

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
2:30 o'clock, Tuesday, April 2, 1974

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions, Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees. The Honourable Member for Radisson.

REPORT OF STANDING COMMITTEE

MR. HARRY SHAFRANSKY (Radisson): Mr. Speaker, it is with pleasure I beg to present the Second Report of the Standing Committee of Public Utilities and Natural Resources.

MR. CLERK: Your Committee met on Tuesday, March 12, 1974; Thursday, March 21, 1974; and on Tuesday, April 2, 1974, to consider the Annual Report of The Manitoba Hydro-Electric Board for the year ended March 31, 1973.

Your Committee agreed to substitute the name of Mr. Johansson for that of Mr. Jenkins on the list of members of this Committee.

On March 12, 1974, Mr. Leonard A. Bateman, Chairman of the Board, presented to the Committee a report with respect to the activities of Manitoba Hydro to date.

Your Committee examined and passed the Annual Report of the Manitoba Hydro-Electric Board for the year ending March 31, 1973.

Your Committee received all information desired by any member from the officers of Manitoba Hydro and the staff with respect to matters pertaining to the Report and the program for hydro-electric development in the Province.

All of which is respectfully submitted.

MR. SPEAKER: The Honourable Member for Radisson.

MR. SHAFRANSKY: Mr. Speaker, I move, seconded by the Honourable Member for Emerson, that the Report of the Committee be received.

MOTION presented.

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

MR. HARRY E. GRAHAM (Birtle-Russell): Mr. Speaker, I rise on a point of privilege, privilege of the House, at this time. Mr. Speaker, I think it's highly improper that the Chairman of the Committee who writes the Report would move that the reading of that Report be dispensed with. I think it's highly improper in the House and for that reason I asked that the Report be read.

MR. SPEAKER: Are you agreed on the motion? (Agreed)

Ministerial Statements; Tabling of Reports; Notices of Motion; Introduction of Bills; Questions. The Honourable Leader of the Opposition.

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MR. SIDNEY SPIVAK, Q.C. (Leader of the Official Opposition) (River Heights): Mr. Speaker, my question is to the First Minister and it relates to the questions and answers that were given yesterday with respect to the potential or the possibility that Manitoba will in some way cushion the rise in gasoline price in Manitoba. In view of the answers that were given and in view of what the press reports . . .

MR. SPEAKER: Question please.

MR. SPIVAK: Mr. Speaker, I'm trying to preface this so that the Premier will be in a position to give information accurately to this House, Mr. Speaker.

MR. SPEAKER: Order please. I would hope the honourable member in addressing himself to the House would not impugn or cast any reflections on other members. The Honourable Leader of the Opposition.

MR. SPIVAK: Just on a point of privilege, Mr. Speaker. There was no intention of impugning any motives. What I was asking for and what I think is desirable and necessary, Mr. Speaker, is that accurate information in connection with this issue be given. The Premier is nodding in approval and I think he understands the intent of my question. I wonder if he can indicate at this point what will likely appear to be the ability of the government to be able to effectively cushion the rise in Manitoba and where the revenues will be forthcoming for that purpose.

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): Well, Mr. Speaker, I certainly welcome the opportunity to attempt to clarify so far as it is possible to be definitive at this

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(MR. EDWARD SCHREYER Cont'd) . . . . point in time. I indicated yesterday, Mr. Speaker, that given that there will be, some time on or after the 15th of May approximately, an increase in the price of fuel products and that this in turn will have an impact on the cost of living - there is no escaping that fact - that therefore the Province of Manitoba to the extent that it will be able to obtain additional revenues - and I might add undesired and unwanted because they are being acquired by way of a means that is causing an increase in the cost of living, because of fuel price increases - that the Province of Manitoba will apply all of the additional revenues that will result from the increase in oil prices, and this relates to oil produced in our province, that all of it will be applied to - by some formula - in such a way as to be available back to the residents of this province. That means something very approximately in the order of \$10 million - approximately - and the exact mechanism and means by which this will be done has yet to be announced. I hope that it can be announced before the end of April and in any case before the going into effect of new price levels. That's about as definitive as I can be at this point in time.

MR. SPIVAK: Another question to the First Minister. I wonder if he can indicate, will this take into consideration any equalization payments to be received from the Federal Government as well, and what would be the estimate of that?

MR. SCHREYER: My honourable friend the Leader of the Opposition will appreciate that it is not possible to be definitive either, with respect to equalization payment implications, because the Government of Canada has indicated in a way that is contrary to Finance Minister Turner's speech in the House of Commons of the fourth of January, the Government of Canada has subsequent to that speech indicated that the increase in oil revenues to the two major producing provinces will not be included in the equalization formula definition of calculatable income and revenue. Therefore we would not be prudent in assuming anything at this point in time with respect to equalization payments, other than that it would seem at the moment as though it will be marginally increased. Therefore we hope that during the course of this spring or very early summer, that we will get some better understanding - not just Manitoba, the other provinces in Canada as well - some better understanding on the equalization formula problem with the Government of Canada.

MR. SPIVAK: Well, Mr. Speaker, I thank the First Minister for his answer. Without getting involved in the details, and I appreciate the position he's given, I wonder if he can say that in principle the position of the government will be - without knowing the arithmetic at this point or the manner of calculation - that the moneys to be received by the Federal Government re this adjustment, or this new equalization, will entirely be used to cushion the rise in the price of gas in Manitoba.

MR. SCHREYER: Mr. Speaker, it would be an imprudent piece of policy decision on our part to give a commitment on something which is far from settled at this point in time. I can only say that with respect to the increment in revenue to the province that can result from the increase in the price of oil, given Manitoba's modest oil production levels, that we will want to apply all of that, and possibly even more, to cushioning the impact to Manitoba residents by whatever program or formula. Certainly there's no intention to withhold or put into Consolidated Revenue any of that undesired increment.

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 First Minister. I wonder if he would indicate why he, in all answers on this subject, uses the phrase "Manitoba resident" to be compensated as opposed to the consumers of gasoline whose cost of consumption will go up. Is there some significance in the choice of words?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, my honourable friend shouldn't read too much into that particular choice of words "Manitoba resident". I mean consumers of oil product in this province who will have an adverse impact on costs of living, costs of production, as a result of the increase in price in Canada.

MR. ASPER: Then is the First Minister indicating that the \$12 million windfall to the province will be used directly to offset to the consumers of gasoline, or oil products, their cost rise or is he suggesting alternatively that somebody other than those consumers will be the beneficiaries of the \$12 million windfall?

MR. SCHREYER: Mr. Speaker, that is precisely the point upon which I indicated that it

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(MR. SCHREYER Cont'd) . . . . was not possible to give a definitive indication, other than to say that the entire amount will be applied back to consumers in this province, residents in this province, in some combination or another, and I can't be more definitive because I would be anticipating final policy decision that is only now in the process of formulation as we get additional pieces of information in from the producers, from the refiners, and from the Government of Canada, which of course has had a presence in this respect on oil prices since last fall at least.

MR. ASPER: Mr. Speaker, to the First Minister, on a different subject. Does the government propose to take any action to assist Winnipeg, City of Winnipeg taxpayers, in meeting the city's proposed 13.9 mill or 25 percent budget increment for the year? Does this government have any program over and above those announced last year to offset this new tax rise in Winnipeg?

MR. SCHREYER: Well, Mr. Speaker, there have been some announced this year and I invite my honourable friend to make himself aware of what they are. They will have some impact on the city's budget to a degree, and everything in life, Mr. Speaker, is a matter of degree.

MR. ASPER: A supplementary, Mr. Speaker. Does the government not state as a matter of policy, or have as a matter of policy, that it has an obligation to share current revenues - current revenue increments - on a more generous basis with the City of Winnipeg than has been the case in the past, in the light of the 25 percent increase in taxes in Winnipeg.

MR. SCHREYER: Well, Mr. Speaker, certainly there have been in addition to the automatic increases in provincial transfer payments to the City on the basis of existing programs, there have been new inputs by the province to the City of Winnipeg in the course of the past couple of years, and this year again, some additional inputs by way of public transit. Just by way of example, I might indicate to my honourable friend that the province's support of public transit has increased from five percent of gross revenue to 20 percent, to something now in the order of 40 percent of gross revenue or 50 percent of total operating deficit - that's one example - and there are additional inputs as well. We take note of the fact, too, that the City of Winnipeg, among cities in Canada with population in excess of 500,000, has one of the lowest per capita debt structures, and by a considerable margin at that, so we don't feel that the City of Winnipeg's financial circumstances are in any condition of distress. There is a problem, we acknowledge, and that's why we've been having some discussions.

MR. SPEAKER: The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, I would like to direct a question to the First Minister regarding the earlier topic. Can the First Minister indicate whether the figure of total impact on Manitoba at \$40 - \$50 million increase in total petroleum products, you know, including gas, not only gasoline which we've been talking about, but oil and bunker C and all the others, whether the total figure in that range is accurate or not? Has the government had an opportunity to determine whether that total figure is in the right ballpark?

MR. SCHREYER: Well, Mr. Speaker, I appreciate that my honourable friend is really referring to an order of magnitude figure, that he's not asking for a precise estimate, and one of the problems in giving an order of magnitude figure is that if it is subsequently a different figure, then sometimes one is accused of allowing all kinds of inflationary cost escalation to take effect. To put the answer as briefly as I can, Mr. Speaker, the information that I have to date in terms of broad estimate is that the increase, the result of Canada's new oil pricing level, will cost the consumers of our province something in the order of \$50 million; it will cost the consumers of Ontario something in the order of \$500 million; and so on and so forth. It can be calculated on the basis of population in an approximate way.

MR. CRAIK: A supplementary question, Mr. Speaker. Has the government had any formal information as to the rise in prices by the oil companies that would raise gasoline prices by 2 1/2 cents or 2.7 cents, effective prior to the May 15th date?

MR. SCHREYER: Mr. Speaker, I can only make two observations in reply to that question. One is that we have arranged to meet with representatives of the oil companies, the oil industry, to ascertain more precisely just what is in mind. All we have so far is what we've read in the newspapers. But we are meeting very soon on that question, and also my colleague is going to be in discussion with the Minister of Energy, Mines and Resources in Ottawa, for the reason that last week there was no indication whatsoever that there would

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(MR. SCHREYER Cont'd) . . . . be any lifting of price restraints at other than the wellhead, and that was not part of the discussion. Therefore it is not regarded as being fair on the part of those who convened that meeting, that this was not brought into the discussion a week ago in Ottawa.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY McKENZIE (Roblin): Mr. Speaker, on the same subject matter, in sharing the constituency that shares the boundaries of the province of Saskatchewan, can I advise the people of Roblin constituency that with the subsidies or the tax cuts, that our prices will be at least equal to those of our neighbouring province to the west?

MR. SCHREYER: Well, Mr. Speaker, my honourable friend is aware, I'm sure, that for a period of many years, at least seven years to my recollection, the price of gasoline and diesel fuel has been higher just across the boundary than it was in Roblin constituency, so that is a fact upon which my honourable friend can reflect for a few moments.

MR. McKENZIE: A supplementary question to the Minister of Finance. I wonder would he put his statement on the record that he already spoke to me?

MR. SPEAKER: The Honourable Minister of Finance.

HON. SAUL CHERNIACK, Q.C. (Minister of Finance) (St. Johns): Yes, Mr. Speaker, I would recommend that a person who is prepared to predict the price of oil in the future in the constituency of Roblin would be very foolish to attempt to do so and advise people to go on the basis of his opinion.

MR. McKENZIE: Mr. Speaker, I ask you was that -- the remarks that we got from the Minister of Finance from his Chair:

MR. CHERNIACK: Yes, Mr. Speaker. I said it depends how foolish you are to make that suggestion that you were prepared to make.

MR. SPEAKER: The Honourable Member for Morris.

MR. WARNER H. JORGENSEN (Morris): Mr. Speaker, I should like to direct my question to the Minister of Mines, Resources and Environmental Management who also reports to the House for the Manitoba Development Corporation, and ask him if the Manitoba Development Corporation has been given consideration to the establishment of a Crown corporation to operate Flyer Coach Industries?

MR. SPEAKER: The Honourable Minister of Mines.

HON. SIDNEY GREEN, Q.C. (Minister of Mines, Resources and Environmental Management) (Inkster): Well, Mr. Speaker, I'm not quite certain that I understand the honourable member's question. There is a corporation operating Flyer Coach Industries which is largely, if not at this point fully owned by the Crown, so -- and, you know, I'm speaking from memory but I believe that is correct.

MR. JORGENSEN: In order to clarify the question, and I hope, Sir, you'll give . . . the opportunity to do that, the present situation is that Flyer Coach Industries is really not a Crown corporation, it is financed by the Manitoba Development Corporation. My understanding is that there is a move afoot to create a Crown corporation to operate Flyer Coach Industries, and I'm asking the Minister if that is in the cards for the Flyer Coach Industries?

MR. GREEN: Mr. Speaker, I'm not certain and at this point I'm not aware of the distinctions that would flow. The shares of Flyer Coach Industry are either fully or almost fully now owned by the Crown, and I appreciate that it is not a Crown corporation in that it was set up by statute and created as a Crown corporation, but I'm not aware of what the differences are -- that doesn't mean that there aren't any. And I'm not aware that such a move is underfoot.

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

MR. ASPER: Mr. Speaker, my question is to the Minister for Urban Affairs, the First Minister. Would he confirm that one of the most significant causes of the 25 percent increase in the costs of operating the City of Winnipeg this year was caused by the standardization of services as a result of Unicity, in the terms put by the Works Commissioner, Mr. Kyle?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, I have no illusions about being able to answer that kind of question in a few words. I would simply indicate that there is no doubt some validity and some room for argumentation that amalgamation of a multiplicity of fragmented municipalities, the rationalizing of services, could well have some increase in costs attached

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(MR. SCHREYER Cont'd) . . . . to it in the short run, but I prefer to lend credence to the observations made by the Chief Commissioner of the City of Winnipeg, that in the short run this may be so, in the long run it was the more optimum way to proceed.

MR. ASPER: Mr. Speaker, then, to the First Minister. Will he then either confirm or deny that the statements made during the debate two years ago on this issue by us to the effect that the mill rate would rise 15 mills . . .

MR. SPEAKER: Order please. Order please. That is asking for a debate. The honourable member knows it. The Honourable Leader of the Liberal Party.

MR. ASPER: Will the First Minister then confirm that a substantial increase in the cost of governing the City of Winnipeg was caused by the, as he describes, the rationalization of services or the standardization of services through the forced merger of Unicity.

MR. SCHREYER: Well, Mr. Speaker, there no doubt has been increases in cost; there has also been increases in services; there has also been rationalization of services; there has been a discontinuation of an outmoded arrangement whereby people performing the same service in 13 different municipalities were receiving 13 different scales of pay without any particular logic to it. And further to that, Mr. Speaker, I would point out that there have been increased costs, yes, but so have there been increased costs across our entire nation, and also it is something that is very much obvious and manifest in other cities in Canada of equal size and larger.

MR. SPEAKER: The Honourable Member for Morris.

MR. WARNER H. JORGENSEN (Morris): Mr. Speaker, I should like to direct my question to the Minister of Agriculture, and ask him if he has now retreated in disarray from the inevitable and unrelenting tide of opinion from the Women's Institute of Manitoba, and is now going to extend the period that the Executive Secretary will be holding office.

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet): Mr. Speaker, there's no question that when the ladies present their views one has to take note. (Applause) Let me assure my friend opposite that there has been an arrangement arrived at wherein the services of the present Executive Director will be extended for a short period of time in order to facilitate the transitional period, so that the person who is going to assume those responsibilities will be able to carry them out without any disturbance to the program whatever.

MR. JORGENSEN: I wonder if the Minister would also give consideration to a similar arrangement with respect to the Home Economists in the Province of Manitoba, and I can assure him, Sir, that if he doesn't . . .

MR. SPEAKER: Question.

MR. JORGENSEN: . . . the Women's Institute will be . . .

MR. SPEAKER: Order please. The honourable member should -- I wonder why I must remind members that opinion should not be expressed when they are asking questions, especially from those who are parliamentarians. The Honourable Minister of Agriculture.

MR. USKIW: Mr. Speaker, if the honourable member would have been alert during the course of our debates on the departmental estimates, he would have had the full story on the question of home economists, and he would have known that we are enlarging the program, and that both the Home Ec. and the 4-H program have grown substantially in the last four or five years - very dramatically in fact, Mr. Speaker - so that we have made provision, we have made provision for the adjustments that are taking place. But unfortunately, Mr. Speaker, members opposite chose not to debate the Department of Agriculture's estimates.

MR. JORGENSEN: May I ask the Minister then, if it is necessary to reduce the services in one area in order to expand it in another?

MR. USKIW: Mr. Speaker, let me assure my honourable friend opposite that the consideration given to the value of home economics was such that we enlarged the program to include the whole province, but since the Department of Agriculture was the only department that had experience, it was obvious that we would not want to set up a new structure in another department to start from the beginning in trying to determine ways and means of delivering the program, and rather we chose to transfer some positions into the Department of Health to do that for us. While we have made provisions financially within our budget to make adjustments in those areas from which these people are being drawn.

MR. SPEAKER: The Honourable Member for Rock Lake.

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MR. HENRY J. EINARSON (Rock Lake): Mr. Speaker, I direct a question to the Minister of Agriculture. I would like to ask him if he is able to give us the results of the ballot cast on marketing of coarse grains that was passed out to farmers several weeks ago. Could he give us the results of that ballot?

MR. USKIW: Mr. Speaker, there are no results available at this point in time. I expect they should be available by tomorrow about this time, in which case an announcement will be made. I am led to believe that there are somewhere in excess of 15,000 ballots in, so that that is the information that I am able to give to the House for the moment. But tomorrow I should have a more complete statement.

MR. EINARSON: Mr. Speaker, I understand a number of farmers have changed . . .

MR. SPEAKER: Question.

MR. EINARSON: . . . changed the wording on the questions of ballots. Could the Minister indicate whether these ballots would be invalid or not, that being the case?

MR. USKIW: Well, Mr. Speaker, obviously I think the intent of the individual, if it is clear, would be counted as a ballot properly marked; if the intent is unclear, of course, then it would be a spoiled ballot. Now, that would be a common sense approach. I'm not sure that any regulations would dictate otherwise.

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

MR. J. PAUL MARION (St. Boniface): Mr. Speaker, I'd like to direct my question to the Honourable the First Minister. I wonder if the First Minister can advise this House if the official delegation of the City of Winnipeg have agreed to bring forward to council the offer that was made by the Province of increasing the sales tax within the City of Winnipeg's jurisdiction by one percent.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, there is a mistaken assumption in that question. The Province of Manitoba did not offer as a preference the collection of a sales tax point or whatever, on behalf of the City. What the province put forward for discussion at these meetings - and if these meetings cannot be the forum for discussion, then what is the purpose of them? - what was put forward at the meeting was a suggestion that if the City should want to consider the possible use of alternative methods of taxation, such as the possible collection of Amusements Tax, which the province would be prepared to set aside for municipal purposes; such as the enhancement of value tax on land zoning changes; such as sales tax; such as other additional possibilities, the City is invited to ponder these and to advise us at their earliest convenience, whenever that may be, as to which if any they prefer.

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

MR. MARION: Well, Mr. Speaker, just as clarification to the First Minister, the Minister of Public Works . . .

MR. SPEAKER: Order please.

MR. MARION: The Minister of Public Works did make that statement.

MR. SPEAKER: Order please. Questions only, not information.

MR. MARION: Is the First Minister -- or could the First Minister advise this House what yield there would be from an increase of one percent in the sales tax within the City of Winnipeg jurisdiction?

MR. SCHREYER: Well, Mr. Speaker, I would hesitate to hazard a guess as to what that would be, just offhand. I hesitate to put it on the record because of uncertainty; I invite the Honourable Member for St. Boniface to look at our budget papers which were distributed, and then to run his own calculations by projection, to ascertain how much would likely be obtainable by the City of Winnipeg on the base of one point.

MR. MARION: Still supplementary to the First Minister, Mr. Speaker. Can the First Minister verify for this House the accounted report that additional help of 1.7 million is being given this year over last year to the City of Winnipeg's transit system?

MR. SCHREYER: That's just about right on, Mr. Speaker.

MR. SPEAKER: The Attorney-General.

HON. HOWARD PAWLEY (Attorney-General) (Selkirk): Mr. Speaker, I'd like to respond to a question that was posed of me approximately a couple of weeks ago by the Honourable Member for Gladstone. The question was: will the Attorney-General be prosecuting those individuals who are trespassing on private land while engaged in the practice of jacklighting as

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(MR. PAWLEY Cont'd) . . . . provided for in Section 13 Memoranda of Agreement to the Manitoba Natural Resources Act?

First, of course, the Department of Mines and Natural Resources has responsibility for prosecuting under The Natural Resources Act. Secondly, I assume that the honourable member, in referring to Section 13, was really referring to Paragraph 13 of the Memorandum of Agreement under The Manitoba Natural Resources Act, and under a recent court decision it was held that that section did not apply to Treaty Indians because of the wording of Paragraph 13 of the Memorandum of Agreement, that nightlighting did not apply to Treaty Indians because of the wording of Paragraph 13 of the Memorandum of Agreement.

The honourable member may in fact be intending to refer to Section 40 of The Wildlife Act, and in that case then the Department has apparently participated and cooperated in prosecutions where in fact the occupier or the owner of land has in fact posted his land with signs indicating hunting by permission only, or hunting not allowed. These prosecutions, however, must take place only after, under Section 40, the consent of the owner having been obtained, and the Department has assisted the owner then in prosecution, keeping in mind that the Act itself provides only for private prosecution. But, as I say, if he's referring to Treaty Indians, the provisions with respect to nightlighting do not pertain to them.

MR. SPEAKER: The Honourable Member for Gladstone.

MR. JAMES K. FERGUSON (Gladstone): Thank you, Mr. Speaker. I take it from your answer then, Mr. Attorney-General, that there are two laws. Are there two laws then in the Province of Manitoba, one for people that are actively engaged in trespassing on private land, and the other people that operate in the province?

MR. PAWLEY: Mr. Speaker, I'm surprised that the honourable member is short on his constitutional law. We're not dealing with law in Manitoba here, we're dealing with law in the Dominion of Canada, and these provisions in respect to nightlighting pertain to all of Canada, not to Manitoba.

MR. SPEAKER: The Honourable Member for Minnedosa.

MR. DAVID BLAKE (Minnedosa): Mr. Speaker, my question would be to the Honourable the Minister of Agriculture. In view of his answer that he gave to my colleague from Morris a few moments ago, would he be prepared to meet the wives of the concerned A.I. users of Manitoba in relation to Bill 120?

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: Well I'm not quite sure, Mr. Speaker, how the wives relate to A.I.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, my question is to the Honourable Attorney-General. Can the Minister advise the House what studies were undertaken to determine the decision by the Manitoba Liquor Control Commission to establish a liquor commission outlet on Main Street near the City Hall?

MR. PAWLEY: I could, and I would suggest to the honourable member that probably I could obtain that information for him to present during my Estimate review, which should be not too distant.

MR. PATRICK: Mr. Speaker, I'll add a supplementary if he's taking the first question as notice. To the Honourable Minister, How was it determined that the store at Donald and Ellice was not able to serve that area? Can he also take that answer, and would he consider that removing the hard sales of liquor from the store at Portage and Ainslie, would he consider that a downgrading of service in St. James-Assiniboia?

MR. PAWLEY: I thought there must have been some reason behind the question. Yes, I'll take the second part as notice too.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY (Fort Rouge): Mr. Speaker, I have a question for the Minister of Colleges and Universities. Can the Minister indicate to us whether he plans any increases or changes in the bursary and loans program to accommodate the planned increase in residence rates, particularly as it applies to out-of-town students who are going to find it difficult to get housing next year in university?

MR. SPEAKER: The Honourable Minister of Education.

HON. BEN HANUSCHAK (Minister of Education and Minister of Colleges and Universities Affairs) (Burrows): Mr. Speaker, our student aid program for the forthcoming academic year

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(MR. HANUSCHAK cont'd) . . . has already been established, and in assessing students' needs all their expenditures are taken into account, including tuition fees.

MR. AXWORTHY: I have a supplementary, Mr. Speaker. I think the Minister misunderstood. I did not say "tuition", I said "residence fees" which are quite different from tuition fees, I'd care to inform him, and if that is the case in respect of his answer, is the Minister planning to make representation to the University to rescind its increase in residence fees or is it planning additional grants to the University to make the additional increase in residence fees unnecessary?

MR. HANUSCHAK: Mr. Speaker, the matter of residence fees is one that's established by the university, by its own board and administration, and what I said with reference to tuition fees in answer to the previous question equally applies to residence fees. Those too are expense items of students and are factors taken into account in determining the student's needs as it relates to the question of student aid.

MR. AXWORTHY: Mr. Speaker, I have a final supplementary. If the Minister is not planning any direct action, then is he in negotiation or consultation with the Minister responsible for housing, to undertake alternative programs to supply housing for students in the forthcoming academic year because of the extreme shortage and the additional cost faced by university residences?

MR. HANUSCHAK: Well, Mr. Speaker, insofar as negotiations or consultations with the Minister responsible for housing is concerned, I could only say this: that we are very conscious of housing needs of various types, and every effort is being made to provide for same.

MR. SPEAKER: The Honourable Leader of the Opposition. The Honourable Member for Fort Rouge.

MR. AXWORTHY: I would just then ask the Minister responsible for Colleges and University Affairs, is the government therefore planning a special program of student housing for next year to accommodate these needs based upon these consultations?

MR. HANUSCHAK: No, Mr. Speaker.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, my question is to the Minister in charge of the Manitoba Housing and Renewal Corporation. It relates to the portion of the Auditor's statement relating to the Manitoba Housing and Renewal Corporation in which he indicated that he was not in a position to certify the particular matter. I wonder if the Minister can inform the House or indicate the exact nature of the goods delivered to--that is the home, the prefabricated work completed and delivered to the Northwest Territories, that were in fact damaged.

MR. SPEAKER: The Honourable Minister of Health.

HON. SAUL A. MILLER (Minister of Health and Social Development and Minister responsible for the Manitoba Housing and Renewal Corporation)(Seven Oaks): Mr. Speaker, since I am not aware that they were damaged, obviously I can't answer that question.

MR. SPIVAK: A supplementary. I wonder if the Minister is in a position to indicate the loss as well.

MR. MILLER: I'm not aware of any loss, Mr. Speaker. The answer is asked of me; I believe the Department of Northern Affairs is really the department that's more directly involved in this and the Minister may have the information. Certainly I wasn't aware of any damage referred to by the Leader of the Opposition, and therefore the suggestion there is a loss may be linked with the damage so-called, but since I didn't know of the damage I can't even guess at whether or not there may be a loss.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, then is the Minister of Northern Affairs in a position to answer?

MR. SPEAKER: The Honourable Minister.

HON. RON McBRYDE (Minister of Northern Affairs)(The Pas): Well, Mr. Speaker, there was no notice given of this question. I have a vague recollection of some discussion but I can't recall the details of the discussion. It could be that the shipping company involved was responsible for some damage but I just can't recall for sure and I'll have to take the question as notice.

MR. SPIVAK: I wonder if the Minister is in a position to indicate whether the houses were capable of being erected at all.



## ORAL QUESTIONS

MR. McBRYDE: Mr. Chairman, I believe that what the member must be referring to is in fact the motel units delivered to the Northwest Territories, because I don't believe we had any houses delivered, and I believe that those units, at least the first shipment of same has already been erected so I'd assume that they were capable of being erected.

MR. SPIVAK: I wonder if the Minister of Northern Affairs can indicate the legal authority by which the Department was able to construct the matter and why the Provincial Auditor would not certify that?

MR. McBRYDE: Mr. Speaker, this matter was dealt with in some detail by the Minister responsible for housing, and as the Minister responsible for housing indicated, there was not any illegal activity taking place but in fact there was a procedure used by which the Manitoba Housing and Renewal Corporation granted or gave funds to the Northern Manpower Corps, with which the Provincial Auditor did not think was the appropriate manner, and when he pointed that out that practice was discontinued.

MR. SPIVAK: To the Minister of Northern Affairs. Is it not a fact that the Provincial Auditor said that it was illegal for that transfer to have been made?

MR. McBRYDE: Mr. Speaker, I was expecting an accusation of vote buying in the Northwest Territories to accompany that question, and I can't recall -- I believe that the member has the statement of the Provincial Auditor in front of him and I don't at the moment.

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

MR. ASPER: Mr. Speaker, thank you. My question is for the Minister of Mines. Would he indicate to the House whether, in fashioning the Manitoba new mineral taxation policy, it was done in consultation with or co-operation with the Government of British Columbia who has a bill before the House, Bill 31, on the same subject.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Well, Mr. Speaker, there are various discussions between various people. I know, for instance, that I discussed with all of the Mines Ministers of Canada ways in which we could so operate as not to bid with each other to give concessions, to be more concerned with getting together for the purpose of receiving income, and officials have discussed between officials various methods of dealing with the mining industry. But the statement as drafted is a statement of the Government of the Province of Manitoba.

MR. ASPER: Mr. Speaker, to the same Minister. Has it been brought to his attention that the Government of British Columbia has decided to not proceed with second reading of Bill 31. . .

MR. SPEAKER: Order please. Order please. I cannot see that the question is relevant to our procedures. The Honourable Member for Charleswood.

MR. ARTHUR MOUG (Charleswood): Mr. Speaker, I'd like to address a question to the Attorney-General.

MR. ASPER: Point of order, Mr. Speaker.

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

MR. ASPER: Yes, Mr. Speaker. The question of relevance to a question is to be decided, I would think, by the person to whom the question is directed. Mr. Speaker. . .

MR. SPEAKER: Order please. Order please. Well, let me indicate to the honourable gentleman, up until now he has no point of order. --(Interjection)-- Very well.

MR. ASPER: Mr. Speaker, the point of order is this: that what happens if you have ruled that what is happening in British Columbia or in Quebec is not relevant to be raised in this House, then, Mr. Speaker, we are unable to discuss any affair that has any bearing on Manitoba that takes place outside of Manitoba, including the Garrison River diversion, Mr. Speaker.

MR. SPEAKER: Order please. I would like to indicate to the honourable gentleman that the rules were not created by me, they can't be changed by myself, they are the rules of this Assembly, and we all have to follow them and we all must discipline ourselves to stay within those bounds. The question of debate and relevancy of this Chamber can be entertained in very many ways, but the Chair cannot entertain things which are at that particular procedure outside the realm of what we are discussing. And when we are under the Question Period there's a certain limit that I have to maintain, because you people have created the rules by which I must live, by which you must live, and that's all I can indicate to the honourable gentleman.

The Honourable Member for Charleswood.

## BUDGET DEBATE

MR. MOUG: Mr. Speaker, I have a question for the Attorney-General. Could he confirm that the Liquor Commission will not be selling cheap wine at their new store near the City Hall, on Main Street near City Hall?

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

MR. ASPER: Mr. Speaker, my question is to the Minister of Mines. In view of his statement that there is certain consultation and co-operation between Mines Ministers in fashioning policy, would he indicate whether the decision by the, or the indication of the Government of British Columbia to change its policy may lead to a change in his own policy towards mining taxation as announced in this House last Thursday?

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, I doubt it very much. I doubt that the position of the Mines Minister in Ontario will very much affect my own view vis-a-vis policy, and I have discussed things with him as well.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I direct a question to the First Minister and it's in relation to the Moose Lake Loggers Limited. I wonder if he can advise whether the government has taken action to ameliorate the alleged difficulties stated by the Corporation and by the Indian Band and by the Community Council, in which they indicate a difficulty in dealing with both the board, its chairman, and with the Minister of Mines and Natural Resources in resolving their problem.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Well, Mr. Speaker, that particular operation has had its ups and downs. There have been some years when it's done very well and some years when it's not done so well. The Chairman of the Corporation will be here before Economic Development Committee to discuss the two year statements. I have one which is a fairly good one but I have now one coming that will not be so good, so I think it's best if both statements are put on the table at the same time. But I can tell the honourable member that it will not, in my opinion, result in a better situation for Moose Lake Logging Company if the people in the area think that by taking their negotiating position to the House rather than dealing with the Government of Manitoba which has advanced now several hundred thousand dollars over a period of years, I do not think it will be helpful. The people in the area have been told on several successive occasions that if they wish complete operative control of the operation they have only to purchase the assets that are there to whatever program they can find, and then they will not be bothered by the Minister of Mines or anybody else, they will operate as they choose to, as long as the government of Manitoba is the financier of this activity, we have to retain some control. We believe that that is not a paternalistic attitude; if the money is merely turned over for them to operate, that hasn't always worked out either.

MR. CRAIK: Mr. Speaker, a supplementary question then. Can the Minister indicate whether the corporation is now operating at a profitable level as it was in its first year of operation, and whether the difficulties at the point of writing to the First Minister have been overcome?

MR. GREEN: Mr. Speaker, I believe that the first year it operated, which was in 1968-69, that it lost some \$120,000. I believe that the second year it operated it lost some \$90,000. I believe that the third year that it operated - I think that was last year - it lost some \$30,000. I believe that this year it will be back in the higher figures, which I can't give as yet, but to suggest that the first year it operated, it operated at a profit, is totally misleading. The first year that it operated, it operated at a huge loss, Mr. Speaker.

MR. CRAIK: Well Mr. Speaker, I wonder if the Minister can indicate whether the problems alleged by the Board of the absentee management have been worked out and whether, apart from the financial turnover to the people, whether there has been a solution to the problem as regards the absentee management.

MR. GREEN: Mr. Speaker, in this particular case management lives right on the site, which is a tribute to the manager who was there. I believe that the manager, that there is some problem now vis-a-vis the previous manager, and that he may have resigned or is in the process of resigning and there is another manager on the site. What would be complained about is not absentee management, I think it would be absentee board of directors, that the

## BUDGET DEBATE

(MR. GREEN cont'd) . . . board of directors is composed of people who live outside of Moose Lake and the people who live inside of Moose Lake. The board of directors involves a contractor in Swan River; a Mr. Lee Marvin, a forestry product operator in that area; two people from the Metis Community; two people from the Indian Community. The chairman, the previous chairman, Mr. Charlie Hunt I think, had significant involvement in the operation and when he was there, the last year he was there we had our best year. In the most recent year he has not been there, it has not been an improvement, it has been a depreciation of the company and I don't blame the new management, I believe, Mr. Speaker, that last year during the months of April, May and June - and I'm speaking from memory - that the operation was not operating there was no money being poured into the community, essentially because I believe they could not get the crews to cut timber during those months.

MR. CRAIK: Mr. Speaker, my question regarding the management comes from a letter from the organization and it states the local manage . . .

MR. SPEAKER: Question.

MR. CRAIK: Well I think, Mr. Speaker, I ought to table this letter to indicate the background for the claim that was here and I'll table the letter for those who may be interested in looking at it.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. ARNOLD BROWN (Rhineland): Thank you, Mr. Speaker. I would like to direct my question to the Minister of Health and Social Development. Are the wives of old age pensioners who are receiving provincial welfare aid, having the cost of living increase that their husbands are receiving on their pension cheques, are they having this increase deducted from their provincial welfare payment?

MR. SPEAKER: The Honourable Minister of Health.

MR. MILLER: Mr. Speaker, I don't quite follow the gist of that question - perhaps if I read it in Hansard I'll comprehend it fully. I'm not quite sure what the questions asks. While I'm on my feet, Mr. Speaker, I want to table an Order of the House No. 11.

MR. SPEAKER: The Honourable Minister of Autopac.

HON. BILLIE URUSKI (Minister responsible for Manitoba Public Insurance Corp.) (St. George): Thank you, Mr. Speaker. Yesterday I was asked a question by the Honourable Member from Minnedosa if I could indicate to the House when I first received a copy of the Keil Report on R & M Construction of Wabowden. Mr. Speaker, I went back to my office and I checked records and files, and on February 14th I had a meeting from a citizen of the community of St. Laurent at which time he was accompanied by Mr. Keil. In our discussions regarding the community of St. Laurent and the much appreciated assistance that this government and programs have had on that community, Mr. Keil presented me with a number of reports that he had made to the Communities Economic Development Fund regarding St. Laurent and the projects that have been undertaken. When I checked today, among those reports there is a document, the Report on R & M Construction, Wabowden, prepared for the Communities Economic Development Fund by Manfred Keil, May 1973, and I received it therefore on February 14th, 1974.

I believe that's the document that was tabled by the Leader of the Opposition and I have not had time to read any of these documents.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, my question is to the Attorney-General. I wonder if he could indicate whether his office and his Executive Assistant received the report on R & M Construction by Manfred Keil some six months ago.

MR. SPEAKER: The Honourable Attorney-General.

MR. PAWLEY: Mr. Speaker, I gather that a report similar to or identical with the one that the Minister responsible for Autopac indicated was given to my Executive Assistant some time last fall. I don't have the exact date.

MR. SPIVAK: My question is to the First Minister. I wonder if he can now confirm that his office received the report of Manfred Keil and R & M Construction in December of 1973.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I would have to check files, have one of the members of the office staff check files to see what the postmark or the stamp is which we stamp all incoming material to indicate the date, and I believe the hour, at which a document or letter or whatever is received.

## BUDGET DEBATE

MR. SPIVAK: By way of a supplementary question to the First Minister, I wonder if he can confirm that the report was received in December of 1973 by his Executive Assistant.

MR. SCHREYER: Well, Mr. Speaker, it is possible that the report or document in question was received by my office, by someone in my office, some time in December 1973. I'm merely speculating. As I indicate, I'll have to have someone in the office check and see if it is on file and the date mark on the document.

MR. SPIVAK: Another question to the First Minister. I wonder if he can confirm that his office received a letter from Mr. Kalinowsky addressed to Peter Moss, the head of the Freshwater Fish Marketing Corporation, in September of last year, a copy of that letter?

MR. SCHREYER: Well, Mr. Speaker, that too is a possibility. The first occasion I had to even check as to whether such a letter was received was about a month ago, three weeks to a month ago, at which time I called Mr. Peter Moss to ascertain whether in fact he had at any time made allegations of the kind that he was alleged to have made, and Mr. Moss denied it without hesitation or equivocation,

MR. SPIVAK: Again to the First Minister. I wonder if he would be in a position - he may not be right now - to confirm that his office received a copy of a letter from Mr. Kalinowsky to Peter Moss dealing with the questions of fraud, as alleged with respect to the co-ops.

MR. SCHREYER: Mr. Speaker, that, Sir, is a very good question. Allegations of fraud as alleged by whom? Because, Sir, it is now being insinuated that Mr. Moss made those allegations, I checked personally. I'm answering questions, Mr. Speaker. Mr. Speaker, I'm answering the question.

MR. SPEAKER: Order please.

A MEMBER: Sit down.

MR. SPEAKER: I wonder if the gentlemen, all of them, would at least give the courtesy of one member being able to complete what he has to say before he's being interrupted. The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I was merely indicating that approximately three weeks to a month ago, as a result of questions asked in this Chamber, I did check to ascertain whether in fact any letter containing allegations of fraud or criminal activity had been made. I then called Mr. Peter Moss to ascertain whether in fact it was correct that he had made such allegations. He assured me that he had not made any allegations of fraudulent activity on the part of anyone in the provincial public service, so the matter should rest there.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, by way of a matter of privilege -- well, I'll frame it by way of another question to the First Minister. Is he prepared to indicate that that letter was not received by his office and he would be in a position to indicate whether that letter was in fact destroyed by someone in his office?--(Interjections)--

MR. SCHREYER: Mr. Speaker, as I said, it is entirely possible that that letter was received last fall, and I don't believe Sir, that if that letter was in fact received, there shouldn't be any problem whatsoever in producing it. My understanding is that the letter was a letter by Mr. Kalinowsky to Mr. Moss in which the writer assumes that Mr. Moss had made allegations of wrongful activity. It is in February of 1974 that I -- correction, some time in March, that I phoned Mr. Peter Moss to find out whether he, since he was presumably the source of the allegation, whether he in fact had ever made such allegations, and he assured me without hesitation or equivocation that he had made no such allegations. Therefore the entire superstructure of the intrigue that's being built around this whole thing collapses, since the alleged author or source of the allegations denies ever having made them in the first place. This is becoming a piece of stupid nonsense, Mr. Speaker.

A MEMBER: Mockery.

MR. SPIVAK: Mr. Speaker, I'll deal with the First Minister on that in debate very shortly, Mr. Speaker, I question the First Minister, can he confirm that allegations with respect to mismanagement in addition to the letter that's been discussed, were in fact brought to his attention early in the fall of last year, and can he also confirm what action he undertook after those allegations were brought forward?

MR. SCHREYER: Well, Mr. Speaker, insofar as arguments as to mismanagement or wrong management or inadequate management are concerned, such suggestions were brought to my attention last fall - that is correct - at which time I did discuss the matter with the

## BUDGET DEBATE

(MR. SCHREYER Cont'd) . . . Minister of Co-operative Services, and I believe on one occasion sent a memorandum to the Deputy Minister of the Department, but at no time was there any suggestion of anything other than mismanagement. But that, Sir, is a matter of opinion. It's a matter of conflict of opinion as between different agencies that might be involved, the two levels of government etc., such as the Freshwater Fish Marketing Board and the Department of Co-op Services and anyone else that's involved directly or indirectly with fisheries and with co-op fisheries.

MR. SPIVAK: I wonder if the First Minister is in a position to confirm that the statements by Mr. Moss, which he has not denied, that in fact the Co-ops managed by the Department were stealing from the fishermen, was that discussed by him?

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, on a point of privilege. I spoke to Mr. Moss this morning. I indicated to him that it was alleged by the Leader of the Opposition that the Government was stealing from the fishermen. Mr. Moss said to me that he made no such remark and told me that he would confirm same in writing.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: On a point of privilege. The government today . . .

MR. SPEAKER: Order please. Order please. The honourable gentleman wishes to use the question period and a matter of privilege to debate an issue, which is contrary to our procedures. There are ample ways of debating any issue, but not during the question period.

While I'm on the topic, I intend to make a statement in regard to the question period on Friday. I hope the honourable gentlemen will bear with me because I believe that the Chair should not be placed in the position of having a policeman to this Assembly. I believe the rules of procedure are for all and they should all participate and co-operate in maintaining those rules, and I think it's very deplorable to place the Chair in the position of having to play policeman. The Honourable Leader of the Opposition.

MR. SPIVAK: On the point of privilege, I think, Mr. Speaker, that I should be entitled to the same rights as the Honourable Minister is, and I think I should be in the same position once he, you know, gratuitously stands up and makes a statement, because I also have spoken to Mr. Moss. I'm also aware, Mr. Speaker, that the government has threatened that they will not pay the \$750,000 owing unless Mr. Moss keeps his mouth shut. --(Interjection)--

MR. GREEN: Mr. Speaker, that allegation is wild -- I know that the honourable member is groping. There sits in Ottawa a letter to the Minister of Fisheries, indicating that the sum of \$750,000 will be paid on the basis that the Minister provides us with satisfactory assurances that the facility at Transcona will continue to operate in the public service and not be turned over to private fish processors, but continue to operate in the public service to the benefit of the fishermen. That letter is now in Ottawa - it's been there for several months. I deny categorically the suggestion - I spoke to Mr. Moss this morning - I deny that myself, Mr. Speaker, and I deny that anybody representing this government - because I know now what type of allegation the honourable member makes - said any such thing to Mr. Moss.

MR. SPEAKER: We are still under the question period. I'm sorry. Both gentlemen are using a matter of privilege as a debating issue and that's wrong, and if they don't know it I must act like a policeman when I shouldn't. We are on the question period. If the honourable member has a question he may have it.

MR. SPIVAK: It's on the point of privilege.

MR. SPEAKER: There is no matter of privilege. There hasn't been.

MR. SPIVAK: I demand the rights that are given to others. Mr. Speaker, on the . . .

MR. SPEAKER: Order please. Order please. Are there any other questions? The Honourable Member for St. Boniface.

MR. MARION: Thank you, Mr. Speaker. --(Interjections)--

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

MR. MARION: Thank you, Mr. Speaker. I would like to direct my question to the Honourable the Minister of Health and Social Services. Will the Minister inform the House what he intends to do about the difficulty Manitobans are continually encountering in seeking admittance to nursing homes in the province?

MR. SPEAKER: The Honourable Minister of Health.

## BUDGET DEBATE

MR. MILLER: Mr. Speaker, the Department and the Manitoba Health Services Commission are constantly trying to improve the situation vis-a-vis health care, nursing homes and home care, and programs have been launched and in due time they will have their effect and will ameliorate the situation, if in fact a severe situation does exist.

MR. MARION: Can the Minister advise what time element will be involved to correct the situation that does exist?

MR. MILLER: Well, Mr. Speaker, these things do take time. They will not disappear overnight. These are long-term programs; many of them have a preventative feature and for that reason will of course take long . . . there is no immediate solution to these things - this is a matter that has been with us for many, many years.

MR. MARION: When will the Minister table the hospital inventory bed that he ordered several weeks ago, or does he still refuse to make this information available to the people of Manitoba?

MR. MILLER: Affirmative to the latter.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: To the Minister of Mines and Natural Resources. I wonder how he can reconcile the statement that he made about his conversation with Mr. Moss, when Mr. Moss has said to me that he stands by his statement that in fact . . .

ORDERS OF THE DAY - ORDERS FOR RETURN

MR. SPEAKER: Order please. Order please. Order please. Orders of the Day. Order for Return. The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Speaker, I beg, to move, seconded by the Member for Assiniboia, that an Order of the House do issue for a Return showing the following information regarding proposals for public housing projects planned by the Manitoba Housing and Renewal Corporation.

1. How many MHRC projects have been submitted to the City of Winnipeg in the last 12 months;

2. How many of these projects have been rejected, held up . . .

MR. SPEAKER: Order please. I can't hear the honourable gentleman. Will he proceed? Thank you.

MR. AXWORTHY: No. 2. How many of these projects have been rejected, held up or not dealt with by the city; and

3. How many MHRC projects have been submitted for 1974 and are now being considered by the City of Winnipeg.

MOTION presented and carried.

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

MR. MARION: Thank you, Mr. Speaker. I beg to move, seconded by the Honourable Member for Fort Rouge, that an Order of the House do issue for a Return showing the following information with respect to revenues to the Province of Manitoba from April 1, 1969 to March 31, 1973 derived from:

1. The sale of hunting and fishing licenses;

2. Fines collected against violation of by-laws with respect to hunting and fishing; and

3. The public auction of confiscated hunting and fishing equipment.

MOTION presented.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Yes, it's acceptable, Mr. Speaker.

MR. SPEAKER: Thank you. So ordered. The Honourable House Leader.

MR. GREEN: Yes, can we proceed to third reading on the Supply motion?

## INTERIM SUPPLY - BILL 34

MR. SPEAKER: Bill 34. The proposed motion of the Honourable Minister of Finance. The Honourable Member for Birtle-Russell.

MR. GRAHAM: Thank you, Mr. Speaker. Well, Mr. Speaker, it's quite some time since we were discussing the Interim Supply in this Chamber. And, Mr. Speaker, quite frankly I haveto admit that I was a little bit surprised at the way the government have brought their timing - or used their timing in this particular manner. Mr. Speaker, seriously I would have thought that the Minister of Finance would have shown some concern for the people of Manitoba, because I understand him to say on radio that there were students going to school who would not be paid, there were those that were suffering from some financial difficulties or another that may not be paid until this Interim Supply bill is passed.

I think, Mr. Speaker, if I had been the Minister of Finance I would have ensured that the timing of the bill in the House would have been such as to ensure the passage of this. And when you look at that, Mr. Speaker, you have to ask yourself the question, why would the Minister bring in his Budget, why would he bring in his Budget, when he knew that Interim Supply was not passed, when he knew that the last week of the month of March would be used up in Budget debate and in essence there would be no opportunity to bring forward his Interim Supply bill? I've asked myself that question several times, Mr. Speaker, and I've come to the conclusion that the only reason was that the Minister of Finance wanted to ensure that his Budget was presented in the House before the conference of Premiers with the federal government dealing with the increase in price of energy in this country.

Mr. Speaker, we on this side of the House do not control the way that government introduces their legislation. It is only the House Leader - and I assume that the House Leader from time to time talks to his various colleagues, I feel sure that he must attend Cabinet meetings, and in doing so they can set their agenda and their time table for bringing forward their legislation. We do know, Mr. Speaker, from past experience in this Chamber, that important pieces of legislation are quite often left until we are in a state of speed-up, that the big bills are held back until we are in speed-up, when the opposition has a limited amount of time to debate and to research and to probe and prod to find the problems that exist in the legislation.

Mr. Speaker, it is very seldom that legislation is brought forward in this Chamber that could not have been better worded, could not have been better thought out, and this is the job and the duty of members in the opposition to put forward suggestions for change in order to improve the quality of the legislation that will affect all the people in the province of Manitoba.

So, I question the wisdom of the Minister of Finance in the timing of the various bills that he has brought to this House. He has brought forward Interim Supply, Supplementary Estimates, Capital Supply, Budget Debate, all in the same time frame, Mr. Speaker; and we all know what our rules say, that budget takes precedence over everything.

Mr. Speaker, during the course of the Budget debate we had several interesting things happen. We had the Hydro rate increase announced the morning of the Budget. We had the Minister of Mines announce his Mineral Tax in the afternoon. We had the Minister of Finance announce his Budget in the evening. And then three or four days later we had the meeting in Ottawa where the price of gasoline has now indicated that it will rise approximately a month or six weeks from now.

Mr. Speaker, Mineral Acreage Tax, increase in gasoline, the Mineral Acreage Tax that applied to those farmers who have farmed for years and have now retired, all tend to increase the cost of living and at the same time add to the coffers of the Provincial Government. We find, Mr. Speaker, that the Main Estimates that are brought into this Chamber asking for our discussion and our approval cover a great deal of subject matters. But, Mr. Speaker, the No. 1 concern which I have expressed before, and others on this side of the House have expressed, is the rising cost of living and the inflationary factor that occurs every time the government creams a little off the top, and therefore there is less money left for the individual to spend.

We have heard the First Minister in this House stand up the other night trying to defend the almost indefensible, when he says that government - and I'll paraphrase his words; government is not the main source of inflation or the main cause of inflation. And at the same time, Mr. Speaker, he tried his best to point the finger at those corporate giants, always the other guys. I think, Mr. Speaker, that it is typical of the Premier of our province, that whenever he was confronted he always tries to point the finger at someone else. We've seen it on

## BILL 34

(MR. GRAHAM cont'd) . . . . numerous occasions, and it's becoming a very inherent pattern in his rebuttal. Whenever any blame is placed on his shoulders he tries to point the finger at somebody else. He is never the one that is at fault, never assumes any of the responsibility. And yet, Mr. Speaker, there is no one in this province who is in a position of greater influence or in a position of greater authority, and if in the course of administering that authority, you have to assume the responsibility, you have to assume the responsibility for the positive things that happen, and if in the course of events some negative things happen, you have to assume the responsibility for that as well. Those I think, Mr. Speaker, are the marks of a leader, he has to be willing to accept the criticism and the applause. Because Mr. Speaker, I would be the first one to stand up here and applaud him for good legislation; and likewise, Mr. Speaker, I reserve for myself the right to stand up and criticize him for legislation which in my opinion I feel is not in the best interests of the people.

But we find the First Minister so often, Mr. Speaker, falling into that pattern, when someone attempts to criticize him he tries his best to point the finger of blame at someone else - never me, it's always somebody else. So, Mr. Speaker, I do not believe that that is the mark of a great man. And it saddens me somewhat to say that, Mr. Speaker, because we always look to the First Minister as the leader in our society.

Mr. Speaker, during the course of events so far in this Legislature, there has been some interesting things occur, and one of the things that I touched on briefly the last time I was speaking, I would like to repeat again today, Mr. Speaker, because at that time the Minister of Agriculture was not in the Chamber, but I notice this afternoon that he is one of the few that are in here. So I would like to address myself to some of the things that he said in debate when he was trying to defend his position in the letter that he sent out to the farmers of Manitoba, together with the ballot that was to be conducted by the Manitoba Marketing Board. During that debate, Mr. Speaker, I was utterly amazed to hear the Minister of Agriculture say that the Canadian Wheat Board was the only marketing agency that the farmers had. Mr. Speaker, I have been a farmer in this province for many years, and I can tell the Minister of Agriculture that at no time in the history of western Canada has the Canadian Wheat Board been the only marketing agency. Farmers have found ways and means to market their grain: If they wanted to sell it to the Wheat Board they did so. If they wanted to sell it in other methods they did so. But never has the Canadian Wheat Board been the only marketing agency for wheat in western Canada. --(Interjection)--Yes.

MR. SPEAKER: The Honourable Minister.

MR. USKIW: . . . the honourable member would indicate legally what the authority is for the marketing of grains other than what is fed or consumed within the province of production? I'm talking about all the exportable product.

MR. GRAHAM: Mr. Speaker, I would suggest in reply to that that any company that has an export license and has the financial capabilities of purchasing, and has the marketing agencies for selling, has in effect been operating and operating very successfully. I would like to tell the Minister of Agriculture, for instance, I'll give him a very simple example, a very simple example: in the marketing of wheat in western Canada, the marketing of seed wheat has never been under the jurisdiction of the Canadian Wheat Board; and when the price of wheat in the northern states of the United States was considerably higher than it was in Canada, and that occurred for quite a long period of time, Mr. Speaker, there were many farmers in southern Manitoba who were growing seed grain, registered seed grain, solely for the purpose of marketing in the northern states of the United States, and there were hundreds of thousands of bushels of wheat were sold. The Wheat Board never sold that wheat, but it was active agents who had export licenses who were in the business and paid the farmer a good price, a price higher than he got from the Canadian Wheat Board, and in doing so, they did two things for the farmer of western Canada. First of all, they found a market for wheat when the Canadian Wheat Board was unable to do so and, secondly, they took the pressure off the Canadian Wheat Board and in doing so, allowed those that were not that immediately close to the American market, it gave them a greater opportunity of marketing their grain though the Canadian Wheat Board.

This, Mr. Speaker, was a practice that went on for many years, until the market price for seed, Canadian seed wheat in the United States dropped below the price that was available through the Canadian Wheat Board, at which time farmers again started to market through the Canadian Wheat Board. So when the Minister stands up and says that the Canadian Wheat Board



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(MR. GRAHAM cont'd) . . . . was the only marketing agent, he was ignorant - either that or he was unwilling to admit the truth.

Mr. Speaker, at the same time the Minister of Agriculture did something else. He severely criticized a man for what he said was taking a seat on the Winnipeg Commodities Exchange, and I want to tell the Minister that at no time did Mr. George Franklin hold a seat on the Winnipeg Commodity Exchange. Mr. George Franklin was on the Winnipeg Commodity Exchange as a director of the Manitoba Pool Elevators. And if you're so uptight about the Manitoba Pool Elevators I want to say to you Mr. Minister that even though you're the Minister of Co-operatives, Manitoba Pool Elevators is probably the biggest co-operative in Manitoba and I would urge you very strongly not to offend the Manitoba Pool Elevators in the manner that you have done, and I would hope, and sincerely hope, that the Minister of Agriculture would apologize to the Manitoba Pool Elevators and cease and desist from the muckraking that he likes to so often indulge in.

Mr. Speaker, there is one other item that I want to talk about, and it concerns me a great deal, and this is the move that the Minister of Agriculture has embarked on where he is presently--Mr. Speaker, when my time is up then I will answer questions.

Mr. Speaker, the other question or area that I am quite concerned about is the change in program that the Minister of Agriculture is embarked on with the Home Economists, the 4-H, the Women's Institute and so forth.

It would appear to me, Mr. Speaker, that if the Minister wants to expand the program into northern Manitoba and into urban Winnipeg then I give him credit, but to do it at the expense of the rural areas - rural areas which I may say, Mr. Speaker, have become dependent on the services of those particular departments - I suggest is a backward step, Mr. Speaker, rather than a forward; that I can also see, Mr. Speaker, that as part and parcel of a total over-all plan by government, by moving the economists into the regional centers this is part and parcel of the government's program for regional government. There is no stay option in the present plan, it's a plan of centralization and regional government.

There is possibly another reason, Mr. Speaker, and I would suggest that possibly the reason the Minister is using for this great shuffle that is occurring in this department is to prepare the way for the politicization that he expects to bring forward in that department.

We know, Mr. Speaker, that the various ag rep offices throughout the province have now become probably the propaganda arm of the government. We have had the Minister of Agriculture on more than one occasion stand up at meetings throughout the province and indicate to the crowd that he was going to have to crank up the propaganda machine again. We have seen a change occurring in that particular department. And I suggest to you Mr. Speaker, that it's a change which is not in the best interests of the agricultural future of our province.

We have also seen suggestions that are presently coming forward through the Minister of Health and Social Development which would suggest a melding together of various health services throughout the province in a move towards a regional type or central type of government, Mr. Speaker. We have had the Attorney-General acting in his capacity as Minister of Municipal Affairs, speaking to municipal conventions and municipal officials throughout the province, where he assures them that no, we are not moving towards regional government; we are going to suggest to you that probably regional government is a good thing but heaven forbid, we would never move in that direction, that we would listen to you people, you are the municipal people and we will listen to you and when you want to move in that direction, we will bring it in.

I think that basically that is the position of the Minister of Municipal Affairs. I may not have quoted him word for word, I'm just paraphrasing the intent, but I think that basically that is the position that the Minister has adopted in the past, that the municipal people do not have to be worried about regional government, that they will not bring it in, but in the meantime, we will hold seminars and that and talk about it, but don't be afraid boys, we're not going to force it on you. But in the meantime we see what's happening in the Department of Health and we see what's happening in the Department of Agriculture and Mr. Speaker, I think that there are some in Manitoba today who are starting to doubt the words of wisdom that emanate from the other side.

MR. ACTING SPEAKER (Mr. Shafransky): The Member for St. Boniface.

MR. MARION: Thank you, Mr. Speaker, I'm glad to see that you're sitting in the Speaker's Chair. Mr. Speaker I unfortunately was not able to make my contribution to the

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(MR. MARION cont'd) . . . . debate on the Budget and I guess this is the opportunity where I make the comments that I wanted to make at that time. I would like to because of my upbringing and my background keep completely away from personalities. If there is one thing that has really gotten the best of me in this House, it's certainly the fact that personalities do play a very important role, and I feel that certainly not to the gratification of members but to their detriment. Because of that strong belief, I will keep my remarks on a philosophical level with respect to my attacks, because I certainly have some comments to make that are not flattering or will not be flattering to the gentlemen across the way.

I suppose that my very first comment would be that when I first got the opportunity to read the first 30 pages of the Budget Address, I felt well there is a prime example of self glorification if I've ever seen any and I doubt very, very much if most of the self-congratulations are really earned or merited. I think that such excerpts as those such reforms would be unpopular with the wealthy and influential. If ever I thought there were some uncalled for remarks, I thought that they were the kind I was referring to.

We also refer in those 30 pages a great deal to the average wage earner and I would like to talk about him in a little while. I'd like to find out who that very mysterious gentleman is in the province of Manitoba that is the "average" wage earner. I think that one of the things that really caught my eye - the statistical information contained in page 3 by the Minister of Finance, which shows a very glossy picture for the Manitoban and his tremendous financial progress in 1974. This man has come a long, long way in four years - he's come a long way. It's wonderful though when you take figures like this and you quote them in isolation, you don't compare them to anything, and I think that figures certainly don't mean a thing unless you compare them to a base or to something that relates, and I think that there is no doubt that in the debate on the budget a number of members from this side made comparisons that made this glossy picture pale to a great extent. I won't add any statistical information to that which has already been given, just the comment that I think that when you don't take it in isolation but when you do really compare it with what is happening in other parts of Canada, we're not the almighty leaders that the gentlemen opposite would like us to believe.--(Interjection)--We have a little bit of chatter from the Minister of Finance.

Inflation is a national problem. This is contained on page 4, the comment. "Inflation and unemployment are national problems." This is obvious from the statistics I referred to earlier. It's amazing that we will take the benefits of inflation, as we do on page 3 and make them speak the kind of story we would like them to speak, yet when we run into problems of inflation - and after all, this government like all other government agencies are benefactors of inflation - we don't want to take any part of that blame. The good things we will admit to, the good effects we will accept, but certainly nothing that will minimize the kinds of efforts we're doing.

I think that page 5 is rather revealing too. We had the First Minister go over some of the big accomplishments yesterday and he mentioned among other things "and it would be foolhardy of me at this moment to say that this government has not made some accomplishments." After all, in four years even a child improves his status and I would think that this government have come a little bit of a way in the four years it has held power. But one of the accomplishments that the First Minister was pleased to note was that he now has introduced a \$200 guarantee minimum monthly income for those over 65. Well now I wonder where he picked that program up from. I'm just asking the question, I won't give you the answer, but certainly I don't think that he or the gentleman opposite were those who can take credit for conceiving that kind of a program.

A MEMBER: They'll take the credit.

MR. MARION: Oh yes, oh yes, that is bound to happen I fear. I think that on page 5 there is also an item, a program, initiated by the government, initiated by the government, I will give them credit for initiating it, and I will also give them the credit for the kind of realization that that program brought about. And that's the massive efforts to provide low cost housing for those who need it. Now I think that in other debates it has been proven without a doubt that this has not been a massive effort, it has been a massive dud and we have tried to hitch the blame for the ineffectuality of that program to other levels of government, namely the City of Winnipeg. Mr. Speaker, I repeat, I'm pleased to see you in the position that you presently hold. It must be difficult.

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(MR. MARION cont'd)

I mentioned Mr. Speaker, that I wanted to talk about that average earner. Now my former colleague on City Council, the present Member for St. James, talked about this average wage earner. Who is he? I think I would like to explore with all of you who that wage earner is. Is he a plumber? Is he an electrician? Is he a carpenter? Is he a mason or is he a plastering contractor or a bricklayer? Is he a policeman? Is he a truckdriver? Is he a machine operator or a plant employee? Who is he? And what does he earn?

Now we have made a great whoop-de-do about the cost of living credit rebate that we're going to pay back and we're going to pay this to the average Manitoban, the low and the low middle income earner. These were the words that were used yesterday by the First Minister in direct opposition to some of the comments that were made by other members of the front bench with respect to not giving a damn about the middle wage earner.

MR. ACTING SPEAKER: Order please. The Honourable Minister of Agriculture.

MR. USKIW: Mr. Speaker, I wonder if the member would agree that the best way of giving back a tax is on the basis of need and that it in fact does answer the various resolutions put forward by members opposite on the need to increase the exemption on children's clothes, etc., etc. This is certainly a much more sophisticated method of doing that.

MR. MARION: Mr. Speaker, I will answer that question to my friend the Honourable Member of Agriculture later on in my exposé. But I will cover the feeling I have with respect to how best to get money back into that average, that average Manitoban wage earner we're trying to identify, Mr. Speaker. There is no doubt that all of the people I talk to you about are people who are presently earning \$6,000 plus a year. There is no doubt about that. And there is also no doubt in anyone's mind in this House that they form the very vast majority of the workers in this province. There is no doubt about that, I am sure. Why should the government discriminate against that mass of Manitoba wage earners? Why should they discriminate? Is this a way to encourage those less fortunate, by using punitive measures against the average Manitoban? Is this really a progressive kind of philosophy that a government should really espouse? I doubt that very sincerely, Mr. Speaker, I doubt that very sincerely.

I think that the Minister of Finance mentioned that one of the large contributing factors - and I'm jumping to another subject now, Mr. Speaker, - large contributing factors to the inflation was the tremendous increases in corporate profits. Now yesterday, no later than last night, the First Minister pointed out to all the people in the House, to all the members of this House, that there were corporations that had gone from 44 percent increase over the previous year to anywhere up to 700 percent. I don't doubt, I don't doubt the First Minister's statistics, don't doubt them at all, but I would like to make one observation. It's amazing and amusing that the two industries that were selected - and they were selected, there's no doubt about that - were petroleum companies and mining companies. There was no referral made to the kind of profit relation that these companies were earning in the previous decade vis-a-vis the total profits that were being realized on a percentage of investment by industry at large in the country, and, Mr. Speaker, when one does a thing like--when one makes a comparison like that, he is misleading those to whom he is addressing his remarks. I think it is totally unfair that you isolate an industry, and I have certainly no fight to fight on behalf of the petroleum or the mining industry - but I do feel, and the First Minister agreed, that they had a right to a reasonable return. But it is totally unfair that you isolate when that segment of our corporate citizens has agreed that it is not and has not been in the previous decade realizing anywhere near the averages in dividends to its shareholders that the other corporate citizens have been able to pay.

I think, Sir, that this was misleading and it should not have been done, and I think that it is - I would like to say - a continued disavowal of the tremendous contribution that is being made by corporate citizens throughout our land, and specifically in this province, to the well-being of Manitobans in this province. I think it is totally stupid to depict the corporate citizens of Manitoba as money-hungry grubbers and people who do not have a moral conscience and realize the obligation they have to Manitoba. I have listened in this House to a number of speakers who have said that the north would not be today what it is. Well, I dispute that very seriously. I think that there have been tremendous contributions made by the corporate citizens of Manitoba, particularly those corporate citizens in the north. There's no doubt that they perhaps didn't meet all of the dreams that they had in their sharing of their wealth with Manitobans, just like this province, and the Minister of Mines and Natural Resources himself admitted he

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(MR. MARION cont'd) . . . . and his government have not been able to realize their fondest dream in making the lot of Manitobans a better one. Now that is a fair comparison to make, I suggest.

I think that one of the statements that was made by the Minister of Mines and Natural Resources is one that will not soon leave my memory, and I am not known as a man who remembers very well. I certainly don't compare with him. I, like my former colleague from council the Honourable Member for St. James, enjoyed the philosophical debate that was started last Tuesday between--not between, but by the Honourable Member for Lakeside and followed up by the Honourable Minister of Mines, Natural Resources and Environmental Management. I think that this is the kind of debate that I have enjoyed most since coming to this House and it has made me more aware than ever that what is in store for us under the aegis of the kind of government that we have today, is the continued role of hewers of wood and drawers of water. And I say that because the ministerial statement on mining is one that will lead us exactly there, Mr. Speaker. There is no doubt in my mind that if this province wants to really build a secondary industry it has to take care of the primary industry it has. And what is it doing to encourage that primary industry? It is coming out with ministerial statements that will certainly disadvantage Manitoba, and that's without a doubt, Sir. There is no doubt about that. (Applause). He's back. He's back in his seat.

A MEMBER: You chased him out.

MR. MARION: When I say, when I say, Mr. Speaker, that we are disadvantaging the mining industry, I'm saying it because the moment that you increase the royalties by 600 percent, you're certainly not favouring them. The moment that you make statements like those that are contained in the ministerial statement, the veiled threat that you're going to remove from them their right to earn a profit, Mr. Speaker, I think that Manitobans desire a better lot than that and I think that this government should show some restraint in those veiled threats and should show, rather, encouragement as is being shown in other parts of our country that are enjoying far greater secondary industry thrusts than we are.

Mr. Speaker, I would like to, I would like to touch on another subject. This government has said in the Budget Address, through the words of the Minister of Finance, that Manitobans as a whole are enjoying a much better lot. Let me analyze for the members that are in this House at present the lot of the citizen of the City of Winnipeg. Now I do this because I know this case much better than I do the case of the rural Manitoban. I want no one to take from my remarks that I am not interested in the well-being of those that live without the boundaries of the City of Winnipeg, but I happen to know his lot within these boundaries.

Mr. Speaker, the City of Winnipeg has introduced a capital spending budget of \$61.6 million for 1974. This budget--no that's not inflationary, that's a capital budget that has to be undertaken if the City of Winnipeg is going to be an amenable place in which to live. Now this budget could readily have been \$100 million or more, and it could, if all of the projects that are worthwhile were undertaken, it could be \$100 million a year for the next five years. Mr. Speaker, with respect to the Budget in 1974, we're talking in amortizing that debt, we're talking of 3.3 mills. The operating budget of the City of Winnipeg in today's newspaper is reported as being \$131 million. Now this is April 2nd. That's a final; that's a final draft, Mr. Speaker, and that draft represents an increase of 14 mills over last year.

Now, Mr. Speaker, we can expect that the special school levy will average throughout the divisions in the City of Winnipeg at least six mills. In some sectors, Sir, it will be greater than six mills, and I'm thinking in sectors such as my own division, St. Boniface, St. James and probably Fort Garry. They will be greater than six mills. The combined, therefore, I have given you the basic increases from three sectors, that combination equals to 23.3 mills, and on a very nominal assessment of \$5,000 that represents \$116.50 to each and every homeowner. Now you'll agree with me that I am being minimal when I talk about \$5,000 average assessment. Now--(Interjection)--we get to that; we get to that.

The Hydro increase in the inner city over the past two years, over the past two years, we're talking of \$40.00 a year. In the outer city, the former suburbs, we're talking \$20.00 a year this year, and in store for us, gentlemen, two more ten percent increases in the next two years at least. We'll just talk about the \$20.00, we won't talk about the \$40.00, that half of the citizens of this city have to pay.

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(MR. MARION cont'd)

And then we come to the gasoline tax. I think that we all accept that today our citizens should have the privilege of mobility. In this province, to get to know your province better, that mobility is probably going to cost - and I'm being again quite modest - in an increase of ten cents per gallon even if there is a . . . two, roughly two cent credit on a gallon of gasoline. I hear via the grapevine, and so have you, that there will be an increase due to operating costs for the petroleum refinery and retailers, a further two or three cents which will negate that credit, but that net cost to the citizen is going to be for roughly 10,000 miles another \$55.00. So we add \$75.00 to the 116.50 I talked to you about, and you're now up to \$191.50. What does that do to the maximum credit on personal income? What does that do to it? Does it just about negate it?

Now--(Interjection)--that's the other point that we've got to talk about. The First Minister yesterday went to great lengths to say that the lot is better. The Minister of Finance said the same thing, Mr. Speaker. He even came out with a schedule - unfortunately I haven't got my copy of it but I thought it was rather amusing, and again very misleading, because it compared what had happened previous to 1969 in net tax. It talked about a salary and a tax. Now isn't that pretty? 1969 earnings. 1969 purchasing power of the dollar. And it compares it with 1974. Now isn't that pretty? The depreciation of that dollar in those five years, Mr. Speaker, were no less than 40 percent. Now don't tell me that the lot of the average Manitoban has been improved and that we're giving him a tax break. I think that's pure unadulterated rot.

Now the City of Winnipeg, the City of Winnipeg has said, and I, Sir, as a member of the official delegation, met with the urban members of Cabinet to talk about the sharing of growth tax and I know wherefor I speak. We made a presentation to the First Minister and the members of Cabinet on that Urban Committee, and we humbly suggested that we should share in the growth taxes. The immediate sharing should be five percent, to grow to a maximum of 25 percent, Mr. Speaker. And there were some members of Cabinet who were receptive--I'm sorry, I will correct that, Mr. Speaker. There was one member of Cabinet who felt that this was a reasonable approach that should be studied, and that member was the First Minister. No one else agreed that there was any way that they wanted to share growth tax with the City of Winnipeg, yet it was agreed by those very same gentlemen, particularly by the present Minister of Mines and Natural Resources, at the Tri-Level Conference in Ottawa, that the governments that were faced with the greatest responsibility and the greatest financial responsibilities were municipal governments. The demands that would be made of it were greater than any other level of government, and he said at that conference that it was reasonable to assume that both the Federal and Provincial Governments would see to it that that form of government got relief. Well, that's as far as he got. That was talk delivered at the Tri-Level Conference, but in the consultation room with the members of the official delegation of the City of Winnipeg, the story was entirely different, entirely different. Now that growth tax--I see that my honourable friend the Minister of Mines and Natural Resources is in and he will benefit from my words of wisdom. I would like to say, Mr. Speaker, that the growth taxes in 1973--now when the proposal was made it was in 1973, the total growth taxes in 1973 approximated \$366.7 million. They are estimated to gross in 1975 \$486.8 million. In anybody's language that's an increase of roughly \$121.8 million. Now, the City of Winnipeg said: "Let us have five percent of that growing to 25." Now, if we were at the maximum level, at the maximum level, the province would still be the benefactor in a five-year period of 40 percent of the growth tax. In a ten-year period, better than 60 percent--I did not compile the figures, so I won't argue the point--but probably in the neighbourhood of 70 percent. Why is it then that the government who it is admitted is meeting with the greatest financial problems at this time is not given the kind of assistance that it should. Now these are Manitobans, these are the same average Manitobans I talked about when we started, Mr. Speaker; and they're the people that need relief.

Now, I leave that score and I would like to talk about the rebating system, and in my opinion the rebating system is odious - and I selected that word because I think it's odious. I would like to, in a way of answer to the Minister of Agriculture, to the question he placed with me before leaving the room - there is a way of assisting that less fortunate Manitoban, the one that is well below the average earnings in this province. And I don't have to tell the members opposite what that system is, what that system is. It is the negative tax system, and that can be used. Why do we have to use a rebate system? It's odious because when the Manitoban

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(MR. MARION cont'd) . . . . wants to use his money he hasn't got it. The province has that money, and it has it in escrow for him and it will return it to him 14 months after the date he needs it. And I say it's odious again, because everyone today in this highly inflationary period needs every cent that he earns. Why should some of that hard-earned money be put in escrow? To answer the problem or to answer the aim and objective that the government wants to reach, the negative tax system is one that can be done.

Mr. Speaker, it has been said by the First Minister and many members from across the way, that the Manitoba Development Corporation has become a whipping boy; and I think that it's no surprise that it should become a whipping boy because of the flagrant way it is being misused. I think, Mr. Speaker, that there is no doubt in my mind that there is not a policy, there is not a guideline with respect to the operations of the Manitoba Development Corporation. I never cease to be amazed at the way the Minister responsible for that agency can respond to the questions we put to him. I told him of my personal admiration for him in the way he delivered his philosophical address last Tuesday. I think it is masterful to watch a master at work. It's also tremendous to watch a highly intelligent man answer questions for an agency for which he is responsible. He has said a number of times that he is not responsible for the day-to-day operations, yet I must admit that he keeps his finger on the pulse, because there are not very many questions we can ask of him that he has not got the answers for.

Having complimented him in very, very serious honesty, I would like to tell him however that I do not find that his government is very brilliant in the way it has set guidelines for the Manitoba Development Corporation. And I think that I am being objective when I level that criticism at the gentlemen across. I think, Sir, that there has to be *raison d'être* for the Manitoba Development Corporation, and never has it been spelt out, for me at least, what that real reason is, never have I been told that it's an agency to create jobs. Although, Sir, the Minister responsible for that agency did say in one of the debates that he was proud of the fact, and when we were talking - it was perhaps an answer to a question with respect to Saunders Aircraft - and he responded that he was proud of the fact that many high quality jobs have been created by the infusion of Manitoba dollars into that company. Well I think that - Mr. Speaker, that is only a valuable and a valid statement if Saunders Aircraft is an operation that is viable, that one can foresee that it will be in operation for a long time to come; that it can see that it will grow; that it can really see that it has created top skill jobs, top calibre jobs for Manitobans. I think that many of those questions that I'm now placing have not been answered. I would like . . . Yes, the Minister would like to ask a question?

MR. GREEN: . . . seen the guidelines that were decided upon as between the Minister and the Development Corporation - do you have a copy of them?

MR. MARION: No. As an answer to the Honourable Minister, no I have not seen the guidelines. I did see the remarks that were addressed or reported in the press by the Minister with respect to the fact that there would no longer be heavy infusions of cash dollars into an operating fund for the Manitoba Development Corporation. Now, I think that when I say that there is no policy, I really mean that there has to be--(Interjection)--Now, that's a totally uncalled for comment. I am saying that Manitoba Development Corporation has a role to play, and if I were setting the guidelines for Manitoba Development Corporation, I would, according to my background in the business world, be setting certain criteria that I would like Manitoba Development Corporation to build in the province of Manitoba. Like one, I would say that it can be used - I will give alternatives - it can be used as either a corporation that will infuse risk capital into operating companies that have shown their viability. That's one. Not using as a criteria the creation of jobs, but infusing risk dollars, risked to a certain level, that would ensure that this corporation could grow or expand to the point where it would be a benefit to all Manitobans. Or, it can be used as a tool to create jobs, irrespective of whether or not there is viability to the corporation that is being formed. And I think that that is what my criticism is today. I think that we are not really laying down criteria.

Now, I will study the guidelines that have been given to me and will probably have further opportunities of talking on Manitoba Development Corporation, knowing what the up-to-the-minute guidelines are. I think though that there have been at some times - and I think that the Honourable Minister will realize that there are at some times public statements that are made by ministers that come back to haunt them. I know the Minister in question has already been reminded of this. I would like to get my little dig in and remind him that when Mr. Ault

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(MR. MARION cont'd) . . . . resigned, the Minister said: "Everything the public can get value from knowing, I will tell them." Well, I think that that is not the sign of open government, Mr. Speaker.

I also have another clipping from the Free Press dated March 29th, where the Honourable Minister for Health and Social Development said "no to investigation on the north." The subject, "Leaf Rapids Community Clinic". Mr. Speaker, the point I'm trying to make is that open government means that we dialogue and we talk about the problems that are incurred, and we rationalize with people the reasons for which we make certain decisions, and I'm saying that there is no doubt that today this government is not doing all of the things that an open kind of government would like to do.

Mr. Speaker, in the philosophical debate that I referred to a moment ago, there were some things that were said that were important to me. They certainly without doubt underlined the fact that this government is not a government of Manitobans, by Manitobans, for Manitobans, but rather - I was pleased to see another clipping where it was adjudged to be a government of the NDP, by the NDP and for the NDP - and I thought that it was rather, rather pretty to see the two leaders of the opposition absolutely bound and gagged, not able to obtain or elicit any answers to their queries from the Minister . . . --(Interjection)-- l'état c'est moi.

Mr. Speaker, liberty is an easy thing to curtail. In this world in which we live just the normal kinds of legislation that are brought about curtail the individual in so many ways. I think it's important to have a very responsive government, one who will not subject Manitobans to more pressures, more lack of liberties, than even the most magnanimous kind of legislation will inhibit. And I would say because of that, Mr. Speaker, that this government should return to its basic concept immediately - return to that concept that it fathered and it espoused five years ago when it said: "We want to be an open kind of government." I would like to see that happen. It has not been happening of late, and I am like many others very worried of the results. (Applause).

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L. R. (BUD) SHERMAN (Fort Garry): Mr. Speaker, I rise to speak at this particular juncture, Sir, having remained silent during the Budget Debate; having waited with some hope and some patience and some confidence to hear the government answer some of the questions raised by my leader and others in recent days with respect to the operation of the Communities Economic Development Fund in the north, and having been disappointed and frustrated in that wait. I am pleased to see several members of the treasury present at this particular stage of the afternoon, because I don't want to say some of the things that I am going to say in their absence. I see the Minister of Finance in his frustration has left his seat. He may not be leaving the Chamber. I recognize the Minister of Finance is unhappy and frustrated with the debate going on at third reading of Interim Supply, but what the Minister of Finance evidently fails to appreciate, Sir, is that it is our responsibility as members of the opposition in this Legislature to ask this government to account for its operations before we vote them two hundred millions of dollars of the taxpayers' money. (Applause). The Minister of Finance finds it difficult to appreciate the role of the opposition. Perhaps in the four and a half years that he's been removed from opposition and occupying office he's forgotten that responsibility. He now expects this Legislature obviously to be a rubber stamp for his measures and his programs, and we refuse to participate on that level, Sir.

I didn't speak during the Budget Debate, Sir, preferring to listen, to think about the questions raised, to think about the documentation and the evidence supplied in this House by my leader and to wait to hear the government's answers. And I wish to emphasize that I had a good deal to think about in terms of the documented evidence supplied in this House by my leader. There may have been suggestions inside and outside the Chamber that there is some paucity of such evidence; that, Sir, is patently and was demonstrably in this Chamber untrue. My leader did not make wild, irresponsible shots in the dark charges, his accusations were borne out by signed, sworn documented evidence. Now, the fact remains that that evidence may ultimately be discredited; it may prove to be unsubstantial. But in its presentation up to this point, it has been substantial and it is patently specious for anyone inside or outside this Chamber to suggest that his accusations and the questions raised have not been documented; and documented, not by one, two or three pieces of evidence, but by a literal file of evidence supplied during the course of a three-hour address, a three-hour effort on behalf of Manitoba

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(MR. SHERMAN cont'd) . . . .taxpayers in this Chamber on Friday that had members opposite groaning as to its length and duration. And it was lengthy and it was durable because of the documented evidence that he was tabling and supplying at the time, Sir. So how anyone, either in the House or outside the House can suggest that the accusations and the questions are plucked from the blue and constitute some sort of vague irresponsible political tirade is beyond comprehension, and I think it's beyond credibility.

As I say, Sir, I waited through the Budget Speech, preferring not to speak at that time expecting to hear some answers from members of the government. I know that certain Ministers were not in a position due to the procedures of the House to deliver answers, but certainly there were some Ministers, including the Minister of Finance and including the First Minister, who had every opportunity to reply and to provide some information and to provide some answers, and who studiously, and very vividly refrained from doing so, to the point that that kind of abstinence could not have escaped anybody's attention, Mr. Speaker. It certainly didn't escape the attention of anybody on this side of the Chamber, I'm sure it didn't escape the attention of anybody who was in the public gallery at the time, and I would hope it didn't escape the attention of the ladies and gentlemen of the press - the fact that there was a visible abstinence on the part of the government, refusal on the part of the government to meet any of the questions that had been raised, to answer any of them or even to concede that they were valid and deserving of response.

So I say, Sir, that since those answers didn't come, I feel impelled now to rise and ask of the Minister of Finance - and I thank him for being present - why should we vote him two hundred millions of dollars of the taxpayers' money to pursue his programs when he and his colleagues will not answer the legitimate questions that my leader and others on this side, have raised on behalf of those taxpayers with respect to funds already voted him. (Applause) That's what we're being asked, Sir, we're being asked to vote him \$200 million. We're asking him and his colleagues to supply some information and some answers, and it's a fair competition and a fair contest, and if he thinks that we are going to just stamp the bill that he has in front of us and let it go through without argument, without question, without demand for answers to legitimate questions, then as I suggested a few moments ago he has forgotten entirely all he ever knew about the parliamentary process, at least from the opposition perspective. Surely when the Minister was in opposition--(Interjection)--well the Minister says, Mr. Speaker, he never blocked Interim Supply. That's fine. Perhaps he never blocked Interim Supply. Did he ever have any reason to block Interim Supply? Did he ever block the valid legitimate deliverance of information being sought by the opposition or being sought by the government when he was on the other side? He never blocked Interim Supply, well perhaps he's never kicked an old lady across the street either; but if he had reason to, if he had reason if he had reason to, he might well do so Mr. Speaker.

MR. SPEAKER: Order please. Order please.

MR. SHERMAN: That is certainly an illogical kind of an intrusion though for the Minister to make, to say that he never blocked Interim Supply. I am sure there are many things in the House the Minister never did, because he either never had occasion or reason to or he didn't believe strongly enough in his role in the opposition to do it; but the fact that he didn't block Interim Supply is not to be construed by us I would hope, Mr. Speaker, as the suggestion that we should learn our parliamentary lessons from him and refrain from blocking Interim Supply.

Also, I'd like to perhaps interpret on a slightly different plane Mr. Speaker. I don't consider that we are blocking Interim Supply, we are asking this Minister and his colleagues for some answers.

A MEMBER: You'll get them.

MR. SHERMAN: Well fine, we're waiting. Anyway, I'm sorry to disabuse the Minister of Finance of the relatively generous comments that he directed my way yesterday, Mr. Speaker, I would hope that he's enough of a parliamentarian to forgive me for doing my job as a member of the opposition, and I would hope he's enough of a parliamentary believer a parliamentary supporter, to accept that that's precisely what my colleagues have been doing, their job as members of the opposition. And it's precisely what my leader has been doing.

Sir, as a consequence of several hours of sworn and signed documentation offered on the floor of this House by my leader, this government has been accused of a degree of mismanagement, which we suggest is serious, with respect to the Communities Economic Development



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(MR. SHERMAN cont'd) . . . . . Fund, and it's been accused of flagrant and blatant vote buying in the north.

Now, I repeat what I said a moment ago, that that charge may well be untrue, Mr. Speaker. Perhaps it's untrue but it's not a wild shot in the dark and it is not irresponsible. It's the result of lengthy investigation, and I suggest to the members of the middle and back benches opposite that they could well take a lesson had they the opportunity from the diligence devoted to and directed to the job done by my leader in this case as an example, a paramount example of hard work and home work on behalf of the constituents who sent him here. I doubt, Sir, that there are many members on that side or on this side in this House or in previous Houses, or in future Houses, who would be willing, who would be prepared to do the homework and the research that went in to the preparation of the case that the Leader of the Opposition, my leader, brought into this House in the past two and a half weeks. I think there are one or two members on the treasury benches who would be prepared to do that kind of work in a similar situation and I think the Minister of Mines and Resources is one of them. I think perhaps the Attorney-General is one of them. But I suggest that there are very few, Sir, on these benches or on the government's benches who would be prepared to do the work that had to be done. So I can't repeat too emphatically what I say about the irresponsibility of those who would say that the questions raised are irresponsible, because they are not irresponsible and they were not asked by an irresponsible member of this Legislature. They were asked responsibly by a responsible leader doing a responsible job and it ill behoves this government to try to suggest that that is not the case. They may not like the questions, but it ill behoves the government to try to suggest that they are not worthy of answer, because they are irresponsible and I don't think any fair-minded observer, Mr. Speaker,--I will yield to a question in one second.

I don't think any fair-minded observer who has sat through either the meetings of the Economic Development Committee of this House or has been in the galleries here in recent days, would suggest that those were unfounded, unsubstantiated, irresponsible questions.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, would the honourable member agree that the word "irresponsible" when it was used, related to allegations that perjury was evident from the affidavits that were conflicting?

MR. SHERMAN: Well, that's a difficult question to answer, Mr. Speaker, because if the Minister is saying to me that that is the only sense in which the word "irresponsible" was used, then I certainly have obtained a very different impression from that which the Minister has obtained in the course of events up to this point. I think that the whole posture of the front benches in the remarks that have been made on the subject by many of the Minister's colleagues has been to suggest directly and by implication that there has been muckraking, that there has been gutter politics and that the conduct has been irresponsible. And I say--(Interjection)--well that's why I say it's difficult for me to answer the Minister's question because he's obviously referring to a specific - I'm referring to a general reflection that the treasury benches have cast upon the position taken by my leader and others who have participated in this debate on this particular subject, and I say that that is unfair and that that is irresponsible, because the work done and the questions raised are not irresponsible and were not prepared by an irresponsible MLA any more than the Minister of Finance, or the Minister of Mines and Resources are irresponsible MLA's. So I repeat that it ill behoves the government to try to smokescreen it that way, to try to pretend that the case is not backed up by hard work and by signed and sworn testimony; and if the case, if the questions, if the charge is untrue, Mr. Speaker, then let this government and let the ministers on the front benches opposite meet it head on and demonstrate that it's untrue. That's all they have to do. Let them meet it head on and demonstrate that it's untrue. That's all I ask, and I'm sure that's all my constituents ask. --(Interjection)--Yes I yield to a question.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, I'd like to ask the honourable member if he is saying that if the answers are given then he and his party will permit this Bill to come to a vote?

MR. SPEAKER: The Honourable Member for Fort Garry. Order please.

MR. SHERMAN: Well I would say this, if the answers are patently acceptable by those of us who will try to bring conscience and responsibility to it, as reports on the precise course of events and what happened, then we would accept them and we would be prepared to move

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(MR. SHERMAN cont'd) . . . . ahead with this government in the legislation of this province - yes I would say that. But I don't think that either the Minister of Finance or I should be the arbiter or the judge as to whether those answers are correct or not. I think that it's going to require a broader cross section of opinion than merely his and mine.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, I thank the honourable member for permitting me to ask him these questions. Then to clarify it, am I correct in assuming that until the answers are patently acceptable then Interim Supply shall not pass, according to his party. Is that correct?

MR. SHERMAN: No, no. The particular posture that I have struck this afternoon is my own and is not related to the posture of the caucus whatsoever. I wish to speak at this time to advise the First Minister that I am indisposed to vote him \$200 million until his colleagues give us some answers, whether we like them or not, that appear to be sound and reliable and true, but that is not the position that has been taken by my caucus. I can't answer for them and I assure him that this is not a blockade ploy; it is an individual representation to him and his colleagues.

Sir, when someone stands accused of having done something wrong or something unacceptable or something irresponsible, there are three possible courses of action. He can resort to furious attack of a personal and quasi personal nature on his accuser. He can attempt by bombast and pejorative to turn the situation around and discredit the accusation, because he's discrediting the agent who has borne the accusation and directed it at it.

Secondly, he can adopt a pose of self-righteousness and he can raise himself above the issue and above the turmoil and above the storm and try to pretend that it's beneath him to face the challenge and to answer the questions or the accusations directed at him.

Thirdly, Sir, he can face the accusation head on, dead on - he can face his accuser head on, squarely and he can face him down.

This government, Sir, has in the present situation lamentably I might say, adopted the first two positions, they've responded by taking the first two postures which I've referred to and they refuse to take the third, and that response, that kind of reaction can only leave Manitobans wondering and asking themselves about the credibility of this government and it can only leave certain members of the opposition like myself asking whether it would not be irresponsible, to use their word, whether it would not be irresponsible to rubber stamp a \$200 million Interim Supply Bill for them without receiving the answers and the honest information that we're seeking from many members of the front bench, and I would say that the Minister of Mines and Resources is a notable exception. We have had accusations of muckraking and gutter politics. Perhaps the Minister of Mines and Resources has used the same terminology, I don't know I haven't heard it, but I have certainly heard it from many members of the front benches opposite, notably the Minister of Labour - and I'm sorry he's not here to hear me make that accusation. But, Sir, the Minister of Mines and Resources has effectively in our view muzzled response to the questions that have been raised, if indeed he has not been party to the kind of unparliamentary accusations and unparliamentary language used by many of his colleagues, so I do not excuse him from the kind of campaign that the treasury benches opposite have waged in this case. I think it has amounted, Sir, to little more, or little less than a collective personal attack upon the personality, the honesty and the integrity of the Leader of the Opposition in this province.

So that was the first response. A reaction of bombast and fury and personal attack so as to discredit the accuser and then that means that the accusation has no credit. The second response was the incredible penalty killing performance put on by the First Minister in this Chamber last night when for 90 minutes, addressing himself to the people of the province, on the Budget Debate he visibly and perceptively and obviously, avoided any reference to the questions that have been raised, any reference to the issue, so much so that it heightened and underlined the impression on many persons' minds on this side of the House, and I'm sure in the general public, and as I suggest perhaps too in the press gallery, heightened the impression that perhaps the government is uptight about something here over which they've lost control and which has got out of hand and in which there has been mismanagement. Instead of an admission of any form by the Minister that there was something here that a responsible opposition had raised and therefore had to be looked at, there was a very careful, very obvious exercise

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(MR. SHERMAN cont'd) . . . . in avoiding the whole thing and in spending the 90 minutes, as I say, in what would in hockey be an unprecedented and an unparallel penalty killing role. It can only remind one, Mr. Speaker, of the kind of position immortalized by Shakespeare's character who observed "Methinks the lady doth protest too much". That was the kind of impression that was created by the First Minister's avoidance of any mention of the questions and of the issue last night. So that leaves the third response, Mr. Speaker, that leaves the third response that I've talked about, the straightforward one, and that one, Sir, is still to come, and that one and the lack of it and the fact that it hasn't come yet, is what has impelled me to enter the debate at this time on the so-called Wabowden affair. And surely, Mr. Speaker, surely it's a fair question to ask in the light of the government's refusal to face the questions and the charges, to face up to what is being asked, to answer them fairly, squarely, openly and completely, where does this leave me? Where does this leave a private member of this Legislature? Where does this leave the general public? Where does it leave the individual taxpayer?

So Mr. Speaker, that's the situation, a serious series of questions hanging over the head of this Legislature, hanging over the head of this government and hanging over the Province of Manitoba's affairs, and we in the opposition are not going to permit them simply to laugh them off, simply to indulge in character attacks on my leader, simply to attempt to sweep that kind of thing under the rug--(Interjections)--They have been character attacks, that's the only kind of artillery, that's the only kind of artillery that the government has been able to show so far, there has never been a reasoned point by point response to the accusations.

We had the Member for Winnipeg Centre the other day unhappily thrown into the breach by the government, attempting to run out 10 or 12 minutes of the clock and attempting to take some of the edge off the performance of my Leader on Friday. That's all we've had, that's all we've had.

Mr. Speaker, let me recap one or two salient points of the affair and of the incident that we wish to reinforce for the record and wish once again to ask this government to face squarely, to meet head on and to answer. Sir, on March 15th my Leader filed two affidavits in this Chamber. Those affidavits sworn by Mr. Ronald Allison raised a number of questions, Sir. The questions were as follows:

Had agents of the government taken over control of a private company to the exclusion of its president and its manager who was appointed by the Communities Economic Development Fund?

Had they transformed the company from a construction company to a building supplies clearing house?

Was this transformation accomplished, Sir, in the period immediately preceding the last general election in this province?

Was there a breakdown in control of the distribution of materials in this period?

And were there sufficient grounds in all of this, Mr. Speaker, for suspecting that vote buying was at issue?

These were the questions raised by the original affidavits and their urgency was reinforced I would remind you, Sir--(Interjection)--these were the questions raised by the original affidavits, these are the questions posed whether mentioned in specific terminology or not. These are the questions that were implicit and were raised in the public's mind by those original affidavits. And their urgency was reinforced, Sir, I remind the Minister of Mines and Natural Resources, their urgency was reinforced in legitimate fashion by no less than a study on R & M Construction that was produced by Mr. Manfred Keil of the Department of Industry and Commerce. So it's not a case of dealing with some airy fairy figment of someone's imagination, my Leader's or anyone else's. There was reinforcement for those questions from the Department of Industry and Commerce itself.--(Interjection)--Well until last week what was the situation, Sir? Until last week this government made no response one way or the other regarding possible misbehaviour of any of its agents in Wabowden. But then on March 26th we had a meeting of the Economic Development Committee, Sir, and the government's response, such as it was, was articulated at that time. And that response articulated at that time, Sir, consisted entirely of affidavits and statements from the agents in question. Indeed, instead of the Government or the Fund defending its agents it appeared, Sir, that at least at several points in those proceedings on that particular day the agents seemed to have

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(MR. SHERMAN cont'd) . . . . . been fulfilling a role of defending the Fund. Whether they were counselled to do so I leave to your consideration, I leave to your intellectual judgment, Mr. Speaker, but certainly the impression was that the agents were embarked on a role of defending the Fund against the questioning that was occurring at that time.

I recognize that that's a very serious allegation, Mr. Speaker, but what other conclusion up to this point in time can one draw? It's all right for the Ministers opposite to shake their heads and say, well this is not so, this is not true, you're way off the beam, you're out in left field on this thing. That's all well and good, Mr. Speaker, but it doesn't get at the root and at the nub of the questions being raised. What other conclusion, I ask the Minister of Mines and Resources and the Minister of Finance and the Attorney-General and others on the benches opposite could one draw from that kind of a staged contrived performance on March 26th?

Well anyway, Sir, anyway, Sir, what has been the fate of those affidavits to which I referred a moment or two ago? What has been the fate of them? The government's defence rested on them and as I suggested there were agents there who seemed committed to defending the Fund and its performance, and those affidavits today, Sir, stand discredited and shot full of holes. That has really been the fate of them; they stand discredited and shot full of holes. Mr. Kregeris, the President of R & M Construction has denied or refuted many of the points contained in those particular affidavits. He has rejected and repudiated the - I would say the substantial, the dominant part of those affidavits referred to, and the Leader of the Opposition despite the kinds of difficulties he faced due to the reluctance on the part of members opposite to concede that something might be here that required investigation, despite those difficulties, the Leader of the Opposition tabled a great many documents, a great many documents on Friday having the same effect, the effect of discrediting and repudiating and rejecting utterly, most of the body copy of those affidavits referred to, Sir.

So here's the situation of today, April 2nd, some seven days after that meeting of the Economic Development Committee referred to. And this is by no means a complete catalogue, but this is a rundown of the situation as it stands at the moment in terms of conflicting testimony, conflicting evidence coming from the documents that we have presented and the documents that the government in attempting to defend itself on the 26th of March had presented in the form of affidavits by some of its agents.

Point No. 1, Point No. 1, Mr. Speaker. Messrs. McIvor, Thompson and Trithart have denied or at least have minimized their role in the company's affairs, that is their role in the affairs of R & M Construction. Mr. McIvor says he was not involved in the day to day operations of that company. Mr. Kregeris disputes this. The Leader of the Opposition has tabled a wide range of documents to refute it and the Minister himself concedes that the company was indeed controlled by the Fund. I believe that's correct.

Point No. 2. Mr. McIvor denies that R & M had a contract with B. F. Klassen. Mr. Kregeris asserts that he possessed a letter agreeing to purchase materials, Sir, and we've tabled a copy of that letter. On this point Mr. McIvor apparently has misled the Economic Development Committee.

Point No. 3. Mr. McIvor says he was in no way involved in acting on behalf of the Manitoba Metis Federation. Mr. Kregeris denies this. We've produced Manitoba Metis Federation purchase orders signed by Mr. McIvor. On this point Mr. McIvor would appear once again to have misled and misinformed the Economic Development Committee.

4. Mr. McIvor says he gave no instructions regarding the delivery of corlon flooring for one particular item. Mr. Kregeris denies this. We have produced both the instructions signed by Mr. McIvor and the name of at least one recipient. Once again on this point Mr. McIvor's testimony would appear to be at variance with the truth.

Point No. 5. Mr. McIvor says that the Fund did not direct R & M to sell the two houses in Wabowden. Mr. Trithart says the Fund did. They cannot both be right, Mr. Speaker, they cannot both be right.

Point No. 6. Mr. McIvor says he had nothing to do with the distribution of materials from R & M and Mr. Kregeris denies that point. We produced seven orders for delivery signed by Mr. McIvor. Mr. McIvor would appear once again to be having difficulty in adhering to the truth on that particular point.

Point No. 7. Mr. Ben Thompson swears that he never met Mr. Allison.

A MEMBER: Yes, that's a good one.

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MR. SHERMAN: Mr. Kregeris says that he was with them together. The Minister suggests that Mr. Thompson may have forgotten the meetings but Mr. Thompson didn't forget what he implies--(Interjection)--well Mr. Thompson didn't forget what he implies was a single telephone conversation and thus, Mr. Speaker, surely it's not unreasonable for one to ask oneself the question: is that not at least interesting if not strange? Here is an individual who forgets what was presumably a number of meetings but he remembers a single telephone call. I suggest, Mr. Speaker, that while admitting these allegations are extremely serious, I recognize the seriousness of them, I suggest, Sir, that members on this side and members in the public generally cannot other than draw the conclusion that there is something here that this government has got to face up to and answer for. That's all we're saying. That's all we're saying. Is this a cover-up, Mr. Speaker? We don't know. The public doesn't know. Is it a cover-up? Is it an untruth or a series of untruths with a purpose?

Well, Mr. Speaker, these are the kinds of things that we're asking answers for and that the government has refused to recognize as legitimate questions and that in its refusal has adopted a stance as I suggested of resorting to massive fury and bombast and personal attack on my Leader so as to discredit the questions that are being asked. And I don't think those questions can be discredited. They're legitimate, they're valid, there may be legitimate varying perspectives of truth here but let's get at those perspectives of truth. Let us find out.

Mr. Speaker, an eighth point that I wanted to mention in the catalogue I just recited has to do with Mr. Trithart, and I sincerely regret having even to involve his name in this situation, but I do so simply because he was a member of the group that was involved in the administration of this particular program and we are trying to get at the people behind the administration, behind the program, namely this government itself. We can't avoid mentioning individual names in trying to get at the government to account for their performance and their behaviour where funds to develop communities in the north are concerned.

In the case of Mr. Trithart, Mr. Speaker, we have contradictions between his testimony and Mr. McIvor's. We have as well the internal contradictions, the assertion that he was not involved and the admission that he prepared orders and invoices. I leave that simply on the record for your consideration, Sir. If that is not another contradiction then I think none of us can recognize contradictions in this House. These, Sir, are some of the more obvious holes in the government's position, these are some of the more obvious holes in the documents that the government provided and they raise questions that have to be answered. And there are other holes but those are some of the obvious ones that we have asked for some answers on and that have troubled me and that have impelled me as I say to get into this debate on this particular affair at this time.

Mr. Speaker, one is left asking the question as to whether somebody counselled these particular men to whom I have referred to make assertions that can be refuted by documentary evidence, and if so who was it who counselled them? One is left having to ask oneself why would anybody counsel someone in a situation such as this to make incorrect statements? Those, Sir, are searing, difficult serious questions, but they are valid and legitimate questions and they can be dispelled at a stroke by a responsible response from this government.

In conclusion, Sir, I want to emphasize that the point I'm making is this: two and a half weeks ago we raised some very serious questions in this House. The core of the government's reply rested on the testimony of three of its employees. That testimony is now shot to hell. That testimony, Sir, is shot to hell. It is not as the Minister of Mines and Resources says, a matter of minor differences of detail or opinion. Important statements sworn to by some of the individual persons I've referred to in this address this afternoon, sworn to by for example, Messrs. McIvor and Thompson, can be refuted by documentary proof, and without that testimony what is the government's defence. And if that isn't being shot to hell then I ask members opposite what is?

So the result is this, Sir. In terms of unanswered questions we stand precisely where we stood at the outset, with one important difference. The government's first defence has been scuttled by men whose word on the record thus far appears to be highly unreliable, and that raises three questions additional to the first ones. Why has the government taken this line of defence? Who if anybody counselled or allowed these men to relate other than the truth? And why did they do it? Sir, is it too much to suggest that responsible elected officials opposite, Ministers of the Crown, should answer to the opposition, to the public where these questions

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(MR. SHERMAN cont'd) . . . . are concerned? They can change the whole unhappy situation into a happy situation for themselves merely by facing up to those questions and answering them. They can recapture the confidence of this House and of Manitobans, but they have to face the questions to do it and it's up to them. It's in their court, Mr. Speaker.

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

MR. JAMES H. BILTON (Swan River): Mr. Speaker, in rising to participate in this debate my first words would be of congratulation to the Honourable Member for Fort Garry in once again driving home as hard as can be the fact that this government is confronted with a problem which I see no reason - and to use his words "meet head on" and bring the facts of the case before the House to be dealt with as it ought to be dealt with.

Mr. Speaker, several of my colleagues have taken part in this debate and many of them have spoken in depth and have put forward in my opinion some very searching opinions and many questions that I feel the Minister of Finance ought to answer before he expects us to stamp that bill for \$200 million in order to carry on the business of the province.

I would like to reiterate that it is not the purpose of our party to hold this bill up but rather to indicate to the Minister and to the government that we are not puppets on this side of the House, we have a responsibility to the people that sent us here and if we do not act in a workmanlike way in dealing with this subject we ought not to be here. In our opinion we want some questions answered and I feel that the government have an obligation to answer those questions. The Minister of Mines and Resources said a few moments ago, off the cuff, come Thursday you'll get the answers. Mr. Speaker, we can't wait for those answers. Why he has to wait until Thursday heaven only knows.

Mr. Speaker, the Minister of Finance the other evening said that the people wanted a government that would bring in reforms, some might be popular with the wealthy or unpopular with the wealthy and the influential. I think on that occasion I asked him where were those wealthy people? I think the Honourable Member for St. Boniface this afternoon named the so-called wealthy people in this province that are really carrying the burden of taxation to meet some of the red-eyed ideas of this government in spending money as it's never been spent before.

Mr. Speaker, we cannot understand why such a sum of money is being asked for when we have inflation as we have it today. The middle income group - I've said it before, Mr. Speaker, and I say it again - are suffering the burden of taxation and somehow or other relief has got to be found in order that those people can enjoy the fruits of their labour instead of giving it to a government that's casting it around as though it were seed and seeding a field.

The people did not give this government, in my humble opinion, Mr. Speaker, a mandate that he suggested. Never has there been such a squeeze by a government. And you know this government has gone ahead with these facts and with this Budget, and one wonders whether or not they have that right by the fact that there are still five seats in doubt around this province, and that again should indicate to them in no uncertain terms that they haven't the mandate to do the things that they should be doing.

The other day I questioned the Minister on the Canada Pension Plan and since that time we have exchanged opinions, but somehow or other, Mr. Speaker, I am one of those that likes to cut his plot as he goes along. This government has forgotten all about that. He told us the other day in reply to a question, Mr. Speaker, that this government has borrowed \$64 million - or intends to borrow \$64 million from the Canada Pension Fund in Ottawa, and I asked him at the same time, how much was the pay-in by the people of the Province of Manitoba. He said just that, \$64 million, if I remember his words correctly. Sixty-four million dollars, Mr. Speaker, taken out of the economy of this province, out of the hands of the employees and employers, and brought back by this government to be spent in the general operations of this province. This I take exception to, and have always taken exception to. I asked him the other day who was to pay it back, and he spoke of . . .

MR. CHERNIACK: Mr. Speaker, I wonder if the honourable member would yield a moment to . . .

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: What I answered was that - or what I indicated was that moneys borrowed from the Canada Pension Plan are being used for capital purposes as capital

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(MR. CHERNIACK cont'd) . . . . borrowing, and it's not for current expenditures.

MR. SPEAKER: The Honourable Member for Swan River.

MR. BILTON: I thank the Minister for that opinion. And with capital borrowing this year, Mr. Speaker, over a billion dollars is being expended, and, Sir, \$360 million, or words to that effect, according to the Minister, has been drawn out of that fund since its inception. I fully realize that the government has the privilege of drawing up to the amount paid in each year, but somehow or other, Mr. Speaker, this money has got to be paid back, whether it's capital borrowing or ordinary operation of the province, and this concerns me, because this money is being spent in the general functioning of this province for this year. Last year they borrowed \$30 million. When the question was asked as to what this money was for, we were told that in the event of the economy falling it was to provide jobs. In other words, the PEP program. The year before, Mr. Speaker, a further \$30 million was borrowed, together with all other borrowing . . .

MR. SPEAKER: Order please.

MR. BILTON: . . . and I'm wondering, I'm wondering how on earth this is going to be paid back.

MR. SPEAKER: Order please. The hour being 5:30, I am now leaving the Chair to return at 8:00.