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of the

Legislative Assembly of Manitoba

DEBATES and PROCEEDINGS

26 Elizabeth II

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MANITOBA LEGISLATIVE ASSEMBLY

Thirty-First Legislature

Members, Constituencies and Political Affiliation

Name	Constituency	Political Affiliation
ADAM, A.R. (Pete)	Ste. Rose	NDP
ANDERSON, Robert (Bob)	Springfield	P.C.
AXWORTHY, Lloyd	Fort Rouge	Lib.
BANMAN, Robert, Hon.	La Verendrye	P.C.
BARROW, Thomas A.	Flin Flon	NDP
BLAKE, David R.	Minnedosa	P.C.
BOSTROM, Harvey	Rupertsland	NDP
BOYCE, J.R. (Bud)	Winnipeg Centre	NDP
BROWN, Arnold	Rhineland	P.C.
		NDP
CHERNIACK, Saul M., Q.C.	St. Johns	NDP
CORRIN, Brian	Wellington	P.C.
COSENS, Keith A., Hon.	Gimli	
COWAN, Jay	Churchill	NDP
CRAIK, Donald W., Hon.	Riel	P.C.
DESJARDINS, Laurent L.	St. Boniface	NDP
DOERN, Russell J.	Elmwood	NDP
DOMINO, Len	St. Matthews	P.C.
DOWNEY, James E., Hon.	Arthur	P.C.
DRIEDGER, Albert	Emerson	P.C.
EINARSON, Henry	Rock Lake	P.C.
ENNS, Harry J., Hon.	Lakeside	P.C.
EVANS, Leonard S.	Brandon East	NDP
FERGUSON, James R.	Gladstone	P.C.
FOX, Peter	Kildonan	NDP
GALBRAITH, James	Dauphin	P.C.
	Swan River	P.C.
GOURLAY, Douglas	Birtle-Russell	P.C.
GRAHAM, Harry E., Hon.		
GREEN, Sidney, Q.C.	Inkster	NDP
HANUSCHAK, Ben	Burrows	NDP
HYDE, Lloyd G.	Portage la Prairie	P.C.
JENKINS, William W.	Logan	NDP
JOHNSTON, J. Frank, Hon.	Sturgeon Creek	P.C.
JORGENSON, Warner H., Hon.	Morris	P.C.
KOVNATS, Abe	Radisson	P.C.
LYON, Sterling R., Q.C., Hon.	Charleswood	P.C.
MacMASTER, Ken, Hon.	Thompson	P.C.
McBRYDE, Ronald	The Pas	NDP
McGILL, Edward R., Hon.	Brandon West	P.C.
McGREGOR, Morris	Virden	P.C.
McKENZIE, J. Wally	Roblin	P.C.
MALINOWSKI, Donald	Point Douglas	NDP
MERCIER, Gerald W.J., Q.C., Hon.	Osborne	P.C.
MILLER, Saul A.	Seven Oaks	NDP
MINAKER, George	St. James	P.C.
ORCHARD, Donald W.	Pembina	P.C.
		NDP
PARASIUK, Wilson	Transcona	NDP
PAWLEY, Howard, Q.C.	Selkirk	
PRICE, Norma Hon.	Assiniboia	P.C.
RANSOM, Brian, Hon.	Souris-Killarney	P.C.
SCHREYER, Edward R.	Rossmere	NDP
SHERMAN, Louis R., Hon. (Bud)	Fort Garry	P.C.
SPIVAK, Sidney, Q.C., Hon.	River Heights	P.C.
STEEN, Warren	Crescentwood	P.C.
URUSKI, Billie	St. George	NDP
USKIW, Samuel	Lac du Bonnet	NDP
WALDING, D. James	St. Vital	NDP
WILSON, Robert G.	Wolseley	P.C.

Time: 2:30 p.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER: In order to facilitate the business of the House, I would ask all those in the gallery please to be as quiet as possible. The acoustics in here are not that perfect.

Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees.

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MR. SPEAKER: The Honourable Minister of Health.

HON. L. R. (Bud) SHERMAN (Fort Garry): Mr. Speaker, I wish to make a brief statement to the House on the subject of day care. I have copies available.

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: Mr. Speaker, considerable speculation has recently focused on possible changes to Manitoba's Child Day Care program. A number of options for this program have been reviewed by the government as part of our general estimates review process. I am now able to indicate that the result of this review is to maintain the child care services which have been developed over the past three years at their existing level.

To achieve this, two cost of living adjustments will be made to the Day Care program. These adjustments will take effect April 17th, 1978, and involve an increase to \$6.80 from \$6.00 in the maximum daily fee that Day Care centres may charge. An increase of 7 percent in the income levels below which families are eligible for a day care subsidy. The maintenance grants now provided to Day Care centres will remain unchanged at up to \$500 per child space.

However, the increase in the maximum fee will allow Day Care centres to obtain additional revenue to meet increasing costs so that they may maintain their present level of service. Families now receiving a day care subsidy will not be required to pay more for day care due to the higher fee. Instead, the government's contribution on behalf of subsidized families will increase to cover the additional fee.

Moreover, the cost of living adjustment to the Day Care subsidy program will mean that cost of living increases in the incomes of subsidized families will not result in their having to pay more for day care this year than last year. I am confident that these two adjustments to the Day Care program will enable the existing level of service to be maintained.

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

MR. LAURENT L. DESJARDINS: Mr. Speaker, I'd like to thank the Honourable Minister of Health for the statement. We'll say that it came as a surprise. We're usually told that we'll be discussing these things during the Estimates but I guess there's so very few programs that they will keep that they would like to tell the world when they're going to do that, so I welcome this. I am also very pleased to know that — and this, of course, will bear studying in depth — but I'm also very pleased to know that

the people now receiving subsidy for Day Care will not increase expenses from their own pockets. But there's a very important question that I'd like to ask the Minister at this time. It seems to me that the increase in funds will take care of this change but does that mean that Day Care, the spaces, will be frozen at what they are now or will they be expanded? I'm sure my honourable friend remembers last year when he told us that we were just paying lip service to Day Care and it was under-funding the concept and under-funding the program. And his leader, who is now the Premier, also stated that we were abandoning the program because we'd gone only from \$600,000 to \$4 million so I think the people of Manitoba want to know. It's not everybody who has their child or children enrolled in Day Care yet. Will there be a freeze? Is that just to cover the existing spaces? I guess I'll have to ask this question during the Question Period.

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

HON. ROBERT (Bob) BANMAN (La Verendrye): Thank you, Mr. Speaker. I'd like to table several reports:

(1) The Manitoba Centennial Corporation Annual Report for the year-end March 31st, 1977.
(2) The Annual Report of Heritage Manitoba, 1976-77.
(3) The Department of Industry and Commerce, 1977 Annual Report.
(4) The Manitoba Horseracing Commission, 1977 Annual Report.

MR. SPEAKER: Notices of Motion . . . Introduction of Bills.

ORAL QUESTIONS

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. EDWARD SCHREYER (Rossmere): Mr. Speaker, I have a couple of questions for the Minister of Finance. The first question is to ask the Minister of Finance if he could indicate to the House whether the Estimates of Revenue which we receive as a province from time to time from Revenue Canada, whether those Estimates of Revenue have been revised again, once or twice, since last autumn.

MR. SPEAKER: The Honourable Minister of Finance.

HON. DONALD W. CRAIK (Riel): Mr. Speaker, in reply to the Leader of the Opposition's question, I presume he's referring to 1977-78 fiscal year and I think the answer to his question would be no, not substantially.

MR. SCHREYER: Yes, Mr. Speaker, I was referring to the close-out of the current fiscal year, 1977-78. The Minister's reply is "not substantially," I accept that for the moment, then pose this question to the Minister of Finance and this flows from Page 4 of his notes for a statement on the Main Estimates of expenditure. On Page 4, the Minister said, and I quote, "These preliminary Estimates, if unchanged, could have resulted in an increase in combined current and capital expenditures of nearly 20 percent over the 1977-78 vote. We had to reduce these initial figures, part of the legacy left by the former government."

I would like to ask the Minister of Finance if by this statement he wished to imply or insinuate that it is somehow unique that preliminary estimates brought forward by the departmental administrations are never substantially altered.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CRAIK: Mr. Speaker, the question placed by the Leader of the Opposition is with reference to the remark contained in my opening statement that the preliminary estimates for requests for 1978-79 were some 20 percent above those of 1977-78; that is approximately what was available to us from the former government when we assumed office. Mr. Speaker, this is our first year in office, whether or not it is usual or unusual, Mr. Speaker, will have to be answered by the former government. All know, Mr. Speaker, is that the departmental requests, the first requests of the departments which came to us, were, as I indicated there, some 20 percent higher than the year before. Presumably, Mr. Speaker, the former government would have gone through this screening process; if that's the case, that's up to them. I'm saying that that's what we were faced with and that's what we dealt with.

MR. SCHREYER: I rise then, Sir. I could rise on a point of privilege but I'll rise now by way of a supplementary question and ask the Minister of Finance point-blank if he is trying to imply or insinuate that it is somehow unusual or rare for governments in the screening of estimates as first brought forward from the departments, to cut in the order of 15-20 percent. I suggest to him that it happens every year.

MR. CRAIK: Mr. Speaker, in reply to the question, I would refer just from memory from last year, either the opening statement or the budgetary statement of the former Minister of Finance who indicated how much had been saved because of the review process. If the former First Minister wants to go back and review that statement I am sure it will give him a firm foundation for trying to make the claim that he is making now, but let it not be said that the former government did not try and state what their workload had been in presenting what they did.

MR. SCHREYER: I rise now on a point of privilege. In no way, Sir, am I trying to suggest that the government did not take the departmental estimates and do substantial vetting.

MR. SPEAKER: Order please. On a point of privilege? May I suggest to the Honourable Minister that what he is raising at the present time may be a point of debate rather than a point of privilege.

MR. SCHREYER: Sir, there were only three sentences to my point of privilege, and it becomes manifestly clear what the privilege is when I complete the third sentence. My point, Sir, is that I am not suggesting to the Minister of Finance that the government did not go through the process of taking the estimates as they come from each of the departmental administrations and make substantial reductions. I acknowledge that. My point of privilege, Sir, is that while trying to leave the impression that is rare, that in fact is commonplace to the point of being an annual routine event in the same order of magnitude — not only by this province, by the city administration, by the government of Canada, and by other provinces in this country.

MR. SPEAKER: What the Honourable Leader of the Opposition has raised may be a point of clarification; I fail to find it a point of personal privilege. The Honourable Member for St. Boniface on a point of personal privilege.

POINT OF PRIVILEGE

MR. DESJARDINS: It's a point of personal privilege, because I arrived here yesterday listening to the news and was given an interview with my honourable friend. Then I was given a copy of his speech sent by the Information Services, where he states that just because of the election, because he is there, compared to the former government, that he saved so much money. That is misleading the public, and is stating that I would have approved as the former Minister of Health what was turned over by the department. I have never done that; I do not know of any Minister who has ever done that. That is misleading, and that is a point of personal privilege because I don't want my honourable friend to try to pass that on to the rest of Manitoba that this is the way we were administering our portfolio.

MR. SPEAKER: The Honourable Government House Leader on the Point of Privilege.

MR. JORGENSON: Mr. Speaker, I am sure you will recognize that intemperate outburst for what it really is, nothing more than an attempt by the honourable member to make himself heard in this Chamber. It was not a point of privilege.

MR. SPEAKER: The Honourable Member for St. Boniface on a Point of Privilege.

MR. DESJARDINS: Any members of this House, when they mislead the public for any reason whatsoever, to show that we are poor administrators, not responsible, I think it is certainly a point of personal privilege and I don't need the Minister without Portfolio in cuarge of questions to tell me what a point of privilege is.

MR. SPEAKER: Order please. The Honourable Member for Seven Oaks on the same point of privilege.

MR. MILLER: Mr. Speaker, on a point of privilege; I think I have one because I was referred to directly and therefore I do have a point of privilege. The point of privilege is that the Minister was imputing something to the remarks I made last year which are not correct. He was interpreting the remarks I made to suggest that in fact the Estimates laid down this year might have been \$300 million more but for the wonderful work that was done during the Estimates' revisions and the fact that this government is able to cut \$300 million. My point of privilege is, Mr. Speaker, that when I made that statement last year, which has been made by other Ministers, we are referring to what occurs in every jurisdiction at every level of government, as my Leader has pointed out.

Every department asks for gold-plated services — the Deputy Ministers, their assistants — they all ask for the best and I don't blame them; they wouldn't be doing their job. But in the final analysis, when it comes down to the bottom line, as the city knows, the school boards know, the elected people have to make the hard decisions, and in every case — and I've sat through all three levels of government — they have been cut in my lifetime as much as 50 and 60 percent in some instances.

MR. SPEAKER: Order please. Order please. I want to suggest to all members of the House that we deal with one point of privilege at a time. I think that what the member for Seven Oaks has raised is probably a separate point of privilege. The point of privilege that the member for St. Boniface raised, I have to say to the Honourable Member for St. Boniface that the remarks have been made in this Chamber, and if the member is taking umbrage with the remarks made in this Chamber he has a legitimate point of privilege. If it's remarks that are referred to in the press I suggest to him it is not a privilege of this House at all. We are dealing only with the matters that occur within this Chamber.

MR. DESJARDINS: Mr. Speaker, I submit to you, with all deference, that when this is repeated in a speech that is sent by the Government Information Service then I definitely have a point of privilege. This is not just hearsay or reporting. I did mention an interview with my honourable friend but I am also referring to a speech that was sent in that envelope with Information Services.

MR. SPEAKER: If the Honourable Member for St. Boniface wants to challenge the decision I have made he knows the manner in which he can do it. The Honourable Attorney-General.

HON. GERALD W. J. MERCIER(Osborne): Mr. Speaker, on this point of privilege . . .

MR. SPEAKER: Order please, order please. We have already dealt with the point of privilege. The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, I have a question for the Minister of Finance. Can the Minister of Finance confirm that administrative staff in his department have attempted to be co-opted by the Task Force

to do a report with regard to provincial debt which is entirely in disaccord with the feelings of those members?

MR. SPEAKER: The Honourable Minister of Finance.

MR. CRAIK: Mr. Speaker, the first part of the question was with regard to the departmental staff from finance that may have worked with the Task Force. There were people from the Department of Finance, and I think from all departments that were involved in the development of the Task Force work in initial reports and so on and so forth. As far as the second part of the question, as to whether or not something is being said they disagree with — if that is the question — Mr. Speaker, I'm not aware of that.

MR. SPEAKER: The Honourable Member for Inkster with a supplementary.

MR. GREEN: Yes, Mr. Speaker, I'll clarify it to my honourable friend because I sincerely hope that he would not want his professional staff to be asked to demean themselves. —(Interjection)— Nor would they, and I'm glad that the First Minister says so. I'm not sure that the Task Force would not ask them to do this and I would ask you to check with your department to make sure that their professional integrity is being protected from the members of the Task Force.

MR. CRAIK: Well, Mr. Speaker, I've no hesitation in making the inquiry to see if there is anything unusual of that nature.

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

MR. BILLIE URUSKI: Thank you, Mr. Speaker. I'd like to direct this question to the Minister of Finance as well. With respect to the severance payments that have been paid out to the several hundred civil servants that have been fired, could he indicate whether those funds are going to be added to the deficit of last year, of this year, or are they going to be added to the cost of the 1978-79 Budget?

MR. SPEAKER: The Honourable Minister of Finance.

MR. CRAIK: Well, Mr. Speaker, those that preceded March 31, there was a special warrant passed about two weeks ago covering a measurable part of that; whether it covers all of them or not — I can't answer the member's question in its entirety — certainly a part of it was and the special warrant is tabled and it can be made available through the regular channels to him.

MR. SPEAKER: Before I recognize any other member, I want to bring to the members' attention three members of the House of Commons in my loge to the right. Mr. Doug Neil, the Member of Parliament for Moose Jaw; Mr. Jack Murta, the Member of Parliament for Lisgar; and Mr. Cecil Smith, the Member of Parliament for Churchill. On behalf of all members, we welcome you.

The Honourable Member for Ste. Rose.

MR. A. R. (Pete) ADAM: Thank you very much, Mr. Speaker. I have a question for the Minister of Agriculture. In view of the increasing opposition, opposition which includes many Conservative supporters to a proposed beef check-off in the Province of Manitoba on livestock, could the Minister advise now if he is prepared to withhold introduction of such legislation?

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. JAMES E. DOWNEY (Arthur): No, Mr. Speaker.

MR. ADAM: In view, Mr. Speaker, of the increasing opposition from livestock producers throughout this province on the proposed check-off, would the Minister be prepared at least to have a referendum in order to assure farmers that this is not being rammed down their throats.

MR. DOWNEY: Not at this time, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Ste. Rose with a final supplementary.

MR. ADAM: Would he then be prepared to do it at a later date before he introduces legislation?

MR. DOWNEY: I think, as I said earlier, not at this time, Mr. Speaker. I have no plans to do that.

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

MR. DESJARDINS: Yes, Mr. Speaker, to the Minister of Health and I would like to congratulate him

for gaining something on this Day Care program but now I would like to ask him —(Interjection)— . . . It's nearly 10:00 o'clock; you'd better go in because . . .

Mr. Speaker, I'd like to ask my honourable friend if there is going to be an increase in spaces of day care or does this provide only for the announcement that he has made?

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: Mr. Speaker, first I would like to say that the preamble to the honourable member's question didn't bother me a bit. —(Interjection)— I know. He's perfectly welcome to introduce all his questions with that kind of a preamble as far as I'm concerned, notwithstanding the objections from Point Douglas.

In answer to his question, Mr. Speaker, the answer is that the Day Care program in Manitoba is being maintained in 1978-79 at the existing level that was in place in 1977-78. However, there is some room for additional spaces to be filled on the commercial side,. As the honourable member knows, there are a certain number of subsidized spaces that can be funded by the government in commercial day cares and some of those spaces have not been filled yet.

MR. DESJARDINS: Yes, to the Minister of Health. The Estimates shows a line for the medical program. I want to know from my honourable friend at this time, did the government settle with the doctors? I was under the impression that hadn't been done and I see a line for medical programs in this year's Estimates. So I wonder if this had been settled.

MR. SHERMAN: No, Mr. Speaker, the fee schedule for 1978-79 has not been settled yet.

MR. SPEAKER: The Honourable Member of Health . . . or the Honourable Member for St. Boniface with a final supplementary.

MR. DESJARDINS: I'll be Minister of Health soon again. With the permission of my honourable friend, I would like to say that this is a very good way not to have a confrontation, just unilaterally decide what you are going to do.

MR. SPEAKER: The Honourable Minister of Mines.

HON. BRIAN RANSOM (Souris-Killarney): Mr. Speaker, yesterday I undertook to get some additional information in response to questions from two of the honourable gentlemen opposite. With regard to the question from the Honourable Member for Ste St. George, there is no intention at the moment to refer the situation with the gasoline leak at Fisher Branch to the Clean Environment Commission.

On the other question raised by the Honourable Member for Lac du Bonnet with respect to the ground water pollution at East Selkirk, I think I have information here that may satisfy his question. The testing that has been done since the period starting late last fall is that dyes have been added to some of the individual disposal fields, to the holding pond at the school and to the abandoned quarry where surface runoff collects. Because of the nature of the test, it will only prove something if it's positive. If dye shows up in the water samples that are being tested, then they will know where that has come from. If it does not show up, then it does not prove that any of the potential sources are in fact not the source. But I can say that I am happy to be able to confirm that when testing was done in February, out of 108 water samples taken at the time, only one was polluted.

MR. SPEAKER: The Honourable Member for Lac du Bonnet.

MR. SAMUEL USKIW: Mr. Speaker, on that same point, I wonder if the Minister would indicate to us whether or not it's likely that as soon as the ground thaws somewhat that there will be a recurrence of the same problem. Would that not be the thing to expect at this point in time?

MR. RANSOM: Mr. Speaker, it depends on what is the actual source. They have treated the holding pond at the school, for instance, so that there is no coloform count in the holding pond now because of the chlorine treatment I believe that they're using on it. So if that were the source of pollution, then it will not be contributing further to the pollution of the wells but the dye that was added to that holding pond should show up and show that that was where the pollution had been coming from previously. If it's other sources, then the situation may well become worse with breakup.

MR. SPEAKER: The Honourable Member for Lac du Bonnet with a supplementary.

MR. USKIW: Yes, is the department going to continue its survey on a ver: regular basis?

MR. RANSOM: That's what I've been given to understand.

MR. SPEAKER: The Honourable Member for Lac du Bonnet with a final question.

MR. USKIW: Mr. Speaker, my question is to the Minister of Agriculture. I was rather interested in his

answer to the Member for Ste. Rose just a moment ago. I'm wondering whether he can indicate to the House on what basis he is preparing to establish a beef check-off in Manitoba in the knowledge that there has been a referendum and that that proposal has been turned down by producers in a democratic way.

MR. DOWNEY: That will be when I table legislation, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY: Mr. Speaker, I have a further set of questions for the Minister of Health on the day care issue. Could the Minister tell us that in view of the fact that the average deficit run by day care centres last year was in the order of \$5.00 to \$10.00 per week, per child, and this only provides an additional \$4.00, does he have any contingency plans to aid those centres, which will already be facing even further deficits this year, to maintain them in their existing facilities or services as he said he plans to do in terms of maintaining the existing program.

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: Mr. Speaker, I would hesitate to hazard an answer to my honourable friend on that point. My attention was diverted at the outset of his question and I didn't catch the introductory remarks. Is he referring to a specific kind of program independent of the regular day care program? I didn't catch his opening remarks.

MR. AXWORTHY: Mr. Speaker, I will restate the question. In view of the fact that a large number of the day care centres operating in the Winnipeg region last year worked on a weekly deficit of \$4.00 to \$10.00 per week, per child, and that the additional 80 cents per day maximum that he has just put forward only brings up an additional \$4.00, what does he intend to do about those day care centres that will still be running those \$5.00 to \$10.00 deficits per week? Is there any contingency plan to maintain them in operation and ensure that they don't simply fold up and go out of business?

MR. SHERMAN: Mr. Speaker, the increase in the per diem of 80 cents, to \$6.80 from \$6.00, which is really, as the honourable member knows, to \$8.80 from \$8.00, because you have to calculate the maintenance grant in there too, was worked out with officials of my department and administrators in the day care field to accommodate their needs for increased revenue; that was the best we could do, that seemed to be acceptable. There are no contingency plans beyond continuing a review through the year.

MR. AXWORTHY: Mr. Speaker, as a supplementary to the Minister. Could he indicate whether the provincial government intends to enforce the power acquired last year under the amendments to the Act, to provide regulations of day care centres, which again, is causing other day care centres to close up because of increased standards . . . Is there any intention to provide support for the development of new facilities, or the upgrading of existing facilities, to develop higher or better standards for the physical locations of these centres?

MR. SHERMAN: I can't guarantee the honourable member a specific decision in that respect at the moment, Mr. Speaker, but it certainly is under consideration by me with officials of my department.

MR. SPEAKER: The Honourable Member for Fort Rouge with a final question.

MR. AXWORTHY: Thank you, Mr. Speaker. I have a final supplementary. Does the statement by the Minister also include the continuing maintenance of lunch and after-school programs? The three programs are presently being funded — will they continue to be funded under the same formula or with some additional support by the government for those programs now operating in the city?

MR. SHERMAN: Those existing programs are being maintained, Mr. Speaker. There is no expansion, no extension, but those existing programs are being maintained.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SCHREYER: Mr. Speaker, my question is to the Minister of Agriculture. The Minister of Agriculture will recall, Sir, that several days ago I asked him if he would communicate with the Canadian Wheat Board or the Honourable Otto Lang to ascertain what, if anything, could be done to ease the problem of country elevators being plugged as a result of current federal policies that result in off-board grain being sold without quota considerations to country elevators, thus depriving farmers with quota still available of the opportunity to ship because of plugged elevators. The Minister said he would inquire, and I am asking him if he will indicate what the nature of the response has been.

MR. SPEAKER: The Honourable Minister of Agriculture.

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MR. DOWNEY: Yes, Mr. Speaker. I did send the letter urging some action by the Federal Government because of our concern that we were faced in Manitoba with the problem of slow movement of grain. It appeared that the western provinces, the ones lying immediately west of us, Saskatchewan and Alberta, were having a lot better success in getting the grain moved out of their regions. At this time I have not received a reply of any immediate action to be taken in Manitoba, however, I did point out the urgency of the problem to the people responsible.

MR. SCHREYER: Mr. Speaker, since the Minister and I share at least one concern together, may I ask the Minister if he will make more elaborated representation to the Honourable Otto Lang and other appropriate persons, so as to attempt to deal with the problem of off-board sales plugging country elevators at a time when some producers still have open quota available to them, but which is useless because of plugged conditions of country elevators.

MR. SPEAKER: The Honourable Member for Seven Oaks.

MR. MILLER: Mr. Speaker, to the Minister of Health, flowing from his statement in the House, where he says a family now receiving the day care subsidy will not be required to pay more. Is he saying in that that those who are now within the system, or have children in the system, will therefore not have to pay more? What about the fact that about 25 percent of the children change every year as they grow into school age? Will they have to pay the new rate?

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: No. Mr. Speaker, what the adjustments mean is that those who qualify for subsidies, whose incomes have increased because of cost of living adjustments in their family income, are not phased or manoeuvered out of the levels of subsidy for which they would have otherwise qualified, because the subsidy levels are indexed too. —(Interjection)— Future, yes.

MR. MILLER: Mr. Speaker, then is it fair to say that those who, however, are at that break-even point where there is no subsidy, that they will be faced with a \$200 a year increase in their fees?

MR. SPEAKER: May I suggest to the member that questions of fairness, or whether it's fair or not fair to say, should not be questions of the Chamber.

MR. MILLER: yield to your comments. I won't use the word "fair," I'll say: Is it correct to say that in fact people, because their income may be slightly above the break-even point, will have to pay \$200 per annum more for a child in day care.

MR. SHERMAN: Not necessarily, Mr. Speaker. The increase is optional. The increased daily charge is optional. Day care centres may raise their fee to \$6.80, or they may leave them at \$6.00.

MR. MILLER: Mr. Speaker, it's obviously optional. As a matter of fact, is it not correct — and I use the word correct — to say that if day care centres are operated by volunteers, there would be no charge whatsoever to anybody?

MR. SPEAKER: The Honourable Member for Selkirk.

MR. HOWARD PAWLEY: Mr. Speaker, a question directed to the Minister of Industry and Commerce. Has any information been related to the Minister pertaining to negotiations involving the sale of MS Lord Selkirk to interests outside the Province of Manitoba, which sale could affect jobs in the Province of Manitoba?

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

HON. ROBERT (Bob) BANMAN (La Verendyrye): No. Mr. Speaker, I haven't had any correspondence along that line.

MR. SPEAKER: The Honourable Member for Selkirk with a supplementary.

MR. PAWLEY: Is the Minister prepared to investigate whether or not any negotations are presently underway pertaining to the sale of MS Lord Selkirk?

MR. BANMAN: Mr. Speaker, as I stated the other day that particular boat that has been sold was sold to private individuals and it's up to them to run it and do with it as they see fit.

MR. SPEAKER: The Honourable Member for Selkirk.

MR. PAWLEY: Mr. Speaker, a question to the Minister: Is he not concerned about the possible loss of forty some jobs in the Province of Manitoba in the event of the sale of the vessel in question.?

MR. BANMAN: Yes, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Brandon East. Oh, I am sorry, the Member has had two supplementaries and there are several members who haven't had a question yet. The Honourable Member for Brandon East.

MR. LEONARD S. EVANS: Mr. Speaker, I would like to ask a question address a question to the Minister of Education responsible for universities and colleges in the province.

In view of the uncertainty surrounding the future of Brandon University, and the detrimental effects . . . — (Interjections) —

MR. SPEAKER: Order Please, Order please. I would ask all members to allow a member of the Chamber to ask his question in a manner in which it can be heard.

MR. EVANS: Thank you, Mr. Speaker.

In view of the uncertainty surrounding the future of Brandon University as indicated by the President, Doctor Harold Perkins recently, and the detrimental effects resulting from the uncertainty including a potentially serious drop in enrollment, will the Minister please confirm to this House and to the public of Manitoba in a categorical and positive way, that it is the government's policy to maintain Brandon University as a viable and independent institution?

MR. SPEAKER: The Honourable Minister of Education.

HON. KEITH A. COSENS (Gimli): Mr. Speaker, it's my pleasure to answer that question and to say, yes, we definitely will be seeing Brandon University . . .

MR. SPEAKER: The Honourable Member for Rupertsland.

MR. HARVEY BOSTROM: Thank you, Mr. Speaker. My question is to the Minister of Tourism. I would like to know if the Minister can indicate if he did actually change the policy for land use in the Whiteshell Park, and if so, when this change occurred?

MR. SPEAKER: The Honourable Minister of Tourism.

MR. BANMAN: Mr. Speaker, as I mentioned in questions yesterday and several days in a row, that the whole question of the Whiteshell review is being undertaken right now and when we have public input on it from different sectors, not only the people living there, but cottage owners and from environmentalists, we will come up with a proper land use policy.

MR. BOSTROM: Mr. Speaker, can I take from the Minister's answer then that he is indicating that there is no change in the policy of land use within the park from that of the 1975 zoning plan which was approved by the former government?

MR. BANMAN: Well, Mr. Speaker, that's one of the reasons we are undertaking this particular review. That particular zoning plan was never made public, the people in the province, particularly in the area that the member represents, really never had a proper chance to look at it, and all we're doing is asking for public input.

MR. SPEAKER: The Honourable Member for Rupertsland with a final supplementary.

MR. BOSTROM: Mr. Speaker, in view of the fact that this zoning plan actually was adopted by his department and was an operating plan which was the guideline for land use by his departmental officials, why did the Minister in a press release on March 15th indicate that the condominium development which he has already told the House he instructed his Deputy to sign and said, "Moreover the development is consistent with the existing use of Big Whiteshell Lake."

Mr. Speaker, did he in fact make that statement and will he admit to this House that this is inconsistent with the zoning plan that was approved by his department in 1975?

MR. BANMAN: Mr. Speaker, all I am going to say along that line is that there are cottage owners there at present, that there has been development there, and following those lines this would be additional development.

MR. SPEAKER: The Honourable Member for Burrows.

MR. BEN HANUSCHAK: Mr. Speaker, I would wish to direct my question to the Honourable Minister of Continuing Education and Manpower.

Would he be good enough to advise the House on the present status of negotiations of the Manpower Training Agreement with the Federal Government, which is due to replace the existing one which is due to expire tomorrow? MR. SPEAKER: The Honourable Minister of Education.

MR. COSENS: That agreement is under considerabtion at this time, Mr. Speaker.

MR. HANUSCHAK: Mr. Speaker, as I indicated in my question that the present agreement is due to expire tomorrow, would the Minister indicate whether the new agreement will come into effect the day after, and if it will not, what agreement will cover the relationship between the Federal Government and the Province with respect to manpower training in the meantime?

MR. COSENS: Mr. Speaker, I think it's reasonable to assume that that agreement will be finished in time to meet those particular guidelines that the honourable member mentions.

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. DOWNEY: Mr. Speaker, a question was taken as notice the other day in regard to an individual who was in question whether he was employed by the Department of Agriculture, and I took it as notice.

The information provided to me at this time is that the individual, Mr. David Young, took part in a rural leadership training program, or a one-day course along with several other resource people, and that he is not employed by the Department of Agriculture but was paid expenses, as were some of the other resource people at that seminar.

MR. SPEAKER: The Honourable Member for Selkirk has a question arising out of that statement?

MR. PAWLEY: Would the Minister explain why his department billed Mr. David Young as a policy adviser to the Progressive Conservative government of the Province of Manitoba?

MR. DOWNEY: Mr. Speaker, I will have to check out further on that particular part of it; I am not informed of why that was done, but I will check it out.

MR. SPEAKER: Have you a point of order? The Honourable Member for Rupertsland on a point of order.

MR. BOSTROM: Mr. Speaker, with your permission, I would like to table a document which was a press release, released by the Minister of Tourism, entitled "Response to Manitoba Naturalists", for the information of the House.

Order please. If it is a public document it isn't necessary that it be tabled. The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, I rise on a point of order. In view of the fact that you did indicate that there were some guests present and we acknowledged them, there are also, to my knowledge, Mr. Speaker, and perhaps it is an oversight, a considerable number of representatives of the National Farmers Union in the gallery, and I think that the House should acknowledge their presence in the usual manner.

MR. SPEAKER: I am not sure that all of the members are members of the Farmers Union, but on behalf of the House, we welcome you all here today anyway.

ORDERS OF THE DAY - ORDER FOR RETURN

MR. SPEAKER: The Honourable Member for Kildonan.

ORDER NO. 1: On Motion of Mr. Fox, Order for Return.

THAT an Order of the House do issue for a return showing the following.

A list of all exemptions from the Power Engineers Act and its Regulations, granted by the Minister of Labour since October 24th, 1977 indicating:

(a) Name of Company, plant and location.

(b) The length and specific kind of exemption each in (a) above that was granted.

(c) A complete list of the number of engineers of class of certificates as called for under the Power Engineers Act and its Regulations that were exempted in (a) above for each company.

(d) A complete designation of the qualification or certific ates actually possessed by those currently operating in the position described in (c) above.

MR. SPEAKER: It has been moved by the Honourable Member for Kildonan, seconded by the Honourable Member for Rupertsland. Can the Government House Leader give me some advice? The Honourable Minister of Labour.

MRS. PRICE: Mr. Speaker, I have the Order for Return ready and I would like to table it today.

MR. SPEAKER: The Honourable Government House Leader.

MR. JORGENSON: At this stage we move into Interim Supply.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CRAIK: Mr. Speaker, I move, seconded by the Attorney-General, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MOTION presented and carried and the House resolved itself into a Committee of Supply, with the Honourable Member for Radisson in the Chair.

COMMITTEE OF SUPPLY - INTERIM SUPPLY

MR. CHAIRMAN: The matter in front of the Committee of Supply is the Interim Supply. Resolved that a sum not exceeding \$477,947,900' being 30 percent of the amount of the several items to be voted for departments as set forth in the Main Estimates for the fiscal year ending the 31st day of March, 1979, laid before the House at the present session of the Legislature, be granted to Her Majesty for the fiscal year ending the 31st day of March, 1979. Are you ready for the question?

MR. CHAIRMAN: The Honourable Leader of the Opposition.

MR. SCHREYER: Mr. Chairman, I rise now merely to indicate to the Minister of Finance that it is traditional when requesting this House for Interim Supply to attempt to accommodate the government, because the Main Estimates of Supply required will be before us for a good many days and that is the more appropriate time to go into detail. It is also traditional that unless there be some very undue circumstance, that the Opposition — I say traditional, Sir — I would not say it has been honoured without any exception but most of the time it is certainly the traditional stance of the Opposition, both here and in other places to accommodate the passing of Interim Supply.

I merely outline to the Minister of Finance now, that I do have considerable to say about Interim Supply, the Main Estimates, about the general fiscal position of Manitoba both in relation to its historic past and in relation to the rest of Canada; but I shall do so upon consideration of these same Interim Supply Estimates at Bill stage, which presumably will be in short order from now. So with those words at this stage, in Committee of the Whole, I merely serve notice that we are not interested as has sometimes been the case in the past — not often I admit — of prolonging consideration of Interim Supply in the Committee stage.

MR. CHAIRMAN: The Honourable Member for Winnipeg Centre.

MR. J.R.(Bud) BOYCE: Mr. Chairman, I'll be brief. I can't resist the opportunity to express a little disappointment in the Minister of Finance in his introductory statement yesterday, because I want it on the record that in the preparation of the departmental Estimates for which I had some responsibility, I saw none of them prior to the change of government. The Alcoholism Foundation for which I reported to the House, I received a copy of their first initial drafts on the day I left my office.

MR. CHAIRMAN: The Honourable Minister of Finance.

MR. CRAIK: Mr. Chairman, I appreciate the comments of the Leader of the Opposition and I think that other matters he wants to deal with, as well as the Member for Winnipeg Centre, perhaps should be dealt with at the Bill stage.

MR. CHAIRMAN: Shall the Resolution be adopted? (Agreed) Committee rise. Call in the Speaker.

IN SESSION

MR. SPEAKER: The Honourable Member for Radisson.

MR. ABE KOVNATS: Mr. Speaker, I would like to move, seconded by the Honourable Member for Emerson, that the report of the Committee be received.

MOTION presented and carried.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CRAIK: Mr. Speaker, I move, seconded by the Minister of Labor, that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Ways and Means for raising of the Supply to be granted to Her Majesty.

MOTION presented and carried and the House resolved itself into a Committee of Ways and Means with the Honourable Member for Radisson in the Chair.

COMMITTEE OF WAYS AND MEANS

MR. CHAIRMAN: The Resolution before the Committee is as follows:

Resolved that towards making good the Supply granted to Her Majesty on account of certain expenses of the Public Service for the fiscal year ending the 31st day of March, 1979, the sum of \$477,947,900 being 30 percent of the total amount to be voted for departments as set forth in the Main Estimates for the fiscal year ending the 31st day of March, 1979, laid before the House at the present session of the Legislature, be granted out of the Consolidated Fund.

Committee Rise. Call in the Speaker.

IN SESSION

MR. SPEAKER: The Honourable Member for Radisson.

MR. KOVNATS: Mr. Speaker, I beg to move, seconded by the Honourable Member for Emerson, that the report of the Committee be received.

MOTION presented and carried.

INTRODUCTION OF BILLS

BILL 7 — INTERIM SUPPLY

MR. SPEAKER: The Honourable Minister of Finance.

MR. CRAIK: Mr. Speaker, if I have leave of the House, I will proceed to introduce a bill for these purposes.

MR. CRAIK introduced Bill 7, an Act for granting to Her Majesty certain sums of money for the Public Service of the Province, for the fiscal year ending the 31st day of March, 1979.

MOTION presented and carried.

BILL 7 — SECOND READING

MR. CRAIK presented Bill 7, an Act for granting to Her Majesty certain sums of money for the Public Service of the Province for the fiscal year ending the 31st day of March, 1979, for second reading.

MOTION presented.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SCHREYER: Mr. Speaker, as I indicated at Committee stage, it was our intention to expedite as much as we can, and feel proper, the passage of this interim Supply measure. One of the reasons is obvious, Sir, the government has introduced it two days before the end of the fiscal year, before the commencement of the next fiscal year, and it is only common sense that we at least concentrate on those more important features of what has been said so far in the Throne Speech and by the Minister of Finance, upon introduction of Estimates the other day.

I can't help but remind the House Leader, however, that he will recall that — not that many years ago at that — we introduced Interim Supply a good many days earlier, before the commencement of the new fiscal year, that the measure was adjourned, and adjourned from day to day, and ended up in a filibuster because the Opposition felt that it could force the government into some kind of embarrassing position where it would not be able to carry out the day to day affairs of the province for want of funds. But I'm not going to recriminate on that, Mr. Speaker, beyond to take note of it for the record.

I want to go on now to say to the Minister of Finance, and through him to all his colleagues, that we

have heard a lot in recent days about how this government was going to turn things around, and was going to put Manitoba back on a road where its spending presumably would be in line with the rest of Canada, implying that the New Democratic government had somehow taken the province and its spending levels and spending estimates wildly out of line with the rest of our country and in relation to our past, and that's what I want to speak about today, Sir.

They have even gone so far as to use words such as "horror story" and "bankruptcy", and I want to demonstrate this afternoon that the only thing that is bankrupt is the Conservative party's sense of perspective, particularly as regards the comparison of the province's present overall economic level, its gross provincial product or gross provincial wealth, its spending, government spending and government spending per capita, in relation to our past and in relation to our past level of economic output in this province and in relation to the rest of Canada.

You know, Mr. Speaker, the First Minister the other evening, he did range far and wide outside the boundaries of this province and I, for one, rather appreciated that because we all give lip-service, Sir, to the statement that we all live in an interdependent world. The modern world, modern economy, has become more and more interdependent and more and more internationalized. That is certainly true and therefore all the more reason why it is distortion, unrealistic and misleading to talk about Manitoba's economic and fiscal and budgetary affairs as though there was no other part to this planet.

To begin with, I challenge the Conservatives with a whole series of questions. When they try to leave the impression that Manitoba's budget and fiscal position is somehow in grave jeopardy, I want to ask them: Do they have any idea of the increase in Manitoba's indebtedness in all of the years of the 1960s or do they assume that somehow everything was balanced budget year after year? Do they know that in the order of \$600 million was added to Manitoba's indebtedness in that period of time when they were the government? Do they know that that relates to a gross provincial wealth at that time of less than \$2 billion?

Today, Sir, we live at a time when Manitoba's gross provincial wealth or output is not \$2 billion, or \$1.9 billion, as it was in 1960 at the beginning of that decade, but \$8.5 billion. Do they have any idea what the increase was in proportionate or percentage terms in Manitoba's indebtedness? They like to use the words "combined current and capital, gross debt. T hey're not interested in net debt, value of assets being subtracted, they want to ignore that and talk about gross debt. Well then, on that basis, arguing even on their terms, Sir, I want to ask them — especially the newcomers but indeed even the frontbenchers of the Conservative group opposite — do they know what the increase was in percentage terms in Manitoba's gross indebtedness, including both gross funded debt and contingent liabilities and guarantees, between 1960 and 1969? It was in the order of 600 percent. Do they know what the increase was in Manitoba's gross provincial product in that same period of time? It was an increase of about \$1.5 billion or about 79 percent. So really, Sir, there is need for them to keep a sense of perspective at all times. Do they know what the increase in indebtedness was in that period of time in relation to the increase in our province's economy in that same decade? Well, an increase in indebtedness of \$600 million in relation to an increase in gross provincial product of \$1.5 billion or a ratio of 39 percent.

Perhaps more dramatic, Sir, is to ask them: Do they know how many deficits were run, if we're going to combine current and capital accounts — which they never did — for all of the years in which they were in office? In fact, they were the ones, I believe it's correct, that in 1958 or 1959 separated Manitoba's accounts so as to have them not combined but henceforth separate, a current account and a capital account. The justification for doing so was given at the time by the then premier, Duff Roblin. There was no particular quarrel with their doing so, it is merely a different method of displaying of accounts.

But if they want to talk about combined current and capital accounts, Sir, then let's be consistent right from 1959-60 on to today. And if they think that somehow we were derelict in our duty as a government because in the eight budgets, nine budgets actually that we brought down, that we ran deficits on combined current and capital account on five of the nine and surpluses on only four, and they find fault with us for that, then I want to ask them: Do they know how many surplus budgets of combined current and capital account they brought in as a Conservative administration in the 1960s? Well, I'll tell you this, Sir, that between 1960 and 1967, inclusive, seven budgets in a row, every single one was a deficit — every single one, seven uninterrupted deficits.

But of course that's not what they presented to the people of Manitoba because if you look at the old accounts, you will find that they were displayed as follows: 1964 surplus of \$11 million; 1965 a surplus of \$15 million; the factor of \$15 million; when in factor of \$16 million; 1965 a surplus of \$16 million; and the works, maybe I will. That those three surpluses . . . In fact, if you combine current and capital account as they are now wanting to do, and are doing, then the \$11 million surplus was a \$26 million deficit. And that's at a time when the gross provincial product was an awful lot smaller than it is today and the value of the dollar in terms of the actual currency value of the dollar was significantly different than it is today so that the meaning of a deficit of \$26 million, 13, 14 years ago, is to be adjusted in terms of its true monetary value.

But, without taking too much time on the numbers, let me just put them on the record for each year of the 1960s. In 1960-61, the Conservative administration of this province ran a deficit on combined account of \$31 million; in 1961-62, \$33 million; the next year, \$18 million deficit — all deficits — the next year, \$16 million deficit; 1964, \$26 million deficit; 1965, \$22 million deficit; 1966, \$16 million deficit; 1967, \$15 million deficit. And then, Sir, in the last two years in which they were in office, two

years out of eleven, they brought in two surplus budgets: \$12 million and \$9 million respectively. And, Mr. Speaker, there is a coincidence to that because they brought that about as a result of the introduction of the 5 percent sales tax in that 1967 fiscal year.

Well then, if one were to total, as they seem to be in the habit of doing, they want to know what the accumulated effect is — fine, let's find out. So that in the period up to 1970, under the Conservative administration, with the Manitoba gross provincial economy value, or gross provincial product, going from \$1.9 billion to \$3.4 billion — to give you an idea of the size of our economy and what we could accommodate in those days — they ran an accumulated deficit in the order of \$175 million offset by \$21 million in surplus for a total net accumulated deficit for their years in office, in the 1960s, with a much smaller economy, doing less, \$154 million.

And if you take the net accumulated deficit and compare it to what the level of our economy was in 1969, then you get a ratio of accumulated years of deficit to gross provincial product of 4.4. So let's quantify that.

Do they know what the number of deficits and surpluses have been in 1970 to 1978? They make so much about the very current fiscal year which fiscal year ends, by the way, tomorrow. It's not over yet. I must say, Mr. Speaker, in all candor, that the 1977-78 fiscal year accounts for this province are a great disappointment to me. I would be less than honest if I said otherwise. But I want to say pointblank to the Conservatives opposite, that were it not for the peculiar circumstances of the current fiscal year, that if you were to take all of the performance from 1970 right up until 12 months ago, that you would find a much more prudent ratio or relationship of net accumulated surpluses and deficits netted out in comparison to gross provincial product than was the case in the 1960s. The 1977-78 deficit to which they like to refer and then they make it sound as though the entire 1970s was a fiscal disappointment.

But let's look more closely to see the reason why the deficit loomed as large as it did last autumn. The Minister of Finance knows, and I'm sure he will not pretend otherwise, that the estimates of revenue which went into last year's budget accounts were estimates of revenue which are arrived at in large part from Revenue Canada estimates which are passed along to the provinces and our own provincial Department of Finance officials' estimates on locally collected provincial taxes. The estimates, therefore, that went in at the beginning of the fiscal year, about 12 months ago, were based on official conveyed estimates, prognosis, by Revenue Canada officials. And what happened is not that there was a surge, an unrestrained surge in spending, so much as it was a fact that revenues did not measure up to expectation and, I might add, to official, official estimates as conveyed to us in a very formal way. If my honourable friend, the Minister of Finance, is going to pretend otherwise now, that somehow we altered those estimates of revenue, then I tell him that I would take the most serious ascertain for the record that in fact it is commonplace to simply proceed to put in the official estimates as received from Revenue Canada and to dovetail our own accordingly.

But, Mr. Speaker, it is not as though last year that Manitoba was somehow alone in this somewhat of a negative surprise as to the relationship between revenue estimates and expenditure estimates because it is also a fact that in the Province of Ontario last year — yes indeed, why not Ontario; it's our sister province, it's a Conservative administration; it is not an oil producing province and therefore the comparison is more valid than Saskatchewan or Alberta — that in the Province of Ontario, what started out as an official budget estimate in the order of \$1 billion deficit, ended up, or is ending up the fiscal year, so we are advised, at a deficit now calculated at about \$1.8 billion.

But that's only part of it, Sir. It would be, I suggest to you, dishonest in every major respect to isolate one year out of our eight years in office and our nine budgets. In that period of time... I've already put on the record, Sir, what the actual performance of combined — they want to combine it, so we'll combine it — current and capital account was for the first seven years that the Conservatives were in office in the 1960s, seven years of uninterrupted deficit at a time when the economy was much smaller in relation to it. Now in the 1970s we have had — and I will use the First Minister's own figures because I want to avoid arguing about numbers to the extent of the \$5 or \$10 million this way or that way, what is important is the overall run of years in the 1970s. We are shown, in fact the First Minister the other night put those figures on the record. With the exception of the assumptions being made about last year which are still somewhat inconclusive, I will accept all his other figures.

In 1969-70 fiscal year there was a surplus of \$18 million on combined current and capital account. In 1970, \$21 million surplus, not deficit. In 1971, \$26 million surplus; 1972, deficit \$17 million; 1973, surplus \$14 million. I pause here to indicate, Sir, that that figure of \$14 million does not coincide with the publication put out by the Canadian Tax Foundation, which is an independent authoritative source of fiscal data on all provinces in Canada, entitled Provincial Municipal Finances. But I'm not going to quibble the point. This is \$14 million, and for that particular year this document gives a figure of \$33 million. Let's use the \$14 million. —(Interjection)— Well, fine, your own accounts will show for the 1960s that you ran deficits seven years out of nine. In 1974, an \$8 million deficit; 1975, a \$56 million deficit; 1976, \$98 million; 1977, \$82 million. And then the 1978 fiscal year, which is the one of some controversy.

Mr. Speaker, those figures by themselves seem quite stark, but anyone with a sense of perspective would want to know in relation to those figures, after netting out the surpluses from the deficits, how that relates as a ratio to the gross provincial product, the gross provincial economy of our province. And in that respect, even using my honourable friend's figures, they will have to admit, Sir, that the ratio of accumulated net deficit to gross provincial wealth, or output, is almost exactly the same

percentage ratio in 1978 as it was in 1969. That's one point, Sir.

The other main point is that my honourable friends are trying to leave the impression that it was only here that we were running into deficit situations, not only pretending that didn't happen in the sixties, but pretending it didn't happen today, it was just here in Manitoba. Well, they like to point to all of a sudden it's interesting — they like to point to Saskatchewan and Alberta. But we all know, Sir, that Saskatchewan and Alberta are the two atypical or untypical provinces fiscally and budgetarily in Canada today, and that the reason for it has to do with what was perhaps best summed up by the Minister of Finance of Alberta just a couple of weeks ago. The Minister of Finance in Alberta indicated, I think two weeks ago, plus or minus a few days, that were it not for the revenue generated by oil royalties, were it not for oil, that basic taxes in Alberta would have to triple. A 300 percent increase to be contemplated, Sir, were it not for oil. And that puts Canada's provinces' fiscal positions pretty, well in perspective.

If my honourable friends are suggesting that Manitoba's fiscal position today is somehow more negative than that of Ontario, Quebec, New Brunswick, Nova Scotia, Newfoundland, then I would like them to demonstrate specifically how they come to that conclusion. The fact of the matter is, Mr. Speaker, that in the past 18 years in Manitoba there have been surpluses — to attempt to be non-partisan about it — for at least six of the 18 years since 1960. I say as a matter of fact and without hesitation that in our neighbouring province of Ontario for the past 18 years there have been 17 deficits on combined current and capital account and one surplus, and that the accumulated amount of 17 years of deficit in that province amounts to something in excess of \$4 billion.

I want to say further that if my honourable friends can find examples of any other province east of the oil-producing provinces, Alberta and Saskatchewan, that have not had deficits, net accumulated deficits, in those provinces proportionately equal or higher than ours, on a per capita basis, then I want them to demonstrate what provinces those are, because they don't exist.

My honourable friends want to take all of this out of context and out of perspective, and it is my task, Sir, to indicate that there is no reason for the kind of pessimism that is degrading confidence in our province and its future. My honourable friends obviously don't believe in Keynesian economics very much, they think that somehow something is fundamentally wrong when indebtedness increases, while turning a blind eye to increases in gross provincial product, in gross national product, and the like. I've never heard them talk yet about the value of assets, to be put alongside gross funded debt, to net it out for what we call, net debt. They don't use that term.

Just to show you how ridiculous that can be, Mr. Speaker, I say to you that if the province of Ontario were to own the Bell Telephone System, own all the assets of Bell, and inherit all of the debenture liabilities of Bell, then the guaranteed liability indebtedness of that province would all of a sudden be substantially higher, and presumably be a cause for great nervousness on the part of Conservative economists.

There is always a way to decrease indebtedness, and one way is to simply sell off assets. I suppose Manitoba could, like one or two other provinces — there are only one or two that I'm aware of that do not have provincially-owned power utilities — but were it not for our provincial power utility there would be some company existing here in Manitoba that would own all of the assets and have all of the consequential liabilities. And the province's accounts would look that much smaller. But what is the net effect of it all? Is the quality of life any better in Prince Edward Island, given the fact that they do not have a power utility, therefore they have no guaranteed liability and indebtedness as a province because of that fact? The power utility there is owned by a private company. It is a fossil fuel burning power utility. The province of Prince Edward Island has no indebtedness with respect to it, but what does it change? And the rates, whether it be private or public, the rates are what they are by virtue of whatever system of generation they use.

The Conservative party has gone on an uninterrupted campaign of insinuation to leave the impression that Manitoba has an oversized public service, and that this is the reason why we have such high spending. On both points, Mr. Speaker, it is so important, for the sake of honesty itself, that we come to grips with those two contentions. I want to refer honourable members — for those who have any interest in facts rather than innuendo and insinuation, half-truths — I want to ask them to read again either a Statistics Canada catalogue on public service employment in the ten provinces and the federal government, or, equally acceptable, equally authoritative, cross-checking fundamentally and basically with each other is a second publication, this one called Provincial Municipal Finances, put out by the Canadian Tax Foundation, which I have already referred to. And it shows, Mr. Speaker, that on page 6 and on page 34 of the most recent issue, 1977, that in fact, the number of civil servants and total civil servants public corporation employees — that on both counts and in both respects, Manitoba does not have, not only does not have an oversized Civil Service, but in fact it is the third lowest in terms of civil servants per thousand people of any province in Canada.

I might as well put it on the record, Sir, that for example, starting with the most easterly province: Newfoundland, 22 departmental civil servants per thousand population; Prince Edward Island, 31. To some extent that's understandable because of the small population base of that province. Nova Scotia, 21; New Brunswick — I'm sorry, Mr. Speaker — yes, 22 Newfoundland; Prince Edward Island, 31; Nova Scotia, 21.7; New Brunswick, 19; Quebec, 13.5; Ontario, 12; Manitoba, 12; Saskatchewan 13.7. I'm sorry, Sir, I must start over. I don't want to mislead my honourable friends, and I have this problem here because British Columbia does not file a return; it's the only province of the ten that doesn't file a return in this respect and which therefore is not followed up.

Newfoundland, 22 civil servants per thousand population; Prince Edward Island, 31; Nova Scotia, 21.7; New Brunswick, 19; Quebec, 13.5; Ontario, 12; Manitoba, 13.7; Saskatchewan, 17.4; Alberta, 19.2. Now, Mr. Speaker, I know it will be argued that that only relates to civil servants, departmental civil servants, so I will now include total public employees per thousand population in each of the nine provinces.

Newfoundland, 29; Prince Edward Island, 32.9; Nova Scotia, 28.8; New Brunswick, 40; Quebec, 18.6; Ontario, 16.9; Manitoba, 25.3; Saskatchewan, 29.4; Alberta, 33.5.

That's the one very major area in which I accuse the Conservatives opposite of engaging in distortion, half-truths, and worse than that, complete untruths, so often. To leave the impression that we have, somehow, allowed the Civil Service to grow out of all proportion to the rest of the mainstream of our country, is something which can only be described as more than bordering on half-truths, Mr. Speaker; it is falsehood, it is falsehood epitomized.

Now, in terms of budgetary and fiscal importance, is the question of total gross spending, and so that they have absolutely no basis for quibbling, this is on a current and capital combined basis and the calculations are done by the Canadian Tax Foundation and it says, gross general expenditure estimates of provincial governments, current and capital combined. And they can go through these tables, it happens to be Table 3-2, for 1977, they can run it back for eight years, for ten years, and it shows that Manitoba's total combined current and capital spending on a per capita basis is not high. It is not the highest, it is not high, it is the third lowest of all the provinces in Canada. But, of course, they want the public to believe that there is runaway spending in this province, even though on a combined current and capital account basis it runs to something like \$1,545.00 per man, woman and child. Even using their own Estimates book here, the one they just tabled yesterday, using their own figures it has to come to for last year, I mean the present fiscal year just ending tomorrow, \$1.6 billion current and capital, a million and 30,000 people, so it's in the order of \$1,600 per man, woman and child. That's for the very present fiscal year.

Well, I want to indicate that some provinces were in excess of that even a year ago, even two years ago. The per capita spending in Newfoundland, \$1,836.00. This is a year ago. Prince Edward Island, again recognizing its extremely small population base, \$1,912; Nova Scotia, and this is the point of note because it is the lowest in Canada, \$1,456; New Brunswick, \$1,600; Q uebec, \$1,795; Ontario, \$1,533; Manitoba, \$1,545; that's combined current and capital; Saskatchewan, \$1,601; Alberta, \$1,920, f ar in advance of any other province.

But that's okay, Mr. Speaker, because see, the Conservatives don't really object to spending; they don't really object to government spending, because if a province, like an individual, happens to be in a "have" position then the sky's the limit; but if it's a case of trying — and I would say yes, at times trying desperately and with a great deal of effort and dedication, to try and bring about improved basic services for our people, even while facing the fact that we are not high spenders in this province, never have been, aren't now today, they take umbrage at it and they look desperately for ways and means of discrediting a political approach which tries to do that so that they can cut, cut. They want to cut public spending so that the private sector presumably will have more elbow room and more fiscal manoeuverability. Well that's, of course, the essence of Conservative philosophy.

The other day the First Minister was quoting, I believe he made references to many years gone by, but he was also quoting President Jimmie Carter. The precise context or significance of it I still want to read in Hansard to fully understand. But my reason in raising that observation now, Mr. Speaker, is to point out that in Canada as a whole, in the United States as a whole, governments, thank goodness, are of an enlightened enough mind, both in the United States and Canada federally, to realize that it's not so simple to simply cut back public spending on necessary and desirable goods and services.

The late Hubert Humphrey — and all people respected him at his death — well, one of the many wise things that that man uttered during his lifetime, within a statement I'm going to refer to as recently as a year, a year and a half ago, he said that in the public mood which some are fanning, that public spending is somehow far too high and can be easily cut back is just so much cheap talk. Of course, if a government is willing to take its doctrinaire philosophy to the point where it is going to have public spending in Manitoba the lowest of all provinces in Canada, if that's their objective, then I suggest to them that they had better look around the rest of the country. They'd better look around to the other provinces in Canada and use their judgment as to whether that kind of doctrinaire determination may not result in grievous social economic impairment to our province — harmful to the social fabric and harmony of our province.

I suggest to my honourable friends that they lay it all on the table if they want to talk about fiscal positions, levels of expenditure. When they talk about high spending, why could they not have the candor and the honesty to indicate that it's not as though Manitoba is a high spending province. There may be a problem of balancing the Budget. It may have to do with revenues in relation to expenditures, but it is not a case of us spending wildly beyond the average in Canada. In fact Manitoba's spending per capita is below the national average by almost a hundred dollars per man, woman and child — almost a hundred dollars per man, woman and child below the national average of provinces' public spending.

My honourable friends, I'd also like to talk about debt. The lack of perspective and Conservative comments on budgetary and fiscal matters is also evident with respect to hydro development. Do they know what rate of development has been going on not only here but in every other province that has a provincial power utility? They may think that Manitoba Hydro developed too much too fast, but

I state categorically that every provincial power utility has more than doubled its investment, therefore its indebtedness, in the very same years that Manitoba's Nelson River development has been taking place. Again the only two exceptions are the oil provinces of Alberta and Saskatchewan. But if the guaranteed liability incurred on behalf of Manitoba Hydro has more than doubled in the past eight years then I suggest so has it doubled in Ontario, certainly in Quebec with the commencement of James Bay. It has doubled in New Brunswick. The indebtedness of the power utility in New Brunswick, Nova Scotia and Newfoundland has doubled. Hydro rates in Manitoba have gone up, so have they gone up in every other province in Canada; again the two exceptions in terms of current levels of electric rates being Saskatchewan and Alberta.

All of the foregoing is not to say that Manitoba doesn't have economic problems but it does mean that we are completely in the mainstream of the majority of Canada's provinces, budgetarily, fiscally, and in every other major respect. Indeed, when it comes to government spending we are below the national average, let that be clear. It demonstrates, however, that there is a fundamental imbalance in our country, and one of the reasons for the fundamental imbalance, and I guess it shows up as dramatically in Ontario as well as anywhere else, is that since 1974 with the dramatic change in oil prices and oil royalties, natural gas prices and royalties, every province in this country that is not an oil producing province has been in a deficit position. Ontario's in excess of a billion dollars each year for the past four years.

I suppose I have to say, Mr. Speaker, that it is ironic what is involved here. There is a change taking place in terms of some of the basic economic forces and regional balances in Canada, and provinces that are importers or not producers of oil and natural gas are finding themselves, without exception, in more serious economic difficulty. There is probably no easy answer but it does at least outline what the nature of, one of the factors in the problem is.

Ignoring that fact, and pretending that Manitoba alone of all the non-oil provinces can function with significantly less public spending, and I repeat it is already the third lowest in Canada, that we can continue to function at significantly lower levels of public spending per person than any other province in Canada, shows either an indifference to, or an ignorance of what the general public need and interest is all about.

But on the other hand what should we expect from our Conservative fiscal and economic analysts? They have been preaching for years that the public sector is too large, that more can be done if we lower taxes, presumably reduce desirable and necessary services, leave the private sector to come along and generate great increases in wealth and production, and somehow ensure that it will be equitably distributed as well, I suppose. And then they will see, my honourable friends opposite will see in the course of the next three to four years just what the realities are of governing these days. They are a lot different than what they were in the 1960s. They will see that some of the main assumptions that they so blithely make, such as that private corporations will come along and simply fill in the gap whereever the public sector recedes is something that is - I was about to say totally but I will say largely unlikely. My honourable friends, if they persist in that course of action, of leaving it more and more to the private sector, will find that employment opportunities, opportunities for our young people in this province will wither, wither, there can be no other word for it, and time will demonstrate that.

They are bent on reducing public spending in Manitoba even further below the national average. They have already made concessions with respect to the other side of the ledger. They will be collecting less revenue by virtue of abolition of succession duty and gift tax, by the lowering of the Income Tax and, by the way, in a way, Mr. Speaker, that benefits much more substantially those in higher income brackets. They are sacrificing revenue at a time when they know that there is fiscal need. They are the ones harping on it, indeed blowing it out of proportion. But in the face of that they are reducing certain revenue sources, and the conclusion that one has to draw is that they are determined to take us to a very abnormal level of public sector spending on goods and services in this country. If they're not satisfied with third lowest presumably they're shooting for lowest and even down below the floor. And the consequences of that can only mean that for those in our province on average income, below average income, in circumstances which require some assistance in the way of manpower training, young people looking for jobs at a time when a private sector is retrenching or just barely holding the line, can only mean that there will in fact be no opportunity. There will be increased unemployment. This gives you some insight then into the kind of priorities and sense of values that my honourable friends opposite are really basing their approach.

I can not simply say all this without confessing to a certain sense of outrage at the way in which they have tried to take the last year, or the last two or three years, of this government's eight years in office, and isolate it, isolate it from the first five years, isolate it from comparison with their years in office, isolate it from the rest of Canada and the provinces, and that is my main purpose in rising today, is to show that on the basis of honest comparison, both with respect to the earlier history of our province — 10 years ago, 15 years ago — and in comparison to all our sister provinces today, that Manitoba, despite the rather unfortunate budget and fiscal circumstances of 1977-78, continues to be in at least as sound a budget and fiscal position as seven provinces in Canada.

I have to, in all candor, say that there is no basis for comparison with Saskatchewan or Alberta. I've readily acknowledged that. But any suggestion that even with respect to the other provinces that we are in somewhat of a disadvantageous position is simply not being square with the truth and with the facts.

It is only two years ago that Manitoba had an acknowledgement by outside financial analysists in the world money markets, the bond rating agencies, that our fiscal position over a period of years was

basically sound. That happened to be in the sixth year of office for our government. If after six years in government, it was found by outside bond and debenture analysts that Manitoba's position was such that they could justify an upgrading, an increase, an improvement in our credit rating and credit worthiness, then my honourable friends really are taking one year in isolation and plugging away on it as though that's all that counted. That, Sir, is the unfortunate aspect of my honourable friends' behaviour and posturing in recent weeks.

Now, just to conclude by showing what the Minister of Finance, to show how ingrained this is with him, this posturing, he got up in the House yesterday — and I've already referred to this in the Question Period — and he said that preliminary estimates, if unchanged, could have resulted in an increase in combined current and capital expenditures of some 20 percent over the 1977-78 vote. We had to reduce these initial figures, part of the legacy left by the former government.

Now as I put that on the record I now want to quote from another Conservative, another Conservative in another context but on the very same point. It's rather a coincidence how it happens to be on the very same point about bragging how much has been cut. It flows from the fact that in Ottawa a Federal Minister — some several years ago — in introducing his Estimates, said that he had succeeded in cutting \$70 million off his departmental Estimates. I'm now quoting from a Conservative politician at the Federal level. "Mr. Speaker, we all know the procedures followed in connection with Estimates. Departments submit their Estimates and they generally add something to them because they know they are going to be cut. This has been my experience and I think it's the general experience. The Estimates come in, somebody totals them and the Minister of Finance almost has a heart attack. Then they set to work to reduce . . . " - that's certainly true -- "Then they set to work to reduce the Estimates to some order and they are always cut. Every government in Canada goes through this experience every year. The departments expect this. Sometimes departmental Estimates are cut a little more than is expected but they are almost always cut substantially. I venture to state that this is the first time in history a government has ever felt itself so desperate that it had to boast about cuts it was making in the requests for expenditures being made by departments. I have known governments to make silly claims, Mr. Speaker, but I have never seen or heard anything to equal this. When the government comes here with all this fanfare about cutting down requests made by departments, it's a hoax and any small respect we had for these gentlemen disappeared last night." I'm quoting, Sir, I'm quoting Bob Stanfield in response to a statement by a Federal Minister some time ago that they had cut their departmental Estimates.

Well, Mr. Speaker, that is unfortunate in the sense that it sounds too hard on the Minister of Finance here because, Mr. Speaker, I daresay that my honourable friends opposite did do considerable work on reducing the Estimates. But let him not pretend for a moment that preliminary Estimates — and he himself calls them preliminary — when they come in as preliminary Estimates, that they are a legacy of a previous administration because in fact, Sir, it has been demonstrated in that quotation — and I will join in uttering that and say that the same is true at City government levels as well as federal and provincial — preliminary departmental Estimates I think almost without exception in recent years would be cut by 20, 30 percent and more. They could have come in \$200 million or \$300 million higher last year, the year before, the year before, and what else is new under the sun?

My honourable friend, the Minister of Finance, may have known that and forgotten it but what is really inexcusable is to leave the pretense that departmental administrative preliminary Estimates somehow have the stamp of approval of a previous government which never even saw those preliminary Estimates. And we did not get to see those preliminary Estimates before the 6th of September ' and certainly we would not have been looking at them in the month of September.

So there it is, Mr. Speaker. There is in the case of Manitoba, like at least seven other provinces in Canada, a certain mixture of economic difficulty, a certain mixture of economic difficulty and problems and we, for one, are not going to criticize the government because they are encountering difficulties. It depends specifically, I suppose, in what they're cutting, what they're doing. That's what this Legislature is all about. What I really mean to say to the Minister of Finance is that we recognize that there are economic difficulties, that I can think of only two provinces in Canada that really do not have to contend with these economic difficulties in the same manner as all the other provinces. Let the present government not try to distort basic facts as to this provinces of Canada. It does a discredit to this province and its people. There is no reason to think that we cannot continue to enjoy living standards here that would be comparable with most parts of this continent and most parts of the world.

What is really at issue here is that in the hard reality of having to make adjustments, whether my honourable friends will sacrifice programs that accrue and work to the welfare and prosperity of those in our midst who are at modest and average, or less than that, circumstances or whether they will exercise those value judgments which will work to the even greater enhancement of those who already live in great sufficiency.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY: Mr. Speaker, I wouldn't want to take too much time responding to the Supply Bill that the Minister of Finance has introduced. I realize that we are at the 11th hour and that the requirement to maintain some sustenance for those civil servants that are left is absolutely

necessary. In fact, Mr. Speaker, I thought for a while that this government was going to solve the problem in a new way, that rather than bringing in Interim Supply, they were just going to fire all the civil servants and have to save themselves the problem. It seems to me that they didn't quite get around to that close enough and as a result, the order is before us and I think that it gives some opportunity to talk in particular about the issue of how this government, over the past four months, has conducted itself in relation to the operation and administration of government. I think the Leader of the Opposition has taken considerable time to talk about the past comparisons of performances and achievements and relative comparisons between other provinces. I think I would be more interested in comparing this government according to certain standards and objectives it set for itself in the last election and that it set for itself in its statements when it was in opposition just a few short months ago.

The first and most notable word of pride and standard that they had set forward for the judgment of people, was that they were going to be good managers and that, in fact, the administrative practices and procedures that had been followed by previous governments were obsolescent and that you were going to have to bring in a different set of ways of determining whether programs were good or bad or not. I think, Mr. Speaker, that that was a laudable achievement, one that I certainly share. There is no question that over periods of time, there can grow up in government areas of program and activities that cease to fulfill purposes, no longer have relevance, simply continue because there is a certain inertia in that program and therefore there has to be ways of analysing and assessing whether and how different services and goods provided by government provide a benefit or a contribution to the overall community.

We heard during the election commitments made to things like zero-base budgeting, I think was a favourite word used by the First Minister, sunshine laws, new accountability practices, new management by achievements, all these words that have been acquired and borrowed by, I guess, the various management consultants that were helping to support and advise the Conservative Party in its election efforts. Even, Mr. Speaker, when they announced this task force it was built up as going to be a group of people who would bring skill, expertise, awareness to this whole question of government management. We were looking for a new order of management; we were really going to be presented with ways of managing the public dollar that tied expenditures to benefits and made sure that you got proper costs.

What in fact has happened, Mr. Speaker, is that that new era of new management has never emerged. The thing that has surprised and amazed me is the way in which the procedures followed by this government are not new or innovative or more responsible or accountable but in fact have reverted back to the most old-fashioned and obsolescent ways of dealing with government expenditure which is simply to cut off and lop off any program that seems, in their mind's eye, to be extraneous. It's a value judgment not a management judgment that's being made in most of these programs. It's not a question of whether the particular service is providing good value for the dollar spent, it's whether members of the Cabinet happen to like the kind of program and the basic sort of value that it holds. It comes as no surprise to me, Mr. Speaker, really that if you look through the Estimates Book, look through the various announcements that have been made, those programs which are being lopped off most severely, being cut to the quick, are those which have a high degree of social content to them, that deal with problems of people. We're not getting many cutbacks in the other areas but it's those which are dealing with services and goods to people which are being cut

Now that's not management, Mr. Speaker, that's philosophical value judgments which they certainly have every right to exercise. But let's not sell it for something that it isn't. Because if there was good management going on, there would be rationale for what they're doing. Good management sets out some accounting for what it does. It establishes the reasons why — not simply to say, "Well, let's have a blanket save-a-dollar drive. Well, let's decide that the performance of the Legal Aid service is somehow worse than what we are providing for in terms of additional people in the Tourism branch."

Somehow somebody should have been making those judgments in terms of where should the dollars go to be spent, and they have not been made. There has been no explanation given when these cuts are acquired. They are simply done on the basis of what do I like or not like, not as to whether the program has been fulfilling an effective purpose, whether it has been an efficient allocation of funds. That has not been the measurement or standard used by members opposite in making decisions, and that, Mr. Speaker, is not management.

And I think that that is the first and most obvious question, that they shouldn't try to hide behind or use the cloak and mantle of management techniques as a justification for the severe rendering that has been going on. I think they should be a little more forthright and courageous in saying, "We don't happen to believe in these programs, we don't like them." And then let the chips fall where they may. And in that connection, Mr. Speaker, perhaps the most serious default of management in this government comes in the area of labour relations with their own employees.

The thing that absolutely bogles is the group of people who spend many years in this House castigating the previous government for the acrimony with which they approach certain groups in society, the cavalier way in which they treated certain groups opposite, the way in which presumably business was being ignored. That for those who preach so loud and long about the necessity for consultation, for maintaining good relations, for holding good discussions, that when their turn comes they, in fact, make the previous government look like choir boys in their approach to the severity with which they unilaterally and without consultation apply some of them most strict and

severe standards upon people. And where they do it most, and perhaps where it is most damaging, is with the people who work in the public service of the Province of Manitoba.

There was a report written several years back by Chief Justice Freedman, called the Freedman Report, which I think established some pretty good principles of labour relations which could be applied to everyone, and that is when through circumstances not directly responsible to the worker in question — whether it's technological change or for whatever reason — that firings or attrition or layoffs must be applied that it is absolutely required of the employer, in this case, to set up a kind of procedures to work these out in co-operation and consultation with the employees affected; to sit down and work out methods for making the reallocations, for deciding what procedures of grievance and severance would be followed; to ensure that there would be employees' alternative modes of employment if possible, that there would be proper periods of transition; that all the basic standards that the Freedman report introduced, it must be seven or eight years ago, and which have in large part been adopted by private industry — I think it was in relation to the railway industry if I'm not mistaken — that those principles which he established borrowed in large part by varieties of private organizations and corporations have been totally ignored by this government.

That they have approached this whole question of cutbacks in the public service as if it was simply a matter of throwing away some unnecessary furniture, not dealing with people, individuals who have mortgages, who have payment commitments, who have all kinds of things that are important to them and their families. It's simply a matter that a press release would be issued and that's it — there goes 358 workers. Not even waiting for the Task Force review which is supposed to do all this, it just happens anyway. No attempt to sit down and work it out, no attempt to find out for alternative means or measures, and I would suggest, Mr. Speaker, that that is also not good management. It's not employer was God and no one was to be held accountable.

And if the kind of conditions that the Minister of Finance were as severe as he says, and by the way when you look at it I'm not so sure that they were so severe as all that, and if that was going to be required then it would seem to me that the first order of business would be to sit down with the MGEA, CUPE and other groups who are organized on behalf of the workers in this province in the public service, and sit down and say, "Look, there's going to be some tough times ahead, what are we going to do about it?" Rather than alienating those groups and those people, and rather than setting up a system really now of intimidation. It doesn't take many moments walking down the halls of this building or many phone calls to tell you that there are a lot of people who live and work in the public service in a high state of uncertainty and in many cases of fear as they don't know what the next day will bring. They don't feel that there has been any attempt to ensure that their concerns will be met, or that their problems will be a handled. That again is not very good management, and so I can't really, Mr. Speaker, in all honesty say that the standards that the Minister of Finance and the First Minister in their statement in the election set for themselves, that they were going to be good managers, have been met in this first five months of administration.

I would also suggest, Mr. Speaker, that even when it comes down to the economics of management some very strange and curious things go on, which makes me suggest that it is not just a matter of restraint and retrenchment that is on the minister's mind when it comes to deciding who gets the axe. It also comes down to some very various curious econimic applications. Why cut off programs that other people are paying for to force people on to sort of welfare or income support rolls which the province has to totally absorb?

You know, you go back and you look at the programs up north and I would suggest, I suppose, that many of them were not working as well as they were supposed to work, but the Northlands Agreement signed by the Federal Government providing for some activity of economic development in northern Manitoba, at least had as its purpose the idea that you would take people who had been on the welfare rolls for hundreds of years and give them some option of getting off. And if the Federal Government was prepared to support those agreements to the tune of 60 cents on the dollar, that we lop those programs off, turn back the money, and now sort of tell people that we prefer them you to go back on total income support paid for by the Province of Manitoba. It doesn't seem to me to make good economic sense in those terms. It doesn't seem to me to be a wise stewardship of money in those occasions.

And I think, Mr. Speaker' we could look to many other examples that have occurred so far in these first five months, where to use the old saying — penny wise and pound foolish — in their application of how to save money for the government of Manitoba, and how to same money for ultimately the people who have to pay for it. Because, I think, what is really taking place, if you are going to apply standards of management, is that this manager, this Minister of Finance, is a twenty second manager — go for the short-term kick and forget what comes tomorrow. No anticipation of future consequences or concerns and that therefore the kind of patterns of expenditure and restraint that are being applied are ones that are going to cost double those amounts of money in just a few short years time.

And I expect that that will be probably the best thing that happens to the other political parties in this province, is the fact that this government, in its pell-mell haste to cut back on such a variety of programs, is really setting a stage — whatever it may be — is setting the stage where they are going to be required to provide far more expensive resource-consuming programs just to simply correct many of the problems and conditions that they are now creating. And that what they see now as

cutting to the bone really is more cutting into the blood vessels of the community, and as those life bloods begin to spew out they are going to have to do some serious repair at much heavier cost than the moneys they are saving now.

And I think, Mr. Speaker, that that is the worst kind of management — management which has no anticipation for the future, no objectives for the future but is simply sort of living for the moment. That itself is not good management.

So I would say, Mr. Speaker, when we come to considering Interim Supply, that we will simply use those standards of management that this government will establish for itself, to look at each of these departments, to ask them what it is and why it is that something was cut and something wasn't cut. But more than that, I think, and this is perhaps the real question, is that if they were interested in being good managers then they should realize that the first option in that management is to insure that the organization that you are administering and looking after is one that will be effective in the performance of its duties.

And that effectiveness, not efficiency but its effectiveness, is largely determined by the commitment, morale and dedication of those working in the organization. And it won't take an extended estimates debate very long to find out very quickly that what this government has done is to destroy the effectiveness of the public service of this province which really no longer feels that it can be committed or dedicated because it doesn't feel that it has the support or the consideration of those who have been elected to act as their employers for the next four years.

MR. SPEAKER: The Honourable Member for Winnipeg Centre.

MR. J. R. (Bud) BOYCE: Mr. Speaker, I didn't speak on the Throne Speech Debate because I wanted to take the opportunity to listen to some of the views of the new members of the House, they hadn't spoken that much during the short session that the new government called, but I would like to take this opportunity to congratulate you on being continued in your position because I have found you to be a reasonable person to talk to and to deal with.

Mr. Speaker, I was tempted to speak on a point of grievance and moving into supply and to talk some of my colleagues into expending our 440 moments — before we even got into a committee to consider granting of this interim supply to the government — more to try and demonstrate what in my view is utter contempt for the legislative process by the present administration as manifested in various ways. As an example of the contempt for process, where the First Minister called somebody into his office and dismissed them. If it had been me I think I would have had a very good case for action against the man as an individual because he really had no authority whatsoever to speak to official capacity whatsoever to ask for anybody's resignation. But nevertheless, that is but one of the things that in my view demonstrates the contempt for this body.

For the government to suggest that it has taken this long to prepare the estimates because of the horrible mess that was left behind and doubtless this will be their tactic as they have already indicated, to try and say that the former administration was utterly inept and that they have saved 300 millions of dollars by changing government. Mr. Speaker, as I said earlier in committee, I hadn't seen the estimates, the draft estimates, the requests of the departmental officials as they were being prepared during the election process, as I said I had seen the ones that were prepared by the Alcoholism Foundation, receiving a copy of them the day that I left the office. But nevertheless to suggest that they couldn't have been in the same position they are today two weeks ago or even three than rush it through as we are going to do, in my view they did have the time. But, this once again demonstrates the attitude of the government towards the Legislature, that it is just a necessary evil.

And one of the strange things about it is, after having sat on the other side of the House for eight years listening to the expounding of the House Leader on the importance of the parliamentary system and the respect that is due this body and how it is important to the democratic process.

But be that as it may, Mr. Speaker, the bill before us is a bill to grant to the government the authorization, which is still necessary, albeit that they would rather that the opposition would go away. The First Minister and the rest of our group have said that we will expedite it, and I therefore will not take all of the opportunities that are available to us to delay the process of this particular necessity as the prior Opposition did when we were in government in a comparable situation where we introduced an Interim Supply motion several days before the expiration of the time necessary. I can't recall whether we ever got down to less than a week — the Member for Inkster says it was always weeks before. —(Interjection)— Once the filibuster was over two weeks, well, be that as it may.

It was very interesting to note that it all depends on how much cooperation a particular group in government can get from the institutions other than government, where they can sustain themselves without parliamentary approval — for spending money without parliamentary authorization. Members may recall in Australia, where they were rather reluctant to call an election, they were trying to spend money by special warrants, and the government was forced to call an election because the governor-general would not sign the wararant. But I don't think the present government would have that much difficulty getting the banks and the rest of the financial institutions to honour a special warrant for the expenditures of funds even if we didn't pass this Interim Supply.

Nevertheless, it was interesting to listen to some of the debates that have come across from the other side of the House. We hear figures bandied about three billions of dollars that are in public debt, 693 millions in public debt, and we always hear about the moneys that we owe. We never hear

anything about the assets that this province has.

During the past month or so, I was in a conversation with a person, who, like the Member for Inkster and the Member for St. Johns, mentions once in a while that he holds stock in some company. —(Interjection)— Yes, it was the Member for Inkster then. But anyway, I said, "You take pride in the fact that you have some stock in Bell Telephone, well, I have stock in the Manitoba Telephone System." Every person in the province of Manitoba owns stock in the Manitoba Telephone System. That's an asset; we have assets. We never hear anything about the assets that we have in this particular province. With all due respect to the Provincial Auditor, if he insists that we are going to put all current and cash and operate and everything else in one basket, then I am going to start insisting we list it as a Balance Sheet — come up with a net worth; every year we come up with a net worth.

It's interesting that the Manitoba Housing and Renewal Corporation still inventory the stuff at cost, the land at cost, the assets at cost. You never talk to the people about what we have as an asset. For political purposes doubtless, you keep talking about spending money. Well, it kind of annoys me a little bit because spending, the way I was dragged up, means that you put out money with no return, or precious little return. If you are putting money out and you are getting something back, you will be creating an asset, you are creating some worth; than it isn't spending — it's investment — all the money that people spend.

In 1952, Mr. Speaker, I just had to have, for some strange reason or other, a 98 Oldsmobile and that particular car cost about \$5,000.00. The thing's worthless, absolutely worthless. I don't know where it is but nevertheless that money was spent because it was nothing, and I don't regret it, I had a lot of satisfaction out of it — that was a personal decision that I made. But nevertheless, when we create roads, we create assets.

The Minister responsible for the Housing Corporation stood up in the House and he talked about all the rugged individualists in the farm communities and how they they cooperated and they are free and they are independent and all the members, especially the Member for Rock Lake, applauds every time this garbage comes up.

The prior Roblin government did some darn good things. One of them was rural electrification. What is rural electrification worth as an asset to the people in this province of Manitoba. Walter Weir, who should have stayed as a Highway Minister, was an excellent Highway Minister. He built a darn good road system. You know the priority of things that you should triple the budget but nevertheless, these were assets that were created.

Hydro — let me go back a bit in history. The City of Winnipeg was forced into a position because of the private corporation which had a monopoly on the provision of electrical services in the City of Winnipeg — Winnipeg Electric Company — and nd I think at that time they were charging something like 15 cents a kilowatt hour. So the citizens of the City of Winnipeg said, "No, I'm sorry." They came up with an alternative. They said, "We can do it better ourselves." And they built a plant up there in the Winnipeg River which, by the way, Mr. Speaker, is getting to the end of its day. Whether it should be considered as an asset, I am not too sure, but nevertheless, they took the 15 cents or so kilowatt hour, and pulled it way down to a penny. This is what we mean by people getting together to do something.

The Member for St. Matthews saying, "693 millions of dollars in public debt, self-sustaining." That's right, perhaps it should be more.

Spending, we keep talking about spending — what do we get for this spending? Mr. Speaker, one of the problems in my area in the constituency of Winnipeg Centre — I'd like to take some of the members from outside of the City of Winnipeg downtown area, even some of the people from the suburbs, who really don't know what goes on in the core area of the City of Winnipeg. Housing is one of our prime concerns, and the Minister responsible for the Manitoba Housing and Renewal Corporation says, "We are going to get out of public housing." The private sector is going to solve these problems.

Mr. Speaker, last winter we had a fire at 877 Preston Avenue and that place was a flea trap in 1947. I lived in it when I was a student going to university. It was so cold in the winter time that we had to hang blankets on the walls to keep the wind from blowing through, and that place was still in existence. That place had been paid for ten times over by the people who were forced by circumstances to live in it and die in it. But the Minister of Public Works, "We're going to stop spending money on public housing."

The chain of events — we heard the new Member for Radisson, I am glad in one way to see him here and sorry in another. But nevertheless he told us about some of the things that led him to the House. At one point in my life, I was in the City of Los Angeles, and I watched the area of Watts, and I saw people pour into the core area of the City of Los Angeles — the place that was known as Watts. And one of the reasons that they poured into this particular area is because during the war California had been the staging area for people going to the Pacific theatre of operations. Thousands of people had gone through the State of California, and because of the history of that particular state with its Spanish background and the rest of it, discrimination was not that rampa8t. People treated each other civil at least on the streets, so when all these people came back from the war in the Pacific they went back to the southern states — the Alabamas and all the rest of it — and discrimination was rampant at that time. So they took their Gl benefits and the rest of it and they moved to California, and they got into Watts. There was nothing for them to do; there was no work for them to do. There was nothing that these people could do because they didn't have any skills. Well, history showed you what happened in that particular area — they burned it down, they tore it up.

This idea, Mr. Speaker, that we can talk to people, pontificate from pulpits, "behave yourself, be nice — that is God's Will — God loved the poor people because He created so many of them;" it's

hogwash, people don't believe it. "Behave yourself here, you're going to get your reward in the hereafter." People don't believe it, and they get impatient, they get frustrated, and just as sure as God made green apples, if you take something and let it go and it falls, that when people get frustrated, they get mischievous.

This government knows it. How have they demonstrated this? They have raised the allocation for what? To solve the problems of the people? No. More money for police. They haven't raised the money to try and help people cope with some of these problems, to train them, to create lives in which they can have an investment, no, no — they are going to control the people. Somebody said it rather jokingly that it was interesting that the Cabinet had decided to have one of their Cabinet meetings in the bunker. Perhaps this is what their overall tactical stance will be over the next few years as they deploy more police to control the people.

It's very interesting. Mr. Speaker, I don't know who many people are aware — no, we have no new members in the House. But anyway, I digress, this House is surrounded by all sorts of symbols — Moses over here, Solon over here. In the Senate of this country—(Interjection)—and Saul over here. In the Senate of this country, it's only engraved in wood, but nevertheless it is there. In the library of the Senate they have — my Latin is kind of rusty, I haven't spoken it for a long time — but it says in the Senate of this country, "principum munus est resistere levitati multitudinis," — that's Cicero. "It is the duty of the nobles to oppose the fickleness of the multitude, and this is their attitude. They still believe in the divine right of kings; they still believe that they are the anointed. The First Minister says, "All of the brains isn't on our side of the House; if you come up with a good idea, we'll accept it." But the only solution to a problem is what they. . . . they know best for people. They are not going to consult with people, they'll listen to them — that's for sure — but they believe that they believe that they are the nobles of society, have to oppose the fickleness of the people.

To go back to the point I was making, Mr. Speaker, that the disgruntlement of people, that they have no reason to behave themselves, they have no reason to try. When the Minister of Labour comes up and tells us, so many people in my particular constituency, who either work for the minimum wage or their wages are related to the minimum wage. The people lived in that particular house for 60 years; a beautiful place. Ferns in the front of it, clean, garden in the back. Six months after the survivor had moved into a senior citizens' home when her husband died, the place has to be demolished. If you come to my house, you'll see that the house next to me is boarded up. They're going to tear it down and I've lived there for some 16 years. About half of the block is gone. Why? Because people buy the property and they don't keep it up.

In fact, one particular house that the hospital owned, the people's foot went through the floor in the bathroom and they were told, "If you don't like it, move." If you don't like it move. This is supposed to be a responsible landlord. If you phone the hospital they say, "We're not responsible; we rent it out through an agency; the agency's responsible." You try to get hold of the agent and you can't even find them.

In this particular house that I'm talking about, next door to me, there's always the danger in these places that youngsters will get in there and set fire to it. This has happened on numerous occasions where vacant property children get into it with matches and the rest of it — up it goes. Responsible landlords.

Five, six, seven, eight, nine, ten times some of these houses have been paid for by the people who have lived in them — and died in them.

The government, in cutting back their expenditures in this particular area — I use the term expenditures because that's what it's called formally — but nevertheless, this is an investment in the future. The Attorney-General, in making his remarks, said that he is tired of borrowing against the future. I'm paraphrasing. Borrowing against the future; spending into the future. Mr. Speaker, he read from some article in which he talks about socialism. I don't even know what socialism is in their minds. I know what it is in my mind.

But when they're talking about economic policies and the investments of money in the future, when we talk about resources — the Minister of Mines says that the resources are in the ground. There's no resource in the ground, the resource is in people and if people didn't put a value on that which is in the ground, it's worthless whether it's diamonds or nickel or anything else. But, nevertheless, every article that I hear those people talk about, they forget the fact that over the last 20 years we have spent, in the western world, \$200 billion, \$4,000 billion in the last 20 years. On what?

The former Minister of Mines suggested that this was the solution we should use in Manitoba to make Saunders viable. Build aircraft, send them up, shoot them down. That's what the western world has spent on wars and the instruments of wars in the last 20 years and don't think that me saying this that I'm an anti-militarist because I'm not. I really don't know what the solution is to those people who would force any ideology down somebody's neck, whether it's in Chile or Russia. But, nevertheless, to completely negate, or forget, or ignore the effect of the Viet Nam war on the United States and Canada in this \$200 million deficit that we're talking about and the inflation and all the rest of it is to be totally ignorant in economics. —(Interjection)— They're stunned into silence. It sounds like I've put everybody to sleep, Mr. Speaker.

And in listening to the First Minister the other night when he talked about us not hating them on that side, I must mention to some of the newer members in the House — and everybody's kind to the new members — when we were new members over there, some of them were really vicious in some of

the stunts that they pulled. I'm not going to allude to them but one thing that I had to learn, and I did learn with the co-operation of the people opposite, that we had a job to do in this House to try and point out the weaknesses in argument and sometimes we do lose our temper with each other but it's not personal. Five minutes after we've gone out of the House and said what we've had to say or do what we've had to do, we get simmered down and over the last nine years that I have been here, I can't think of a person in this House or who has been in this House that I don't like as an individual. But nevertheless, sometimes in debate we have to try and destroy the arguments that people use. Some people try and destroy the individual, which is regrettable. —(Interjection)— I think, Mr. Speaker, I may be out of order and not speaking to the Bill. By digressing — I have a couple of speeches of the Minister without Portfolio, the House Leader, that I'm going to read back to him. I'm really looking forward to that because doubtless the occasion will arise that it will be most propitious that I say it rather than he.

Anyway, the fact that the government has chosen to reduce the Civil Service, I think considerable has been said. In fact, the way that the First Minister dismissed people without the proper authority to do so, I've already alluded to but nevertheless, I don't question the government's right to do so. The way in which they do it, they'll have to answer to the public eventually. The reduction in the number of civil servants, I feel some empathy for the people who have to redirect their lives but nevertheless this happens in lots of endeavours, that people have to redirect themselves. But, of course, for the government to say that they're going to keep the programs at the same level is ludicrous and when it finally gets through to the public that this is the case, that it's not just the disappearance of faces, it's the disappearance of programs, and when those programs come down to enough people in the community who will be directly affected, they'll realize that the cut is related to that particular service.

It happens practically on a daily basis in my constituency because a number of the programs have already been cut out. The Inner City employment project, for example, is affecting people right at the present time. One of the programs was a modest program for senior citizens and people who may have doctor appointments who had difficulty getting around. These people made arrangements to have them transported and made arrangements to get their groceries for them in inclement weather and all the rest of it. Perhaps the Minister of Health, after he's had a chance to review the situation, can talk to his colleagues and prevail upon them to modify their restrictions.

You see, people use the word restraint. You know, if you can get the people of Manitoba to believe that you are restraining something, well perhaps it'll be successful but nevertheless, I, for one, when I had some minor responsibility within the government, I operated what I considered to be a pretty lean ship. We had a firm but fair correctional system in the Province of Manitoba and I imagine it will be continued as such but, nevertheless, to attract people to the correctional services in the province, to take care of those people who can't exist outside of an institution for some reason or other, it's pretty difficult.

One day, Mr. Speaker, a couple of the guards came off duty and they asked if they could speak to me. I asked them if it was an official complaint and they said, not really but they thought that I should be aware of something that occurs from time to time. I asked them into the office for a cup of coffee and they had brought with them a piece of television cable that some inmates had stripped the rubber plastic coating off and made a noose out of. Where they had found this is these inmates had arranged this thing over so that if a non-suspecting young correctional officer had walked under it, they would have had him — as a snare. I say this because I'm concerned for the safety of these people, as is the Minister, and doubtless he will have some sleepless nights when he goes home and ponders some of these things.

But we passed a bill in this House and I hope that the government intends to obey the law, albeit I think that they aren't adhering to the principle of the law in a number of areas such as the one we passed on the Civil Service. Until such time members opposite, until you change that law, the law of the land is that which is written today and you're certainly not adhering to the principle of that particular law.

But on the idea of safety in the workplace, Mr. Speaker, what you're going to do with the members of the MGEA, and I'm not thinking of these people as members of a union or anything else, I'm thinking about the people who have to work in an area which is unsafe. You get below a certain level of individuals to look after different populations within the institutions, you're going to have problems.

The institution at The Pas, for example, I understand is delayed a year from what the Minister says. We have trailers up there, Mr. Speaker, that in co-operation with the town council, we were able to put these trailers in place and the former minister on behalf of the government of that day, made a commitment to the town that they would have a new institution to take these people out of the trailer within three years, as I recall, which is getting pretty close to a critical time as far as the construction of the new one is concerned.

I raise the question of The Pas because the old institution was out-moded for years and was actually a fire trap. The Minister might be interested in showing to some of his colleagues the Fire Commissioner's report on The Pas over the years and not just while the former government was there but the former government was there also. The place was a fire trap. One particular time, a number of inmates barricaded themselves in one of the parts of the building and they were making a number of demands and everything else, they wanted the press to come in and I said no. Unless they have hostages, you leave these people sit there until they get hungry enough and they come out. But while I had given those instructions and accept the responsibility for having done so, nevertheless, I was very apprehensive that somebody would throw a match and that place would go up "Poof."

So when you're talking about restrictions, not restraint — because the old adage of being pound foolish and penny wise, I think is applying to the present government in many instances. To raise your expenditures for law enforcement, I think that you're indicating that you're going to completely ignore crime prevention. In making the announcements, or to listen to the First Minister when he was telling the House about how he went in there and he was on Management Committee and people came and said, you know, we want a few thousand dollars here and a few thousand dollars there for this particular project or program or anything else, and he says, "Where's the money?" And the Civil Service, the people who are responsible for administration, say, "We haven't got the money." It's true. We would have had to go for a Special Warrant for some of these particular programs and I'lt ell you about one of them that I was involved in with the City of Winnipeg police on the Inner City Employment program.

It took place last summer, which is in the present fiscal year, for a very modest sum. In deploying people around the City of Winnipeg on a student employment program in co-operation with the City of Winnipeg police, there wasn't one serious case of vandalism in the city's schools which I doubt very much if you'll have a comparable program. The crime prevention, the money that we saved on a lack of vandalism more than paid for the investment that we made in that program in the first instance.

It's very interesting that I heard the first chirp from the Member for — where did he run last time, Mr. Speaker? Oh, he ran in Wolseley last time.

A MEMBER: The woolly member.

MR. BOYCE: Yeah. He didn't do very well in Winnipeg Centre so he had to go somewhere else. I heard the first chirp. He won't chirp at the people that are responsible now. It would be very interesting, Mr. Speaker. . . I am dying to see the Order myseif. The Member for Wolseley, when I was a Minister, gave me an Order for Return asking me for damages in the Youth Centre, ta-ta-ta-ta. I am looking for it. I hope the Minister will hurry this Order for Return up because I am quite interested in the Order for Return.

MR. WILSON: Yeah, where are my Orders for Return? When am I going to get the answers?

MR. BOYCE: The member from his seat asks when he is going to get his Order for Return. The government, regardless of who it is, is responsible for tabling those Returns and I am looking forward to the answers to those questions.

I have about five minutes more, Mr. Speaker, I believe and I have one more point. — (Interjection)— I haven't? Oh. Well, this is only second reading so that . . . We've got third reading and I can continue. I am sorry the Member for Wolseley got me off the point I was going to make, Mr. Speaker, but I suggest perhaps we should call it 5:30.

MR. SPEAKER: The hour being 5:30, I am leaving the Chair to return at 8:00 o'clock.