

THE LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, April 19, 1978

Time: 2:30 p.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Hon. Harry E. Graham (Birtle-Russell): I would like to draw the attention of the honourable members to the gallery on my left, where we have 27 students of Grade 6 standing of Sir John Franklin School. These students are under the direction of Mrs. Bearle. The school is in the constituency of the Honourable First Minister.

On behalf of all the members, we welcome you here today.

Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees . . . Ministerial Statements and Tabling of Reports . . . Notices of Motion

INTRODUCTION OF BILLS

HON. EDWARD MCGILL, Minister of Consumer Affairs (Brandon West): introduced Bill No. 9, An Act to amend The Mortgage Brokers and Mortgage Dealers Act.

ORAL QUESTIONS

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. EDWARD SCHREYER (Rossmere): Mr. Speaker, in the absence of the Minister of Health perhaps I could ask the Acting Minister of Health to advise whether, with respect to the personnel working in the Community Services Division of the Department of Health, the Minister is in a position now to indicate whether there is in fact significant overtime being worked because of the reduction in the order of some 20 personnel in that division in Greater Winnipeg and if in fact the caseload is down. The Minister of Health — now that he is within earshot I will pose the question.

The other day when I asked the Minister of Health to indicate if there was significant overtime being worked because of reduction of staff within the Community Services Division of the Department of Health, he indicated that he would undertake to find out, that he felt that caseload was down from last year. So I would ask the Minister if he's now in a position to reply and in a position to confirm the caseload is down in Community Services because upon asking for information on that, I'm advised the caseload is not down.

MR. SPEAKER: The Honourable Minister of Health.

HON. L. R. (Bud) SHERMAN (Fort Garry): Mr. Speaker, I'm not in a position to reply definitively to that today. I will attempt to reply to the Leader of the Opposition tomorrow. My understanding, my information is as I indicated when I responded earlier but to give him specific answers and figures, I would have to ask him to permit me to take it as notice for one more day.

MR. SCHREYER: Yes, that's fine, Mr. Speaker. May I ask the Minister as well, which he may wish to take as notice for another day or two, that is to ask the Minister to indicate to the House whether it is in every respect acceptable to the Department of Health that some nursing homes should be proceeding to a practice of two meals a day on weekends, whatever the rationale may be. I asked yesterday in the absence of the Minister of Health; it was taken as notice as to whether this was in fact the case. Apparently there is confirmation now and I would ask the Minister if this is acceptable practice.

MR. SHERMAN: Mr. Speaker, in the form in which it's being carried out, insofar as I have been able to inform myself on it it is acceptable practice. The specific nursing home or personal care home in question, I believe, is the Lions Prairie Manor in Portage la Prairie and the two-meal program is in effect on Saturdays and Sundays. It's part of a program that was instituted earlier this year; it was instituted in fact in January and was explained to the residents in the Manor in January and seemed to be acceptable and seemed to be operating with their approval. The concept is one of introducing some variety into the regular menu. It calls for a large substantial breakfast or brunch in the morning, a substantial evening meal and snack privileges and access to kitchenettes where there is a variety of foods available between meals. Special concern is being paid to extended care residents who don't have the capacity to fend for themselves between meals. There is some concern about the milk portion on Sundays and I'm having that looked into. I'm advised that the nutrient quality is acceptable and that there are even late evening snacks available that were not available before. So what it boils down to, Sir, is an experimental program based on the concept of two standard type meals with snacking and kitchenette privileges in between. The program seems to be acceptable among the residents but it certainly will be monitored by my department. It's being conducted experimentally; it

has nothing to do with finances or with any cost effects. It's simply programming.

MR. SCHREYER: Mr. Speaker, my question is to the Minister reporting for the Task Force which he may wish to take as notice. My question is that given that in the Task Force Report there is a recommendation that the load forecasts for Manitoba Hydro, which have been over the long term held at 6 percent projected annual average increase in demand, whereas the Task Force Report seems to recommend strongly that this trend estimate may be seriously at question, and that it should be therefore reviewed; given that Assistance Planning Division of Manitoba Hydro does, either three or four times a year, a review of their forecast projections, and that the most recent one thirty days ago shows an assumed long term projection of between 5 and 5-1/2 percent per annum — I forget exactly — can the Minister then indicate if this constitutes a significant change or whether that recommendation of the Task Force Report is still valid?

MR. SPEAKER: The Honourable Minister responsible for the Task Force.

HON. SIDNEY SPIVAK (River Heights): Mr. Speaker, the recommendations of the Task Force were based on the information that has been provided to the members of the Task Force, and based on the information that was available to the government.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SCHREYER: Mr. Speaker, that reply simply commands or invites a supplementary question. Information provided to the Task Force, we are told, is what that recommendation is based upon. Given that Manitoba Hydro System's Planning Division has just completed one of its several times a year review of future projections and has come to the conclusion that between 5 and 5-1/2 percent is still to be assumed as the growth trend, can the Minister indicate whether that recommendation of the Task Force Report is to be given further study, or is it now a dead letter?

MR. SPIVAK: Well, Mr. Speaker, if the Honourable Leader of our Opposition would have read the report, he would have understood that the recommendations are in fact recommendations to the government for consideration, and obviously there will be changing conditions which will in fact be part of the consideration that the government will have to make in dealing with those recommendations. The information on which the Task Force compiled its report was based on information that was supplied to its members by those who were the appropriate authorities to present that information.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY: Mr. Speaker, I have a question for the Minister of Labour. I wonder if in view of the high unemployment rate in the province, particularly amongst young people and unskilled young people, whether her department is prepared to investigate the situation where the CPR is bringing in workers from out of province, particularly Newfoundland, to do seasonal work, semi or unskilled work, and providing special charters to bring workers from out of province, when in fact there is certainly a substantial supply of available workers here in the province.

MR. SPEAKER: The Honourable Minister of Education.

HON. KEITH A. COSENS (Gimli): Mr. Speaker, in reply to the Member for Fort Rouge, although I am sure this is a concern to the Minister of Labour, the matter of immigration falls within my responsibility, and I can assure the Member for Fort Rouge that if these reports are true, that we have some concern here and certainly will investigate it.

MR. AXWORTHY: Supplementary, Mr. Speaker. I'm not quite sure what immigration has to do with it; I thought they came into Confederation in 1949 — I didn't know we still had immigration arrangements with them.

But I would wonder if either Minister is —(Interjection)— Mr. Speaker, I wonder if either Minister would be prepared to indicate whether there has been any information or suggestion from their departments, suggesting that under the present unemployment circumstances in the province that Manitoba-based companies should give some priority to the hiring of unemployed Manitobans first before they specifically charter work crews from out-of-province.

MR. COSENS: Well, Mr. Speaker, certainly we'll check out this information.

MR. SPEAKER: The Honourable Member for Inkster.

MR. SIDNEY GREEN: Mr. Speaker, I have a question to the Honourable the Minister of Highways. I wonder if the Minister of Highways can advise whether there is any policy direction being pursued by his department whereby companies will be discouraged from using their own transportation trucking services and in some way be made captives of existing carriers.

MR. SPEAKER: The Honourable Minister of Highways.

HON. HARRY J. ENNS (Lakeside): Mr. Speaker, I don't quite know what the Honourable Member for Inkster is referring to. I would have to say, in general terms, that certainly under my ministry the department do anything possible to keep anybody captive from anybody under our Motor Vehicle Branch licencing procedures and regulatory operational body, we have made it very possible, as indeed has been the policy of the previous administration, to register under the various commercial type licence available to truckers — independent truckers — to accompany operated vehicles; but there certainly is no direction from the department that would bring about the kind of situation that the member describes.

MR. GREEN: Well, Mr. Speaker, I gather from the Minister's remarks that it's the policy of his department that there be the greatest flexibility to citizens in terms of the availability of transportation services and I'm very happy to hear that.

I ask the honourable minister whether it is then prudent for the Chairman of the Motor Transport Board, who is in charge of regulation and instituting what the Minister has stated to be the policy, to state that it is somehow undesirable for companies to employ their own transportation services, and that they should be making more use of carriers.

MR. ENNS: Well, Mr. Speaker, I appreciate the supplementary question because the particular point of matter that the Honourable Member for Inkster is interested in has now become clear to me. I can indicate to him through you, Sir, that I will have a long hard talk with the former honourable Chairman of the Motor Transport Board, Mr. Mackling, and we will, in fact, clarify any misunderstandings there may be in this regard with respect to this government's policy.

MR. GREEN: Yes, Mr. Speaker, I would ask the Minister the question, that he not take from anything that I have said any suggestion that the honourable member is now dishonourable, I'm merely asking whether that is the policy of the government.

MR. ENNS: Well, Mr. Speaker, I need not to reply to a question that needs no further reply. But I would, while I have the floor, like to reply to a question put to me by the Honourable Member for Lac Du Bonnet the other day, having to do with a matter that is of concern to both the Member for Selkirk and himself, that is to indicate to the members that the bridge at Selkirk that has been closed for the last number of days will be open for traffic Friday evening, barring unforeseen heavy rains between now and Friday. The plans are that the residents in that area will have the convenience of that bridge sometime in the late Friday afternoon or evening.

MR. SPEAKER: The Honourable Member for Selkirk.

MR. HOWARD PAWLEY: Mr. Speaker, my question is directed to the Minister of Health. Could the Minister of Health provide us with an update in connection with social assistance totals in respect to the municipalities.

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: Mr. Speaker, I believe I can, if the honourable member will leave the question with me. When he talks of social assistance totals, I can provide him with the current roles on provincial income security on provincial income support programs, yes, if he is speaking of something beyond that he will have to elaborate.

MR. SPEAKER: The Honourable Member for Selkirk.

MR. PAWLEY: Mr. Speaker, in reference to that, I am dealing with the local roles, those receiving municipal assistance, particularly in view of the figures issued from Ontario two days ago showing a sharp increase in the numbers on municipal assistance due to the continuing levels of unemployment.

MR. SHERMAN: Mr. Speaker, does the honourable member request that information on a municipal breakdown, or does he want a total figure, how detailed does he want the information?

MR. PAWLEY: Mr. Speaker, my interest is the total and whether or not there is a trend upward or levelling off or downward.

MR. SHERMAN: Yes, that's agreeable, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Elmwood.

MR. RUSSELL DOERN: Mr. Speaker, I want to follow up on the question from the Leader of the official Opposition. Does the Minister of Health approve of a reduction from 3 meals to 2 meals or 1 meal a day in nursing homes in the province?

MR. SPEAKER: Order please, order please, that question has already been asked and is repetitive. The Honourable Member for Flin Flon. The Honourable Member for Elmwood.

MR. DOERN: Is the Minister investigating that reduction on the basis of nutritional requirements of elderly people?

MR. SPEAKER: Order please, that also is repetitive. The Honourable Member for Flin Flon.

MR. BARROW: I will direct my question to the Minister of Health also, Mr. Speaker. Has the Honourable Minister been able to convince his Cabinet to go ahead with the Snow Lake building?

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: Mr. Speaker, I was in Snow Lake yesterday and met with officials of the town and the hospital. I must say that I was dismayed to see the condition over the past 7 to 8 years into which that hospital had been permitted to deteriorate, and I accept and recognize the position of the community that new hospital facilities there are urgent. I will be making a statement on that subject within the next 2 to 3 days.

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

MR. USKIW: Mr. Speaker, some time ago I asked the Minister in charge of Manitoba Housing and Renewal Corporation what the disposition is of the lands required for some future use at East Selkirk. I wonder if the Minister could indicate to me whether there is any policy position at this point in time?

MR. SPEAKER: The Honourable Minister responsible for MHRC.

HON. J. FRANK JOHNSTON (Sturgeon Creek): Mr. Speaker, I thought I answered the honourable member's question when he asked it, that anything is possible and that we are studying that at the time. We are looking into the possible uses of all the land we own but we do not have a specific use for the land in East Selkirk at the present time.

MR. USKIW: Mr. Speaker, a supplementary question. Has the Minister received a request from the original owners asking that the land be sold back to the original owners at the original price?

MR. JOHNSTON: I haven't personally received a request; I will check with the department and see if they have.

MR. USKIW: Mr. Speaker, this question is to the Minister in charge of the environment. I wonder whether the Minister can indicate whether they have found the source of pollution in the Village of East Selkirk.

MR. SPEAKER: The Honourable Minister of Mines.

HON. BRIAN RANSOM (Souris-Killarney): No, Mr. Speaker, we have not.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Thank you, Mr. Speaker, I have a question for the Attorney-General. In view of the report that was issued nationally concerning the substantial increase in the number of wiretaps across the country, can the Attorney-General indicate whether that increase — the two or three multiple increase in wiretaps — has also taken place in the Province of Manitoba, and has he issued a report concerning the incidence of wiretap use in the province lately?

MR. SPEAKER: The Honourable Attorney-General.

HON. GERALD W.J. MERCIER (Osborne): I will take that question as notice, Mr. Speaker.

MR. AXWORTHY: A supplementary, Mr. Speaker. Perhaps the Minister could indicate whether, since taking over as the Attorney-General, he has had the opportunity to review with the different police departments and provincial police forces in the province the question of the use of wiretaps and has there been any change in the kinds of guidelines that are being established for the use of wiretaps in the Province of Manitoba.

MR. MERCIER: Mr. Speaker, there has been no change in the policy or direction in that particular area.

MR. SPEAKER: The Honourable Member for The Pas.

MR. RONALD McBRYDE: Mr. Speaker, I have a question for the Minister of Highways. The other day I asked him when tenders would be called for the completion of the Moose Lake road and I wonder if he has that information yet.

MR. SPEAKER: The Honourable Minister of Highways.

MR. ENNS: Mr. Speaker, it is my understanding that, subject to the completion of the vigorous perusal of the Department of Agriculture Estimates, my Estimates are up next and I would be happy to supply the House with that kind of information.

MR. SPEAKER: The Honourable Member for Point Douglas.

MR. DONALD MALINOWSKI: Thank you, Mr. Speaker. I have a question for the Minister of Health and Social Development. Can he confirm that he received a letter and petition objecting to the government's decision to stop the construction of a new Mount Carmel Clinic?

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: Yes, Mr. Speaker, I have received letters and a petition on that subject. I visited Mount Carmel Clinic on Monday of this week and that whole project subject is under review and consideration on the part of my department.

MR. SPEAKER: The Honourable Member for Transcona.

MR. WILSON PARASIUOK: Thank you, Mr. Speaker. My question is to the First Minister. Can he explain why the government chose the three percent sales tax reduction over six months as opposed to the two percent sales tax reduction over nine months, which the other western provinces of British Columbia and Saskatchewan have adopted?

MR. SPEAKER: The Honourable First Minister.

HON. STERLING R. LYON, Premier (Charleswood): Mr. Speaker, that is hardly the kind of a question that could be answered in Orders of the Day but I will be happy to take it as notice and deal with it at a later time.

MR. PARASIUOK: A supplementary, Mr. Speaker. I raise it because I understand the First Minister will be speaking in closing the debate on the Budget and I had raised this with the Finance Minister before, who is not here. So I raise it now hoping that the Minister may in fact discuss this matter when he is presenting his arguments this afternoon.

MR. SPEAKER: The Honourable Member for Flin Flon.

MR. BARROW: I address my question to the Minister of Tourism, Mr. Speaker. The government lodge at Bakers Narrows — will it operate this summer and will it operate under the same management as last year?

MR. SPEAKER: The Honourable Minister of Tourism.

HON. ROBERT (Bob) BANMAN (La Verendrye): Mr. Speaker, it is my understanding that the same person that operated it last year will be operating it this year, and will also be operating the 15 government cottages that were built out in that area and rent them out.

MR. SPEAKER: The Honourable Member for The Pas.

MR. McBRYDE: Yes, Mr. Speaker. I wonder if I could ask a question of the Acting Minister of Northern Affairs and I'm not sure who that is. I wonder if the Annual Report of Minago Contractors has yet been received and when that report will be tabled in the House.

MR. SPEAKER: The Honourable First Minister.

MR. LYON: Mr. Speaker, we will be happy to take that question as notice on behalf of the Minister.

MR. McBRYDE: Mr. Speaker, I have a question for the Minister responsible for MHRC. I wonder if the Minister could make available to members the new boards of the various housing authorities so that we would have that information.

MR. SPEAKER: The Honourable Minister for Housing.

MR. JOHNSTON: Mr. Speaker, I have been waiting for the honourable member to be at his seat — or both in our seat at the same time — so I could give him this answer. The Pas housing appointments or housing authority is made up of the town appointments of Reverend Kathleen Hill, Mr. Henry Reimer, Mrs. Isobel Turk. Tenant appointments are Mrs. Maisy Collins, Mrs. Linda Neely, Mrs. Joan Lenny. Ministerial appointments made on March 9th, 1978, are Mr. Joe Totte, Mr. Les Weir, and Mr. Iver Zetterstrom.

MR. SPEAKER: The Honourable Member for Brandon East.

MR. LEONARD S. EVANS: Mr. Speaker, I'd like to address a question to the Minister of Health and Social Development. Can the Honourable Minister advise whether the dental nurses — that is for the children's Dental Program that we had introduced a couple of years back — are continuing their training program at Regina?

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: Those who are there are, Mr. Speaker.

MR. EVANS: A supplementary, Mr. Speaker. Has the Honourable Minister had any recent communication or request from the dental nurses in training at Regina to discuss their future?

MR. SHERMAN: Yes, Mr. Speaker, I met with the dental nurses last Saturday afternoon.

MR. EVANS: Well then, Mr. Speaker, can the Honourable Minister advise members of the House whether he can give them, or has he given them any assurances regarding their future, or can he advise us what may happen with regard to the future of these people who undertook this particular program in good faith, understanding they would be employed in the future?

MR. SHERMAN: I assured them, Mr. Speaker, as I have assured the honourable member and his colleagues in the past, that I am concerned about the situation. I am concerned for their future and at the present time, Sir, I am sweating it out.

MR. SPEAKER: The Honourable Member for Selkirk.

MR. PAWLEY: To the Minister without Portfolio responsible for Housing. Can the Minister advise us whether there has been any decision made to increase the rental rates in MHRC senior citizens' homes beyond the normal adjustment, which has been based upon income?

MR. SPEAKER: The Honourable Minister.

MR. JOHNSTON: Mr. Speaker, there has been no decision made to raise senior citizens' rates. There has been discussion with ourselves and the Federal Government, as there has been with all the other provinces when our officials have been meeting, in that the Federal Government is requesting us to take an across-the-board figure. Now, we do not agree with that and it doesn't look like we will have to. So there has been no decision made in that regard until we are finished talking with the Federal Government regarding their decisions.

MR. PAWLEY: Could the honourable member assure us that there will be no such increase this year in Manitoba?

MR. JOHNSTON: Mr. Speaker, I wouldn't assure any of those members of anything that positive because I don't know. It will be a decision made by the Cabinet and it hasn't even been discussed as yet. So we're still talking with the federal people.

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, I would like to direct a question to the Minister of Labour, further to the questions that were posed by my leader to the Minister of Health. Would the Minister of Labour analyze whether or not there has been an increase in overtime hours worked as a result of the reductions in staff so that we are having eight people work at time-and-a-half the rate rather than twelve people working at the normal rate?

MR. SPEAKER: The Honourable Minister of Labour.

HON. NORMA L. PRICE (Assiniboia): Mr. Speaker, I believe that the Minister of Health should take that as an Order for Return.

MR. GREEN: Mr. Speaker, I'm not referring to the Health Department. I asked the Minister of Labour because I assume her department would be very interested to see whether the restraint program has not been an incentive to cause government employees to work overtime at time-and-

one-half tue rate rather than having more people employed at the normal rate — or would I be shocked in being advised that the Minister is not concerned with that?

Mr. Speaker, in case there is any misunderstanding, I am not referring to the Health Department. I am referring to all of the departments of government which have recently undergone a diminution of staff under the guise of saving money and I want to know whether the Minister is interested to see whether it's costing us money by paying people time-and-one-half rather than regular hours, or is the Minister going to astound me by telling me that she is not concerned with that?

MR. SPEAKER: The Honourable Minister of Health on a point of order.

MR. SHERMAN: On a point of order, Mr. Speaker, the honourable member initiated his question by suggesting that it was a follow-up to the question of his leader to the Minister of Health and I think a fair inference would be that it was related to the question that the Leader of the Opposition had asked. That being the case, Sir, could it not be suggested that the honourable member's question is an academic question and after I give my answer to the Leader of the Opposition, then his question may or may not be valid?

MR. GREEN: Mr. Speaker, I appreciate the help which my honourable friend is giving but I assure him that with that kind of help and friendship, I don't need any enemies. I am asking the Minister not to look into the specific employment practices in the Honourable Minister's department; I am asking her whether she would look into the total Civil Service diminution to see whether she has merely increased overtime and whether in fact the diminution of staff is costing us money by causing us to pay overtime. I would have assumed that that was one of the things that she would be monitoring; and if you're not, would you please do so?

MR. SPEAKER: The Honourable Minister of Labour

MRS. PRICE: Mr. Speaker, all the departments are monitoring. If the Member for Inkster would like to give me something specific I will, but he's asking for all departments. If we were to research everything that you're asking, that's all we would be doing.

MR. GREEN: Mr. Speaker, I asked the Minister of Labour — I asked, Mr. Speaker, the Minister of Labour to advise me as to whether or not one of her responsibilities, as she sees it, is to see to it that work in this province is spread out rather than having a smaller number — to be fair — work overtime so that more people would be employed, or is that not of concern to her?

MRS. PRICE: I believe, Mr. Speaker, that all the departments' answers to the questions from the Member for Inkster will come out in our Estimates.

MR. SPEAKER: The Honourable Member for Elmwood.

MR. DOERN: Mr. Speaker, I want to direct a question to the Minister responsible for the Telephone System. Given that MTS has recently installed \$7 million worth of equipment so that we can direct-distance dial to friends and relatives in Andorra, Liechtenstein, Monaco and San Marino, does the Minister know whether MTS has any plans to extend direct-distance dialing to the rest of the world?

MR. SPEAKER: The Honourable Minister of Consumer Affairs.

MR. McGILL: Mr. Speaker, in response to the Member for Elmwood who is obviously very interested in the continual attempts of MTS to maintain a modern communication system and attempts which, by the way, have been going on for some time, I presume with some enthusiasm and support from the previous administration, let me just say that it will be our endeavour to provide these services to as many of the overseas countries as possible, within the limits of our ability to provide the technology. I am sure that eventually the Member for Elmwood will find a way to use the leadership that his communication system is providing for him and for his constituents in Manitoba.

MR. DOERN: Mr. Speaker, I want to agree with the Minister that my constituents are delighted that they don't have to use an operator to dial their friends in London and Paris. Mr. Speaker, I want to ask a second question and that is, can the Minister assure us that provincial needs and requirements will take precedence over any extension of international telephone service?

MR. McGILL: Well, Mr. Speaker, the needs provincially have certainly been receiving some priority consideration by the Manitoba Telephone System and we have over the past three or four months, in response to questions that have been asked by his colleagues, indicated that there is a time table within which improvements and modernization is taking place in an effort to provide constantly a better communication service, particularly in rural and remote areas of the province.

MR. SPEAKER: The Honourable Member for Logan.

MR. WILLIAM JENKINS: Thank you, Mr. Speaker. I address my question to the Minister of Labour.

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Can she report to the House — has she received a report yet on the fatal accident that took place Thursday, April 13th, at Redekopp Lumber, I believe. This Minister said the other day that she hadn't had the report. Has she at this time now received this report?

MR. SPEAKER: The Honourable Minister of Labour.

MRS. PRICE: No, Mr. Speaker, I haven't received the official report as yet.

MR. JENKINS: A supplementary question then, Mr. Speaker. Is the Minister going to attempt to get that report?

MRS. PRICE: Mr. Speaker, I think it takes some time before official reports come in after the post-mortems or whatever there has to be. As soon as I get the report, I will bring it in for the Member for Logan.

MR. JENKINS: A final supplementary, Mr. Speaker. The report I'm speaking of is the preliminary report. Has the Minister received a preliminary report?

MRS. PRICE: I just know of the accident, Mr. Speaker. I haven't had a report.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SCHREYER: Mr. Speaker, to the Minister of Health, can the Minister undertake to determine the facts as to whether or not it is correct that, as one of the consequences of the curtailment or reduction of personnel at the various divisional offices of the Department of Health, some of the Winnipeg area hospitals have been advised of the withdrawal of the social worker service to each of the respective hospitals; and that the directors of patient services in the hospitals, such as Victoria, Concordia, etc., have indicated that this will result in a diminution of patient care quality?

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: Well, Mr. Speaker, certainly I would be prepared to undertake further exploration of that kind of concern and I'm sure that there will be a relatively free exchange on subjects of that kind during my Estimates. All I can do is undertake to look into that and advise the honourable gentleman again, as I think I've advised members opposite in recent days, that I am attempting to maintain very close contact and communication with our regional offices, with health facilities and with the Manitoba Health Organizations. I have not as yet, I assure my honourable friend, had that kind of concern directed to me from representatives of any of those fields.

MR. SCHREYER: Well, Mr. Speaker, a supplementary, and I believe that it is not hypothetical. Can the Minister indicate that in the event of the withdrawal of the assignment of a social worker, a single social worker, by a Department of Health District Office to a Winnipeg or any area hospital, the Minister indicated he regards that kind of turn of events as acceptable, and would he regard that as constituting some degree of deterioration of patient care quality?

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: I would not be prepared to say, Mr. Speaker, that I would regard that kind of event, that kind of development as acceptable. I would want to familiarize myself with the caseload, with the community, the catchment area, if you like, served, and take into account the different measurements that have to be applied where those services are concerned, but I would not be prepared to say at this juncture that I would consider that acceptable at all.

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

MR. D. JAMES WALDING: Mr. Speaker, my question is to the Honourable Minister of Public Works. Does he have an answer to the question that he took as notice from me yesterday?

MR. SPEAKER: The Honourable Minister of Public Works.

MR. ENNS: Mr. Speaker, I am sure perhaps that the honourable member will have noticed the crew putting up the new metric signs indicating the speed limit. I must still admit to him that I didn't take note of the numerals on the sign, and I can't give the answer, but if we both go, as we leave the building at the supper hour adjournment, we'll find out what the speed limit is on the building.

MR. WALDING: Thank you, Mr. Speaker. A supplementary to the same Minister, and I thank him for his answer noting that 30 kilometres an hour signs have gone up at two of the three entrances to the Legislature grounds. I would ask the Minister if he doesn't agree that the failure to put up a similar sign at the Osborne Street entrance isn't taking restraint to ridiculous lengths?

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MR. ENNS: Well, Mr. Speaker, I'm tempted to say that that is to give a bit of leeway for the speedy travels at night-time, but I am sure that it's just a question of getting the signs up. The crews are out throughout the width and breadth of the highways systems across the province, and as indicated yesterday, I am sure that there will still be one or two locations found 30 days from now that still require that signing. But the signing process is taking place, and the signs are going up.

MR. SPEAKER: The Honourable Member for Rupertsland.

MR. HARVEY BOSTROM: Mr. Speaker, my question is to the Minister of Consumer Affairs. I wonder if he has yet been able to determine if the allegation is true that a company that has signed an agreement with the Minister of Tourism has been using the name "Limited" illegally in their name, and whether or not his department will be taking action against that company.

MR. SPEAKER: The Honourable Minister of Consumer Affairs.

MR. McGILL: Yes, Mr. Speaker. I believe I responded to that question some time ago. The branch has been aware that this company has been using the "Limited" designation without having been properly — as a result of their research — applied through the usual channels. They are now taking what is the normal action to pursue this matter and when further responses are received I shall be pleased to pass them on.

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

MR. BOSTROM: Yes, a supplementary, Mr. Speaker. Does the Minister mean by his reply that the normal manner of proceeding in this would be to charge this company for illegally using the name, since under the Act which he is responsible for, this carries an offence which I believe has a maximum fine of \$500.00.

MR. McGILL: No, Mr. Speaker. I did not mean to imply that that would be the next regular step in this investigation. I might tell the member that the next step is to use Her Majesty's mails, and that may take some time. So that is now in process and when that research has been completed I will respond.

And Mr. Speaker, while I am on my feet, I would like to reply to the questions put to me originally by the Member for Fort Rouge on Friday last, when he referred to certain action being undertaken by Greater Winnipeg Cablevision in the courts, to apply for a Writ of Mandamus which would have the effect of bringing all of the rates charged by the Manitoba Telephone System under the purview of the Public Utilities Board. And Mr. Speaker, as the member probably is aware, at the present time the monopoly rates charged by the Manitoba Telephone System are indeed reviewed and approved by the Public Utilities Board. This Writ of Mandamus, if achieved, would have the effect of broadening that authority of the Public Utilities Board. The Manitoba Telephone System appears in this action as an intervener because of its involvement as a Crown corporation, and in order to be apprised of the action as it proceeds and to protect the interests of the Telephone System in respect to an action which would, I am advised, have the effect of greatly broadening the supervision in respect to both private and competitive rates of the Manitoba Telephone System.

And Mr. Speaker, in supplementary question, the member asked if this intervention by MTS would have the effect of abrogating the Manitoba-Canada Agreement in relation to our authority in respect to cablevision services. I would say, Mr. Speaker, that this does not in any way abrogate that agreement, that the agreement provides under Section 6 that any disputes relating to rates for cablevision would be referred to some provincial body with the responsibility to review those rates and reach a decision. And I might add, Mr. Speaker, that the Province of Manitoba, in a recent Order-in-Council, did in fact direct the Public Utilities Board to review a dispute between Greater Winnipeg Cablevision and Manitoba Telephone System in relation to an application for increase of rate — I should correct myself and say, rather, an increase of rates which was indicated by MTS as now being payable by the Greater Winnipeg Cablevision Company. I hope that this, Mr. Speaker, responds adequately to the questions put by the Member for Fort Rouge.

MR. SPEAKER: Order please. I'm sure that there'll be another time for the member to ask further questions of the Minister.

The Honourable Member for Gladstone before the Orders of the Day.

BUSINESS OF THE HOUSE

MR. JAMES R. FERGUSON: Yes, Mr. Speaker. Before Orders of the Day, I would like to move a change on Public Accounts, the Member for Sturgeon Creek for the Member for Dauphin.

BUDGET DEBATE

MR. SPEAKER: On the proposed Motion of the Honourable Minister of Finance. The Honourable

First Minister.

MR. LYON: Mr. Speaker, I closed last evening with the concurrence of honourable members opposite, by using up an extra minute or two in order to lay some material on the table of the House and before them. I said then that I would look forward with a great deal of relish to continuing the remarks tomorrow, and that time now having arrived, my mood not having changed, I shall continue.

Mr. Speaker, I have found the Budget Debate in this Chamber rather fascinating because we have had members opposite dealing, not so much with what was in the Budget, but with what they had hoped they would find in terms of non-tax reductions and so on. We don't hear them saying a word about the major thrust of the Budget of the Government of Manitoba, the major thrust of the government being to try to restore economic confidence in this province which was severely distorted by my honourable friends opposite when they were in office for the past eight years. We haven't heard them comment, Mr. Speaker, recently at least, about the two-point reduction in personal income tax that all people in Manitoba are enjoying today. If I missed my honourable friend, the Member for Seven Oaks, yesterday, I apologize. I apologize. I'll read what he had to say with a great deal of interest.

The two-point reduction on the small business companies' from 13 to 11 points — in heavens, the Leader of the Opposition during the Throne Speech was up saying: Here was a heartless government that didn't care anything about small business in Manitoba. He didn't talk about the two-point reduction which the small business people that I have talked to, think is an excellent idea. They think it's absolutely superb because they say that's going to help restore a little bit of confidence in this province, and that's what we need.

We haven't heard any talk from my honourable friends — that is, in this Debate, to speak of; we hear it always from the Member for St. Johns — on the supplementary supply motion and so on, about Succession Duty. Why don't they admit that this is a good move as well in restoring economic confidence, keeping money and people in Manitoba?

Let them go out to the farm communities; let them talk to some of these same small businessmen that they're now so terribly concerned about and they'll find out that the reaction to that tax reduction in Manitoba is going over extremely well. I would think that my honourable friends opposite, notwithstanding, notwithstanding, Mr. Speaker, their obvious ideological and doctrinaire approach to such matters, would have to admit if they were in touch with the people of Manitoba, that there has been an excellent response to that kind of tax reduction. And, Mr. Speaker, if they don't want to seek that information out among the people of Manitoba, why don't they ask the Premier of Saskatchewan? — because he reduced and abolished the same tax and he's finding that there's an excellent reaction to the abolition of Succession Duty and Gift Tax in the Province of Saskatchewan. Do they think our people are so much different in the two provinces? And if it's wrong for us to take the tax off in Manitoba, was it wrong for Mr. Blakeney to take it off in Saskatchewan? But we don't hear them talk — ah, from the back of the hall we hear the Member for St. Vital say "Yes, yes."

MR. ENNS: One honest man.

MR. LYON: One honest man is right, Mr. Speaker, because it's important for us to know; important for us to know. If my honourable friends, as we suspected and as we have said all along, were going to cling tenaciously to this kind of a misguided piece of perversity — which was the tax — if that was their policy, the people of Manitoba then I suggest are entitled to know in this Debate or in subsequent debates in this Legislature, if my honourable friends are re-elected, do they intend to reimpose the Succession Duty and The Gift Tax Act on the people of Manitoba? Because if so, they'd better stand up and say it. I think my honourable friend from St. Vital has just indicated he, for one, would support the reimposition because he nods approval, Mr. Speaker, and let the record show it. He nods approval that he thinks that if the NDP are re-elected into government in Manitoba, that this particularly pernicious tax should be reintroduced, regardless of other economic conditions in the country, or whatever. Well, I think that that's important and I thank my honourable friend, the Member for St. Vital, for his forthrightness because there are many many hundreds and thousands of people in Manitoba who will be anxious to know that.

So, Mr. Speaker, the only manner in which I would attempt to deflate the Honourable Member for St. Vital's desires is to tell him that I sadly fear that he and his colleagues will never have that opportunity, not in the next two or three elections, in any case.

We're happy to have on record that kind of frank, forthright acknowledgement of his strict and doctrinaire adherence to a piece of pernicious taxation which is no longer, fortunately, part of the Manitoba scene nor of the Saskatchewan scene, the abolition of which reflected the will of the people. I think it's very important to make that point and to underline that point again, Mr. Speaker — and I've said this in the Throne Speech; I said it in the Session that we had, the special session last December — that my honourable friends opposite do tend to become very doctrinaire and very dogmatic about what they feel in terms of their political philosophy, and that is part of Socialism; it's part of Marxism; Socialism is just sort of the bastard god-child of that, and we know that that is the

case.

But I say to my honourable friends with all of the sincerity that I can muster, that really they must from time to time let the public will of the electorate impinge upon their own ideology. They must pay attention to the people who elect them. And my honourable friends in large measure, are sitting on that side of the House today because they failed to keep in touch with the people of Manitoba and failed to understand that the people of Manitoba were not prepared to accept this kind of dogma, which in turn would have kept The Succession Duty and Gift Tax Act imposed upon the people; not to satisfy the public interest in Manitoba but to satisfy the particular, may I say the perverse doctrinaire attitudes of my honourable friends opposite, and that's not the way democracy works. I say that to my honourable friends, notwithstanding the fact that the Member for St. Johns will continue to attempt to defend the indefensible.

I'm not surprised that they didn't stand up and congratulate us for a Budget which has indicated what we have already announced, that the tax cuts are taking place. What about my honourable friends? They don't mention the joy that redounds throughout rural Manitoba now by virtue of the fact that we don't have the Mineral Acreage Tax Act, another piece of perversity. Another piece of perversity.

My honourable friends, if anyone would like to accede to the offer that the Honourable Member for St. Vital just responded to, would you care to tell the people of Manitoba today that if you get into office again you're going to reimpose the Mineral Acreage Tax Act? The Member for Inkster puts up his hand, he's one who's joining the club. The Member for St. Vital says that I'm counting him as one. If he wants to be left out of the group, that's fine. The Member for Flin Flon says he'll reimpose the Mineral Acreage Tax Act, and the Member for Burrows said he would reimpose The Mineral Acreage Tax Act. Well, that's rather a better response than we got on The Succession Duty and Gift Tax, and there are a lot who are not indicating too much. I'm glad to see that the Member for Inkster gave the lead on that. So we are able to say then, that at least four members of the opposition — if they were to get into government again, God forbid — would reimpose the Mineral Acreage Tax Act upon the people of Manitoba. And again, we find this perverse and somewhat ridiculous adherence to dogma because they're somehow or other going to get at the rich through a tax that raised \$350,000 and cost half that much to collect.

Now my honourable friends, you see what they're saying, Mr. Speaker. My honourable friends are saying, "We don't care how silly it is. We don't care if it harasses retired farmers or people who really had to go and seek advice on this kind of information. We don't care about any of that at all, so long as it satisfies our particular doctrine of envy, so long as it satisfies our socialist dogma, then we're going to impose it, and in effect, to hell with the people."

So, I'm happy to hear my honourable friends opposite say that — at least four of them — they would be pleased to reimpose the Mineral Acreage Tax Act. Maybe we should continue this inventory, because I think it might make things very clear to the people of Manitoba that the party they turned out of office on the 11th of October hasn't learned a thing; hasn't learned a thing from that lesson' and isn't likely to learn a thing so long as they are wedded, as they are — chained is perhaps a better word — chained to the kind of rather doctrinaire 19th Century out-of-date philosophy which motivates them.

Well, Mr. Speaker, we haven't heard my honourable friends make any reasonable contribution about the sales tax cuts other than to question the manner in which the sales tax was applied in Manitoba; other than to suggest that there was no intrusion. I think the Leader of the Opposition said that in his opinion he didn't feel that this represented any intrusion whatsoever into provincial taxing authority. He may not have said it in the House, but he is reported in the press as having said it that way. That tax cut is in the present Budget. We have indicated in principle that it is a tax cut that hopefully will be stimulating on the short term. What we have objected to all along, as we have made clear right from the first day and in our Budget statement, is that we have objected, and objected very clearly and I think very concisely, to the manner in which this tax cut was brought about by the Federal Government, and we are now joined in this by the three other provincial premiers in western Canada.

Mr. Speaker, We haven't heard too much about expenditure restraint by my honourable friends opposite except to question little tidbits here and little tidbits there, trying to indicate that on the one hand that had they come into office last October that they would have been doing the same thing but at the same time saying you should be spending more. Well, Mr. Speaker, that's really not a position that's terribly tenable. I suggest that this Budget represents, as the Minister of Finance said the other night, only a start on the things that have to be done in Manitoba to restore confidence in this province, there is a great deal more to be done. And I was looking forward, quite frankly, in this Budget debate, to hear members opposite give us some suggestions, some alternatives that might be reasonable or viable because I repeat what I have said before in this House, that we claim no monopoly of wisdom on this side of the House whatsoever. If you have good ideas, we want to hear them. But I didn't hear any constructive ideas. I didn't hear any suggestions that would help at this particular time. There was precious little of that, and this lack of content, I suppose, was perhaps more emphasized by the Member for Elmwood when he said that his party's place in opposition would give them the chance, "to recharge their batteries". Well when I heard him, Mr. Speaker, I was reminded how much their party and their administration were like the electric cars that they bought for the people of Manitoba — barely useful, deceptively nice for short trips but almost totally useless and in fact, impractical for the long haul. And, some others might say, is not really plugged in to what going on in Manitoba. Fortunately for the people of Manitoba, Mr. Speaker, the plug was pulled on the 11th of October.

And there seems to be an element of confusion now among what my honourable friends opposite are saying, there doesn't seem to be any particular organization or any particular thread to their attack of the government, they seem to be speaking as 23 separate individuals each with their own ideas bound together only by their common ideology which would have them get back into things like succession duty and gift tax and mineral acreage tax and so on. But they are so busy rehashing their own inconsistencies that they haven't got new ideas to offer which we welcome. And one of the major examples of that inconsistency, Mr. Speaker, relates to the government's expenditure restraint efforts. On the one hand the opposition says our restraint efforts didn't work and aren't working, and on the other hand they say that we have cut spending too much. Now, Mr. Speaker, they say at the same time that they wouldn't have had a big deficit in 1978-79 if they were still around and they say that they would have spent more on almost all programs. Now it is not a question, Mr. Speaker, of having. . . You can't have it both ways, you can't have it all four ways, you have got to make up your minds what you really believe in. We know, we know not only from the work that we run into day by day, week by week, on the treasury benches of the government, we know from the report of the Government Organization and Economy Committee that there was no central control by members across the way when they occupied the treasury benches. We all know that to be the case and perhaps that accounts for some of the confusion that we find in their shotgun attack with respect to the Budget that has just been brought down. And I believe, Mr. Speaker, that despite their claims about restraint now, they would have spent more, they would have spent a great deal more and the result would have been a bigger deficit and the result — we've had some testimony to it even here today — would have been still higher taxes than the people of Manitoba were already bearing under their administration, among the highest taxes in Canada, thus perpetuating the kind of self-defeating and uncontrolled and unplanned and unmanaged mess that the last government left as a legacy to the people of Manitoba.

Mr. Speaker, I come to the contribution that was made by the Leader of the Opposition to this debate. He started off by calling the Budget peculiar and strange and then went on to repeat the same old defences of his administration which we have heard time and time again in the House, harking back to the 50s and the 60s and the comparisons that really don't count to anyone except to him and trying to justify the unjustifiable. He suggested we were placing too much confidence in the private sector and that past experience and investment intention forecasts didn't justify this. He blithely overlooks the fact that I have acknowledged, the Ministry has acknowledged, all of us in Manitoba with a modicum of economic sense acknowledged, that we do live in a mixed economy in Canada and in Manitoba, and have for many many years and will continue to for many many years, but he seems to be blind of the fact that all of the Premiers of Canada, including the Prime Minister of Canada, all today acknowledge that the main vehicle, the engine for economic growth in this country, notwithstanding the fact that it is a mixed economy we live in, is the private sector. It always has been and pray God it always will be because if it isn't, then we will be living in some kind of society, economic and political, that neither my friend, the Leader of the Opposition would like, nor I, nor any other people in Manitoba. I should narrow that down and say there are a few perhaps, but none whose beliefs I am sure the Leader of the Opposition would subscribe to or indeed that I would subscribe to, or the vast majority of the people of Manitoba.

No, we don't want a state controlled economy. I don't think my honourable friend the Leader of the Opposition wants a state controlled economy, but I would say to him that he shouldn't sell short then, the private sector, because it is the private sector that creates that wealth, it is what built this country, as he knows quite well, and it is what can continue to expand and rebuild the economic sincere of this country when governments will try to give it a chance. But I am afraid to say, Mr. Speaker, that it is administrations such as the one we just succeeded and the one we now have at the Federal level which have undermined confidence, which have stifled initiative and have interfered with competitive forces to such an extent that investment has suffered and that the inflation and unemployment picture that we see today shows that quite clearly.

When the previous administration was in office they ignored the private sector. They treated business with a kind of contempt and mistrust that has never been seen before in the province of Manitoba and we have that kind of manifestation of attitude given yesterday by one of their newest members, the Member for Churchill, who has certain buzz words in his mind about multi-national corporations and all of the sort of worn out old speeches that Dave Lewis used to give back in 1962 or was it 1972 or who really cares. You know, with that kind of fixation, what kind of attitudes can we expect. My honourable friend is a young man, the Member for Churchill, a young man, who should be able to see the hope and the opportunity and the challenge and the freedom, economic and political, that we have in this country, that is worth preserving, and you are not going to preserve it under the kind of tunnel-vision view that he has about the private sector, about businesses, every one of which has to start small and when do these small businesses. . . And this is the question we used to ask the Member for Brandon East, the small businesses that he used to say were okay, but the big business was bad. When do the small ones who grow become bad? That was the question I used to ask the honourable member, or some of us used to ask the Member for Brandon East. The small business he used to say were okay, but the big business was bad. When do the small ones who grow become bad? That was the question I used to ask the honourable member, or some of us used to ask the Member for Brandon East. When do you pass over that sort of funny dividing line, where you are on the one side tolerated by the socialists but after that, once you get beyond a certain size, you're really hated by them. It's either tolerated or hated, one or the other. There's never co-operation or acknowledgment of the fact that they're part of the warp and the woof of the economic structure of

this country.

What's wrong with a corner grocer? What's wrong with the hairdressing shop? What's wrong with the barber? Is there something wrong with a barber who starts off with one chair and is able to expand his business into 15, is that getting into big business? Is there something wrong with a small company that starts off with two or three partners, and all of a sudden grows in a lifetime — and I've seen, members opposite have seen this happen, in this country and elsewhere — grows into a multi-national, yes a multi-national corporation. —(Interjection)— Well, the Leader of the Opposition obviously wasn't listening to his own Member for Churchill yesterday, who was giving the usual cant about multi-national corporations, and how bad they are, and so on and so forth. Now that's the kind of cant that we have come to expect, Mr. Speaker, from honourable members opposite. So I merely say to the Leader of the Opposition that he shouldn't sell the private sector short because when he's selling the private sector short, he's selling short the way of life in this country, not only the economic but the social and the political.

MR. SPEAKER: Order please. Has the Honourable Member for Churchill a point of order or a question?

MR. JAY COWAN: With a point of privilege, I would seek your direction. The First Minister infers that I said that we should nationalize the small corner grocery store, and I will point out that in the Hansard of last night in my speech, his Member for Lakeside, the Minister of Public Works, got up and put forth that projection and I said that I would agree that perhaps the multi-nationals should come under scrutiny. But I could not agree with this last statement about small business.

MR. SPEAKER: The Honourable First Minister.

MR. LYON: Well, Mr. Speaker, not to extend the foolish, but I never said anything about nationalizing anything. My honourable friend is, you know, he's got these funny little thoughts swirling around in his own mind and he's dreaming up things that I haven't even said. I'm talking about the cant that my honourable friends opposite, a good number of them, have about bigness and smallness in business and their bare toleration of the private sector up to the point when it reaches a certain size, and then their absolute distaste and hatred for it beyond that. That's what I'm talking about. My honourable friend from Churchill doesn't have to give us any lessons on what the socialists of Canada are prepared to do in terms of nationalization; his colleagues in Saskatchewan are giving us ample evidence of that day by day with respect to their takeover of the potash industry. His colleagues here at one time were titillated by a report received from Mr. Kierans which said in effect that they should expropriate the mining operations, the going operations in Manitoba, from which they disengaged themselves of course. But they were titillated by it and thought — and my honourable friend from Inkster when he was Minister of Mines and will still, I know, stand up and vociferously defend his policy of government being a compulsory partner in the roulette wheel of mineral exploration — sure, of course he will. Of course he will.

Well, Mr. Speaker, I don't think we're at odds at all about what I'm saying. I'm describing my honourable friends opposite and their philosophy, and they're nodding approval, and I don't see any problem at all, let alone a point of privilege.

So, Mr. Speaker, I say that my honourable friends opposite not only ignored the private sector, they treated business with contempt and indeed with mistrust. They didn't bother to consult, their only interest in business generally was how much tax they could skim off from it. With that kind of attitude, it's interesting now that they profess to wonder why it may take a bit of time to re-establish investor confidence. And we have the Leader of the Opposition saying, "Well, private sector, you know, they're not going to be able to do it all." We've never said that they could do it all. But considering the setback that the private sector in this province underwent in the last eight years, it is going to be a little bit more difficult to restore economic confidence in the province, and that's the job that we're engaged in at the present time. There is a great deal of damage to be overcome and their continuing attack, their personal envy, their resentment that they demonstrate and manifest every day in this House, doesn't make the job any easier. But I say, that's what they believe in, and I know they're going to continue to repeat it, and I say, God Bless Them. Because so long as they do it, the people of Manitoba will have a living, walking example, day by day, of just what exactly is in the alternative for them, with my honourable friends and their rather worn and tired out ideas which they still cling to from the 19th century.

Well, Mr. Speaker, I would remind them once again that all 11 senior governments in Canada, including the government of Saskatchewan, endorsed a statement at the First Ministers' Conference in February which affirmed the primary importance of the private sector to the economic development of this country both in medium and in long term. Then the Leader of the Opposition went on to say that our statement in the Budget on the improvement of the year end position for 1977-78 was a classic deception, and that its purpose was to try to create a climate of fear so that the government could dismantle programs. Well, we've dealt with that, Mr. Speaker, and that is a ridiculous statement. The simple fact is that the province's finances were in such bad shape when we took office, that we had no choice but to apply the kind of rigid restraint that has been applied. And the fact that it has since improved, the fact that the financial statement that we now bring before the people of Manitoba has since improved, doesn't mean that these measures weren't necessary. Good heavens, it's living testimony to the fact of how necessary they were. Because if that hadn't taken

place, and if the spending controls hadn't been put into place and aren't continued for some time to come, then we would have had a deficit that would have amazed even my honourable friends opposite because they obviously and to be charitable, will want to say that they didn't know what it was when they left office. And we'll be charitable too, and give them the benefit of that doubt, and say that perhaps they didn't because nobody over there seemed to be running the shop in any case.

If the previous administration had managed programs more efficiently, the change in federal estimates wouldn't have found the province in such a vulnerable position. The Leader of the Opposition then accused the government, Mr. Speaker, of too big an increase in expenditures for highways. Well, first of all, as he is probably aware — and I think there's been a new statement turned out by the Honourable the Minister of Highways in this regard — the print figure doesn't present the full story. And for my honourable friend's edification, I can tell him that there was a carry-over from his administration and that the increase 1978-79 over 1977-78 will be \$11,034,515 or approximately 7.3 percent. And that comes about because of carry-forward of previous year's capital which my honourable friends had voted, as well as the provisions that are being provided for in 1977-78. — (Interjection) —

So, Mr. Speaker, my honourable friend — I dare say that my honourable friend from Inkster is being hushed up by some of his colleagues, because not everybody in Manitoba is against a road program that is modern and that is contemporary, and that meets the infra-structure needs of the biggest industry in Manitoba, and that is agriculture. And we have to have modest increases and I think they are modest. I wish they were more extensive, in the road program and in other programs that the government is bringing before the House this session. I wish they could be more extensive, but the financial limitations under which we find ourselves do not permit it to be more extensive. But we do intend to give a higher priority to matters such as a modern transportation system, to matters such as water control and conservation, a higher priority than my honourable friends ever gave to those topics when they occupied the treasury benches. And there's a lot of catching up to do. A lot of catching up to do in many parts of Manitoba in order to bring our roads up to acceptable standards and comparable standards with other provinces.

In addition, Mr. Speaker, the opposition are constantly asking that we spend more money on job creation. Well, I would be interested in knowing whether they don't consider highways expenditures as one example of job creation. I know that it's not highly manually intensive, but at the same time there are a lot of jobs that are created by highway work in the summer, and that's a worthwhile source of employment, both in the short run during the construction phase, and in the longer term, because of the overall economic impact of improved transportation, both to urban and rural areas.

And if my honourable friend, the Leader of the Opposition, had been with the Premiers last week in Yorkton, he would have heard all of them say — and I'm sure he would have said, had he been there in my place — that we have to have increased and improved road transportation system, particularly on the Prairies, to meet the problem that is being brought about by the abandonment of some rail lines to ensure that our farming producers, our primary producers, can get their product to the elevator and to market. That's only common sense; there's nothing horrendous about that. I don't see any cause for particular complaint when a government increases expenditures on one item about 7.3 percent on something that is vital to the future of the main economic portion of our economy in Manitoba. But if my honourable friends opposite, if the Leader of the Opposition wants to say that that's bad, he wants to say that his government would cut back any further if they came into office, then let him stand up and say it, because, Mr. Speaker, there are an awful lot of people in Manitoba — there are at least 49 percent that I know of — who want to see improved road systems in Manitoba.

MR. GREEN: The figure has gone down, Sterling. That 49 has gone down.

MR. LYON: Well, Mr. Speaker, the Leader of the Opposition also talked about public sector — no, I'll just interrupt a minute to say that our number one priority is to clean up the unholly mess that people such as the Member for Elmwood left behind; that's the number one priority. That's a longer and a messier job than I think even my honourable friend would understand.

The Leader of the Opposition also talked about public sector wages and he said he agreed with our government and with the other senior governments in Canada that the level of public sector wages should not lead the private sector. He went on to say that he had followed this example, and that the real problem in the public sector had occurred in B.C. and Alberta and Ontario. Well, Mr. Speaker, I can perhaps accept this but on the question of wages generally — I would remind him and his government of their time and three-quarters legislation — very ill-considered.

I remember so well, Mr. Speaker, that when delegation after delegation after delegation was appearing before the Committee of the Legislature last session to deal with that Bill — I wasn't there too often, I'm sure my honourable friend the Leader of the Opposition was not there too often — but delegation after delegation appeared and tried to indicate to the then government, the deleterious effects that this would have on the economy in Manitoba. The only jurisdiction, I believe it was in North America, to have time and three-quarters, and yet again, dogma, doctrine overtook common sense. My honourable friend the Leader of the Opposition, I think it was subsequent to the prorogation of the House, spoke, as I had done on a previous occasion to the — I believe it was the Chamber of Commerce in St. Boniface — and a number of questions were raised, according to the news reports, in front of the then Premier of the province, and he appeared from the news reports,

and certainly I stand to be corrected by him if the news reports were not accurate — he appeared from my reading of the news reports to be greeting some of these objections as though he had not heard them before, and he quite properly said, "Well, we'll take these into consideration before we proclaim the Bill and bring it into force." Because I think he was hearing for the first time some of the reasonable and the logical objections that were being taken. How Manitoba again, in another sphere — never mind taxation, never mind the problem of the government's contempt for the private sector — here was just another way in which the government was getting out of step, not only with the rest of North America but indeed, more importantly, with its own people, and with the private sector, with the small business people.

Was he not listening? Were my honourable friends across the way not listening when restaurant operators, corner garage keepers on the highways and so on, were saying, "Look, we can't afford to stay open on Sundays because we can't afford to pay the kind of overtime. If time and three-quarters comes along, forget about it. We can't do it." And that's why that had to be wiped out of the road. And yet my honourable friend says that he is one who is concerned about public sector wages and so on. I suggest that the more recent attitudes in the last months of his government indicated that perhaps there wasn't that degree of attention being paid to the economy, that the economy deserves.

Well, Mr. Speaker, there are many other things that the Leader of the Opposition spoke about — he talked about the mining industry. He also said that the First Ministers' agreement to study ways and means of reducing government red tape was a pious platitude. Well, it may be more in the nature of a hope than a reality at this stage, but at least we are trying to move on this front; we recognize that people are fed up with over-interference by government and unlike the opposition, we're not going to deny that there is a problem. I think I might even find a shade of support from the Member for Fort Rouge on this, because the Leader of his national party, the present Prime Minister of Canada, was one who agreed that there was too much over-regulation in Canada. Indeed, the Premier of Saskatchewan agreed there was too much over-regulation in Canada. So, it may be — my honourable friend says, "a pious platitude." I pray God it isn't a pious platitude; I hope that the 11 senior governments in Canada, working together and in conjunction with the municipal governments, can try to cut down and to hack through some of the over-regulation, some of the unnecessary regulation, that is besetting individuals, small businesses, co-ops, credit unions, all manner of business enterprises in this country, large, medium and small, so that we can try to get some of that wasted money back into the economy. The estimate is made, of course — and it can only be an estimate and a ballpark estimate at that — that something like \$6 billion per year of our GNP is eaten up by government regulation. I say to my honourable friends opposite that that's the kind of a target that I think is well worth fastening on for any government. My honourable friends opposite rather than try to criticize the attempt to do that should stand up and say, "Yes, we support it because we think it's right." On the other hand, if they don't think that there's too much regulation in Manitoba or in Canada, let them stand up and say so. If they think big government is the answer to everything, let them stand up and say so. Their support of the Mineral Acreage Tax Act would seem to indicate that they don't care what the effect is on the people as long as they get their fifty cent pound of flesh. They don't care about the harassment to people or anything at all.

While we're talking about pious platitudes, Mr. Speaker, I'm reminded of the objectives of the New Democratic Party's so-called Guidelines for the Seventies. I wonder what the members opposite would call such objectives as: "Progress toward equality of the human condition" and "maximization of the general wellbeing." We agree. We think that those are ideals that every government should strive for. We don't stand up and say that they are pious platitudes. We think any reasonable government should strive for those things. But my honourable friends opposite, by creating the kind of deleterious economic conditions that they did during their eight years in office, were working against those very ideals, working against the accomplishment of them perhaps in a way that they will never come to realize or understand. I've got a feeling that most Manitobans today are interested in something like cutting down on bureaucratic interference that interferes with their work and their daily lives.

The Leader of the Opposition also, Mr. Speaker, talked a bit about debt, which is a favourite topic of his, and I, as I mentioned before, I would hope — in the Throne Speech I believe I mentioned it — I could never see any reason for the argument in the first place. It was my honourable friend who chose to make the argument. Because we were always well aware of what net debt and gross and guaranteed debt was and we were always aware of the fact, according to the latest figures that were then available to us, that Manitoba did have the second highest per capita debt of any province in Canada and we were always aware of the fact, approximately, of what that debt was on a per capita basis, either netted out or on a gross basis with guarantees. But my honourable friend, in the course of that discussion which I hope is now interred, but if my honourable friend wants to continue it, I'm happy to continue it, the facts and figures are in the budget. They used to appear in my honourable friend's prospectuses when they went onto the market, they were there for anyone to read, but in the course of that discussion he said he acknowledged that debt servicing costs had risen substantially in the last few years. He argued that in relative terms they were still about the same as they had been in the past in Manitoba. On the other hand, he did concede that the \$11.5 billion federal deficit was — to use his words — "stunning."

Well, Mr. Speaker, I think that if my friends opposite had stayed in government, the deficit here would have been "stunning" as well but fortunately that pruning job has started and fortunately we think that we can bring some sense out of the rather chaotic affairs that we inherited. It won't be done soon and it won't be done easily. It's going to take some time as the Minister of Finance mentioned.

We presented approximately ten days ago what is essentially a transitional budget, a transition, some might say, from chaos back to common sense, but at least a transition trying to get the affairs of Manitoba back on track in some reasonable way.

Well, Mr. Speaker, the Leader of the Opposition went on to talk about the Task Force. He compared the costs of that study with the costs of Operation Productivity. I really don't think that that's worth commenting upon. He obviously thought there was some merit in it. I suggest instead of trying to play games with that kind of sort of backward logic, that members opposite look at the fact that both studies dealt with very practical problems in the decade in which they took place, of government organization and efficiency, something which our friends opposite seem to regard as almost totally irrelevant to the operation of government. If there's one thing that we found it was that there was not that control at the top that was going to conduce to efficiency or proper organization within government and that's part of the job we're setting to rights at the present time. To hear them talk, Mr. Speaker, people would think that their only real goal was to see an unlimited expansion of the public sector at the expense of the taxpayers and, unfortunately, at the expense of the future development of our province.

Well, Mr. Speaker, the Leader of the Opposition also went on to talk about the make-up of the Task Force and a number of other things that, as he covered the water front, he did talk about the Federal Government sales tax measures, and it was interesting, Mr. Speaker, to get the position of the — that is the combined position if there is a fixed position of the opposition — with respect to the sales tax cut. Do they believe, first of all, as the Western Premiers said, this was an intrusion into the provinces' budgetary and constitutional functions — No. 1. No. 2, do they agree with the manner in which it was brought about by the Federal Minister of Finance? Do they agree that this kind of *ad hoc*ery, all done under the guise of budget secrecy and so on. Budget secrecy is the proper way to handle it.

Well, my friend, the Member for St. Johns says, "Three weeks' notice," and is he implying by that that that would have been satisfactory to him when he was the Minister of Finance because if he is . . .

MR. CHERNIACK: I wouldn't have got into bed with them just on their invitation.

MR. LYON: . . . Well, if he is, as he has indicated in previous remarks the other day, budget secrecy, he indicated that that was just a piffle — nothing to it at all.

MR. CHERNIACK: As between the premiers?

MR. LYON: I suggest that he'd better get in touch with the national leader of his party because he was calling for the resignation of the national Minister of Finance because . . .

MR. CHERNIACK: Don't worry about my national leader. Just worry about your own.

MR. LYON: . . . it appeared in the paper. Well, my honourable friends, again, it just shows the scatter-gun inconsistent sort of helter-skelter drift with the wind, we'll take a shot at this, where are we going tomorrow attitude toward a budget which had to be realistic, hard-headed to meet the requirement of the times. Where are the ideas? Where are some of the constructive ideas that we still want from our honourable friends opposite? —(Interjection)— If it's just spend more money as my colleagues say, well then that isn't good enough and that's out of touch with everything that's going on in this country today.

Mr. Speaker, my honourable friends will have the opportunity later on when the legislation with respect to sales tax is brought down perhaps to get their act together and to tell us what they really think about it. The fact is that despite the unfortunate way in which the Federal Government introduced this measure, the fact that it didn't cut its spending to pay for its share — and that's important — and I would like to hear their comment on that. What do they think of adding to this stunning budget that the Leader of the Opposition has already talked about? The measure is — we hope as I've said before — a worthwhile one. We hope it will give that short term stimulation to the economy.

I must say I was quite surprised by the fact that the Leader of the Opposition didn't end his statement with the traditional amendment and I'm not sure whether this signals general confidence in the government's proposals or no specific examples of non-confidence. Now, my honourable friend had full opportunity to tell us what he thought. If he feels so *comme ci, comme ça* about the budget, are we to take it, Mr. Speaker, that the opposition have no ideas to offer by way of non-confidence? Is that what we are to deduce? Or was it just sort of a school boy tactic to deny the Minister of Finance the opportunity to speak? I don't know which. But in any case, my honourable friends will have complete opportunity within the hour, I would think, to indicate how they're going to vote and we're not unused to surprises from our honourable friends opposite. They do a lot of odd and funny things from time to time. They did a lot of odd and funny things when they were in government. We're cleaning up some of them. So we're not at all upset by the fact that they didn't move a motion of non-confidence. It's just that the people of Manitoba looking on might say, well — and this is what I think is the case — there is so very little in that budget that they could attack that they couldn't think of anything to attack and that's why they didn't put up any non-confidence amendments to it.

MR. CHERNIACK: Would you permit a question?

MR. LYON: At the end of my remarks, I'll be happy to.

Mr. Speaker, the Member for Fort Rouge did participate in this debate. I see he's now having a caucus with what he hopes will be his colleague, the Member for St. Boniface, and may I say in that regard that I hope, Mr. Speaker, for the sake of the mood and the jollity and the spirit of this House, that the Member for St. Boniface decides to stay with us in the Manitoba Legislature. I hope he stays with us, notwithstanding the Lorelei lure that I know must be coming to him these days from those Liberals.

MR. DESJARDINS: I am very pleased to announce that I will be staying. You'll be very pleased to know that I will be here another four years.

MR. LYON: I'm very pleased to hear my honourable friend's announcement that he's going to stay. Now, having got that out of him, and I didn't put any restrictions, Mr. Speaker, on him at all as to what party he could belong to. He's been in two of the three that are in the House. There's still us to try out and, you know, I think that he might find a number of things that this government is doing that are not too far away from his own personal philosophy because I always thought that my honourable friend from St. Boniface and my honourable friend from Inkster were just absolute poles apart, absolute poles apart.

MR. DESJARDINS: A successful party is a broad-based party. We've got a broad, broad base, we're going wide.

MR. LYON: Well, my honourable friend should know. He's been sitting on one for a long time. But I say to my honourable friend, I'm happy to hear his acknowledgement today that he will be staying as a member in this Legislature because he does add a spirit and a kind of spice to the debate and to the affairs of this House that perhaps no one else can duplicate. In his long years of experience here, his memory can go back to speeches that were made on these and similar occasions when he was berating the Member for Inkster, when he was berating the present First Minister who was sitting down the row here apiece on the Treasury benches and talking about what should be done for the separate school situation in Manitoba and for a number of other topics which largely have remained untouched during the years that he was in Cabinet, but we'll deal with that at another time.

MR. DESJARDINS: That's not true; that's not true.

MR. LYON: But we're still happy to see him here, Mr. Speaker, and making that contribution to the debates of this Chamber that I'm sure he will continue to do.

All of that is by way of introduction to some of the comments that were made by the Member for Fort Rouge. His contribution was what we might expect from him, his usual defense of the Federal Government and, more specifically, of the Federal Liberal Party. Mr. Speaker, if the Member for Fort Rouge decides to leave the Assembly to seek a place in Ottawa, which is the current conventional wisdom which is appearing in newspapers, I, for one, will be also sorry to see him go because I think he attempts to make an interesting and a constructive contribution to our debates and even though we don't agree and even though we don't use as many of the contemporary buzz-words that my honourable friend uses from time to time to make it appear as though he's really with things and so on, nonetheless he has a contribution to make in this House. I suggest he may have a better contribution to make in this House than he will if he were successful in the seat of his choice — which would be highly doubtful — sitting as a backbencher in Ottawa in the Opposition. But that is a choice that my honourable friend will have to make obviously and if he does make that choice, I'm sure that he will be missed among his present colleagues, because, you know, he is a member of a vanishing breed — that is, a western Liberal. He deserves our sympathy and our condolences for the position in which he finds himself today . . .

MR. ENNS: An endangered species.

MR. LYON: . . . but that doesn't mean, Mr. Speaker, that we don't listen with interest to what he has to say and he still has a contribution to make.

Indeed, in this debate, he started off by attempting to defend not only the Federal Government's sales tax reduction proposal, but also the way in which it was introduced and believe me, if that wasn't a double-barrelled order, I've never heard of one. In fact, he defended it 100 percent, something that I'm not sure that even the new Leader of the Liberal Party in Quebec is prepared to do. I think Claude Ryan perhaps has a little better understanding of some of the national problems in this country than my honourable friend for Fort Rouge. If my honourable friend for Fort Rouge wants to say that the four western premiers of Canada were merely taking a shot at the Prime Minister of Canada, he'll find very few who will agree with him that that was just a partisan move. I think the Premier of Saskatchewan put it in the best terms in response to the quip that was made by the Prime Minister to the effect that the western premiers were only interested in electing Joe Clark Prime Minister of Canada. Premier Blakeney, at a news conference said, "I want it to be clearly understood that I, Allan Blakeney, am not interested in electing Joe Clark as the Prime Minister of Canada." I mention that

only for my honourable friend's edification, lest he think that there has been some kind of an unholy collusion take place.

What was said in Yorkton, Mr. Speaker, what is being said by the Government of Quebec, what is being said by Mr. Claude Ryan, is that we have had too much of this kind of intrusiveness by this present Federal Government. That's what is being said. That's what is being said, Mr. Speaker. — (Interjection)—

Well, if my honourable friend wants to get into bed with Darcy McKeough, that's his business. But if my honourable friend wants to do that, that's fine. He had better talk to his friend, the Leader of the Liberal Party in Ontario. But I'm merely telling him what the consensus of view is across the country with respect to this matter.

Well, as he said on a number of occasions and as I've said previously in my remarks today, we don't object to the principle of a sales tax reduction. I don't think anybody in Canada in their right mind does. But it's the manner in which it was brought about. The fact that the compensation formula could, in our view, treat Manitoba unfairly. I'd like to hear my honourable friend comment upon that. And when the bill comes before the House I'd like to hear the members opposite comment upon that.

Is it fair that the four Atlantic provinces should receive full compensation for the sales tax reduction while Manitoba receives the same level as all other provinces except Alberta, which receives zero? Does the Member for Fort Rouge think that it's fair that economically stronger provinces, such as Ontario and B.C., are lumped in with the Province of Manitoba? And if so, and if he is going to run federally, let him stand up and run on that platform in Winnipeg-Fort Garry, an area with which I am not totally unfamiliar. Let him run on that platform in Fort Garry and I'm sure he will get a few surprises.

Does the member think that this kind of lumped-in treatment is good for co-operative federalism? Is this the kind of thing that is going to keep the country together to give the Premier of Quebec an obvious flag to run with to attack the Federal Government? I mean where was the thinking of this present collection of tired-out politicians in Ottawa? Where was their thinking in connection not only with fiscal intrusiveness, not only with the constitutional set-up of our country, but indeed where was their thinking about what they hoped to make the main issue in this federal election campaign — national unity? Where was their thinking there?

I don't think it existed, Mr. Speaker. I think it was a kind of *ad hocery* that was perpetrated probably as their last pre-election gambit, and hopefully the last gambit that they will be able to pull on the people of Canada. And it had ripples that went out beyond what any of them thought.

So before my honourable friend begins to defend too quickly the actions of his Liberal friends in Ottawa, he had better think of just what those encompassed. Isn't it the same Ottawa government — the same Federal Government — that provides special higher investment tax credits for Manitoba, for Quebec and Saskatchewan, as well as equalization payments for the same three provinces? That's what we are talking about. This thing wasn't thought through properly. You just don't say, "In our wisdom we are going to lump in the Maritimes and say that they get a one-third better deal than the rest of Canada." You can't do it on that kind of accrued basis.

I wonder, as well, if the member wouldn't agree that since the Federal Government called a First Ministers' Conference for mid-February ostensibly to discuss fiscal and economic policy co-ordination with the provinces, why didn't it use that conference as an opportunity to put forward its plan and allow a reasonable consultation? These are the questions that my honourable friend can answer, if he is still in the House when the bill comes before the Legislature.

The Government of Canada, aided by the Member for Fort Rouge, is trying to give the impression that it's providing strong leadership in the fight for national unity and that its so-called "new approaches" to federal-provincial relations are acceptable to all the provinces except Quebec.

Well, Mr. Speaker, I think the events of the past week have shown that to be a complete and an utter fabrication, and they had better get a new act going and they had better get it going pretty soon or Mr. Trudeau had better delay his election. Because he is going to find a reaction that is quite unlike that which he probably expected he would find emanating from this kind of a policy.

Is this the kind of a flexible responsive accommodating federal leadership we are being asked for vote for in the next election? No, we are seeing the same heavy-handed intrusive style of government that has marked the last decade. The so-called "new approaches" are nothing but myths, as the Premiers pointed out at their meeting in Yorkton. And we pointed it out very clearly because we thought there had been some forward steps and we acknowledged that there had been some forward steps made in the intrusive activities of the Federal Government and these were acknowledged in one of the reports that was turned out. But this is a backward step. And my honourable friend, far from defending it, had better take a longer look at it, regard all of the questions of national unity, regard the question of fiscal intrusiveness and perhaps he may come to a better view of what is in the interests of the people of Manitoba.

He also defended the Federal Government's spending plans. He said that we were too critical of Ottawa in our Budget and had not noted that the federal spending had gone down as a percent of GNP in the last couple of years.

Then, of course, he went on to call for more spending at the provincial level, as my honourable friend always does. My honourable friend always calls for more spending. My honourable friend always talks about the housing shortage, which if it's real it is his right to talk about it. If it's something that he just imagines in his mind, he still talks about it. But we can always count on my honourable

friend talking about two things: the critical housing shortage and you should be spending more money.

I merely say to my honourable friend that that kind of an approach — if he is getting into the electoral field federally today — isn't going to get him too many votes. Because that's like the salmon swimming against the stream right now, too, because people aren't looking for governments to be spending more money; they are looking for governments to be spending what money they have in a wiser and a more efficient way — something that has not been demonstrated by the Federal Government at Ottawa since 1968 or even before.

So, Mr. Speaker, if I felt that the Federal Government — I will say this to my honourable friend for his benefit — if I felt the Federal Government were making a legitimate effort to keep its spending under control, instead of going up by 10 percent, I would be the first to stand up in this House and acknowledge it.

However, the simple fact is that the Federal Government doesn't have its spending under control and this nation is suffering because of it. And how my honourable friend or any other candidates of intelligence can go before the people of Canada today and say, "Re-elect us to continue to do the kind of de-moralizing damage that we have been doing to this nation for the last ten years," boggles the imagination — to use the worn expression of the Leader of the Opposition.

But that's the kind of a proposition that my honourable friend is getting himself into if he wants to run federally in this election. I'm just giving him a little bit of gratuitous advice so that he will understand that things aren't all that easy — either in Winnipeg-Fort Garry or running as a Liberal, may I say, in that area. And if he doesn't want to take advice from me, I suggest that he can listen to Mr. Richardson, who could give him some of the same advice that I am giving him today about how things are in that particular constituency.

It's not at all clear, Mr. Speaker, that the growth in federal spending will be lower than the rate of growth of the GNP. Federal spending is now forecast to be in the neighborhood, as I've said, of 10 percent increase and the GNP growth around 11 percent. But that's a very optimistic estimate, and with real growth figures being revised downward from 5 percent to around 4 percent or so, it will only be realized if inflation is higher than the federal target.

Mr. Speaker, the most recent example we have of Ottawa trying to indicate that they are keeping a lid of expenditures, but at the same time increasing their deficit beyond the stunning figure of \$11.5 billion, is the methodology which they have utilized to transfer the payments to the provinces under the sales tax scheme that they have just brought down.

They are transferring this money through the provinces by income tax transfers and cash, which will not show as expenditures, but will decrease their revenue and thereby increase their deficit. And it's really just a charade. It is just a charade that is being used. To indicate that the federal deficit is going to be \$11.5 billion, I think, today, is really wishful thinking. The federal deficit is probably going to be greater than \$11.5 billion. I hope not much greater; I hope for the sake of the country not much greater because these people in Ottawa — as indeed the honourable members opposite — were mortgaging the future of every succeeding generation of young people in this country. And we have got to put an end to that kind of a mortgage and that kind of an albatross on the necks of our young people. You know, enjoy today, pay tomorrow. But those who are going to be paying tomorrow are the ones who are now saying, "Just a minute. Just a minute; we are the ones who are going to be stuck with your plans. And just a minute, Mr. Trudeau in Ottawa." They said it here very conclusively. "Just a minute, Mr. Schreyer, in Manitoba. We are the ones who have to pay the shot for this and we think that we are mortgaged right up to the hilt right now." And none of these charades about how you transfer tax points, and so on, fools the taxpayer very long when he gets his tax bill and realizes that he has got to pay the shot.

So, I give my friend from Fort Rouge that little piece of gratuitous advice about the kind of water that he is going to be swimming in when it comes to the federal election and what the Federal Government is doing at the present time to the economy of Canada.

At the end of the First Ministers' Conference in February, Mr. Speaker, I said that the real test of the Federal Government's sincerity in living up to the various agreements reached at that meeting would be seen in its Budget. Well, the test has come and the test has gone, and I would say that the Government of Canada failed dismally to convince me — or for that matter the vast majority of the people of Canada — that it is genuinely concerned about keeping its spending in line. It isn't.

Obviously we don't see the separatist government in Quebec and we don't side with them at all, but on the subject of government spending, Mr. Speaker, the Minister of Finance of Quebec had some interesting words to say last night, which might be of interest even to the Member for St. Johns. And I quote, "How can the economy show any life when the government takes from most of its citizens almost all their real gains? The government is important, but it cannot behave in this ravenous manner without compromising the future of the economy and the stability of society." That's Mr. Parizeau, the so-called Social Democrat, the Separatist Minister of Finance of the Province of Quebec. It sounds very much like what the Minister of Finance was saying. It sounds like what this government has been saying for the last six months and before that — before we came into office.

So now, Mr. Speaker, we even have people such as President Carter and the Minister of Finance of the Parti Quebecois convinced that restraint is desirable and the government can't do everything.

Now all we have to do, Mr. Speaker, is convince my honourable friend's federal counterparts in Ottawa that that is the proper medicine for the nation today, and to convince him in the course of it. And I have given up, really. I don't think we will ever convince our honourable friends opposite but we will keep on trying over the next 4, 8, 12 or 16 years, or whatever the case may be. We will keep on

trying even though, as they have acknowledged today, it is not economic common sense that bothers them at all. It is really adherence to the dogma, and we have got to get the rich.

Well, Mr. Speaker, the Member for Fort Rouge went on to say that our only concern in this government was restraint and that we gave no thought to social objectives and social programs. I can only say to him that he wasn't paying very much attention to the Budget Speech, because as the Minister of Finance has said in his speech and as has been demonstrated in the programming and in the attitudes of the government itself, "Our challenge is not to restrict essential services for the people of Manitoba. Our challenge is rather to first help build and maintain the economic base which will make these services possible."

In other words, you can't build a house in the middle of the air. You have got to have a foundation for it. My honourable friend is an alleged critic or an alleged expert in housing; I think he should know that basic and fundamental fact about building a house. I give him, free of charge, that basic and fundamental fact about running a government in the 1970s going into the 1980s. And it is not something that is unique to our understanding. I only wish he too, like our friends opposite, would get plugged in and would begin to understand that you've got to have a growing and an expanding economy if you are going to pay for the kinds of social services that everyone in this House wants — everyone.

My honourable friends opposite don't have any monopoly on compassion, even though they would like to feel that they do. Most of the programs that my honourable friends take credit for in Canada . . . Someone was talking yesterday about the late J.S. Woodsworth. J.S. Woodsworth made a contribution to the nation in the ideas that he was espousing and so on, but my honourable friends always lose sight of the fact that J.S. Woodsworth was never in government for one day in his life, which has always led me to the conclusion that my honourable friends in the CCF — as they then were, now the New Democratic Party — are at their very best in serving the public interest when they are in opposition, preferably as the third party.

So, Mr. Speaker, the Minister of Finance has said very clearly what the objective is: "To ensure that improved and expanded services can be provided to those who require it." And he emphasized this point still further when he said, "The restoration of the principle of fiscal responsibility in the Government of Manitoba is the primary goal of this Budget. Without a secure financial base, the future of every essential economic and social program will be in jeopardy."

I'm not sure how much more clear my honourable friend, the Minister of Finance, could have been. I would hope that my honourable friend from Fort Rouge, before he trots off into the federal scene — if indeed he does that — will re-read that Budget Speech because I think there are a few pieces of wisdom in there that would benefit him in what is probably going to be his short career in the federal field, if he decides to go into it.

As I said at the beginning, we would much sooner have him stay here, where he can make a contribution, where at least we are guaranteed to see him for the next three and a half years, approximately, which is a bigger guarantee than anybody can offer him in the federal field right now.

Well, Mr. Speaker, he went on at great length, the Meir for Fort Rouge about the fact that we have a mixed economy in Manitoba. He suggested, like the Leader of the Opposition, he suggested our government was ignoring that fact. Well, Mr. Speaker, I don't intend to repeat my words spoken earlier this afternoon about our understanding of the economy in Manitoba, I merely wonder about my honourable friend's understanding of it. I merely wonder if he does understand and appreciate what his own Prime Minister said at the Federal Minister's Conference in February, that the private sector is the main vehicle of growth and expanded economy in this country, so I commend that to his reading because if he is going to be running for Pierre Elliot Trudeau, he had better get on track with what Pierre Elliot Trudeau's thinking is this year.

Now I know he can refer back and he may be going back two years ago when the Prime Minister said in a New Year's interview that he thought that the private sector had failed, but we no8 have the new renovated Trudeau running. The new renovated Trudeau running in the present Federal election, and this is the Trudeau who says, who has now got the message, and who says that the private sector is the main area for growth in this country. So I suggest that my honourable friend get on track, even with his own leader, let alone with what's happening in Manitoba, and when he is on track he may find the going a little bit easier, rather than stumbling around in the gravel the way he has been during the course of this debate.

Mr. Speaker, there were a couple of points that were raised yesterday by the Member for Seven Oaks of projections of the financial picture of the province. The first point, Mr. Speaker, was the Member for Seven Oaks made reference to the fact that presenting a financial snapshot in time, I think his word was silly, silly because the picture could change and it would be dangerous and foolish to tell the public what the best estimate of the financial position was at that point in time. I have his quote here to that effect.

I believe that no matter what variations these projections might be subjected to it is important, Mr. Speaker, for any government to let the people of the province know on a quarterly basis, what the projections might be and to let them know what the situation at that point in time appears to be according to the best knowledge that the officials can bring to it at that time. And if changes occur, as they will, then we will advise the public of those changes at the date of the issuance of the next report. And my honourable friend will appreciate this even though some of his colleagues appear not to understand it, although I know they do, that you can't be issuing on a daily basis the communications that you receive from Ottawa about variations in revenue and so on. But you can be issuing on a quarterly basis as many of the Provincial Governments of Canada are now doing and as we are now

doing, the projections and the indications of the state of revenue and expenditure which we intend to continue to do. And I really think that in his heart of hearts, my honourable friend the Member for Seven Oaks, who was a conscientious Minister of Finance, does appreciate the changeover that has taken place in terms of accountability and reporting and does appreciate that this is worthwhile in the long term, both for members of the legislature, but more importantly for the people of Manitoba. I think that he will appreciate as well that the procedures that we will be adopting with respect to public accounts, that is having them turned out as soon as possible and having the Committee on Public Accounts sit before the next session of the Legislature so that they are looking at the books of the Province of Manitoba as soon as practicable after the end of the fiscal year, I think even he would agree that that is a good measure and that is what we intend to do, and to continue the quarterly reports. But Mr. Speaker, the public has this right to know where we stand and we are going to ensure that they are provided with the information.

Now the second point I would like to make is that the Member for Seven Oaks also made reference apparently to some pigeon holes of revenue, that we didn't draw out to make the deficit look a little better and it appears that my honourable friend from Seven Oaks perhaps doesn't understand that the reporting that we will be doing is on a basis which tries to show things as they are, showing all real expenditures and revenues of the province.

My honourable friend will be well aware because I know that this troubled him from time to time that the Provincial Auditor has qualified his report on the public accounts' even in the present public accounts that are before us and I quote, "As indicated in my report last year, the province's direct and indirect expenditures regardless of the source of funding includes substantial amounts for items which have lasting tangible benefits such as buildings and roads and also lasting intangible benefits such as education. In view that there are no criteria for measuring these benefits against the obligations to be serviced from future appropriations of the Consolidated Fund, I am only in a position to express an opinion on the results of the province's operations on a combined basis as commented on in the preceding paragraph and not on the basis of a segregation between the revenue and capital divisions".

He qualified his report, Mr. Speaker, as follows — and these were topics that were mentioned yesterday by my honourable friend — School Lands Fund and Capital Division Investments. "During the year ending March 31, 1977, the School Lands Fund was reduced by 6.6 million and this amount taken into revenue as a miscellaneous receipt. Since the withdrawal from the fund consisted of school district and school division debentures which are guaranteed and mainly serviced by the province, the cash required to cover the revenue had to be raised by borrowing, and debentures withdrawn from the fund were recorded as capital investments."

The Provincial Auditor therefore, Mr. Speaker, qualified his report because the current deficit or surplus number as he said was meaningless because of the kinds of shifting and some might even call it manipulation. I won't apply that word to my honourable friend because he is not a manipulator but that kind of shifting that was going on, that's why the qualifications occurred and yet I was surprised to read in Hansard that my honourable friend suggests that we should take funds out of the Special Municipal Loan Fund to reduce the deficit. He also suggests we should use the School Lands Trust Fund as additional revenues or the Liquor Commission Trust Fund. In other words he recommends that we really pull the wool over the public's eyes because we would be artificially creating revenues. We made a pledge to the people of the Province, Mr. Speaker, that we would provide frank reporting to the people of Manitoba and that is what we are trying to do and we have already done so and we are going to continue to do it and we are not going to enter into this kind of "pull this out of the fund and make it appear this way or that way business" that appears, to be and I hope it isn't the real suggestion of my friend from Seven Oaks.

I will take this opportunity to point out that in the 1977-78 current estimates of the previous administration they had included \$6.5 million as revenues which were in reality just moving in funds from capital division or other funds. That is the advice that the officers of the Department of Finance give to us and when you combine all of the activities of government as we have done under the combined system of accounting, these items show up as expenditures in those areas, so the net result is no change in the financial picture of the province.

Now I realize we are all trying to accommodate ourselves to a new system, a new combined system of accounting and we are all going to be thinking partially in terms of the old current and capital system but I do suggest that the Member for Seven Oaks reconsider his comments and his recommendations that we try to create revenue in the current division to make it look better while at the same time we create expenditures in the Capital Division or the Special Trust Funds. The plain simple fact, Mr. Speaker, is that the Province is not a bit better off by this type of manoeuvre, and there is no point in entertaining such a recommendation.

I have a breakdown, Mr. Speaker, on the \$6.5 million of artificial current division revenues that can be found on the following pages of the 1977-78 Estimates — page 65, page 67, and on page 67 where these accounts were transferred as I have previously indicated and this kind of artificial adjustment, and it was really an artificial adjustment and other can be found in the 1976-77 Public Accounts. One reason for having combined accounts Mr. Speaker, is that that kind of shifting around can't take place anymore and governments can't willy nilly shift what really should be current operating expenses into capital in order to make it appear as though their deficit is a little bit lower than it was before. We are on a system of accounting now where the facts are going to come out as they are and they are going to come out on a quarterly basis. So I say to my honourable friend opposite that is his suggestion in that regard made yesterday was really not too terribly helpful to us as we engage upon

a new accounting system for the people of Manitoba and a system that we think is going to be very much better in terms of accountability of government operations, in terms of making the Members of the Legislature have the information in a quicker time period than has been the case heretofore.

Mr. Speaker, I have no objection to my honourable friend for St. Johns not listening to me because he would say that he benefits very little from it, my only objection to the Member for St. Johns is his apparent rudeness in talking so loudly so it is difficult for other people who do wish to hear.

MR. CHERNIACK: Oh you poor fellow.

MR. LYON: No, not at all, not at all. I am sorry, Mr. Speaker, I am talking as I said yesterday, about a subject that is foreign to my friend's character — civility.

Mr. Speaker' the Member for Brandon East is one last member that we shall take a look at, his contribution to the debate, because he went through what can only be regarded as sort of a muddle-headed explanation of what he thinks economics is all about. Well, Mr. Speaker, my honourable friend comes from a university classroom and we expect a great deal from him but I am afraid he should spend more time in the real world because if you tried to sum up his speech I suppose it could be summed up by saying it was "borrow and spend" because that is really all that my honourable friend for Brandon East talked about. Of course there are a few other combinations of words which could be used.

I want to made reference really only to one point which the member raised and that dealt with Statistics Canada investment forecast for Manitoba. He claimed that the private sector investment number in our Budget was incorrect. Well I don't know what source he has been using, but I can point out to him the source that we have been using. What we used was the Statistics Canada daily Bulletin of March 15, 1978 in which advance information was published from the regular statistics Canada Report No. 61-205 under the heading "Private and Public Investment in Canada — Outlook 1978". That publication indicated that the total private sector investment in Manitoba is forecast to increase by 6.5 percent from 1,115 million in 1977 to 1,187.4 million in 1978 representing an increase of 72.4 million which has been calculated to be 6.5 percent or, to be more precise, 6.49 percent if the member wants it carried to two decimal places. This is by no means, Mr. Speaker, a great increase. We are not suggesting that it is. We would like to see it twice or three times that.

But as my colleague⁸ the Minister of Finance said in the Budget, the rate of growth will probably be less than the rate of inflation but it is still significant in relative terms because the growth between 1976 and 1977 was 5 percent; again according to the same Statistics Canada publication. No, I agree with my friend the Leader of the Opposition, Mr. Speaker, that we are not satisfied with that, that is the prediction that is being made. We wish it would be better and it depends to a tremendous extent as he will know upon how we can renovate and improve the national economy over which we have very little control in this province or in the other provinces but how well the Federal Government can come to that rehabilitation of their policies in the next few weeks or months that lay ahead of them in order that there may be that kind of investor confidence reinstilled, not only within Canada, but beyond Canada as well. So I, with respect to the Member for Brandon East, I merely say to him that that is the publication which is normally used as the source for such investment statistics as the advisers of the government utilized and if the Member for Brandon has a different source or a newer source we would be quite happy to see it and compare the figures with him, but my honourable friend from Brandon made this a major point and I think it is worth dwelling upon just for the moment that I did today.

Mr. Speaker, I think that if I were to try to sum up the Budget Address itself and the statements on the Budget that have been made by my honourable members opposite, I would have to repeat to some extent what I have been saying earlier today:

No. 1 — We made it clear in the Budget statement itself that what we're trying to do in Manitoba is to restore the sinews of the economy of this province so that it can support, it can support the social and the other programming that the people of Manitoba on all sides of the House want to see. That has been the aim of this Budget, to try to put the economy of Manitoba back on track.

Now, it means in the transitional period that all aspects of the economy that are dependent, directly or indirectly, upon government, and through government I mean taxpayers' dollars, are going to have to notch their belts a bit this year, and that applies right across the board, and we make no bones about it at all. In fact, in the Throne Speech we thought that the best example could be by the 57 members of this House demonstrating their commitment to the idea of restraint by notching our own belts and not taking the built-in indexed increase in the members' indemnities that ordinarily the law would give them. So I think that that was the first example, albeit a small — albeit a small one — to indicate that the . . .

MR. SPEAKER: Order please. May I interrupt the Honourable First Minister at this time to recognize a very distinguished visitor we have in the Speaker's gallery, Colonel James B. Irwin, of the Apollo 15 Space Mission.

Colonel Irwin spent some 19 hours on the surface of the Moon and he is here today as the guest of Mr. Gerry Webb of Swan River, Manitoba.

On behalf of all members we welcome you here today.

The Honourable First Minister.

MR. LYON: Mr. Speaker, it's a pleasure to be interrupted to have a distinguished guest such as we have in the House and have him acknowledged by all the members of the House.

I think that we should perhaps engage the services of our distinguished guest. He has been to the Moon, and the people of Manitoba, over the last eight years, thought for awhile they were living on the Moon, so scarred was the economic surface.

Perhaps we could pick up some advice from our distinguished visitor as to what other encumbrances we might find . . .

MR. GREEN: . . . part of the restraint program.

MR. LYON: Mr. Speaker, there were a number of people in Manitoba in the last eight years who would have loved to have joined the Colonel, anything to get out of Manitoba.

But I have come to that point, Mr. Speaker, where we seriously commend this Budget to the members of the House. We note the absence, as I've said before, of amendments indicating non-confidence in the Budget; so can we expect that there will be a unanimous support for the Budget? And if not unanimous support . . .

MR. GREEN: Try us.

MR. LYON: Have my honourable friends indicated which of the tax reductions they don't wish to support?

MR. GREEN: Absolutely. Absolutely, we told you.

MR. LYON: Just one at a time, one at a time, fellows, one at a time. Because we now have, entering the paddocks, the Member for Seven Oaks saying that the cut in personal income tax was not good. . .

MR. MILLER: Right.

MR. LYON: I would ask him the further question, would he and his party reinstitute the two points in the personal income tax if they were re-elected into government? He can nod or not.

MR. MILLER: Mr. Speaker, I'd love to answer the Minister's question if, in fact, he will allow me to pose a question.

MR. LYON: Mr. Speaker, I'm not even going to try to engage my honourable —(Interjection)— No, no, no, hear me out. I'm not going to try to engage my honourable friend or try to put him into the paddock and close the door and say that his government would raise that tax. He, perhaps not realizing that there's already been scattered approval on that side of the House for the reinstatement of The Succession Duty and The Gift Tax Act; for reinstatement of The Mineral Acreage Tax Act. Now we have my honourable friend saying that there was something wrong with the reduction in the personal income tax, from 56 to 54 points.

We move now to the small business corporate tax reduction, from 13 down to 11 points. Have we got any takers there? Is there anybody on the far side of the House that would like to see that one put back up?

MR. SCHREYER: Did anybody say so?

MR. LYON: Well, no. But just by asking the question I'm getting the most amazing responses today, Mr. Speaker. The most amazing responses of the true feelings of my honourable friends opposite. Just as, during the election campaign, Mr. Speaker, we got the true response — and I think in his heart of hearts — the response from the Leader of the Opposition when he said, "You know, we've got to look at this whole Succession Duty and Gift Tax Act again." Now, the Member for St. Johns wasn't close by to put a muffle or a muzzle over him at that point. But he said it from his heart of hearts and I think he meant it, there's a press clipping. I think he said it in Gimli or some such place, that they were going to take a serious look at it.

Well, sure now my honourable friends — not the Leader of the Opposition — but the more doctrinaire ones, such as St. Johns and Inkster and so on, my honourable friends opposite . . .

MR. GREEN: . . . be at the top. I feel a bit hurt.

MR. LYON: I want to assure my friend from Inkster that I put him in an entirely different category from the Member for St. Johns.

But we merely want to find now at this early stage — and I think the people of Manitoba are entitled to know — whether my honourable friends if they ever got back into government would be introducing a Budget which would be raising the small business corporate tax. Would it be keeping the corporation capital tax on 70 percent of the tax filers who were paying very little tax but having to

go for the expensive accounting advice, and so on, at a loss of revenue of what, 13 percent?

MR. GREEN: Well, you were finished 15 minutes ago.

MR. LYON: I want to tell my honourable friend from Inkster, Mr. Speaker, that he was finished on the 11th of October, and he's gotten over it. I say to him, Mr. Speaker, that he's gotten over it a lot better than most on that side of the House and with greater verve — with greater verve — and no hatred, and no hatred.

MR. DESJARDINS: It's more fun on this side.

MR. LYON: So I say to my honourable friends, in the course of the debates that are going to take place during the rest of the Session, whether on Estimates, whether on other motions that will come before the House, grievance or whatever, let my honourable friend stand up, frankly, and tell — as they haven't in this debate except during this little question period we've had today — what they really think about the taxation system in Manitoba now that the taxes are reduced. I want to hear their position. I want to hear their position with respect to the sales tax. We've acknowledged in the Budget, in principle we think it's right. It's a short-term thing. We don't think that the method by which it was brought in was right, but we think, if it has any chance of stimulating the economy, it's worth doing.

Nine other provinces in Canada feel that way. In fact, even the tenth does because I understand today, that the Minister of Finance in Quebec has shown as an account payable from the Federal Government, the equivalent of what his sales tax reduction is — the figure I think is approximately \$230 million — so that all provinces in Canada —(Interjection)— Accounts receivable. All provinces in Canada, Mr. Speaker, acknowledge the principle of it. My honourable friends opposite will pardon my slip because we've been looking, in the last six months, more at accounts payable than at receivables and it's easy to get confused in the heat of debate.

MR. DESJARDINS: Sterling, sit down so we can vote. I'm falling asleep here . . .

MR. LYON: Mr. Speaker, I earnestly solicit the support of my honourable friends opposite on this Budget Resolution.

I'm sure as they consult their constituents, they will find that it has much to commend it. I am sure as they consult the senior citizens of Manitoba who are receiving in fulfillment of an undertaking, the senior citizen home owners of Manitoba, receiving in fulfillment of that undertaking a \$100.00 increase to help offset education taxes. —(Interjection)— Well, now, my friend from St. Boniface . . .

MR. DESJARDINS: He's got more nerve than Jesse James.

MR. LYON: My friend from St. Boniface may not want this to appear this way, but does he support the \$100.00 increase for senior citizen home owners or not? —(Interjection)— Because if he does, you know, let him rise from his place when the Debate is concluded. . .

MR. DESJARDINS: All right.

MR. LYON: . . . or at any other time and tell us what he thinks. He's been sitting there nittering and nattering for the last eight days, but let him stand up. He's had other brave members like St. Vital, and so on today, tell us what they thought about succession duty. Let my honourable friend stand up and tell us what he thinks about the \$100.00 increase to the senior citizens.

MR. MILLER: When the legislation comes in, I'll tell you, when the legislation is brought in.

MR. LYON: Because unless I miss my guess, Mr. Speaker, in about six minutes he's going to stand up and vote against this Budget.

MR. DESJARDINS: That's for damned sure.

MR. LYON: And in this Budget is contained that item, and the tax reduction. So my honourable friends are going to want to have to think, not having moved any motion of non-confidence or amendment to the main address. —(Interjection)— Well, my honourable friends are going to have to sort that position out themselves, because what they're voting against is a Budget that calls for what I think they agree with. They've just said they're agreeable with the sales tax reduction. Are they going to vote against it? They've just said they agree — at least I thought they agreed with the increased payment to the senior citizens . . .

MR. DESJARDINS: Of course we agree with certain things.

MR. LYON: They're going to vote against that, is that what's going to happen?

MR. DESJARDINS: You're damned right.

MR. LYON: They haven't said that they agree with the corporation capital tax reduction. They're going to vote against that, too?

MR. DESJARDINS: Do you want to go clause by clause?

MR. LYON: Are you going to vote against that, too? Well, well, Mr. Speaker, I . . .

MR. DESJARDINS: In fact, I think the Minister of Health is going to vote against it.

MR. LYON: Mr. Speaker, I didn't put my honourable friends in this pickle. They put themselves in this pickle, not me. They had the full opportunity to move in the traditional way, but they have chosen to vote against this Budget with the items that it includes.

MR. DESJARDINS: That's right.

MR. LYON: So, we can only draw the conclusion, I suppose, Mr. Speaker, that they're voting against them. They don't support them.

MR. MILLER: Bring in your legislation. Bring it in.

MR. LYON: I realize that that is the kind of logic that is sometimes used by the Member for St. Johns, but I thought it was only fair that he should hear from this side of the House sometimes, what we're so often wont to hear from the Member for St. Johns.

No, Mr. Speaker, I don't include my honourable friends in that kind of a dialectic sort of debating technique at all. They will have to explain to themselves, to their party supporters or whatever, why they didn't move a motion of amendment to this Budget.

But they are leaving themselves in the very awkward position of voting, but not exempting themselves or not picking out the items with which they agree.

MR. MILLER: Sterling, you're all heart. You're all heart.

MR. LYON: So, I'll let them figure their way out of that morass and not use the kind of sort of subterranean argument that my honourable friend from St. Johns would use and try to get away with, in his usual way in this House.

Mr. Speaker, I'm quite prepared to take my seat at this time, confident that the measures that are brought forward in this Budget are in the public interests of the people of Manitoba, in this Year of our Lord, 1978. I say that in all sincerity.

I think it is the right kind of a Budget for the times that the country and the province face. I think it is the kind of a Budget that the people of Manitoba have been waiting to hear for a long time.

It's a Budget which encompasses tax cuts; which acknowledges not only the rhetoric of restraint, but acknowledges in a meaningful way that restraint is necessary in the conduct of our public affairs in these troubled times that our country is passing through.

It's a Budget that is attempting to build and to maintain and to expand to the extent that government can the economic private sector upon which all real growth and all real wealth is created in this province, which in turn sustains those government programs that everyone on all sides of the House wants to support.

So that is why, Mr. Speaker, it is on that basis I have no hesitation whatsoever, in asking my honourable friends opposite to support the Budget, because it is in the public interest; it is a Budget that the people of Manitoba need and want and it's a Budget I may say, Sir, that might show a little bit of light to other governments in Canada, if they have the will to follow it.

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

MR. CHERNIACK: Thank you, Mr. Speaker. I can dispense with the exchange of insults that the First Minister indicates is part of his style and point out to him one thing that he doesn't seem to know and that is that the rules were changed last year and that the motion before us for the first time—and there's no tradition involved in that—is that the House approves in general the budgetary policy of the government.

Mr. Speaker, in no way can he talk about tradition and votes of non-confidence when he knows full well that we reject, completely, the general budgetary policies of that government.

The Member for Seven Oaks yesterday spelled out very clearly the cynical attitude of that government in its having to look for deficits in order to justify what they believe in, and that is to take government out of any assistance to people who are in need of it without a Means Test. They want to cut down on people who work to provide a service to the public of Manitoba. It is their desire to carry out exactly what they're doing and the shame of it is that they don't have the courage; they don't have the guts to admit that they believe in what they are doing. Instead of that, they're looking for excuses, lame-duck excuses, and incidentally and deliberately avoided telling the people of Manitoba the truth about the budgets as they knew it, about the federal programs as they knew it and they deliberately tried to carry forward a pretense which—I'm glad the Member for River Heights is back

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because he'll find out that the projections he's been giving to us are false and were known to be false by members of his government during the time that they had that opportunity.

So, Mr. Speaker, just as we find the phony 7 percent produced on Highways, an amount which we know is not spent but which they are now taking in to show as a slight increase on highways, the same kind of phony figures are matched by the crying of the Member for . . .

MR. SPEAKER: Order please. The hour being 5 o'clock, according to our tradition and our rules, I am obliged to call the vote on the proposed motion of the Honourable Minister of Finance that this House approves in general the budgetary policy of the government.

QUESTION put, MOTION carried.

MR. SCHREYER: Yeas and Nays, Mr. Speaker.

MR. SPEAKER: Call in the members.

A STANDING VOTE was taken, the result being as follows:

YEAS: *Messrs. Anderson, Banman, Blake, Brown, Cosens, Domino, Downey, Driedger, Enns, Ferguson, Galbraith, Hyde, Johnston, Jorgenson, Kovnats, Lyon, McGill, McGregor, McKenzie, Mercier, Minaker, Orchard, Mrs. Price, Messrs. Sherman, Spivak, Steen, Wilson.*

NAYS: *Messrs. Adam, Axworthy, Barrow, Bostrom, Boyce, Cherniack, Corrin, Cowan, Desjardins, Doern, Evans, Fox, Green, Hanuschak, Jenkins, Malinowski, Miller, Parasiuk, Pawley, Schreyer, Uskiw, Walding.*

MR. CLERK: Yeas 27, Nays 22.

MR. SPEAKER: I declare the Motion carried.
The Honourable Government House Leader.

MR. JORGENSON: Mr. Speaker, I move, seconded by the Minister of Highways that the House do now adjourn. ,

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