

THE LEGISLATIVE ASSEMBLY OF MANITOBA

10:00 o'clock, Friday, June 9, 1972

Opening Prayer by Mr. Speaker.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed, I should like to direct the attention of the honourable members to the Gallery where we have 30 students of Grade 4 and 5 standing of the Cillicutt School. These students are under the direction of Mr. Mykytyshyn. This school is located in the constituency of the Honourable Member for Seven Oaks, the Minister of Colleges and Universities.

We also have 45 students of Grade 5 standing of the Assiniboine School. These students are under the direction of Mr. Ken Zamzow. This school is located in the constituency of the Honourable Member for Arthur. And we have 36 students Grade 6 standing of the Fleming School. These students are under the direction of Mr. Klemick. This school is located in the constituency of the Honourable Member for Brandon West. On behalf of all the honourable members, I welcome you here today.

Presenting Petitions: Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports; Notices of Motion; Introduction of Bills. The Honourable Member for Portage la Prairie is absent. The Honourable Member for St. Vital.

INTRODUCTION OF BILLS

MR. JAMES WALDING (St. Vital) introduced Bill No. 61, an Act to incorporate the Association for Retarded Children of Manitoba.

MR. SPEAKER: The Honourable Member for Wellington.

MR. PHILIP M. PETURSSON (Wellington) introduced Bill No. 84, an Act to incorporate "The Icelandic Festival of Manitoba" or "Islendingadagurinn Manitoba".

MR. SPEAKER: Oral questions. The Honourable Leader of the Opposition.

ORAL QUESTION PERIOD

MR. SIDNEY SPIVAK, Q.C. (Leader of the Opposition) (River Heights): Mr. Speaker, I have a question for the First Minister. I wonder whether he can indicate to the House whether any increase in the price of power to be charged by Manitoba Hydro to City Hydro will be subject to government review and approval.

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): Well Mr. Speaker, as the honourable member knows the wholesale block power rates agreement is a ten-year agreement. It comes up for renewal relatively soon, and certainly if there is any difficulty in the two parties coming to an agreement on a revised rate, then it would be submitted to some form of third party arbitration, I should think, Mr. Speaker.

MR. SPIVAK: A question to the First Minister. Will the original offer to be made by Manitoba Hydro to City Hydro be an offer approved by the government?

MR. SCHREYER: Well Mr. Speaker, I believe that that question is anticipating. When the government has a particular policy that it feels is necessary to announce on the matter, it will announce it.

MR. SPIVAK: Mr. Speaker, another question to the First Minister. In view of the fact that the government saw fit not to follow the order of the Public Utilities with respect to rates for Manitoba Hydro, and in effect determine the rates themselves, will the government now not determine the rate that Manitoba Hydro . . .

MR. SPEAKER: Order please. The question is argumentative. The Honourable First Minister on a point of order.

MR. SCHREYER: Well Mr. Speaker, I believe it is a point of privilege. The honourable member has stated in his question that the government saw fit to ignore the Utility Board rate suggestion and to set the rate itself; that statement, Mr. Speaker, is simply inaccurate.

MR. SPEAKER: The Honourable Member for Morris.

MR. WARNER H. JORGENSEN (Morris): Mr. Speaker, I should like to direct my question to the Minister of Agriculture and ask him if the Provincial Government has lent its support to

(MR. JORGENSEN cont'd.) the Federal Government Program of slaughtering upwards of a million hens in Canada during the next two months.

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet): Mr. Speaker, we not only have supported the idea we have requested that that be done, Sir.

MR. JORGENSEN: I wonder if the Minister could advise the House if he has not given consideration to an alternative program such as slaughtering some of the roosters that got the hens into trouble in the first place.

MR. SPEAKER: Order please. I would suggest that --(Interjection)-- Order please. I am of the opinion that this is the question period, not the late, late show, or the comedy hour. The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I hope that the Honourable Member for Morris will find some comfort in the fact that the Minister of Agriculture did not ask that the little red hen that the Member for Morris is so fond of should also be slated for slaughter.

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSEN: A question to the Attorney-General - and ask him if he is considering referring this matter to the Human Rights Commission because surely this is sex discrimination. . .

MR. SPEAKER: Order please. Order please. Order please. The Honourable Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, I'd like to address a question to the First Minister. I hope I'm not being too forward, but could the First Minister indicate when we will be dealing with the resolution standing in his name on the Order Paper.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, some time soon after Estimates have been completed. Some time during the month of June, I hope.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I have a question for the Minister of Industry and Commerce. I wonder whether he can indicate whether the Manitoba Development Corporation has obtained the services of the firm of Urwick and Curry to seek additional personnel for the Manitoba Development Corporation.

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

HON. LEONARD S. EVANS (Minister of Industry and Commerce) (Brandon East): Well, Mr. Speaker, this really is a matter of internal administrative procedure. However, I can advise the honourable member that for my understanding the old MDF for many a year if they were interested in hiring personnel, utilized the services of a management consulting firm because the MDC or the MDF are not under the Civil Service Commission and therefore are not civil service departments.

MR. SPIVAK: A supplementary question. I wonder if the Minister can indicate to the House how many additional personnel are being sought.

MR. EVANS: Well, Mr. Speaker, even if I had that information at my fingertips, I still maintain that this is a matter of internal administrative procedure at this point.

MR. SPIVAK: Mr. Speaker, in the absence of the Minister of Municipal Affairs, I wonder if I can direct a question to the First Minister. It may be that the Legislative Assistant concerned with Manitoba Housing and Corporation would be in a position to answer. I wonder if he can confirm that the Manitoba Housing Corporation will be building town houses that will not be subsidized in the Edgeland and Corydon area.

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

MR. WALLY J. JOHANNSON (St. Matthews): Mr. Speaker, on behalf of the Minister I think I could confirm that this is the plan.

MR. SPIVAK: Mr. Speaker, then my question is to the First Minister. Can he now indicate at what point government policy was changed for the Manitoba Housing and Renewal Corporation to build homes and houses that were not low income houses.

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

MR. JOHANNSON: . . . answer that also. The Act of the Manitoba Housing and Renewal Corporation passed by the previous government contains a clause, I believe No. 2, which gives the corporation authority to build housing other than for low income groups.

MR. SPIVAK: A supplementary question. I wonder whether then the First Minister or

(MR. SPIVAK cont'd.) the Legislative Assistant could now indicate whether this is the first occasion in which the Manitoba Housing and Renewal Corporation is building, not subsidizing

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

MR. SCHREYER: Yes, Mr. Speaker. The point of order being that now that the appropriate Minister is in his place, I believe that the question should be directed to him and that he, if necessary, may take it as notice.

MR. SPIVAK: On a point of order, two days ago when the questions were asked the Minister indicated this was not the policy. This announcement is a change in policy, and I think I have a right to ask the First Minister at what point - is this the first occasion in which the Manitoba Housing and Renewal Corporation have been authorized to build accommodation that would not be subsidized accommodation?

MR. SCHREYER: Mr. Speaker, as the Legislative Assistant pointed out, statutory authority exists by virtue of an Act passed some years ago, which my honourable friend will have to take some responsibility for. Insofar as particular announcement is concerned, obviously the matter will have to be taken as notice, and the Minister may wish to reply at a later date - or indeed he may be prepared to do so today.

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

HON. HOWARD R. PAWLEY (Minister of Municipal Affairs) (Selkirk): I apologize to the Leader of the Opposition for coming in late; following his habit, coming in late from time to time.

I would emphasize to the honourable member that the matter in question is full recovery housing; full recovery housing is a well accepted practice, as enunciated in the earlier legislation that was passed by his government; and full recovery housing means income limitation, it does not mean that regardless of income a person is entitled to move into full recovery housing.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I have a question for the Minister of Municipal Affairs involving Manitoba Housing Corporation. I wonder if he could indicate the criteria that will be applied for this type of housing. Will it be on a point system as it was declared before, or a new point system to be arrived at by the government?

MR. PAWLEY: Mr. Speaker, I'm amazed that the Leader of the Opposition is not more aware of the provisions of Central Mortgage and Housing Corporation in respect to full recovery limited dividend housing; it's well spelled out and he can obtain that information just as well as anybody else in this House.

MR. SPIVAK: Mr. Speaker, I rose on a point of order before and indicated that the Minister had given information which I thought was inaccurate. On the basis of his information now, I would want for purpose of clarification to ask him, is he now suggesting that the town housing to be built is limited dividend housing?

MR. SPEAKER: The Honourable Member for Thompson.

MR. JOSEPH P. BOROWSKI (Thompson): Mr. Speaker, I have a question for the same Minister. Could he indicate how many people on welfare will be occupying this low-cost housing?

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

MR. PAWLEY: If the Member for Thompson is referring to the specific housing in question, I would have to take that question as notice.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, unfortunately I wasn't in a position to hear the Member from Thompson's --(Interjection)-- well, because of the acoustics, Mr. Speaker - a question. But I wonder

MR. SPEAKER: Order please. The Honourable Member can read it in Hansard. The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I'll frame another question to the Minister of Municipal Affairs; it may have already been answered. I wonder if he could indicate the minimum income levels and the maximum income levels for the people who will be allowed to lease this accommodation.

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

MR. PAWLEY: I'll take that question as notice, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Rock Lake,

MR. HENRY J. EINARSON (Rock Lake): Mr. Speaker, I direct this question to the Minister of Municipal Affairs. It's brought to my attention by a citizen of Winnipeg that purchased a car in January, driving it under temporary licence now expired today. Could the Minister indicate to us why it takes five months to get a licence to drive his car - that's the regulations?

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

MR. PAWLEY: The Honourable Member for Rock Lake ought to know that I'm not responsible for the licensing of motor vehicles.

MR. SPEAKER: The Honourable Member for Thompson.

MR. BOROWSKI: Mr. Speaker, I have a question for the First Minister. In view of his statement on CJOB this morning, are we to understand there'll be no charges laid against the rioters in Headingley?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I didn't say that. That was not what was stated. I indicated that the matter was still under active consideration, that the Attorney-General was to be studying a report prepared for him by departmental officials. And I believe that's where the matter stands at this particular point in time.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed, I should like to direct the attention of the honourable members to the Gallery where we have 16 students of Grade 6 standing of the Duke of Marlborough School. These students are under the direction of Mr. Giesbrecht. This school is located in the constituency of the Honourable Member for Churchill. On behalf of all the honourable members I welcome you here today.

Orders of the Day. The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I'd like to direct a question to the Minister of Municipal Affairs - I think it's Municipal Affairs. Did the Home Repair Program that was implemented this winter, the \$1,000 apply to welfare cases only, and was the maximum for other people not on welfare \$280, was that the amount?

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

MR. PAWLEY: Mr. Speaker, the scale of benefits payable under the Pensioner Home Repair Program ranged from a low of \$150 to a high of 1,000, with various figures in-between. The honourable member can obtain that information; it's been well spelled out publicly and otherwise in the last few months.

MR. SPEAKER: The Honourable Member for Logan.

MR. WILLIAM JENKINS (Logan): Mr. Speaker, I have a question for the Attorney-General. The other day he refused to table a report on the vandalism charge at Headingley.

MR. SPEAKER: Would the honourable member place his question?

MR. JENKINS: I wonder if the Honourable Attorney-General could state his reasons why he refused to table the report on the vandalism at Headingley.

MR. SPEAKER: The Honourable Attorney-General.

HON. A. H. MACKLING, Q.C. (Attorney-General) (St. James): Yes, Mr. Speaker, the other day the Honourable Member from Swan River asked questions about this matter - and apparently there's some misunderstanding on the part of certain people in the media as to my response. The question that the Honourable Member from Swan River asked was, would there be an investigation or would I be receiving a copy of the results of an investigation by the Warden? I indicated, Mr. Speaker, that the investigation is carried out by the Attorney-General's Department, is carried out directly by our department and not through the warden. But then the question that the honourable member asked, was whether or not that report would be tabled in this House and I said no, and I did not elaborate.

Mr. Speaker, it has never been the policy of any Attorney-General's Department in any province of Canada; or the practice I'm sure in the Federal Parliament, for an investigation into criminal practice, or alleged criminal practice to be tabled in the House, because it's strictly confidential, and it's the basis upon which a decision is made whether or not to prosecute. And that sort of documentation is never tabled in the House.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, my question is for the Honourable

(MR. MCGILL cont'd.) the Attorney-General. In view of his answer on the previous questions could he indicate to the House if he will table the Toll Commission report when it is received by his Department?

MR. SPEAKER: The Honourable Attorney-General.

MR. MACKLING: Mr. Speaker, that's a question that I'm not in a position to answer at the moment. I haven't received the report. It's not a report that is commissioned by government for specific, general purposes of the House. It may well be that it could be tabled but I won't know until I've considered the report.

MR. MCGILL: When are you going to receive it?

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Speaker, I direct my question to the Minister of Highways - that I asked earlier. Can the Minister indicate - from the citizen that I received the report on purchasing a new car in January is still, his temporary licence is lapsed today. Could he indicate why it takes five months to get the regular licence?

MR. SPEAKER: The Honourable Minister of Transportation.

HON. PETER BURTNIAK (Minister of Highways) (Dauphin): Mr. Speaker, I don't know why the delay. I suppose that it happens from time to time, and I think that every honourable member in this House have had some experiences, not only with the Motor Vehicle Branch but with some other business where there have been delays from time to time.

MR. SPEAKER: The Honourable Member for Thompson.

MR. BOROWSKI: Mr. Speaker, I have a further question for the Attorney-General. In view of the fact that 18 - or all of the prisoners who rioted were on remand, some of whom have been released . . .

MR. SPEAKER: Would the honourable member place his question?

MR. BOROWSKI: I'm trying to, Mr. Speaker.

MR. SPEAKER: Briefly.

MR. BOROWSKI: What procedure is the Attorney-General going to use - in the unlikely event that he's going to bring charges - to bring these people into court now that some of them have been released.

MR. SPEAKER: Order, please. I have requested patiently that the honourable member should place his question. The question gets confused when all the whereases and wherefores are placed to it, and I lose myself - and maybe that's my fault, but nevertheless the procedures are plain and clear. The question should be concise and short and terse and I would ask respectfully the honourable member do that. The Honourable Member for Thompson.

MR. BOROWSKI: Mr. Speaker, I rise on a point of privilege. The reason I put the silly "whereas" and the rest of it is because that is what you have requested; and No. 2 if I have a question to ask, if it's one line or ten lines, I believe there is no regulation saying that the question must be of one line. In order to get an intelligent answer I have to give the details of the question which I have just done, and I hope the Attorney-General can answer it.

MR. SPEAKER: The Honourable Attorney-General.

MR. MACKLING: Well, Mr. Speaker, I'm fully aware of what the honourable member is concerned about. I'm sure that if there have been - and there may well have been - those persons who were on remand pending a hearing or an adjudication of the charge against them, if they have since been released and it is determined that they ought to be charged there is no difficulty in proceeding with charges if charges are warranted.

You know, Mr. Speaker, from time to time, there are people who are picked up by the authorities, questioned and later released, and subsequently again upon further information coming to light they are again brought in and questioned and charges can be laid. This isn't unusual.

While I'm on my feet, Mr. Speaker, I would like to confirm to the members of the House that I am now in a position to advise that the transcript of the proceedings of The Pas Forestry Commission is now in the Legislative library. There are two or three volumes that were not there when all of the rest of the transcript was placed. I believe that they will be there shortly. I would ask, Mr. Speaker, though that members not consider that it is possible for them to remove those volumes of the transcript because it's the only copy we have in the library. And I would also indicate, Mr. Speaker, that the librarian has been instructed that it is for reference for the members only and not to be allowed to the general public because of the possibility it wouldn't be available for the members if others were using it.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I have a question for the First Minister. I wonder whether he can indicate to the House that after an opportunity to review the proposals to eliminate succession duty and gift tax by British Columbia, whether he and his government will be considering amending the proposals to be placed before the House.

MR. SPEAKER: Order, please. I think it is the procedure that we do not anticipate amendments to legislation before the House at the present time. The Honourable Member for Minnedosa.

MR. DAVID R. BLAKE (Minnedosa): Thank you, Mr. Speaker. My question would be to the Attorney-General in connection with his answer on the transcripts of the CFI hearings. I wonder if he could inform the House what the cost of these transcripts was?

MR. SPEAKER: The Honourable Attorney-General.

MR. MACKLING: Well, Mr. Speaker, I think I indicated that before - you know, it's increasing day by day or all the time that evidence is taken, but a copy would have a value of about \$7,000.

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. FRANK JOHNSTON (Sturgeon Creek): Mr. Speaker, my question is for the Honourable House Leader, the Minister of Labour. The notice on our desk regarding the Municipal Affairs meeting Monday morning - is there any reason why the notice was not placed in Votes and Proceedings?

MR. SPEAKER: The Honourable Minister of Labour.

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): I believe it is, Mr. Speaker. The Votes and Proceedings have not been distributed as yet this morning, but I believe there is reference to it in Votes and Proceedings, which is in accordance of course with the rules. There's no necessity for any time period actually. But it's an interesting point, Mr. Speaker - and if I may have the opportunity of indicating to the House that I may have erred in proposing the meeting to meet on Monday, that is the Municipal Affairs, because I had forgotten that an invitation was extended by the Freshwater Fish Marketing Board for a tour of the plant in Transcona. Now I'm trying to ascertain and hopefully have the synopsis of the numbers who will be going to the Fish Marketing Plant, and it may be, Mr. Speaker, that I would ask the indulgence of the House to postpone the meeting of the Municipal Affairs Committee because of the prior commitment for the tour. I just give notice of that now, Mr. Speaker but as I say I am having an assessment made as to the impact of the tour at Transcona.

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

MR. PAWLEY: Mr. Speaker, I would like to clarify the questions and answers relating to the project at Corydon and Edgeland, that was information requested by the Leader of the Opposition a little earlier. Unfortunately the Leader of the Opposition in the use of words in his questioning referred to the construction of units for rent. There are no units being constructed for rent insofar as non-public housing. There are units that are being constructed in the condominium town house type of development for resale according to the same provisions that Central Mortgage and Housing Corporation spell out in respect to purchases by any purchaser of housing units, namely 27 percent of income based on principle, interest and taxes - 34 town house units. Preference will be given to those applying for the purchase from lower income groups but it is resale, not rental units, and this is part of a project which is attempting to assimilate many different types of ownership in the same project. The public housing, the elderly persons housing and a large condominium tower that is in the same area plus this type of development, which result in privately owned units.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I wonder then whether the Minister of Municipal Affairs can now confirm this is the first occasion that the Manitoba Housing and Renewal Corporation then will be building units for sale?

MR. PAWLEY: Not at all, Mr. Speaker, it's a well known fact that Manitoba Housing and Renewal Corporation as part of its Winter Works Program has built units for resale in three or four parts of the municipalities, former municipalities, St. Vital and Charleswood and other parts. So it is not the first time in which units have been built for resale on the market.

MR. SPIVAK: I wonder if he can confirm now then, Mr. Speaker, whether the criteria for resale that applied before is the same criteria that is going to be applied in this particular situation.

MR. PAWLEY: Approximately the same except that here we are dealing with town house condominium units which involves an entirely different concept of ownership. The other units that were resold were single units and not based upon the condominium principle.

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

MR. SPIVAK: Mr. Speaker, I have one more supplementary. But again the criteria for purchase . . .

MR. SPEAKER: Order, please. Would the honourable member place his question?

MR. SPIVAK: Mr. Speaker, my question to the Minister is whether the criteria for purchase of the condominium will be the same criteria that was applied for the single unit sales that he's referred to.

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

MR. PAWLEY: Not precisely, because insofar as these condominium units here are concerned, Central Mortgage and Housing Corporation is the mortgaging agency, and thus the terms of the refinancing are dictated by Central Mortgage and Housing Corporation policy.

MR. SPEAKER: The Honourable Member for Churchill.

MR. GORDON W. BEARD (Churchill): I was wondering - I'd like to pose a question to the Minister of Parks and Tourism. I was wondering if it's correct that the cottage owners and people visiting Nutimik Lake in the Whiteshell will have to walk at least a half a mile because the government haven't got enough money to repair a bridge which will take four men one day to look after.

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

HON. LAURENT L. DESJARDINS (Minister of Tourism, Recreation and Cultural Affairs) (St. Boniface): Mr. Speaker, if the honourable member is speaking about a photograph that was in the paper a few days ago, I did see this and I was hoping to be able to deal with this in the Estimates. I might say that the estimates of the self-styled expert is talking about two or three days; but the deal is that this bridge was built about 16, 17 years ago of treated timber that had decayed, and last fall this bridge was looked at and it was felt that it was safe for another year. But in the spring the high water at break-up time caused the ice to raise the piling and this now makes it unsafe . . . The bridge will be - if the money's in the budget of course; but the bridge will be completely removed this summer, rebuilt during the winter when it's a lot less costly and a lot easier.

MR. SPEAKER: The Honourable Member for Swan River.

MR. JAMES H. BILTON (Swan River): Mr. Speaker, in view of the comments on the Headingley situation by the Honourable the Attorney-General, I wonder in the studying of that report would he enquire into and find out and possibly report to the House the number of riots in the Headingley Jail since its inception.

MR. SPEAKER: Orders of the Day. The Honourable Member for Portage la Prairie.

MR. G. JOHNSTON (Portage la Prairie): Mr. Speaker, I ask the House for a leave to introduce a Bill. I was late in arriving.

MR. SPEAKER: Leave? The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, if I may, I believe that this is a matter, Sir, that you should take under consideration. The bill the honourable member intends to introduce is entitled "An Amendment to the City of Winnipeg Act"; and I question as to whether or not the bill should be introduced, because reference is made in the speech that His Honour delivered to us at the commencement of the session dealing with the City of Winnipeg Act, and the Throne Speech contains the following words: "The Government of Manitoba notes that the new City of Winnipeg organizational concept is attracting widespread interest and study in Canada. Proposals for additional ways and means of co-operation in solving urban problems and future planning needs will be discussed with appropriate representatives of the City of Winnipeg and placed before you for your consideration in due course" - which is a firm indication of the intention of the Government to introduce a bill amending the City of Winnipeg Act. And I respectfully suggest, Mr. Speaker, that that being contained within the Throne Speech I preclude the possibility of a private member's bill at this stage, because my honourable friend will have an opportunity on consideration of the City of Winnipeg Act - which will be produced by the Minister of Urban Affairs - to bring in any amendment that he so desires.

MR. SPEAKER: The Honourable Member for Portage la Prairie on the same point.

MR. G. JOHNSTON: On the point of order, Mr. Speaker, I did wait some time to see if the government was coming forth with amendments to the City of Winnipeg Act. Now, my

(MR. G. JOHNSTON cont'd.) suggestion is that the bill be allowed to sit on the Order Paper until we see if the same subject matter is dealt with by the government as the subject matter that I'm introducing in the bill. I would be satisfied with that if the government would be satisfied with it.

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSON: The point of order raised by the House Leader, Sir, is a rather interesting one in that I don't think that the House Leader can be permitted to hide behind the Speech from the Throne in preventing every and any resolution or bill being presented to this House by private members. My point would be very simple, Sir - that until you've had an opportunity to examine the proposal that is being put forth by the Member for Portage and compare it with the amendments that are being proposed by the government, there is no way of knowing whether or not that particular amendment is going to be included in those that are going to be proposed. The City of Winnipeg Act encompasses a pretty wide area and there could be many many amendments made to that bill. The one proposed by my Honourable Friend from Portage need not be related in any way to the one that the government is intending to introduce in the House; so therefore, I don't know how you can preclude the introduction of this bill on the strength of the argument proposed by my friend the House Leader until you've had an opportunity to compare both those bills to see if there's a conflict.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, if I may, on the point raised by my honourable friend the House Leader of the Official Opposition. Surely he is aware of the fact that the amendments whatever they are being proposed by the Member for Portage la Prairie - can be introduced by way of amendment to any bill the government brings in dealing with the City of Winnipeg Act. He is not precluded from doing that. Now the Member for Portage expressed a reasonable proposition that rather than proceeding with his bill that it should stand on the Order Paper until we see what's in the City of Winnipeg Act. I think that is reasonable, Mr. Speaker, and at that time the Honourable Member for Portage may want to amend the act changes introduced by the government. My honourable friend from Morris is fully aware that when a bill is opened for discussion the entire bill is open for discussion and amendments as well. He's certainly had that experience in his career as a legislator.

MR. SPEAKER: Order, please. The Honourable Member for Morris.

MR. JORGENSON: I should reply to that because the House Leader has now misled the House. I don't think he's done it deliberately but I think he has misled the House. When an amendment is brought to amend a bill it is only open to members of the House to amend those sections that are being amended. It is not open to anybody in the House to amend any other section of the City of Winnipeg Act --(Interjection)-- in committee or any other place. You are able to amend only that which is contained in the Act of amendment. If the bill being introduced by my friend the Member for Portage bears no relationship to any of the Acts of amendment being brought in by the House then there is no opportunity to amend that section which he chooses to amend. That is a dictum that was laid down by the House Leader just last year and was upheld by the Speaker and rightfully so, because there is no way that you can amend an act to amend unless it relates to that particular act to amend.

MR. SPEAKER: Order, please. The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, on that same point of order. I have to take exception to the House Leader's statement because certainly when amendments are being proposed to a certain bill and a certain act in committee this prevents members who are not members of the committee to propose amendments and therefore this is a very limited way of doing it and only for certain members, and certainly amendments to any act such as the Member for Portage la Prairie proposes should be given preference so that they can be put on the Order Paper and proceeded with.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I rise on a point of order and to present information too, Sir, for your consideration if you so determine to consider this matter before allowing decision.

Last year, Mr. Speaker, with respect to the Auto Insurance Bill, the government took the position that no amendment could be introduced in committee other than those matters that dealt with the amendments presented by the government. They prevented any amendments from being presented in the committee and they said that it was the policy of the government not to allow that to happen; the only matters that could be dealt with were the matters introduced by

(MR. SPIVAK cont'd.) legislation. And, Mr. Speaker, as a result of that the amendments proposed by the Opposition to eliminate the monopoly provisions were not allowed. And on that basis I would suggest, Mr. Speaker, that the House Leader's position of the Opposition is correct, that amendments can and should be allowed to be introduced privately and we should not be restricted because there really is no provision in the manner in which the government has practised the right of amendment in committee for any amendments to be introduced other than those dealing specifically with the amendments proposed to any given act by the government itself.

MR. SPEAKER: Order, please. Before we get into any further procedural evolvement let me suggest that we have two issues before us: First of all, the point of order; and second - which was the original issue - leave by the House to revert to a former procedure which we had passed.

In respect to the procedural point the Honourable Minister of Labour raised I should suggest that the Chair consider the matter. The wording in the Throne Speech was "in due course" which did not give any definition of when, consequently I could not and was not able to determine whether there was going to be legislation at the present session or not. As I indicated on a previous ruling, the issue in regard to these kind of rulings I have to take under consideration, I am always guided by the word of any honourable member, and the Honourable Minister has indicated that there will be legislation coming forth. In that instance I would suggest to the Honourable Member for Portage la Prairie that we hold his bill in abeyance until we see what is forthcoming and at that time we will be able to determine as to how to proceed.

Oral Questions. Orders of the Day. The Honourable Member for Portage la Prairie.

MR. G. JOHNSTON: If I may speak one more time on the point of order on the same matter. The government know very well what is contained in my amendment and I would ask them if they are not dealing with that matter in the same manner that they allow the bill to proceed. If they are dealing with this matter in a similar fashion well then I would be happy to have my bill wait on the Order Paper.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: I think that I did indicate agreement with the suggestion of the Member for Portage la Prairie. I understood from him that he was prepared to leave the bill standing in his name on the agenda and then when the bill is brought in by the Acting Minister of Urban Affairs that he would introduce his bill.

I might say, Mr. Speaker, that on reflection I do recall now an occasion last year where it was agreed that there should not be amendments dealing with other than the matter contained within the bill under consideration. I did not attempt to mislead the House, but being human sometimes even House Leaders of governments have been known to err.

MR. SPEAKER: The Honourable Member for Portage.

MR. G. JOHNSTON: Mr. Speaker, I ask for some clarification. It's my understanding that the bill in my name would sit on the Order Paper until the House saw the contents of amendments being made by the government, then regardless of those amendments, there's no way I could make my amendment onto theirs, so therefore this bill would then be introduced as a separate amendment bill. (Agreed)

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

GOVERNMENT BILLS

MR. PAULLEY: Bill 55, Mr. Speaker, please.

MR. SPEAKER: The proposed motion of the Honourable Minister of Finance. The Honourable Member for Emerson. The Honourable Member for Emerson being absent, the Honourable Minister of Finance.

HON. SAUL CHERNIACK, Q.C. (Minister of Finance) (St. Johns): Mr. Speaker, I wonder if there would be any objection to any other member of the House wishing to speak. And then may I ask is the Member for Emerson still intending to speak or --(Interjection)-- Yes. Well then it would have to stand in his name.

MR. SPEAKER: The floor is open. The Honourable Member for St. Vital.

MR. WALDING: Thank you, Mr. Speaker. I did have just a few comments to make on Bill 55, at no very great length I hope. I did speak on two other tax bills that came before the House recently, one on succession duties and one on an increase in sales tax to cover production machinery. It really wasn't too difficult to speak on those two bills, Mr. Speaker, but

(MR. WALDING cont'd.) it's a distinct pleasure to be able to speak on a bill such as 55 which does something that not only this government but previous governments have attempted to do in the past, and that is to lighten the burden of property taxes, particularly education taxes.

I'd just like to review very briefly some of the background to this problem and how it has come about and how the previous administration attempted to tackle it.

MR. SPEAKER: Order, please. I wonder if we could tone down the buzz and hum in the room. The Honourable Member for St. Vital.

MR. WALDING: Mr. Speaker, the problem of municipal taxes has been with us for a long time, it's been very generally accepted, and the problem that municipalities have found themselves in is that the main source of their funds has come solely from taxes on property which is more or less a fixed base. And when the expenses of the municipality have risen from year to year, as generally they do since a municipality usually has to pay more for its expenses, more for its machinery, more in wages from year to year, it is logical and natural that its expenses should go up. The only place that a municipality has to recoup this money is from its property taxpayers and so each year little by little the taxes on property go up. This is generally not too much of a problem for those who are working, because historically - or over the last few years in any case - wage rates have gone up faster than rates of increase on municipal taxes. The difficulty comes with those retirees and others on fixed income who find that municipal taxes are taking a larger and larger slice of their rather meagre income.

This has been pointed out most recently in resolutions before the House. The Member for Sturgeon Creek brought in a resolution asking for relief for pensioners; other members have brought in resolutions asking for relief for farmers and others on fixed incomes; and this side of the House, particularly when we were in opposition, also asked for some relief for home owners, those paying education taxes.

The problem was well recognized by the previous government when in an attempt to do something about it in the mid 1960s, they took a rather unusual step of making cash rebates to home owners. The problem before - and I believe this was pointed out by Mr. Roblin when he spoke on television introducing this plan of his - was that the government of the day was afraid that by making additional grants to municipalities that rather than these grants being passed back to the home owners in the form of a tax cut that they would simply be absorbed by the municipality in increased services. The government of the day took the step of sending back cheques to individual home owners up to an amount of \$50. This in principle achieved what the government of the day had set out to do, and that was to put money back into the pockets of the individual municipal taxpayer, and for that the government of the day is to be congratulated. But unfortunately it was a very cumbersome way to do it. It was necessary to write out or have printed individual cheques for individual taxpayers. There was also the cost of the envelopes and the cost of the postage, the cost of the staff necessary to do all of this. The whole scheme was inefficient, cumbersome and very expensive and after a couple of years the government discontinued such a scheme.

However, since then the requests for relief of municipal and education, local education taxes continued. Members might be interested in the results of a questionnaire that members of this side distributed early this year. Among the questions that we asked were: What issues would you most like the government to deal with at the next session? In my own particular constituency we had a return rate of 5.6 percent or a little over 300 replies, and the one issue that occurred most frequently on the returns from that questionnaire was the matter of property taxes including school taxes. Twelve percent of all of those people replying mentioned that one particular issue; a majority of them tying it to a request for additional aid to pensioners and senior citizens. Tax reform - other areas of it including income tax, sales tax - was mentioned by 11 percent of all of those replying. So it's quite obvious, Mr. Speaker, that the matter of taxation particularly as it affects the senior citizen and the local taxpayer is a high priority certainly with the city dweller.

I won't go over the matter of the medicare reductions and the increase in income tax that this government brought in as a method of financing according to ability-to-pay, but when subsequent to that we looked at the income tax situation again in an attempt to further help those with least ability to pay, we were confronted with the problem that the Federal Government at that time would not enable us, this government, to be able to institute a different rate of income tax at different levels or to enable us to make selective tax cuts. They said it's got to be across-the-board or nothing.

(MR. WALDING cont'd)

Just to give members an idea of what this would amount to, I have here the rates of Federal Income Tax in 1971 -- it's what's left of my income tax return for last year -- and I notice that a man with a taxable income of \$2,000 would pay \$240 in federal income tax plus 18 percent on the next \$1,000. On the other hand, a man with a taxable income of \$25,000 would pay \$8,570. Thus if we were to institute any tax reduction, and there have been pressures on the government to do this, if this were a matter of only five percent, the man with a taxable income of \$2,000 would benefit by the grand sum of \$12 a year. On the other hand the man with the income of \$25,000 would benefit to the tune of \$420 in the year and this is hardly consistent with the policy of ability-to-pay.

So it was not until this year, Mr. Speaker, this despite pleas from this government, from the government of Ontario and from other governments too that the Federal Government agreed to institute a system of tax credits and to make payments on those credits on behalf of the Provincial Government. Now once that had been accomplished, it enabled this government or any other government very easily and very efficiently to either reduce the amount of income tax payable or actually make a tax refund on a very selective basis and as the Provincial Government so decided. Once we had been given this right it opened up a very wide field of options for the government. For example the government could decide to give tax credits on a uniform basis, a certain tax credit to everyone, or on a graduated basis, or it could be linked to income or to residence or any other reason. Tax credits could for instance be given to farmers only or to people in the north only; it could be given according to age; it could be given according to income. But this government decided that they would take the same part as the Government of Ontario did and tie in these tax credits in two ways; firstly with the matter of education taxes on property, and secondly with income itself.

When we brought in the School Tax Reduction Act last year, that was the best that the government could do at the time because tax credits were not available by agreement with the Federal Government. The legislation we brought in last year made available to municipalities, and indirectly to the homeowner, a reduction in his school taxes of 50 percent of the amount up to a maximum of \$50.00. This was a much more efficient and cheaper and easier way than had been done before, but the money still goes to the municipalities and then is credited against the individual homeowner's tax bill. That was to a maximum of \$50.00. This Bill 55 which will affect those credits payable next year will be for a minimum of \$50 and up to a maximum of \$140.00.

Because of this credit system that is now available, an individual homeowner or a tenant will be able to claim relief for 100 percent of his school taxes payable on that one piece of property up to a maximum of \$140.00. But it has been realized that not everyone has the same ability to pay that \$140 or whatever the amount might be; and that you could well have two families living side by side, one of whom has no difficulty whatsoever in finding that school taxes, while the other family would provide great difficulty in doing so. Therefore, as a second part of this proposal, Bill 55 ties the credits in with the ability to pay by means of a reduction in that \$140 - or one percent of the person's taxable income.

Now having reviewed the history of education tax relief at the local level, I come to the present situation. One of my colleagues on the back bench in a speech on this subject challenged members of the opposition to get up and tell us how they would vote on it; whether they intended to be consistent and vote against it; or whether they recognized that this was in fact a good thing and that they would support it. I don't intend to challenge the members of the opposition on this, but I would request their assistance - not to the government, but to their own constituents - and I know what a good job members of the opposition do, and they pride themselves on the help and the assistance that they can give to their constituents, and this is an excellent thing. I would encourage the members of the opposition particularly, that they will go back to their constituencies and use every means at their disposal to let their constituents know of the availability of this particular piece of legislation - because in order to get the tax credit, or in order to get a refund where the amount exceeds the tax payable, an individual will have to file an income tax return to the Federal Government next year. And it has been pointed out that there are people who as a rule do not file income tax returns because they have no taxable income, that there are a number of pensioners who have long since ceased to file income tax returns. The Minister of Finance has voiced his concern that these people might not be in a position through ignorance to file a return next year and so claim what is rightfully theirs. And so I would urge the members of the opposition - as I know we will on

(MR. WALDING cont'd) this side - to do everything in their power to bring these regulations and this opportunity to the notice of their constituents so that they might benefit therefrom. And I hope the Member from Swan River isn't going too far because he is in probably a better position than any member of the opposition to bring these facts to his constituents in Swan River. That's about all I have to say on this, Mr. Speaker. I know that the Minister of Finance is anxious to see the bill proceed.

MR. SPEAKER: Agreed the bill remain in the name of the Honourable Member for Emerson? (Agreed) The Honourable Minister of Finance. The Honourable Minister of Labour.

MR. PAULLEY: I wonder if, Mr. Speaker, I may now inform the House the cancellation of the Committee on Municipal Affairs for Monday morning. As I indicated earlier I regret it that I'd forgotten about the tour of the Freshwater Marketing Plant in Transcona. A number of members have committed themselves to that, I think it would be desirable that that prior engagement should be honoured, so therefore I respectfully ask that it be granted - the cancellation of the Municipal Affairs Committee meeting.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Mines, Natural Resources and Environment, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider the Supply to be granted to Her Majesty.

MR. SPEAKER: Moved by the Minister of Finance --(Interjection)-- The Honourable Member --(Interjection)-- Well let me put the motion first.

MR. SPEAKER presented the motion.

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MR. SPEAKER: The Honourable Member for Morris.

MATTERS OF GRIEVANCE

MR. JORGENSON: Mr. Speaker before the House goes into the Committee of Supply I should like to raise a grievance. And I find that the time for raising a grievance, a particular grievance that I intend to raise is very opportune because we were able to - and it's sometimes difficult to locate him, and it's sometimes difficult to get him to settle down long enough - but we caught the Minister of Industry and Commerce in-between the question period and the consideration of the Estimates of the Department of Mines, Resources and Environmental Management, so it was necessary for him to remain in the House. And I am glad that he is here because the particular grievance that I intend to raise deals with some of the activities or the non-activities that are going on within his department.

Sir, I should like to at the outset read a statement - and that's a statement of the Minister contained in the Manitoba Department of Industry and Commerce Annual Report for the year ending March 31, 1971. The Minister in this report in the foreward, outlines a number of established principles of social democracy that the department is now operating under, and the factors that they take into consideration in the development of industry. And one of the items that is contained in this statement, Item No. 5 has this to say: "Balanced regional growth." -- (Interjection) -- The Member for Inkster says: "Hear, hear." And I am going to deal with that "hear, hear" part a little bit later but I want to first put this statement on the record: "Balanced regional growth. In recent years the rural areas of the province have not kept pace to the economic development of the Metropolitan Winnipeg economy. Now, more than ever there's a need to provide viable employment opportunities in the rural regions of Manitoba. The department recognized the unique needs and the resources of those areas, and has committed itself to directing activities to rural Manitoba in order to promote a more balanced development of the provincial economy. In doing so, the department will not act in isolation but rather in co-operation with the local residents." Sir, those are high sounding sentiments and laudable sentiments, and it's a pity that the Minister and the government have not seen fit to follow up on the stated intention of this government; and have not seen fit to live up to the promises that they have made to the people of this province in giving some substance to the decentralization of industry in this province.

It was the Minister of Finance just a year ago, the date was June 3rd, 1971, when speaking on a measure that was before this House indicated that 80 to 90 percent of the people of this province will be living in the City of Winnipeg - and he went on to say that he hopes to live to see that day. That Sir, I think reflects an attitude on the part of honourable gentlemen opposite - most certainly reflects an attitude on the part of the government - who have failed miserably to give any substance to the decentralization of industry in this province.

Sir, I've never maintained that the role of government is one in which they take an industry by the ears and set it down in a particular community. I thought that the role of the government essentially would be to provide the kind of a climate that would enable an industry to thrive and to survive in all parts of this province, and that involves somewhat of a commitment on the part of the government. It involves the commitment in the supplying of the services that are necessary for industry - the roads, the services, power and water, educational facilities and recreational facilities. But what has happened? Never in the history of this province have the roads been in worse shape than they are, particularly in the southern part of the province. Maintenance of the lines of communication has reached an all time low, and one only has to talk to some of the municipal governments in this province to get an idea as to the extent that there has been a deterioration of the maintenance of the provincial roads that come under the jurisdiction of the government. The government are removing the services of the Manitoba Hydro from some 43 communities in this province - another indication of the centralization tendencies of this government.

In the matter of providing educational facilities, I find it difficult to rationalize their apparent objective in depopulating the rural areas with that of building these Taj Mahals with sand boxes in order to educate a declining school population. Sir, the services that are going to be required in the rural areas to maintain even the present population are going to fall on fewer and fewer taxpayers, with a subsequent increase in the tax load for those remaining in the rural areas. At the same time, almost daily in this House there are questions raised about the extra money that is necessary to accommodate an increasing population that is moving into the

(MR. JORGENSON cont'd) City of Winnipeg - and I have no objection to the population of this City becoming larger, the facilities becoming better, and that money be spent to ensure that the growth of this City compares favourably with other cities - in fact even better than other cities across this continent. But, Sir, it need not be at the expense of the rural areas. I think it is important to the City of Winnipeg - in fact it's important to Manitoba that the City of Winnipeg do sustain a reasonable growth, and that the proper facilities for growth be provided. But it is equally important to the City of Winnipeg that the rural areas be sustained, because the wealth that is generated in this province although it certainly manifests itself in the City of Winnipeg is really created and generated in the rural areas. I think that fact must be well understood. When it becomes necessary for those that remain in the rural areas to bear an increasing cost of the burden of supplying and providing of the services, that burden becomes so great that there is a tendency for those people then to move out because the costs are more than they can bear.

This government, Sir, had an excellent opportunity to indicate that they meant what they said about the decentralization of industry in this province. Sir, they have failed to live up to that expectation, failed miserably, and the announcement that was made the other day by the Minister of Industry and Commerce will come as a shock and disappointment to all the areas in rural Manitoba, knowing full well that even when the government have all the tools that they require at their disposal there is no disposition on their part to change an undesirable trend, trend towards decentralization.

If one were to single out one great weakness of the western world -- as my honourable friend from Inkster would say, the capitalist society - it would be that they have allowed decentralization of populations and the centralization of industry into a few areas creating problems that are unbelievable in their concept. There has been no effort on the part of this government, notwithstanding, notwithstanding all their trumpeting and their loud proclamations about decentralization, there has been no effort on the part of this government to do anything about it -- and the Attorney-General mumbles in his seat by uttering "it is not true."

Well I know that the Department of Industry and Commerce have set up what they call a Community Regional Analysis Program, and what has that program done, Sir? The answer is absolutely nothing. It has provided a lot of information that the people in those areas already knew; they didn't have to be told about the declining populations; they didn't have to be told about many of the things that are contained in their reports because they were all too evident to the people living in those communities. What they have succeeded in doing is spending a lot of the taxpayers' money in creating the impression that something is being done; and that is all that is being done, is creating an impression. I can assure the Minister and the government that it's not fooling anybody in the rural areas and this latest announcement by the Minister has certainly dissipated any hope that they might have had that this program was a meaningful one and was intended to do something.

Sir, government owns at the present time 74 percent of Western Flyer or Flyer Coach Industries or whatever they choose to call themselves now. The addition of 2-1/2 to 3 million dollars in the construction of additional facilities for that industry, money that will again be provided by the taxpayer, and here the taxpayer is being asked to cut his own throat again by the further centralization of industrial development, will mean that the government will practically own all of Flyer Coach Industries. Surely one would have thought that having in their possession an industry which they had the control of they would have given some indication that they intended to move that industry into an area that would be of benefit to the entire province. They owned land in Morris, 17 acres, ample opportunity to build on that site. Instead of that they invest in more land in another area in the City of Winnipeg at the expense of the taxpayers.

Now, Sir, the Town of Morris have attempted to reason with the industry itself and with the government and as early as last Monday a delegation was in to see the Minister. I have been silent on this issue for many months in the hope that I would not, in the hope that I would not jeopardize any attempt on the part of the Pembina Valley Development Corporation and the Town of Morris in effecting some settlement on this issue and to make sure that there was some opportunity that those people could have their expectations realized.

MR. SPEAKER: The Honourable Minister of Industry and Commerce on a matter of privilege.

MR. EVANS: Perhaps it's a point of order, I'm not sure, but the honourable member stated that he had been silent on this issue for many months and I distinctly recall him making

(MR. EVANS cont'd) a statement the morning that we had the new flyer bus prototype in front of the building and making a very critical and negative statement about the entire expansion program of that Company.

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSEN: For the edification of a Minister who needs a great deal of edification, it is neither a point of privilege or a point of order.

MR. SPEAKER: Order, order.

MR. JORGENSEN: It's a blatant, it's a blatant mistruth, that's what it is because I made no such statement, and if the Minister would put on the record the kind of statement that I made perhaps then we'll all know what was said at that time. I criticized the industry for not locating in Morris and I'm doing that now in the hope that we could bring industry into that area.

Sir, what are the reasons, what are the reasons, Sir, that the management of Flyer Industries give for not locating in Morris, for not locating in a rural area? And this was in reply to a letter to the industry itself from the Town of Morris. It says, "The natural gas rates in rural Manitoba are approximately 28 percent higher." When do they use gas? There is no gas used because I specifically asked the management when we toured the plant in Morris and the one in Fort Garry what quantity of gas was used in the manufacturing of the buses in the Morris plant, and they said none. Used in heating the building during the winter months, that's all. Electrical rates are the same as in Greater Winnipeg. Well that according to the management of Western Flyer seems to be a tragedy, so we do break even with them on that score. Then he says additional long distance and direct line charges - telephone calls - are an additional expense, and I would venture to suggest that that additional expense wouldn't amount to a hill of beans. But it lends some credence to the argument that maybe they should be equalized across this province to ensure that argument - a silly argument such as this - is not presented. Then they go on to say this: "Your statement with reference to rural wages is correct, and we are in full agreement that the one time existing wage differential is rapidly closing which of course means that operating a manufacturing facility in rural Manitoba becomes more difficult from an economical point of view."

Sir, that rapidly closing differential in wage rates is government policy, and they have the audacity to use that as an argument against locating in a rural area. There is nobody to be blamed for that kind of a policy but the government, and how can they now say, we can't locate in the rural areas because the wage differentials are disappearing when they themselves are the ones that are making them disappear.

Then they go on to say although there are no additional freight charges or higher rates to move goods by common carrier to any location in rural Manitoba, they go on to say that there is inadequate unloading facilities for piggy-back trailers. Management of Flyer never even took the trouble of checking with the railways to find out if additional piggy-back facilities would be built in Morris. The Mayor of Morris did that and was told by both railways that within a matter of weeks they would be happy to construct piggy-back facilities in Morris to accommodate Western Flyer. That argument is not a valid one. Then they go on to say that studies conducted by company personnel and Canada Manpower indicate an insufficient labour pool available for the plant expansion. That, Sir, is nonsense. Government's own Regional Analysis Program - and if they're to believe their own figures - would indicate that there is more than a sufficient labour pool in that area. Sir, they have told the people currently working for the plant in Morris that by this fall they should be prepared to accept employment in Winnipeg. They expect the workers who are now living in Morris to drive into the City of Winnipeg and work, and as far as they're concerned there's nothing wrong with that. Sir, that happens to be a two-way road and if there are that many people unemployed in the City of Winnipeg there's an opportunity for employment there but that is not a fact. There is a sufficient labour pool in that area. When the Glendale operation closed down last fall, there were applications by 800 people for jobs at that plant and if there are applications for 800 people in that area that is more than sufficient to supply the needs of Flyer Coach Industries who have indicated that they are going to require a work force of some 400 or something like that.

Sir, every argument, every argument that they've ever presented can be thrown out in the face of the realities. Then they go on to say this: It is quite correct to say that Morris proper has an acute housing shortage. We experienced extreme difficulty finding suitable accommodation for our personnel. Well, Sir, there's a good reason for that. The management practices of Flyer Coach Industries have been such that there isn't a worker in that plant that knows from

(MR. JORGENSON cont'd) day to day how long he's going to work. If they want the town and they're perfectly willing to provide the additional housing facilities then there must be some reasonable assurance of stability in that plant, which up to this point the government have been unable to provide. Surely, Sir, they don't expect that the community of Morris or any other community in the rural areas are going to go on a building spree like the Minister of Municipal Affairs without having some assurance that that housing is going to be occupied. -- (Interjection) -- Mickey Rooney says garbage. Well it's garbage for the Town of Morris to be somewhat reluctant to invest their money which is taxpayers' money in building houses that may not be occupied. That's what my honourable friend is saying. That's what my honourable friend is saying, that the Town of Morris are ill-advised by not building housing when facing them is a possibility of an industry closing down and moving out and being phased out; an industry, Sir, as I have been reminded, is owned by the government.

If the government cannot provide any greater assurance to the rural communities of this province than that which they are providing now to the Town of Morris, they have failed miserably, Sir, in their responsibilities as a government. This statement by the Minister of balanced regional development is a hoax perpetrated on the rural people of this province, a hoax that has no substance whatsoever. Their intention, Sir, is to continue to centralize and that is patently obvious by every action that they take.

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

MR. EVANS: I would like to take this one opportunity that I gather each member has to reply, if not to raise a grievance to reply to this particular grievance and I -- (Interjection)-- Yes, I should perhaps as my honourable friend, my Legislative Assistant reminds me I should be speaking on a grievance, the grievance being misrepresentation by the Member from Morris as to what the true situation is and the great efforts that have been made by this government for rural industrialization in Manitoba. Never before has government of this province paid so much attention and has engaged in so many active imaginative programs to provide jobs for rural Manitoba as this government has.

I do note, Mr. Speaker, one admission on the part of the honourable representative of the capitalist system for Morris, that he does admit that the existing private enterprise system that we have does lead to centralization and that there is a need to stem this particular tide. Left to itself private investment - there is no doubt about it, left to itself private investment will continue to centralize industry in the main centres of Canada and we here in the Province of Manitoba look with regret to the growing intensive industrialization of southern Ontario, but that is the nature of the system in which we work. This is the nature of private investment. They will invest for their own profit motives and naturally this is going to mean in many cases concentrating where population centres are found. This means - and you can look at the statistics, Mr. Speaker - that more and more is Ontario becoming the industrial heartland of Canada.

But at any rate the Honourable Member for Morris admits the failure of the system he loves, the system he continually upholds in this House. He admits the failure of the system that he defends in providing jobs for his people in his constituency, for providing jobs for the people of rural Manitoba. Now I'm glad the honourable member did mention our regional analysis program because we have spent a great deal of money on this not just telling the people the facts of the matter and we're not afraid to tell the people the facts but he does misrepresent the program when he says, all we did was talk about population loss. The fact of the matter is that this program is not completed, we have involved 75 to 80 communities and various study groups and we through the Regional Development Corporation are now awaiting the reports of these communities. So this is not a final program, we have not had a final report, we've only had a report on Phase One of this and I believe I made copies available to all members of this House who were interested in obtaining such information.

The honourable member refuses to ignore that this government has been instituting a Rural Management Training Program which was never in existence when his party was in power. We've been involved in the first phase seven communities in rural Manitoba where we provided a very extensive management training program, and indeed we will be having another 7, 8 or 9 communities in rural Manitoba involved in this program again.

He chooses to ignore the fact that the Small Loans Division of the Manitoba Development Corporation does make loans available for service industries in rural Manitoba, whereas these loans are not available for industries in the City of Winnipeg.

(MR. EVANS cont'd)

Mr. Speaker, I find it very exasperating - I listened very carefully to the Member for Morris; and now I'm trying to reply to him, and he doesn't give me the courtesy of appearing to listen. However, that's his privilege. The fact that he wants to leave, that is his privilege as well. But the fact of the matter is that we do have a policy in the Manitoba Development Corporation which did not exist before. We have instituted a Small Loans Program that is new and the Small Loans Program, Mr. Speaker, does discriminate in the case of service industries towards rural Manitoba. Now we've made another step in that direction recently, and we've said that we are now going to apply that to the fashion industry of Manitoba, the garment industry in Manitoba.

And your honourable leader, I would like to inform the Member for Morris, virtually misrepresented us when he said we were cutting off loans to the garment industry of Manitoba. This was not true - we did say and we do say that loans and financial assistance is available to the garment industry if they choose to locate outside of the City of Winnipeg. And we were raked over the coals by the Honourable Member for Morris leader for that particular stand, so I'd like him to contact his leader and discuss his particular views on rural industrialization. We make an effort, we make a policy to help to bring more industry into rural Manitoba, and we get criticized by the Leader of the Opposition. So I'd like, Mr. Speaker, I'd love the Honourable Member for Morris and the other rural members to get together with their Leader and decide whether they're in favour of our particular policy in this respect or not.

Now, Mr. Speaker, that does not prevent the garment industry from locating in the City of Winnipeg. If private investment - if they are totally dependent on private investment, they can locate wherever they wish. There's no law against locating in the City of Winnipeg - and indeed the Department of Industry and Commerce does and will help any manufacturer who wants to establish anywhere in Manitoba through technical assistance and marketing services and so forth. But as far as the Development Corporation is concerned in the financing of such industry, we've made no bones about it and we feel this is the type of industry that will do well in rural Manitoba.

Now, let's look at the facts, Mr. Speaker. I have before me the figures on loans made by the MDC for the years ending March 31, 1970, 1971 and 1972. How many loans were made in rural Manitoba in 1970? This is shortly, not too long after we came to office; we had only been in government for about 7 or 8 months or maybe it's nine months by that time - by the Manitoba Development Fund as it would have been called at that time, there were 21 loans made in rural Manitoba. How many loans were made in 1971, a year later. This was increased to 27 loans. This past year, for the year ending March 31, 1972, Mr. Speaker, we have approved 82 loans in rural Manitoba, 82 loans. -- (Interjection) --

MR. SPEAKER: Order! Order!

MR. EVANS: That of course is not a measurement of rural industrialization, I never said it was. But the honourable member seems to be charging that this government is not concerned about rural industrialization and I am pointing out the fact which he chooses to conveniently ignore. I'm afraid his horizons don't go beyond the town of Morris, never mind the rest of his constituency. He doesn't know what's going on in the rest of the province. He should become apprised of the fact that we did approve 82 loans, and in fact we at the present time there are another 33 in process for rural Manitoba. And, Mr. Speaker, my definition of rural - I could be criticized for this - my definition of rural here is everything outside of the City of Winnipeg. But I can assure the honourable members that these loans are well distributed right across the province.

Now, I would like to remind members also that we have engaged in - and this is involving many members of various Departments of Government - in a very active industrialization program, where we are trying to identify opportunities in selected towns and cities of Manitoba. And this is a very intensive study that's going on now and has been going on for a few months and will have to continue for some time. But it's an action program, not just a study program - it's an action program. But I, by checking the records, do not recall any former Minister of Industry of this province who convened a committee of Senior Government officials including Industry and Commerce, and Agriculture, the Manitoba Development Corporation and two or three others to identify in a very systematic comprehensive way opportunities for job creation in the towns of rural Manitoba. There's nothing on record to that effect, and I can advise members of the House that we are intensely engaged in this type of a study.

(MR. EVANS cont'd)

Now, the honourable member referred to infrastructure, the need for infrastructure - and I would agree with him. And he only makes reference to highways. I think my colleague the Minister of Highways is doing a pretty darn good job in that respect. But there is more to infrastructure than highways, Mr. Speaker. And let me refer to what else goes on in the small towns - if I can refer to them because of our interest in rural Manitoba - what else goes on in the way of infrastructure? There's such a thing as providing adequate municipal services. The Honourable Minister of Agriculture has just recently announced a water supply program, a very imaginative program that has never been thought of before in the Province of Manitoba, where the municipalities will improve their water and sewer supplies. -- (Interjection) --

And furthermore, Mr. Speaker, the Honourable Member for Morris chooses to forget that the Manitoba Housing and Renewal Corporation has a very extensive and very active program for housing for senior citizens and families on lower incomes in parts of Manitoba and indeed, Mr. Speaker, the previous government, . . .

MR. SPEAKER: Order.

MR. EVANS: Mr. Speaker, the Honourable Member for Morris should take a look at the figures and the facts because the facts speak for themselves. There was virtually zero in the way of housing through the Manitoba Housing Renewal Corporation in rural Manitoba before this government came into office, and that is a fact.

Now, Mr. Speaker, the honourable members can take every opportunity they wish and look at the rural papers of this province or look at the official building permit statistics, and you will find that the most significant type of investment in the rural parts of Manitoba have been investments that have been related to expenditures by the Manitoba Government under the Premiership of Ed. Schreyer. The fact is whether it's housing - whether it's under our Provincial Employment Program which has involved the improvement of community halls, agricultural fair buildings, rural skating rinks, other community halls - you know, honourable members choose to forget this but this is important infrastructure as well. And you can look at town after town in Manitoba and find that in the last year or two the most significant thing that's happened to them, the greatest amount of construction activity has been construction activity related to provincial government programs. And, Mr. Speaker, if that's not being concerned with the development and the welfare of rural Manitoba I don't know what is.

Well, Mr. Speaker, let's see some tangible evidence. When this House is completed I'd be pleased to take the Honourable Member for Morris on a tour of Manitoba and let him see for himself what's happening. Or let him talk to the Reeves and Rural Councillors of Manitoba and ask them, what do they think of the Provincial Employment Program conducted by this Government? And they'll tell you man for man - unanimously, 100 percent - that this government has done a marvellous job in assisting in the improvement of the infrastructure of those particular communities. And I invite the honourable member to do a survey -- (Interjection) -- Mr. Speaker, the honourable member asks whether they were permanent jobs I am talking about - they provided useful employment; they were not permanent jobs - but you are talking about infrastructure, or you were. And I am simply stating that we have provided infrastructure and are providing infrastructure to improve the quality of life in rural Manitoba, and will continue I trust to provide this kind of infrastructure. And including the Town of Morris; in fact if I had the time I would have gone and looked up the figures to find out - I'm sure the Town of Morris and the other parts of the constituency of Morris did take advantage of our Provincial Employment Program; and I'm sure there must be some housing provided for through the Manitoba Housing and Renewal Corporation. But it's nice for the Honourable Member for Morris to sort of sweep that under the table, and sort of forget about it.

I would like to remind him that there are many towns in Manitoba which have received industry - permanent jobs, because of the efforts of MDC and the Department of Industry and Commerce. But the fact of the matter is, Mr. Speaker, that we do live in an economic system where most of the investment decisions in manufacturing are made by private enterprise. This is a free society, and private enterprise is free to go where they choose to go and you cannot hold us responsible for that surely. However, we do make efforts and have been successful in encouraging industry to go to various parts of rural Manitoba.

I think one of the best examples is what's happened at Gimli. Not only do we have Saunders, which started out as a largely privately owned company when it first decided to go there, but we have now Misawa-Greenwood Company - we have Allwest Marine Company. Now if Gimli

(MR. EVANS cont'd) isn't part of rural Manitoba, I would think that there is something wrong with my knowledge of Manitoba's geography - because the fact of the matter is that the Town of Gimli and the Interlake Region was very badly hit when the Federal Government decided to withdraw its military operations there, and asked us as the Provincial Government if we would take the responsibility of taking on the Air Base and attempting to turn it into an Industrial Park. Mr. Speaker, I am indeed very pleased to see that we have been so successful, indeed it has been so successful that all the hangars and practically all the available buildings are now occupied; and the jobs there, the civilian labour force at Gimli now has surpassed the civilian labour force that was there during the time of the military period.

I referred to recently - some months ago we encouraged a small drug or pharmaceutical facility to go to the Town of Selkirk. I could refer to a direct grant we made to help the Peguis Garment Factory come along and hopefully be sustained on its own two feet in the near future. I could refer to Sioux Valley again where there's a handicraft facility developed in the Honourable Member for Virden's constituency. He can tell you all about it, and he can tell you of the efforts that we've made to assist the people in that area provide various kinds of handicrafts which can be sold to tourists and others, in providing useful work for the people in the Griswold area of Virden constituency. And if that isn't in rural Manitoba, Mr. Speaker, again I say I don't know my Manitoba geography.

And I'd like to remind the Member for Morris, I know it doesn't involve very many jobs and I for one am not satisfied with the rate of progress but I would like to remind the Member from Morris that we made great efforts to persuade and encourage the small winery to go to the Town of Morris, and he can't deny that, and he knows that I have personally made great efforts to ensure that this thing come along as speedily as possible.

Mr. Speaker, let me conclude by stating this that the Member for Morris in his eloquent remarks said, here's another case of the government, or words to the effect, that another example of the taxpayers having their own throat cut again, in referring to the fact that we decided, or the Board of Flyer Industries decided upon a Winnipeg location, referring to this as the taxpayers cutting his own throat again. Well, Mr. Speaker, I want to advise the members of this House that we did ask the Board of Flyer Industries to consider locations outside of Winnipeg to see if there was some possible possibility of a viable operation outside of the City of Winnipeg, and you can note - I hope they're on the minutes of the Flyer Board Meetings - that this was considered. However the fact is that if we did make this an unviable operation then we could certainly be accused of cutting the taxpayers throat with his own money but the fact of the matter is, Mr. Speaker, we are ultimately using taxpayers' money, or a great deal of it, in this particular expansion, and we do have to be careful that the investment that is made is a viable investment. Now I'm not saying, Mr. Speaker, that there aren't other things to be considered in investment. There are social considerations, the balance sheet of government has to be brought into the balance sheet of private enterprise. I recognize that fact, I accept that fact, and I encouraged that point of view. I would say that some governments don't appreciate that particular responsibility but I think this government appreciates that particular responsibility. But the fact of the matter is, as the Member for Morris himself pointed out, that there was some substantial increased costs by putting a plant with about 400 jobs in the Town of Morris which could jeopardize the viability of the operation. Now that is what the management tell us, this is what the Board tell us and, Mr. Speaker, we would be less than responsible, and that Board would be less than responsible, if it made a decision that was going to endanger that particular investment in a serious way.

And furthermore, Mr. Speaker, I want to point out to all members of the House that industrial development does involve its costs. And for us, or for anybody, to move a plant with 400 jobs in a matter of months into a town of the size of Morris, or any town of that size, would cause serious strain on the municipal taxpayers of the Town of Morris - and there's no way you can get around it, and with all respects, Sir, I would point out the case of the Town of The Pas with the building of The Pas Forestry Complex. As everybody knows in this House the fact is that the Municipality of The Pas, and you can go and talk to the Council at The Pas and see what burden and what strain was put on that particular town which is about, I don't know, about 10 times the size of the Town of Morris with practically no more jobs being created. Look at the burden on the taxpayers in that town which is considerably bigger than Morris with respect to waterworks, with respect to sewer facilities, even with respect to the provision of adequate fire services, with respect to the provision of schools, with respect to the provision of other

(MR. EVANS cont'd) services. -- (Interjection) -- Well it isn't nonsense. It's not nonsense at all. Well if the

MR. SPEAKER: Order.

MR. EVANS: Mr. Speaker, I would like the honourable member from Charleswood to go to The Pas and speak to the mayor and the former mayor, Mr. Harry Trager and the Council of the Town of The Pas and find out that the burden that was placed upon them. Now fortunately we were able to convince Ottawa that they should declare The Pas as a special area especially designated area for that is under the Department of Regional Economic Expansion to help with the infrastructure. And I might say that we were trying to interest the Government of Canada to look at this in other towns and parts of Manitoba but there was no way they were going to go beyond this one town. But the fact is that when you bring a large industry into any small town -- and 400 jobs in the Town of Morris is definitely large -- it does provide a burden on the municipal structure and I'd like to inform the honourable member that the existing taxpayers in Morris will not necessarily thank him for that type of industry.

Industry has to be tailored to the size of the town, the population size of the particular area, particularly when you're thinking of this kind of industry. Now there are other types of industry where you can make some exceptions, but the fact is, Mr. Speaker, that the bringing in of industry does involve costs and I honestly and sincerely trust that the Honourable Member for Morris will consider that. I just want to repeat in conclusion, Mr. Speaker, that the facts speak for themselves. Perhaps my eloquence does not exceed that of the Member for Morris but my facts, I think, are valid facts and they indicate that never before has a provincial government in this province undertaken so many programs of beneficial nature for the welfare of the people in rural Manitoba. Thank you.

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

MR. PAWLEY: Mr. Speaker, the comments that we've heard this morning remind one of an old Chinese proverb that "One who points a finger forward at others ought to always recall that there are four fingers pointing back in reverse." Possibly it would be very wise for the Honourable Member for Morris to recall this from time to time. He also reminds me of another historical figure, the historical figure of Senator Huey Long of Louisiana who did have a long period of political life in Louisiana, but it is said in his biography that when he passed away the good folk of Louisiana wondered why all the noise and excitement over the years and what had actually ever been accomplished by that Senator.

The fact remains, Mr. Speaker, that there are some very solid concrete items undertaken by this government in assessing the decentralization of social economic development in the Province of Manitoba, steps that ought to have been taken years ago but were not undertaken because of passive, inept and regressive governments in the past years. I will specifically refer to these items and suggest to honourable members that if it weren't for this government we still would not have seen the passage of important legislation affecting rural Manitoba and giving rural people a new hope, a new excitement of possible developments in the future to improve the quality of life in rural Manitoba. I am going to refer to specific areas.

First, the program that was announced in regard to sewer and water the other day by the Minister of Agriculture. Over the past 11 years I can recall efforts by the people of the Town of Stonewall to convince three successive Cabinet Ministers - two Conservative, one Liberal - that there ought to be assistance for sewer and water infrastructure there so that they could bring about the development of some industrial development in that town so close to the City of Winnipeg. Their problem was, their problem was -- (Interjection) -- I hear an escapee from the zoo some where back in the rear there on the other side of the House -- their main position was that the lack of sewer and water facilities in the Town of Stonewall prevented that town from obtaining some of the opportunities for development that existed within the centralized City of Winnipeg. You would have thought that they would have been able to have sold their point of view being so well represented by Cabinet Ministers over the past 11 years, but was all for nought; the town couldn't afford sewer and water facilities because of the very heavy rock formation that covers the bulk of the area of the Town of Stonewall.

It was only after the efforts by the Member for Gimli that sits in this House today, along with other members of this government, that there has been a response to the wishes of rural towns such as Stonewall in the Province of Manitoba. I hear that the Town of Stonewall and other communities that have waited for years during periods of inaction and failure by the previous governments are now finally going to achieve their long sought aim of sewer and water

(MR. PAWLEY cont'd) facilities. The Honourable Member for Roblin shows his callousness towards this by smiling as though it's a bit of a joke, but the people of Stonewall and Teulon and Lundar know that it is no joke what they have gone through over the last 11 years of pleading and trying to convince inactive government that there should be consideration given to this question.

For years major regional centres in the Province of Manitoba that have had substantial government buildings have argued that the ceiling should be removed, the five percent ceiling. In fact the existence of this ceiling jeopardized the chances of centres such as Portage la Prairie, The Pas, Brandon, Selkirk, in fact had influence upon 18 municipalities in the Province of Manitoba by the involvement through the school divisions, prevented those municipalities from providing the proper services by creating high mill rates in those centres, from being able to absorb the full cost of needed development. The urgings that this ceiling should be removed until this year had fallen on empty deaf ears. Now it is a realization and this year the ceiling is lifted and an additional three-quarter of a million dollars will be pumped into rural parts of the Province of Manitoba in order to relieve high tax loads from the backs of rural taxpayers. Honourable members opposite laugh but the fact is that they and they only spoke in high flowery tones to rural constituencies and rural constituents but acted not, not one bit.

Another development that the Honourable Member for Souris-Killarney loved to say was creating centralization was the development of Autopac itself - the development of Autopac. And he would refer to what was going to happen to the centre of Wawanessa. But the fact remains that the development of the Manitoba Public Insurance Corporation has contributed towards decentralization of the Insurance industry in the Province of Manitoba in a number of very specific areas. First, the headquartering of the head office of the Manitoba Public Insurance Corporation in Brandon. Secondly, the development of a number of regional centres throughout the Province of Manitoba from which adjusters and claims service personnel work in serving rural areas: Portage la Prairie, Dauphin, Brandon, Thompson, Selkirk, from these centres, practically all of rural Manitoba will be served by claims personnel from rural Manitoba located in rural Manitoba providing a needed service in rural Manitoba. Not from the City of Winnipeg, not from the City of Winnipeg which had been the practice in previous years.

MR. SPEAKER: Order, Order.

MR. PAWLEY: And one can refer - I could not help but smile, that the Honourable Member for Morris in his usual proud way referred to housing in rural Manitoba and it was "they" that were responsible. What a laugh, Mr. Speaker, because the fact remains that during the period 1961 to 1969 although the words existed in the statutes of the Housing Act to the Province of Manitoba that would permit the previous government to build public housing in the Province of Manitoba, not one unit was constructed during that period of time in rural Manitoba. Let the record be clear on that point so that there be no more misrepresentation of that point in this House.

The Department of Highways, the Honourable Minister of Highways, is contributing his way towards decentralization. Only recently we have heard announcement of a shift of personnel from Highways Division No. 11 and from those that are working in the paint shop in the City of Winnipeg to the Town of Gimli to create needed employment in the Town of Gimli at the base there.

For years, for years farmers, for years farmers in the Province of Manitoba pleaded with previous governments that there ought to be better veterinary services in the Province of Manitoba. Great representations were made but nothing had been done, despite the fact it was very clear to those that were responsible in previous governments that veterinary clinics could perform a very important and useful role of providing vet services in rural Manitoba. The Honourable Minister of Agriculture can detail for this House the tremendous progress that has been made in creating and developing and constructing vet clinics throughout most of rural Manitoba in the last two years.

And one can go on and on and on, but I want to say in conclusion, Mr. Speaker, that the words of the Honourable Member for Morris - and I do wish he were here to hear this but I know he will read them in Hansard - reminds me of words that he expressed but only a month ago in this Chamber when he glared across this House and pointed an angry finger at members on this side of the House and quoted to us the words of Lincoln: "They ought to remain silent

(MR. PAWLEY cont'd) and let others think them a fool rather than to speak up and remove all doubt." I suggest those words are very fitting this morning for the Honourable Member for Morris to consider.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY MCKENZIE (Roblin): Mr. Speaker, I would like to rise in the debate on this grievance in support of the Honourable Member for Morris who put a very legitimate case before the House this morning, laid it on the desk of the Minister of Finance and laid it before the government, a factual documented case of this government taking an industry that is already in production in Morris and doing a reasonably good job, and moving the expansion of that industry to Transcona. And there are likely many reasons, Mr. Speaker, why the Minister and this government have moved it to Transcona; a lot of them likely are political as you well know, Mr. Speaker. I'm sure the Minister of Industry and Commerce had his finger in it too because it would be political suicide for this government to develop an industry or expand an industry at Morris where there happens to be a Tory member come from. But of course that's the way this government operates. They're talking about social justice, and social equality in this province. There isn't such a thing, Mr. Speaker, with this government political, under-the-cover deals and I suspect in all sincerity, Mr. Speaker, that the reason they are going to put this industry in Transcona is likely because in case it fails they will be able to hide it there in all the various buildings in that industrial park over there. Were the industry to fail in Morris it would be sitting out there like a white elephant. So I'm sure the Honourable Minister of Finance isn't too sure that it would work, because if that is the policy of this government the only way that we can industrialize this province or improve the industrial relations in rural Manitoba, develop rural Manitoba by voting money, Mr. Speaker . . .

MR. SPEAKER: Order, please. The honourable member has a point of order?

MR. MACKLING: I said a point of order, Mr. Speaker.

MR. SPEAKER: The Honourable Attorney-General.

MR. MACKLING: The Honourable Member from Birtle-Russell -- from Roblin I should say -- has referred to undercover deals of this government and I think that's a breach of privilege, Mr. Speaker, of this House. That's an allegation, its an allegation of criminal wrongdoing and a question of privilege of every member of this House certainly that sit on the government side and I want him to retract.

A MEMBER: You keep quiet, you keep quiet.

MR. SPEAKER: The Honourable Member for Roblin.

MR. MCKENZIE: Thank you, Mr. Speaker. But of course, you know, the honourable members get up tight, Mr. Speaker, when we talk about . . .

MR. SPEAKER: Order, please. A request has been made, the honourable member very well knows the rules of procedure. I ask him to reconsider what he has said and to indicate or to explain or else to retract, his option. The Honourable Member for Roblin. Order, please. The Honourable Member for Morris.

MR. JORGENSON: Just because the Attorney-General asked for a withdrawal of a statement does not necessarily constitute a question of privilege, Sir. You are the one to decide whether or not the statement made by the Member for Roblin constitutes a point of order, not the Attorney-General.

MR. SPEAKER: Order, please. Order, please. I did indicate . . . Would the honourable members allow me to proceed to conduct this meeting. I did indicate to the Honourable Member for Roblin that he had his option. I did hear the allegations and I do believe that he needs to give an explanation. It's up to the Honourable Member for Roblin.

MR. MCKENZIE: Mr. Speaker, if I said undercover deals, I withdraw that statement. I didn't mean it in that respect. I think, Mr. Speaker, when we get to it you'll find that I didn't say that at all. I think that the honourable member, the Attorney-General better read my speech in Hansard and he'll find I didn't say it in that context at all. I said under-the-covers -- different altogether. Of course, Mr. Speaker, that's typical of this government, and today, Mr. Speaker, is another classic example. On a simple matter of a grievance raised by the Honourable Member for Morris, two Cabinet Ministers come rising to their feet. Now if they're not sensitive about this issue, Mr. Speaker . . .

MR. SPEAKER: The Honourable Minister of Industry and Commerce on a point of order.

MR. EVANS: Mr. Speaker, on a point of order. I'm not sure whether the honourable member has withdrawn his statement. He denied making the statement and then he made an

(MR. EVANS cont'd) explanation of what the statement was and as far as I'm concerned that is just as damaging and is insulting and just as stupid and uninformed an abuse of the privilege of this House as his other statement. So on a point of order I want to know whether this has been withdrawn or not.

MR. SPEAKER: The Honourable Member for Rhineland. -- on the same point?

MR. FROESE: On the same point of order, I thought the Member for Roblin had given both a retraction and an explanation.

MR. SPEAKER: The Honourable Member for Roblin.

MR. McKENZIE: I thank you, Mr. Speaker. And again, Mr. Speaker, it's classic of this government that we have in this province today - sensitive, you know - two Cabinet Ministers rise and challenge the Honourable Member for Morris. If they are not sensitive about . . . this

MR. SPEAKER: . . . this morning, that I shall have to name members that shout from their seats. It is not a courtesy to the House, it is not a courtesy to the Chair and is also not a courtesy to the Member that is speaking. I have time and time again asked that this not occur and I must insist that I shall carry out the rules. The Honourable Member for Roblin.

MR. McKENZIE: I agree with you, Mr. Speaker, wholeheartedly . . .

MR. SPEAKER: Order please. I wish no reflections upon the rulings of the Chair. That applies to the Honourable Member for Roblin. The Honourable Member for Roblin.

MR. McKENZIE: Mr. Speaker, maybe I should rephrase my remarks. One of the members that replied talked about the Honourable Member from Morris being in a zoo. I submit, Mr. Speaker, that those who live in glass houses should not throw stones and maybe that would give you some wisdom of the way the government reacts. They're sitting in a glass house over there and they can't take, they can't take it when you get to a sensitive point.

Mr. Speaker, I want to talk about the Rapeseed Development Plant at Grandview. I don't want to talk about the policy of this government and rural development and decentralization and again put that on the record, Mr. Speaker. Here is the Minister of Industry and Commerce, the Minister of Agriculture and the Minister of Municipal Affairs who is going to be in Roblin next Wednesday, and I tell him, before you go out, make the announcement that you're going to support that development, that simple little rapeseed plant in Grandview. Most of it's local people's money, they've done the study, they've put the plan on the table, the market is there, the raw product is there, everything is all go. All it needs is the Minister's approval. One little word, one little word, go. I would in all sincerity ask the Minister of Industry and Commerce, tell the Minister of Municipal Affairs who's going to be in Roblin, make that announcement in Roblin next Wednesday.

MR. SPEAKER: Order.

MR. McKENZIE: What a great day that would be in rural Manitoba, Mr. Speaker, to find out that this government finally are going to do something about rural development, that would be their first development in all that area out there. What have you done in Dauphin constituency? Moved a few paint jobs around and built a highways building. Nothing happened out there. What's happened in Roblin Constituency since this government took over? Nothing. What's happened in Birtle-Russell constituency development, rural development? Nothing. What's happened in the Honourable Member for Virden's constituency? Nothing. The Member for Arthur's constituency? Nothing. The Member for Swan River's constituency? Nothing. The Member for Souris-Killarney? Nothing. The Member for Rhineland? You could go around in this Legislature, Mr. Speaker, and find out if this Minister is telling the facts today when he stands up and tells us all these things that are happening about rural development. It just isn't so, Mr. Speaker, it just isn't so. He thinks, you know, development of this province is loaning money loaning the taxpayer's money. If that's the future for Manitoba and if that's the future for western Canada, we may as well lock up the shop.

Figures are coming out today, tomorrow and will continue to come out from this government of all the boom days that we're having in this province today. Whose money are you spending on this boom that we're having in this province today? You are spending the taxpayers' money. It's not the private citizen that's spending the money in this province today, it's government that's spending, and aren't those fantastic things for the future of this great western Canada and Manitoba, that the only future that we have is to take the money out of the taxpayers' pocket and ram it down his throat, that that's development. Development by a bunch of red-eyed socialists. If that isn't a future, Mr. Speaker, I'm not alarmed about some of the people of rural Manitoba walking out.

(MR. McKENZIE cont'd)

And the Minister of Municipal Affairs, you know, he's very . . . , he jumps to his feet and he talks about the waterworks in Stonewall. Well I remember those days about the waterworks in Stonewall. Why did the local people vote the issue down in those days? I recall, what? - two or three occasions that issue was voted down by the people of Stonewall. I happened to be involved in the village where I live with a sewer and water program at the very same time. It was passed by the local people because they felt they could afford it and they wanted it so they voted in favour of it and we had the sewer and waterworks developed. But, Mr. Speaker, the Minister of Municipal Affairs cannot stand up in this House today and blame the government of the past because Stonewall hasn't got sewer and water today. That was the wishes of the people in those days. They voted against it.

But I again I appeal to the Minister of Industry and Commerce about the Rapeseed Plant at Grandview. When are you going to make an announcement? When are you and the Minister of Agriculture going to go right out to that community and meet with those people and tell them you're going to build it? Never. No, it's not going to happen. They're not going to develop rural Manitoba, Mr. Speaker, and that's what the Honourable Member for Morris said this morning. They are going to lock it up and close it up and move it into the city, move it into the city. That's social justice. Is that the social equality, the social program that's going to make this province boom? Mr. Speaker, in all sincerity I think the Minister of Industry and Commerce and this government are kidding the people of Manitoba day after day after day and hanging them with their own money.

What about the Regional Development Corporation of this province who this Minister of Industry and Commerce said that, you know, that's going to be my right arm. There is going to be the force to development of this province, I'll do it through the Regional Development Corporation who are local people well-skilled, know the area, have the problems in mind and they can lay them on the Minister's desk. And how closely has he worked with those regional development corporations, Mr. Speaker, since he became the Minister? About as far apart as that. In fact, he's trying to phase them out if I understand his policy because they're going in the complete opposite direction that he wants to go. He wants government money only to be spent out there, they want to give some incentive for local capital to come in and help develop rural Manitoba. So there is conflict. And when they're in conflict, it's quite simple, Mr. Speaker, that the local communities likely will have to go. I don't know. But I was told about two weeks ago that unless we pass the Estimates in a hurry in those days when we're debating the Minister's Estimates, one certain regional development corporation had to go and borrow money to carry on. Now it was refuted later on by the Honourable Member for Winnipeg Centre and I haven't got the evidence of both sides, I only have the evidence from this man that came and said they couldn't carry on. Now are they hanging by that slim a thread, the regional development corporations of this province, where unless we pass the Estimates on a certain day they're out of money. Is that the kind of rural development that the Minister is talking about, the kind of a backing that he is giving these rural development corporations, the backing that he's giving the people of Morris constituency or that development corporation, where they got a budget that's peanuts?

No, Mr. Speaker, nothing is going to happen in rural Manitoba with this government. They're going to continue to shift, we'll get studies we'll get reports, I've got reports like it's going out of my ears. Here's another one on Agriculture being done, another one by Industry and Commerce White Paper, "Agricultural Development Study nears completion." And how many more of them are we going to get, and so on and on and on it goes. This is the future of rural Manitoba with this government. A wonderful opportunity at Morris to expand Flyer Coach Industries, if it's that good. Seventeen acres of land available, the Honourable Member for Morris has put his case on the table this morning loud and clear, documented, and what kind of a bunch of static do we get from the Minister of Industry and Commerce. He says you're not telling the truth, that those figures that he laid today are not factual and not worth debating. Well I submit to you, Mr. Speaker, that the Minister of Industry and Commerce had better go back home and start doing some of his homework and talking with these people in rural Manitoba instead of fraternizing with his alumni from McGill University.

The development of rural Manitoba is more important than --(Interjection)-- Oh certainly. But again I appeal to him, Mr. Speaker, this weekend you and the Minister of Agriculture and the Minister of Municipal Affairs get together and prove that you're going to help the people of Grandview to build that rapeseed plant. And give the message, and I'll be

(MR. MCKENZIE cont'd) there on Wednesday, you give the message to the Minister of Municipal Affairs that we're going to help these people develop that plant. It's a viable unit, the feasibility studies have been done, the local people have paid for the studies, they've got the market all set up, all they need is the go by the Minister. He shakes his head so it's not going to happen. It's not going to happen. It'll happen maybe in his own constituency maybe, or it maybe happen in the Agriculture Minister's constituency, but it's not going to happen in Grandview. No it won't.

Mr. Speaker, I'd like to deal briefly -- was the Minister of Industry and Commerce sincere when he stood up and said, the Honourable Member for Morris, he misrepresented the facts. Who misrepresented the facts here in this debate today, Mr. Speaker? The Honourable Minister of Municipal Affairs did he misrepresent any facts? He sure did. Did the Minister of Industry and Commerce misrepresent any facts here today, Mr. Speaker? He sure did. And who's kidding who? Who's kidding who? You can't kid me. I'm sure you can't kid the Honourable Member for Brandon West or the Member for Arthur. Who do you think you're kidding in this debate? You're not kidding the people of rural Manitoba. No, you're not. The people of Manitoba out in the rural areas - and the Minister will know when he gets out on these regional development corporations, or the assemblies on the union of municipalities next week. He'll find the static about the new assessment when he gets out there, and get's the reaction of the people on that.

He'll find out of what I was telling him a couple of weeks ago about, you know, a couple of halls are taxed out of business in Russell or Roblin because they can't pay their taxes. They can't pay their taxes, and he talks about, you know, developing rural Manitoba. If those were viable towns and there was industry in there there'd be no problem for those - but what's going to happen? They're going to have to close them up and the town will take it over. So the town is stuck for the services on those buildings. I've wrote two or three letters to the Minister of Municipal Affairs asking him to help those people solve that problem. That's what he should be doing. --(Interjection)-- No problem there at all. The problem here is a bunch of people can't pay their taxes and the reason they - if that was to be a thriving booming community like he's talking about the way they're going to develop rural Manitoba, there'd be no quarrel. If we can't pay the taxes today, we'll go and borrow the money at the bank because this government's going to move rural . . . and give us the development it wants and we'll have dollars in our pockets to pay those taxes. But that isn't the way in rural Manitoba. That's not the way, things aren't that good out there. Things aren't that good because this government is not going to do nothing in rural Manitoba, Mr. Speaker. They haven't done anything up to now, their mandate is almost out and so what's for the future and what's for tomorrow? What is really going to happen in rural Manitoba during the three or four years this government is going to be in office? Mr. Speaker, absolutely nothing, absolutely nothing, because they haven't got a Minister that can lead that department and they haven't got a government that's got a policy.

I regret that nothing's going to happen in Morris constituency, nothing's going to happen in my constituency, nothing is going to happen in Swan River, nothing is going to happen in Arthur, nothing is going to happen in rural Manitoba, Mr. Speaker, as long as that Minister sits in that chair.

MR. MACKLING: Mr. Speaker, I wonder if the honourable member would permit a question?

MR. SPEAKER: Order, please. If the question is on a matter of clarification that was debate, I will allow it. If it's extraneous and opens up new areas I will rule it out of order. I may as well warn the Honourable Minister right now. The Honourable Attorney-General.

MR. MACKLING: Mr. Speaker, I suggest to you that until you hear my question that your admonishment should be reserved.

MR. SPEAKER: The rules are not my rules they are your rules, they are the rules of this Assembly and unfortunately the practice has been and I give the admonishment regretfully because this is what has occurred. And I thought in order to save time I would do it in advance. The Honourable Attorney-General.

MR. MACKLING: Mr. Speaker, my question to the honourable member arises from his analysis by him of the rejection by the people of Stonewall of referendums in respect to the proposed development of sewer and water facilities for that community. I ask him, would he explain why the Provincial Government of that day did not agree to assist those people in the

(MR. MACKLING cont'd) development of sewer and water facilities in view of the fact that those facilities involved very expensive, inordinate expense in development?

MR. SPEAKER: Order, please. Order please. The question is argumentative. Order, please. The Honourable Minister of Agriculture. The Honourable Minister of Municipal Affairs on a point of order.

MR. PAWLEY: . . . if the honourable member would submit to a question.

MR. SPEAKER: Order, please. That's not a point of order. The Honourable Minister of Agriculture.

MR. USKIW: Mr. Speaker, I suppose had I stayed in my office this morning it would have been time well spent.

MR. SPEAKER: Order, please. I believe I gave the floor to the Honourable Minister of Agriculture.

MR. USKIW: I presume, Mr. Speaker, that it would be in order to continue this afternoon if I'm not through this morning . . .

MR. SPEAKER: Is it agreeable? The Honourable Member for Morris.

MR. JORGENSEN: . . . to allow the - as we call it 12:30. (Agreed)

MR. SPEAKER: The Honourable Minister of Industry and Commerce wish to ask a question now? The Honourable Minister of Industry and Commerce.

MR. EVANS: It's a very brief question, Mr. Speaker. I wonder if the honourable member who has represented that area for a long time and knows the people and knows what's going on, if he could tell me, talking about facts, one simple fact, How many industries were brought into his constituency when the Conservative Party of this province was in . . .

MR. SPEAKER: Order, please. Order, please. The question opens up new areas of debate. The Honourable Minister of Municipal Affairs.

MR. PAWLEY: My question to the Honourable Member for Roblin. He referred to my letter to him in regard to the taxation of rural halls. Would he advise us as to how he voted when this legislation was introduced in 1966 in this Chamber?

MR. SPEAKER: The question opens up a new area. The hour of recess having arrived, I am leaving the Chair to return at 2:30.