minister of Industry and Commerce. Because he has suggested that if this is the case an Enquiry would be conducted providing it came from a local . . .

MR. SPEAKER: The honourable member is stating an argumentative preface. The Honourable Member for Portage wishes to re-phrase his question?

MR. G. JOHNSTON: Yes, Mr. Speaker, I ask the Minister of Industry and Commerce if he will conduct an Enquiry into all aspects of the sale of the Macdonald Air Base.

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

MR. EVANS: Mr. Speaker, in the first place I am not sure that the honourable member has the correct information on what I stated. I did not state what he claims that I stated and -- (Interjection) -- well, I don't care what any newspaper reports, I did not state that I or the government should necessarily institute an Enquiry into this matter.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, my question is to the Minister of Industry and Commerce. I wonder whether he can indicate within the last year if he has visited any American city for the purpose of obtaining an American firm to invest in Manitoba.

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

HON. RENE E. TOUPIN (Minister of Health and Social Development) (Springfield): Mr. Speaker, I would like to table a report on the Order for Return No. 4, dated Monday, April 19, on the motion of the Honourable Member for Pembina.

MR. SPEAKER: The Honourable Minister of Transportation.

MR. BOROWSKI: Mr. Speaker, I'd like to table an Order for Return No. 16.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, my question is to the First Minister. I wonder whether he can tell us whether in the past year he has visited any American city to obtain American investment for Manitoba.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I don't know that that is a kind of question that should be treated seriously or not but I'll treat it seriously. The itinerary of the Minister of Industry and Commerce is one that the Minister of Industry and Commerce is best able to reply, but as for myself, in the past - strictly speaking in the last twelve month period I have not, but just prior to that twelve month period the answer is yes.

MR. SPIVAK: A supplementary question. I wonder whether the First Minister can indicate whether any Minister other than himself in the past year - other than possibly the Minister of Industry and Commerce - in the past year has visited an American city to obtain American capital investment in Manitoba.

MR. SCHREYER: Mr. Speaker, different Ministers of Industry and Commerce and different governments have their different ways of seeking industrial development. The Honourable Leader of the Opposition may have seen fit to fly to Chicago or Las Vegas, but I don't.

MR. SPIVAK: I wonder whether the First Minister can indicate to the House whether he is happy with American investment in Manitoba.

MR. SPEAKER: Order please. The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I don't think that my happiness is something that need be reported to this House. May I just take this opportunity, however, Sir, to indicate to my honourable friend that staff, senior staff of the department have been in close contact with various investment sources in other parts of the world, including the United States and Western Europe, and there may be occasion in the near future to follow up on some of the industrial development potential contacts and therefore there is no cause for any concern to be welling up in the breast of my honourable friend.

MR. SPIVAK: I wonder if the First Minister can indicate what deals have been consummated with American firms in the past year for capital investment in Manitoba.

MR. SCHREYER: Mr. Speaker, there have been in fact quite a number of industrial developments that have occurred in the province in the past twelve month period and more; I think far more developments than my honourable friend would like to admit. And I would just say this to my honourable friend, that any deals or agreements that we enter into in the future,

(MR. SCHREYER cont'd.) we would hope that we will have benefited from the mistakes and experience of our predecessors.

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

MR. G. JOHNSTON: Mr. Speaker, my question is for the Minister of Health and Social Services. Is it the intention of the province to operate youth hostels in the City of Winnipeg this summer?

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

MR. TOUPIN: Mr. Speaker, it is the intention of the Department of Health and Social Development to try and accommodate as best possible transient youth, either directly by the facilities that we have within the Department of Health and Social Development or make use of private agencies to work with this Department.

MR. G. JOHNSTON: A supplementary question, Mr. Speaker. Will the same programs be available to other cities and large towns that have the need in Manitoba?

MR. TOUPIN: Mr. Speaker, other cities and towns in the Province of Manitoba who have brought forth such a need in the previous years have been received favourably by the Department of Health and Social Development, and up till this date one other city in the Province of Manitoba has signified a desire to render this type of service.

MR. G. JOHNSTON: A second supplementary, Mr. Speaker. Is it the responsibility of the city or town or community to ask for the service or will the service be forthcoming automatically?

MR. TOUPIN: Whenever the department itself, through the different civil servants that we have in the province, make it known that there is such a need we can take the initiative; if it is not known by different civil servants that we have in the province, I would appreciate the officials of different cities to advise me.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, a question to the Minister of Health and Social Service. Can he advise whether the dispute with the CRYPT organization has been resolved?

MR. TOUPIN: Mr. Speaker, I don't know if I understood the honourable member correctly. Did he say "feud"? -- (Interjection) -- Dispute. I didn't think it was a dispute. It might have been a misunderstanding. I do believe that we understand one another much better and the problem that existed last year and in the last few days I believe should be resolved very shortly.

MR. CRAIK: Mr. Speaker, can I ask then whether a decision has been made to make the organization a grant through either the Community Welfare Planning Council or the City of Winnipeg?

MR. TOUPIN: Mr. Speaker, there has been a decision made by Cabinet but I cannot reveal its content till the conditions imposed are actually met.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I wish to direct my question to the Honourable Minister of Municipal Affairs. Can he give any explanations or reasons for the drastic reduction in housing starts this year as compared to last year?

MR. SPEAKER: The Honourable . . .

MR. PATRICK: Perhaps I can re-phrase my question, Mr. Speaker. There has been a drastic reduction in housing starts. Is the reason shortage of money - mortgage money, or serviced land? There must be some reason because it is my understanding . . .

MR. SPEAKER: Order please. The honourable member is trying to make a debate. The Honourable Leader of the Opposition.

MR. SPIVAK: My question is for the Minister of Labour, Mr. Speaker. I wonder whether he can report anything on the negotiations of the Flin Flon strike.

MR. SPEAKER: The Honourable Minister of Labour.

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): Just that the negotiations and consultations are still being carried on, Mr. Speaker.

MR. SPIVAK: Mr. Speaker, will the Minister of Labour be asking the Minister of . . . for his direct intervention in this matter?

MR. PAULLEY: It would all depend on the process that is being made and the speed with which it is being done. I'm sure my honourable friend is well aware of the representations that the Minister of Labour in Manitoba has made to the Federal Minister.

MR. SPEAKER: The Honourable Member for Arthur.

MR. J. DOUGLAS WATT (Arthur): Mr. Speaker, I direct a question to the First Minister. Could he tell us if there is American capital involved in the sale of the Macdonald Airport property?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: I would much prefer to answer that question after I was given an indication by the honourable member whether he was making any distinction between equity capital or loan capital.

MR. WATT: . . . question either way.

MR. SCHREYER: I want to make it clear to my honourable friend that there is a very important difference between loan capital and equity capital in a situation like that, but in any case, I don't feel that it's any departure from standing policy to sell the property to the highest bidder in the circumstances.

MR. WATT: A second supplementary question then. May I ask the First Minister then if it makes no difference where the capital comes from whether it's American or . . .

MR. SPEAKER: Order please. The honourable member is debating the point. The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I just finished indicating to the honourable member that there is a difference. He suggests that it doesn't make any difference to us and I am making it very clear that there is a difference with respect to the desirability of loan capital versus equity capital from foreign sources.

ORDERS OF THE DAY - BUDGET DEBATE

MR. SPEAKER: On the proposed motion of the Honourable Minister of Finance and the amendment thereto by the Honourable Leader of the Opposition, and the amendment to the amendment by the Honourable Member for Portage la Prairie. The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I would like to make a few remarks on the Budget that was presented to members of the House the other day, and also on the amendment and sub-amendment to the motions that are before us.

I notice from the amendment that was placed before us last night by the Honourable Member for Portage, which reads in part "that this House further regrets that this government's taxing policies and spending policies have failed to produce a significant number of new jobs, by which we would retain the large numbers of young people who are leaving this province daily." I would like to know just what the situation is, how many are leaving, but I guess the information will not come forward presently and therefore I will continue to address my remarks to you, Mr. Speaker, and to Members of the Assembly.

Mr. Speaker, I feel that since this government has taken over the administration of this province that we have a certain atmosphere in the province which will not be easily dispelled. Certainly the Budget that was brought before us the other night will not dispel the defeatist attitude and the futility that some people fear and also experience. This atmosphere of despair I think will not be removed by the Budget that was brought in by this government the other night. There is a certain amount of gloominess evident and I find that young people are disillusioned, especially because of the shortage of jobs, not getting employment readily and some probably will be without a job all summer, that this certainly doesn't augur well for our province, and I think this must be cleared before we can have any definite improvement. I think that the philosophy of our government is to blame for this. I think that this is one of the underlying reasons of the despair that is presently exhibiting itself. It seems to me that the government's program and its philosophy is one of trying to get control of the lives of the people and of their livelihood, not only of production. This, too, I think must be cleared before we will have a restoration of a better economy in this province.

Certainly a number of the items that were contained and brought forward will just add to this rather than detract from it - and I'm referring to the amount of borrowings that this government is planning again for this year. I feel that we should not go into borrowings at all. I think whatever monies will be spent for capital should come out of current revenue. This is what we see happening in the Social Credit administrations of the western provinces of Alberta and British Columbia and I see no reason why we should not be able to live with a policy of this kind, because sooner or later if we're going to keep on borrowing the way we have and the way we're intending to - I think it was 289 million that was authorized the year before; now it's

(MR. FROESE cont'd.) better than 300 million. Surely enough we can't go on like this indefinitely before the payments on these borrowings will catch up with us and that we will have great difficulty even meeting the payments with the interest, let alone reducing the debt substantially and getting rid of it.

I think this is also one reason why we do not get the increase in industrial affairs here in Manitoba because these concerns know very definitely that these monies will have to be repaid and that if they come into Manitoba to open up an industry that they will have to pay a portion of this indebtedness plus the interest that has to be paid on the debt. The only solution - if you can call it a solution - that I can see is that inflation will have to increase much more than we presently have it and that our dollar still becomes worth less so that we will be repaying the borrowings that we are making now with probably 25 cent dollars. No doubt, under our present monetary system that we operate under, if we want to flourish then inflation will have to take place, and probably within 10 years or 15 years the income of the individual will have to double in this province and in this country in order to meet with the difficulties and to meet with the indebtedness of this country. And I'm just wondering, is this desirable? Is this what this government is actually having in mind when they go out and borrow more money for operating the Province of Manitoba? I cannot subscribe to this philosophy and this practice that is being brought about by the New Democratic Party government here in Manitoba.

We notice that we had several resignations at the federal level because the Ministers of the Crown didn't agree with the policies of the Federal Government in Ottawa and I'm just wondering whether there's none of the people in the government here that sooner or later will probably get the same idea, that they will have to leave and cannot support such a policy of going into debt year in and year out. -- (Interjection) -- Pardon? -- (Interjection) -- It's imminent, eh? Well, the Minister of Agriculture is probably one of the first ones to leave the ranks of the government and not supporting a policy of this type. I just can't believe that the government would continue with this indefinitely if they didn't believe that we would have further inflation and that the moneys would be repaid at a later date with probably a 25 cent dollar or so. If our economy did flourish under our present monetary system, this in my opinion will have to come about, that money will be worth less and less and that, as a result, higher wages will have to be paid to people in this province and in this country.

Mr. Speaker, I'm also interested in the matter of the Dominion-Provincial relations which naturally can be discussed under the Budget and which also comes under the Finance Minister's Estimates, so I think we're quite at home when we discuss this particular aspect under the Budget with the Minister of Finance in charge. I certainly have a great interest in these Dominion-Provincial conferences that are taking place from time to time and we have another one slated for next month. Just what is our government's attitude and policy in connection with the constitution? We know too little about it. I would certainly like to hear more of what their policy is. Is it the status quo? Is it that we will just pursue and try to retain what is there presently or have they any other ideas, have they any other suggestions that they would like to see incorporated in a new constitution?

Certainly these are matters, I think, that should be brought before this House before they go to any convention or any conference and have those conferences going on in camera, as has been mentioned by the Minister of Finance. -- (Interjection) -- Pardon? -- (Interjection) -- Well, I get to know some of the things that they're arguing for but I certainly would like to know from this government whether there is any suggestions that they make which would be of interest, of lasting interest if these changes were brought about.

Is this government purely going along with the Federal Government or just centralizing further power in the Federal Government? Are we not going to try and secure more power for ourselves as a province? Surely the Federal Government will try and centralize as much as possible, especially in the realm of finance, and it appears to me that you people are in accord, that you would like to see finances centralized further yet in the federal power and I take exception to this. I feel that we as a province should have a say in the matter of monetary policy, in the matter of banking. Why should we be completely dependent on the federal authority, on the Federal Government and on the federal banking system as to our economy here in Manitoba?

We are so dependent that when the Federal Government creates more and more of the Crown corporations such as the Canadian Wheat Board, and now with Bill C-176 most likely we will have more of these national marketing boards which will take onto themselves greater power and then will dictate to us here as provinces as to what we will sell, how much we will

(MR. FROESE cont'd.) sell and at what time. This is what happens under the Canadian Wheat Board as far as grains are concerned, and now we will find that this will be extended to other areas. Are we satisfied with this? Certainly I am not and I would like to see direction given by this government that this not be the case, that we as a province retain, obtain and retain greater authority over these matters because we find in a given year, if the Wheat Board does not sell wheat, that we are hurt, our economy is hurt and we don't even go to the federal authority and tell them this is something we want changed or that a greater effort be made.

This is why I feel that people are getting despondent in this province for fear that even if they start up a new industry, bring about a new development, that sooner or later the government is going to come up with some marketing board and they will take over and they will be out in the cold. Yet we need the private initiative, we need the individual people to start up affairs of this type, industries, enterprises of various kinds. We can't depend on marketing boards to bring about new industries or new solutions to the economy of this province, it has to be private individuals and people who have a desire to do something for themselves. I feel this is a real drawback right now in our province. I feel that people have the feeling that there's no use going about and doing something for themselves, bringing about industry and so on, when sooner or later the province will step in and just take over.

I mentioned the matter of grain, and again here, grain prices. Surely enough this is a matter that should be discussed at our Dominion-Provincial conferences because when or where else will they be discussed? This is a subject matter that should be on top of the agenda when you have these conferences take place. I'm not satisfied with the price that our farmers receive for their commodity, not at all, because the prices haven't changed for the last 20-25 years yet all the commodities that the farmers and the people have to buy are increasing day by day and the purchasing power of the farmers is held down. It appears to me that the government is condoning, and not only condoning but going along with this very matter without raising strong objections or bringing matters of this type to the fore to bring about changes. We find that our economy is dictated to a very large extent by such organizations as the Canadian Wheat Board and the Federal Government especially in so many instances.

What about the matter of Britain joining the ECM, the European Common Market? Here again I think this is another matter that should be discussed at the Dominion-Provincial conferences because if Britain joins this will have far-reaching effects on trade with Britain. What is going to be the situation? The Minister of Finance is not listening but I think you should pay attention to these matters as far as Britain joining the EEC, because we find from the last Financial Post they have a list. Our stake in EEC talks, and they list a number of things that will be affected if Britain joins the European Common Market. They state here that "Britain" - and I'm quoting - "Britain of course is more important as an export market to Canada than Canada is to Britain. It takes nine percent of Canada's world exports; Canada fills only 4.2 percent of Britain's world orders."

So in total we're a small amount, yet we're very dependent on this trade with Great Britain and I feel that we should have some idea as to what will happen if Britain joins the European Common Market. Will they then buy from the other European Common Market countries? Will they have the first say when it comes to selling from their markets? Will we be pushed out? Again, I think I would like to impress our government that they bring out some of these facts to this House before they go to these conferences so that we know what their position will be, what their attitude will be when they bring these matters under discussion.

The matter of pricing of farm products, and especially the products that are sold through the Canadian Wheat Board, are very important to the farmers of this province because we find that the economy is in very poor shape, that the farm income is way down, that the tax load is increasing year by year. We were promised a tax revision for the farmers for farmland taxes, yet what do we find? There's no change, so that means that the squeeze will continue, and not only continue but will get worse, and as a result most likely we will be facing more bankruptcies.

I notice from the May 15th issue of the Financial Post which has an article with the caption: "Bankruptcy Toll Soars to New Highs." And I read: "Slow business activity of the past year or more and the low level of profitability have stepped up the number of bankruptcies in Canada. Dunn and Bradstreet reports that 316 firms failed during the month of March, with failures in manufacturing and retailing setting a record for the entire period since the early

(MR. FROESE cont'd.) 1930's and the toll in service industries rising to an all-time high. Failures in April, however, have eased from this high level. Liabilities in the first quarter reached 98.3 million, the highest since the first quarter in 1960." So here we have an indication of what is taking place. What is the situation in Manitoba? How does Manitoba compare with the Canadian average? I rather have the feeling, because our economy is in worse situation than that of the provinces of Alberta and British Columbia and most likely Ontario, that the situation is apt to be worse in Manitoba than it is elsewhere in this country.

Mr. Speaker, is there really a point then in people developing something for the government just to take over later on? Is it really worth the effort for people to spend their time, their initiative, just for later on to find some marketing board being set up to take over their project or to have it destroyed? This is the very fact that we are dealing with and I think the government's philosophy in this matter has a great deal to do with what is happening in Manitoba at the present time.

Another matter that I feel that our government should raise at these Dominion-Provincial conferences - and I don't know where else they would do it because this is the time where they meet with the other provinces and the Federal Government people - is the matter of exemptions for income tax for people in our province. Here again we have a personal exemption of 1,000 for individuals, 2,000 for wife and family. This has been the case for years and years, and yet we find that the cost of living has gone up many times since this was first brought in and I think it is high time that we raised these exemptions, that the exemptions be doubled from what they are today so that people with lower incomes will not have to bear unnecessary heavy burden of taxation here in this province.

Surely enough the Federal-Provincial conferences are a place where this could be discussed, where the government could bring in recommendations of this type. The salaried worker has no way of deducting certain expenses before his taxes are applied as many other people who are working in industry or who have companies of their own through which they can very often take exemptions, and these are the people that are hurt the most under this present system. I feel that there is room for improvement and I think this is one area that this government should look at and make recommendations to bring about change.

Mr. Chairman, we find that under the revenues that this government anticipates, when we look at the natural resource revenue we see very little change. I had hoped that last year when the legislation was amended that more revenue would be received from mining royalties and so on. There is a slight increase, but I feel that we, as a province, should receive much greater revenues from our natural resources than we presently do. -- (Interjection) -- Pardon, I couldn't hear what the Minister of Agriculture had to say.

MR. SPEAKER: The Member is not discussing a question; I'm sure he's debating the point before us.

MR. FROESE: When we look at the gross national product of our province, certainly this is not a thing that we can pride ourselves with. The national product for the last year that I have seen a record of is 1969 with a 3.6 billion gross national product and when we compare this with British Columbia of a 9.25 for 1970 that we are certainly away behind and again I take issue with this government that we should do more to bring about a better economy in this province, and this, I think, is a good indicator as to where we stand in this Province of Manitoba.

Mr. Speaker, I don't know what the honourable members are saying there; I can't hear, but if they have something to say about this certainly I would like to hear from them later on because I feel the performance that is being exhibited by the government after being two years in office is not one that they can really brag about.

What is there in the way of industry on the horizon? The only thing that we have heard from them in the Throne Speech is that they are going to set up a new mineral exploration company. What do they expect in the way of increase in the national product, as a result of that? How much production do they expect to come out of this? Will there be any revenue accruing to the people of Manitoba as a result? We haven't heard. We don't know and I rather fear that very little will come out of this, otherwise I think we would have heard more about this by now since we have now been in session for more than a month and a half.

We in Manitoba certainly could do with a lot more manufacturing. We don't see much increase in this regard. The exports certainly could be increased much more than what is happening in Manitoba today. I think another matter that the government should look at is the

(MR. FROESE cont'd.) freight differentials. I have mentioned this before, because unless we have some changes in these areas, we will not move forward very rapidly, I can assure you.

The other day we passed capital estimates here for public housing to the tune of 60-odd million dollars. Again I feel that we should bring in a different policy in connection with housing. Why can't we rather assist people privately to acquire their own home and so that people can own their own homes and become homeowners. In this way certainly these people would take a greater pride in their communities also and a pride in being a homeowner and ownership as such. Certainly when we look at British Columbia where they have had this program in effect, where they have had home acquisition grants for a number of years now, that people are availing themselves of this opportunity and, as a result, they see development in this area.

I don't really subscribe to assistance just to build these large apartment blocks. I think this is probably a carryover from other countries such as Russia, where people have to live in collectives, where they have to live together and probably cannot own their own homes as we are free to do here in this country.

I think it is much healthier if people can have their own homes, and can do with these as they please, make improvements and so on. Why do we just have a program whereby you have to move into such an apartment block? Why can't we have a program of assistance for homeowners?

Then, too, if we brought in such a plan as they have in British Columbia for the homeowner grants whereby their taxes are reduced, certainly this is another way of assisting the people in their province and we could do likewise. I think this is a must that we move into these areas in this way to bring about greater development in this province.

Mr. Speaker, I have one or two other items that I would like to dwell on momentarily. One has to do with the matter of insurance, on the Insurance Bill that was passed last year. Many of the agents that appeared before the committee last year told us of their plight, told us their story as to what would happen if the government did take over and what is happening, and what will happen after November 1st when the government does take over in full swing.

Certainly -- the Honourable Member for St. Boniface isn't in his seat at the moment -- but it was because of a few members that this more or less was passed and I'm wondering at this time, when he first set out that justice be brought about, whether he really feels now that justice was and is being brought about to these people that are losing their incomes, losing their jobs and in certain cases probably losing their homes and their life's investment. And what is this government doing, are you giving them a job under your new Crown corporation? Certainly I have had requests from individuals asking for information, asking what will happen.

I have a few points here that I would raise which were brought to my attention by such very people who were in the business of selling insurance and these are some of the points that they raise. The first one it says here "MLA Desjardins seemingly fought for the rights of insurance agents during the debate on Bill 56. Agents proved their concern for the future of their businesses to the point that the government promised to allow insurance agents to participate in the autopac program at a commission rate of \$5.00 per client for the first 1000 clients, and \$2.00 per client above the initial 1000. This appears to be the declared government policy to date." Is that right? I would like to know whether that is the real case.

"Two - Legally or not, the autopac program being applied to the driver's licence renewal for June 30th, 1971 is a significant portion of the insurance program allowed through Bill 56." We find now that when a driver buys his licence, that by acquiring a driver's licence he pays a certain premium of insurance and in some cases I find that the total cost of insurance is increased from what it was before. One person told me that he had to pay \$30 more than he paid last year for the amount of insurance that he had to have and were he to acquire the same amount of insurance he had last year it would have cost him another \$30.00.

MR. SPEAKER: The honourable gentleman has five minutes.

MR. FROESE: Thank you. The third point - "Why is it that the government has not chosen appropriate to engage the private insurance agents in the renewal program of the drivers' licences, particularly since there is the question of insurance based on driving record associated to the fee for renewal of drivers' licences?"

Four - "Moreover if agents are to be involved in the processing of Autopac Insurance to take effect November 1st, 1971, what efforts is the Manitoba Public Insurance Corporation making to direct the public's attention to seeing the agent of their choice, rather than to the

(MR. FROESE cont'd.) Licence Bureau or mail their insurance application to the Licence Bureau."

And five - "Because of the way the drivers' licences are being handled now it would appear that the Corporation's program is neglecting the private agents and the public will not be encouraged to see him as an advisor, and representative as promised by the government."

And the sixth point - "Agents are now affected economically by Autopac policy renewals on the short terms to expire November 1st, means less revenue. The longer the government waits to advise agents as to where they stand, means not only anxiety but also serious concern in the planning for the next five months' grant, staff and so on."

So these people would like to know where they stand, what is the situation and I feel that if this House, this Legislature takes away the people's right to a business that they were engaged in for years, that certainly the onus should then be on them to make sure that these people are properly informed as to what is transpiring and what they can expect.

Last year when the Insurance Bill was before us, it was stated quite plainly that the government was not so much concerned with the insurance matter itself than just with the pool of funds that would result. This is what they were wanting, this is what they were wanting to lay their hands on. And what is the situation now if this goes into effect? Will all the monies of the insurance corporation be borrowed back by the province? What is the rate of interest going to be? Is there going to be a similar policy as that that now exists as far as the Canada Pension Plan funds are concerned, that we grab every dollar that we can lay a hand on. This is fact and I certainly would like to hear about this - what are the plans in this regard?

I would also like to mention one further matter and that is that I think members of this House should have a quarterly financial statement from the government. I have raised this on previous occasions and I still feel that, as members of this House, we are entitled to have more current information on matters of this type, that we be brought up to date much earlier than what is the case presently.

The public accounts committee will probably be meeting shortly or at least sometime during the session and we'll be dealing with a statement and figures that are more than a year old. Surely enough we could have quarterly statements or probably half-yearly statements at the least from the government as to what the situation is at the present time.

Mr. Speaker, I feel that the budget that is before us is extravagant in many instances, that we could have brought about greater savings; surely savings can be made in the departments such as the Education Department. I feel that the Health Department is another department where savings could be made. I feel that the Health Department is so loosely run that their needs, tightening up needs to take place and when we deal with the estimates I think these facts will come out very strongly. -- (Interjection) -- Agriculture? Well, I don't think we are spending enough. That is right, because this is the basic industry whereon our secondary industries have to rely in this province and if we don't have a basically healthy farm industry our other industries will be suffering.

MR. SPEAKER: The Honourable Member's time is up. Are you ready for the question? The Honourable Member for St. Vital.

MR. JAMES WALDING (St. Vital): Mr. Speaker, may I first of all thank the honourable members of this House for the very kind and very warm welcome they gave me when I was seated here on April 26th.

I would also like to add my belated congratulations to you, Mr. Speaker, on your elevation to your present position. Congratulations should also go to the Deputy Speaker, to the new Leader of the Conservative Party and the new Leader of the Liberal Party in Manitoba, wherever he might be.

Mr. Speaker, as a new member of this House, I look to my colleagues on this side for a demonstration of the art of good government and how to govern in a responsible and responsive manner, without becoming either complacent or arrogant. I look to my friends on the other side for a demonstration of the art of a good Opposition, how to examine legislation critically, to make critical and constructive criticism without descending to becoming obstructive, descending to filibustering. To all members I look for a demonstration of how a new member should conduct himself in this House respecting the dignity and the decorum of this House and bearing in mind all the time that we are here to conduct the business of a million Manitobans.

In seeking some guidance of what the subject matter for a maiden speech should be, I was recommended to look back over Hansard for a couple of years and to find out what other

(MR. WALDING cont'd.) members had done and I found that it seemed to be a sort of tradition that a new member would, first of all, speak about his own constituency, to give some description of it, frequently in glowing terms, an idea of its history, the economic, religious, ethnic background of the constituency and frequently a history of the members who had previously represented that constituency and this seems a reasonable way to start, Mr. Speaker.

The constituency that I have the honour to represent - St. Vital - the name is somewhat of a misnomer, since a very small proportion of the City of St. Vital is within the constituency and approximately half the constituency is in the City of St. Boniface. This caused a great deal of confusion in the by-election when people living in St. Vital thought they also lived in the constituency of St. Vital.

The constituency itself is a very typical urban constituency. It has within its boundaries a few houses which could perhaps fairly be described as slums, a few houses which could be described as being very desirable and expensive residences but the vast majority of the homes there are the ordinary middle and working class areas. The constituency contains an average number of apartment blocks, parks and schools. It contains one small shopping centre and the usual type of commercial ribbon development along Ste. Anne's and St. Mary's Road. It's almost entirely a dormitory suburb for the City of Winnipeg and there is no industry there.

If there is one thing that stands out above all others in the constituency, Mr. Speaker, it is that I found during the by-election campaign that they were unfailingly courteous and polite; even those residents who were obviously opposed to the New Democratic Party listened to me politely and a number of them even wished me luck.

The constituency being as typical and average as it is, could well be considered as a bellwether constituency in that during the Roblin years it was very solidly Conservative. In 1969, when the balance tipped so as to almost give this government a majority, the balance shifted in St. Vital and almost elected a New Democrat. The programs and legislation introduced by this government since 1969 could quite reasonably be expected to appeal to the people in St. Vital since a great deal of this legislation was aimed at the common man, giving him a greater amount of freedom and more latitude.

The first one that comes to mind is of course the reduction in Medicare premiums. This was a very widely popular measure and for those people with no taxable income had the effect of putting \$100 a year in their pockets. A number of senior citizens said to me during the campaign that had it not been for that measure they would have been forced to sell their house.

Another measure was the consumer legislation that this government brought in in the the setting up of the Consumers' Bureau giving the people of this province probably the most up-to-date legislation in this field in the whole of North America.

The government also set up the office of Ombudsman so that those citizens having some grievance against a government department had some office to go to bat for them. Landlord and Tenant Act was overhauled and the office of Rentalsman set up again to work on the similar lines to that of the Ombudsman but for tenants. A Human Rights Act was set up, again giving a greater freedom and protecting the individual against discrimination in the fields of housing and employment.

The Workmen's Compensation Board was overhauled giving a better deal to the injured working man. An increase in the minimum wage again put dollars in the pockets of a number of people in St. Vital. Amendments to the Garnishment Act meant that a person had to have a fair hearing in a court before money was unfairly taken from his wage packet. And the Expropriation Act gave a better break for those people the man most vulnerable, the man with the small house whose land was being taken over by the state, and of course public car insurance which had very widespread acceptance and was most - a most popular measure.

So much for the niceties, Mr. Speaker. Now I'd like to compliment the Opposition. In sitting here and watching them and reading Hansard over the last couple of years I found that the Opposition is most dedicated and exhibit a large degree of common sense -- by and large a very intelligent people. However, when we consider some of the recent actions of the Opposition -- and here I'm speaking of the Conservative Party -- we find a most curious paradox. And we only have to go back two years to the 1969 election and there we find a government, a Conservative Government firmly in power with a new leader, a comfortable working majority, two more years to run, absolutely no need to call an election. Yet for some reason they do. That was hardly - hardly, Mr. Speaker, an intelligent move. And when you consider also that one of the Opposition parties at that time was in the midst of changing its leader, anyone with a

(MR. WALDING cont'd.) grain of common sense could tell you that this would be sure to react against the government, as in fact it did.

I move on now to Bill 56 and we have another situation there. Here was a piece of legislation designed for the general public good. It was widely supported, representations were heard from farmers, from labour, from a citizens' committee. Yet the Opposition at that time opposed to the very bitter limit, they dragged it on what almost amounted to a filibuster and drove the province to the very brink of an election. And I suggest to you, Mr. Speaker, that any Opposition that would do that, risking an election which would be bound to be bitter and divisive was not only unintelligent, it was foolhardy.

Speaking of foolhardy, we come to the Hardy fiasco. The former Member for St. Vital and the mayor of the City of St. Vital announced last November that he was leaving the city and he would no longer represent the people of his constituency. And his party would have us believe that a man intelligent enough to represent 20,000 people, could not find out how to resign for three months. And on the last Friday in February when the Premier announced that the resignation was finally almost to hand and that he would be calling a by-election, lo and behold, from far away British Columbia comes this message that Mr. Hardy is going to commute the 1500 miles to represent this constituency after all. Luckily however, the common sense of the new-elected Conservative prevailed and the resignation went through in a routine manner.

This brings us to the by-election campaign itself and the Conservative Party and the Liberal Party too, for that matter, announced right at the beginning of that campaign that the main issue in this by-election campaign was going to be the government's one-city proposal, that this was what the public was stirred up about and they were going to oppose this to the very limits. We warned them at that time that this was not the main issue, that it was only one of the issues. However, they persisted. They persisted in taking this negative attitude on the one-city proposal; they also persisted in opposing the government on its taxation policies and opposing the government on car insurance and this negative attitude prevailed throughout the campaign.

Is there any doubt that the government programs over the last two years and the Opposition's negative attitude should cause the bellwether constituency of St. Vital to tip a little more and to give its support to the government? When we consider these actions of the Progressive Conservative Party and given the intelligence and the common sense of our friends opposite, I suggest to you, Mr. Speaker, there is only one logical conclusion that we can come to and that the policies of the Conservative Party are not decided by our friends opposite but by their political advisers, whoever or wherever they might be. Is this political adviser some gray eminence in the vast recesses of the Manitoba Club or is it some group of whiz kids in an advertising agency or possibly the senior members of some long-established law firm?

The members of the Opposition delight in telling us of the efficiencies of private business and the glories of the free enterprise system. But I suggest to you that any consultant who was hired by a private company, who gave this sort of disastrous advice would have been fired years ago.

Mr. Speaker, a strong Conservative Party is in the best interests of Manitoba and a strong Conservative Opposition is in the best interests of this government to keep it on its toes and to keep it wide awake. And these things we recognize. I would suggest to my friends on the other side that they get rid of their political advisers before those political advisers get rid of the Conservative Party in Manitoba.

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

MR. EARL McKELLAR (Souris-Killarney): Mr. Speaker, we just heard an address from the new Member from St. Vital and he was trying to lecture us but I'm sure that after he's been in here a few years that he'll be a lot wiser, and some of the things he said today, maybe he'll have to eat his words because it might be possible that he might be back on this side of the House where they look at things a little different. I had the privilege of sitting over there for 11 years and I know what it means to be on the government side. I know what it means to be on the government side and all you do is pat your front bench on the back and say they're doing a good job. But I was surprised, you haven't learned that yet, you haven't learned that you didn't do that. -- (Interjection) -- No, I'm sure that's quite right. The honourable member says they haven't got much to pat about.

But I'm sure that the honourable member realizes the job isn't easy in Opposition. All you have to do in the government side in the back benches is keep your mouth shut, keep out of trouble and be in your seat. That's the three main objectives for the government backbenchers. Be there to vote, be there to vote when the House Leader tells you and I see the House Leader is leaving; he's out there; he's going away. I remember so well when some of the members on the government side, some of them, because there was only about half of them on this side of the House and they gave us the best forty minute lectures I've ever heard and there wasn't one that stopped in less than forty minutes and they had their notes in front of them and they lectured on Socialism; they lectured. What they wouldn't do if they were on the government side and I'm sure that many of them had some second thoughts since then about what is practical and what is right and how much the taxpayer can pay to meet the bill.

And on last Thursday night we heard the official speech from the Minister of Finance on his philosophy of what's good for the people of Manitoba, what he thinks is right for the people of Manitoba. Less cars, less soap, less soft drinks, less - I don't know whether he wanted less liquor, he never mentioned liquor. He went right down the line. I wonder how many cars he's got; I wonder how many cars the Minister of Finance has got. I wonder if he's got over one car or two cars. I'd like to know. I wonder how many cars the Attorney-General's got. I bet he's got a couple of cars. Sure he has. And right down the line. Every one of them has got more than one car in their back yard. But here they're the people that are preaching to the people of Manitoba, telling them to buy less soap, to buy one kind of soap, to buy one car, a Japanese car, not these cars that are manufactured in Canada. Go to Japan or go to Sweden; let's have more Swedish cars here, let's try to hurt the Canadian economy a little harder. Let's hit it a little harder. And this is the kind of philosophy we hear. Hit the insurance companies a little harder, hit the life insurance companies, tax them a little more or tax the mining companies a little more, let's bleed them all dry and we'll be on one level. Then we won't have to talk about the -- the minimum wage will be the wage level for everybody in Manitoba, then we'll have a just society, a just society, a just society that would suit everybody and the Opposition. This is the kind of society they want.

I want to inform the members opposite, you all have been talking about these so-called people in the Manitoba Club and the members, I don't know who they are. I've never been in the Manitoba Club; I've never been in there; they talk about all these legal people that tell the Conservatives what to do. I've never had one person in the 13 years tell me what I had to do. Not in your lifetime, they better not. They never had the Conservative club members as mentioned by the Honourable Member for St. Vital tell us - they've never told me what to do and they better not tell me what to do. I represent the people and if I want to get advice I go to the farmers in my area. I go to the small businessman in my area and I tell you I get the best advice that I can possibly get and I don't have to get it in Winnipeg. And my vote in this caucus is just the same as your vote in your caucus.

And where do you get your advice? You get your advice from the International Trade Unions which have their support mostly in the United States. And where do you get your money from elections? You get your money from the International Trade Unions to fight elections. And the by-election over here, the by-election of St. Vital and the by-election of St. Rose, that's where you get your money from, that's where you get it. And you don't even get it on the privilege of telling them, you don't give them the privilege of telling them that they have the option to pay to the NDP Party. You tell them they have to pay and this is the kind of advice you give them.

And where do they go from there? Where do they go from there? Are you also angry at

(MR. McKELLAR, cont'd.) the United States? Not very long ago I had a Cabinet Minister telling a group in Brandon that they paraded down to the Peace Garden in my area - those bad Americans, they're terrible, they're in the war against Vietnam. And the Honourable Minister of Industry and Commerce said, "Well, you've got my support and you also got the Premier's support" and they entered down at the Peace Gardens. The Peace Garden wasn't made for that kind of display. The Peace Garden was a display of unity between two countries that have never gone to war and this is the purpose of our International Peace Gardens. Not to have support of a left-wing group that do down there and try to antagonize another nation, a friendly nation. A friendly nation that loans money to a Hutterite Colony right up near my neighbours here and this is the kind of - that's my feelings on the subject.

Now I want to get back on the Budget Speech. The Honourable Minister of Finance tries to make out that he's sacred, that he's sacred and he knows the answers to my problems and to everybody's problems, and he spells it out here. Then I want to relate back to 1969 because I also read a Hansard of 1969. "That there will be removal of special treatment for special groups such as mining and, more particularly, life insurance." That was the philosophy in 1969 and I'm sure it's the same today. "To remove the burden of education, health and welfare from real property and place it on general revenue." I haven't seen very much result other than five percent off the program this year. "That we raise provincial general revenues from greater participation in resource revenue by way of partnership, by increased ability-to-pay taxes such as estate taxes and personal and corporate income taxes in the highest levels."

We've heard lots about that and we experienced it too in the last Budget of the Honourable Minister of Finance. We've had our income taxes raised provincially and corporation tax. The mining companies have had their experience with the government. They have had their experience and I am sure they know. There are other things to follow, I'm sure - taxes in the future. And this is the philosophy of the government. They want to make everybody equal. They want the government to be supreme. They don't want anybody to think for themselves. They want the farmers to listen to the government and take their instructions from the Minister of Agriculture, such as everybody being involved in the marketing board whether they be grain farmers, hog people, everybody down the line, they have to do as the government says. That's not the philosophy that I accept and I reject this philosophy completely. I accept the philosophy that the individual is supreme, that he has his right to decide his own decisions, not the government decide them for him. -- (Interjection) -- No, I'm not taking any questions; you've got lots of time and you can answer them after I speak.

Now, we've heard all the hue and cry about the way the low income people are treated. And who is hurting the low income people and how many low income people are there? I'll tell you who they are, how many. There's 62.7 percent of the people of Manitoba earn less than \$5,000 and they're not on that side of the House either, they're not on that side of the House. They're not on that side of the House -- (Interjection) -- They're not on that side of the House, I'll tell you that. I want to also tell you how many people, as the honourable House Leader of the Liberal Party mentioned yesterday, only 7.5 percent of the people of Manitoba who are paying income tax earn \$10,000 or more. And they're not on that side of the House either. They're not on that side of the House. I'll tell you the category the members on that side of the House are in - 2.2 percent of the people earn over \$15,000; that's the category they're over here; that's the category. That's not the common man. That's not the common man. That's not the common man. -- (Interjection) -- Sure he is, sure he is, sure he is, sure he is.

Mr. Speaker, this is a problem we face in Manitoba, this is the problem we face. What we need is more jobs for people, this is what we need. Every time the Minister of Labour gets up there and praises himself up for raising the minimum wage, he sticks his chest out and says "Here's to the labour people - we have solved your problems", he puts more people on unemployment. It's a simple fact of life. Every time you raise the salaries - and you raise them when the economy's good; you hold the line when the economy's bad; and no one needs to tell the people of Manitoba what the economy is like right today. We're back right in about 1938 or '39, right before the Second World War. This is where we stand right now.

And that's not only the farm economy, it's the economy of the working class people of Manitoba that work in all the towns and villages. This is where our economy is right now. The take-home pay is getting less and less thanks to the taxes. And who pays the taxes? Who pays the taxes? It isn't the people on high like some people think; it's the people on your \$5,000 that are paying the taxes. Let's be honest. They're the ones that are paying the majority of the taxes. They're the people who are paying the taxes so let's give them some relief.

(MR. McKELLAR, cont'd.) Let's give them some relief. That's the people we need to give relief to - people - not try to tax them more.

Now much mention was made of housing and I made it a point to study up this. Residential dwelling starts in Manitoba in 1970 down 7.5 percent from the year previous; apartment starts down 45 percent. I want to tell the people that I would imagine, not knowing the City of Winnipeg, but all you have to do is read the advertising section and I'll guarantee you that practically every apartment block in the City of Winnipeg is not any more than 75 or 80 percent filled. So there are lots of dwellings, lots of apartments for people to move, but to the average man that wants to own a home, he's got to be up in \$8,000 or more, and I would imagine close to \$10,000 to own a home at the present costs.

So what's the government housing going to do? It's going to mean that the government are going to pour in enormous amounts of money, enormous amounts of money that were usually mostly provided by private institutions, private corporations such as life insurance corporations, who poured in huge amounts of money into dwellings and apartment blocks. Will they be willing to go along with the Province of Manitoba now that the government's pouring in over \$60 million? I wonder if they will. I wonder if they'll change their thinking towards mortgages on housing and also on apartments.

The Attorney-General is always thinking of profits, and I understood he was in this - I don't know whether it was Shakey's - no, not Shakey's, opposition to Shakey's, Gondola or whatever it was. Were you in Gondola Pizzas for a profit or were you just in for the fun of it? I'll bet you were in for the fun of it. Knowing you, I think you were in for the fun of it. -- (Interjection) -- Yeah, knowing you, I bet you were in for the fun of it. My goodness sakes, what's wrong with profit? What's wrong with profit? What's wrong with profit? Nothing wrong, but profit is a dirty word according to the members opposite. It's a dirty word. It's a dirty word. It's a dirty word. -- (Interjection) -- I'm not saying it's a dirty word. I like every bit of profit I get, even though I have to pay half of it back to you people to the income tax.

I'd like to relate back to agriculture now just for a few minutes. And I've said this before, it's the most important industry we've got. The Budget mentions that there's 2 1/2 percent of our total budget goes to the Agriculture Department, 2 1/2 - a little less than 2 1/2 percent. -- (Interjection) -- No, it's always been the same thing. The only thing is you're spending more money, but the Budget's gone up too.

Agriculture is in the worst situation now, and as I mentioned, this is the same as the economy back to '38-'39. That's how far it's back, over 30 years, and the Honourable Member for Rhineland just mentioned that. The price of eggs never were worse. I don't remember it any worse in the '30's. The price of pork is as bad as it was 30 years ago; it's never been lower. And the Honourable Minister - I'm glad he sends out a bit of information because if you ever want to see figures that show supply and demand, here's the figures right here. They're right there. The one line goes up and the other goes down. It's a simple fact of life; supply and demand still rules.

But what do the government think they can do when they preach that if they had a hog marketing board they could set their own price. It's not just right. You can't set the price. You can't set the price. -- (Interjection) -- You can't set the price. If the honourable members would be a little quieter I'd make a lot better speech. But this is a fact of life; supply and demand rules all our markets, and all you do with marketing boards is interfere with that philosophy of supply and demand. You just can't -- we on the North American continent, this is our way of handling things - supply and demand. Let's not get off the train too far by trying to interfere with it by hog marketing boards. I wonder when the Minister is going to bring in this bill, or is he going to put it in by regulation to make the Hog Marketing Commission compulsory. -- (Interjection) -- I know you don't. Regulations. Let me know the day you pass it.

Mr. Speaker, I want to say to the Minister of Agriculture that he's got a big job to do. He hasn't got much help from the back bench, he's only got two or three who are interested in agriculture. He's got to do a big job this coming year because I'll tell you what your main concern is: No. 1 concern is bankruptcies, mentioned by the Member for Rhineland. Bankruptcies are going to be so large in number this year that -- well, the ones that are going to be most affected by bankruptcies are the young farmers who started up eight or ten years ago, and I would hope that you would come out with a policy to assist these people by lowering the interest rate or doing something to help them, easing the burden somehow, because when they took the mortgages out the price of land was up high and the interest rates were higher and they're caught in this squeeze. I think the Minister should come out with a policy that will assist these

(MR. McKELLAR, cont'd.) people before we end up with many many farmers having to leave the land and go to the city and create a burden on the labour market in our large cities and larger mining centres in the north.

Now, Mr. Speaker, I want to relate back to Automobile Insurance because that's a very interesting subject, a very interesting subject. -- (Interjection) -- No, repetition's the staff of life and I'm going to carry on. Repetition's the staff of lie on any subject matter. The Honourable Member for St. Vital here accused us this afternoon, he charged us this afternoon for not being responsible in the House at the last session. I don't know how many sessions he attended, I don't know how many sessions of the committee he attended and saw various people come in there saying to the members of the committee that their whole livelihood was gone if the government passed that bill. I don't imagine he sat in these very much because he would have been convinced, he would have been convinced by all the thousands of people that are directly associated with the automobile insurance industry in the Province of Manitoba and who had devoted many years to their livelihood.

I would like to ask many of the former school teachers in this House, how would you like your teaching life to be cancelled at the 30th of June? How would you like that? And the next election, a year or two later you lost the election. How would you like that to happen? How would you like that to happen? This is just what you did to the insurance industry in the Province of Manitoba. The agents, the people who work in the offices, you took their livelihood away, and I think this is one of the worst injustices ever done in the Province of Manitoba to an industry, to an industry that was established by Manitobans.

And I want to get back to that, because I mentioned it yesterday when I got up to speak on an Order for Return and I want to say a little more about this because I don't think this has got home to the honourable members yet. I want to tell you how the Wawanesa Mutual Insurance Company started. It started by a group of farmers who were parochial, who were the shareholders of that company and that philosophy has carried on to this day, 75 years later. It's a co-operative. It's a co-operative where every policy holder can walk in and vote on a director and elect their own directors at the annual meeting. This is a philosophy you started, and you all talk about your great philosophy towards co-operative movements, and yet in the next breath you destroy co-operatives like Portage Mutual and Wawanesa Mutual and tell them "you are no longer wanted in the Province of Manitoba."

Is that the kind of philosophy we want in Manitoba? I say no. We need a philosophy that encourages industry, that bring in industry from all parts of United States and Canada no matter where it comes from. We're not a province that can depend on ourselves to do everything for ourselves; we need the help of everyone. But what is going to happen? We're going to be the greatest headquarters of professional people that we ever saw in the year 1972, and for the very reason that the Government of Manitoba thought that their philosophy of running the insurance business, the automobile insurance business in the Province of Manitoba was better than the people who thought the idea up 75 years ago. So this is my concern and I'll continue to press upon the members they're against co-operatives; they're against them because they wouldn't have voted for Bill 56 if they had been in favour of them. They wouldn't have voted for it. This is the kind of decision that they made on that very particular day. They're against co-operatives. That's a foregone conclusion.

What's happening in Industry and Commerce? Nothing. All the Minister of Industry and Commerce can say - and I wish he was in his seat right now - all he says is that we do more for Brandon than any other government in the history of mankind. That's all he can say. Well, I've lived 20 miles from Brandon all my life and I know a lot of people in there. I represented the area that the honourable member represents now surrounding Brandon. I know the people. I know what's there before; I know what was there in 1958 and I know what was there in 1969. -- (Interjection) -- I know what was there. -- (Interjection) -- You want me to tell you? I want to tell you, I'll just give you an instance. To the east of Brandon, if you're not aware and I don't imagine you are, back about '66 I think it was, a big fertilizer plant was put up there through the assistance of the Manitoba Development Fund. Over \$30 million the loan, and that's more than all the money invested by your government since 1969 - \$30 million. That's right, that's one industry. -- (Interjection) -- It was a straight loan. Straight loan -- (Interjection) -- Simplot. -- (Interjection) -- You get back to your international trade unions and talk about that later on and I'll talk to you more about that later.

I'm going to tell you something -- I'm going to tell you about another industry that started 3 miles east of Brandon, Dryden Chemicals, another of our 6 or 7 million dollar industries

(MR. McKELLAR, cont'd.) started by the Dryden Chemicals at Dryden, Ontario. They made use of the underground water supply and salt and they are turning it into a manufactured product that's being sold all over Canada today. Was that just a little sum of money? That's getting up close to \$40 million now. How about the money spent at the university when we were there? How about the money spent at the university? And I want to tell you that agreement was brought in under our government.

The first decision that I made in our caucus was the decision dealing with the construction of the buildings at the Brandon University. The decision was that for every dollar collected locally in Brandon by the Brandon College people, the Government of Manitoba would give them two. They raised their million dollars all over Canada and they were to be congratulated at that time, and the government of Manitoba granted them \$2 million. That's \$3 million added onto the 37 or 38, over \$40 million. And it goes on and on. All the schools were built in Brandon, all the other things that were built by the government - streets, highways, bridges and everything around Brandon, and they say there was nothing done. I'll add my figures against yours any day and I'll tell you that mine will stand up. We never heard you tell the total amount of your figures. All the Minister of Industry and Commerce does is shout, that's all he does, is shout on every platform saying what he does for Brandon, what he has done for Brandon. We'll see what he does for Brandon on this proposed bill, the extension of boundaries. We'll see where he stands on that when the Honourable Minister of Municipal Affairs brings it in, whenever he does. We'll see what his statement is then.

Now we have heard so much about our senior citizens. We've heard a lot about our senior citizens. The Honourable Minister of Labour, he thought he was wonderful yesterday when he said how bad a government we were, how we used to take money away from our senior citizens. I want to tell him of an instance that I have in my area right now. He's not listening, I don't suppose he wants to listen, but I have a disability case in my area, a man who is getting \$162.00, and his wife being two years older she got the old age pension. You know what happened? You know what happened? He ended up with a little less than \$162.00 because they just deducted \$80.00 off. That's what happened. The government of the day is no different than when we were in power. That's the law. They haven't changed the law. They perform the same, act the same, but they shout loud and clear how much they are doing. They shout loud and clear how much they are doing. The policy hasn't changed, no change at all. They shouted loud and clear when they were over here and I remember so well, they were going to exempt all the senior citizens \$2,000 on their assessment. -- (Interjection) -- Was that everybody in the province? Oh, I thought it was just the senior citizens -- (Interjection) -- everybody, eh? Well, that's more than I thought, I was only giving them credit for part of it. I didn't give them credit for all of it but what have we heard? Three budgets, three budgets and not one mention of this particular policy. Is this going to happen or is this just the talk before when they were sitting over on this side.

We'd be called irresponsible if we had made this statement then and not - hadn't did anything when we got over on that side. We'd have been called hypocrites, yeh, well I'll give it a little worse term. This is the kind of things that concerns the people of the Province of Manitoba. They wonder what kind of a government they got in there. Are they talking out of one side of their mouth when they are over here, and the other side when they are over there? Tell us the facts. That's all I want is the facts.

Yes. We heard the Minister of Finance all about his ability-to-pay, ability-to-pay - a wonderful phrase but how many governments are sticking their hands in their pockets right now? How many governments are sticking their hands in the same pocket? It doesn't matter, there's only so much money there and it doesn't matter how you take it out, you are going to get to the bottom and it's just about time that the government of the day started to cut back on the taxes, when the economy is flat and this is a suggestion that our party made in a resolution by my honourable leader. He was - all he was asking when the economy is flat, you roll back the taxes to give the people more money to spend of their own, to try to give more work for people in stores, more work in the service stations, more work in the offices and so on and this is the kind of economy we need. Let the private individual decide how he is going to spend his money, rather than the government.

When we were over on the government side it was the last budget -- and I'm going to end with this -- we decided at that time, because of the fact that Alberta and Saskatchewan pay back to their citizens the provincial estate taxes that are collected, refund them, that we in the

(MR. McKELLAR, cont'd.) Province of Manitoba had to do likewise. Now why did we have to do that? Because of the fact it only takes one half-hour to get out of the Province of Manitoba by an airplane and this is what happens - people can go to the Province of Alberta at their retirement age, and leave their estates, have their estate monies paid in there after their death and for this very reason it means so much to the families who are going to have to look after this tax in the future.

Now the Minister of Finance said this wasn't right because it's these two percent of the people of the Province of Manitoba are going to get this advantage - all the millionaires on Wellington Crescent, they are the people who are going to get the advantage of this \$5 million annually that's paid into the estate taxes but that isn't actually the way it happens. That isn't actually the way it happens. Those people can leave long before they are ready for retirement and many of them go to the Bahamas and they can do this -- they have the money. It's the people who can't dispose of their assets, on their farms and their business before they are dead, are the people that get hurt and for that very reason -- (Interjection) -- two percent, you people over \$15,000 a year are the ones I'm worried about. -- (Interjection) -- Well that's about all, there are only about two or three percent of the people that die that get hurt by estate tax. For the very fact that Saskatchewan and Alberta have this policy, I think it's important enough that we in Manitoba retain some of this wealth within our province and because of the fact-- the philosophy of your government says that you should handle this money, I believe that the opposite should be that the family of the people who pass away should have this money and for that very reason I suggest to the government they give serious consideration to refunding the estate tax at the next session of the Legislature.

Just one further thing. If you want to really be serious about the construction of homes, whether they be senior citizen homes or whatever they be, I would like the government to give some serious consideration to removing the five percent sales tax on building supplies because building supplies are one of the most expensive things you can buy right today and I don't think in this day and age that we should have to pay this five percent sales tax in order to build a home, which is a necessity for every family in the Province of Manitoba and I hope you take this into serious consideration.

Mr. Speaker, in closing I want to say I'm disappointed with the Minister of Finance. I'm disappointed because I think he gave us a budget that is not indicative of the times. I think he should have tried to do his best to hold down the costs rather than increase them by 15 percent and the thing that really concerns me is the large capital budget because this is \$300 million. The next generation -- and I want to refer to that, the next generation of people are the ones that are going to have to pick up this load. Thanks Mr. Speaker.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Roblin.

MR. J. WALLY McKENZIE (Roblin): Mr. Speaker, I move, seconded by the Honourable Member for Swan River, that the debate be adjourned.

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

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, before you call bills, I would just like to get leave of the House to make a committee change. The Honourable Minister of Municipal Affairs is now on Public Utilities, we would like to substitute the Honourable Member for Rupertsland and the Honourable Minister of Municipal Affairs is now on Public Utilities and we would like to put him on Public Accounts and we would like to substitute him for the Honourable Member for Rupertsland and make that exchange on the other committees as well, so the Member for Rupertsland would come on Public Utilities and Natural Resources and the Minister of Municipal Affairs would go to Public Accounts. (Agreed)

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GOVERNMENT BILLS

MR. GREEN: Will you call Bill No. 71, Mr. Speaker.

MR. SPEAKER: On the proposed motion of the Honourable Minister of Transportation. The Honourable Member for Birtle-Russell.

MR. HARRY E. GRAHAM (Birtle-Russell): Thank you very much, Mr. Speaker. When the Minister of Transportation introduced the amendments, Mr. Speaker, he said that there were three basic things in the Act that were the reason for the change and one was the changing of the birthdate as the means of determining the start of a licence year for a driver's licence and when he did this, Mr. Speaker, there was one thing that struck my attention. This was the fact that while a person could conceivably buy a licence for three or four months, he was still going to pay a fee of \$2.00 which would entitle him to drive for just a short period of time before he would have to renew his licence once more and I would suggest, Mr. Speaker, that this is one way that the Minister of Transportation has found to increase revenue and assist the Minister of Finance in his most precarious of positions, that of trying to raise money for the Province of Manitoba.

One of the other suggestions that the Minister has made in his presentation was one which involved a decision made by all the Ministers of the various provinces at a meeting in Victoria last year where they decided that there should be, in effect, seven basic categories for the issuing of drivers' licences and I would suggest, Mr. Speaker, that there is very good reason that possibly he should consider an eighth category in a driver's licence. And I say this, Mr. Speaker, with some justification. It was sometime ago that in this House I asked for an Order for Return in which I was endeavouring to find out the number of licenced drivers in this province over the age of 65 for each of the calendar years 1906 down to 1891 and from that date previous to that I lumped them all together and all those whose birthdate is prior to 1891.

And in the Order for Return which I received today, Mr. Speaker, I find out that there are 2,327 drivers who are in that age category prior to 1891 and these are drivers over 80 years old, Mr. Speaker, and one of the third questions I asked in the Order for Return was the number of drivers in each of the years listed above who had been examined by the Motor Vehicle Branch for their qualifications to drive an automobile. The answer I got was not complete and I understand, Mr. Speaker, there is very good reason for it not being complete because the statistical branch in the Licence Bureau would have to go to considerable detail to provide the answers but they did give me some answers and they said prior to 1971 a total of 1185 out of the total of over 30,000 that I had asked about had been re-examined by the Motor Vehicle Branch and passed the examination.

They also said that in January, 1971 that 1142 between the ages of 82 and 84 had been called in for examination and to file medical certificates. Mr. Speaker, the last question I asked was the number of people in the province whose birthday falls in each of the years listed in numbers 1 and 2 above who have been denied a driver's licence as a result of examination by the Motor Vehicle Branch and that answer is not complete either, Mr. Speaker. The answer I received is that of 1142 between the ages of 82 and 84 who were called in for examination, they were called in for examination and my question was "As a result of that examination" and one of the answers I got was that 116 drivers were reported deceased. Now, I don't know whether the Minister of Transportation, through the examination procedures had scared these people to death or not but probably, Mr. Speaker, one of the most alarming facts that I got was out of the 1142 between the ages of 82 and 84 who had been called in and I asked for the number who had been denied a licence, he told me that out of 1142 only 72, only 72 drivers out of 1142 over the age of 82 to 94 had completed all tests successfully.

Now, Mr. Speaker, these are people that have made a great contribution to Manitoba over the most of their lives. They have seen the good times and they have seen days that weren't quite so well but they have survived and made a great contribution to this province. But we find that the Minister of Transportation through his examination policies has only granted 72 licences out of 1142 who had been called in for examination.

Now, Mr. Speaker, I don't suggest for a minute that it's the Minister of Transportation that does the examination in this. I know it's done through his department who are responsible in turn to the Minister, but this poses a problem especially in rural Manitoba, Mr. Speaker, where we find many of our senior citizens are now being denied their last semblance of independence, their ability to go some place on their own without having to rely on someone else to support them. Their last vestige of independence is being denied them, and I would

(MR. GRAHAM cont'd.) suggest, Mr. Speaker, that in the categorization of drivers as the result of the information that I have received from the Minister, that there may very well be a case for the issuing of a restricted licence which would apply to those people who having tried the regular driver's test on two or three or more occasions, would then be permitted to take a simplified test, because I suggest, Mr. Speaker, that the reason for them not being successful could very well be that they have developed habits of driving which are difficult to break. They're not serious bad habits but they may not just quite grasp some of the changes that the departments have instituted. Or, quite logically also, many of them have been out of school for many many years and some indeed may never have gone to school and they have difficulty passing the written test.

The Minister also gave me some information - he said that 92 drivers had been suspended for medical reasons or reasons that did not meet the visual requirements, and on that basis I have no argument. But one other figure that the Minister gave me did concern me, Mr. Speaker, where he lists that 110 drivers had advised the Motor Vehicle Branch that they were discontinuing driving. I would wonder why they would advise the Motor Vehicle Branch that they are discontinuing driving. The thought occurred to me, Mr. Speaker, that maybe one of the reasons they would do such a thing would be because they had tried on several occasions to pass an examination that was maybe too tough for them and in desperation they threw up their hands and quit. To me, this is probably the most tragic of any, if such is the case, Mr. Speaker.

But then the final figure that the Minister supplied me with here was 752 drivers out of 1142 are in the process of complying with the requirements. This means, I would suggest, that 752 have tried and failed their first test and they are out practising in their back yard, they're out in the back lanes trying to practice parallel parking, in a rural village where they have never seen parallel parking in their life or some such case as that, but 752 out of 1142 of our senior citizens are presently undergoing a mental harassment in trying to live up to some of the standards that are set to qualify them for a driver's licence. I suggest, Mr. Speaker, that perhaps this is unfair. Perhaps it's unfair - 752 out of 1142 which is roughly 70 percent, 70 percent of our senior citizens between the ages of 82 and 94 are presently undergoing some form of harassment, mental harassment by the Department of Motor Vehicles Branch in trying to live up to a standard which I suggest may not be necessary for people that may very well be willing to accept a restricted driver's licence. So I would ask the Minister to consider seriously the advisability of amending, putting a further amendment to this Act to the point where he can, using discretion, give a person a limited licence which may not require him to meet the standards of parallel parking or some of the other tests, which would give these people a chance to retain their independence as long as they physically can without endangering the rest of society.

Now I know that from a financial point of view the Minister has been very kind to these people. They can take test after test and they do not have to pay for it if they're over 65 years of age, and I congratulate the Minister on that part of it. But there are other drivers in the Province, Mr. Speaker, who have to take a driver's test, maybe three or four or five of them, and for each test and each succeeding test that they have to take they have to pay \$5.00 - and here again, Mr. Speaker, I can see where the Minister of Transportation is aiding and abetting the Minister of Finance in his efforts to take as much, or get as much money as he can from people of Manitoba to carry on the affairs of this province. It's a rather indirect form of taxation and I can understand a \$5.00 fee for one test, but I think that once a person has paid his \$5.00 and if he failed his driver's test he should be given another chance to write it without having to pay another \$5.00. I sincerely hope the Minister of Transportation will consider my suggestion seriously and I look forward to hopefully seeing some amendments made when this bill goes into Law Amendments Committee. Thank you very much.

MR. SPEAKER: The Honourable Member for Assiniboia. The Minister would be closing debate, right? The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, before the vote is -- Mr. Speaker, it appears that I will not have enough time so perhaps I -- (Interjection) -- Yes. I move, seconded by the Honourable Member for Rhineland, that the debate be adjourned.

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

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, there's been general arrangement that we would now move to Estimates for the purpose of dealing with Capital and Interim Supply, and I therefore

(MR. CHERNIACK cont'd.) move, seconded by the Honourable the Attorney-General, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee of Supply to consider of the Supply to be granted to Her Majesty.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House resolved itself into a Committee of Supply with the Honourable Member for Winnipeg Centre in the Chair.

COMMITTEE OF SUPPLY

MR. CHAIRMAN: Resolved there be granted to Her Majesty a sum not exceeding \$115,080,000 for Capital expenditures. The Leader of the Opposition.

MR. SPIVAK: Just for the record so that I'll be aware, are we now dealing with Capital Supply or Interim Supply? -- (Interjection) -- not Interim Supply.-- (Interjection) -- Well, would it not be more preferable to deal with Interim rather than Capital?

MR. CHERNIACK: Well, Mr. Chairman, I just respond by saying that I had reason to expect that we could deal with both now and therefore I thought we could -- I didn't think that it mattered, and actually Capital is more pressing than Interim.

MR. CHAIRMAN: The Honourable Member for Rhineland.

MR. FROESE: Mr. Chairman, I would suggest that we deal with Interim first because we might not get finished with Capital and at least Interim would be completed.

MR. CHERNIACK: Well, Mr. Chairman, Interim is really not that urgent and can be brought in at any time. I'm sure there'd be no problem with Interim so I suggest we just proceed. I don't know if there's any real feeling, if somebody wants to dispose of Interim we can dispose of Interim, but I indicate again there's not that kind of urgency about Interim.

MR. SPIVAK: Well is it the intention of the Minister to explain the requirements specifically for each item in Capital Supply prior to our being asked to pass it?

MR. CHERNIACK: Mr. Chairman, we've distributed Schedule A which indicates the breakdown of Capital Supply. I don't know that there's much that I have to explain about it. If there are questions I will do my best to answer them, but I'm not aware that there's that much to talk about. The list has been distributed. If honourable members would like me to read out the list in case they don't have their copies with them I'll be glad to do so. That may be of some help.

MR. CHAIRMAN: The Leader of the Opposition.

MR. SPIVAK: Well surely we're not being asked to pass 150 million without some detailed explanation of the requirements of the Manitoba Telephone System and each other item that's mentioned. Surely the Minister must have some information as to what remaining Capital Supply now exists within the various departments; what the additional supply is required for; and what likely costs will be borne in this fiscal year.

MR. CHERNIACK: Mr. Chairman, the Capital Supply Bill before us is very much in line with previous years, and is in accord with the programs such as have been developed in the past, and you know, I won't debate whether I should discuss it or not - I'm prepared to discuss it - so I'll indicate that the Telephone System last year was I believe a larger amount. This is part of the ongoing program of the Telephone System and we have been informed by the Manitoba Telephone System that this is what they expect to be their requirement for this year.

The Water Supply Board is again a routine item of \$260,000. We're informed by the Water Supply Board that they expect that those will be their requirements.

Now the Manitoba Agricultural Credit Corporation, I believe, has increased its activity, as all members of the House should know, and they too have notified us that they would expect a need for \$15 million in this year.

The Manitoba Development Corporation is of course reduced because of the reduced expenditures compared with the very large amounts that have had to be paid out in the last couple of years, and they again indicate that it is their belief that \$25 million is the minimal amount they now need to carry on their program. As a matter of fact, I believe that they have under-estimated their needs and they may yet come back to us later for increase if they feel it necessary.

The School Financing Authority again is in line with previous years. The Community Colleges is straightforward. The Minister is here and I don't know if he's prepared to deal with it in great detail, but it's certainly not out of line in his expectation.

Now for the universities, as I recall it -- now unfortunately I haven't found the notes

(MR. CHERNIACK cont'd.) that I did have on that - there was some \$3 million of authority requested for Capital Supply and, in direct answer to the question that the Leader of the Opposition made some time ago, it was decided to transfer up to a total of \$7 1/2 million out of what may have been considered Current in the previous year into Capital of this year, it being considered that this is a justifiable expenditure for long-range repayment.

Now the other items, The Pas Special Area Agreement of \$2 million; the Brandon Special Agreement of \$700,000; the Churchill Townsite Redevelopment has indicated \$760,000 is for this year; the total estimated provincial cost being \$7,830,000. The Leaf Rapids Townsite Development of 2.4 million is again expected for this year and the indication is that the total estimated cost of that project will be \$5,111,000 in the long term. And then the General Purposes of 21,252,000 is comparable with, I think it was 31 million or close to that, that was authorized last year and it breaks down into a large number of items. Now having gone this far, I'm prepared to listen to any questions.

MR. CHAIRMAN: The Leader of the Opposition.

MR. SPIVAK: Well, I thank the Minister for his explanation. I'm afraid that I don't find it satisfactory to the extent that I think much more information is needed and required. I would like to know at this point, with respect to Manitoba Telephone System: what Capital borrowing power was utilized last year? What has been left over as a surplus for this year? Is it intended to use the \$60 million and for what? I recognize it's an ongoing program but I'd like some explanation of what that ongoing program is going to be providing. And I think this is true of every one of the departments, and although I know the Minister may want to finish in the next half hour, I think it's necessary, I think it's incumbent upon him to explain in some detail what the money will be utilized for. I recognize it's an ongoing program but I think that we are entitled in the House to know. I think as well that with respect to the General Purpose as it was explained last year, I think we'd like a breakdown of this and to know exactly how that General Purpose is intended to be spent. There's been some reference to highways, what programs are we referring to in terms of highways, along with some detail with respect to the Agricultural Credit Corporation - the \$15 million is for their ongoing program but that program varies as well; what specifically, and again, is it intended in this year alone or will it be carried over into the following year?

MR. CHAIRMAN: The Member for Rhineland.

MR. FROESE: Mr. Chairman, I think we need further explanation to that asked for by the Leader of the Opposition. When we talk of Manitoba Telephone System \$16 million, what are the improvements that are planned and where are they being planned? Does this mean that people in rural areas will get private lines more readily and at less cost? Because this is a very important matter right now. I've had people coming to me and ask for services, better services in this regard; that they not be party lines of six, seven, eight or more to a line, and you have some of these people who are in business, they have businesses, and are subject to party lines. This makes it very difficult for these people to operate. On many occasions they have to leave the farm when these phones are tied up by other people on the party line and go directly to the places and transact business in that way when they can't make use of the telephone. So I would like to know just what is being planned in this regard.

I would also like to know from the Minister the reason for the disparities between the Manitoba Budget and Economic Review of '71, which was placed before us the other day, where the requirements spelled out 20 1/2 million for Telephones. Where does the discrepancy come in? And we have a number of items listed on page 27 of the Budget Review which total to a much higher total than what is actually on the sheet before us that was distributed also the other night. Certainly the same applies to Water Supply. We have finished the estimates of the Department of Agriculture and I think now is the time to get the information because, if you don't get it now, we won't get it when we have no longer an opportunity to discuss estimates under his department. The same holds true for Manitoba Agricultural Credit Corporation, the \$15 million item in this respect, and all along down the line. I would like to know the discrepancies, why the discrepancies between the Budget Review and the schedule before us.

MR. CHAIRMAN: The Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Chairman, in the same general category, I was listening to the Minister's explanations and I got lost on the University's figure of \$7.5 million I copied here, for long range repayment. I didn't quite get the import there. And there is a special agreement with Brandon that I no doubt should know about. Could he just explain the \$700,000 that is in that category, and the final item "for general purposes \$21.2 million."

(MR. MCGILL cont'd.) If we could have some breakdown of the general purposes category, I would think this would be in order.

MR. CHAIRMAN: The Honourable Member for Arthur.

MR. WATT: . . . ask the Minister if he could give us a breakdown on the \$15 million allocated to the Agricultural Credit Corporation. Could he give us a breakdown on direct loans, or if there is a portion of that will be attributed to guaranteed loans through the banks or lending institutions. I think the Minister probably is aware that there are two sections of that Act. One provides for direct loans and one section of the Act provides for guaranteed loans through the banks at a reduced interest rate. Could he give us a breakdown?

MR. CHAIRMAN: Before he replies, what is before the committee at the moment is the resolution in total, and perhaps we should proceed item by item and these questions can be raised when the item is under consideration. So I place before committee under Schedule A, the Manitoba Telephone System, \$16 million.

MR. CHERNIACK: Mr. Chairman, on the Telephone System, the Honourable Member for Rhineland pointed out a discrepancy between the statement and the review of \$20 1/2 million and the \$16 million required now. The difference, of course, is between what is already authorized and what needs to be authorized, and I deduce from this - and I use that word advisedly, "deduce", because I believe that I am correct but I can't vouch for it, that the differential there of 4 1/2 million dollars is what has been authorized and not borrowed in this up to now, and the expenditures expected by the Telephone System are in line with their program which I remember dealing with last year much more extensively, which had to do with the renewal of equipment and with the expansion and the acceptance of the undertaking by the Telephone System that the northern areas would be serviced with telephone communication. As I recall it, their plan was that every settlement of more than 50 people would be serviced. Now, the Honourable Member for Swan River is obviously listening carefully to what I am saying and he may remember better than I if my statement is correct, but I believe -- yes, he is nodding his head and that confirms that my recollection is right, that that was the undertaking. This is in line, therefore, with the program for providing service to those that are not being serviced, also includes the constant updating of equipment and improvement of equipment and is so very much in line with previous years - and I mean years - that I haven't really troubled to get a greater breakdown or a fuller explanation on the plans of the Telephone System. It is so very consistent with their ongoing program.

MR. CHAIRMAN: . . . passed? The Member for Rhineland.

MR. FROESE: Certainly, Mr. Chairman, this is a large item, \$16 million in total - actually it's 20 1/2 million - to just pass it in one item without having any idea as to where the monies will be spent. How much will be spent in northern Manitoba and how much in southern Manitoba? I would like to know how many exchanges will be changed over to dialing, and so on. I think these are things that the . . .

MR. CHERNIACK: . . . Mr. Chairman, fine, if honourable members are interested to that extent. It's something that hasn't happened in the past and I don't recall that there has been that kind of detail given, but committee has the choice of insisting that it be done at this level, or committee could of course do it, at Public Utilities Committee where the Telephone System must report and where the officers of the Telephone System will be present. I wouldn't want to push this through if honourable members feel that this is an amount which is so out of line that it needs a complete breakdown. I'd be quite willing to see to it that we get all this information. If honourable members feel that the Public Utilities Committee does not give them that sufficient protection, then by all means what we would have to do then with this item is to stand it down, and I would then undertake to get a much fuller breakdown, which is no doubt available from the Telephone System, so I leave it to honourable members. Since I don't pretend that I can give a fuller explanation than I have already done, honourable members, knowing that Public Utilities has yet to meet - tomorrow, I think -- oh Hydro tomorrow, but it has to meet with Telephones. Honourable members therefore have a choice: either wait for Public Utilities and go into it extensively with the Telephone System at Public Utilities, or by all means we'd have to set this item aside and I will bring back the fuller explanation to this committee.

MR. CHAIRMAN: The Honourable Leader of the Opposition.

MR. SPIVAK: Well, I wonder if the Honourable Minister would take and apply this same category to, as an example, the Agricultural Credit Corporation, because as an example I

(MR. SPIVAK cont'd.) would believe that it would probably be a very wise thing to have the Agricultural Credit Corporation come in and deal with this capital requirement along with an understanding of his operation. I think it would be important.

MR. CHERNIACK: We are now dealing with the Telephone System, so if we can dispose of that one way or the other, we can then proceed and when we get to the Agricultural Credit Corporation the Minister of Agriculture is here and may well be able to answer the question.

MR. CHAIRMAN: The Member for Rhineland. I'm at the will of the committee. This is a departure from past practices to provide the details that are requested. Now it is the wish of the committee to set this aside? The Member for Rhineland.

MR. FROESE: . . . not inconsistent with past practices. We have on previous occasions, when Capital Supply came up, that we asked for various items under it and have a breakdown occur on the larger items. Certainly as far as Telephone is concerned, I would be satisfied to get the information from the committee if it will be given to us. With Telephone I'm quite happy to do this, and probably the same for Hydro, because these two public utilities come before committee, so this would be satisfactory. But there are other items which I feel you have to consider separately.

MR. CHERNIACK: . . . Telephones, and if the committee is willing to pass the Telephone item, then, as we get to the others, we can deal with it. I might say, though, while I'm still on my feet, that the Hydro amount which the Member for Rhineland referred to, of \$113.5 million which appears on page 27 of the Budget Review, is not -- they don't need any authority this year because they have authority which is unused, and that is the amount that they would expect to borrow in this year but they have the authority already. So, if the committee is ready to approve the Telephone, then by all means we can just continue and deal . . .

MR. CHAIRMAN: Agreed? Passed. The Manitoba Water Supply Board \$260,000-- passed?

MR. FROESE: . . . will be served this year. Maybe the Minister of Agriculture could give us the information on this.

MR. CHAIRMAN: The Minister of Mines and Natural Resources.

MR. GREEN: Mr. Chairman, I can't give the honourable member the exact names, but I know that the Water Supply Board serves all communities that wish it on request, on the basis that they will provide the capital input for water supply, which is then recovered or is intended to be recovered 100 percent out of the water rates that go to the communities. So although I can't give my honourable friend the names of each community that has applied, I can tell him that it's not a question of preferring one community over another; it's whichever communities apply for the water supply and the Water Supply Board to go in, within reasonable time I expect. I don't know whether every community is dealt with immediately, but certainly every community that wishes it is entitled to that service and I know of no communities that have been refused.

MR. CHAIRMAN: The Manitoba Agricultural Credit Corporation. The Member for Arthur.

MR. WATT: . . . ask the Minister, has Teulon been served with water supply?

MR. GREEN: Mr. Chairman, again I say that if Teulon has not been served, it would be because it has not decided to ask the Water Supply Board to put in the service at that rate. Teulon has a special problem. The amount that it would cost Teulon under the existing policy makes them unwilling to ask for it. We are looking at a method of seeing whether that can be changed but they are not served as yet.

MR. CHAIRMAN: The Member for Rhineland.

MR. FROESE: Mr. Chairman, I know that we have discussed this in past years, but has the government reconsidered or are they considering probably subsidizing certain villages or towns that will require a very high water rate in order to get a system into their village or town. This probably needn't be too large an amount but in certain areas it might be necessary in order to give these people the necessary facilities to subsidize them. Has consideration been given to this matter?

MR. CHAIRMAN: I would ask the Member to direct those questions to the Minister during his estimates. The Minister has given an explanation. Your questions aren't directed to this particular item, in my view. The Minister of Mines and Natural Resources.

MR. GREEN: I think it would probably be faster if I gave the answer. The fact is that such a study is indeed taking place. The suggestion that the honourable member makes is

(MR. GREEN cont'd.) very subjective. Certain communities have applied for Water Supply Board installations on the basis of paying a rate which other communities, in relatively the same circumstances, may think is too high for them, and we have the problem of saying "what other people are paying is something that you should pay." I know that in some cases the rates have gotten behind what the capital costs are and we're trying to bring those back up in order to have the Supply Board's activities function as they are supposed to, but the question that my honourable friend raises is indeed being studied but has not been resolved at this time for some of the reasons that I have given.

MR. CHAIRMAN: The Manitoba Agricultural Credit Corporation, \$15 million. The Leader of the Opposition.

MR. SPIVAK: I think we should have an explanation on this as to how much borrowing yet remains and whether this additional borrowing will be used for this year and the breakdown of how this borrowing is intended to be used.

MR. CHAIRMAN: The Minister of Agriculture.

MR. USKIW: Well, I think, Mr. Chairman, that the honourable member is asking for information which is not readily available. I don't know what portions of the \$15 million will be allocated for what purpose. As you know, the Act is broad enough to include individual and corporate or cooperative loans, if you like. Just what amount for each category I am not in a position to indicate. I just have the total estimate here, \$15 million.

MR. CHAIRMAN: The Member for Rhineland.

MR. FROESE: Mr. Chairman, how is the operation handled? The monies that are being repaid, are they in a revolving fund that they can be re-used or do we -- every time that we have to allocate new funds, does that mean that all the funds that are being used have to be allocated by this House and that there is no revolving fund in existence that is being re-used. Could he inform the House on this?

MR. CHAIRMAN: The Leader of the Opposition.

MR. SPIVAK: Well, surely somebody in the government knows what the devil's happening, and surely at this point we are entitled, if a hundred million dollars is being asked to be approved, to have answers given to some questions. Now, Mr. Chairman, I'm aware of the fact that the practice has been for capital requirements to be passed pretty quickly, but I'm also aware of the fact that before the approval is requested, that someone, at some time, has had to look at this and approve the specifics that are being requested. It's not just that the department itself makes the presentations; someone has to say that that presentation is justified based on the representations that are made to them. I think what's really required here is that we have a right to know about the facts; what information. Now I understand what the Minister of Agriculture has said, but surely we can't be expected to pass \$15 million on this, \$15 million on the next, without having some explanation, and if the explanation is not here, then I think we are entitled to have it brought forward to us and entitled to wait until it's brought forward.

MR. CHERNIACK: Mr. Chairman . . . absolutely clear. I have brought down this Capital Supply Bill in the same way as it's been brought down for years, to my recollection. Of course my recollection only dates about eight or nine years, but I've brought it down in the same way. After having discussed with the chairman of the caucus, is it, of the Liberal Party, my desire to bring it down as quickly as I could, I received the impression, probably wrongly, that there were no particular problems in relation to the amounts requested and therefore I did not take the trouble to bring down all this information. Now that is why earlier, about 5 or 10 minutes ago, I said very clearly: if there are questions to be asked, by all means ask them. If the answers are not available, they will be made available. I also said I had no intention of trying to push any item through, and therefore if there are questions that are asked for which I don't have the answers right at hand, then I said -- and I said it clearly, I don't know if the Leader of the Opposition was listening to me -- I said by all means we can pass by that item and then I would have to come back to it. There isn't the slightest suggestion that anybody is denied the right to ask questions, but I was misled by my own impression that there were no problems in connection with this. Now if my impression was wrong, it's my fault, and that's not a question of fault by all means. Let's take all the time we need to give all the answers to all the questions, but let's get the questions and let's not get involved in -- surely we're entitled to and nobody has suggested that there is any doubt as to the entitlement of any member of this Legislature to have satisfactory answers given to the questions that are

(MR. CHERNIACK cont'd.) posed. So, by all means, either let's get the questions now or let's stand it over and find out, but so far we've found that two of the items have been accepted. There may be others that are acceptable, and once we know which is questioned and which is acceptable, I will of course proceed at a later date and bring all the information.

MR. SPIVAK: Mr. Chairman, there was some agreement that this matter would be dealt with but I don't think there was any agreement that there would not be questions asked of the Minister. I don't know of anyone who suggested that this would be just simply given rapid passage without any questions being asked. Now the questions were not anticipated; they have been asked, and obviously you're not prepared for it now. The information I'm sure is available somewhere and I'm sure that you'll bring it forward, and I think that that's required. I think what's required on this particular item, and I think it would be required on almost every other item, is how much of the borrowing power still remains to be used from the previous years; what the borrowing power is to be used for this year; its breakdown; how much is anticipated will be left for the fiscal years to come.

MR. CHERNIACK: Oh, I have that here.

MR. SPIVAK: Well that's fine. I'm glad you have answers. What we're looking for is information. I'm asking in terms of the Agricultural Credit Corporation, how much has not yet been used of the borrowing power that has been granted. I'm asking for the \$15 million that's being asked for approval here, how it's to be allocated. I'm asking whether in fact this is to be used for this fiscal year or whether there probably will be a surplus of borrowing power or remaining borrowing power left for the fiscal year 1972-73.

MR. CHERNIACK: Mr. Chairman, clearly the borrowing power is being requested for the current fiscal year. It's quite possible that as the year develops that it won't all be used, and I assure the honourable member that it will not be borrowed unless it's needed, but the expectation is that it will be needed. Now, the one question that I thought I had the answer to and I don't seem to have, is whether there is any carry-forward of borrowing authority for this Credit Corporation. That answer I have yet to supply.

MR. SPIVAK: Well I wonder if now you can indicate how the money that's to be allocated is to be borrowed. -- (Interjection) -- No, you did not. You said that it's to be applied for the purpose of the Agricultural Credit Corporation. Now I'm suggesting to you I'd like to know what breakdown. How much of this is to be lent to farmers, how much of this is to be applied to credit, how much of this is to be paid in connection with a variety of different projects? How much of this -- (Interjection) -- projects. How much of this is to be paid out in a variety of different projects? Well I understand that you're going to have the co-operative program under this Agricultural Credit Corporation -- (Interjection) -- Yes, I know, but how much is to be allocated for that specifically and how much is -- (Interjection) -- None? Well, in other words, the borrowing that's being requested is being requested on an anticipated amount that will be required for the operation of the Agricultural Corporation as it existed before, in other words direct loans to farmers. How much of this is to be allocated to co-operatives and for what kinds of projects in terms of the borrowing that's being asked for now? Now surely we're entitled to some breakdown on that.

MR. SCHREYER: Mr. Speaker, perhaps it would be helpful to the honourable member to elaborate just a little. Now, one of the difficulties in answering the honourable member's question, one of the difficulties in providing the answer is that he's finding difficulty in posing the question. It's obvious. He's not quite aware of specifically what information it is that he is seeking, but by means of putting forward a broad frontal type of question, he's hoping to elicit very specific answers from the Ministers.

In connection, in specific reference to the Agricultural Credit Corporations' capital requirements, I think that it would be correct to say this: that we have estimated, on the basis of advice given us by the Board of the Credit Corporation, what the requirements are, capital requirements are this year, this coming year, and within the amount requested there will be monies available for loan purposes to groups of farmers getting together by way of co-operative venture. But there has been no specific quota or percentage that has been established. It is a matter left to the administrative discretion, policy judgment of the Board, and I don't see that there's anything that strange in that arrangement.

MR. SPIVAK: Well, I wonder if the First Minister can indicate whether the borrowing of \$15 million could be applied in total to the co-operative end of the Agricultural Corporation's function rather than loaning directly to farmers.

MR. SCHREYER: Mr. Chairman, I think that it's theoretically possible but unlikely in the extreme, and so unlikely that it really shouldn't preoccupy my honourable friend any further.

MR. SPIVAK: Well, Mr. Speaker, the kind of questions that have to be answered: how many farmers are anticipated to loan what amount of money for which . . . Capital Supply? Mr. Chairman, the members on the opposite side seem to laugh and the First Minister seems to think that this is an unnecessary question. This sum -- (Interjection) -- what did Mr. Mumble say? You know, Mr. Chairman, this is a very interesting exercise. Fifteen million dollars has been asked for. It's estimated by the department on what basis? On the basis that they think \$15 million would be a good sum, or maybe the First Minister decided that \$15 million was a nice sum. Maybe the Minister of Agriculture decided that maybe he could then stand up in front of the agricultural groups throughout the province and say, "We put another \$15 million into the Agricultural Credit Corporation," and that sounded good. I doubt that that's really the case. If I'm aware of what's happened in the past, and I think I am, I think there have been estimates made of what the likely Capital requirements would be and it would be based on specifics; and the Minister of Agriculture acknowledges that. And I must tell you something, Mr. Chairman, by experience. I would think that all we have really requested is to know from the Minister of Agriculture or someone what the specifics were on which the assessment was based. How many loans? Now in the Capital -- (Interjection) -- I beg your pardon? That's nonsense?

MR. CHERNIACK: Yes that's nonsense, but it's all right to ask the question.

MR. SPIVAK: Well, it's nonsense to suggest that they did not estimate it on the basis of how many loans and how much money they were going to require? \$15 million, based on what? -- (Interjection) -- You think it's a filibuster. Let me suggest as well, we know that many of the interest payments due under the Agricultural Corporation have not been paid as a result of the farmer situation in Manitoba. Is the interest payments that are in arrears, that normally would have come in, are they now included as part of the Capital requirement for the Corporation to continue on its activities or not? -- (Interjection) -- Well, let me ask you. The interest payments are to pay principle amounts of money, interest and principle. We know that there's been default and arrears in the Agricultural Corporation's operation. Those payments have to be paid to someone, somewhere. In effect, is the capital borrowing required to be able to pay those interest payments, the principle payments that have not come in as a result of the arrears?

MR. CHERNIACK: Mr. Chairman, if I may, just before I move that the Committee rise, may I say that the Credit Corporation has to pay interest for the money it borrows, and certainly it will be required to pay the interest. Committee rise, Mr. Chairman.

MR. CHAIRMAN: Committee rise. Call in the Speaker. The Honourable Member for Winnipeg Centre.

IN SESSION

MR. J. R. (BUD) BOYCE (Winnipeg Centre): Mr. Speaker, I beg to move, seconded by the Member for Flin Flon, that the report of the Committee be received.

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

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