

THE LEGISLATIVE ASSEMBLY OF MANTOBA  
2:30 o'clock, Monday, March 25, 1974

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 as guests 57 members of the Tabor College Choir from Hillsboro, Kansas. This choir is under the direction of Mr. Wohlgemuth and Mr. Just. They are our guests for today.

We also have 40 students of Grade 7 standing of the John Henderson School. These students are under the direction of Miss McTavish. This school is located in the constituency of Rossmere, the Honourable First Minister.

On behalf of all the Honourable Members of the Assembly I welcome you here today.

Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports. The Honourable Minister of Public Works.

MINISTERIAL STATEMENT

HON. RUSSELL J. DOERN (Minister of Public Works)(Elmwood): Mr. Speaker, for the convenience of members I wanted to draw their attention to the fact that we have introduced a new Telephone Directory which we will distribute to each member. This is a similar type of operation to that existent in Ottawa and Ontario and will be printed every six months, and will be on an experimental basis in effect.

MR. SPEAKER: Any other Ministerial Statements or Tabling of Reports? Notices of Motion; Introduction of Bills; Questions.

ORAL QUESTIONS

MR. SPEAKER: The Honourable Leader of the Opposition.

QUESTION OF PRIVILEGE

MR. WARNER H. JORGENSON (Morris): Mr. Speaker, I wish to rise on a question of privilege before the Orders of the Day.

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSON: My question of privilege relates to the removal from the Order Paper of a series of questions that I had placed there for the purpose of - hoping to - a vain hope perhaps - of getting a reply thereto. The First Minister said that the questions were going to be replied to as Orders for Return. That of course is a decision that the government will make, whether or not those questions will be replied to as Orders for Return or whether they'll be replied to in the normal fashion, in the manner in which they had intended to elicit a response. But, Sir, there is no justification for the removal of those questions from the Order Paper until a reply is forthcoming.

A MEMBER: Hear, hear.

MR. JORGENSON: There is nothing in the rules that authorizes the government to order those questions to be removed from the Order Paper and therefore, Sir, I rise on a question of privilege to insist that the questions that were placed on the Order Paper - and in accordance with our rules - must remain every Monday. Once a week is the only occasion that these questions must remain on the Order Paper and, in accordance with our rules, the questions must remain on the Order Paper until they are replied either by an Order for Return or singly, and the government has not indicated that they're not going to answer them; I presume that eventually - God only knows when, with this government, we'll get a reply, but until we do I think in accordance with our rules those questions must remain on the Order Paper.

MR. SPEAKER: The Honourable First Minister on the privilege question.

HON. EDWARD SCHREYER (Premier)(Rossmere): Yes, Mr. Speaker, I really believe, Sir, that there is no great problem. I indicated last week that pursuant to Rule 48, subsection (5), that a series of questions that were on the Order Paper which were similar or identical in nature for each department would be dealt with as an Order for Return and that the information would be supplied as a Return to an Order. If, Sir, there is some question with respect to the interpretation of Rule 48, Subsection (5), then it is obvious that the material could be provided in either fashion, I might indicate to you, Sir, that all of the questions

## QUESTION OF PRIVILEGE

(MR. SCHREYER cont'd) . . . of which there are some 98 to date, that all are in various stages of compilation; I've asked for a report and Returns are being prepared, and we expect to be able to provide that information very soon now. But if there is some difficulty to the Chair in judging whether or not the questions should be removed from the Order Paper, once I have indicated that pursuant to subsection (5) we will reply by way of a Return to an Order then I suppose, Sir, all that you need do is to indicate that the questions should reappear on the Order Paper at the next appropriate occasion. It is of no consequence to us, Sir, and I merely wish to indicate so.

MR. SPEAKER: Well, this is really a matter of procedure on a point of order and not a privilege. The rules are clear. If a Minister asks that they be made into an Order for Return, then the normal procedure is that they are taken off the Order Paper if the Order for Return is agreed to. Since there was no indication that any of these questions that were asked to be made Orders for Return would not be agreed to we went through our normal process and that's why they have been removed.

Oral questions. The Honourable Leader of the Liberal Party. --(Interjection)-- On a point of order? The Honourable House Leader.

MATTER OF PRIVILEGE

HON. SIDNEY GREEN, Q.C. (Minister of Mines, Resources and Environmental Management and House Leader)(Inkster): It's on a matter of privilege, Mr. Speaker, which I'd tried to make several occasions and on each case the appropriate members weren't here. I notice they are now both here and I wonder if I could just take that up at the present time, Mr. Speaker.

The matter of privilege relates to a statement made in an editorial in the Winnipeg Free Press to the effect that the Speaker was dressed down by one of the honourable members of the House and, Mr. Speaker, the appearance of that editorial is unfortunate to myself, Sir, as it is to you - and because it has appeared, I would want with the acquiescence of the members who are present to deal with the matter as it arose so that there is no question as to what occurred. There was a ruling of the Speaker, yourself, Sir, relative to an emergency debate in which you ruled that debate would not be permitted to proceed because the agency under discussion was not within the administrative responsibility of the government but was an agency of the government. In response to that ruling, you received a letter from the Honourable the Member for Morris indicating that he wished to take issue with the - not the ruling, but the reasons for the ruling, and it was suggested that all three party leaders meet with the Speaker to discuss the matter that had occurred. I believe that this is a normal parliamentary practice. There was no criticism of the Speaker intended - as a matter of fact, Mr. Speaker, I think every member at the meeting agreed that on precedent, Manitoba precedents in particular, your ruling was correct. That was the position taken by the Member for Morris, the Leader of the Liberal Party and myself. We then indicated that where there is a question at issue and the two sides of the House argue points which neither of which commend themselves to the Speaker, that it would be wise for the Speaker to determine whether there are any remarks that would be made on a point which the Speaker himself would like clarification of; that if that were done, that the Speaker would never be in a position of finding that his ruling, although perhaps correct in Beausheue, did not commend itself to either side of the House.

And it was indicated at the meeting that the government, with respect to the particular ruling that you made, agreed with the ruling; agreed in full that you had ruled correctly, but would not have been able to support the reasons which you made. In no sense, Mr. Speaker, was that intended as a belittlement of the Speaker by any of the Members and furthermore, it was not the case that I myself did not raise this matter because I wanted the debate to be concluded; that had the issue arisen in any way, the government side had agreed completely with the ruling that you made but could not have supported the reasons which, Mr. Speaker, in many, many years in court practice, this is a very frequent type of result that comes from court cases and can happen in the House just as well. So I think that honourable members who were at the meeting would agree that it was a perfectly normal discussion to facilitate the procedures of the House that it was in all respect friendly; that in each case the members there deferred properly to yourself as Speaker of the House; that there was no belittlement of the Speaker by any of the Members present and there was no suggestion that the positions taken would have been otherwise if they could have effected the debate. I believe that it's necessary for me to say this in order to maintain the integrity, Sir, of yourself, the Chair, the Legislature and the members who participated in that meeting.

ORAL QUESTIONS (Cont'd)

MR. SPEAKER: The Honourable Leader of the Opposition.

HON. SIDNEY SPIVAK Q.C. (Leader of the Official Opposition)(River Heights): Mr. Speaker, my question is to the Minister of Health.

I wonder if he can indicate to this House whether the procedures followed in the Community Clinic at Leaf Rapids is a model for the Community Clinics to be conducted by the NDP government?

MR. SPEAKER: The Honourable Minister of Health.

HON. SAIL A. MILLER (Minister of Health and Social Development)(Seven Oaks): Mr. Speaker, the Leaf Rapids Clinic is just coming into being in a new community which is just growing, with an advisory board who will be in full control and who will operate the Community Clinic.

MR. SPIVAK: To the Minister of Health, I wonder if he can indicate whether the procedures, as well as the harassment by the Department with respect to the doctors, is the procedure to be followed by the government in other Community Clinics.

MR. MILLER: Mr. Speaker, I refute absolutely the allegation of harassment. The doctors who have been servicing the community - which two years ago didn't even exist - from Lynn Lake, it has been known that they would withdraw their services. They themselves agree that there should be full-time resident physicians at Leaf Rapids and that is exactly what's taking place, and when it was known that the Leaf Rapids Advisory Board and the Administrator had succeeded in arranging for a practitioner to come into Leaf Rapids, the Lynn Lake doctors who had been servicing it three times a week gave notice that they would terminate their services.

MR. SPIVAK: To the Minister of Health, I wonder if he can indicate whether he, as Minister of Health has examined or has made an investigation in connection with the allegations that there have been breaches of confidentiality by some of those civil servants with respect to patient records.

MR. MILLER: Mr. Speaker, I did inquire - the person mentioned is someone who is on a national health grant, who was asked to go to Leaf Rapids to examine the method of record keeping. The story in the newspaper on Saturday is unfortunate - I think it's a complete distortion of what occurred, and it's unfortunate that that particular reporter likes to report in the manner he does, but that's his business. It's not a new letter incidentally, that letter is quite a few weeks old. On the other hand, in answer to the Leader of the Opposition, I can say that the person involved came to Leaf Rapids in order to look at their filing system, their record keeping system; it was known that she would be there and did what she did, it was not a matter of breaking confidentiality but of looking at the system that was used in order to see how it would tie into the MHSC method of record keeping. And that's the long and short of it.

MR. SPIVAK: Mr. Speaker, to the Minister of Health, I wonder if he can indicate whether as Minister of Health he has met with the doctors who resigned and who sent a letter with several allegations including that of political harassment.

MR. MILLER: Mr. Speaker, I am not sure of the political harassment because I don't know who's harassing who; I think it's the other way around. But I have not met with them, nor have I harassed them and I wouldn't want to harass them. They have taken a decision which they are free to take. Those same doctors could open up tomorrow in Leaf Rapids in private quarters and operate a private physicians' practice if they so desired, nobody's going to stop them. As a matter of fact, that was their first intent to leave the clinic and to operate separately; I am told that this was a decision made early in March. They subsequently decided they wouldn't do that, and instead continued until they were advised that a physician was going to come into Leaf Rapids on a locum for three months and that sometime in May, a full time doctor would be resident in Leaf Rapids.

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

MR. I. H. ASPER (Leader of the Liberal Party)(Wolseley): Mr. Speaker, my question's to the Minister of Health. Would he indicate to the House on whose authority, who authorized Lillian Komus, I believe, under his department to go to Leaf Rapids and browse through the private patient records despite the strong objection made by senior medical personnel to her browsing through those records.

MR. MILLER: Mr. Speaker, I question the strong objection. The lady in question went up there at the request of the administrator and asked to examine the method of record keeping, and that's what she did.

## ORAL QUESTIONS

MR. ASPER: Would the Minister of Health indicate what were the statistical purposes for what amounts to this snooping - and in how many other hospitals or clinics in Manitoba has this illegal activity taken place?

MR. MILLER: Mr. Speaker, it takes place in hospitals where accredited people are authorized to keep records. The person in charge of records at Leaf Rapids was aware of this and as a matter of fact was with the person at the time I understand, so that it's not a matter of snooping - and the suggestion by the Leader of the Liberal Party is very typical of him, by innuendo he tries to suggest that something obscene is going on; absolutely nothing obscene is going on - what happened is what happens very often because in the case, and particularly in the case of Leaf Rapids where there is a brand new system being developed, a new facility is being developed, there was a desire by the part of the people involved to make sure that the method in which they kept their files and records was compatible with the methods used elsewhere in Manitoba.

MR. SPEAKER: The Honourable Leader of the Liberal Party state his matter of privilege.

MR. ASPER: Yes, on a point of privilege, the Minister characterizes statements made in the House as being obscene. I would simply make the point that if there's any obscenity, the obscenity . . .

MR. SPEAKER: Order please. That is not a matter of privilege, that's a matter of opinion. The Honourable Leader of the Liberal Party.

MR. ASPER: Mr. Speaker, would the Minister, in lieu of the tirade, indicate to the House, what is the government's policy regarding confidentiality, the preservation of confidentiality of patients' records; who has the authority to violate that confidentiality and on what grounds are they authorized to violate it?

MR. MILLER: Mr. Speaker, no one has the authority to violate confidentiality and I suggest that confidentiality was not violated.

MR. ASPER: Yes, Mr. Speaker. Does the Minister not consider the situation of free and easy access to patients' records by civil servants obviously without any restriction . . .

MR. SPEAKER: Order please. Order please. The honourable member is expressing an opinion with his question - would he state the questions.

MR. ASPER: Yes, Mr. Speaker. Does the Minister not consider that this kind of accessibility warrants a full inquiry, particularly in the light of the fact that this is not the first time it happened, that it happened last year in the Mount Carmel case.

MR. MILLER: Mr. Speaker, I'll repeat, the person in question went up there at the request of the trustee, and the advisory board was aware of it and was invited to do so by the - I think it's called the Records Technician, that's the title. I may be wrong in my description of the title, the technician in charge of records who was with her at the time. And this was not a study of files, it was a perusal of three or four files in order to ascertain whether or not the method of handling the files and the record keeping was in line with the customs which are established in Manitoba.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. HARRY J. ENNS (Lakeside): Mr. Speaker, I direct a question to the Honourable the Minister of Tourism and Recreation. Mr. Speaker, I'm sure the Minister's aware that the Mennonite community of the Province of Manitoba this year is also celebrating its 100th Anniversary or Centennial. Has the Minister and his department had an opportunity to pursue some of the requests - I refer particularly to the requests having to do with the help that is being requested for the Mennonite Museum at Steinbach - has his department had any opportunity to pursue that request favourably?

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

HON. RENE E. TOUPIN (Minister of Tourism, Recreation and Cultural Affairs) (Springfield): Well, Mr. Speaker, it's difficult to indicate if we favour a request favourably before it's government policy, but there has been a revision made by officials of the department. Cabinet has been appraised of the recommendations and hopefully the House and the general public will be made aware of that decision very shortly.

MR. ENNS: Thank you, Mr. Speaker, I'll await that decision. I direct a question, Mr. Speaker, to the Honourable Minister of Health and Social Development. My question is simply this to the Minister, that when the College of Physicians and Surgeons has licensed an

## ORAL QUESTIONS

(MR. ENNS cont'd) . . . MD to practice in the province, and when the MD is prepared to go to Leaf Rapids to practice, could the Minister indicate on what grounds and on what authority an architect from the Tulchinsky group may say that such a person is unsuited to practice in Leaf Rapids?

MR. SPEAKER: The Honourable Minister of Health.

MR. MILLER: Mr. Speaker, I am not responsible for what somebody writes either in the newspaper or in a letter. I know of no such incident; I have asked, I have inquired, I am not aware that that occurred. There were advertisements run - well that's harassment - there were advertisements appearing from time to time by the Community of Leaf Rapids seeking medical practitioners to settle there. A number of applications came in, including applications to some people who are not licensed to practice in Manitoba, but I know of no incident and have not been able to verify whether that statement is true. As a matter of fact the indication to me is that at no time was the individual mentioned; at no time did he ever turn down an application and at no time did he indicate that any particular man who was qualified and who was licensed should not practice. So that I have to say that to my knowledge the allegation in that letter is incorrect.

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

MR. J. PAUL MARION (St. Boniface): Thank you, Mr. Speaker, I direct my question to the Honourable the Minister of Health. Will the Minister advise what competent medical staff is presently in place at the Leaf Rapids Clinic?

MR. SPEAKER: The Honourable Minister.

MR. MILLER: I'll see whether I can find his name here - I think it's Dr. Oey who was at the Deer Lodge Hospital and he is now in Leaf Rapids on a three-month locum and will stay there at least three months, at which time another doctor has been hired by the Board of the Leaf Rapids Health and Social Centre. He'll be coming in sometime in May - and it's possible that the man who's now there on the locum may stay on, but in any case a new man will be coming in in May.

MR. MARION: A supplementary, Mr. Speaker. Notwithstanding some of the explanations that have been given by the Minister with respect to replacement will the Minister indicate what action is being taken to ensure that the four resignations are taken care of with as little delay as possible?

MR. MILLER: Well, Mr. Speaker, of course they will be done as expeditiously as possible. When you talk in terms of four resignations, I want the House to understand that these four are not residents of Leaf Rapids, aren't and haven't been; they are residents of Lynn Lake, where they have their own clinic; they came into Leaf Rapids three times a week - not all four, but one at a time or occasionally two. They would come in to service Leaf Rapids. And I think everyone agreed, including the people from Lynn Lake, the doctors from Lynn Lake, that in fact Leaf Rapids should have its own resident doctor, but that wasn't feasible until the community grew to its present size. Even now it's still somewhat small, but certainly at the pace in which it's growing, within the next six months to a year that it will then be able to sustain one doctor and then two doctors full time.

MR. MARION: Mr. Speaker, the Minister has been very good in giving us . . .

MR. SPEAKER: Question please.

MR. MARION: . . . due to the complete explanations that were given by the Minister I wonder if again I might repeat my question . . .

MR. SPEAKER: Order, please. A repetition is not necessary.

MR. MARION: Will there be for the community of Leaf Rapids adequate medical health from now until the second doctor in May arrives?

MR. MILLER: Mr. Speaker, it's my understanding - firstly, there is a doctor in place now. It is also my understanding that the doctors in Lynn Lake have agreed that they would handle emergency services. I'm also advised that contact is being made with the Thompson Hospital - which is of course a much larger group practicing in Thompson and the Thompson Hospital as well - for the major kind of back-up services that will always be required in Leaf Rapids and I gather that's now taking place.

MR. SPEAKER: The Honourable Member for Arthur,

MR. J. DOUGLAS WATT (Arthur): Mr. Speaker, I direct a question to the Minister of Agriculture, if he has time to listen. My question, Mr. Speaker, is in regard to the present

## ORAL QUESTIONS

(MR. WATT cont'd) . . . referendum on seed grains. I'd like to ask the Minister if applications for a vote on the seed grain situation in the province of Manitoba have been sent out to all those farmers that qualify, and who does qualify to vote?

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture)(Lac du Bonnet): Mr. Speaker, a ballot went out to all those people listed with the Canadian Wheat Board.

MR. WATT: Will the Minister answer . . .

MR. USKIW: The question has been answered on numerous other occasions, but for the benefit of my honourable friend from Arthur, the ballots went out to all producers who are registered with the Canadian Wheat Board, who have permits with the Canadian Wheat Board.

MR. WATT: Mr. Speaker, on a point of privilege then, I suggest to the Honourable Minister . . .

MR. SPEAKER: Order, please. A reply is not a point of privilege. The Honourable Member for Rhineland.

MR. ARNOLD BROWN (Rhineland): Thank you, Mr. Speaker. My question is to the Minister of Health and Social Development. As a simple statement of fact, can the Minister indicate whether it is government policy to have primary care in community clinics provided by nurse practitioners?

MR. SPEAKER: The Honourable Minister of Health.

MR. MILLER: Mr. Speaker, when you say it is the policy of government - primary care is very often made available only through nurse practitioners because that's the only service there is. In many northern communities that's all that is there, are nurse practitioners - and if we didn't have them then, frankly, the public would really be in trouble. In the case of Leaf Rapids, there were doctors coming in from Lynn Lake Mondays, Wednesdays and Fridays; but Tuesdays, Thursdays, Saturdays and Sundays there was nobody there, and it's better to have nurse practitioners than nobody.

MR. BROWN: To the same Minister, Mr. Speaker. Will the government ask the College of Physicians and Surgeons to investigate the use of nurse practitioners in Leaf Rapids in diagnosing patients' illnesses and then prescribing and dispensing drugs, both of which are against the law?

MR. MILLER: Mr. Speaker, the fact of the matter is that the College of Physicians and Surgeons recognizes where no physician is available, that the realities are that someone has to do it, and this has been going on for decades in Manitoba. It's not as bad now as it used to be, but there are areas of Manitoba where no medical doctor is available, and nurses on the spot to within the means of their ability do treat patients.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY McKENZIE (Roblin): Mr. Speaker, I wonder if I could have leave to make an unpolitical announcement today.

ANNOUNCEMENT

MR. SPEAKER: The Honourable Member have leave? The Honourable Member for Roblin.

MR. McKENZIE: Well, Mr. Speaker, I'm pleased to announce today to the Members of the Legislature and to the people of Manitoba that the Town of Roblin has declared this week as the week for celebrating the Taras Shevchenko week. This is the 113th anniversary of --(Interjection)-- Taras Shevchenko Week.

MR. SPEAKER: Order, please. Order.

MR. McKENZIE: Mr. Speaker, it's the 113th anniversary of this great Ukrainian Author, Painter, Academic and Historian, and so the people of the town of Roblin and the community have seen fit to honour this great man for all this week and the ceremonies will wind up on Sunday with a concert and a big dinner in honour of this great Ukrainian man. Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Assiniboia.

ORAL QUESTIONS (Cont'd)

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, I have a question to the First Minister. I wonder if the First Minister or any of the government officials had any discussions with the Mayor of the City of Winnipeg or its official in respect to the Land Speculation Tax?

MR. SPEAKER: The Honourable First Minister.

## ORAL QUESTIONS

MR. SCHREYER: Well, Mr. Speaker, there was discussion last year and again last week in terms of exploring through discussion some alternative of tax revenue sources that might be open to the City of Winnipeg or any urban municipality, and the concept of a Land Speculation or Enhancement of Value Tax as a substitute for Capital Gains Tax was considered.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Have the First Minister or government had any negotiations with respect to growth tax such as liquor and so on with the sharing of growth tax with the City of Winnipeg.

MR. SCHREYER: Well, Mr. Speaker, that was part of the discussion, again last year and last week with the Mayor and with certain representatives of the elected council of the City of Winnipeg, including the relative merits of proceeding to levy on behalf of a municipality or municipalities a growth tax field such as they may request.

MR. PATRICK: A supplementary, Mr. Speaker. Has the City of Winnipeg now rejected completely the Land Speculation Tax?

MR. SCHREYER: Mr. Speaker, I repeat these were discussions to explore the relative merits of alternative courses of action open to the city for increased revenues to meet projected increases in demands for services in the years ahead. I don't believe that any proposal was accepted or rejected, it was discussion.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. HENRY J. EINARSON (Rock Lake): Mr. Speaker, I direct this question to the Minister of Agriculture, as he is also the Minister of Co-operative Affairs. In view of the increased prices being --(Interjection)-- Well, Co-operative Development - I'm sorry then, Mr. Speaker - or co-ops in general in northern Manitoba.

MR. SPEAKER: Order please.

MR. EINARSON: My question relates to the increase in prices being paid to fishermen that is commercial fishermen, from the Freshwater Fish Marketing Board - and the price having gone up two to three cents a pound. I wonder if the Minister can inform the House as to what steps has been taken to insure that the fishermen of South Indian Lake will receive the same increase in price.

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: Mr. Speaker, the honourable member knows that the Freshwater Fish Marketing Corporation does govern the price of fish in this province as indeed it does I believe in four or five provinces as well as the Territories so that it's not the function of our department to set prices.

MR. EINARSON: Mr. Speaker, on a general question. Will all fishermen who fish out of all lakes in northern Manitoba benefit from this increase in price as announced by Mr. Moss, who is in charge of the Freshwater Fish Marketing Board?

MR. USKIW: Again, Mr. Speaker, it's a matter that is not germane to this House. It is something we have no control over.

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSEN: I'd like to direct my question to the Minister of Agriculture, and ask him if he can confirm that he'll be meeting with representatives of the Women's Institute on Thursday, March 28th?

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: Mr. Speaker, I have a practice of meeting with any group that wishes to meet with me, and I meet with the Women's Institute once or twice a year.

MR. JORGENSEN: A supplementary question. I wonder if the Minister would indicate whether or not he will break a long standing tradition that he has held since he's been a Minister, and listen to them this time?

MR. SPEAKER: Order please. Order please. I thought that we had agreed we would abide by the rules, especially the people that are supposed to be leading the House in respect to rules. The Honourable Member for St. James.

MR. GEORGE MINAKER (St. James): Mr. Speaker, my question is to the Minister of Health. I would like to ask the Minister: is it the government's position that the practices of medicine by nurse practitioners is an acceptable or preferable alternative to the practice of medicine by medical doctors?

MR. SPEAKER: The Honourable Minister of Health.

MR. MILLER: Mr. Speaker, where there are doctors, then it is preferable that of course

## ORAL QUESTIONS

(MR. MILLER cont'd) . . . they do the treatment; where there are no doctors, then of course nurse practitioners should do them - and if there are no nurse practitioners, then I suppose a citizen on the street seeing someone in trouble would try to help his fellow human. That would be the least - well, the least acceptable alternative, but I think that would be the main thing to do, and I would support one citizen helping the other.

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

MR. MINAKER: Thank you, Mr. Speaker, My question is to the Minister of Mines and Natural Resources. Is it the intention of the government to take over the operation of Abitibi Pulp and Paper Company at Pine Falls?

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

MR. GREEN: Mr. Speaker, the government is presently negotiating with the Abitibi Company relative to timber permits involvement in the exploitation of the timber resources belonging to the people of Manitoba.

MR. MINAKER: Thank you, Mr. Speaker. Is the government currently negotiating with Abitibi Paper on any other aspect of the operation besides those mentioned by the Minister?

MR. GREEN: I intended in my answer to be comprehensive; if I wasn't I now am. Mr. Speaker, I have another response to the Honourable Member from St. James, who asked me some time ago whether - or asked the Acting Minister to confirm that eastern Canada sales agent for Churchill Forest Industries in the sale of kraft paper is a competitor who also manufactures kraft paper in their own mills. The answer is that the sales agents of the company for unbleached kraft paper in Canada is Consolidated Bathurst (?). Although this company is a large producer of papers of various kinds, it does not produce large quantities of the kind of paper produced at The Pas. To overcome any possibility of a conflict of interests on their part, the contractual arrangement contains the following provisions: They agreed to dispose of a certain minimum tonnage in each year of the contract. These minimums have always been exceeded, the first year by 20 percent, the second year by 220 percent - and in the third, which is the current year, it is projected that it will be by 500 percent. The management of the Forestry Resources Limited Company retains the right to allocate tonnage to the individual customer, and the sale price of the paper is at current Canadian market price.

MR. SPEAKER: The Honourable Member for Minnedosa.

MR. DAVID BLAKE (Minnedosa): Thank you, Mr. Speaker. My question is to the Honourable the Minister of Agriculture. I wonder could he inform the House, in view of recent representations made to him and to members of his Department by the concerned users of A-1 in Manitoba, if he is now considering an amendment to Bill 120?

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: Mr. Speaker, any amendment to Bill 120 would be to strengthen the features of it rather than to weaken it.

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

MR. ASPER: Mr. Speaker, my question is to the Minister for Mines, supplementary to the question put to him by the Honourable Member from St. James. Could he confirm that in his negotiations with Abitibi, the Government of Manitoba has requested an opportunity to purchase equity in stock in Abitibi?

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, I believe that when negotiations are in process, it is prejudicial to one of the negotiating parties to be revealing a great deal of the negotiating position.

MR. ASPER: A supplementary, Mr. Speaker, Can the Minister confirm that then, stock participation is a factor in the negotiations?

MR. GREEN: Mr. Speaker, I would repeat the answer that I made to the previous question.

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

MR. ASPER: Mr. Speaker, I'd like to ask the Minister for Health a supplementary question to something asked before by me. Would he indicate to the House whether the . . .

MR. SPEAKER: Order please. The Honourable Minister of Labour.

HON. RUSSELL PAULLEY (Minister of Labour)(Transcona): On a point of order, I would suggest to my honourable friend, the Leader of the Liberal Party, that if there are supplemental questions, they should be asked at the time that the main question is posed and not some time later because we are not able then to follow the trend of the questioning.

## ORAL QUESTIONS

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

MR. ASPER: I concur with what the Honourable Minister of Labour said, and I'll put a question to the Minister of Health. Would he indicate to the House whether the patients whose records were examined by Miss Komus were asked in advance whether they consented to have their records examined and did they say they could be examined?

MR. SPEAKER: The Honourable Minister of Health.

MR. MILLER: Mr. Speaker, I can't answer that question out of knowledge. I doubt it, because the procedure is to examine - it's not a matter of examining the records, it's a matter of examining the method in which the records are kept. It's not a matter of breaking confidentiality or prying. The technician in charge of records was there at the time, and so the information that they wanted was to ascertain whether the method which Leaf Rapids had started in keeping the records was in harmony with the system used generally. It was not a matter of searching to find out anything about a particular patient.

MR. ASPER: Well, Mr. Speaker, to the same Minister. In the interests of curtailing the questions on the same subject, would he consider making a statement to the House regarding the precise nature of the technique for safeguarding confidentiality of medical records that he and his department observe, and if found necessary, introduce legislation to safeguard that confidentiality by statute if he finds it necessary.

MR. MILLER: Mr. Speaker, these things are under the direction of a board that does exist, whether it be in a hospital - a hospital board has its own method of doing it, its own bylaws, its own record-keeping systems - and they have people who have access to these files, it's not the department as such. In the case of Leaf Rapids, their board too will be establishing procedures now that they are going on track. The matter here was to assist the board in trying to establish a system, and it's my understanding that the recommendations of this woman who was out there were accepted and agreed to and the method of record-keeping will now be in line with the recommendations made.

MR. ASPER: Yes, a final supplementary. Will the Minister give an assurance here and now to the people of Manitoba that their medical records are not a hunting ground or cannot become a hunting ground for any civil servant in any department, as appears to have been the case here or in the case in the Grace Hospital issue of about a year ago.

MR. MILLER: I am not aware of the Grace Hospital issue a year ago. --(Interjection)-- I see. I don't recall that case either, But I can assure the honourable member and all members that medical records are confidential; that they're not open to the public at large, they're not open to prying eyes, they are only open to those who have the right - and the charge really, the responsibility of looking at them for reasons that the practitioner himself has to, or the facility; the hospital has to, because they have to have access to these records - and if the member is concerned that records are being made available to the public, I can assure him that that is not the case.

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

MR. HARRY E. GRAHAM (Birtle-Russell): Thank you, Mr. Speaker. My question is also for the Minister of Health. I would like to ask the Minister of Health, when the meeting was held to elect the advisory board at Lynn Lake?

A MEMBER: Or Leaf Rapids?

MR. SPEAKER: The Honourable Minister of Health.

MR. MILLER: When was it held? I really don't - I haven't that information.

MR. SPEAKER: The Honourable Member for Roblin.

MR. McKENZIE: Mr. Speaker, I have a question for the Honourable the Minister of Tourism and Recreation and Cultural Affairs. Mr. Speaker, since many of the selling agents that are supporting charitable organizations and are planning a centennial project for Winnipeg's centennial year, I wonder can the Honourable Minister advise the House for the benefit of these agencies, the specific split or revenues that they can anticipate under the proposed WestCan Lotteries legislation?

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

MR. TOUPIN: Mr. Speaker, I intend to give some of these details when the bill before us is presented for second reading and in answer to questions brought therefor in regards to Bill 27. I have not the details before me now, but some of these details will be brought to the House on presentation of the bill on second reading.

## ORAL QUESTIONS

MR. McKENZIE: Another question for the Honourable Minister, Mr. Speaker. I wonder would the Minister consider holding further consultations with the selling agencies before these percentages are real firm?

MR. TOUPIN: Well, Mr. Speaker, my predecessor and myself have held several meetings with the agencies involved in the selling of tickets now. Those agencies will be able to make representation to committee of this House pertaining to their desires or their recommendations when the bill is before the House for second reading and hopefully this will give them enough time to make their thoughts known.

MR. McKENZIE: Mr. Speaker, I have another question for the Honourable the Minister, and it's for information. Who will the directors be and what role will the Manitoba Lotteries Commission continue to play in the WestCan development?

MR. TOUPIN: Well, Mr. Speaker, there will be at least two structures, one being for the participating provinces, now being four plus the Yukon, representation from each province - then there will be at least one set up in each province dealing with the distribution of revenue. And again, some of those details will be made available to the House on second reading.

MR. McKENZIE: A supplementary question then, Mr. Speaker. Mr. Speaker, to the Honourable Minister. If all the provinces haven't completed the proposed WestCan legislation in time for ticket sales to begin before the Manitoba Derby draw, is there some provision where we could carry on with the Golden West Lotteries until the provinces have all firmed up their legislation?

MR. TOUPIN: Well, Mr. Speaker, it was indicated at the last meeting in Regina attended by three Ministers, and the Minister of Alberta being represented, that failing the proclamation of legislation by all four provinces concerned that the Manitoba Lotteries Commission would continue. But it is hoped that by June 1st that we would be able to embark on the inter-provincial lotteries commission.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): To the Honourable the Minister of Mines. With reference to the Standing Committee meeting tomorrow morning at 10:00 on Economic Development, which will consider the Communities Economic Development Fund statement, I wonder if the Minister could arrange to have available to the members of the Committee those statements for companies within which Manitoba has an equity that were missing at the last Economic Development Meeting, including the Annual Statement for Saunders Aircraft. I think there were about four that were missing.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Well, Mr. Speaker, I don't think that I can do that, but those will be forthcoming when the Development Corporation comes back before Committee. Tomorrow it will be the Communities Economic Development Fund which is before Committee. But when the Manitoba Development Corporation comes back, I expect that Mr. Parsons will try to have those statements available. The practice that we are using is that he will be presenting the statement when he appears at a meeting. In the absence of him doing that, people make all kinds of comments on these statements based on trying to use figures without getting explanations as to what they mean from time to time.

MR. MCGILL: A supplementary question - in view of the fact that it is helpful to the opposition to have some time to examine these statements in order to ask questions of the MDC director, could the Minister not arrange, if they are now available, to give us those in advance of the meeting.

MR. GREEN: Mr. Speaker, what we will do is make sure that you have time to examine them before the chairman deals with them but I will not, Mr. Speaker, attempt to - I believe that what my responsibility is to try to be helpful to the people of the province of Manitoba. I believe that some of the statements, when they appear without the chairman being able to deal with them, are used in such a way as to be harmful or as an attempt to be harmful.

MR. SPEAKER: The Honourable Minister of Health.

MR. MILLER: Mr. Speaker, the Member for Birtle-Russell asked a question with regard to increasing the drug security at The Pas Hospital. Apparently in December there was a break-in in the drug section of The Pas Hospital. Because of that, the RCMP were called in to inspect the situation and although it was found the security did meet the federal inspection regulations, nonetheless on the advice of the RCMP there were additional safeguards

## ORAL QUESTIONS

(MR. MILLER cont'd) . . . built in in the form of a stronger safe and window bars. This was done early in the year and so the need for further security apparently doesn't seem to exist.

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

MR. GRAHAM: . . . Mr. Speaker, can the Minister indicate how many break-ins there has been since that further security has occurred?

MR. MILLER: To my knowledge, none.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I have a question for the Minister of Industry and Commerce. I wonder if the Minister of Industry and Commerce has met with the CAE representatives to offer assistance to seek additional work to the five 707 Jets that have been secured from the Defence Department.

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

HON. LEONARD S. EVANS (Minister of Industry and Commerce) (Brandon East): Mr. Speaker, while I have not met recently with officials of CAE, I can assure members of the House that there has been continuing liaison between that organization and myself and senior officials in the Department of Industry and Commerce.

MR. PATRICK: A supplementary - has the Minister made any requests to Air Canada or any other aircraft industry for additional work for CAE in the last two weeks?

MR. EVANS: Mr. Speaker, the matter of obtaining aircraft overhaul work for Winnipeg is a matter that we have been very concerned with over the past several years. It's a matter that has involved a great deal of our time, and I can answer in the positive, in the affirmative - not only myself, but also the First Minister has had direct communication with people in Ottawa, including the Prime Minister and other Ministers of the Crown, including the Honourable James Richardson and the Honourable Jean Marchand.

MR. PATRICK: A supplementary - in addition to Air Canada, can the Minister tell the House what other aircraft industries he has been in contact with?

MR. EVANS: If I heard him correctly, the question was - could I advise you of other aircraft industries that I'd been in contact with - in what regard, Mr. Speaker?

MR. PATRICK: In respect to seeking additional work for CAE in Winnipeg.

MR. EVANS: Well, Mr. Speaker, I'm not quite clear as to what the honourable member is getting at, but I can assure you that my major concern as Minister of Industry is to enhance the level of employment in the province of Manitoba and therefore we are doing our utmost to see that this objective is fulfilled.

MR. SPEAKER: The Honourable Member for Radisson

ECONOMIC DEVELOPMENT COMMITTEE

MR. HARRY SHAFRANSKY (Radisson): Mr. Speaker, I have a substitution for the Economic Development Committee, substitute the name of the Honourable Minister of Northern Affairs for the Member for Flin Flon.

ORAL QUESTIONS (Cont'd)

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

MR. MARION: Mr. Speaker, I'd like to direct my question to the Honourable the First Minister. Do the government plans to increase its subsidies to the Public Transit System of the City of Winnipeg include cost sharing of regional parking lots that would serve at main terminal points of the Transit System of the City of Winnipeg?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, we announced in the Budget on Thursday a new formula which will in fact, Sir, be providing for the province to assume fifty percent of the operating deficit incurred by the City of Winnipeg in the operation of Urban Transit. In addition to that the specific that my honourable friend is referring to, if it is not part of the normal operations of Urban Transit, then it is still, however, open for consideration under the innovative urban transit program which we announced several months ago, and it is up to the city to indicate the extent to which they wish to give that any priority.

ORDERS OF THE DAY

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

MR. GREEN: Yes, Mr. Speaker, I wonder if we could now proceed to deal with the adjourned debate on the Budget.

## ORDERS OF THE DAY

MR. SPEAKER: Adjourned Debate on Budget, very well. Proposed motion of the Honourable Minister of Finance. The Honourable Leader of the Opposition.

BUDGET DEBATE

MR. SPIVAK: Mr. Speaker, last year in my reply to the Budget Address, I pointed out the role that political philosophies play in questions of taxation, and noted with regret that the Budget brought down by the Minister of Finance, did not speak to the problems faced by the citizens of our Province. Mr. Speaker, these observations are equally valid today. The government continues to be overwhelmed by the significance it attaches to its version of a political philosophy - so much so, that it continues to ignore - certainly its actions in the past have only served to aggravate the pressing problems of our day. Mr. Speaker, the New Democratic Party Government has no policies and no programs, it has no strategies and no tactics to provide long term solutions to the problem of spiralling consumer prices, of permanent jobs and adequate incomes.

We have been treated once more in this Budget to another round of the numbers game, to a statistical recital of how the various economic indicators have performed. It's an interesting and all too familiar recital. The figures must sound impressive. They read well. But they do nothing to solve the problems of prices beyond the reach of lagging consumer incomes, of the provision of a steady job at adequate income levels. These figures do not reveal, if anything, Mr. Speaker, they conceal the real economic facts, the basic economic facts of inflation unemployment, poverty and deprivation and of mounting welfare expenditures.

The number game is a convenient device, a device that masks the government's failure to overcome income disparities between the various groups and the various regions of the province. Mr. Speaker, I suggest that the inequities and the injustices persist. They clearly attest to the government's failure in nearly five years of office. The onslaught on the prosperity of Manitobans continues and persists. So too does the poverty of large elements in our society the aged core, the working poor, the Indian, the Metis and others who are disadvantaged and dispossessed. The attack by the New Democratic Party on the relatively few with ability to pay has not, I suggest, solved the problems of the majority with little or no ability to pay.

And in the Throne Speech reply, Mr. Speaker, and in the debate, I tried to suggest that two major problems or issues would face this Assembly: first, the problem of inflation and the cost of living; and secondly, the question of openness and accountability in government. In the two months that have elapsed since this session began, nothing has happened to make me revise that view: inflation continues to beggar every member of the community, and the situation, Mr. Speaker, with respect to the fishing co-ops, the Communities Economic Development Fund, the Manitoba Development Corporation and Manitoba Hydro has brought home the need for openness and accountability in the governmental process.

The Budget, as the major statement of the governmental financial policy fails to address itself to either of these problems. It fails in the most direct manner to deal with any of the ways in which it's own conduct - that is the conduct of the New Democratic party government - fans the fires of inflation; and it contains a great many statements about the economy and its own conduct which, in the closed shop environment of this government, are not readily subject to an independent examination and verification.

Mr. Speaker, a reform government in the 1970s, dedicated to the concept of the improvement of the quality of life, would have accomplished, with the revenues available, at least as much and probably a great deal more than this government has. But the serious flaw in their approach, is that the actual realization of their objectives cannot be proven or documented by any of the indices which they are so fond of using. It is for this reason, that while they in the past have denounced the indices of crude growth, they have increasingly relied on them because they have failed to devise an alternative method of assessment.

Mr. Speaker, I do not believe that the government really has a policy. Some of the opponents of this government, including many who sit in my party, have long been concerned about an NDP socialistic blueprint for Manitoba. Well, Mr. Speaker, as the chaos and confusion and the result of bad advice and mismanagement settle around our ears, it becomes increasingly clear either that they lack such a blueprint or that they cannot understand it themselves. Most of us, despite our political differences, would welcome some sign - any sign - that the government has a coherent plan for which it is working, but there is a great

## BUDGET DEBATE

(MR. SPIVAK cont'd) . . . . gulf between the government's record and its rhetoric, and neither of them are particularly coherent. Instead, we have a patchwork of programs, many of them with laudable objectives; but only rarely are they related one to another, and hardly ever are we provided with a means of evaluating their success. Instead, Mr. Speaker, we are given annual recitations by the Minister of Piety about the growth indicators, the same ones, which in opposition, the New Democratic Party had denounced as meaningless.

We recognize and accept the intent of such measures as the abolition of Medicare premiums and bringing nursing home care under Medicare; but, Mr. Speaker, we have no discernable proof that the benefits of those measures have not already been eroded by a ravishing and ravaging level of inflation.

Mr. Speaker, there are no statistics which will prove the position of the disadvantaged has really improved in Manitoba. And Mr. Speaker, if there is one criticism to be offered, it is the fact that the government has traded on the basis that they have improved the lot of the disadvantaged, and I suggest that they cannot prove that. Mr. Speaker, their own Barber Report essentially indicated that in the review of the period of time of the NDP government, with all of their programs, with all the money that was spent, there was no improvement whatsoever. But in addition to that, Mr. Speaker, we have one set of statistics which demonstrate clearly that one major disadvantaged group is now worse off, relative and absolutely, than they were in 1969. Now Mr. Speaker, according to the Guidelines for Manitoba, on page 60 of Volume 3, the average earned income in northern Manitoba by the Indian communities was \$1,735 in 1969. According to the same survey by the Federal Government, the most recent data, the average income has now dropped to \$1,245. Mr. Speaker after four years of NDP progress, the per capita income has increased in this province by 42 percent, and the Indian per capita income has declined by 30 percent. Now, Mr. Speaker, did the government know this statistic, or did they ignore it?

Mr. Speaker - well, I say to the honourable members opposite - with the money that was spent on winter roads, with the money spent by the government in all the programs, with the volume that was spent on Hydro, with the almost \$500 million that was spent in the north, how can the statistical data now indicate that there has been a drop in the Indian income by \$500? And how can the members opposite say, that insofar as they are concerned, in terms of the target groups which this party on the opposite side claims that they are concerned about, that they have really improved their condition. Mr. Speaker, the Economic Council of Canada, in its 8th Annual Report has dealt with the question of the difficulty of determining through the statistical data and the economic indicators the question of whether there has been an improvement in the quality of life. And I refer to page 21, to one portion in Chapter 3 called: "Decision Making - a Review of New Approaches." And I quote: "As these perceptions about the goals of policy were being developed, it became increasingly apparent that in many areas there was little reliable information on where society was or where it has been, let alone where it was going." Mr. Speaker, on Page 32: "Experience has shown that public expenditures can become self-justifying." That is, instead of assessing the results in the light of previously established objectives and intended results, the objective, Mr. Speaker, is inferred from the actual results itself.

Mr. Speaker, it's my intention to deal in this debate on certain subject matters, and I would now like to address myself to the problem of the economic indicators. The continued use by the government of the data before us which is contained - were both in the Minister's speech and the appendices to the Budget Address - presumably represent an intent to indicate that it is maximizing the general well-being of Manitobans. With that kind of principle, Mr. Speaker, there can be no quarrel, but a year ago in the Guidelines for the Seventies the government noted itself the inadequacy of precisely these conventional indices of economic growth; nonetheless, Mr. Speaker, here they are again. Indicators such as gross provincial product, the level of investment, the employment rate and so on, are not really adequate to measure social costs and social benefits. In many other jurisdictions efforts are being made to develop more satisfactory social indicators. This should be taking place here with a view to producing statistical aids that will be not only precise but realistic. Until, or unless such greater precision is achieved, members of the public can hardly be blamed for feeling that concerns for maximizing the well-being are really nothing but pious rhetoric.

## BUDGET DEBATE

(MR. SPIVAK cont'd)

Now when we examine the indicators Mr. Speaker, when we look to the question of public and private investment, we must realize that the proportion of public investment in the economic indicators is not generally understood and is generally underestimated. Where it is listed as private sector involvement, there is in fact, Mr. Speaker, significant public sector involvement, in that housing is included and in that the work of the MDC in its joint venturing and equity participation and continual loss, which results in some additional capital investment, are all included in those factors. So in both cases the public investment is being represented, Mr. Speaker, as part of the private sector. So when the honourable gentlemen get excited because the statistical data shows the private sector is up, what they must remember is that it's the component part of the public sector in that private sector that has been up.

Now the Minister, Mr. Speaker, admits this when he cites these figures for the benefit of those who are impressed with them and I'd like to, if I may, quote his exact words. Mr. Speaker, in Page 3 of his Budget Address, he says: "For the record, and for those who lay great stress on statistics, I feel I should also list the over-year percentage increase in some of the major sectors of the Manitoba economy." The implication, Mr. Speaker, is that he doesn't regard them as persuasive. Well I have to suggest, neither do we. But without them, Mr. Speaker - but without them, what has he got? What has he got without them, Mr. Speaker? The statistical data in the north he wasn't prepared to produce. The Department of Finance who used the post office of the Bureau of Statistics which cost the public \$250,000 wasn't prepared to produce those statistics which in fact would have indicated in some measure as to whether the government had been able to achieve something within the target, something discernable with respect to the target area that they would be directing their attention.

But, Mr. Speaker, let's look at the statistics that the Minister indicated. He indicates that the value of agriculture input-output is up nearly 90 percent. Mr. Speaker, the government can take no credit for that. The farm statistics and agriculture statistics show improvements which have been due to factors beyond their control - and, Mr. Speaker, really in spite of them. Even the Minister of Agriculture can't prevent prosperity on the farms at the moment. When he had the opportunity, Mr. Speaker, to improve the situation - in the co-ops - the situation speaks for itself - or will, Mr. Speaker, if the government will allow it.

Well, Mr. Speaker, let's look at the value of mineral resource output, up about 30 percent. Now I don't think the Minister of Mines and Natural Resources would suggest other than there's been an increase in the demand for minerals. This has occurred almost entirely as a result of national and international factors and in spite of the government-inspired uncertainty about the mineral development policy.

Now, Mr. Speaker, we look at the question of the value of manufacturing shipments, up more than 20 percent. Well here we take into the factor of inflation, and I suggest that this increase has incurred in spite of Mr. Bubbles, and he certainly cannot take credit for that.

When we were in opposition, Mr. Speaker, we were accused of being concerned with crude growth.

A MEMBER: Who is Mr. Bubbles?

MR. SPIVAK: Mr. Bubbles, our Minister of Industry and Commerce, has said they were interested in selected growth. Mr. Speaker, in fact there has been no growth for which this government can take credit. There has been growth in public spending, there has been growth in the civil service, there has been growth in the losses of the Manitoba Development Corporation, in the Co-ops; but where real expansion has occurred, it has been an area beyond the reach of this government. The statistics, and the numbers game played by the Minister are important for what they do not reveal, and that is how effectively they have been in helping the disadvantaged.

Mr. Speaker, the Minister of Labour will cite the fact that unemployment statistics are at one level or another, and continually ignores the fact that those who are treaty Indians are not included in those statistics. And if one takes the fact of those who are employable that are not employed, one recognizes as well that there is another three to four percent increase that should occur. Mr. Speaker, out-migration has been and continues to be a problem in this province, and if there was an examination as there has been of the demographic studies, it will show that this continues to be a nagging problem for this province. And it will further show, Mr. Speaker, that out-migration is most pronounced among those between the ages of 25

## BUDGET DEBATE

(MR. SPIVAK cont'd) . . . . to 54. And these, Mr. Speaker, are the people we can least afford to lose.

Mr. Speaker, personal disposable income per capita reflects the growth of government and it's indicated and shown, Mr. Speaker, in the statistics referred to by the Minister in the Appendices to the Budget. But personal disposal income is up, Mr. Speaker, because of the rise of public, both federal and provincial spending; because of the rise of the civil service, and because of the attending costs that have occurred as a result of that. Mr. Speaker, if in fact that had not taken place; if public spending had not risen, personal disposal income in this province would not have occurred in the manner or to the account that the government would like to suggest. And then when one takes the factor of inflation, one realizes that in effect there has been, as I suggest, no growth.

Now there's an interesting factor, Mr. Speaker, dealing with the civil service. Since 1969 the percentage increase in population in Manitoba has been 2 percent, that's increase from 1969 to 1973. The civil service, Mr. Speaker, has increased by 35 percent. And, Mr. Speaker, the cost of the civil service, the cost attendant of the civil service, the salaries are directly related in the factors dealing with personal disposable income. So, Mr. Speaker, when the government stands and tries to indicate that the real wealth of the population has gone up, I say that they cannot prove it. I say that the indicators that are available would indicate the opposite for those who are in the disadvantaged sector.

Mr. Speaker, the Minister said as well on Page 4 of the Budget Address: "We believe of course," and I'm quoting him, "that individual growth measurements should not be regarded in isolation as self-evident indicators of economic advancement. It cannot be assumed automatically that favourable aggregate statistics mean that everyone in our province has benefited equitably from the gains which have been recorded. But no one can deny our progress toward that goal. Despite nationwide problems, it is clear that our economy is growing increasingly stronger and more balanced.

Well, Mr. Speaker, isn't that really just rhetoric. We may or we may not have progress, but, Mr. Speaker, the Minister has produced no evidence to indicate that we have. When he says the economy is more balanced - I say, more balanced than what? What possible data can he produce to substantiate this woolly claim?

Now, Mr. Speaker, I'd like to deal with the subject of the budgetary position and equalization. There seems to be a misconception in this province that the government prints money or makes money itself. Well I think - you know even the Minister would indicate it does not - and that should be remembered in looking at the provincial balance sheets. Mr. Speaker, we have a surplus again. We have had a surplus almost every year since 1969.

MR. CHERNIACK: It's not a new position.

MR. SPIVAK: Yes. The Budget surplus in 1969-70 was \$17 million. The Budget surplus in 1971-72 was \$20 million; in 1972-73 was \$5 million; in 1973-74 it was \$52 million; in 1974-75 it is \$52 million. Mr. Speaker, in the five budgets presented by the New Democratic Party, we have a surplus of \$146 million. But, Mr. Speaker, we also have one other factor that must be considered when dealing with this matter and that has to do, Mr. Speaker, with the borrowing for general purposes by the government.

I'm going to deal with the question of capital supply and the borrowing of the government. But I should like to indicate as well, that the government from the moment it commenced operation, commenced a program of borrowing for general purposes that has aggregated \$160 million in the same period of five years that it showed a surplus of \$146 million. And I'd like to point out, Mr. Speaker, that against the five years of the previous government, there was no borrowing for general purposes. So, Mr. Speaker, we have a surplus; that government doesn't print money or make it out of thin air; it either means one of two things, Mr. Speaker - either we've been overtaxed during the period of the five years, or the government borrowed more than it needed - or both.

A MEMBER: Yes, both.

MR. SPIVAK: Mr. Speaker, let me now compare the revenues from the main taxes that affect people in this province from the time that the New Democratic Party took office in 1969. And I'm going to deal with income tax, with corporation tax, with gasoline tax, the sales tax, liquor tax and tobacco tax. Mr. Speaker, today, in the Budget that's being proposed by the honourable Minister, we have an increase from '69 in income tax of \$130 million, or an increase

## BUDGET DEBATE

(MR. SPIVAK cont'd) . . . . of 194 percent. That is, there is \$130 million more being paid by the people of Manitoba, relatively the same amount, Mr. Speaker - there's been only a 2 percent rise in population - relatively the same amount of taxpayers in income tax are paying \$130 million more, or 194 percent. In corporation tax, we have a rise of \$22 million or 82 percent. In gasoline tax paid by the same consumers and paid by the same people of Manitoba, we have a rise of \$10 million or 28 percent. In revenue, Mr. Speaker, in the sales tax, we have a rise of \$65 million or 108 percent. In liquor, Mr. Speaker, we have a rise of \$15 million, or 55 percent. In tobacco, Mr. Speaker, we have rise of five million, four hundred thousand dollars, Mr. Speaker, if we aggregate the figures, we find that from 1969 to the present time in considering the proposals the Minister is bringing forward - on income tax, on corporation tax, on gasoline tax, in revenue, in liquor and tobacco, the people of Manitoba, the same number, will have paid into the provincial coffers, or will have paid in by next year, in addition to what was paid in in 1969 - in addition to what was paid in '69 - 2 billion and 43 million dollars.

A MEMBER: Two billion?

MR. SPIVAK: Two billion. Now that's \$2,000 for every person; that's \$8,000 for every family, Mr. Speaker. Let me now go back to the period of 1964 to '69. During that period of time if you aggregated the amount it was \$824 million. There has been a rise in this five year period of a billion, two hundred million dollars being paid by the taxpayers. So when the honourable members opposite say that we have provided some redistribution, that we have provided some equity and we have in fact provided some ability to the people of Manitoba to assist them, one has to recognize that through income tax, through corporation tax, which is a very small part of this, Mr. Speaker, through gasoline tax, through the sales tax, through the liquor tax and the tobacco tax, they in effect have taken essentially from the taxpayers of Manitoba - without equalization payments from the federal government, without federal taxation being considered, \$2,000 from every person or \$8,000 from every family.

Well, Mr. Speaker, now the question is, look at the services, and I think then we come to the very important factor. Do the services provided by the government justify the degree of taxation? Have they in fact assisted the income disparities of those people who were the disadvantaged? Have they really with their programs that they've offered given to the people of Manitoba a better situation? Have they, in the words of the First Minister, really improved the human condition and maximized the well-being of Manitobans? And I suggest, Mr. Speaker, that they have not. That when one examines, Mr. Speaker, when one examines the condition of the poor, when one examines the condition of our native people, when one examines the people who live in the dispossessed and disadvantaged areas in rural and northern Manitoba, one realizes that notwithstanding everything that the government would like to suggest, they have not, Mr. Speaker, improved the lot of the people with the \$2 billion of revenue that they derived. And, Mr. Speaker, I'm going to talk about borrowing in a few moments, but one must remember that against that we have to add to that another \$2 billion dollars of borrowing, so we have \$4 billion. And one has to say to this reform government who likes to pride themselves on the fact that they have such a great strategy, that they basically know where they're going, that what you really have done is muddle through a number of programs, you have suffered losses in tremendous areas, you have made judgments which have resulted in mismanagement and cost to the people, and notwithstanding that the people have still been able to receive some of the benefits from the money they paid in, but I suggest, Mr. Speaker, that a reform government with purpose and objective, with leadership and with understanding of how they would reach their goals would have done a great deal more. (Applause)

Mr. Speaker, when you look at the balance sheets you find that no account is made for losses. The Manitoba Development Corporation \$40 million. It's either going to be paid or it's going to be borrowed. The fishing co-ops - and you know, Mr. Speaker, this is an interesting thing because the government, the government, Mr. Speaker - well it's not going to be paid back it's going to have to be paid by the people, it's going to have to be reborrowed or . . . the fishing co-ops, Mr. Speaker, and God knows how many millions of dollars have been lost there, and I'm going to talk about that in a few moments, the Communities Economic Development Fund, and we'll start on this tomorrow. And, Mr. Speaker, the Manitoba Agriculture Credit Corporation, because there's at least a million dollars that's lost with respect to the fishing co-ops that the government would like to try and hide. As a matter of fact, Mr. Speaker,

## BUDGET DEBATE

(MR. SPIVAK cont'd) . . . . the government would hope that somehow or other everyone would forget about the fishing co-ops, and they're going to count on the fact that the First Minister will stand up and he's going to try and use his position, his office to defuse the issue. But I want to suggest to the Honourable Minister of Co-operative Affairs and to the First Minister that that's not going to be the case.

Mr. Speaker, it's an interesting thing cause the First Minister has been chasing around trying to get statistics to prove that the fishermen in the period of '68 received less as an example than they receive now, and the problem that he has is the fishermen in '68 were receiving either the same or more than they are now with all his efforts by his Department of Co-operative Development.

Now, Mr. Spivak, I'd like to if I may deal as well with the question of national equalization. If we examine Manitoba's position in the last two years we find some interesting results. Part of the budgetary surplus we have is the result of federal equalization payments but to mention the payments is to draw attention to an underestimated contradiction than what the Minister would have us believe. The Canadian Tax Foundation shows that the Manitoba percentage increase in equalization payments in the last two years was the highest in the country. Mr. Speaker, we received in equalization in the last two years an increase of 94 percent. It was the highest in the country. Nova Scotia was 90, Prince Edward Island was 68, New Brunswick was 64, Quebec was 63, Newfoundland was 56 and Saskatchewan was 51 percent. Since equalization is intended to benefit the have-not provinces and to benefit them most in periods of slow-growth or no-growth there is something here that is curiously out of whack. The Minister tells us that things in Manitoba are getting better and better. If that was really so our federal equalization payments would have declined. Instead they have risen. Either the government or the figures are telling less than the whole truth.

Mr. Speaker, given the policies they pursue and the indices they trot out one has to conclude that this government is taking full advantage of our consumer society and with its hand-aided, the cost-push inflation. It is not difficult to see why this should be true of this government, because the consumer-oriented society and cost-push inflation result in vast increases of revenue to the provincial treasury and expand the government's capacity to tinker with social engineering. The Minister of Finance really should not be called the Minister of Finance, he should be called the Minister of Revenue because throughout his speech - and I'm going to make reference to it as well - he is only interested in one thing, revenue. How much he can take. Revenue from the Federal Government. Revenue. And that's what he's interested in because with revenue, Mr. Speaker, you can buy votes. With revenue you can give it back to the people and make them feel that they are more dependent on the government and make them feel that the government has done something for them. And, Mr. Speaker, that's going to be very important when we discuss the cost of living proposal of the government, you know, the sleight of hand that the Minister used on that and as the Minister of Revenue, when we discuss the question as I will very shortly in connection with the increase in gas prices and what the consumers in this province will pay and what the government really is concerned about and what the government is prepared to do.

From here, Mr. Speaker, I'd now like to deal with the question of mining royalties. And if I may I would like to restate a position that I expressed in the Reply to the Speech from the Throne. The First Minister basically quoted part of this. I think it's important before I present my position and our position in connection with this. I said then and I say now, Mr. Speaker, that there are several propositions on which there would be widespread public agreement.

First, that public fears are increasingly about supply and therefore about the price to the consumer whether in eastern Canada or in Manitoba. Secondly, that there is a growing awareness that properly managed and rationally distributed this nation's energy resources could insure national self-sufficiency for some time to come. Thirdly, that it is possible and imperative to assert the national interest over foreign interests and the primacy of the public interest over the private. And fourthly, that the proposition that applies to energy sources apply only with slight variation to the whole range of non-renewable mineral resources. Fossil fuels may be the source of concern now but the time may not be far off when it will be copper or nickel or other widely-used industrial metals.

## BUDGET DEBATE

(MR. SPIVAK cont'd)

There is an urgent need, therefore, to so devise a policy that the Canadian consumers' interest comes first. We have not anything approaching a realistic inventory of the resources of this province, and still less, any sense of the speed of depletion assuming that current rates are maintained. We have however, as the Premier has said on energy, a responsibility to future generations as well as to the present one. Our natural resources are a public trust owned by the people of this province. It follows from this that the rate of development and the royalty to the public must be determined by the government, but that determination of royalty must take into account two factors: whether it will affect the rate of development in ways that are consistent with public policy and whether the royalty will be at the level that will provide the incentive for continuing private sector investment. The question of royalty rates is complex but those rates should be flexible in ways that will encourage the private sector, Mr. Speaker, to undertake processing in this province, with the spur to secondary industry; new jobs and a more lasting infrastructure that this would entail.

In his reply on the Speech from the Throne the Premier quoted my remarks and indicated that he would look forward to seeing our position when the legislation was introduced. Our position was clear, it remains unchanged, but the legislation, Mr. Speaker, is still to come. Indeed, I suggest, that it is nothing short of bizarre that the Minister of Finance could tell us that he expects to realize \$30 million out of revised royalties without telling this House or the industry how the royalties will be changed. If he had applied this principle to every aspect of the Budget, we would be prevented from discussing any aspect of it. It is nothing short of extraordinary that we should be asked to approve a budget which contains unexplained and unelaborated taxing proposals.

A MEMBER: Hear, hear.

MR. SPIVAK: Mr. Speaker, it is an affront to this Legislature that we are asked to approve an unspecified amount of taxation.

Some members of this House apparently regard the government's statement as a major step towards clarifying their policy. Well, Mr. Speaker, I wish that was so, but it is not; because in their proposals to vest in the Cabinet the power to determine mining royalties, the element of uncertainty is simply being transferred from one level of the political process to another. And on this point there is something further that must be said. The suggestion that a matter of taxation should be vested in the Cabinet strikes at the very heart of responsible parliamentary government as it has developed in Britain and in Canada. Mr. Speaker, the growth of parliamentary government was a direct result of the insistence that the king should not be allowed to tax without the consent of parliament. Any proposal to give such powers to a Cabinet strikes me as a conscious and unnecessary reversal of a practice developed over a long period of time for good and adequate reasons.

A MEMBER: In nine years you've never changed.

MR. SPIVAK: It also seems counter to a growing concern with government accountability, and it matters little or nothing that such measures may have been enacted elsewhere. I submit that the time, Mr. Speaker, is not far off when Canadian governments are going to have to do more rather than less accounting to legislatures and the public, and this is no time, Mr. Speaker, to be adding to the powers that the Cabinet may exercise behind closed doors. If the Legislature could be assembled to deal with a strike it could and should be called in the event that a change in mineral royalties is suddenly urgently required.

Now I want to refer back to a few years ago, Mr. Speaker, when policemen were given the right to strike and the discussion took place both in Committee and in this House at the time. This was before the latest change in The Labour Relations Act. At the time the government said no matter what happened there would be no strike because we would act. The Legislature could be called in immediately to act. And, Mr. Speaker, I suggest if a legislature - and it is acknowledged by the members opposite - could be called in immediately as they could to deal with a strike so could they, Mr. Speaker, be called in to deal with the question of alterations and changes that may be required with respect to taxation and to the levies of taxation.

Mr. Speaker, we are opposed to the proposal on the principle that the Cabinet should not be given the authority to levy a tax and I must say, Mr. Speaker, in the Manitoba case today the actual practice of this government would reinforce our opposition. Surely it must be clear that

## BUDGET DEBATE

(MR. SPIVAK cont'd) . . . . a necessary consideration for the orderly development of our mineral resources is that there be a minimum of uncertainty about public policy and as much good and sensible management as can be provided. Mr. Speaker, I submit that this government's record with respect to Hydro, to the Manitoba Development Corporation, to the fishing co-ops, the Committees Economic Development Fund provides no ground whatever for giving them the power without legislative control to set mining royalties and thereby to control the industry.

A MEMBER: What about Autopac?

MR. SPIVAK: And, Mr. Speaker, make no mistake, that is what may be involved. It has been truthfully said that the power to tax is the power to destroy, and no less therefore, the power to tax is the power to control.

Now, Mr. Speaker, I'd like to if I may deal with the borrowing of the Province of Manitoba. This year we're going to borrow \$700 million. The total borrowing for the five years of the New Democratic Party amounts to two billion and fifty-five million dollars. Now this compares with the borrowing for the five years previously of \$340 million. The rise is six and a half times. Now, Mr. Speaker, in the borrowing that we have of \$2 billion, I have indicated \$160 million of that is for general purposes. The level of borrowing in this province is equivalent to \$2,000 per person or \$8,000 per family, the exact sum of money realized from the people as it happens by the main taxes levied against them.

Now when we look at this, Mr. Speaker, 25 percent of this borrowing is not self-sustaining, notwithstanding what the Minister would like to suggest in his documentation at the end or in the appendices to this Budget, twenty-five percent of this is not self-sustaining and will have to be borrowed by additional taxation from the people of Manitoba or by additional borrowing. Now, Mr. Speaker, when we examine the \$160 million and in the discussions that I have already had with the Provincial Auditor in which I have asked him directly, how does he determine what goes into General Purposes Borrowing, and he says what the government decides goes in and I have to then accept that as the directive. When one realizes that, Mr. Speaker, what they must realize is the \$160 million has for all intents and purposes become a slush fund; a slush fund for the government to be able to draw when required, to create surpluses when necessary, to be in a position to disperse money when they so desire.

Mr. Speaker, I would like to if I may deal with some other proposals in the Budget Address itself. And in dealing with this I would like to deal with them not because they are the only proposals, not because others may not be important but because, Mr. Speaker, they represent certain things that should be discussed and things which should in fact be considered by the honourable members.

First, Mr. Speaker, let me deal with the problem in the statistical data referred to in the study on the education tax rebate. In the Budget Address there is a "Staff Study". In the Staff Study they indicate certain pieces of information. They indicate, Mr. Speaker, that on Page 2 of the Staff Study on the Education Property Tax Credit the following and I want to quote it: "Preliminary estimates indicate that some 292,000 people claimed credits under the 1972 plan. This represents some 60 percent of all those who filed income tax returns for 1972." Now, Mr. Speaker, if that's - and this 292,000 includes almost 61,000 people who had no income tax liability at all. Presumably that would include people who for the first time had filed income tax returns. Well, Mr. Speaker, if approximately 300,000 people claimed credit under the 1972 plan and this represented 60 percent then there must have been approximately 500,000 taxpayers who filed in 1972. Mr. Speaker, if one looks at the record--(Interjection)--Well I'm quoting your statistics.

A MEMBER: You're quoting your assumptions.

MR. SPIVAK: Well, Mr. Speaker, let me read to the Honourable Minister of Finance and let him go back to the Budget and look on Page 2. Page 2 on the Staff Study.--(Interjection)--All right? On Page 2 of the Staff Study.

A MEMBER: He doesn't even know where it is.

MR. SPIVAK: Well let me read it for the Minister and maybe he'll accept my reading of it as correct. All right. "Preliminary estimates indicate that some 292,300 people claimed credit under the 1972 plan. This represents some 60 percent of all those who filed income tax returns for 1972." That means, Mr. Speaker, that 500,000 people more or less must have filed. Now, Mr. Speaker, if we examine the 1971 returns of taxable returns by province we

## BUDGET DEBATE

(MR. SPIVAK cont'd) . . . . find that in 1971 only 321,000 people filed income tax returns in Manitoba. So, Mr. Speaker, that would mean that there's a rise of 180,000. What I think I'm trying to indicate to the Minister and what I think is obvious is that the data that was supplied is incorrect and that an error has been made. And I point this out, Mr. Speaker, because if an error has been made in this particular situation, how many other errors have been made by his staff in dealing with other matters with respect to the education tax rebate and particularly how many errors are being made with respect to the proposal on the cost of living reduction.

--(Interjection)--No, Mr. Speaker. But I must suggest that that error is such a glowing error and because the government from the very beginning has been interested and, you know, the statistical data prepared by them is really not subject to any scrutiny by anyone, they have the information and they present it as a fait accompli, then I must suggest, Mr. Speaker, that there could very well be other areas.

Now, Mr. Speaker, what I'd like to now deal with is municipal taxes and I want to talk now, Mr. Speaker, about the City of Winnipeg and the government's rhetoric about municipal sharing, that is municipal revenue sharing. Mr. Speaker, right now the City of Winnipeg is facing a budget increase of 21 mills or \$28 million with no new levels of service being provided but with salary increases and salary parity being the primary cost. Now, Mr. Speaker, attempts are being made to reduce this amount - and I'm now talking about operating expenses and not capital - and the chief cut will be in the City of Winnipeg in the area of recreation. For the average homeowner in Winnipeg with an average assessment of \$5,000, this will mean an increase of \$105.00 on the municipal part of his taxes alone. Now a government and a Finance Minister with a surplus of \$52 million can talk piously of revenue sharing with the municipalities and with the cities but to try and trade off the rhetoric of revenue sharing and to allow this kind of increase to happen would appear to me to be nothing but an indication of a sham. In much of what the government has done, Mr. Speaker, they have used the rhetoric but when one examines their accomplishment or their achievement or their initiative, you find that what they are doing is not what they are suggesting they were doing. They have tried to give the impression that there is some participation by the government in allowing certain portions of its revenue to go to the municipalities and to the city to be able to relieve their costs. But the fact is, Mr. Speaker, that they are not doing this. Now this is an election year in the City of Winnipeg and the council is going to try and trim this figure. But one has to ask at what cost of service because included in this rise of 21 mills is no additional new service but rather the development of parity among those who were below and in turn among those, Mr. Speaker, who have now had wage increases. Now I wonder, Mr. Speaker, if a government who cannot restrain its own spending can really force the municipalities and the City of Winnipeg to restrain their spending in this way, and as I will deal with so much else that's in the Budget and certain proposals the rhetoric does not indicate . . . .

Let's talk, Mr. Speaker, of what really will happen. They will be giving the City of Winnipeg probably a million and a quarter - and this is what my calculations would be and if the Minister says I'm incorrect he can do that or he can indicate now - but I think it's about a million and a quarter. They realized \$140 million of new revenue; they are giving the City of Winnipeg a million and a quarter and the transitional fund will be lost. This is the participation in the revenue that they have received and, Mr. Speaker, this simply will put a tremendous burden on the taxpayers in Winnipeg which will be reflected in rents for many people and which will very easily erode any advantage to be given by this proposed cost of living reduction plan - whatever they may call it - which is not going to come out this year, Mr. Speaker, but is going to take place next year.

One of the other things that's mentioned in the Budget is the indexing of social allowance and we need much more information on this. We know that the government cruelly tied the food allowance of social welfare recipients to the rise in the Consumer Price Index which covers all items purchased by the consumer. And this was actually below the actual price increase of food in the City of Winnipeg as they indicated for Manitoba. Now when this was pointed out they stubbornly stuck to their position rather than admit a mistake. So, Mr. Speaker, I want the members opposite to understand when alteration was made by the NDP Government, that humane government, on the food component of the social allowance, they tied it to the Consumer Price Index which was less than the actual rise in the cost of food. And when the members

## BUDGET DEBATE

(MR. SPIVAK cont'd) . . . . opposite and when the Minister of Health will talk about social indexing, I want to know on what base. Because if they accept the base as now it means that since 1969 those who cannot make it in our society, those who are truly dependent on Social Allowance are going to be put in the position of never being able to achieve an amount that would be equal to the actual rise in food since '69, and that is the New Democratic Party Government.

Mr. Speaker, I talked about rhetoric and language. They have introduced the Pharmacare program. Well, what does that mean? It means that the first \$40 million will be paid for by Manitobans out of their own pocket, and in this respect, Mr. Speaker, they trade in rhetoric. It sounds good but it realistically signifies very little.

Mr. Speaker, they talk of a Guaranteed Annual Income, and I want to mention that because I can recall when the Speech from the Throne came through in 1971 and the words "Guaranteed Annual Income" were used in the Speech from the Throne, that the press at that time basically came forward and said, "A Guaranteed Annual Income for all of Manitoba", and you know, the members opposite were very happy. They received the kind of headlines that the Minister of Mines and Natural Resources was worried that I would receive the other day. They were two-inch headlines. They received all the credit for allowing a program that would appear to provide a benefit for the people.

Well, Mr. Speaker, we now know what the guaranteed annual income is really all about. The guaranteed annual income is a project that's going to take place for the next five years. There's no guaranteed annual income being provided in this province. As a matter of fact, it's a project which the Federal Government is funding 75 percent of, and which the government at that time knew was going to be negotiated with them but did not give that impression when they first dealt with that Speech from the Throne. And Mr. Speaker, I mention that because I want to point out for the benefit of the Minister of Mines and Natural Resources, that there was a headline which was larger than the headline he suggested I would want, which says, "Poor and Ill Will Benefit From the Budget." Mr. Speaker, I want to tell you that the poor and ill are not going to benefit from the budget as is suggested, and in my conclusion I'm going to try and point out that the poor and ill are in actuality in 1974 going to be behind as a result of the actions of this government. Mr. Speaker, I'm going to suggest that the benefits that they are trying to allude to, or trying to suggest, are not real, and I look at the guaranteed annual income which was promised three years ago, and I suggest that it is a cop-out on the part of both the Federal and Provincial governments and really is a testimony to the province's ingenuity and the Federal Government's finances, because it's going to make good progress reports in which the same information is going to be recycled in annual budget speeches.

Mr. Speaker, I suggest if he really wanted to help those who are being examined, then what you should provide is an outright gift of the \$17 million and that would mean much more to them than the program that's being suggested.

Mr. Speaker, I want to deal, if I may, as well with the Guaranteed Minimum Income for the Elderly. Now, there is only one line mentioned in the Budget - it was announced when the estimates were brought forward by the Minister. He hasn't made too much to-do about it and I think for a good reason. When you look at the program, it doesn't necessarily represent what it suggests. "The guaranteed minimum income for the elderly will provide on July 1st \$200.00 for those who are on Income Supplement, for those who are 65 and over."

Well, Mr. Speaker, let me make a comparison to British Columbia where the program was first introduced and which the government copied. "On July 1st there will be approximately for each individual over 65 who is on Income Supplement, there will be approximately \$225.00 provided." That means that a couple in British Columbia will receive a guarantee of \$450.00 with respect to it, and that will apply to 65 and it's available to people 60 and over who are in need. In Manitoba, it will apply only for \$200.00 as of July 1st, and for couples it's reduced and will only apply to \$387.00. So, in effect, by comparing a Manitoba couple with a British Columbia couple as of July 1st, a British Columbia couple will receive \$450.00, or essentially \$63.00 more than a Manitoba couple, and I suggest again that the government, as they did when they raised the component part of food in the Social Allowance, instead of really looking to the people whom they are supposed to be helping, instead of trying to put a program that would be beneficial for everyone, instead of at that point looking at the dollars that they had available to them, they were more concerned with the trade-off if they could on the language of reform, on the rhetoric, and were not concerned in the realities of what they were doing. There is just no

BUDGET DEBATE

(MR. SPIVAK cont'd) . . . . justification, Mr. Speaker, why both spouses should not have been guaranteed \$200.00. It just does not make sense. It's the kind of administrative decision which is made by the government which indicates their concern, and I think their concern again, Mr. Speaker, is the trade-off on the program.

. . . . . continued on next page

## BUDGET DEBATE

(MR. SPIVAK cont'd)

Mr. Speaker, the next item I'd like to deal with has to do with the negotiations that will take place between the Premiers and the Prime Minister on Wednesday, dealing with the lifting of the price freeze on gasoline and its consequences to the consumer, and in doing this, Mr. Speaker, I think that I can demonstrate very clearly the attitude of the New Democratic Party and the attitude of the Minister of Revenue. On April 1st if the price freeze is removed and the price rises to \$6.50 as it is now forecasted, Manitobans will have a price increase of 7-1/2 cents based on the Premier's figures of the last few days. The consumers of Manitoba could be paying an additional amount of between \$25 million to \$50 million. Now this government is not asking, nor has it asked for a subsidy to consumers by the Federal Government; rather its concern is for additional revenues for the provincial treasury. This government is revenue-hungry so it can buy votes, and is not concerned that the consumer will be paying more, and it's to be hoped that the Premier will do a better job, Mr. Speaker, of protecting Manitoba's consumers' interests when he meets the Prime Minister on Wednesday, than he did in January. Because when he was there in January, Mr. Speaker - and I've indicated this before - the First Minister did not speak to protect the interest of Manitobans, he spoke to protect the interests of Ed. Schreyer.

He did not speak, Mr. Speaker, in the interest of the Manitobans. Mr. Speaker, it's in the interest of Manitobans that there be a protection for the consumers in this province. It's in the interest of Manitobans, Mr. Speaker, that if the price is to be allowed to go up, that we are protected in the same way as eastern Canada and the Maritimes are being asked to be protected. Well, what does the Minister of Finance say, the Minister of Revenue says to the Budget Address? He says, and I quote: "Perhaps most important of all from the standpoint of our budgetary position, no decision has been made concerning the treatment under the national equalization formula of any increased returns which producing provinces may realize in the coming year and those which follow." They are more interested in equalization payments which will give them more money so that they can give it away and take the political credit than stopping at the source the rise of the cost of living for the consumers in this province.

Mr. Speaker, in ambulance care, in day care and denticare, we withhold judgment on these matters. Mr. Speaker, in each area there is considerable potential for action but, as I have indicated in the past, the announced programs which have been brought forward have failed to undertake the necessary homework and they have failed to provide the benefits that have been alleged.

Now, Mr. Speaker, I'd like to deal with the cost of living and inflation. I suggested that there is no improvement in the quality of life or in the position of the disadvantaged. Mr. Speaker, the proposal by the government on the cost of living is a sleight of hand - it is something that is going to apply in the distant future. The government does not have to pay for it today. Let's understand what the Minister has suggested. Next year, 15 months after January 1st of 1974, 13 or 14 months from today, the government will provide benefits to people which are supposed to relate to the cost of living. Now if the government is lucky, they will have further equalization payments from the Federal Government to pay for this. If they are lucky, they will have raised the people of Manitoba into higher income tax brackets because inflation will have pushed wages up and people will be earning more, and they will be paying more money as a result of the increased rate of taxation.

Mr. Speaker, what it is, is a deliberate policy of delaying tax reductions for 15 months, and this, I think, is probably the most critical part of the government's program. The assumption is that there is a benefit that is going to occur to the people in the province today. There is no such benefit. As a matter of fact, Mr. Speaker, the hydro costs will have gone up by \$15 million; the consumer cost with respect to gasoline will probably have gone up by \$25 million; the proposals for the City of Winnipeg and the municipalities will mean an increase of \$15 million to \$20 million, or \$30 million, and the government is proposing that they will give back \$15 million to cover the cost of living a year and a half, a year and four months or two months from today, and they expect the people to believe that in some way they are actually trying to deal with the cost of living. By the time the rebate is received, the value of the rebate itself will have been eroded by inflation. It's Machiavellian in its approach, it's costly, Mr. Speaker, it's cumbersome and it avoids the real problems. Now we would have met the real needs by cutting the sales tax on clothing and used goods today. We would also have established, Mr. Speaker, a northern cost of living program.

## BUDGET DEBATE

(MR. SPIVAK cont'd)

At the present rates of inflation the government will, by spring of 1975, have received additional revenues from the sales tax equal to the amount they propose to rebate. At present rates of inflation, the increase in food costs, housing, rents and municipal taxes would have long since wiped out the proposed rebate. If the government really wants to ease the burden of the taxpayer, a house-cleaning of its own operations would have made tax cuts not only possible, but easy; but Mr. Speaker, this government cannot bear to part with any of the revenues upon which its fortunes depend.

Now, Mr. Speaker, I'd like to make some observations about the Honourable Minister in government. The success of their policy is not proven, nor have they established the criteria by which it could be judged. To the First Minister and to members of the government I say: You spend money like water; your programs are steeped in confusion; you conceptualize problems and solutions but you have demonstrated you have little capacity to administer and execute them; your failure has been from the very beginning, one of leadership and of nerve. You have considerable talent in the Civil Service but there is no better example of your misdirection of the Civil Service than in producing a 350-page commentary on a 50-page Kierans report.

How efficiently and effectively do you handle your undertakings? You spent money on road building in the north - ostensibly to provide savings for the people. This has not been the case. Your mismanagement will cost the people, including those in the north, more.

You have a mess of your own creation in the fishing co-ops, but what is being done about it? The Provincial Auditor has been instructed to examine, not the co-ops but the department. Mr. Speaker, the Provincial Auditor has received instructions to audit and to deal with the co-ops through the Department of Co-operative Development, not the Co-ops. Well, Mr. Speaker, maybe the Minister will call Public Accounts and explain to them his discussions and the directions that he gave the Provincial Auditor, but my understanding and my information is that he is now trying to do an audit of the Department of Co-operative Development and he cannot, nor will he, enter into an audit of the Co-ops managed by his department until that authority is given to him by the Minister, and the Minister has not and the government has not given that authority.

Mr. Speaker, you have shown no regard for the way in which you have mismanaged the fishermen's money. In the case of the Manitoba Development Corporation, you jumped into business and jumped into bed with business. It has not been a consummation devoutly to be wished and there has been little satisfaction for anyone - government, business or the taxpayer. Autopac tells a similar story. The government has been caught with its facts down but it will in no way admit its responsibility. All the fault lies with others; meanwhile the premium rates will rise and will certainly rise again.

In the case of Hydro, a year ago we predicted that your policies would lead to increased costs and ultimately to higher taxes. We are now told by the Premier himself that we now face the prospects of annual rate increases. Mr. Speaker, the Premier has the dubious distinction of being the first Premier to preside over such a situation in the long history of Manitoba Hydro. This government has turned a public utility into a political utility, and this generation of Manitobans and their descendants will bear the costs into an indefinite future. Out of the capital requirements of \$622 million, \$480 million is for Hydro including hundreds of millions arising from mismanagement.

Mr. Speaker, let me deal just for a few moments with the Communities Economic Development Fund. Its purpose was to help the North. It's now part of the problem of the North. It represents, as one commentator or as the headline on one commentator's article has said, "Ideals turned sour and programs prostituted." Mr. Speaker, when a Communities Economic Development Fund loan officer can write in the applications before the board of the Communities Economic Development Fund, the following - and I want to read that, Mr. Speaker: "The reason for an option in equity rather than actually taking shares at this time, is to ensure that the fund only participates in the benefits and not the liabilities beyond this request for financial assistance," when a loan officer can write that to a government supposedly dedicated to small business and the north, it becomes clear that your actions - and I'm now talking about the NDP - are more consistent with the attitude of a loan shark than with those of a responsible and responsive government.

## BUDGET DEBATE

(MR. SPIVAK cont'd)

Mr. Speaker, there is no better example of waste of money and talent and energy, and of the duplication in programming and the failure in planning, than in the Department of Health and Social Development. Here is a litany of chaos and confusion, conflict and confrontation. There has been a failure of leadership, a failure of policy, a failure of administration, and all at public cost. The situation at Leaf Rapids is but the latest development, but it is consistent with what has gone on before that surely no one can claim to be surprised by it - outraged perhaps Mr. Speaker, but not really surprised.

Mr. Speaker, governments in Canada - including the Government of Manitoba - are the chief contributors to and the chief beneficiaries of inflation. They talk from time to time generally and vaguely of the need to dampen the fires of inflation, but they are the chief stokers of the fires. Their massive and growing expenditures are the prime cause of inflation, whether it be the old-fashioned demand-pull type of price escalation or the current cost-push type of galloping costs and prices. As beneficiaries of inflation, governments are more reluctant to take steps to break the inflationary syndrome. Their inflated tax revenues, be it taxes on personal income, on business profits, or taxes on consumer commodities and services, or taxes on wealth, indicate clearly how governments are reaping the benefit of inflated incomes and profits. In Manitoba it has been all too apparent since 1969 that we continue to be heavily overtaxed in our work-day and in our personal lives.

The New Democratic Party's government party accelerating expenditures on both current and capital account, reflect its continuing and growing intrusion into the business and day to day lives of the citizens of Manitoba on a massive scale. We do not quarrel with necessary and essential public sector activities. There is a proper and appropriate role for government in the various economic and social activities of Manitoba society, but we do quarrel with a government which, as recent revelations to the House have clearly shown, is prepared to act and introduce change for purely doctrinaire purposes. We do quarrel with a government which in its procedures continues to mismanage the affairs of this province, be it Autopac, northern road building, northern fishing co-ops. We do quarrel with a government which sorely lacks the capacity and the capability needed in an effective policy, planning, development and implementation. We do quarrel with a government which does not understand the humane problems of our citizens in the cities, on the farms, in the rural areas or in the northern regions. We do quarrel with a government's simplistic, mechanistic, theoretical, partisan and doctrinaire approach to the real problems of real people. These approaches are naive and damaging. They are ideal and idealistic paper solutions, the conclusion of numerous studies, investigations and reports based on abstract, obtrusive, unrealistic assumptions and hypotheses to the urgent, complicated and complex human problems of Manitoba.

A MEMBER: Hear, Hear, Sidney! Hear, Hear!

MR. SPIVAK: The government's current spending estimates for 1974-75, the supplementary estimates for 1973 and 1974, the capital supply estimates for 1974-75, and the announced intention to borrow a record amount to meet these capital requirements, are all indicative of the scope and scale of the government's activities. All are on a grand and massive scale. All have been increased vastly since 1969. Both the growing activities and their supporting expenditures play a heavy tax burden on the Manitoba economy and on the initiative and effort of individual Manitobans. The capital supply motion for 1974-75 clearly reveals the government's financial manipulation and mismanagement. The \$400 million of capital for Manitoba Hydro for financing the construction of the Nelson River Hydro project is clear evidence of incompetence in planning, of doing the wrong things at the wrong time, on having to pay a heavy penalty for outright incompetence in incurring the consequences in the escalation of costs. The borrowing record of this government is just that, Mr. Speaker, a record - a record beyond the understanding of the ordinary citizen of the province. Mr. Speaker, the amounts are staggering, as is the burden they impose on Manitobans today and tomorrow. Can the Manitoba economy, given the present pace of economic development, sustain borrowing on the scale proposed? Does it have the capacity, Mr. Speaker, to generate new production, new wealth and income to meet the burden of debt charges that the present proposed borrowing entails?

Mr. Speaker, the Minister of Finance in his conclusions states that the base has been made possible for a government to undertake wide-ranging expansionary fiscal policy measures

## BUDGET DEBATE

(MR. SPIVAK cont'd). . .for which provision has been made in this budget. Mr. Speaker, further on he states that it will help ensure a fair distribution of our province's economic benefits, introduce greater equity in our tax structure, assist in the creation of new development opportunities, and provide significant relief from pressures of inflation. Let me now deal with what he has said.

Assist in the creation of new employment opportunities. Well, Mr. Speaker, the only employment opportunities are in the Civil Service and they are only for the New Democratic Party members. There is nothing in this budget, there is nothing in this budget that will create any new employment opportunities farther than that.

Provide significant relief from the pressure of inflation. Mr. Speaker, the only suggestion program for inflation will not be dealt with this year, but next year. By that time, Mr. Speaker, the people will be three or four times the amount that the Minister is prepared to give behind in aggregate for what will have taken place and for the rise that will occur in the escalation of costs.

Help ensure a fair distribution of province's economic benefits. Mr. Speaker, there is no proof that the disadvantaged group have in fact been assisted or helped to a point where they are ahead. I suggest in reality today, with everything the government has done, they are behind.

Introduce greater equity in our tax structure. That's debatable, Mr. Speaker, because when you talk about ability to pay you must relate that to benefits received by the taxpayers.

Now, that it is an expansionary fiscal policy, no question. That it is inflationary, no question. That that's what the government wants, no question. That by pushing consumer demand and the inflation they will benefit, no question. But, Mr. Speaker, is this what we wanted in Canada and what we wanted in Manitoba? Well, let me quote from the report of the Governor of the Bank of Canada when he said, "If we are able to achieve our objective of getting inflation under better control, we shall have to take care to avoid aggravating the inflation. We have already . . . by permitting an excessive growth of domestic demands. Only in this way can we be in a position to benefit fully from the moderation of external price pressures that we can expect in due course.

Mr. Speaker, this government should have done what any government should have done in this situation, and that was, Mr. Speaker, to have cut government spending, to have reduced redundant programs, to have eliminated waste, to have become efficient, and in the course of doing this to have cut taxes immediately, to have provided for the municipalities and the cities some kind of cushion against the escalation that they face and must pass on to the taxpayer, so that in effect inflation and the cost of living could have been met. Instead, what we have been treated to, Mr. Speaker, was the language and rhetorical reform, and I suggest that the accomplishments are not there, and I suggest further, Mr. Speaker, that insofar as the disadvantaged group are - and I've said this before and I'll repeat it again - there is no indicator that would suggest that they are better off, but in fact their own reports produced by their own government would indicate that nothing has improved.

And so, Mr. Speaker, I move, seconded by the Honourable Member for Lakeside, that the motion be amended by striking out all the words after the word 'That' in the line 1, and substituting the following:

"That the House regrets that this Government:

1. Has failed to provide immediate tax cuts.
2. Has failed to take effective and immediate measures to deal with the spiralling cost of living with its ruinous effects on all middle and lower income families, and has failed to take steps to provide a meaningful northern cost of living allowance.
3. Has shown no restraint in either its borrowing or spending policies, and has thereby contributed to inflationary pressures.
4. Has failed where mismanagement has been brought to its attention, to protect the interests of commercial fishermen.
5. Has, through its natural resources policy, created a new element of uncertainty for an industry of major significance to northern Manitoba.
6. Has failed to provide to Manitoba cities and municipalities levels of assistance sufficient to prevent substantial increases in the level of municipal taxation.

BUDGET DEBATE

(MR. SPIVAK cont'd)

7. Has demonstrated in its management of Manitoba Hydro, the Manitoba Development Corporation, the Communities Economic Development Fund and other public enterprises, an incapacity to manage the public affairs of this province; and

8. Has in all major aspects of policy administration consistently and persistently failed to provide the public and this Assembly with an accounting to which they are entitled.

MR. CHERNIACK: Mr. Speaker, I wonder if I could ask a question of the Honourable the Leader and possibly that comes before the motion is put. Is that correct?

MR. SPEAKER: Question? Yes.

MR. CHERNIACK: Well then may I ask the question after motion is put? Thank you Sir.

MOTION of amendment presented.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, I'd like to ask the honourable member a question. Could he again just draw to my attention the error which he claims appeared in one of the staff papers, his basis for finding it in error?

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Page 2. Preliminary Estimates indicate that some 292,000 people claimed credits under the 1972 plan. This represents some 60 percent of all those who filed income tax returns for 1972.

MR. CHERNIACK: What's the mistake?

MR. SPIVAK: Well, Mr. Speaker, if the Honourable Minister says it's not a mistake, then I wonder how he can reconcile it with the report from the Federal Government of taxable returns by provinces for 1971, which shows only 321,000 people filed in '71, and before he answers and suggests that it's those who did not file before, the next line indicates that only 61,000 people who had no tax liability at all had filed.

MR. CHERNIACK: Well, Mr. Speaker, I don't intend to speak at any length at all.

MR. SPEAKER: Order please. You may ask a question, unless you want to close debate.

MR. CHERNIACK: Mr. Speaker, I can't close debate. I wish I could.

MR. SPEAKER: No, I'm sorry, you're right. You may speak on the amendment.

MR. CHERNIACK: I wish I could, Mr. Speaker, but I do want to respond only to this . . . Mr. Speaker, am I permitted to speak?

MR. SPEAKER: Order, please.

A MEMBER: . . . a proposition, an amendment before the House.

MR. CHERNIACK: I thought I was recognized, Mr. Speaker.

A MEMBER: Not according to. . .

A MEMBER: There is a new proposition. . .

MR. SPEAKER: Order, please. Order, please. I was under the impression the Honourable Minister was asking a question first.

A MEMBER: Then he wanted to speak and you propositioned . . .

MR. SPEAKER: The Honourable Member for Wolseley have something on a point of order too?

MR. ASPER: No, Mr. Speaker, I have a motion. The traditional motion that follows the Leader of the Opposition's speech. I wish to move, seconded by the Honourable Member from Portage la Prairie, that debate on the motion now be adjourned.

MR. SPEAKER: Order, please. Order, please. As long as the floor wishes to debate the motion, I don't have to accept the motion for adjournment unless I happen to catch that member and ask him to indicate what he wishes to do, and then he can make his motion and the House can make its own decision. Unfortunately, people have been taking advantage of the Chair. Would they all kindly wait for a moment until I express by one means or another of strategy to catch the eye and then going on to another. . . particular area, and this creates a dilemma in respect to fairness of what has been regular procedure. But in this instance, since I have recognized the Honourable Minister of Finance, he may debate the amendment.

MR. CHERNIACK: Ronny, you wanted to ask me a question?

HON. RON. McBRYDE (Minister of Northern Affairs) (The Pas): Mr. Speaker, I wonder if it's in order to ask a question or if it has already . . .

MR. SPEAKER: Order, please. I may be put in the same dilemma of somebody else

## BUDGET DEBATE

(MR. SPEAKER cont'd). . . wanting to make a speech. The honourable member may ask a question.

MR. McBRYDE: I wonder if I could just ask the Leader of the Opposition a couple of questions for clarification. He mentioned on a couple of occasions a northern road program. I got the impression this would be one of the programs he does not approve of or would eliminate. I just wondered if he's talking about the winter road program or all northern road programs - if you'd clarify that?

The other matter is that he mentioned early on in his speech and then referred to it a number of times later, I think it was the per capita income of treaty Indians in northern Manitoba and since we're having some trouble locating the statistical data, I wonder if he could give us that report and the date of that report so we could compare that figure.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I was referring to the winter program the winter northern road program. I think the Honourable Minister knew this. I'd indicate to him that this is a summary of Indian economic activity from the federal government for the fiscal year 1972-73 showing the average income as \$1,254.00, which is \$500.00 less than in 1969.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker. . .

MR. ASPER: On a point of order. Mr. Speaker, I made a motion. I'm prepared to. . . Mr. Speaker. . . Excuse me. If the Honourable Minister of Labour will sit down, I'll make my point of order.

My point of order is that there was a motion before the Chamber and I moved that debate be adjourned. That motion of mine takes precedence over anything else before the House. And, Mr. Speaker, . . .

MR. SPEAKER: Order, please. A motion is only put to the floor when it has been accepted by the Chair. I didn't recognize the motion. The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, I was starting to say that it is not my intention to respond to the address of the Honourable the Leader of the Opposition at this stage in any event, but he did point out an error in the papers I presented and said that if I could make this error then surely there must be more, and the House Leader sitting beside me pointed out that if I found the correct statement, and presumably all of my statements are correct, so let me point out to the Honourable the Leader of the Opposition that if he cannot understand figures or know the facts and report them to the House, then everything he says must be in error, and therefore nothing he says could be of any value. And he asked me to explain the figures that he read to us with inadequate information with which he supplied us, pointing out an error because he didn't have the information at hand. So I'd better inform him that in 1971 the approximate taxable returns were 321,000 and the approximate non-taxable returns were 109,000 providing a return of all returns of 432,000. In 1972 there were 490,000 returns.

Now, Mr. Speaker, the honourable member says it's impossible but that's because he's comparing taxable returns for 1971 with all returns figure for 1972, which means that we can no longer rely on him for any of the figures he gives us because he himself says if a mistake is made, then surely there must be many more. I must point out to the honourable member that it so happens that the report that I filed reads "some" 292,300 claimed. This represents "some" 60 percent. Because if he did want me to be accurate, I would have to agree that 60 percent of 490,000 is 294,000 and not 292,300. So if he wants me to support the figure of 60 percent, I failed. It must have been something like 59 point something percent.

However, to that extent I am now happy that I was able so quickly to point out to the Honourable the Leader of the Opposition the errors of his calculations or research, and I suppose one shouldn't blame him. I suppose it's his staff who prepared it just as my staff did, but I am proud that I'm able to report so quickly that he was in error, not that we were in error, and that one must therefore check very carefully all the other figures he gave us and threw at us this afternoon to make sure that, as in accordance with the proposition he gave us, that as he was so much in error in this case, how many more figures that he gave us today must also be in error.

MR. SPEAKER: The honourable gentleman has already spoken.

MR. SPIVAK: No, I'd like to ask if the honourable. . .

MR. SPEAKER: He cannot reply.

## BUDGET DEBATE

MR. SPIVAK: No I want to ask a question, Mr. Speaker, if I'm entitled.

MR. SPEAKER: Can't be done either. Oh I'm sorry. All right. The Honourable Leader of the Opposition. Of clarification, not of opening debate.

MR. SPIVAK: Thank you, Mr. Speaker. No . . . of clarification. Mr. Speaker, I wonder if the Minister then would indicate why the government did not in their study and in the notes, indicate that of the 109,000 who did not declare income tax last year, that there are approximately 109,000 who did not receive any education tax rebate.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: I don't know whether the honourable member is just dying to fall into traps but there was no trap, Mr. Speaker. We had no idea that he would show such a lack of concept of what these figures really mean. Mr. Speaker, he says why didn't 109,000 get the rebate? Mr. Speaker, I can imagine so many people, 109,000 of them, who may have worked for a partial year, who may have had tax deducted, who may have had to - certainly did - file a tax return in order to get a rebate of the income tax paid, who never paid property tax, who were the wives of the principal earner or who may have been the son of or the daughter of a principal earner. There must be all sorts - as a matter of fact there were - 109,000 people, who filed returns in order to do something, and that something had to do with getting a rebate of withholding taxes paid. That is so obvious to me that I wish for the sake of the honourable member he would have waited to ask his research people who would have been able to tell him.

What I do have to point out, that the difference between 1971 total return of 432,000 and the 1972 all returns of 490,000 which is approximately 58,000 people, that clearly must indicate, subject to slight variation, the large number of people who never would have filed income tax returns at all for any reason other than to get back the credit which we were able to give them in that year. And for that I'm happy to have been able to enlighten the Honourable Leader of the Opposition and maybe in that way caution him not to repeat mistakes until he's sure he knows what he's talking about.

MR. SPEAKER: Are you ready for the question? The Honourable Leader of the Liberal Party.

MR. ASPER: Yes, Mr. Speaker. I beg to move, seconded by the Honourable Member for Portage la Prairie, that debate on the motion be now adjourned.

MOTION presented.

MR. SPEAKER: The Honourable Member for Crescentwood.

MR. HARVEY PATTERSON (Crescentwood): Thank you, Mr. Speaker. Well, I certainly welcome this opportunity and I find it a privilege to speak on the Budget. If I sound a bit nervous or something about this particular debate, it's because I'm still rather excited about the Budget that we've had brought before us, and I certainly. . .

MR. SPEAKER: Order please. The Honourable Leader of the Liberal Party state his point of order.

MR. ASPER: Mr. Speaker, I understood the House to have accepted a motion to adjourn debate on the money motion.

MR. SPEAKER: The floor is continually open until no one wishes to debate. At that particular moment I will accept the motion to adjourn. The Honourable Member for Crescentwood.

MR. PATTERSON: Thank you, Mr. Speaker. As I said, it's a privilege to enter into the debate on the Budget and I will touch on a few topics that I've noticed in the Budget and relevant matters.

First of all, Mr. Speaker, I'd like to take this opportunity, if I could, to correct the incorrect impression that I may have left the other evening when I was speaking on Resolution No. 16--17, sorry, No. 17 concerning committess of the House, and there was a proposal that the Rules Committee be re-established to look at some things concerning this House and I am a little bit doubtful as to whether that might be the solution to some of our problems. I apologize to the members. I sort of lost track of my notes when I was speaking on that resolution because my honourable Whip was interjected and harassing me a little bit, so I couldn't quite make continuity of what I was trying to say then. I had suggested the Internal Economy Committee be beefed up in order to handle the problems that we seem to be having in that area.

## BUDGET DEBATE

(MR. PATTERSON cont'd)

But what I was trying to propose to the honourable members was that maybe we should have a committee called the Health and Social Development Committee for the members of this Legislative Assembly, and I would think by that that the health of the members in this Chamber is certainly predominant and I noticed some of my members, some of my honourable colleagues complain about drafts and cold feet and what have you, so I would think that we need some consideration of the health of the honourable members in this House. I noticed one honourable member - I think it was from Souris-Killarney - he indicated once when he was speaking that he could have died in this place. Well whatever was going to cause him to pass away must certainly be of some consideration to the health of the honourable members in this House. I've heard some of the members complain that in the summer months when you get along in the season that it's rather warm and stuffy in this Chamber, and possibly we could consider some air conditioning in the building and make it more comfortable for the honourable members to sit in this House and participate in a more comfortable manner, and possibly when they are more comfortable it would help their thinking a little bit and they wouldn't get so rowdy and rambunctious about different matters. So those were some of the points that I was trying to leave with the honourable members on that particular resolution, because all the amenities that concern the members of this House are certainly a concern of mine, and I meant what I said, Mr. Speaker, about the rural members of this House, how they suffer maybe more undue hardship than the rest of us, and I would certainly support anything along in that matter.

Also on that resolution, I just wanted to clarify that in the building I certainly expect and hope to see that office space will be made available for the MLAs with secretarial help, and I would think that an office of a good size with cubicles around it would be sufficient, and certainly the MLAs are also entitled to some type of constituency help in setting up an office and maybe some physical help in that area, and when that comes back into the House I'll certainly be prepared to support that in no uncertain terms. But with that clarification, Mr. Chairman, I thank you for your indulgence.

Now, when we take a look at the Budget that was presented by the Honourable Minister of Finance the other evening, it's certainly an impressive document, certainly a progressive document that we've been looking forward to, and it certainly was no disappointment to the people of Manitoba. I would think that they're most satisfied with it and I'd hate to be the opposition, Mr. Speaker, in trying to rebut a document like that, because I found that the Honourable Leader of the Opposition this afternoon had some difficulty in proposing a real rebuttal to the Budget. And I can understand his position because when you're trying to rebut a document of that stature, I can see where he could make some mistakes in his additions and calculations of figures etc., so I sympathize with him on that point.

I noticed that the press headlines, Mr. Speaker, were rather favourable, and I'm sure that you noticed them yourself. They're some three inches, nice bright red print, and it's certainly a welcome press procedure to me because I think it offsets those headlines that came out a week or so early, about the fish co-ops in the north, about the northern roads, and I would think that the opposition's concern about those things a week or so earlier have now been put in their proper place and the Budget has certainly laid to rest a lot of those complaints. I would certainly congratulate the press on their reporting on the Budget and say that they have done a very capable job and put everything in its proper light, so I can't fault them this time because they've been really fair about it.

The Budget certainly keeps up the principle of the New Democratic Party, and that is the ability-to-pay principle, and if the government of the day continues to keep up these type of programs and this type of policy, then I'm sure that they're going to be around for a considerable number of years and the opposition is going to have to really dig and do a lot of researching in order to combat that **type** of a Budget.

Now, when we talk about the ability to pay, naturally we have to look at the poor and the aged, and this is exactly what the press had highlighted in their headline. Some people might quarrel with that principle but I think that when you really look at it in its proper light, when you help the people in those categories, you're really helping society as a whole, because if you help the poor then you're not going to have so much charity, etc. to pay out. When you help the aged it's indirectly a long-term help to us because they know they're going to be taken care of when they reach retirement age and they're going to help us as well, because we don't

## BUDGET DEBATE

(MR. PATTERSON cont'd). . . have to save up and put away money to look after our parents in their senior years because we know the policies and the programs that the government have put forth are going to be available to them when they reach the age of retirement. So in the whole concept of things, it doesn't only help the poor and the ill, it helps society as a whole. If anyone doubts that - and I'm sure that there might be some, but I think that the majority of people in Manitoba are beginning to accept that concept - I would suggest that they go around to some of the senior citizens' homes and talk to some of those people. Those people are more than satisfied with the programs and policies that the present government has brought to the forefront, and I can certainly appreciate their feeling on these matters. I have four of these senior citizens homes in my constituency and every time I see them they relate to me how pleased they are with the policies and programs of the present government, and I'm sure that the present Budget is going to do much to keep those programs coming along and improving them. So I don't think the opposition can really fault us for that type of endeavour.

The Honourable Leader of the Opposition talked about figures and percentages. He gives us a whole list of really high figures and high percentages. It's really--he's talking about high financing. Well, you know, he may be able to understand that type of terminology when you start talking billions and things like that, but to the average person carrying a lunch bucket, working for a living, that doesn't mean anything to them. What they're really interested in is what the Budget is providing for them and when you talk about two billion dollars in New Democratic Party taxes, well we all know we have to pay taxes and as long as the taxes are based on the ability to pay and they're equitable, that's all that the average person is concerned with and we really aren't too concerned about all this talk about high financing. But he left me with the impression that possibly if the Conservatives were the government of the day, that this would be the type of policies and programs that we would be looking at in a Budget. The high financing and the high taxation, the things that don't really affect the average working person in the province. And maybe this is why the average working person in the province is coming to realize that the NDP Government isn't too bad after all, and is certainly willing to go along with a lot of their programs and policies. It seems to be a growing consensus and if we keep up our current drive I'm sure that it will continue.

The Honourable Leader of the Opposition mentioned that we have really only taxed the corporations in a very light manner, very small tax on the corporations. I seem to get the indication from him that he is suggesting to us that possibly we should review our taxation structures in the corporation field and possibly increase it a little bit, and it seemed to me that he wouldn't object to that; he would support that type of a taxation policy, that the corporations be taxed a little heavier in order to equalize the taxation structure somewhat. So I would hope that I am interpreting him right and look forward to his support in that area when the time comes that we will review that particular policy.

But the opposition, you know, when you take our Budget and look at it closely and look at what it's trying to do, the opposition really should be moving a vote of confidence in our Budget rather than a vote of non-confidence or an amendment to the Budget that is doing practically the same thing as a non-confidence motion. So I would suggest to them that they not all look at it in the same light as what their Leader does and possibly that we could get some support from some of the backbenchers of the Opposition party in supporting a progressive Budget like we have today.

I noticed from the press reports last year that the opposition voted for the 1973 Budget that the New Democratic Party brought in, and that was just before an election and maybe they had their political reasons for voting for the 1973 Budget, but it would seem to me that the 1974 Budget is not, you know, that great a difference between the 1973 Budget. They were along the same lines. They had the same projections, the same desire for progress and innovative policy, and why they would vote for this '73 Budget - and I get the indication now that they will possibly vote against the 1974 Budget so you know, the old saying is true, "What a difference an election makes," so I'll be listening to some of the debates coming from the honourable members opposite to hear what they really found different between the 1973 and 1974 NDP Budgets.

I'm just hoping that our current budget provides some funds--as you know, I rather have a pet project and that is to get acupuncture well established in Manitoba, and if the moneys are available in our budget, then I will certainly be supporting any endeavours in that area. I

## BUDGET DEBATE

(MR. PATTERSON cont'd). . .notice the Honourable Member for St. Boniface once when he was speaking on this matter, he tried to make a comparison between thalidomide and acupuncture. Well, thalidomide only had a lifetime of about 9 months to one year. Well, he knows, I'm sure, that acupuncture has been around for some 5,000 years. It's just a matter that it hasn't been too prominent in Canada, but I feel that it will be and anything that can help the people, even if it's only to relieve the pain, never mind the cure part of it, just to relieve the pain, in order that people can live a comfortable life, sleep at night, and enjoy a little bit of our good life in Manitoba, then I'm all for it. And I really think that the Honourable Member from St. Boniface would support that type of a program because it's for the good of the people. What I'm really interested in this area is that the treatment of acupuncture somehow, some day, must be covered by our Medicare program and you can go to your doctor and not have to pay for it out of your pocket but it will be a universal coverage. So I would just make that comment in passing.

Also in passing on this particular debate, Mr. Chairman, I would just like to mention that the Honourable Member for Lakeside mentioned one evening in his speech - and I'm glad to see that he's in his seat now - that he referred to the backbench of the government side as a bunch of riff-raff. Well I really didn't think that he would do that, because I have a lot of respect for the Member from Lakeside and I'm sure that it might have been a slip of the tongue or an off-the-cuff remark. You know, when you look at the back bench on the government side, you know, they're really a highly qualified bunch of individuals. We have a former president of a Chamber of Commerce here in our back bench, and you know, for a Socialist party to have the Chamber of Commerce on their back bench, I think that's really progress, Mr. Speaker, and certainly indicates a trend in the province. We have teachers, farmers, miners, opticians, hydro employees, railway employees, we have the whole bit in the back bench, Mr. Speaker, and I was rather taken aback by the odd reference that the honourable member made because I took it - and I could be totally wrong - but by inference he left me with the feeling that by referring to myself as riff-raff that he also indicated that the people that I represent in the constituency or in the labour movement would also be considered in that context, and I would certainly hope that that is not the case because I'm sure the honourable member has constituents the same as the rest of us and most of them are fine outstanding citizens.

But Mr. Chairman, taking a good concise look at this budget, it really is a budget that is continuing the good policy of the New Democratic Party as outlined in our Throne Speech. It's a continuation of those programs, a continuation of those policies, and certainly Manitoba can't go wrong when those type of programs and policies are coming forward. As long as the people are satisfied with those type of programs, I'm sure that the New Democratic Government of the day will have no problem in facing future elections and getting campaigns mounted - whatever you might have. It's going to be a tough job for the opposition to combat those type of programs and policies and I feel sorry for them, because I certainly wouldn't want to be in their position in trying to regain the position of government when our government is coming forward with such progressive policies.

The current Budget really must have shocked the opposition on the night that it was presented. I'm sure that they didn't expect anything like that because here we are the first year after an election year and we bring in a budget like that. Now I think we could have got good odds that the government of the day would not have brought in a budget like that, because usually when you get a budget like that, it's only a budget that is preceding an election, and certainly they can't say that now because we're 3-1/2 years away from an election, so if they criticise us in that regard, it would not be valid criticism and this is why I think that it really must have shook the boys up a little, and I'm sure that after the budget was presented that they went back in their caucus room and shook their heads a little bit because they just couldn't believe it. I noticed that night also that I got the indication right there and then that they couldn't believe it. because the Honourable Member for Morris hastily had a little conference and made a motion that we continue with the business of the House when I was told that it was customary that we adjourn right after the Budget Debate, so I could see that he was in a state of shock, Mr. Speaker. He didn't realize what was happening. He couldn't believe it; and in talking to some of my colleagues they told me what the customary procedure was, and for the Honourable Member for Morris to get shook up like that, I couldn't believe that. I couldn't believe that he was shook up like that, Mr. Speaker, because he impresses me to be a man of good calibre and,

## BUDGET DEBATE

(MR. PATTERSON cont'd). . .you know, a future candidate for the leadership of the Conservative Party, there's no doubt about that in my mind, and I would think that he would do well in that position because it seems to me that most of the time when he speaks, he knows what he's talking about and he makes it quite clear to everyone around that he's a very capable member, so that's why I say that the opposition was shocked that evening and the Honourable Member for Morris was just my indication of that.

Now when we get a budget like this one--and I notice most of our important documents these days are coming out in blue. The Honourable Member for Birtle-Russell mentioned it the other day that it's Tory blue, that we seem to be adopting their colours. Well, I'm not going to object to adopting their colour as long as we don't adopt their programs or policies, because then we wouldn't be the government of the day very long if we did that. But if this budget is as good as what I read it - and I have no doubt that it is - then some of the Opposition members might be saying, well, you've shot your bolt, what's in the future? They would think that we're maybe going to be on the way down. But I don't get that impression from my experience with the New Democratic Party. It's been that way over the years and in 1973 it was a good budget; 1974 was equally as good, if not better. All I can say in that regard is that there is no end to good budgets like this. There is no end to the policies and programs that the New Democratic Party can bring in. The things will just continue to increase and in an equitable way too, because the Honourable Leader of the Opposition said that we were taxing corporations far too little so if we can do that without taxing the corporations to any great degree, then the hope for our policies and programs to expand when we start taxing the corporations in a more equitable fashion, you know, will just be that much better. Certainly things are looking very bright for the future, but if the 1973 budget had any reference or any validity in the New Democratic Party government of the day winning re-election, then what, you might ask, what's in store in the four years ahead?

Well, if this Budget is any indication of what's in store for the next four years ahead, and I would think that we'll have three more budgets before the next election, and certainly in politics you can't go backwards, you've got to continue to move forward, you've got to continue to progress, so the next four years or three and a half years, look very bright for the present government and I can see nothing but progress. So in that light I certainly have to commend the Honourable Minister for the very good Budget that he did present.

But the Opposition and the Honourable Leader of the Opposition touched on the matter again today about the fish co-ops in the north, about the northern road fiasco, so to speak, so he indicates, but I can understand why they're complaining and screaming about the conditions in the north, you know. They haven't got one seat in the north. The five northern seats are under the banner of the New Democratic Party, and it seems to me that if I remember the colours of the map properly, the NDP colours were green, the Conservative colours were blue and the Liberals were red, but you know, with those five seats in the north, what, pick up maybe 60 percent of the land map, if not more, of Manitoba, and the weight of that green on the map pressing down on the southern part of the province must be of some concern to the Conservative party because they have the southwest corner of Manitoba pretty well coloured in blue. I can understand why they're complaining and feeling a little bit uneasy about the political position in southwestern Manitoba, because it isn't far off into the future that the breakthrough will really come in southwest Manitoba when you will see green, you will see green in the southwest Manitoba. And I don't mean that you'll see just one little spot of green; you will see a lot. You'll see a lot of green in southwest Manitoba, Mr. Speaker. The Honourable Member for LaVerendrye, I can understand his predicament. He's pretty well cornered there right now by green and he's going to have a very tough fight on his hands to hold that particular area, so I would suggest to the honourable members of the Conservative Party that they don't spend too much time in this House, that they get out into their constituencies and start working, because they are going to have a real job on their hands to hold their party up in the coming election whenever it should be - 3-1/2, four years from now.

So--well, somebody says, my Honourable Minister of Agriculture says we shouldn't tell them that, but I think we should be fair with them and we should make it known to them because they shouldn't be able to come back here, the few that do win, and say that we misled them, because that wouldn't be fair. All I'd like to do, Mr. Speaker, is be fair with the opposition, and this is all that I like them to do is to be fair with me.

## BUDGET DEBATE

(MR. PATTERSON cont'd)

But I just want to mention, Mr. Speaker, and I think sooner or later that the budget of Manitoba and probably all of the western provinces is going to be confronted with the problem of transportation and I have before me - and I'm sure all the members saw it in the weekend paper - where Jean Marchand, the Honourable Minister on the federal level, is talking about taking over the CPR. Well, I say to Jean Marchand that he's just full of hot air and he's talking politics, that's all he's doing, because there is no way that the Federal Government even in conjunction with the provinces, is going to take over the CPR, and I would be one that wouldn't support the proposition of a federal takeover of the CPR. Now I'm talking railway. If you want to take over C. P. investments, their mining companies, their forestry companies, their airlines, their steamships and stuff like that, fine - that's a different ball game. I'll support all of those types of programs, that will take over the subsidiaries of the CPR, but not the CPR because the--why should the people of Canada be faced with another big financial debt of taking over the CPR? We've already put so much money into that company that we practically own it now. It's just a matter that somebody else is running this thing. But, you know, on TV they have this program called the National Dream. Well, they should have called that the National Disaster, because the CPR has cost this country a terrible amount of money and if we take it over at this stage, and we break down into a one-railway system, the number of jobs that would be lost on the railway would be tremendous through the amalgamation into one railway. They would only need one railway shop, they would only need one terminal, and I just couldn't support the takeover of the CPR at this time in our history. And I'm glad that Jean Marchand is not talking government policy, he's talking as an individual person, and to me he's--you know I get the indication, and I've had it from some of my colleagues, that the Liberals may be going to the people in June thereabouts, so here's Marchand talking politics with something that has been a common topic over the years. Take over the CPR. Everybody wants to take over the CPR. I don't know why. But nobody has ever tried, and the Honourable Leader of the New Democrats in Ottawa, he gave the proposition a little better light than what Marchand did, because he said let's take over the whole shebang, not just the railway, so with that he's a little more aware of the situation than what Marchand might be. But certainly just to come out in a newspaper and say "Take over the CPR" doesn't influence me one little bit because I've been around the CPR and know it very well, that you just don't take over the CPR by printing a headline in the newspaper.

Well, Mr. Speaker, I just want to finish up in a couple of minutes and I just want to touch on this because the Honourable Minister of Labour in the Federal scene is also talking about voluntary arbitration. Well, I'm not supporting him in that particular desire yet, because I don't know of all the mechanics that he has in mind about voluntary arbitration. If those two words are just there by themselves it's not too bad, but I haven't heard the whole context of what he's talking about yet and if the word "binding" is in there, then no way are we going to accept that type of proposition. Also, if we get down to that type of bargaining, then I would think that in the railway industry some of the lay people got to start being on the negotiating committee and not the people far removed from the scene.

But getting back to this Budget, Mr. Speaker, the Honourable Leader of the Opposition mentioned that we should have provided some tax cuts in the Budget. Well, I think the program of the New Democratic Party has been consistent over the years that we don't go for a policy of tax cuts, we go for tax rebates, which is a much more equitable program. It helps the working poor, gives them the ability to pay, equals up our opportunity, and this is the type of program that I support. And, Mr. Chairman, I would just say that this Budget is the real tool for Manitoba to do the job that we intend it to do. It brings in real innovative policies, it brings in real dynamic programs of thrust, it shows a real concern for the people, and that's what we're concerned about. It sets out policies to keep Manitoba progressing ahead in the future. It's a real Budget. It's not just promises, it's not pie in the sky, it's a real Budget and it's going to help the people. It shows the real New Democratic Party energy and drive to keep Manitoba moving ahead, keep us up with the times, and there is nobody in Manitoba knows it better than the people. During the last election campaign, Mr. Speaker, we went to the people and we said to the people, "Elect Ed Schreyer's New Democrats," and that's what the people did, Mr. Speaker, and today this Budget proves the reasoning why we said that, because here we have a good solid document. We said to the people, "Keep your government

BUDGET DEBATE

(MR. PATTERSON cont'd). . .yours". The people believed that proposition; the people kept their government theirs, and this Budget supports that statement more than any other statement that I've ever seen, and I certainly concur with the Budget and I say the next time around that the people of Manitoba will be electing more and more of Ed Schreyer's New Democrats.

MR. SPEAKER: Are you ready for the question?

MR. PAULLEY: Mr. Speaker, I thought there was an understanding that the adjournment would stand in the name of the Honourable the Leader of the Liberal Party, if that's agreeable.

MR. SPEAKER: Right. That's the motion I was going to put.

MR. PAULLEY: And possibly, Mr. Speaker, we could call it 5:30.

MR. SPEAKER: Well if the motion is standing in the name of the Leader of the Liberal Party, has it gone or hasn't it gone? Do you want to leave the question open?

MR. GREEN: I take it, Mr. Speaker, that you wanted to put the Leader of the Liberal Party's motion that debate be adjourned.

MR. SPEAKER: Right.

MR. PAULLEY: Oh, I'm sorry.

QUESTION put, motion carried.

MR. SPEAKER: Now we can adjourn for the supper hour and I'll be back to the Chair at 8:00 o'clock.