



**Third Session — Thirty-First Legislature**  
of the  
**Legislative Assembly of Manitoba**

**DEBATES  
and  
PROCEEDINGS**

28 Elizabeth II

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Speaker*



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# LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, February 27, 1979

Time: 2:30 p.m.

**OPENING PRAYER** by Mr. Speaker.

**MR. SPEAKER, Hon. Harry E. Graham (Birtle-Russell):** Before we proceed I should like to draw the honourable members attention to the gallery where we have 29 students of Grade Nine Standing from Acadia School under the direction of Mr. Kidell. The school is located in the Constituency of the Honourable Member for Fort Garry, the Minister of Health and Community Services.

We also have 65 students of Grade Eight Standing from Alexander Ross School under the direction of Miss Stadnyk. The school is in the Constituency of the Honourable Member for Assiniboia, the Minister of Tourism and Cultural Affairs.

On behalf of all honourable members, we welcome you here this afternoon.

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

## TABLING OF REPORTS

**MR. SPEAKER:** The Honourable Minister of Labour.

**HON. KEN MacMASTER (Thompson):** Mr. Speaker, I beg to table the sixty-first Report of the Civil Service Commission, also to table the Report of the Department of Labour for the year 1978.

**MR. SPEAKER:** The Honourable Minister responsible for Sport.

**HON. ROBERT (Bob) BANMAN (La Verendrye):** Mr. Speaker, I would like to table the Manitoba Lotteries Commission Annual Report 1977-78.

**MR. SPEAKER:** The Honourable Minister of Tourism.

**HON. NORMA L. PRICE (Assiniboia):** Mr. Speaker, I would like to table the Annual Report of the Manitoba Centennial Centre Corporation for the year ending March 31st, 1978.

**MR. SPEAKER:** The Honourable Minister responsible for MPIC.

**HON. EDWARD MCGILL (Brandon West):** Mr. Speaker, I wish to table the Annual Report of the Manitoba Public Insurance Corporation for the fiscal year ending October 31st, 1978.

**MR. SPEAKER:** The Honourable Minister of Agriculture.

**HON. JAMES DOWNEY (Arthur):** Mr. Speaker, I beg to table the Annual Report of the Department of Agriculture for the year ending 1978, and the Report for the Manitoba Agriculture Credit Corporation, for the year ending March 31st, 1978.

**MR. SPEAKER:** The Honourable Minister of Consumer Affairs.

**HON. WARNER H. JORGENSON (Morris):** Mr. Speaker, I beg to table the Annual Report of the Public Utilities Board for the year ending December 31st, 1978. Mr. Speaker, the only copy I have is being tabled. As soon as they are available from the Queen's Printer, they will be distributed to honourable members.

**MR. SPEAKER:** The Honourable Attorney-General.

**HON. GERALD W.J. MERCIER (Osborne):** Mr. Speaker, I wish to table the 20th Annual Report of the Municipal Board for 1978.

the Municipal Board for 1978.

**MR. SPEAKER:** Notice of Motion . . . Introduction of Bills . . .

### MATTER OF PRIVILEGE

**MR. SPEAKER:** The Honourable Member for Fort Rouge.

**MR. LLOYD AXWORTHY:** Mr. Speaker, I wish to rise on a matter of personal privilege. Yesterday, during Question Period, I raised questions with the Minister responsible for Hydro and the Minister responsible for Sports and Recreation concerning the support or subsidy to community recreation organizations for their hydro bills. I was told, in the House, that the plan would be elaborated at the time that the Ministers tabled their Estimates. It was then reported last night in the media that the Ministers had in fact elaborated that plan, that it would come from lottery funds outside the House.

Mr. Speaker, I think that, as a matter of privilege, the Ministers responsible have a responsibility to answer to members of this House when information is asked and not to be responsible to the members of the media out in the corridor. I think that we should have first prerogative on that information. I would like to raise a matter of privilege and ask that the Ministers recognize the breach of privilege and apologize for it.

**MR. SPEAKER:** The Honourable Minister of Finance on the same point of privilege.

**HON. DONALD W. CRAIK (Riel):** Mr. Speaker, I wonder if it would be appropriate to ask the member which specific comment he's referring to with regards to the topic.

**MR. AXWORTHY:** Mr. Speaker, in Hansard, Page 213, I asked what plans the government had to provide support or subsidy for community recreation organizations on their hydro bills, and the Minister indicated that this would be elaborated at the time that the Minister of Sports and Recreation tabled their Estimates. It was then reported on the CBC television news last evening that in fact outside in the hall, the Ministers had elaborated on the plan and indicated that such support would now be coming from the lottery foundations. It would seem to me that that was information that could have been provided to members of this House when the question was asked.

**MR. CRAIK:** Perhaps, Mr. Speaker, if I'm allowed to on this, I should indicate that that same source of financing was indicated to the municipalities back a month or two ago. If I'd known that's what he was after, I certainly would have told him.

**MR. SPEAKER:** : Before we proceed, I think the honourable member has raised what I consider to be a very valid point of privilege of the House, and I would hope that if the members are not satisfied, or unclear about questions that are being asked, I would hope that they ask for clarification of the question. I hope that in future that questions that are asked in the House, very valid questions asked by members, are answered in the House. I think it's only fair to the member that has spent the time in researching the question that the answer should come to him first.

### ORAL QUESTIONS

**MR. SPEAKER:** The Honourable Leader of the Opposition.

**MR. HOWARD PAWLEY (Selkirk):** Mr. Speaker, my question is to the Attorney-General. Can the Attorney-General confirm that there will be a general increase in liquor prices through the Manitoba Liquor Control Commission effective April 1, this year?

**MR. SPEAKER:** The Honourable Attorney-General.

**MR. MERCIER:** Mr. Speaker, any announcements in that regard would be coming from the Manitoba Liquor Control Commission, but I am aware there is a Canadian Distillers' price increase right across Canada this year which will be coming into effect some time this spring. As soon as the exact prices are known, I've asked the Liquor Commission to make that information public in order to allow an opportunity for consumers to purchase whatever they wish prior to the actual implementation of these cross-Canada prices, Mr. Speaker.

**MR. PAWLEY:** Mr. Speaker, further to the Attorney-General's is the Attorney-General assuring us that stock that is presently on hand at the Liquor Control Commission will not be affected by this price increase?

**MR. MERCIER:** Mr. Speaker, the usual practice of the Commission is to attempt to allow their inventory to dissipate at this time of the year as price changes usually come into effect sometime in the spring when the distiller's raise their prices and it is anticipated that stocks will be fairly low and that the price increases will apply in the main to new stock. But I can enquire into that matter further with the Commission.

**MR. SPEAKER:** The Honourable Leader of the Opposition.

**MR. PAWLEY:** The Attorney-General has referred to one distiller. Can he advise us whether or not the prices of the other distillers will also be increased.

**MR. MERCIER:** Mr. Speaker, I said distillers.

**MR. PAWLEY:** Would the Attorney-General advise as to what additional revenues are anticipated to the provincial treasury as a result of the increased price hike of liquor in Manitoba.

**MR. PAWLEY:** Mr. Speaker, when the exact prices are known, I would be pleased to deal with that question.

**MR. SPEAKER:** The Honourable Member for Fort Rouge.

**MR. AXWORTHY:** Mr. Speaker, I have a question for the Minister of Tourism and Culture. In the report of the Arts Council that was tabled yesterday in the House, the chairman *pro tem* of that Council, Mr. Wolch, indicated in his remarks that the funding for the major cultural institutions in the province are substantially below the national average and this has contributed to, "a staggering accumulated deficit." I would like to know, Mr. Speaker, from the Minister, if she can indicate in the House what steps she has taken to deal with these "staggering accumulated deficits" and to what degree it may be putting our major cultural institutions in some jeopardy in terms of their programming or in fact their very existence.

**MR. SPEAKER:** The Honourable Minister of Tourism.

**MRS. PRICE:** Mr. Speaker, the Arts Council has received substantially more funding through the lotteries in the last couple of years so I don't think that it will have any bearing on the money that is going to be forthcoming for the arts.

**MR. AXWORTHY:** Mr. Speaker, I would ask the Minister that, in light of her answer, whether in fact she is disagreeing with the statement made by the chairman *pro tem* of the Arts Council, a report that was issued as the 1977-78 report, which is last year's findings, and what steps have been taken since the proclamation or issuance of this statement by the chairman of the Arts Council and whether in fact she does disagree with it and if so, on what grounds?

**MRS. PRICE:** Mr. Speaker, I have met with the chairman of the Arts Council and some of his members and they certainly aren't unhappy with their lot, as far as their allotment is concerned.

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

**MR. AXWORTHY:** Mr. Speaker, I wasn't indicating whether the chairman himself was happy with his lot in life, I was asking more whether he was as concerned as he expressed in this report about the existence of the arts and cultural institutions. I asked this particularly in light of a report issued about two weeks ago from the Canada Council indicating that the support given to cultural institutions in Manitoba has the lowest per capita funding of almost all the provinces in Canada and that that could result in the elimination of some of our major institutions. I would like to know what steps the Minister has taken in response to these statements made by both the Canada Council and the chairman of her own Council.

**MRS. PRICE:** Mr. Speaker, I believe the honourable member is forgetting about the catch-up grants

that this government gave to the major arts a few months ago.

**MR. SPEAKER:** The Honourable Minister of Labour.

**MR. MacMASTER:** Mr. Speaker, I would like to answer two or three questions that have been posed in the last couple of days. One was, "Are there some 500 to 1000 workers of Manitoba working in high levels of lead poisoning?" The answer being that approximately 500 to 1000 workers in Manitoba are working in areas where lead is in the workplace but that doesn't necessarily mean that, God forbid, they are going to get lead poisoning.

Another question was, and it was directed at myself, Mr. Speaker, "Is the minister prepared to call for a Royal Commission to investigate lead use in industry in Manitoba that appear to be using lead?" At this particular time, Mr. Speaker, I have no thoughts of asking my colleagues in Cabinet to agree with the establishment of a Royal Commission to look in at a particular industry. We did as the House is aware find it necessary to establish an enquiry in the mine industry. But at this particular moment I do not think that is necessary in the lead industry.

The other question, Mr. Speaker, could I confirm that nearly fifteen workers at Canadian Bronze, January 1st through to February have had to undergo treatment for lead poisoning. Well, I should report that Dr. Percy Decter, a orthopedic specialist in the city had reported to the Workplace, Safety and Health Division, that he has diagnosed 14 cases of chronic lead poisoning since January.

While the laboratory reports indicated levels of excess lead absorption, the diagnosis of lead poisoning is a medical judgment and can not be confirmed by this department. Similarly the necessity of treatment is also a medical judgment and the department can not confirm the treatment was necessary. Our Department's physician, who is a specialist in occupational medicine does not support the use of treatment unless the patient is sufficiently sick to warrant the risk of kidney damage which may result by such treatment.

Now I heard a couple of comments from opposite, maybe there is a more professional medical person there that wishes to stand up and ask some questions.

**MR. SPEAKER:** The Honourable Member for Churchill.

**MR. JAY COWAN:** Mr. Speaker, I stand as the Member for Churchill and not as a more expert medical consultant. I would like to ask the Minister of Labour if he can confirm that a medical expert in the Province of Manitoba has diagnosed 15 cases of what he believed to be chronic lead poisoning arising from Canadian Bronze.

**MR. SPEAKER:** The Honourable Minister of Labour.

**MR. MACMASTER:** Mr. Speaker, I suppose it is repetitious but a medical opinion on what is lead poisoning is strictly a medical opinion. Because you have .08 it has been said to me that it isn't necessary that you have lead poisoning. The symptoms may not be there. Our doctors claim that it isn't necessarily the only way to treat people that have over .08 in their system.

**MR. SPEAKER:** The Honourable Member from Churchill.

**MR. COWAN:** Yes, thank you, Mr. Speaker. The Minister of Labour continually uses the reference point of .08. Can he inform the House to what the actual lead and blood levels for the 14 or 15 workers at Canadian Bronze were?

**MR. MACMASTER:** Mr. Speaker, again I'm not sure that is even relevant unless it was substantially more and some medical person chose to direct that the particular people be treated. He may choose to do that at .07. That's a medical person's opinion, that is not my opinion.

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

**MR. COWAN:** Thank you, Mr. Speaker. I would ask the Minister of Labour if he can confirm that the internationally recognized threshold limit value for lead in blood is .07 milligrams, 13 percent lower than that of Manitoba?

**MR. MacMASTER:** I can't confirm that, Mr. Speaker.

**MR. SPEAKER:** The Honourable Member for Churchill with a fourth question.

**MR. COWAN:** Thank you' Mr. Speaker. Can the Minister confirm that the United States, Department of OSHA is currently lowering their lead in blood threshold limit values to a .06 milligrams of lead per hundred grams of blood, which will put it 25 percent lower than the Manitoba level?

**MR. MacMASTER:** Mr. Speaker, I suppose United States may be doing many things, England may be doing many things, and I don't know whether we should carry on that type of questioning. The next day it might be, what is Australia doing?

**MR. SPEAKER:** The Honourable Member for Churchill with a fifth question.

**MR. COWAN:** Thank you, Mr. Speaker. I would like to ask the Minister of Labour if he can confirm that clinical symptoms of lead poisoning can, and have, recently occurred in Manitoba workers who were experiencing a lower level of lead in blood than his .08 milligrams per hundred grams.

**MR. SPEAKER:** The Honourable Minister of Mines.

**HON. BRIAN RANSOM (Souris-Killarney):** Mr. Speaker, I'd like to respond to a question from the Honourable Member for Churchill which he asked a few days ago, concerning the storage of PCBs in the province. There is an estimate of approximately 1,676 gallons of PCB in storage and perhaps another close to 20,000 gallons in use. The material in storage is basically being held by Manitoba Hydro and by my department where some 500 gallons are in storage at our Gimli hazardous waste disposal site.

**MR. SPEAKER:** The Honourable Member for Churchill.

**MR. COWAN:** Thank you, Mr. Speaker. On a new series of questions, can the Minister of Labour confirm that his department has reacted to Manitoba's lead poisoning crisis by developing a program that has allegedly been designed to reduce the extent of the systematic poisoning of Manitoba workers by the lead industry in this province?

**MR. SPEAKER:** The Honourable Minister of Labour.

**MR. MacMASTER:** Mr. Speaker, we were not reacting to a crisis, we were acting to a situation that's been evident in Manitoba for 20, 30, 40 years. We decided that it was another area that our department was going to move into and yes, we have established a policy that we have the total agreement and support of the companies and the workers and the unions involved.

**MR. COWAN:** Mr. Speaker, thank you. Can the Minister of Labour also confirm that a number of unions and individual workers alike have expressed their disapproval with the Minister's so-called lead control program?

**MR. MacMASTER:** At meetings held with organizations representing the workers and representing the companies, there was total agreement at that particular time, Mr. Speaker.

**MR. COWAN:** Thank you, Mr. Speaker. Can the Minister confirm that he has on file in his office a letter from the International Molders' Union expressing their disapproval of his so-called Lead Control Program?—(Interjections)—

**MR. MacMASTER:** Well, that's not a sneaky one, that's one that he got a copy of, which was at the bottom of the letter, so I'm sorry to disappoint you funny little fellows.

The letter, Mr. Speaker, I don't think the national rep of the Molder's Union or the national rep of any responsible union or responsible person in that position is going to disagree with a complete new move into an area that is going to help safeguard the lives and the well-being of the people in the industry. The letter itself doesn't tell me to throw out the program. The letter suggests other ways that we could consider carrying on with the program that we are imposing.

**MR. COWAN:** Thank you, Mr. Speaker. Can the Minister also confirm that in almost every instance, the requirement of his department's alleged Lead Control Program is weaker than the requirements of The Workplace Safety and Health Act, and that in at least one specific instance, that so-called Lead Control Program runs contrary to the requirements of The Workplace Safety and Health

**MR. MacMASTER:** Mr. Speaker, the program was put together and accepted by the workers and the workers' organizations and the companies. We don't think it is absolutely necessary to have specific legislation and regulations to deal with every particular instance that we deal with. If the Member for Churchill had a history of being involved with unions, or a work history, he might realize that over the years, many good safety programs have been established with the great thing called co-operation. Now, we're looking for co-operation in this particular effort. It is a new area that we're going into. We have received the co-operation and I hope the insistence of the questioning from the Member for Churchill isn't going to hinder that particular exercise at all.

**MR. SPEAKER:** The Honourable Member for Fort Rouge.

**MR. AXWORTHY:** Mr. Speaker, while we are on the topic of poisoning, I might ask some questions of the Minister of Agriculture concerning reports that an organic chemical treatment for cattle by the trade name "Prolate" has now been withdrawn by the market in Ontario because it was found to be causing paralysis in cattle. Can he indicate whether similar steps are being taken in the Province of Manitoba?

**MR. SPEAKER:** The Honourable Minister of Agriculture.

**MR. DOWNEY:** Not to my knowledge, Mr. Speaker, but I can take the question as notice and look into the matter that the member brings to my attention.

**MR. AXWORTHY:** Mr. Speaker, I thank the Minister for that indication and response. I would then also ask him about a report that perhaps either he or the Minister responsible for the Environment can deal with, and that is a statement made by the Saskatchewan Minister of Agriculture, that particular volatile forms of 2-4D should be withdrawn from the market in Canada because of the fact that research by the Department of the Environment is finding that they are not dissolvable under Arctic or cold conditions and that many increasing traces of 2-4D have been found to be non-dissolvable in parts of Manitoba and Saskatchewan.

**MR. SPEAKER:** The Honourable Minister of Mines.

**MR. RANSOM:** Well, Mr. Speaker, the honourable member refers to research done in Arctic regions. I don't know whether he is referring to residual amounts of chemical that might be found there. I certainly don't know that the chemical would be used under those situations because the weed problems are not particularly severe there. He also refers to research being done in Manitoba and I have no knowledge of research that has been done here. If it is a press report that he is referring to, perhaps he could give me a better reference and I would undertake to see whether there is any scientific basis for it or not.

**MR. AXWORTHY:** Mr. Speaker, the inquiry I had of either Minister, is whether the Government of Manitoba is involved in any way in the examination of these findings by the Federal Department of Environment and the Minister of Agriculture in the Province of Saskatchewan concerning the samples of 2-4D that have been found existing in Manitoba's Red River system, and in parts of the shield in both Saskatchewan and Manitoba, and the fact that these traces of 2-4D have been linked to toxicity and to cancer linkages. Are we undertaking that research? Are we in consultation with Ministers in other states to determine whether in fact there are dangers attributed to the use of these pesticides?

**MR. SPEAKER:** The Honourable Minister responsible for the Environment.

**MR. RANSOM:** Mr. Speaker, I thank the honourable member for the additional information. In his first question, I don't believe he referred to the Federal Department of the Environment. We are in rather close consultation with that department on a number of issues. That is not one that I am aware of, but we certainly will undertake to determine what the basis of it is. 2-4D is a chemical that has been in use agriculturally for decades now, and I certainly would not wish, on the basis of that sort of statement, to indicate that 2-4D is carcinogenic in any way, because there have been some rather loose statements, for instance, in the review of my Estimates last year, when the honourable member wrongly identified particular chemicals. Therefore I would want specifically to look into this situation before responding further.

**MR. SPEAKER:** The Honourable Leader of the Opposition.

**MR. PAWLEY:** Mr. Speaker, a further question to the Attorney-General. The Attorney-General appeared to be somewhat hesitant a few moments ago to confirm the announcement of the liquor price increases. Could the Attorney-General advise us whether he had received notice of these increases, had approved the increase?

**MR. SPEAKER:** The Honourable Attorney-General.

**MR. MERCIER:** Mr. Speaker, the Honourable Leader of the Opposition seems to have some difficulty understanding this matter, a matter which he should be aware of considering his past responsibility. What is happening is a price increase, Mr. Speaker, imposed by the Canadian distillers upon all provinces in Canada. The matter is under the jurisdiction of the Manitoba Liquor Control Commission, who, sometime this spring in the month of April, will be implementing a price increase over which they have no control, Mr. Speaker. They will be announcing it in advance of the date of the price increase, in order to give the consumer an opportunity to buy at the present prices.

**MR. PAWLEY:** Mr. Speaker, earlier, the Attorney-General indicated that he expected or hoped that the present stock would be depleted before the price increase date of April 1. I asked the Attorney-General, if stock remains on April 1st, will the price increase relate to that remaining stock?

**MR. MERCIER:** Mr. Speaker, what I had in fact done, is asked the Manitoba Liquor Control Commission not to follow their usual procedure of allowing their stock to completely run out, but to buy sufficient stock so that stock will be available at present prices to the consuming public prior to the price increase.

**MR. SPEAKER:** The Honourable Member for Elmwood.

**MR. RUSSELL DOERN:** Mr. Speaker, I would like to direct a question to the Minister of Mines, who I believe is now responsible for parks. Has there been any further construction on the proposed condominium development in the Big Whiteshell since the past session?

**MR. SPEAKER:** The Honourable Minister of Mines.

**MR. RANSOM:** No, Mr. Speaker.

**MR. DOERN:** Have there been any meetings or discussions with Mr. Jarmoc in regard to a new or revised plan?

**MR. RANSOM:** There have been meetings with Mr. Jarmoc, Mr. Speaker, as there have been meetings with many people who have problems with governments that they wish to discuss.

**MR. DOERN:** Has there been any financial settlement to compensate Mr. Jarmoc for his expenditures to date, or is there any court action pending?

**MR. LYON:** It's a pity they didn't have them eight years ago.

**MR. RANSOM:** Mr. Speaker, there has been no financial settlement. We are not contemplating a financial settlement, and if there is a court action pending, he would have to inquire of someone else; certainly not about to be initiated by myself.

**MR. SPEAKER:** The Honourable Member for Brandon East.

**MR. LEONARD S. EVANS (Brandon East):** Thank you, Mr. Speaker. I would like to address a question to the Minister of Finance. Can the Honourable Minister provide this Legislature with an estimated cost involved in hiring the 13 chartered accountancy firms to audit the 13 boards, agencies, and commissions, in place of the provincial auditing staff?

**MR. SPEAKER:** The Honourable Minister of Finance.

**MR. CRAIK:** Mr. Speaker, not at this time.

**MR. EVANS:** Mr. Speaker, I would like to ask the Minister whether he has any idea whatsoever, would he not think that prudence would dictate that the government should obtain at least some idea of the cost involved before undertaking the hiring of 13 private chartered accountancy firms?

**MR. CRAIK:** Mr. Speaker, I want to assure the Member for Brandon East that prudence is in fact dictating.

**MR. EVANS:** Mr. Speaker, I wonder if the Honourable Minister could indicate to us whether he has an idea at this time, whether it will cost the taxpayers of Manitoba more money for these services, considering that the provincial auditing staff is being withdrawn, and if he could also advise us whether any members of the provincial auditing staff had been let go on this account?

**MR. CRAIK:** Mr. Speaker, the Member for Brandon East will have opportunity of course, to question these matters with regard to the actual amounts involved. I would point out to him though, in the generality of his question, there is nothing particularly new about the appointment of external auditors. As a matter of fact, on a close check, I find that over half of them are already employed on different jobs by the former government in different capacities, in place of the Provincial Auditor.

**MR. SPEAKER:** The Honourable Member for Inkster.

**MR. SIDNEY GREEN:** (Inkster): Mr. Speaker, in view of the fact that the First Minister has said from his seat, that it's a pity that this was not done eight years ago, these people were let go for our purposes, does the Minister of Finance say, that within the last eight years, the Provincial Auditor has done anything improper vis-a-vis the accounts that he was dealing with in the Province of Manitoba?

**MR. CRAIK:** Mr. Speaker, by no stretch of the imagination should that conclusion even be drawn, but I would like to say in reply to the question, that the former government had replaced the Provincial Auditor upon occasion for specific jobs and accounts with external auditors.

**MR. GREEN:** Mr. Speaker, again in view of the fact that the First Minister has said that it's a pity that this was not done eight years ago, and that these people were replaced for the purposes of our government, does the Minister of Finance say, that for the last eight years, that the Provincial Auditor in some way served the New Democratic Party Government of Manitoba in a way other than in his professional capacity?

**MR. SPEAKER:** The Honourable First Minister.

**MR. LYON:** Mr. Speaker, I would be quite happy to put my honourable friend's mind at ease. I merely am indicating to my honourable friend, Mr. Speaker, that it was his government eight years ago who fired all of the external auditors, for what reason we don't know, and required the Provincial Auditor then to carry on with an augmented staff. He did the best job he could, according to his ability, and I think he did a good job. I'm merely suggesting, Mr. Speaker, that as with most other governments in Canada, it would have been better if there had been external audits to assist the Provincial Auditor. That practice, which was stopped by my honourable friends opposite, is now being resumed and Manitoba again will be in constancy with what other provinces are doing in this country.

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

**MR. GREEN:** Yes, Mr. Speaker, to the First Minister who now sees that he must answer this question, to the First Minister, is it not a fact that this change is being made despite the fact that the employment of auditors by the public, in the private sector, with public moneys, will cost more than the employment of auditors who have been doing an excellent job, by your own admission, within the public sector?

**MR. LYON:** Mr. Speaker, this government, unlike our predecessors, believes in full accountability with respect of fiscal and financial matters. The employment of outside auditors will assist in full

accountability. I'm merely suggesting that this is something that my honourable friends should not be criticizing because it will assist in better accountability with respect to Crown corporations.

And, Mr. Speaker, let me say this; that the practice that was started by my honourable friends opposite is a practice with which we do not, and did not, agree. We said in Opposition that we would have outside auditors come back in to audit government Crown corporations and so on. My honourable friends followed that practice themselves with respect to several of their own Crown corporations, particularly the losers that they established. We are re-establishing the practice in Manitoba because it's in the public interest to do so.

**MR. SPEAKER:** The Honourable Member for Inkster with a fourth question.

**MR. GREEN:** Mr. Speaker, in view of the fact that my honourable friend says that private auditors are being established for the purpose of having full accountability, is he suggesting that the provincial auditors, during the last eight years, did not provide full accountability to the people of the Province of Manitoba and, if he is so suggesting, will he tell us which specifics of that non-accountability he is referring to?

**MR. SPEAKER:** Order please. May I suggest the member's question is repetitive. The Honourable Attorney-General.

**MR. MERCIER:** Mr. Speaker, on February 22nd, I was . . . —(Interjections)—

**MR. GREEN:** Well, who has been recognized then?

**MR. SPEAKER:** The Attorney-General.

**MR. GREEN:** Mr. Speaker, then I rise on a point of order with respect to your . . .

**MR. SPEAKER:** The Honourable Member for Inkster on a point of order.

**MR. GREEN:** Mr. Speaker, with respect to your ruling, you have ruled my question as repetitive. I would ask you, Mr. Speaker, to look at the question in today's Hansard and see whether it repeats a previous question or is not a follow-up of my honourable friend's statement that the new auditors are there for the purpose of establishing full accountability. I never previously asked a question as to in what way full accountability was not given under the Provincial Auditor who served this province in the past.

**MR. SPEAKER:** I will be very pleased to peruse Hansard and check. The Honourable Attorney-General.

**MR. MERCIER:** Mr. Speaker, on February 22nd, I was asked by the Member for Wellington if it was true that my department or myself suspended usual procedures relative to the execution of an arrest warrant issued against one Mr. Allan Spraggett with respect to two counts of gross indecency laid against him by my department.

Mr. Speaker, the Director of Criminal Prosecutions had a telephone conversation on Tuesday morning, February 20th, with Mr. Spraggett's counsel in Toronto. The Director arranged for the Toronto counsel to surrender Mr. Spraggett in similar circumstances to the surrendering of two Winnipeg residents by Manitoba counsel. There was, Mr. Speaker, no suspending of usual procedures relative to the arrest warrant in these circumstances and indeed, Mr. Spraggett submitted himself to the jurisdiction of our courts this morning.

**MR. SPEAKER:** The Honourable Member for Rupertsland.

**MR. HARVEY BOSTROM:** Thank you, Mr. Speaker. My question is to the Minister responsible for Parks. In view of the fact that in the last session the condominium project in the Whiteshell was stopped — or held rather not stopped — by the former Minister pending the completion of a study which was to outline the guidelines for future development in the Whiteshell, can the new Minister of Parks give us any indication of the status of that study?

**MR. SPEAKER:** The Honourable Minister of Mines.

**MR. RANSOM:** Mr. Speaker, the study to which the honourable member refers is in the final stages

of being drafted and will be made available shortly, I would say.

**MR. BOSTROM:** Mr. Speaker, can this Minister give us any indication of the status, any more clear indication of the status, of the condominium project for the Whiteshell area? Is it now being held pending the completion of this study or has he cancelled the study as this Opposition had requested of him in the last session of the Legislature?

**MR. RANSOM:** The status, Mr. Speaker, is as the previous Minister of Tourism and Recreation had stated in May that there would be no major developments take place in the Whiteshell Park pending the completion of what was referred to as a Green Paper. I will go further than that, Mr. Speaker, and say that no major developments will take place until not only the Green Paper has been tabled, but until a development plan has been put forth for the park.

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

**MR. D. JAMES WALDING:** Mr. Speaker, I have a question to the Minister of Health. Could the Minister give an assurance to the people of Winnipeg that there will be adequate ambulance services in the city?

**MR. SPEAKER:** The Honourable Minister of Health.

**HON. L. R. (Bud) SHERMAN (Fort Garry):** Mr. Speaker, if I had anything to do with that, I would give my friend unqualified assurance, but he'll have to take that request to the city.

**MR. WALDING:** A supplementary question, Mr. Speaker. Has the Minister had any discussions with the city to assure himself that there will be no diminution of the quality of ambulance services in the city?

**MR. SHERMAN:** Mr. Speaker, not directly. The city meets through the aegis of a delegation which meets regularly with my colleague, the Honourable Minister of Urban Affairs, and concerns of that nature are aired in that particular context.

**MR. SPEAKER:** The Honourable Member for St. Vital with a final supplementary.

**MR. WALDING:** A new question, Mr. Speaker, to the Minister of Municipal and Urban Affairs, if I may. Can the Minister inform the House whether the cost of ambulance services is a shared service with the province, shared-cost service, or is it included in the block grant that the government gives to the city?

**MR. SPEAKER:** The Honourable Minister of Urban Affairs.

**MR. MERCIER:** Mr. Speaker, it is not included in the block grant. It is a shared service. The per capita grant has been continued in the same manner as past years.

**MR. SPEAKER:** The Honourable Member for Fort Rouge.

**MR. AXWORTHY:** Mr. Speaker, I have a question for the Minister of Health and Social Development. In an answer to a question yesterday, he made a statement: "In the last decade, the jail population in the Province of Manitoba has doubled while the population has stayed the same." I would like to ask the Minister, does he intend to deal with that particular problem simply by building more jails or institutions of incarceration, or is he in fact going to begin to take a look at alternative forms of dealing with that very significant statement that he made yesterday concerning the total and complete sort of doubling of the jail population?

**MR. SPEAKER:** The Honourable Minister of Health.

**MR. SHERMAN:** Mr. Speaker, that's a subject that requires the attention of every member of the Treasury Benches and it's being addressed by various members including the Attorney-General and myself. The answer is not to build more and more correctional institutions.

**MR. AXWORTHY:** A supplementary, Mr. Speaker. I would ask the Minister of Health if he intends to introduce into the Province of Manitoba, a system of alternative community sentencing as is

presently being employed in the Province of Saskatchewan and I believe other provinces, as indicated and passed by resolution in this Legislature some four years ago? Can we expect to have that kind of system to deal with this doubling the jail population, and thereby reducing it through an alternative sentencing formula?

**MR. SHERMAN:** Certainly, Mr. Speaker, that is one avenue of solution to the problem; there are others. We have to look at the whole complex of sentencing and court procedures and remand procedures, but the suggestion that the Honourable Member for Fort Rouge makes is a part of that and it would be my hope to take some initiatives in that area.

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

**MR. AXWORTHY:** Thank you, Mr. Speaker. Considering the nature of the problem, as outlined by the Minister and as it appeared in this House lately, can he indicate when we can expect these initiatives? Are they simply to be further monitored, studies observed and analyzed, or can we expect the Minister to indicate some action within a very short period of time, within a matter, in fact, of a few short weeks?

**MR. SHERMAN:** Mr. Speaker, there is action already. There is considerable work being done by my colleagues and myself and our department officials in pursuit of those objectives that the member refers to. I would also refer the member to the decisions made by his federal colleagues relative to the proposed federal penitentiary, the federal institution which was scheduled for Selkirk, and I suggest that no level of government in this country has any monopoly on answers to this problem.

**MR. SPEAKER:** The Honourable Member for Brandon East.

**MR. EVANS:** Thank you, Mr. Speaker. I would like to address a question to the Minister of Finance regarding the chartered accountancy firms that we were talking about. If the Minister is satisfied — totally satisfied — with the services of the Provincial Auditor, as was indicated, can the Minister

**MR. SPEAKER:** Order please. May I suggest to the member that his question is hypothetical and would he care to rephrase it?

**MR. EVANS:** Mr. Speaker, since the honourable minister has indicated that the government is totally satisfied with the services of the provincial auditing staff, can he please explain to this House how full accountability is enhanced by the use of private auditing firms?

**MR. SPEAKER:** The Honourable Minister of Finance.

**MR. MERCIER:** Mr. Speaker, the purpose of the engagement of external auditors is meant to complement the work of the Provincial Auditor, not to replace it. The purpose also is to provide in total for a greater involvement in the total spectrum. The intent in improving the audit is to be achieved through the changes in The Auditor's Act, and that Act, Mr. Speaker, as has been indicated in the Throne Speech, will be before the House and will be there shortly. The intent of that Act is to strengthen substantially the powers of the Provincial Auditor to provide a better management input into the function of government. But the appointment, Mr. Speaker, of the external auditors, is meant to complement the work of the Provincial Auditor and, quite contrary to the impression the Member for Brandon East has of it, it is not intended to inhibit his powers, but rather to make them more effective. But the greatest improvement to all of this is going to be through the introduction of the new Provincial Auditor's Act that will extend the Provincial Auditor's powers so that he has the type of powers that have been vested in the Federal Auditor-General of Canada and which we demanded as an opposition year after year on the other side of the House.

**MR. SPEAKER:** Order please. May I suggest to the honourable member that his answer to the question is one that probably is leading to debate, and that is not the purpose of the Question Period.

The Honourable Member for Brandon East. with the provincial auditing staff. If the provincial auditing staff . . .

**MR. SPEAKER:** Order please. May I point out to all members, perhaps it is time that we should

look periodically back to Beauschenes where the rules state very clearly, under Section 357, Page 129, of the Fifth Edition: "In putting a question, a member must confine himself to the narrowest limits. In making a question, observations which might lead to debate cannot be regarded as coming within the proper limits of a question. The purpose of a question is to obtain information and not to supply it to the House."

The Honourable Member for Brandon East care to rephrase his question.

**MR. EVANS:** Thank you, Mr. Speaker. A very simple and direct question to the Minister of Finance: Will this or will this not cost the taxpayers of Manitoba more money, the hiring of chartered accountancy firms, yes or no?

**MR. SPEAKER:** The Honourable Minister of Finance.

**MR. MERCIER:** Mr. Speaker, that was the member's first question and I have already addressed it.

**MR. SPEAKER:** Order please. The honourable member has had three questions. There is also a question of the time element. We are now about a minute and a half beyond the 40 minutes allocated for Question Period. Has the Honourable Member for St. Johns a point of order?

**MR. SAUL CHERNIACK:** I wish to ask a question.

**MR. SPEAKER:** The time for Question Period having expired, we'll proceed to the regular business of the House.

#### ORDERS OF THE DAY — THRONE SPEECH DEBATE

**MR. SPEAKER:** On the proposed motion of the Honourable Member for Springfield, the Honourable Member for Inkster has 20 minutes remaining.

**MR. GREEN:** Mr. Speaker, when we left this subject yesterday, my honourable friend was in the House and I was indicating to him that it was his knee-jerk reaction of describing everything that was this theory of Socialist spenders. First of all, which is the biggest spending government in Canada today? Is it the Province of Saskatchewan? No, Mr. Speaker, it is the Province of Alberta. Mr. Speaker, there's an interesting remark from the bank manager, he says, "They have got it." So it's not a question now of socialism or non spending. It's a question of whether you have it or not, and if you have it, you can spend it. That's what the the honourable member is saying. That if you have it, Socialism is okay.

Well, Mr. Speaker, I want to indicate that in 1969 when this knee-jerk reaction of my friends opposite was prevalent, and they better listen because they're going to have to do it again. We proposed a program Mr. Speaker, we said that \$30 million was going to be spent on medical care as the provincial share of that program. The Conservative Party said that they are going to raise it by charging every family in the Province of Manitoba \$120 and every individual person \$60. We said, Mr. Speaker, that we would pay it out of general revenues, and that it would cost the average person \$60 instead of \$ 20. And when my honourable friends got their researchers to look at what we had said they came back and said, "Yes, it's true." A sales tax would cost \$60 and we even went to the point of saying we would do it as a sales tax or an income tax. And they came back and said it was true.

So, Mr. Speaker, they couldn't argue about the mathematics, they couldn't argue about the logic, they couldn't argue about unfairness, so what did my honourable friend, the present First Minister and Mr. Weir say. They said it's true. Their way would cost \$60, our way would cost \$120, but their way is socialism. And Mr. Speaker, all of a sudden thousands and thousands of people in the Province of Manitoba who never knew they were socialists, were so identified by the members of the Conservative Party. It didn't involve spending one cent, the same expenditure both ways.

And then, Mr. Speaker, we said there has been a commission examining automobile insurance. It didn't cost one cent as far as we were concerned. That commission said that a public plan such as Saskatchewan had was more efficient, was fairer, and was, Mr. Speaker, less expensive than the plan that we had in the Province of Manitoba. So it wasn't going to cost the people one cent. It had nothing to do with spending money. But the honourable members on that side of the House when they found out that it was logical, when they saw that they couldn't dispute the statistics, when they saw the judges or a judge in the Province of British Columbia had agreed with us, did they say that this was spending, did they say that this was wrong? No, Mr. Speaker. They said

it's true. It probably will be more efficient. It probably is less expensive. It probably is fair but, Mr. Speaker, it's socialism. And again all kinds of people, Mr. Speaker, who never knew that they were socialists, who had never read one word of Karl Marx, found out not from us, not because we induced them, not because we made very eloquent speeches but because the First Minister, your present First Minister, the then Attorney-General and Walter Weir told them that they were socialists and if they said they were socialists, these people believed it.

Now, Mr. Speaker, when we went to the public in 1969 there wasn't a single spending program on our program. All of it involved doing things better, not doing things more expensively. The big spenders were the Conservatives. In the previous elections of 1966 they announced a one-billion-dollar Nelson River Development Program. A 100-million-dollar program to build a pulp mill in The Pas. They left something out, they didn't tell us it was our money that was going to be used. It took approximately three years to find that out but they did do those things, Mr. Speaker. And the problem that we heard in my friend's speech yesterday. Mr. Speaker, I was frankly somewhat disappointed. I thought the First Minister had learned something over a period of nine years but, Mr. Speaker, it's almost as if he left the scene nine years ago, that there was a block of time in between, that that block of time disappeared and he is saying exactly the same thing which went to his defeat last time.

Mr. Speaker, there was a similar circumstance involving Rip Van Winkle. It was called the Legend of Sleepy Hollow. We now have the Legend of Sterling Hollow. And it is hollow and it is sterling and it is the kind of thing that is going to get the Conservative Party in great difficulty when the election comes along. Because none of it, and we heard the whole hoary, doctrinaire, blinkers-on, wrong-headed, ideological, capitalistic, nonsense, that has never worked anywhere that it has been tried, has never worked in the Province of will never work Manitoba and in the future.

Mr. Speaker, the honourable member made the suggestion that we thought wealth was money, wealth is currency. Now which is the party that says wealth is currency? He said it again yesterday, he won't even realize it but he said wealth was money. We have often got up in this House and I particularly have got up in this House and said if you burnt every mortgage, if you burnt every bond, if you burnt every dollar bill, ten dollar bill and two dollar bill, burnt every cheque, every bill of exchange, the next day in terms of actual wealth the world would not be one penny poorer than it was the day before. That there would be a problem in determining who owed what. But wealth would not have diminished. But is that the position of my learned friends? My honourable friend said, and I agree, that wealth is only established in one way, that is by the application of human resources to natural resources. And there is, Mr. Speaker, a willingness to pay for services as well as material things.

And then my honourable friend said, "And yes, Tourism is wealth. The tourist brings in wealth." Mr. Speaker, the tourist does n't bring in wealth, the tourist brings in money. He brings in a credit. He says I am going to be here, I am going to leave money in your jurisdiction so you can take that money and purchase wealth in my jurisdiction. So which Party and which most clearly — take the election in Saskatchewan, and I am sorry my bank manager friend isn't here, and take the present position of the Joe Clark with regard to PetroCan. In Saskatchewan the Conservatives, who are supposed to know what money is and what wealth is, said that to own the potash industry is to cost the people of Saskatchewan \$120 million which could better be used elsewhere. Who is saying that wealth is money?

Mr. Speaker, if you had \$120 million dollars in the bank today or you had \$120 million potash industry, which would represent wealth and which would the bank managers say that you keep? Because anyone who tells you to keep money today as against real assets obviously doesn't know what has happened in the last 15 years. And yet, those Tories who say they know what wealth is, say that if you get rid of the potash industry and you put \$120 million in your pocket, you will be richer. Who is stupid and antiquated and hide-bound ideological about wealth? Doesn't Joe Clark say the same thing? Doesn't Joe Clark say that PetroCan is a drain on the treasury, that if you sell PetroCan, you will have the money and you will not have PetroCan. But some capitalist out there is smarter than Joe Clark. That capitalist knows that if you put up the money and take PetroCan, you will be richer, not poorer.

So, Mr. Speaker, who in this House is trying to fool either themselves and everybody else about what constitutes wealth? Which one of you rural people over there would say that if you took, in money, the price of your farm ten years ago and you had the money instead of the land, that you would be wealthy today as against keeping the land and not getting the money? Because, Mr. Speaker, from our point of view, wealth is not money; money is currency. But it's the Tories who run around saying, Mr. Speaker, that if you own a mine, you're poorer because you could sell the mine and get the money. You know, they did that kind of thing with Saunders Aircraft. They laugh about it. The fact is, Mr. Speaker, that Saunders wrote off its loss several years ago, that the airplanes that were flying this year, Mr. Speaker, the airplanes that were flying, the amount that we were

getting in rentals and in sales was equating the amount of the support charges and the other charges for running them. So it was not a drain on the Treasury, and the Minister admitted that.

So we took Otonabee, who we knew were going to buy planes in the future because they are flying them, and we said to them, "We will give you all our planes, plus," — and I didn't even appreciate that this happened in the first place — "plus the engineering for \$750,000.00. Now, why was that done, Mr. Speaker? You know, the thing was not costing anything, the plane was flying, and we kept the engineering. Who knows whether ten years from now somebody would want to develop that type of airplane? And if that type of airplane was wanted to be developed, Mr. Speaker, it would not have cost anything. \$25 million in engineering studies which the people who looked at them said it was worth it, would not be available. Now, Mr. Speaker, why did they do that? Do you know why they did that? Because the Conservative Party is so interested in politics, so interested in politics — and this is going to cost them — that they wanted to make sure that they would be able to use this term, Saunders Aircraft, forever and without question, and that at no time would there ever be a possibility that somebody would successfully develop a Saunders aircraft. Because it was not costing money. There was only one reason for selling those airplanes, and that reason, Mr. Speaker, was to make sure that that plane was never developed.

We had the same choice, and you can take the two n situations. We said the planes are worth what it will cost to support them, we are not in desperate need of that currency — which they identify as wealth. They've now given up 10 airplanes and got \$750,000 and they say that \$750,000 is worth more than the 10 airplanes. We said that the 10 airplanes were paying for themselves and we will wait. Yes, it was a difficult proposition. You know, it's the kind of proposition that Conservatives started in New Brunswick, which every single capitalist government in this country has done and is still doing, which this capitalistic government is doing.

So you realize all of those fellows over there who said, don't put any money into business, do you realize that in the past year you have equated the amount of money in business which represents the worst year of the Manitoba Development Corporation? The worst year of the MDC is roughly \$20 million in losses, it's slightly higher, but let's take \$20 million as being an approximate figure. You have, in your first year of government, when you were going to take all of the public money out of doing this type of thing, invested \$20 million. How so, Mr. Speaker? \$15 million to CIL —(Interjection)— It's true. Three provinces, —(Interjection)— CCIL — three provinces and the federal government, but it doesn't matter. \$15 million in taxpayers' money to support a private company — it's a co-operative but it is in the private sector; \$5 minimum, in Churchill Forest Industries to pick up the fact that they lost \$13 million last year. Now, Mr. Speaker, that's \$20 million . . .

**MR. SPEAKER:** Please, the honourable member has five minutes.

**MR. GREEN:** . . . \$20 million in your first year, Mr. Speaker. —(Interjection)— Oh, I thought he said my time is expired. Well, Mr. Speaker, I even thought that I had trespassed by four words because I said \$20 million and my honourable friend, the House Leader, was so worried about those four words that he said, "Nobody pays attention to the Speaker." Well, Mr. Speaker, I don't know when anybody else has been cut off without being able to say four words for him to sit down. But nevertheless, now I find that I have five minutes, not four words but five minutes.

**A MEMBER:** Four long words.

**A MEMBER:** Four and a half minutes.

**MR. GREEN:** Mr. Speaker, the fact is that those people over there, in their first year, have already become more than a little bit pregnant, they have already given birth to the first \$20 million. They have put into their Throne Speech the fact that they are going to commit themselves to another \$100 million. You know, lest anybody starts talking about the fact that yes, we entered into DREE agreements too, and yes, some of those moneys from DREE agreements went into the private sector, we at all times, Mr. Speaker, at all times, said that the federal government and the provincial governments throughout this country are doing the kind of thing in a much less businesslike way, in a much more stupid way, than is being done by the public of Manitoba through the Manitoba Development Corporation, and they will continue to do them. Were we wrong, Mr. Speaker? This government, which said that it wouldn't do that type of thing, is forced to do that type of thing. Why are they forced? Aren't they ideologically clean? They don't want to take taxpayers' money and put it into business.

Why are they doing it, Mr. Speaker? Mr. Speaker, they're doing it because they're desperate, and this is just the first year of desperation. In two or three years, they're going to become frantically

desperate because everything that they say is going to happen to our economy, is not going to happen to the economy. Rather than progressing, the economy is going to stagnate, and then they are going to be sitting around in Cabinet, and they are going to say, "What can we do? What can we do? We can't go into a Crown corporation. There's only one solution. We have to make somebody a rugged individualist at public expense." And they will do it, Mr. Speaker. They have done it throughout this country and they will do it in the Province of Manitoba. It is they, Mr. Speaker, who are the heavy spenders; they who are the heavy spenders, with everything that they have said.

You know, the change from saying that we are going to reduce public spending, to we have held public spending to an increase of roughly 3 percent. That was the change from before the election to after. What does that mean? That not only do they accept the previous level of spending as being something that they couldn't reduce, but they accepted the previous level of spending to add 3 percent to. And this year they will add 6 percent to it. Pretty soon, Mr. Speaker, we will be able to come back to this Conservative Government and say that in two years you have increased expenditures by \$300 million, more than we increased them in our first two years. And they will say, "Oh, yes, but don't you take into account inflation? Don't you take into account increased activity?" Mr. Speaker, when they say that, I will go back to the Minister of Finance's speeches, and the Member for Roblin, and the Member for River Heights, and I will read you where they said that the government has doubled its expenditure in this many years. And we said, "Don't you take into account inflation?" And they said, "No, we don't take those things into account. All we know is that you are spending more money."

Well, Mr. Speaker, from your own mouths, you are spending more money. You will spend more money this year. You are the heavy spenders. There is only one difference between us and you. When we spent, with respect to the area of commercial activity, we did it as a banker would do it and we registered as a banker would do it. You do it like nobody else would do it. There is no political economist or business consultant who says that the public puts up the money; the private person gets it; if you go broke, the public loses; if you win, the private person makes the profit. The only idiocy that confirms that position is called Progressive Conservatism.

**MR. SPEAKER:** The Honourable Minister of Finance.

**MR. CRAIK:** Mr. Speaker, before I begin to speak, it is possible — I don't expect to, but it's possible — I may run into the 40-minute limit and in the event I do, I will be speaking under Rule 33.2 at the request of the First Minister. Rule 33.2 means that it is the official government spokesman on this particular portion of the Throne Speech Debate.

Mr. Speaker, in speaking to the Throne Speech, may I first of all do as many of my colleagues have done, and members of the Legislature generally, and wish you well again in the undertakings of your responsibility in the Legislature, which are onerous and can put you through some very trying times as you have already experienced on one or two occasions during the course of this Throne Speech Debate itself.

Mr. Speaker, may I also take the opportunity to congratulate both the Members for Springfield, as the Mover of the Throne Speech Debate, and the Address and Reply, and the Seconder, the Member for Radisson. I, as has been stated by others in the Chamber, have felt that their contributions were exceedingly well done. I thought the work that had been done in preparation for the speech had been done very thoroughly and I thought that they spoke from two different approaches, general approaches, to the Throne Speech and in both cases delivered their material exceedingly well.

Before going further, Mr. Speaker, may I also offer my good wishes to the Leader of the Opposition who now occupies the position for this particular session at least, and say that having from time to time sat in that chair myself, I know the responsibilities that he feels he has to fulfill or live up to or respond to in that particular position. However, Mr. Speaker, it is somewhat early to say how much well should be wished upon him and we'll pass judgment on that perhaps later on during the course of the session.

I would extend my condolences to the Member for St. Johns, though, who I gather in the contest for the leadership, after having served in the Legislature, I think since 1962 and with 16 or 17 years of experience in this House, had the honour bestowed upon him that apart from his own vote, received two out of 21 votes cast for the job as Interim Leader of the Party to take it through to its next convention, which I gather is to be held next fall. Mr. Speaker, two votes out of 21 is, I think, a fitting testimony to the Member for St. Johns for that particular job.

Mr. Speaker, the Member for Elmwood says how many votes did I get? That brings to mind, Mr. Speaker, that I couldn't help but think yesterday that finally there was a solution found for that structure that was built in Memorial Park by none other, of course, than the former Minister

of Public Works, the Member for Elmwood. For many years, a large portion of the population was puzzled over the necessity, or the purpose even, of the structure but we found out yesterday during the eclipse its real purpose, because it suited itself well to stand, Mr. Speaker, I gather, for people to stand and face the south and watch the eclipse of the sun that took place yesterday and it even symbolically looks like either a fallout shelter or an eclipse watcher.

So, Mr. Speaker, the Member for Inkster is busy working away on something and I'm not sure what it is he is upset about but I'm sure we will find out because he has a great deal of trouble ever containing whatever it is that he is thinking about and as irrational as it may be, he is bound to come out with it. In the last 10 minutes, we have heard just another one of his irrational thrusts as he looks around for some defensible argument in retaliation to some of the actions that were taken by the former government and earmarked by this side of the House, the present government, as being inappropriate from a financial point of view.

So in retaliation to the actions that the former government took with his example being used of Saunders Aircraft, he comes about with a statement here about the present government being either partially or pregnant in having already moved to provide public aid to private industry, either by the way of subsidy to the ManFor Project, I think he mentioned, and he mentioned the CCIL project. But typical of what has been coming across the way from the members opposite, he couldn't help but try and distort the figures. He tried to leave the illusion that the Manitoba Government had provided money to the CCIL operations to the extent of \$15 million.

**MR. GREEN:** No, I never said that.

**MR. CRAIK:** Mr. Speaker, he was a little bit careful about the way he said it.

**MR. GREEN:** I never said that.

**MR. CRAIK:** I'll tell you, Mr. Speaker, let me tell you the real story on CCIL. The former government was presented with a proposition in early 1977, about January 1977, from CCIL, for a request of somewhere in the order of \$20 million, and that's some time back now. I don't remember the exact figure, but they procrastinated on it, and sat on it, and they did nothing on it and when the government changed in the fall of 1977, October 1977, the position of the CCIL firm of course had worsened and was deteriorating even further, not because they could get a no answer. A no answer from the government probably would have meant that they could at least take solid action, but they were getting no answer. They were simply getting the run around; no answer at all. And the former government, for its reasons, whatever they were, decided that they would do nothing on it. They wouldn't say yes, they wouldn't say no, and they would do nothing, and left the CCIL sitting there. They didn't have any obligation to support CCIL, and neither does any other government as far as that goes. But it turns out, Mr. Speaker, that to the observer looking at the international machinery picture, he could see that there was a recession at that time in the agricultural machinery business and that there was some possibility that their arguments may in fact be valid, that they were going through a period of some difficulty and would require some support.

So, Mr. Speaker, the current government started to negotiate with CCIL and decided that it wasn't just Manitoba's interests that were at stake here. There were other interests at stake, including an extensive distribution system in Saskatchewan, some in Alberta, and eventually of course, the federal government became involved too. So rather than it being a \$15 million loan, or grant, or whatever it is the Member for Inkster was trying to imply was undertaken by this government, we negotiated our position down to the point where we were able to salvage the industry with a guarantee of \$2.5 million. Mr. Speaker, a guarantee of \$2.5 million. Now, that just gives you some idea of the kind of distortions that they feel compelled to introduce to make an argument. They say the government provided a \$15 million loan to the CCIL, we say facts are, and they hope usually that you will overlook the facts and not come back and reply to them of course, the fact is that the Manitoba government, along with having some influence on other governments and having another good strong look at it and changing some of the intentions of the company, were able to cause the company to remain in Manitoba, have its manufacturing centre here, were able to do it for \$2.5 million.

But they weren't even interested enough, Mr. Speaker, and we make no bones about it. We are quite prepared to say that, stand up and be counted when it says that we'll come to the rescue of a manufacturing industry such as the CCIL project any day of the week. So let it be known on the record, that the formal position then and now, of the former government, is to not have supported CCIL. Let that be clear on the record.

So, Mr. Speaker, this is the stage that has been set, not just by the comments of the Member for Inkster, but by the Leader of the Opposition in his speech, and you can't help in passing through,

and reading the reply that was given by the Leader of the Opposition, that great challenging thrust he made at the Throne Speech, that the real strategy of the opposition is really to resort to the frantic misuse and abuse of statistics. The example I have given you is just one of them. Rather than \$15 million, it's \$2.5. Rather than a loan, it's a guarantee. But don't fudge the image they want to create with the facts of life, Mr. Speaker, and let's have a look at some of the examples. Some of the examples were in fact given by the Minister of Mines and Natural Resources, who did an excellent job of pointing out some of the inconsistencies and the distortions in fact that were attempted to be laid on the table by the Leader of the Opposition.

I think that, first of all, as has been pointed out, one of the key phrases that he used was this argument, that it is time to examine the promise of tomorrow in light of the realities of today. And then he went on to talk about what is true, Mr. Speaker, and then he went on to talk about half-truths, often selective, and often ignoring simple and obvious facts. He talked about truths and half-truths. In going through them, you can go through the actual cases, where the statistics were in fact used, and the First Minister last night in his address, first of all pointed out the misleading statistics with regards to the shifts in population. Population shifts as we find out, are something that have been occurring on a pretty regular basis, and if you take the period of the former government, the statistics look worse than the period that preceded the former government.

So all of these, Mr. Speaker, don't particularly add a great deal of light on the situation. The only point that has to be made out of all of this, is that when these statistics are quoted, and particularly quoted out of context, and even worse still what appears to be a delivered distortion, you can't help but come back and say, you know, what is the real motivating factor behind the opposition at this time?

The Leader of the Opposition said that this current government should not compare 1978 with 1977, so he went back to 1976, and he went back to 1975. Well, let me give you an example of what happens when we do that, and I am quoting here from the Statistics Canada figures, and I quote here: "In the last three years of the previous administration, 1975 to 1977, employment increased at an average annual rate of 0.8 percent, only half the 1.6 percent annual growth in the labour force. Over the entire eight years of the previous administration, the average annual rate of employment growth was only 1.8 percent, lower than the average annual rate of 1.9 percent from 1966 to 1969, and well below the 1978 rate of 2.6 percent." That is this last year, Mr. Speaker, 2.6 percent, which exceeded substantially the average rate of growth over that entire period of the members opposite when they were in government, Mr. Speaker, and a multiple of several times over the rate of increase of 1977. But he said, don't use 1977, you can't use it. Well, I didn't, Mr. Speaker, I have used their entire administration period, and the rate of growth in 1978 was much, much higher than the average growth over the entire period of their administration.

It might be important to point out a few other statistics, and that is that there was zero growth in the labor force in their first year of being in government.

Mr. Speaker, the Leader of the Opposition also talked about Manitoba losing the productive potential of some of our most highly skilled workers. He even acknowledges that the people with the highest education levels, are the most mobile and the most in demand across the country. Now, having acknowledged all this, Mr. Speaker, which is a very valid point, what he doesn't point out is that his former government took it upon themselves to impose a personal income system that was so punitive, it provided the highest income tax in Canada, and had the effect of driving these self-same people out of the province. So he has identified the problem correctly in the first place, which is the problem of keeping highly trained people in Manitoba, but secondly, hasn't in any way identified the problem that was being created by their former government, by providing the middle income group, which is basically this group, of trying to keep them in Manitoba, here from a point of view of the incentives of their own incomes. He conveniently misses this sort of thing.

Well, Mr. Speaker, I see one of the few members across the way sitting in his seat, is the Member for St. Vital, and I noticed he, in his very, very parting remarks in his speech made the comment, Mr. Speaker, it wasn't all that devastating I must admit, but at least I heard it. His final sort of parting remark was, that this government has brought about the highest unemployment rate since the Great Depression of the 1930's, and with that overwhelming comment, he sat down. Well, Mr. Speaker, let's have a look at it. Nobody is saying that the unemployment rate in Manitoba is low enough, nobody has suggested in the Throne Speech, anywhere along the line, that the government is happy with the present unemployment rate, but let's look at it.

The unemployment rate, in the current month of January, on an actual basis, is 6.9 percent, and the seasonally adjusted rate, 5.4. Well, what was it in 1977, Mr. Speaker? In 1977, year to date 1977, unemployment rate 7.8 percent actual, 6.3 percent seasonally adjusted. So he leaves the impression, Mr. Speaker, —(Interjection)— Well, Mr. Speaker, these statistics are all available. They are put out by Stats Canada. They are not an internally manufactured illusion that's created by the present government. Mr. Speaker, the intention of course entirely, is to leave the impression

that again, as has been said here, everything is going to hell in a handbasket.

The Leader of the Opposition also referred to the manufacturing shipments.

**MR. DEPUTY SPEAKER:** Has the Honourable Member for St. Vital have a point of order?

**MR. WALDING:** Yes, Mr. Speaker. Without wishing to detract from the figures that the Minister is using in any way, my remarks had to do with previously mentioned figures, which were I believe 6.8 percent, which was the average for the first full year of this government.

**MR. DEPUTY SPEAKER:** The Minister of Finance.

**MR. CRAIK:** Well, Mr. Speaker, that was an important point of order, and I think the member should actually in fact, rather than starting to put these misquoted statistics, these abused and misused statistics on the record, to try and contribute to the air of doom and gloom that they are trying to perpetrate in the Province of Manitoba, and there is not a one of them that isn't trying to add to the amount of doom and gloom that they can spread, and their only hope, Mr. Speaker, I guess the only doctrine they can hang to, is that maybe hopefully from their point of view, the economy will perform in such a manner that their doom and gloom predictions at some point in time, might in fact be true. But the point of it all is, Mr. Speaker, that the economy in 1978, despite all the doom and gloom that they spread last year, and all the doom and gloom they are still trying to spread this year about how last year was a bad year, Mr. Speaker, it was yards and quantum leaps ahead of the performance under their government. That is what comes out of the statistics.

Let's look at a few more of them. The Leader of the Opposition, also, in the Question Period, asked a question — just to show you how far they've gone — that was taken as notice, but still I will now reply to it. He asked the First Minister: "Is it not a fact that the rate of retail sales increase in the year 1978 was the lowest in Canada at a rate of 3.8 percent?"

Well, Mr. Speaker, I suppose it is one of those hit-and-run questions that have become so frequent from across the way and you are expected to have all the answers at the tip of your fingers on these statistics, which, Mr. Speaker, at best are an indicator, he asked: "Is it not a fact Manitoba in 1978 had a retail sales increase of 3.8 percent, the lowest in Canada?" Well, in actual fact, the retail sales rate in Manitoba in 1978 was roughly 9.5 percent; 9.3, 9.5 percent, in that range, which appears to be substantially different, Mr. Speaker, than the 3.8 percent. Not only that, Mr. Speaker, what the retail sales rate increase was in 1977 was avoided. Do you know what it was then, Mr. Speaker? It was 4.4 percent. So if you really wanted to have some statistics to work with, why don't you look at 1977? Why don't you look at all those years of the former administration? The fact of the matter is, although it was 9.6 percent, it still wasn't a high rate compared to other points in Canada, but it was over twice the rate of increase of 1977 when they were in government. This is the kind of hit and run statistics.

The Leader of the Opposition got up and he decried the sorry state of manufacturing shipments. You know what the manufacturing shipments were in 1978? They were 16.6 percent increased over the year before. Do you know what they were the year before over 1976? — 4.0 percent, 4.0 under the former government. He didn't mention that, Mr. Speaker. You know, if we want to stand here, we could say there's been a 400 percent improvement in manufacturing shipments, and that would be an absolute distortion if we said it, and that's why we wouldn't say it. But that's the way they use statistics, a 400 percent improvement over one year. Mr. Speaker, all this says is that the manufacturing shipments were up 16.6 percent this last year and the year before they were up 4 percent.

Let's go on to another one — farm cash receipts. You know what they were up in 1978? — 25.6 percent. Well, what were they in 1977? They were up 0.9 percent, Mr. Speaker. Look at that for a ratio. Get your slide rule out on that for a while. You can show on that one about a 3,000 percent increase, Mr. Speaker. That would make a beautiful statistic. So, away we go. Farm implement sales: At the point when CCIL was in trouble, in 1977, farm implement sales were down 6.3. This last year up, 26.7 percent. They didn't want to help CCIL.

Mr. Speaker, wages, salary, supplementary, labour income, all of these statistics, capital expenditures, private sector; 1978 up 10.2 percent; capital expenditures the year before 5.0 percent, an increase of two times, Mr. Speaker. If you really want to dramatize it, you could say there's been a 100 percent increase. That would be wrong, Mr. Speaker, because it hasn't. They've actually increased 10 percent over the year before in the private sector. And it goes on, and on, and on. In the labour force statistics, it's the same story. This sort of frantic use, misuse and abuse of statistics that is coming across the floor from the other side.

But let me repeat, put it in a nutshell again. The Leader of the Opposition who built his whole

case in large measure on the economic argument and tried to, I guess, supported by these out-of-context statistics — or whoever is presenting them with them — is not explaining them to him and is simply giving them to him. Either he's doing the distorting or whoever is supplying him with them is giving him the distortions.

He also decried the situation in Manitoba and used as a reference the most recent Conference Board report which was produced in January. Mr. Speaker, I want to repeat it, and I know it's already on the record, but I want to read it for you again, so that it's on the record again. There may be somebody across the way that's listening that wasn't listening before. It said: "For Manitoba, 1978 and 1979 can be characterized as years of modest recovery in the non-agricultural sector at least, from the sluggish economic condition prevalent since 1975 in the non-agricultural sector." Well, we know the agricultural sector moved well last year.

"The period between 1975 and 1977 was one of general recession in the province." That's from the Conference Board, that's not some trumped-up statement coming from the government, and those are the years that the Leader of the Opposition say, "Don't compare 1977; compare 1975 and 1976." Well, Mr. Speaker, we're admonished not to use 1977 but to use 1975 and 1976, and the Conference Board says the period between 1975 and 1977 in Manitoba was one of general recession in the province.

Mr. Speaker, it goes on to say, "Since constant dollar non-farm production did not register any growth at all, by contrast non-agricultural production posted a gain of 2.2 percent last year and is projected to expand by a further 1.7 percent in 1979. Well, Mr. Speaker, I should point out at this time that we have some concerns about 1979. We think probably their projections are low but we don't tend to try and hang our predictions entirely on the statistics that are generated from these types of projections. We have some very serious concern because of the high interest rates and we think that the Manitoba economy is more vulnerable to high interest rates than many of the other economies in Canada are because of the dependence on local borrowing and so on, and the vulnerability that smaller businesses have to these high interest rates being reflected immediately on their operations, whereas larger companies who tend to borrow long-term, don't have the same exposure.

So, Mr. Speaker, we have some concern about this but it's primarily one that we don't think we can predict because the unknowns are just a little too great. I don't think that even the best of economic projectionists would want to try and project too far the impact on a single provincial economy of the effects of higher interest rates.

Mr. Speaker, one of the most interesting things though that comes out of all of this attack, really on the economic position of the government, is that I can recall when we were on the opposite side of the House, the Government of the Day used to cast the accusation across the floor that the members opposite were people who prayed at the shrine of the GNP, I think that was the terminology — those who prayed at the shrine of the GNP. Well, Mr. Speaker, I've never seen anybody do such an about-face. Their every statement seems to be based on someone who prays at the shrine of the GNP, because they have had no arguments, no solid arguments, that have come across the floor in terms of providing good suggestions for government in Manitoba except their use, misuse and abuse of the statistics that they've attempted to use.

So, Mr. Speaker, that seems to have been the main thrust and, as the First Minister said last night, it's been a pretty weak gruel that has come across the way.

Mr. Speaker, there has been some talk here in the Question Period, and otherwise, about some other matters that I want to deal with as well. There's been some comment made across the floor here, and outside the House, with regards to the appointment of external auditors for the various audits of the government. Of course, as recently as the Question Period today, there were questions that came across the floor in this regard.

Mr. Speaker, I want to deal with a number of things here that will attempt to put these matters back into perspective. Mr. Speaker, we've also had, in this regard, what I regard as fairly serious accusations coming across the floor from the Member for St. Johns with regards to the keeping of the books of the province. I raise that matter because I think that, to a large extent, his attack seems to be one that questions the integrity of the people who do keep the books of the province. In fact, the point that he made in his speech on Friday here, to a very large extent, is one that really brings into question the ability of the Provincial Auditor to sanction the books that have already been approved for the last year. I don't think that that is the case. I think that the people who do keep the books of this province keep them properly. I think they keep them accurately, and I think he knows it, but in his desperation to try and appear to make the government look dishonest, in this frantic, desperate move that they're trying to do, they have to try and create the illusion, at least, that somehow the books were being kept in such a way that the former government is going to be made to look bad. Their use last year of the old dodge about the capital carry-forward was one that was typical. It's another one of those hit-and-run tactics. They know very well that

the average person does not understand what the argument is all about, that is, the argument about capital carry-forward, which has been done for the last 20 years in Manitoba, and somehow wanted to isolate last year to show that something untoward was going on.

Well, suffice to say, Mr. Speaker, just to put it on the record again, that if we had changed the procedure and included capital carry-forward, it would have made the former government look even worse because we would have had to have gone back and included the year before, and the amount they had the year before was more than the amount last year. Consequently, they would have looked even worse. So, Mr. Speaker, we didn't have to try very hard to make the former government look bad; they just look bad all by themselves. It was just all laying there wide open.

I want to put on the record again, the facts. You can forget all about the capital, you can forget all about the changes that have been or might be made in the Auditor's Act, or in the The Financial Administration Act, and let's just go back to one simple example. It was mentioned last night by the First Minister. He mentioned that in the inter-agronom period between October 11 and October 24, the First Minister asked for a quick summary so he would know what the financial position of the province was. He got a report back, Mr. Speaker, a good, effectual, clear, concise picture of the province's position. It showed — forget about capital, forget about everything else — that the Current Account of the province was in deficit by about \$125 million. The Current Account, the Operating Account, was in deficit by \$125 million.

Mr. Speaker, ten days before the election, on the air, on an interview, myself included, the former First Minister, the former Leader of the Opposition who is no longer with us, the question was raised by the reporter — I had made an earlier comment that the financial flexibility of whoever came into power may be somewhat restricted, because I had some concerns about the financial elbow room that any government was going to have because it didn't take an economist, Mr. Speaker, to sense the feeling that there was some tightening up in the economy. So I said, on the interview, that I expected that last year's deficit would probably be higher than the amount that was indicated when the Estimates were tabled in the spring of 1977, Mr. Speaker.

The former First Minister, on the other end of the line, said, "The deficit is roughly the amount shown when the Estimates were tabled last April." The announcer said, "How much was it?", and he said, "About \$25 million." Mr. Speaker, ten days to the election, eight days roughly after that, whatever it was, ten days after, within a period of 18 days, we got the true picture. The true picture was that the former government was headed for a \$125 million deficit on Current Account.

Mr. Speaker, I'm not saying that the former First Minister was lying. I don't know that he was deliberately misleading. He may not even have known, but if he did not know, Mr. Speaker, that is as bad an accusation as misleading. The fact of the matter was that the Current Account was in that bad a condition, and he didn't know it. If he did know it, he didn't say it. It was put down as an argument; it never became a further argument during the election campaign because his word was basically accepted, that things were better. I even felt better myself because I had concerns that things were happening that were not in the best interests of the Manitoba economy in terms of government revenues.

So, Mr. Speaker, that is what is at the nub of the argument. If they want to talk about deception . . . which is a word that the Member for St. Johns likes to use — he likes to talk about there's something deceitful going on; the people are being deceived. I think he said it probably on Friday that there's something about the Hospital Services' trust account, and he's going to check it. Well, I hope he does, Mr. Speaker, and I'm sure he will. But it's those hit-and-run tactics.

But let's boil down to the actual financial position. The financial position at that time was not good and the projected deficit when you included capital, brought it up to \$225 million. It finally boiled out to \$214 million under the traditional mechanism of keeping the books of the Province of Manitoba. Then they started to cry about capital carry forward to get everybody mixed up. So I say, forget it then, forget capital, forget everything. Just go back to the current account. If that makes it simpler for you to understand, do it that way. But the fact of the matter is that between the restraint program that was applied immediately when we found out what the shape of the books were in — not the books but the economy and the financial position of the province was concerned, we moved immediately and, Mr. Speaker, between that and some increased shared-cost receipts, the effective deficit was brought down before the end of the year, Mr. Speaker, with no credits to the members opposite. Their only contribution to all of it, and it was a negative contribution, was to try to fudge the real issue by bringing in extraneous, non-related arguments.

Mr. Speaker, with regard to the auditors, I want to again point out, and we'll have plenty of time to debate this in the Legislature, the new auditor's report that will be coming in, is intended to strengthen the powers of the Provincial Auditor. They will be powers that have been recommended by him primarily. They are powers that have been vested with the Auditor-General of Canada for many years that have brought about a degree of independence for the Auditor-General that were

not enjoyed by the Provincial Auditor in Manitoba before.

So rather than, again, getting the impression, which the media is likely to get from the concerns of the members opposite, that somehow the effective auditing procedures of the province are being watered down, quite the opposite is true. In fact, the powers of the Auditor are intended to be expanded so that he can get into more examination, of following the flow of taxpayers' dollars out of the government and into wherever he might decide they should be followed in order to determine whether they are being effectively spent. That will be the basis of it. He is going to need as much help as he can get. There is no suggestion here that he needed help in the areas where the assignment of some of the audits have been taking place, but there is no doubt that his time is going to be taxed fairly heavily from here on in.

There was a question, Mr. Speaker, that I think may have been misinterpreted from the Question Period today with regard to the assignment of the auditors. The intention of the government will be, in the future, that where external auditors are brought in, they would primarily be brought in by Order-in-Council. As the legislation stands at the present time, the Order-in-Council ones are provided for in five out of the 13 cases; two of them are at the discretion of the shareholder — it turns out to be the Minister of Finance in the case of Venture Manitoba Tours and one other; and the remainder, seven from 13, the other six, are at the request, and I say the request of the Auditor. The request goes from the Auditor to the particular audit firm. The suggestions for the firms to be involved in the audits were in all cases made by the government and they were either executed in terms of the particular firms by either myself or by the Provincial Auditor. In the final analysis, the Provincial Auditor will have a say in whether he feels that the fees that are charged by the firms are realistic and acceptable.

Mr. Speaker, there also seems to be some sort of a concern across the way that somehow this is a very unusual practice, so maybe we had better have a look at that. There was some concern raised by the Member for Wellington that the one firm in particular, Coopers and Lybrand' ought to be reviewed because of a former associate's involvement in CFI at one time or other. Well, I want to point out that the former government appointed Coopers and Lybrand in 1977 in place of the Provincial Auditor, to be the auditor of Cybershare.

**A MEMBER:** Yeah, I know that.

**MR. CRAIK:** Well, what's the sweat about then? The Provincial Auditor had audited Cybershare for 1973, 1974, 1975, 1976 and in 1977, Coopers and Lybrand were appointed as the auditors for Cybershare. Mr. Speaker, you can go down a list; there are a whole host of them who were appointed by the former government as the auditors. So now they are in a terrible sweat because we have brought in 13 auditors. Well, my gosh, there are two audit firms — I said on the Question Period over half of the firms that we have appointed were doing work with the government before. Mr. Speaker, I was on the safe side, at least I didn't overstate the fact. I have now got the statistics. There are only two that we have appointed that are not already doing work for the government, and Coopers and Lybrand were appointed in 1977, by that government, probably by that member sitting right across the way. So what's all the sweat about that's been going on. Mr. Speaker, the Municipal Affairs Department has been appointing auditors by the legion for years, and the former government was doing it too. Every auditor that does a municipal is approved by the Minister of Municipal Affairs. Go down the list.

Mr. Speaker, let's talk about whether or not you should have bids on these things. How many bids were every received by the former government on any audit? Never. How many bids were ever received for legal services? None. Mr. Speaker, the Member for Wellington had asked a question, who is over here, was in fact, I find out, the legal man for them in their dealings with Skywest, Mr. Speaker, fired by the former government when he wasn't a Member of the House, naturally, because he wasn't here, but was hired to do the work on the Skywest account by the former government. Were his services tendered for, Mr. Speaker, and what was his rate of charge, Mr. Speaker? How far does this hypocrisy go? How far does this distortion . . . You know, we not only have the misuse and abuse of statistics, we now have these phony arguments coming in on the appointment of auditors and we find that there are only two out of the 13 that have not and are not at the current time in one way or another doing work for the government.

Well, Mr. Speaker, you know, I didn't even coin the phrase and somebody many centuries did it, but the Member for Inkster used it and, you know, I have a high regard for him because he often comes up with good practical coinages, so to speak, and he said, "What tangled webs we weave when once we practise to deceive," Mr. Speaker, and you just leave those guys alone and they will tangle themselves real good and they are going to do it on the auditors; they have done it on the statistics, and mostly on the statistics. Every major thrust that they get into, they get themselves tangled up in, Mr. Speaker, because they find themselves either having skeletons in

their closet with regard to their own statistics, or they have got themselves caught in the position where they are trying to criticize the practices that they themselves followed.

So, Mr. Speaker, I want to repeat, before leaving the question of the audits, that the intent is to act this year on the Auditor's Act that will bring in the real strength to the Auditor's position, that will allow him without any question to be able to more effectively carry out the protective measures that the people of Manitoba require with regard to their financial affairs. And those strengths will be no less, Mr. Speaker, than those enjoyed by Mr. MacDonnell at the federal level and will guarantee the Province of Manitoba a clear-cut position for the Provincial Auditor beyond question, Mr. Speaker, and it is the sort of thing that we demanded for years in the opposition, and that the former government refused to give the Auditor of this province. So the actions will speak louder than the words. The external auditors are intended to reinforce. They provide a backup to the Provincial Auditor. They in no way deter from the effective audits that are going to take place in this province, and in fact, reinforce it.

Mr. Speaker, one of the other interesting things that has occurred in most recent months is that we have had the Member for St. Johns, and I keep coming back to him because he leaves some of the sorriest trails behind him that you can't help but pick up, and he said for a year, there are no horror stories; you keep talking about horror stories and there aren't any horror stories. I just wanted to again put on the record that during the last Public Accounts meeting, we finally did get the Member for St. Johns to acknowledge that there was a horror story. At least we now know, as a result of that, what the benchmarks are for a horror story, in his view, and I think the agreement was with regard to Venture Tours, although he said in it, and I'll quote it: "This is, to my mind, a horror story." Then he went on to say it wasn't a very big horror story because it didn't have much magnitude to it. Well, Mr. Speaker, we have had some talk about Saunders Aircraft today and I guess that the Member for Inkster wouldn't agree but many would agree that the Saunders Aircraft is a horror story. There are a number of factors in that that keep coming out as the story all tumbles out, that are worthwhile too. Of course, the spinoff from that was the Skywest, for which the Member for Wellington was the legal counsel and lost the case, I guess before the Transport Commission on behalf of Skywest. The parts that don't come out of the Saunders are the unseen parts, and I'm not referring only here to the aircraft parts because there were somewhere in the order of 50 sets of landing gear ordered for that plane that was waiting to be certified; 30 sets of wing spans for a plane that was waiting to be certified, Mr. Speaker; then there were two planes that were outfitted for Skywest at an extra cost of \$900,000, almost \$1 million. And that, Mr. Speaker, the interesting part about that, that was done before there were any orders received.

**A MEMBER:** After an order was received.

**MR. CRAIK:** No, Mr. Speaker, my information is that it was ordered before there was any order; no order was ever confirmed prior to the spending of \$1 million on equipping those Skywest aircraft. Mr. Speaker, then there was the great Colombian adventure when we had two Manitoba Air Government Service pilots who sat on the runway in Colombia for two man-months, I think it was a month, two men sat there for a month trying to get the planes home. A number of others had to go to Miami to get them home.

Then, of course, there is the story that the members opposite would know more about when the contracts were being negotiated with the Manitoba Development Corporation and the six guns that were worn in the holsters of the people across the table. That is one that I wish the Member for Inkster would tell because I'm sure he could do it with a great verve. I have heard it from one person who was a party to the discussions and it was the most interesting story I have heard. He said, you can't imagine what it is like sitting across the table from people who are wearing six guns and trying to negotiate a contract. Well, I can imagine the plight, but you know, the question is, how did ever get into bed with those people in the first place? How did you ever get into those kinds of situations in dealing with these family affairs in Colombia where they stood across the negotiating table wearing six guns.

Mr. Speaker, this is not just a wild tale. This comes back from one of the people who sat at the negotiating table on behalf of your MDC at the time. If you want to talk about a horror story, this was more than a horror story. It has really got all the melodrama to go with it, six guns and all.

Well, now those stories are back and the planes are back; we're back and the planes are now gone. The factors that we add into the \$40 million will maybe some day be all added up when we get the Provincial Auditor into the position where he has the extension of powers to go in and find out what is happening. With the extended powers maybe he can find out why rentals for the Gimli Industry Park, whether or not they were included in the costs of the operation of Saunders

Aircraft.

So, Mr. Speaker, let there be no question — I think even the Member for St. Johns would agree that that might qualify as a horror story.

Well, Mr. Speaker, I want to sum up my comments here by saying that the main contribution from across the way I think has been the frantic misuse and abuse statistics and there is about eight or ten or twelve blatant examples of that coming from across the way. I say that if you are going to pray at the shrine of the GNP, go ahead and do it. Just remember that what's the reverse of what you used to try and do and probably maybe redirect yourselves to providing some real legitimate opposition in terms of providing the government with some suggestions that might be worthwhile.

I want to say again in closing that I think that the Throne Speech itself contained a number of moves by this government that are going to prove very significant. I think the review of the tax credit system is a timely one. I think that in view of the introduction by the federal government of the family tax credit, the child tax credit, that we can see the layer on layer going on that has gone on in the tax credit schemes. We now have an indication from the current federal government that they are going to bring in a property tax credit as well, so, Mr. Speaker, we are going to find ourselves in the position of not only having the current tax credit schemes in Manitoba, the Manitoba Property Tax credit, the Cost of Living tax credit, the Manitoba Supplement to the Elderly, we're going now have the family tax credit at the federal government level and of course the other tax credit, the property tax credit that is rumoured by the federal government.

What we have is a combination of tax credits alone that is going to provide such a tangle that we could be getting far more anomalies than we even have at the present time and that study in itself is going to be an extremely important one.

The members across the way are extremely worried of course about the possibility of some changes to their Autopac operation. Well I suppose that's fair enough for them to have some concern about it. But, Mr. Speaker, they shouldn't be afraid to review a system that has undergone some changes in other jurisdictions even and to try and learn from experiences. Mr. Speaker, the suggestion in the Throne Speech is that there are two aspects to it. One is the extension of the no fault principle or the effectiveness of the no fault principle in the operation of the insurance scheme. And the second, of course, is the proper role for the private and public sector. And I don't think that they should get themselves into the strait jacket just because they created the system that they can't flex and make changes that will improve and adapt the system more to the interests of the people in Manitoba. But they are showing every sign of falling into their old strait jacket simply because they brought the system into the world and therefore feel they have to protect it every inch of the way.

And, Mr. Speaker, I think there are a number of other very major contributions in the Throne Speech, suggestions and moves by the government. And these will be undertaken shortly enough that we will probably have some results from these before the end of this session. Well, Mr. Speaker, my time has not run out because it wouldn't run out. I think somebody's patience may be very close to running out and I haven't got some of my favourite sparring partners across the way to have some fun with, the Member for St. Boniface has lost most of his teeth and having already indicated — he is now using straws instead — having announced his resignation at some near time in future from the House, he seems to have lost a great deal of his steam. I don't really blame him, Mr. Speaker, I would opt out of that mess too if I were him and not have to live what his Party is going to have to go through over the next while.

Mr. Speaker, one final parting comment. I got the picture that was taken the other day from the Clerk of the House showing the 1977 group that was in here and I took it home to file it and I found a drawer with a picture in it from 1967. Mr. Speaker, it is almost the identical setting, the same type of picture. I decided as a matter of interest of course, to count heads and found out that, I think there was only 14 people in the 1977 picture who were here in 1967 and the half life of a politician therefore is somewhat something less I guess than five years if you work out all the arithmetic but I'll leave that to the Member for Brandon East and he'll figure out that it is statistically accurate. But I went beyond 1967 and I want to tell Frances Russell that she was the only one in the press gallery who was here in 1967 because she's in the picture. And there is a lot of us who would sometimes conclude that the half life of some reporters isn't half short enough too. But I went beyond the 1967 and went back to 1966 and found out that if you took in those prior to 1966 which is just twelve years back, Mr. Speaker, there are only three, four that were here prior, two on each side of the House, and I think that will really louse up the Member for Brandon East's arithmetic. All I can say is that, Mr. Speaker, it has been a pleasure to be here with the group that is still here. I wish a fond farewell to the Member for St. Boniface, I know he plans to leave us shortly. He was one of the four that was here prior to the picture that was taken in 1967. Mr. Speaker, I thank you for your patience.

**MR. SPEAKER:** The Honourable Member for Transcona.

**MR. WILSON PARASIUKE:** Thank you, Mr. Speaker. I would like to begin by congratulating you on your continued joy of presiding over our debates here in the Legislature. Also I would like to take this opportunity to congratulate the Mover and Seconder of the Throne Speech. Theirs undoubtedly wasn't an enviable task but they did the best they could.

I would like to take this opportunity to congratulate the appointment of Edward Schreyer as the Governor-General. I think that was a credit obviously not only to Manitobans but to the Legislature and I feel to the effort that he has made on behalf of himself, and on behalf of the people and on behalf of his Party over the last 22 years of his public life.

Mr. Speaker, I join this debate near its conclusion, and I thought that might be of some benefit to me because I could get a handle on what the Conservative Party was really trying to say because frankly, what it says in its Throne Speech and what it's done have been a set of contradictions. And having listened to a great deal of debate on the Speech from the Throne, I find that these contradictions continue and continue.

You know, I would have thought that when some one gets up and starts talking about statistical distortions that they would be very wary if doing so from a glass house and to me one of the greatest statistical distortions is this document, this pamphlet the Conservative Party has sent out to its constituents and luckily it says not printed at public expense because what it is, is a whole set of distortions. Distortions that have obviously come, the most serious ones, have come from the previous speaker, the Minister of Finance who has the gall not to say those things here but to publish them in a pamphlet and send them out quietly to constituents and hope he can slide it under the table when he knows very well that there was not a provincial government \$83 million tax reduction on its own, when that was brought about — he came in here and said because the federal government put up the money on the sales tax reduction, and he knows that. But he doesn't say that in this document.

He wouldn't want to say a complete untruth, they are only half truths. Only half truths which he will correct later on. That is distorting facts when you do something like that.

We've reduced the \$214 million deficit. He admitted it wasn't \$214 million in the House here, then he authorizes that statements like this get published and sent out to the population of Manitoba. —(Interjection)— It wasn't \$214 million? You can look at the record in Hansard and that's what I am glad about that we have Hansard because we can find the contradictions that the Conservative Party comes out with and I intend to. Because there are so many contradictions that will come out when we review the Estimates. All the ministers over there have come out and said certain things in the review of estimates last year. And we find now that what they did was the complete opposite of that. And those contradictions are going to come home to roost and they will show that this Conservative Government doesn't have a consistent philosophy, and doesn't have a consistent program. What it has is a substitute and we were demonstrated this last night, this jingoism and sloganeering.

At least the Minister of Finance tried to bring in some substance today but last night we were, I guess, given something that maybe the people on the other side considered to be a treat, but to me I found somewhat appalling. And that is that we wouldn't have a diatribe, it was just a whole set of cliches, the type of thing you got in 1947, the type of thing that heightened in 1953 with Joseph McCarthy, the type of red scare tactic, the type of senseless thing that people saw not only as being a Joe McCarthy tactic but being Charley McCarthy in substance.

And we were treated to the First Minister quoting from the Economist and I am glad he reads the Economist and some other journals, I'm delighted for that. I would like to quote from a Canadian publication, not a British publication, because as the First Minister said last night, let's talk about the Canadian reality. So if we are going to talk about the Canadian reality, let's quote some Canadian sources. Why the Economist? I quote from MacLeans, February 19, 1979. Not a socialist, not at all. This is the free enterprise type of publication that's talked about an independent Canada, has a number of Conservatives involved with it and it says, "It was only Sterling Lyon, that stately reincarnation of a 19th century Manitoba village reeve who ended up sounding mean and small. At one point when he was declaiming against the entrenchment of language rights he sounded exactly like one of those papier mache villains in films about the pioneers of American aviation who were constantly hectoring the daring, young hero for believing that them gall durn contraptions could actually fly." And I thought this did really reflect the attitude of the people on the other side as personified by their leader.

They are still living in the 19th century. We do have the Legend of Sterling Hollow. We are still back in those particular ages. And they would like to avoid what is taking place today. They would like to put their heads in the sand and would like to imagine that somehow the society that existed

a hundred years ago was such a great society. They would like to make it nice and uncomplicated. And they do remind me of some British people who looked back fondly on the pre 1914 days in Britain and they say those were the great days when the Roundtree and Cadbury reports of that time indicate that those weren't the great days of Britain. They indicate that 55 percent of the young people under 21 weren't eligible for military service in 1914 because they were too sickly and yet that's the type of romantic longing for the past that characterizes this particular government.

They really can't cope with the issues that a government has to face in 1978, 1979, 1980. It is, as if that eight period from 1969 to 1977 didn't take place. It's as if Medicare wasn't brought in. It's as if the government still stayed like that. In fact, they would like to not go back to the Roblin type of government; they want to go back to the Douglas Campbell type of administration. That is the simple type of administration that they would like to have.

And what did we have at that time in Manitoba? We had a province that stagnated behind all the others at that time. I give credit to some of the progressive elements that Duff Roblin brought forward in 1958 and 1959, because he recognized that you had to have a more dynamic public sector. We've not gone back to that; we've not gone back to that because the longing of this particular group is not for any type of progressive conservatism, it's for what my colleague, the Member for Logan, calls regressive conservatism. It's going back to that old day, that old day when things were simple but society wasn't working particularly well. It's going back to a particular period when we didn't talk about distributing benefits, we didn't talk about distributing income. We talked about something else then and we're talking about the same thing today now that we've got this Conservative government in power. We aren't talking about distributing benefits from society; we are just talking about distributing hardship within society. That's what effectively we are forced to talk about in Manitoba now and that's because the people who are having this hardship unjustly put upon them, or imposed upon them, by this government, are in a very very difficult position. Those people who are sick or old find that they do not have the power to complain.

Those people who are administering a number of those programs are being fired if they speak out in defence of those programs. The administrators in the particular institutions that administer programs on behalf of the sick and the elderly are terrified. When specific examples are raised in the House here, which are very critical to the lives of some of these people, they are laughed off. What about just getting two strips of bacon instead of three, or bed sheets washed, or the nutritional value of food decreasing and declining, or the fact that elderly people aren't eating properly? That's not important, that isn't important and I ask these people to go out to some of the places. I challenge the people on the other side and I challenge the Minister of Health especially, I challenge the Minister of Health to try and back up any of these statements regarding health care, that health care spending has been controlled while maintaining the quality of patient care.

Let them go into the Tache Nursing Home, let them walk through there. I'll give them a couple of rooms, 406, 408. Talk to the people there. They will tell you that the quality of food decreased noticeably and visibly after November of 1977. They will tell you that the food got worse, that there was a substitution of cereals for the meat they were getting, decrease in vegetables. A lot of these people in a place like that —(Interjection)— That's not a laughing matter. I don't think it's a laughing matter, and if people want to joke about it, fine. But I challenge you to go in there instead of smirking about things like that, go in there and find out for yourself, you might learn something because obviously, from your attitude, you don't know much about it right now.

Go in there and take a look and find out about the people who have been hurt in accidents and are disabled for the rest of their lives, or find out about people who have illnesses like multiple sclerosis and cannot look after themselves properly and need a higher level of care and attendance from people and find out what happens to those people when, instead of having six orderlies on a floor, they just have two orderlies. Find out how embarrassing it is for those people when they have to eat by themselves but they don't have good enough movement with their hands and they spill the food all over themselves and they're embarrassed because they've got themselves dirty but they haen't eaten either. And you tell me whether in fact that's maintaining the quality of health care. You tell me whether that's sufficient. You go through those places, you go through those places rather than smirking about it, because that's what we're talking about when we're talking about qualitative differences. We're not talking about a complete elimination, we're talking about the type of slow strangulation that is leaving those people breathless. It's like squeezing someone until they're breathless and then they are panicking. They're in that particular situation right now, they're in that state of limbo. The question is: What are we going to do about it in this Legislature, and what are their priorities? Is it fair that those people are held in that breathless state of uncertainty while the shoulders on highways are being increased in size, supposedly for more safety? We're building 100 mile an hour roads and cutting the speed limits down to 54 miles an hour. What ridiculous nonsense, the complete contradiction. There are other ways of dealing with the matter of safety.

I've noticed that the Minister of Highways, for example, has been continuously ducking the whole safety belt question. Well, if he wants to look at it, if he wants to get into that, let him look at it. But that is a contradiction with his own ideology, so he can't look at it.

If we want to talk about priorities, let's talk about where the priorities should lie. The priorities right now do not lay with those people who are disadvantaged, despite what the Throne Speech says. The Throne Speech is a complete contradiction of that when you look at the facts. I'd like to see the members go out, go out to your own nursing homes. Go out to the ones in your particular constituency. See what the waiting list in those nursing homes is. The waiting list has doubled. See what the waiting lists are for senior citizens' housing. See what they are there. Then take a look at Hansard and see what your own Ministers have said about those needs, that they would be dealt with by the private sector, that they would have a system of dealing with it. Take a look at what the Minister of Housing said last year. He said the private sector would deal with the housing needs of the senior citizens. Has there been one senior citizens' complex that has been built by the private sector in the last year? No, nothing has happened, but yet the waiting lists have gone on, and those people are panicking more and more because they know that they don't have that much time.

So we are going to try and put pressure in this Legislature on you people with respect to these priorities because they are important priorities and they are immediate and they cannot be brushed under the table, not with the smirks and not with the laughter that the members opposite tend to use in matters of this type.

I was especially appalled by the fact that last night was an opportunity for the First Minister to come up with a defence for what his government was doing, a substantive defence. The issues, let's discuss the issues, and I think we're prepared to discuss a number of issues. There are a whole set of issues regarding urban development, regarding rural-urban migration, regarding out-migration, regarding how we're going to treat our birthright to resources. Those are very critical, important issues that we want to debate. We don't want to debate gutter humour, we don't want to talk about the wrong end of the sewer pipe, muck, muck, muck, which was said over and over again. That was what we got into yesterday, that type of sloganeering, that type of gutter humour.

There's something more that we should be doing here in this Legislature and when people like my Leader raises a point about decreased quality of food, before it's smirked off, go and check, because we've done our checking on . T that that is a true condition, that's a factual condition in Manitoba, and you people cannot just laugh off that situation.

Mr. Speaker, the government's obsolete views of the economy come out best, come out best, when they start talking about the economy and when one starts looking at their performance. I think you would have to look at the statements in Hansard of the previous Minister of Industry and Commerce, who was asked specifically about whether his department last year was going to put in corporate welfare in his budget, that is, incentives to companies. Incentives to companies, something that his colleague, the Minister of Health and Social Development in 1974 branded himself as corporate welfare and said was horrible, that shouldn't be done. So I asked him specifically in the House if they were going to do something like that. His answer on Page 463: "Is the member referring that somebody would come in and fill out an application and receive X number of dollars for capital? No, we haven't got any provisions for that kind of money in our budget."

What's the truth now? The truth is that they did put money into their budget for that because just after the session ended, they announced all these great incentive programs to the private sector. Why did they have to do that? Why would the Minister say one thing in the House and then do something else? Well, he's got a problem. He says he believes in free enterprise, and then we find that for private enterprise — they try and use those two words interchangeably — and we find that outside of the House, after the session has ended, when you can hold people accountable, he finds, and we find, that that enterprise isn't free, it's costing us a lot of money. We find out that the private enterprise isn't completely private; it requires a lot of public investment.

And that continues on, it continues on so we have the contradiction of the Minister of Economic Development, the new Minister of Economic Development, that real robust free enterpriser, saying that the cornerstone of this government's economic development policy and program will be a federal program, it will be the DREE program of \$100 million. That is the cornerstone of the private enterprise philosophy of this government.

Now, if they were serious and if they meant what they said, they wouldn't take that money. They would say, let's decrease the federal budget. I've heard his First Minister say, "Let's decrease the federal budget," but they'll take it. They'll take it because they realize in practice that what they talk about doesn't work. It's not worked ever and it's not working now.

I predicted in my speech last year that this government started off saying that the private sector under its administration was on trial, that they were confident that it would meet the challenges

required and that we would have this tremendous outburst of private investment and development of business in this province. I said that that wasn't happening and it wouldn't happen, that they ended up putting them on trial, they ended up challenging them. The First Minister went off to Brandon and pleaded with them to do something — please, please, here's your chance, do something — and I predicted that they would end up paying them. Mr. Speaker, very quickly, not within three years — I thought it might take a few months, I thought it might take a few years for them to get to the stage of paying them — but within a few short months, they were forced to pay the supposed rugged individualist to make investment decisions. Having paid them, they assume that the private sector can be bought and I don't think it can. I think the private sector now has them over a barrel, because the private sector will continue to say, "We want a bit more incentive or else we will leave."

Now, unless you are going to develop a systematic, economic policy that says no to that — and it's possible for Conservatives to develop that type of policy — it's possible for them to develop that type of policy. It won't work, but I thought that there was a bit of consistency in their approach and that they would have pursued a policy like that, but they find very quickly that it has not worked and they've put in a lot of money. A lot of money, Mr. Speaker, for essentials' essentials like an engineering grant of \$60,000 to Tupperware, something really critically needed — Tupperware. This poor, struggling Manitoba company, this poor struggling Manitoba company needed it.

The point about that is that you people said that Tupperware didn't need the money. You said they needed the economic climate. You said you needed the economic climate. You didn't have to keep on with this particular project. You didn't have to do it, it wasn't a moral commitment.

When we talked about housing, let's go over and talk about housing and it's too bad that the Minister for Housing isn't here. He said, "In the coming year, MHRC's emphasis will be on examining alternatives, on re-evaluating criteria used in the past and developing housing programs. By the end of this year, we will be in a strong position to respond to the housing needs of Manitoba in an effective way. That was supposed to be by the end of 1978.

Have you heard the Minister of Housing come out with the actual Conservative program? The actual Conservative program, after one year of procrastination, after one year of relying on the private sector to fill the social needs of Manitobans with respect to housing, has not been bird houses, although one might think that is as far as he has got in this particular area, but rather it's the re-introduction of a program that was set in place two years ago by the previous New Democratic Party administration. What this has shown is that he has failed completely in his particular approach with respect to housing. He was saying that they would have a housing program, the direction of which would be in the subsidy areas, as much as possible to afford the affordability gap. There would be private sector housing; older people would get grants, they would go into this private sector housing. That hasn't happened, and the waiting lists for housing has increased way out of sight.

The other thing that the Minister of Housing said a year ago, is that a body should be set up for the core area of Winnipeg between the province, the city, and the people that live down there, that have some sort of authority over what happens, because we have several different groups working down there, and no one seems to be working together the way they should.

Now what has happened over the last year? What has happened with respect to housing in the core area? Zero. Nothing has happened. We have had the city government say no to a non-profit housing corporation; we have had the province say no to proceeding with it's own non-profit housing corporation, and it has one set up, and it can fill that need if it wanted to but it doesn't want to. So we have had nothing happening there with respect to housing, so this whole gap exists there. We have a need, we have the private sector not filling it, and we have the government sitting there not being able to deal with the situation because the private sector cannot deal with the need, and the province has worked itself into a position of relying completely on the private sector to meet social needs, apart from when the need gets too great and it lets out a wee bit of the previously planned New Democratic Party program.

That's not a housing policy, that's not a housing program of any type of consistency that would get us to where we want to in terms of alleviating the pressures on the poor and the elderly. And after 18 months, we have a situation where the Chairman of the Manitoba Housing and Renewal Corporation is saying that he and his staff are currently reviewing whether there is a need for more social housing according to the Chairman, this is Fil Fileccia. This was quoted in January 11st, 1979, quoted in The Tribune at that time: "After 18 months, we have to have MHRC conducting another needs analysis for housing." That is nothing more than stonewalling; nothing more than stonewalling.

And where the contradictions come out even better, is when we start talking about consumer protection. We have the interesting spectacle of an independent legislative counsel telling the Minister

responsible for a particular piece of legislation, what the true legislative intent of that Act was, and I credit him for coming out publicly and not being cowed, and saying that the Rent Review Board had to have hearings and they had to invite those people who were going to be affected by the hearings to those particular meetings. And it is still in doubt, Mr. Speaker, it is still in doubt whether in fact that is happening. It is still in doubt because the Minister does not like any type of regulation of the private sector, and he's said so consistently and repeatedly.

And we have a situation with respect to a minor item that has been introduced in the Throne Speech, that is proposed legislation which would regulate the tourist industry. I called for legislation of that nature last year. At that time, the Minister of Consumer Affairs said that it wasn't necessary, didn't believe in regulation, we could rely on the private sector to regulate itself. He also informed me that there had been meetings between his department and the Tourist Association and things were well in hand. Well, I found out through the course of the year, that there hadn't been meetings, that things weren't well in hand, that the Tourist Association does need legislation to police itself. And we had this weird anomaly of the industry itself saying, "We do need regulation. There is a need for regulation." They weren't living within an ideological strait-jacket, but the people opposite are. And that legislation, with a commitment for it, had to be pulled from this government, and as late as three days before the Throne Speech, the Travel Association of Manitoba tried to meet with the Minister to discuss legislation. They had tried for a month, they couldn't get that meeting. They spent two hours with the Deputy Minister of Consumer Affairs, saying that they had some advice to offer with respect to perspective legislation regulating the tourist industry, and the Deputy Minister told them that nothing was going to happen in that area. Because I think he read his Ministers correctly. I think he knows that they don't want to provide any regulation, even when it is necessary. And I think it is necessary for some type of legislative regulation within the private sector, and that doesn't cost money, and it is necessary to protect, not only the consumer, but the industry itself.

And another area that isn't mentioned in the Throne Speech, but in private discussion with the Attorney-General he indicates that something might be happening in this area, and I commend him for looking at that matter in a positive way, and that is the whole matter of the use of lie detector tests in our society right now. A complaint has been filed with the Human Rights Commission, whereby an employer required the staff person to undergo a lie detector test as a condition of employment. An incredible infringement of human rights.

You know, after George Orwell wrote his book, "1984", many people thought that human rights would be taken away by the public sector and by government and I have heard people on the other side of the House say a lot about that. And because there has been this concern which has existed on both sides of the House, there are tremendous safeguards within the public sector regarding certain things like medical records, regarding certain things like income tax records. But what's happened, what's happened —(Interjection)— Well, I'm sorry, if in fact they are going to let the Member for Wolseley wander through their files, that is their particular problem when it comes to safeguarding records. But the point is that the government's been quite careful, but what's happened in the private sector? We have credit agencies doing quick little credit rating surveys of individuals that may in fact blacklist them for a long period of time on the basis of no analysis. The people involved don't have a chance to see what has been filed on them. We have people being forced to take lie detector tests as a condition of employment. We have people being forced to take lie detector tests when investigations within private companies, lie detector tests which are not authorized in courts, not at all. —(Interjection)— I'm glad you finally arrived here; you're starting to wake up and find out what is going on. Congratulations. A week late.

But the point is, those are particular problems that have to be looked at and the thing is, that the people on the other side are very hesitant to look at those particular problems, because they do contradict their general position that that type of regulation isn't necessary. Well of course, regulation in that area is necessary. We will be proposing it. We will be pursuing it. We weren't doing it from a particularly ideological bent, we recognize a particular problem that exists. We find it would be good for the individuals to have their particular rights protected there, and we are the ones bringing it forward. We are the ones on this side. So when members on the other side get up and start reading comments from the spectator about totalitarianism, I wish they would read a bit further, read a bit more. Don't show up their ignorance by calling Immanuel Kant an economist. If you want to talk about economists, get some bona fide economists; don't call Kant an economist. —(Interjection)— That's right, that would reflect the particular depth of the Minister of Highways, that's about as far as he would want to go on this particular matter.

Mr. Speaker, we come now to restraint, and we come to a particular attitude that is being fostered by members on the other side, and that's that governments somehow benefits those people at the bottom end of the income scale and they are taking too much. Well, I refer them to an analysis and a study done by Irwin Gillespie of the C. D. Howe Institute, and again, the C. D. Howe Institute

is not a socialist institution. He has looked at federal budgets over the last nine years and he talks about the redistribution that has taken place in the federal system and he finds that despite what people on the other side, or many people say about redistribution, it isn't true. He says, and I quote, "Who has gained from such redistribution. It appears that the big beneficiaries of the federal budgetary policies of the 1970s have been the highest income families. The average gain over this period was \$255.00 for a low-income family; \$968.00 for a middle-income family; and \$3,710.00 for a highest-income family."

I think those figures are quite startling because what they are pointing out is that we have to reassess our priorities in terms of spending, that widening the shoulders of highways is not necessarily the best way to go, that those do not meet the needs of Manitobans, that what is required is a careful analysis of our Estimates, a careful analysis of our legislation, so that the real needs of Manitobans are met without blowing \$175 million in highways necessarily. I pick on highways because when you see the wide shoulders that are being paved, you find that that is completely unnecessary right now, especially when you have an opportunity right now to deal with some of the pressing needs of the old, to deal with some of the pressing needs of the municipalities. So that the restraint program doesn't constitute a system of trying to make the provincial books look good while the municipal books look bad, while the school boards look bad, while the hospital administrations look bad, and everyone then has to transfer those costs onto whom? — onto the individuals through higher user fees.

So those are issues that we will take up in this session. Those are things that we look forward to debating in this session, Mr. Speaker. We look forward to the challenge of pointing out the proper priorities. We look forward to doing that in the Estimates; we look forward to doing that in the Budget Debate; we look forward to doing that in legislation discussions; and we look forward to doing it, Mr. Speaker, because the contradictions of the Conservatives cannot sustain themselves.

**MR. SPEAKER:** The Honourable Member for St. Matthews.

**MR. LEN DOMINO:** Thank you, Mr. Speaker. I would first like to congratulate you on your re-election to the post of Speaker. It is a difficult job and from what I've seen in this session so far, it looks like the job is not about to become any less difficult. As someone who has spent a good number of years of my professional life as a high school teacher, I know the difficulties involved with trying to keep control of a large number of people who all seem to want to speak at the same time. I can appreciate the difficult task you have and I think you have done an excellent job so far this session, from what I have seen, and certainly last session last year.

Mr. Speaker, in response to the Throne Speech, I would first like to say that after having read the speech, I am very proud to be a member of this particular government. I am very proud of the first year and a half of our term in office and I can recall in the fall of 1977, that when our platform was announced I was pleased and I was glad to stand and to run on that platform. I was even happier last session when the Throne Speech came out and the legislation came forward, the budget was introduced and I saw that we were taking the hard and the difficult steps to keep our promises and that for a change, the people of this province were getting a government that stood by its election promises, and it kept its election promises.

After having taken a quick look at this Throne Speech, let me say that I am proud of this government and I am proud to be part of it. I am proud of a government which seeks to increase the economic productivity and the strength of our province. I am proud of a government which seeks to limit the growth of the government bureaucracy and I'm proud of a government which further seeks to make the operation of our government bureaucracy more efficient.

Unfortunately I really can't say much position or good about Her Majesty's Loyal Opposition. The members opposite seem to be having a great deal of difficulty coming to grasps and coping with the changing realities of the 1970s. To paraphrase an eminent economist, Mr. Crystal, I would say that I think the members opposite are going through an intellectual menopause at the moment. If I wanted to be harsh, I might say that I thought the members were intellectually bankrupt, that they were worn out and stale, but I think that I could say much more fairly that they are just simply intellectually exhausted and tired. We haven't heard anything new. With very few limited exceptions, we haven't heard any positive suggestions. All we get from the members opposite is a continual abuse and name calling.

The last member to speak, the Member for Transcona, I think he was a good example. I listened carefully to the first few minutes of his speech in particular. What did he do? He attacked the First Minister. He attacked the Government. But he didn't attack any vein of substance; he attacked us with name calling. The ND Party members, they have become pretty good at name calling. To be exact, they seem to have a lot more enthusiasm and confidence when it comes to name calling

than when it comes to running the affairs of the Province of Manitoba. They are a lot better now at name calling than they ever were at running the affairs of Manitoba. I'm not particularly disturbed by this; it is going to ensure that they sit on that side of the House and as long as they sit on that side of the House, that is going to ensure that they don't get a chance to mess up the affairs of the people of Manitoba any further. Maybe if we are here long enough, we will be able to straighten out the mess they have left us with.

Now, the NDP, they seem to close their eyes to the realities of what is happening in the world today. They say, let's look at Canadian examples, one minute, let's not quote from an internationally-recognized reputable magazine such as *The Economist*. I hope the Member for Transcona wasn't suggesting a little earlier that he would rather take the word and rather listen to the editorials published in *MacLeans* as opposed to *The Economist* because if he is going to suggest that, he is a pretty poor economist himself and one who would have a very hard time justifying those sorts of statements anywhere. As for me, I would much rather quote from *The Economist* or some other reputable economic magazine that deals with matters of that sort, rather than a magazine such as *MacLeans*.

The members opposite ignore the need for new strategies. They act like nothing had changed. They act like we are still dealing with the problems of the mid-1960s and the early 1970s of a buoyant world economy, of a situation where all that we need to do is to manage an economy that is growing rapidly, that is doing well, we have to look for ways to keep the economy from overheating; we have to look for ways of redistributing the wealth that we are creating. That is not the problem today in case any of you aren't aware, in case you haven't been reading *The Economist* and other international publications. The situation in the world today is that we are into a worldwide recession. We are in a situation where we have to do everything possible to create wealth. Our number one priority must be the creation of wealth here in Manitoba, in Canada, and in the western world as a whole.

The ND Party members opposite pretend that Manitoba is an isolated example. The members opposite ignore what is happening in the real world outside the ND Party caucus rooms down the hall. Every day they end up inevitably calling for more government spending and if you listened carefully to what the Member for Transcona said, now, he wasn't quite as honest as some other members, he didn't say it would mean more money, for the things he was asking for. He didn't say it would mean more dollars spent, a larger deficit, or more taxes. No. But if you take a look at what those members opposite have been suggesting that is the inevitable result of following their advice.

They ignore a basic fact and that fact is that all over the free world, people have been revolting against too much taxation and too much government interference in their private and their business lives. That is a fact that none of them have adjusted themselves to recently. They ignore it totally. They pretend that such things as Proposition 13 never happens. They seem to be ignorant of the fact that at this present time, one-half of the states of the United States of America have passed resolutions calling for constitutional amendment which would require the federal government to balance its budget. Now, I don't want to go on record as being personally in favour of something like that for Canada. I'm not in favour of legislation which would habitually balance the budget. I think there are certain points in the economic cycle when there is need for deficits and I note that this government last year ran a deficit and I'm sure that the budget this year will come down with another capital deficit. But I realize the real political impetus behind the balanced budget movement is a wish to limit the growth of government. That is a deep-seated wish in Canadians, in Americans and in free people all over the western world and I certainly believe that there is a necessity to limit the growth of government in Manitoba and in Canada and in every part of the world where the people still have the right to do that and they still have the freedom and the ability to prevent the growth of government bureaucracy.

Now, in the face of government restraint all across the western world, they still insist on pretending that we are an isolated example, that we are some sort of dinosaurs, that we are the only government in the western world, it appears, that is trying to restrain spending. Such hogwash. They ignore the fact that almost all Canadian provinces are trying to do that. They ignore the fact that even that big huge spending government in Ottawa, the Federal Government, is trying. Unfortunately for the people of Manitoba, unfortunately for all of us, those other governments haven't been doing quite as good a job as Manitoba's. None of them can match our record of restraining spending last year and I doubt if many of them will do as well as we are going to do this year.

Let's look at some other examples of governments that are attempting to restrain public spending. Let's look at a wider spectrum. Let's look at the Netherlands. Government spending has been cut by \$5 billion over the next three years and they have brought in amendments to their constitution which limits the amount of government borrowing to 4 1/2 percent of GNP. Let's look at Denmark where the anti-tax party came from nowhere to number two, the progressive party. There is even

hope for people such as the Member for — you should take a close look at this, the Member for Fort Rouge, because there is even hope for someone like him, somebody who represents a party that is almost non-existent. If they were to accept the right sort of policies such as the Progressive Party in Denmark, there might be a future for the Liberal Party, but certainly not with the kind of things they have been saying and advocating lately.

Take a look at France. Take a close look at what has been happening in France. Read *The Economist* once in a while and see the taxpayers' revolt in that country. Take a look at Sweden, Austria, Norway, Finland, all of which have brought down, in the last few months, budgets which substantially reduce government spending.

Recently there is overwhelming evidence to suggest, Mr. Speaker, Members of this House, that we are not an isolated case. I think, to our credit and to the credit of our First Minister, we probably have led the way in many instances because we preceded Proposition 13 and we were one of the first governments that I know of and I've been able to find on record anywhere that talked about restraint, that talked about the need to resist the urge for the government to continually increase its spending and for the public sector to continually invade the private sector. Those sorts of policies which we are advocating are now being followed by governments all over the western world because they realize it is not a matter of choice; we haven't got the choice any more of continually expanding our government expenditures. There is a need and a necessity, if we are to hold our economy together, to restrain spending.

Mr. Speaker, at this time I wonder if we could call it 5:30.

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