

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
8 p.m., Monday, February 23, 1976

THRONE SPEECH DEBATE

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I would, as is customary, like to begin my remarks by congratulating you on the, I believe, Seventh Session of this Legislative Assembly being responsible for stewardship of this House and for the maintenance of rules and hopefully of decorum as well. It gives me pleasure, Sir, to do that because over the course of several years now it has become increasingly obvious I think to all concerned that you are indeed carrying out the functions of the office in a way that is visibly impartial to all who care to look.

I would also like to make some reference to the fact that since this Assembly last met a year ago, we have a considerably different situation in that both of the opposition parties have elected themselves new leaders and I assume that it would be better for all concerned if the two gentlemen would attempt, in as reasonable a period of time as possible, to find their way to opposition benches opposite. Whether that in fact will happen in a matter of months or more than a year, I am of course powerless to say. But I think we could all agree that it is better if they would be in this Chamber. Certainly it would be easier for me, Sir, in that I would then be in a position to know whether what was being said from benches opposite was carrying the imprimatur of their Leader or merely was a balloon being put up for testing the political atmosphere to be retracted if and when the Leader felt that it was perhaps not expedient to carry a certain line of argument.

I would also like to say that - you see I find myself in a very difficult position, Sir, being the only Leader of the three parties actually in this Assembly, it makes me feel somewhat like one of the famous actresses, Marlene Dietrich, once said, that so and so isn't really much of a Leader, but he's the only Leader they have. This Assembly is in somewhat that same position - if I am not much of a Leader, nevertheless every one in this Assembly has to admit the fact that I am the only Leader that this Assembly has at this particular time.

I would also like to extend the traditional words of welcome to the new Member for Crescentwood, and I believe that with his past experience in City Council and elsewhere in the political process, that he may well contribute something tangible, meaningful, moderate, sensible and honest to the political process. I would be disappointed if that were not so, but I rather suspect, knowing something of the honourable gentleman, that we on this side should not feel any particular cause for disappointment.

I now want to turn to look at the speech that was made by the Leader of the Opposition the other day in reply to the Throne Speech. I think that it is possible to say that the Conservative Party is concentrating on two or three themes because, for example, Mr. Speaker, in looking at the speech by the Honourable the Leader of the Opposition, I find the following excerpts to be rather repetitious, of the same theme, and I quote some of them. On Page 33 the Leader of the Opposition is quoted as saying: "That the government's loose stewardship and naive assumption that the more government spends the better things will get:" Page 34: "Manitobans want a government capable of restraint and common sense, but can the NDP deliver;" Page 35: "We would hope for a little more common sense and straight talk from the government;" and again on Page 35: "The government's promise of restraints versus every expenditure is in accordance with government policies, and this would seem to us as contradictory." Going on still on the same theme, Page 36, the Acting Leader of the Opposition says, and I quote: "They believe that the ability of government to tax and spend is unlimited. They have little faith in the free and random decisions of the marketplace." Mark, Sir: "They have little faith in the free and random" - may I underline: random decisions of the marketplace - "Instead they prefer the planned and controlled decisions of the state. They believe that the government could better dispose of money than the men and women who work to earn it." Page 36 again: "We believe that this government has through lax administration squandered a great deal of money in the social policy area. But the major framework of the present social programs of Manitoba was built by our party when in government." And so it goes, on and on.

## THRONE SPEECH DEBATE

(MR. SCHREYER cont'd)

Well, may I begin to deal with those statements as they appeared in my honourable friend's speech by saying, first of all, that there is one thing I do welcome in the address of my honourable friend, and that is that passage in his address where he pledged the opposition to attempt to come forward with concrete, realistic fair alternatives and to minimize the kind of personal recrimination and witch hunting that perhaps unfortunately epitomized the Conservative Party in the three or four years previous to this one. If they are turning a new leaf in that regard, I welcome it, and pledge that for our part we certainly will try to respond in kind. Therefore, I must avoid very much taking personally some of these criticisms which I have just put back on the record, but you will understand, Sir, why I find it very difficult to avoid launching into a point by point refutation of it.

Because what the Conservative Party has obviously not learned in its seven years now - is it? - in opposition, is the meaning of the word "perspective". They would seem to want to look at this province, its progress and government spending in splendid isolation from what is going on in the other parts of Canada and the world. They lack perspective as well when they try to make hay with the argument that this government is somehow spending too much, and that if only there were a Conservative government then spending in this province would be more responsible and considerably more restrained or lower than it is today.

Well, Mr. Speaker, there is first of all a problem of priorities which my honourable friend, I'm sad to say, would demonstrate rather quickly where their priorities lie, namely with respect to those who are already occupying positions of relative affluence, abundance and overmuch.

The second point is that they would also, I think, have to admit after being in office before very long, that the amount of per capita spending in our province is something which they will be hard pressed to restrain any more than is being restrained today. I want to put on the record the fact that spending in Manitoba on a per capita basis - and there is no other meaningful, let alone fair basis of making these comparisons, that but per capita spending by the government of the Province of Manitoba is the second lowest in the Dominion of Canada, next only to Nova Scotia. We have, of course, means of ascertaining that and proving that point. My honourable friends are either not interested because they don't feel it's important enough to check out their allegations or else they have the time but they are too sloppy to check out the facts before making their allegations. But it is not as though it is difficult to trace the data base that relates to all provinces as compiled by Statistics Canada, and in that regard I am happy to put on the record for my honourable friends' convenience since they obviously don't want to bother to go to the library to look it up for themselves; they don't even know apparently how to instruct their Research Assistants, and I think they have one or two, to make those calculations for them, but here it is, Sir: - and it's consistent, I can take it back one year, two years, three years whichever you like - per capita spending, according to the Canadian Statistical Review and being Stats Canada publication, per capita spending in the Province of Newfoundland 1,455; Prince Edward Island 1,282; Nova Scotia 1,103; New Brunswick 1,256; Quebec 1,351; Ontario 1,208; Manitoba 1,165; Saskatchewan 1,172; Alberta 1,380; British Columbia 1,210. The 10 province average, 1,260.

For the very current fiscal year which we are still in, Mr. Speaker, the figures are: Newfoundland 1,690; Prince Edward Island 1,672; (per capita that is in all cases) Nova Scotia 1,224; New Brunswick 1,417; Quebec 1,496; Ontario 1,347 - may I add just as an aside, Mr. Speaker, the obvious, that the two largest provinces have the advantage of being able to spread the basic structure of any departmental organization over, in the case of Quebec six million souls; in the case of Ontario slightly more than eight million souls. So there is some built-in advantage but nevertheless these are the straight figures - Ontario 1,347; Manitoba 1,332; Saskatchewan 1,380; Alberta 1,656; British Columbia 1,424.

Now my honourable friends obviously didn't bother to check that or they would not be making repeatedly no less, Sir, not once or twice but repeatedly, the rather snide but

## THRONE SPEECH DEBATE

(MR. SCHREYER cont'd) . . . . . completely without basis in fact, allegations that there is something almost imprudent, unwise, improvident in the level of expenditure that is being incurred in Manitoba under the stewardship of this government. In fact the facts are just exactly the opposite. So it makes one wonder how long the Conservative Party, even though it has pledged itself to a turning over of a new leaf in terms of how it operates, still hasn't quite seen fit to hew to the facts, little simple requests which I think every citizen and we on this side have the right to ask of them.

My honourable friends also relate to the question of loose stewardship: the allegation that we have in our province under this government allowed too major an increase in the size of the public service; not to mention the fact that they have made all kinds of not so pleasant allegations about the competence and dedication to public service of some unnamed persons in the public service, some percentage of the public service. But I put that aside because that has been one of their favourite hobby horses or whipping posts over the past few years. But on this straight simple question as to the increment of the public service in our province I would now like to deal with that, and in that regard, I think it is useful to know that here, too, they could have obtained the facts from, not from us if they questioned the veracity of any data that we would put forward, but by simply relying on Statistics Canada Catalogue 72-007, and if they would have researched that document and used just fair intelligence in interpreting it, they would have found out the following: That again in terms of numbers of civil servants per 1,000 population - again the only really basic or fair way in which to run any comparison inter-provincially - we find that the numbers of salaried employees in the public service of Newfoundland runs at 9,400 for a ratio of 17 salaried employee per 1,000 population in that province, 17.03 to be precise as at September last; Prince Edward Island 25.43, and that's partly understandable of course because of the fact that that province has by far in a way the smallest population in Canada and one should make an adjustment for that; Nova Scotia 14.06 salaried civil servants per 1,000 population; New Brunswick 16.48; Quebec 11.77; Ontario 10.59; Manitoba 10.68; Saskatchewan 14.57; Alberta 15.36.

I might add that the Province of British Columbia neither this year, last year, or for the past 20 years has not supplied this data to the Statistics Canada, so this is a nine-province comparison. Whatever the reasons for that it is a rather interesting and valid model for comparison. We find upon close scrutiny that in the case of Newfoundland in order to make the data comparable across Canada that the figure had to be reduced by 462 by reason of the fact that police and firefighting is subsumed by the Provincial Public Service in that province. And it had to be reduced by 11,000 in the case of New Brunswick because of the fact that that total grand aggregate of public servants in Newfoundland is not 11,000 but 22,000 but of the 22,000, 11,000 are elementary and secondary school teachers who in other provinces are in local government employ. So it has been scrupulously adjusted to make it comparable across Canada.

In the case of Quebec and Ontario, there had to be reductions of almost exactly 5,000 in each case because of the fact of Provincial Police contingents in those provinces.

In the case of Alberta, a reduction by 10,000 by virtue of the fact that hospital employees show up in the data base as provincial, whereas in other provinces they are employees of local or quasi public institutions once removed.

Taking adjusted salary in wage employees, both in aggregate, province by province we find the ratio as follows: Newfoundland, 23.06 employees per 1,000 population; Prince Edward Island, 38.88; Nova Scotia, 24.88; New Brunswick, 24.04; Quebec, 13.54; Ontario, 12.58; Manitoba, 15.03; Saskatchewan, 19.44; Alberta, 20.31, and this is after adjustment for all relevant differences. So here too, Mr. Speaker, here I feel that this is a bit of information which I would hope that all conscientious minded members of this Assembly will really want to ascertain the facts rather than score high school debating points, would want to research out for their own satisfaction and keep abreast of from year to year.

I say keep abreast of, Sir, because it is obvious that in our day and age and our times, the dynamics of governing contemporary society have changed quite a bit from ten years ago. My honourable friends who seem to be frightened by the increment in the

## THRONE SPEECH DEBATE

(MR. SCHREYER cont'd) . . . . public service in Manitoba are obviously completely ignorant of the adjustments that have taken place in the public service in every other province of our country.

Well, of course, if they will say that we are spending too much, then no doubt they will say the sequel, which is, or the corollary, and that is that we are taxing too much, and they will continue to say that regardless of the distribution, or of the incidence of taxation regardless of the extent to which some of our programming has to do with transfer payments to local government and individuals; and they will continue to say it regardless of the impact of taxation, including all premium taxes, at various levels of income. In other words, they do not seem to be concerned with the incidence or the distribution impact of taxation, and whether or not taxation is being used as a fiscal and social instrument to bring about just a little bit more equality of the human condition. But then again, being Conservatives, I suppose that is not their immediate concern.

But it should be a concern to them, it should be a concern to them, Sir, the fact that some of their members are going about the province, or by way of brochures or pamphlets, and making the most irresponsible statements that deviate so grossly from the facts that their Leader and those of others of them who have more sense of responsibility could only blush.

I have here a pamphlet - the author should mercifully remain anonymous - which refers to the current and capital debt of the Province of Manitoba being close to \$5 billion, \$5,000 for every person in Manitoba. Well of course, if it were \$5 billion, Sir, then it would be almost \$5,000 for every person in Manitoba. "Since by the time we turf these," - and he's got the quote in his own brief - "By the time we turf these socialists out of office the current and capital debt from borrowing will be close to \$5 billion dollars."

Mr. Speaker, I don't know with whom he checked when this was written up; I don't know who the honourable member had to write this. I would like to know who was the idiot that wrote this, Sir, because it can't possibly be true, it has a margin of error 250 percent in fact.--(Interjection)--I'm fully aware of the rules of the procedure in this House, Mr. Speaker, and I repeat, "Who is the idiot that wrote that sentence?" We don't have to take my honourable friend's word for it. He probably would be equally justified in saying he doesn't have to take our word for it. In which case I would like to quote from a source which is perhaps the most definitive source for ascertaining a province's credit worthiness anywhere in the world and that is a Bond Rating Agency, and so, with your permission, Sir, I would like to quote that right now. My honourable friends know that it is commonplace for, in fact it is a necessity, for any corporation's bonds or any political jurisdiction's bonds to be rated before they can be sold in the investment market.

I would like to quote from the 22nd of September, 1975 issue of Moody's Bond Survey. Now here is a source, Sir, which can be regarded, I would think, in fact it's beyond dispute, as an external source of analysis and opinion, and it goes as follows: "The Province of Manitoba has a diversified economy in which agriculture, mining, manufacturing and services all make important contributions. Manitoba has experienced above average growth in recent years. Prospects depend upon expansion of Winnipeg's manufacturing and services base enhancing the existing agricultural technology, initiating additional mining operations, and the industrial utilization of available hydro power as it comes on stream. Provincial authorities have realistic expectations and good prospects of realizing them. They have demonstrated political sensitivity and pragmatic business acumen in reassessing and restructuring several major development schemes that went awry. The province pursues prudent fiscal policies with relatively small direct financing requirements," and I repeat that, Sir, "the province pursues prudent fiscal policies with relatively small direct financing requirements. The major increases in current expenditure are in shared cost programs with the Federal Government, net direct debt is moderate", repeat "moderate, and the bulk of guaranteed debt is for well managed, self-supporting Crown corporations. While these companies are under-capitalized by private sector standards, rate increases intended to check for the erosion of their debt to equity ratios have recently been approved." I could add in parenthesis here, Sir, that even with those rate increases they will still be substantially below the North American median.

## THRONE SPEECH DEBATE

(MR. SCHREYER cont'd) . . . . "We are rating" - this is Moody's Bond Survey Group: "We are rating this issue high grade," repeat, "high grade provisional AA and revising the rating on the Province of Manitoba, including outstanding rated issues guaranteed by the province in the past, from A to AA."

Mr. Speaker, my honourable friend, the Acting Leader of the Opposition tried to make something much the other day about the mining sector and about our hostility to the private sector, the fact that there wasn't enough going on in mineral production, that we lack adequate stewardship in operations of the province, and I want to go on and read still further from this same external source, that rates bonds and credit worthiness of corporations in provinces and states and municipalities. They go on to say: "The manufacturing sector has grown at a fairly rapid pace in recent years and makes extensive use of local agricultural products. Mineral production, particularly of metallic ores, has expanded steadily in the last decade. The province's significant expansion in nearly all sectors resulted in a gross provincial product that grew at a faster pace in Manitoba in 1973 and '74 than for the nation, while the rate of inflation in that period of time remained lower than the national average. The province's financial operations have been extremely well conducted for several years with surpluses recorded in each of the last eight years with the exception of 1971-72. Preliminary 1974-75 reports indicate balanced operations for that year, although a minor deficit is envisaged for 1975-76." Perhaps even more relevant. "Direct debt issuance by the province has been infrequent and direct financing requirements have been relatively small.

"Much of the provincial debt has been incurred in order to make loans and advances to several Crown corporations and to municipalities and schools. Approximately half of the total provincial funded debt of 944 million has been issued on behalf of self-sustaining utilities, or the province's agricultural credit corporation, or had been issued to make advances to municipal corporations. Net direct debt of the province has declined steadily in relation to total personal income." And, Mr. Speaker, that is where one can separate, that is where one can separate those who speak nonsense from those who have some understanding of the requirements of financing in contemporary times. To look merely at debt and not be able to distinguish as between direct debt and guaranteed liabilities on self-sustaining debt, is to me one mark, one easy way of separating out the men from the boys, so to speak, and the other is to find out in conversation or debate whether one makes a distinction between absent levels of debt and absent levels of debt in relation to per capita income, and more precisely even, in relation to per capita of disposable income, because an absolute number by itself is meaningless in isolation of the quantum of wealth in a given jurisdiction, as measured in per capita terms, disposable income per capita terms, because that is the basis upon which the faith in credit of any jurisdiction ultimately are acid-tested. That is the acid test and nothing else. And it goes on and on.

But, Mr. Speaker, again, it is one thing to have a silly little bit of argumentation back and forth as to whether we have a big debt or a small debt or a debt that is exaggerated by 250 percent - an exaggeration is about the kindest way I can put it - and then to find what the facts are as seen through the eyes of an external group of people who do nothing else, whose very professional specialization is, the analysis of and rating of indebtedness, the faith in credit or credit worthiness of any given corporation, jurisdiction, state, province or local government.

After that, Sir, I don't know what there is, but there is much more left to be said with respect to all of these silly allegations about overspending, too many civil servants, too much indebtedness, no distinction as to the kinds of indebtedness.--(Interjection)--Ah, yes, Mr. Speaker, there is inflation all right, and I would think that the rate of inflation is something which would concern us all as Canadians, indeed as citizens of the world, because if my honourable friends think that the rate of inflation has something to do with the government of a jurisdiction of a province of a million or two million souls, be it B.C., Alberta, Saskatchewan, Manitoba, Ontario even, or any province, then I tell them that they are being quite silly about it. I would invite them to make their complaints about inflation to the Premiers, the Prime Minister, if he calls himself that in Ontario, or in St. John, Newfoundland, or in Edmonton, or wherever.

## THRONE SPEECH DEBATE

(MR. SCHREYER cont'd)

Inflation is indeed a problem which faces us all, and I am not aware of any particular course of action that my honourable friends would follow to combat it that would hold out any more hope of effectiveness than what we are attempting to do on our own part. They say they would curtail government spending. I really fail to see how they could do that, given the fact that government spending per capita in Manitoba is already among the lower of all the provinces in Canada. And presumably, if they were to, despite that, try to do so, I'm afraid that they would be cutting at precisely those kinds of programs which they did not implement when they were in office, such as the abolition of Medicare Hospitalization premiums - I think they put that back as a starter - home care for the elderly and the temporarily injured, they would probably do away with that; or possibly as well, in addition to, Pharmacare, because they didn't see fit to do that; the financing in degree of the costs of nursing home care, or personal home care for the elderly. What precisely, Mr. Speaker, would they want to chop away at? I was really done a grievous disservice by the Honourable the Member for Roblin this afternoon. I am told that he has now come to the conclusion that I have become a great advocate of restrained government spending. Well, Mr. Speaker, I believe that there is some need to restrain government spending all right, particularly to guard against exponential curves phenomena. But at the same time I have said publicly, and am pleased to say so again because I believe it, that I have seen little more talk that is more cheap talk than much of the talk about curtailing government spending in Canada.

Indeed, it is fashionable now in the middle 1970's to talk about the need to curtail government spending. Well the Chamber of Commerce of Canada were given an opportunity, I think they were practically embarrassed into it, to do a list of those things in the Canadian public sector where governments were engaged in programs in one kind or another, that they would cut. And I believe that it's true to say that after some weeks of this exercise, it ended in absolute chaos by self admission. I believe I can find reference to that - I'll do a little more research - about two or three or four weeks ago.

It's so easy to say, "oh cut government spending," and I suppose that is a simplistic conservative approach. But any validity that attaches to the suggestion that there should be a cut in government spending, it better be specific, and so far I haven't heard one specific example from my honourable friends. Well, they say inflation, and of course they have had some fun with the fact that in the past twelve months we have had - I admit, Sir, there's nothing like admitting the facts - we have had in Winnipeg in this province in the last twelve months a rate of inflation which has been by margin of a percentage point higher than most other metropolitan cities, so that gave my honourable friends a thrill, they were able to score a debating point. What they have taken pains to avoid however, and have done so every year that they've been in the opposition, is that the inter-city comparison of consumer prices, all items and major components measured in all cities in Canada over 100,000 population, Winnipeg is tied for second lowest in terms of cost of living. And that's the case today today, today, Sir. And that is what they take pains to conceal or avoid making reference to.

The rate of increase in the last twelve months I admit, Sir, has been higher than we feel we should tolerate - if there was something that we could do about it in definitive concrete terms, we would. And maybe there are two pieces of legislation on the Order Paper this year in this Assembly where my honourable friends will have a chance to demonstrate whether they're for it or against it in terms of the state attempting to take definitive action in the marketplace to try and slow the rate of inflation. Ah but, Mr. Speaker, that is the supreme irony. My honourable friends like to make noises about the rate of inflation but, Sir, to cure inflation will take some intercession by the state in the marketplace, and that I think they will object to vociferously. I believe they will, since they now are jockeying for a position in the political spectrum where they will have the exclusive loyalty and support of the irredentist, revanchist unrepentant old style right-wing capitalists of the private enterprise sector.

Perhaps I am being unfair, Sir, in light of the events of the last weekend in Ottawa - maybe they have elected a Leader who will take them not nearly in that extreme a direction.

## THRONE SPEECH DEBATE

(MR. SCHREYER cont'd) . . . . Although I don't know. I don't know. I can only talk from the benefit of experience of observing the scene more close at hand.

The extent to which they are trying to brand the Federal Liberal Party as being socialist or socialist led leads me to think that they are trying to capture the sort of free enterprise ideological part of the political spectrum. And therefore I can't see how with any shred of consistency they can call for efforts to try and halt inflation. Because their inflation has been the hallmark of an economy that had the classical boom and bust cycle to it. And to the extent that inflations have taken - it's not something new, Sir - inflations of even greater magnitude, proportionately speaking, have taken place decades ago even in the last century, and it is only by grudging acceptance of periodic, from time to time intercession of the state as an instrument of society by means of regulation rules of order, that some of this has been contained. But my honourable friends object to that, so I am quite curious how they will get themselves out of that basic fundamental contradiction.

We know that any political party in the 1970s faced with the kind of prospects we have to face with respect to energy supply and demand and price in the future, it still wants to embrace, without intellectual reservation - the free market has got to be, has got to be, deserving of the . . . conservative. And I think that's putting it kindly too, Sir. Because, just the other day - and I couldn't believe my ears - the Acting Leader of the Opposition said that - I think I have the exact words here - oh yes, here we have them: "They have little faith in the free and random decisions of the marketplace." So now, Sir, we have a political party that is coming out in the 1970s in favour of Russian roulette. Well isn't that what it amounts to, Sir? Random decisions of the marketplace and Russian roulette shall be the order of the day. Whether or not we are able to cope with inflation better or worse; whether or not we are able to take care of those in our society who are less fortunate; whether or not we are able to bring some greater degree of hope to regions of our country who have been less advantaged in years and decades gone by - all of which things, in order to give some greater degree of hope, will require the use of government as an instrument to get things done, to bring some restraints in. All of these things they dismiss as being socialist. They would commit our destiny and all the people of our country and our province and of the future to random decisions of the marketplace. Incredible, Sir! If that is the basis upon which we are differentiated, I say I am happy to be so differentiated.

It is indeed - the future political battles I suppose will be unfolding themselves on the basis of whether one has greater hope and faith in humanity and its capacity to make rational decisions. Planned application of human values, yes, that's exactly the words we intended to use - we used them in the Throne Speech - as opposed, and he confirmed it, random decisions of the marketplace. Let the battle be joint, Mr. Speaker. We may not win every one but I can assure you that we will be very much in the race, now, tomorrow, next year and for eternity, if that's the kind of . . .

My honourable friends had quite a bit to say about housing. Here again is an incredible inconsistency. The Conservative Party would want to give us what for in the field of housing. Well, Mr. Speaker, before we accept that criticism from them perhaps we should look at their record. We are pleased to see that the members opposite feel that there are no magic answers. I think they were intellectually straight enough to admit that, and that has to be appreciated, that there are no magic answers to the housing problems that we face, in relation to our expectations, that is. And that we are not preaching the virtues of a government that is inactive; they would apparently want us to do more - more intercessionists, more interventionists - in what way they were careful not to be precise or specific. But they leave the impression that we're not doing enough. They say oh no, we don't mean public sector, we mean you're not doing enough to encourage the private sector. Isn't that right? That's what you mean. We're not encouraging the private sector enough. So it gave me cause to look up how well the private sector did in Manitoba in their period of stewardship. And I found that in the worst year of this administration in terms of dwelling starts and completions, that the worst year was better than the best year when they were in office. There are 1,020,000 fellow citizens in our province, Sir, and when they were in office it got as high as 970,000 I believe, that's

## THRONE SPEECH DEBATE

(MR. SCHREYER cont'd) . . . . after a couple of years where we had actual net population loss, 1963 and '65. But apart from that, that's just an aside. I don't think that Manitoba, - Sir, it's an interesting aside - I don't believe that Manitoba has had population loss in any year since entering Confederation in 1870, with the exception of two years, 1963 and 1965. But apart from that aside, Sir - that really is an aside. But the fact is that housing starts relating to a province with a population of 970,000 plus or minus; in 1965, 6,000 completions; in 1966, 5,400 completions; 1967, 5,500 completions; 1968, 5,800 completions; 1969, 7,500 completions; '69 is a split year in terms of administration; 1970, 9,000 completions; 1971, 10,000; 1972, 10,000; 1973, 10,000; 1974, 12,000. The number of completions, 43,000, in a period of four years as compared to 22,000 in their last full four years of office.

It would be different, Mr. Speaker, if we were talking about a boom town in which there were no people living at what point in time and then a population of ten or twenty thousand sprang up in a period of just a few years. Well that kind of statistical comparison would be spurious in this context. But for a province that in the 1960s at 970,000 population normal growth, well slightly better than normal growth really when compared to the early 60s and twice as many housing units completed in the last four years, they would try to insinuate the allegation that somehow we have failed in terms of both private and public sector housing, I don't think that they have a leg to stand on in that regard, since the performance in the decade when they were in office was really quite dismal in that regard, and there is no other way to describe it, completely disproportionately low to population.

Now insofar as the public sector is concerned, we can attempt to bring about a certain increase in the utilization of Manitoba Housing and Renewal Corporation as a means of increasing the stock of housing in our province, and that is precisely what we are going to do, Sir. It may not sound like very much to the Honourable the Member for Fort Rouge, but \$70 million of over-all program is about as much as a province of our size can reasonably muster. The Member for Fort Rouge, I think, made the allegation the other day - if it wasn't him, it was one of his colleagues - that we have failed to utilize available CMHC financing. The Minister of Urban Affairs smiles because if the truth be known, Sir, in the past two years my colleague has been making pilgrimages to the Federal CMHC authorities in order to try and use every conceivable avenue of mode of financing under CMHC in order to maximize the financing of the stock of housing in the province. So how he can say that we have not used the fullness of available CMHC financing is really quite incredible. If he doubts the voracity of what I am saying, I would invite him to make contact with Mr. Teron (sic), I believe it is, the new president, who I suspect is known to him, and check for himself.

The Member for Fort Rouge - one should in a sense admire him I suppose, he seems to be filled with idealism. But, Mr. Speaker, the idealism which he seems to wear on his sleeve at times doesn't, doesn't have any earthly relationship to reality as to what is possible to do physically; what is possible to finance; what is possible to physically construct in one year; what is possible to get zoning for, etc. And yet I feel very much at a disadvantage in presuming to tell him that, since I am only a layman in these matters and he is the head of an urban institute. I know that the Mayor of one of our cities of Manitoba said to me in a rather annoyed frame of mind once that somebody connected with the Urban Institute has been working through the Neighbourhood Action approach to get some housing built, and after two years succeeded in getting two duplexes up. Mr. Speaker, that is hardly performance, and if we were to operate that way through MHRC then I'm afraid that the stock of housing in our province would not increase appreciably.--(Interjection)--

Mr. Speaker, you see, maybe there is some advantage to the exchange of ideas and views by way of debate in this Chamber, because the honourable member now says, "At least we're not destroying any old houses." Well, Mr. Speaker, it is not as though it is a feature of our program under Manitoba Housing and Renewal to destroy old houses that are rehabilitatable. I mean, the Minister of Urban Affairs has in fact a great determination that there be no destruction of anything that is rehabilitatable unless there is the most extenuating circumstance. But is the honourable member not aware that we have not



## THRONE SPEECH DEBATE

(MR. SCHREYER cont'd) . . . . . been neutral in that regard, not only have we tried to avoid demolition of rehabilitatable structures, residences, but we have gone out with a positive program. Maybe it is too mundane and too - yes, simply too mundane and too undramatic to capture his excitement - but we call attention to home repair and then critical home repair and by means of that program some several thousand of rehabilitatable older housing has indeed been repaired.

My honourable friend, the Member for Fort Rouge - I would like to take advantage of this opportunity to say to him, that he seems to have the impression that we are attempting to bring about urban renewal by means of building of fancy institutional structures in the Inner Core, and I must say to him - I think he knows it actually - that the aspect of institutional structures in the Inner Core is merely one component of a multiple component effort with respect to the Inner Core. My honourable friend should know that the amount of financing that goes into the Inner Core by means of the purchase of land through the tri-level mechanism, the number of social case workers, the number of social counsellors, again some of them through the tri-level mechanism, it's not as though there is no effort being made insofar as the social dimension is concerned. But, Mr. Speaker, one cannot bring about urban rehabilitation in an inner core by relying on either of the two components by themselves, that is to say, to presume to hope that just by a social counselling approach you're going to bring about urban renewal; nor is it any more valid to think that by a bricks and mortar approach, with no care or concern for social rehabilitation, will it be possible to bring about urban renewal.

The fact of the matter is that the City of Winnipeg by a unanimous resolution passed in November of 1974 asked the province to suggest what the province could do to assist in the process of revitalizing the Inner Core, and we responded with an enumerated program which to the best of my knowledge the City was relatively pleased with. There has been good concrete co-operation between the province and the City in that regard, and I hope, I really hope, Sir, that the Member for Fort Rouge is not going to use his position and whatever influence he has through his contacts, to attempt to thwart and frustrate any tangible urban renewal possibilities in the Inner City. My honourable friend, if he has some other alternative concrete approaches, I'd be all ears, but if he suggests for a split second that he can by means of - well, but, Mr. Speaker, my honourable friend knows that there is some quantum of housing in that area of the city which by any reasonable definition are not rehabilitatable. Therefore, if the land is purchased and they are demolished, at least it gives some prospect of the building of new residential units which can go to serve the people of that general area.

There is a problem of sequence involved in trying to rehabilitate and renew the core of any city, the older core of any city, and the sequence problem is not helped by those who insist that every single last old home, many of them structurally unsound, must remain there. I think the Member for Fort Rouge, he shouldn't be criticized too much because he is basically a romantic at heart; better to be a romantic than to be a damager, but having said that we cannot allow ourselves to be held back by romantic nonsense.

Anyway I hold out, I am quite interested in hearing more of what the honourable member has to say in this Session, because I believe that he gave us a pretty broad hint last week that he is not particularly interested in ideology anymore. As a matter of fact, he said he wasn't going to waste time in this House arguing silly nonsense about ideology and socialism and free enterprise. I think that that is a good offer on his part, if he has no philosophic convictions he shouldn't artificially fabricate them, and so I give him credit for that much. But, you know, Mr. Speaker, I believe him, Sir, because to me he is merely one more proof of the fact that the Liberal Party in Canada, in order to understand the Liberal Party, it's first of all necessary to understand that it has no philosophy any more. Those who say that the Liberal Party is of the right are really not being fair to the Liberal Party; those who say the Liberal Party is of the left are being inaccurate. The fact, Sir, is that the Liberal Party is neither of the right nor the left, the Liberal Party is of the East, that's where the Liberal Party is from. And by that I simply say, Sir, that we would waste a good deal of time arguing where the Liberal Party stands in the political spectrum; it is I repeat, not a matter of right or left, but rather of geography

## THRONE SPEECH DEBATE

(MR. SCHREYER cont'd) . . . . in Canada. The Liberal Party in Canada is definitely of the East, not of the left or the centre or the right. And the reason I say that, Sir, and it's not something which needs be dwelt upon this evening, that for 100 years the Liberal Party has governed in our country most of the time and it has - but there's no way that one can guarantee this, it's not a criticism, it's just a fact - the Liberal Party has never in 100 years elected a Leader from western Canada, nothing can be done about that, that's merely a matter of fact.

But there is something else, Sir, and for this there is ample ground for round condemnation, and that is, that in office the Federal Liberal Government continues a policy of regional development, regional economic expansion grants, civil aviation, airport construction, the buying out of foreign owned aircraft manufacturers, etc. - that is a betrayal, but a complete betrayal of any part of Canada other than that which is between Toronto and Montreal. By my calculations, Sir, not to mention the 600 millions that have gone into an airport in Quebec that is only 40 miles away from another International Airport - and they're not finished with it yet, so I'm sure it will be close to three quarters of a billion by the time they're through; not to mention the funds that the Federal Government has spent to buy out General Dynamics of St. Louis, Missouri, relative to Canadair; not to mention the tens of millions that the Government of Canada has spent to buy out Hawker Siddley so that they could take their money, as General Dynamics could, and simply take it out of the country and invest it in civil aviation in competition backed with Canadian production; not to mention the tens of millions of dollars that a Federal Liberal Administration has through international aid surreptitiously used for the purchase of Toronto and Montreal manufactured aircraft. We hear about certain private companies in the United States guilty of alleged, shall I say, guilty of alleged over PRing of potential foreign purchasers of aircraft. I don't think that there is any - well I shouldn't say I don't think, I am satisfied that that kind of ethic is not being practiced on the part of our Federal Liberal friends; but they have a different kind of ethic, and that is to use the federal public purse in a way that is exclusively intended to provide support for the civil aviation industry in Toronto and Montreal. It's about as simple and crude as that, and the amounts involved are not merely tens of millions but by now they have accumulated to the point where they are in excess of a billion dollars in the past decade. My honourable friends can't deny that.

The promises that were made for the Department of Regional Economic Expansion support for aircraft manufacture at a closed out Canadian Forces Base in Western Canada, \$4.3 million as a starter, four years later we have 300,000 of the 4.3 million. Funds that we request to go for regional air service between Winnipeg, Dauphin, Yorkton, Saskatoon, Winnipeg, Brandon and Regina on a basis that the provinces would participate in, the Federal Government refuses to do; whereas between Ottawa and Montreal they have piggybacks on top of an excessive Air Canada schedule; they have piggyback air transit air service "experimental" using Bush Otters from DeHavilland, in which they are spending in excess of \$20 million a year in Federal subsidy. No provincial input from Quebec and Ontario. But to make that service relevant in Western Canada on a demonstration basis they insist as a pre-condition of provincial financial input.

Mr. Speaker, my honourable friends will understand what I am saying is said with more than just an undertone of bitterness; I say without equivocation, it is quite rotten, Sir, quite rotten. I thought perhaps with the weekend's events that if Mr. Hellyer had been elected Leader of the Conservative party that his former executive assistant might be persuaded to leave Liberal ranks so as to attempt to work for a better deal for Western Canada. I don't think he will find it in the ranks of the Liberal Party. The will isn't there - in fact, the will, Sir, exists in exact antipathy because it is basically an eastern dominated political party in Canada. And so you understand why I said just a few minutes ago that the Liberal Party is not in our case of right or left but rather of east, easterliness, that would seem to be the case.

## THRONE SPEECH DEBATE

(MR. SCHREYER cont'd)

Now, I want to say a word about labour relations. I'm sure that my colleague the Minister of Labour has made ample reference to the fact that labour relations don't lend themselves to the kind of hasty, simple, easy solutions that my honourable friends opposite have pretended are open to us in recent days.

I would like to ask the Member for Fort Garry if he has ever seen this particular document called the Manitoba Labour Management Review Committee on Public Sector Employee-Employer Relations, July 1974, sometimes called the Woods Committee Report. Well, Mr. Speaker, if the Member for Fort Garry had read the report he would have noticed that in the report, in the section dealing with conclusions and recommendations, that the consensus of view of the people who studied labour relations in the public service, in the public sector in Manitoba, is that we should continue for the foreseeable future to support collective bargaining in all areas of public service employment. That's not to say that they're not aware of the pitfalls that exist in attempting to live up to the ideal of free collective bargaining, but having considered all alternatives and the ramifications inherent in the alternatives, that is nevertheless what they recommended.

My honourable friend said in the Speech from the Throne debate last week that his colleagues and he had studied labour relations in Manitoba, and were of the view and had come to the view that there ought to be legislation, back to work, of a mandatory nature. I don't think I'm exaggerating that, that's what they were saying, which made me wonder whether he'd studied this one document, let alone all the other documents that bear on the subject of labour relations in the modern day world. When he said he studied it, I have to ask him, did he study it at one of the caucus meetings, or when he had milk and cookies one night, is that when he studied it? Or did he study all of the alternatives that exist in the democratic world in our day and age? There are different approaches, but every one of them is not free of human frailty. In any case, Sir, I resist, I resist the argument and I resent the suggestion of my honourable friends opposite that we are plagued with a greater degree of work stoppages than is the case in other jurisdictions in our country.

Mr. Speaker, my honourable friends should know that in fact the amount of days lost as a result of strikes in our province comes to something like one-eighth of one percent of the total man days worked in a normal year, one-eighth of one percent.

They tried to create a climate of hysteria against the concept of collective bargaining and one of its aftermaths from time to time, namely, the occasional work stoppage or strike. We are of course, Sir, disturbed with strikes whenever they occur. My honourable friends cannot take a simplistic position that if there is a strike in situation X, then situation X has to be legislated back to work. They are furthermore less than intellectually honest, Sir, because they try to leave the impression that if they only could turn things back to when they were in office that there couldn't possibly be such a thing as a strike on behalf of health workers, hospital workers, nurses, etc. Well, Mr. Speaker, is it not a fact that nurses and hospital workers had as much legal right to strike ten years ago as today. My honourable friends want to ignore that fact, and bring themselves to argue, "Ah, yes, but had there been a strike we would have removed their right," then why did they allow it to exist in such a phony way on the statute books in the first place?

Mr. Speaker, I am not making much of this because I realize full well the conundrum, the conundrum that can result where you have a withdrawal of service, a work stoppage, as a result of a breakdown of collective bargaining in an area that is critical to the public interest. But let them not pretend that they have found an answer, because even in those jurisdictions where from time to time they have legislated people back to work, they have had to wait on the goodwill of those legislated back in order to be absolutely sure that the problem would be removed. If my honourable friends think that they have some answer that is way far above the exigencies of the day, they should quit fooling themselves. Anyways, Mr. Speaker, I'm not sure just who they would legislate back to work.

I'm quoting now from Page 3 of a television address by the Honourable, the Leader of the Conservative Party. He says, "There's more than curiosity at stake when doctors, nurses, and hospital administrators, instead of treating the sick must

## THRONE SPEECH DEBATE

(MR. SCHREYER cont'd) . . . . spend their time trundling sick people to their home or other facilities. This kind of 'Russian Roulette' played with the health of sick people is intolerable. The right to life, and the right to continuing health care are more important than the right of any group, whether doctors, nurses, or hospital workers, to withdraw their vital service." The proposition there being that strike action will not be tolerated under any circumstance in the health field, and therefore the right to strike would be removed in advance - prior restraint, I suppose - from the statute books. Maybe that's not a fair interpretation, but if that isn't, then I would like to know what is a fair interpretation of that innuendo. Because it is largely innuendo, it doesn't come out and say what will be done, it just says what isn't good enough.

Well I'm afraid, Sir, that in this world of sorrow and tears, there are a lot of things that aren't good enough, but I'm still waiting for any Conservative answer that is, particularly when it comes to rights of freedom of action, collective bargaining, and health care. What we have now may not be good enough, and the innuendo that it isn't I suppose that I have to accept, but I'm mightily curious as to what they propose to do specifically. The insinuating reference to doctors and nurses, not having the right to strike, not having the right to withhold service, implies that there would be legislation introduced, and anyway part of that is a non sequitur, for the simple reason that doctors do have the freedom of opting out, so there's no need for withdrawal of service in that context.

But I think more important for the Member for Fort Garry, is for him to realize that Industrial Occupational Health and Safety is very important because four times as many work days are lost as a result of accidents than of strikes in the long-term average of years. So when we propose legislation to try and make improvements in mining safety, in industrial's health and safety, I hope that they will not attack it as being an intrusion in the free marketplace, that they will not try to use the argument of the free marketplace as having prior and superior rights to that of industrial and occupational health and safety.

Mr. Speaker, I would be remiss if I did not deal, and perhaps this is the area of my greatest disappointment with the Acting Leader of the Opposition, and that is if I didn't deal with his remarks relative to energy and Manitoba Hydro. Mr. Speaker, the Honourable the Leader of the Opposition states that we have lost, (I'm using his words) more than \$400 million worth of hydro resource potential. This would seem to be about three years production at current rates, and it seems rather odd that the Leader of the Opposition could conceive that such a large quantity of energy could be lost. As far as I know, Sir, Manitoba Hydro keeps a very close account of energy generation and sales and has experienced no unaccountable losses - I made enquiries - no losses of that order of magnitude nor anything remotely approaching that. It would appear that the Leader of the Opposition is not correct in stating that such a large quantity of our hydro resources has been lost.

Anyways, Mr. Speaker, last April the Leader of the Opposition, the Member for Riel, asked about the various construction projects under way under Manitoba Hydro, and it was explained to him by the Chairman of Manitoba Hydro then, that the total cost estimates of the projects under way was in the order of \$422 million. In addition to changes in design, the addition of a significant sized generating station, major changes in the projects to minimize environmental impact, and the effect on communities such as South Indian Lake in Thompson, and so on, Manitoba Hydro has been faced with increasing construction costs which have been compounded by the increased cost of money in the past ten years.

The Leader of the Opposition still persists in speaking of the high level Churchill River diversion as though it would have been a desirable project for Manitoba Hydro to have built, but I don't think that the Leader of the Opposition was present when this project was explained to the people at South Indian Lake in the first place: to have to tell them that their homes, all of them, would have to be moved because the community, all of it, would be inundated, all of it, under a minimum of 20 feet of water. We do not recall the Leader of the Opposition speaking out in favour of that project at that time. In retrospect Mr. Speaker, I want to say now as definitively as I can, and if my

## THRONE SPEECH DEBATE

(MR. SCHREYER cont'd) . . . .honourable friend wants to question, he will have . . . in fact I will insist that he have ample opportunity to question the Chairman of Manitoba Hydro at the Utility Committee Hearings, so that he can find out why and how I am able to make the categorical assertion as follows:

That in retrospect it has been found that the Churchill River diversion scheme as proposed in Bill 15 brought to this Assembly in 1969, would not have been workable in any case. Not only would Southern Indian Lake be so severely inundated that it would be written off as a usable lake for man and fish and fur bearing animals for many years, but the effect on the diversion route, including the communities of Nelson House and Thompson, would have been extreme. The present diversion scheme will have the relatively steady flow of water down the diversion route, resulting in more stable water levels. With the high level proposal it was intended to fluctuate the water levels widely as the flow was varied from double the present diversion quantity to almost nothing. Effects on river banks, lake shores, and the facilities around them would have been totally unacceptable, and it would have involved moving entire villages miles.

Well, Sir, I make that as an unequivocal statement that in retrospect and with subsequent engineering study, it has been determined that the diversion scheme for the Churchill River as brought in in Bill 15 in 1969 to this Assembly, just would not have been feasible, desirable, or possible.

Now if my honourable friend wants to make all kinds of sort of harassing arguments as to how things could have been done better, like a Monday morning quarterback, I say to him that of course there are always different options that could have been followed, one of which would have been to have built coal-burning stations back in 1970. I'm sure he wouldn't have recommended that. Given the potential for the price increase of coal, given the potential for the escalation in railway freight rates to transport the coal, given the finiteness of fossil fuels, given all these reasons, while there is a potential of energy running harnessible to the sea, I'm sure that he would not be advocating that we should have followed a different course of action.

Well, Mr. Speaker, there's a great deal at issue here, I fully understand that. My honourable friend, however, what I really resent in their slander and allegations of one of the former chairmen, is the suggestion that the decisions arrived at were based on other than engineering. Mr. Speaker, that is precisely what is not correct. The decisions arrived at were based on engineering advice. I might add further that the Board of Directors, including the late W. J. Parker, who was a member of the board for many years, affixed their signature to a document indicating that this . . . and the Dean of Engineering at the University of Manitoba, another board member, the former Senior Engineer of Winnipeg Hydro, later of Manitoba Hydro, also on the board, all affixed their signatures to a document indicating that they believed that this was a prudent course of action to follow, the one we are following now.

But, year after year, as though the facts had nothing to do with it, my honourable friends try to create some scare psychology that we have taken a monumentally wrong course. I am quite as serene as my honourable friend, perhaps more so, to await the verdict of history. I say to him that if he tries to use the rate argument as being proof that we have followed perhaps the wrong course, that again I would ask him to take the simple precaution of not looking at rates in isolation from the world around us, including electric utility rate dynamics in Ontario, Quebec, the Maritimes, Calgary Light and Power, British Columbia Hydro, wherever he wishes, Florida Light and Power, Consolidated Edison, New York, wherever he wishes, and advise where there is a guarantee that rates will not be going up with a sharp incrementality in the next few years as they have in the past. Indeed, for those who have some responsibility with respect to energy supply for the future I would point out to them that some of the major oil companies in Canada are beginning to provide data, which I imagine they're not afraid to have made available to the general public, predicating a price of oil for three and a half years from now of \$16.00 a barrel in Canada in order to meet the kind of costs that they anticipate they will have to meet in the next few years ahead.

We, Sir, to try and telescope a very important fact and problem in a few words, are facing a different kind of future largely because of some horrendous changes that have

## THRONE SPEECH DEBATE

(MR. SCHREYER cont'd) . . . . to take place with respect to the pricing of energy; an electric utility energy pricing adjustment will be among the least of it, not the greatest of the adjustment to take place. If we do have a difficult future it is, Sir, because to a great extent we have postponed important decisions, indeed been ignorant and blissfully ignorant of the need to make certain important changes with respect to energy consumption and energy supply because we were depending, Sir, on the free random decisions of the marketplace.

We, Sir, in the next 60 seconds, may I say that we will be facing energy conferences in Canada of a Dominion-Provincial nature until we are sick of them, in the course of this year and the next few years. And in every case there will be great frustration because there will be the slowness, the reluctance to face up to the fact that we do not have forever and a day in which to make certain adjustments in the marketplace with respect to energy supply and demand and provision for the future supply of energy. And that, Sir, could best be done by the planned application of human values, not by the Russian roulette of the free enterprise blind and invisible marketplace.

MR. SPEAKER: Subject to our Rule 35, subsection 3, I must at this time put the Amendment before the House.

MOTION on Amendment presented and lost.

MR. JORGENSEN: Yeas and Nays.

MR. SPEAKER: Call in the members.

MR. SPEAKER: Order please. The motion before the House is the amendment to the motion proposed by the Honourable Member for Wellington by the Leader of the Opposition.

A STANDING VOTE, the result being as follows:

YEAS

Messrs.	Banman	Jorgenson
	Bilton	McGill
	Blake	McGregor
	Brown	McKenzie
	Craik	Sherman
	Einarson	Spivak
	Graham	Steen
	Henderson	Watt
	Johnston (Sturgeon Creek)	Wilson

NA YS

Messrs.	Adam	Johannson
	Axworthy	McBryde
	Barrow	Malinowski
	Bostrom	Miller
	Boyce	Osland
	Burtniak	Patrick
	Cherniack	Paulley
	Derewianchuk	Pawley
	Desjardins	Petursson
	Dillen	Schreyer
	Doern	Shafransky
	Evans	Toupin
	Gottfried	Turnbull
	Hanuschak	Uruski
	Jenkins	Uskiw
		Walding

MR. CLERK: Yeas, 18; nays, 31.

MR. SPEAKER: In my opinion the nays have it, I declare the motion lost.

THRONE SPEECH DEBATE

(MR. SPEAKER cont'd)

The Honourable Member for Morris.

MR. JORGENSON: Mr. Speaker, I'd like to move, seconded by the Member for Fort Garry, that the debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable House Leader.

MR. PAULLEY: Mr. Speaker I beg to move, seconded by the Honourable the Minister of Agriculture, that the House do now adjourn.

MOTION presented and carried and the House adjourned until 2:30 tomorrow afternoon. (Tuesday)