

THE LEGISLATIVE ASSEMBLY OF MANITOBA

8:00 o'clock, Tuesday, April 20, 1971

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker, prior to the supper hour adjournment I was chastising my good friend and colleague the Minister of Agriculture for putting himself into a position with the barons of St. James Street in Montreal and those other fellows on Bay Street in Toronto and selling out our interests in Western Canada by his support of Bill C-176 which essentially -- (Interjection) -- Well, Father, if you have a comment to make I'm always prepared to sit down. What I am suggesting, Mr. Speaker, is that quite aside from that very important piece of legislation and program that my friend the Minister of Agriculture introduced last September with respect to the pruning of trees, the more serious thing is that he of all people, and this government of all governments, should be prepared to put their hands - and if it was only their hands it would be acceptable - but it is the fate of western agriculture and the fate of western farmers into the hands of eastern politicians. He says, Mr. Speaker, that it's terrible. I agree with him, it is terrible and the consequences will be known. Mr. Speaker, I don't intend to belabour that subject any more, it was just brought up as a recap of where I left off.

I am pleased to know that the Minister of Finance is in his seat because I intend to direct my next comments with respect to destroying the credibility of a person that has in my judgment credibility that he doesn't deserve and doesn't earn, namely the House Leader of this government, the Minister of Mines and Natural Resources, and I want to approach it in a probably unique way by bringing down some rather uncomplimentary remarks about myself. You see, early in the course of the attempt at the leadership of my own party I had the misfortune and poor judgment of having been party, or part of a statement that obviously after examination of the facts lacked credibility. And I refer quite openly to the fact that I made a statement -- in fact I see a member of the press present at the time that statement was made and I should like to indicate that that statement wasn't made by me in a formal speech but rather came about as a result of a question or a statement rising from the floor that suggested that the current consulting engineer at the CFI, Mr. Stothert, was the best man of my good friend and colleague the Minister of Finance at his wedding and I was wrong. And I recall particularly, I recall particularly - and I would like to indicate to the Minister of Finance that last Monday with a meeting that I had with Mr. Stothert, his wife and his family, I was able to make my personal apologies to him about this particular situation.

But I recall particularly - he may have made other comments - but I recall particularly one comment that I heard on the radio following that statement that was particularly apropos. The Minister of Finance suggested in response, or in rebuttal to that charge, that if a leadership candidate, Mr. Enns, could make that kind of a statement which is obviously wrong, then just how much credibility could you extend to him in any other statements that he made. And, Mr. Speaker, I have to suggest to you and admit to you that that was a very telling statement and a very correct one. You would expect and hope that persons aspiring to high public office don't make those kind of statements. Now I was corrected on it correctly and I accept the consequences of it and perhaps that's why I'm deputy dog right now instead of the leader.

However, let me make a statement, let me make another statement, and this gets back to what I'd like to now devote the rest of the 15 or 20 minutes, to destroying utterly and completely statements made by the House Leader of the New Democratic Party, the Minister of Mines and Natural Resources, because I think it has to be done because this particular Minister has the capability, has the talent of getting up in this House from time to time and mesmerizing us on this side, and the press no doubt and no doubt the people at large, into putting things into logical, proper order and pretending that it is the truth.

Now, Mr. Speaker, the other day the Minister of Mines and Natural Resources got up and made the statement that for the first time in history - in Manitoba's history certainly, he even extended it to the country at large - that you had a government, the name of the government that he represented, that made political promises and carried them out and that that was an astonishing fact that worried all of us. In fact his very words on April 14, 1970 were: "The difference is that this government is the only government that Manitoba has had that announced a program before the election and carried it out." So that's what he made a statement about. Now, ladies and gentlemen, I want to tell you something, and there are people in this House that know better than I do, that certainly one of the reasons why we defeated the Liberal government was because we had the courage, and the rest of the Conservative government, to

April 20, 1971

(MR. ENNS cont'd.) say that something had to be done about the flood problems that faced the Greater Winnipeg area, and that while the Liberal government, I won't deny the fact -- are there no Liberals here? Larry, I'll have to talk to you -- and while the Liberal government had at least the courage to initiate a study . . .

MR. SPEAKER: Order. I would suggest the honourable member address himself to members of the House in the correct manner.

MR. ENNS: Excuse me, Mr. Speaker, I accept your admonishment. Certainly one of the reasons that the Progressive Conservative government was elected, certainly one of those reasons was because we said that we would take some action with respect to the continuing difficulties of flood facing the Greater Winnipeg area. Now we had the courage of assigning some \$60 million to build Duff's ditch around Winnipeg and another 14 to 15 to build the Portage Diversion and another \$18 million to build the Shellmouth Dam, and we did that. Mr. Chairman -- (Interjection) -- Don't hand me this nonsense. You know, at the tender age of 16 -- (Interjections) -- All right, let the rabble die down.

MR. SPEAKER: Order, please. I do believe that the atmosphere is getting a bit heated. I cannot enforce a refrigeration unit so I think the members will have to conduct themselves accordingly.

MR. ENNS: Mr. Speaker, I along with some 1,800 others at the tender age of 16, high school drop-outs - and I'm one of them - we were teaching the schools in Manitoba at that time and we said in the Progressive Conservative Party that that wasn't good enough and we would do something about it, that we would increase the standard of education - and there are enough teachers in that back bench that know what I'm talking about. That was a political promise that we of the Progressive Conservative Party carried out. But the Honourable Minister of Mines and Natural Resources says never before has there been a promise made by a political party. Mr. Speaker, the fact of the matter is that people were avoiding our province because of our roads, because of our lack of transportation, and we said that we would revitalize, we would re-build the transportation system, the highways, the provincial roads in our province, and we did in a very relatively short time. That was a political promise that we made to the people of Manitoba and we carried it out. And we said, Mr. Speaker, that we would build hospitals, not just for the people in the City of Winnipeg but throughout rural Manitoba, and we did, and that's one of the reasons why the Progressive Conservative Party was sustained in successive elections in this province.

However, the Minister of Mines and Natural Resources says that never before in history has a political party made a political promise - never before in history. Those are his words, those are his words in Hansard, Ladies and gentlemen, let me get back to the hustings if I have to use that phrase. The Progressive Conservative Party was born on possibly the biggest single political promise ever made in this country, the building of the CPR. We made that promise, we built the railroad and that's what built this country; and the House Leader of the NDP Party says that one of the strange things was the phenomenon that accounts for the success of the NDP is that they are the first party in Canadian history, the very first that has ever made a political promise and carried it out. This is what he has said. The difference is that this government is the only government that Manitoba has had that announced a program before the elections and carried out. -- (Interjections) -- Well now, Mr. Speaker, permit me to ignore these people opposite - and I'm rather tired of hearing the snide comments coming over whenever reference is made to me about somebody's Best Man. I've made my apologies about that particular situation to the person involved.

However, the fact of the matter is that's not part of the game, I'm not particularly interested in apologizing to the Minister of Finance. We're political adversaries and we expect that. The only thing that I'm worried about, the only thing that I'm worried about is the question of one's credibility, and I'm suggesting that as the Minister of Finance correctly questioned my credibility, that I want to once and for all - and I'm happy to have this occasion early in this session - to lay at rest the credibility of the Minister of Mines and Natural Resources, the House Leader to whom -- and let's face it, fellows, when he gets up the eyes are rivetted on him, the true leader of this party and this government is recognized when he speaks because he speaks with conviction and he speaks with logic and he lays it out. He leads you on a ladder, successive rungs of truth. The only trouble is we have difficulty in finding out when there's all of a sudden three rungs missing. And that's the secret of course, that's the secret of course of a good debater and that's what the Minister of Mines and Natural Resources is so adept at doing.

(MR. ENNS cont'd.)

Mr. Speaker, let me say I apologize to the Minister that I have to say this in his absence because I have a great deal of respect for his debating skill and his debating capacity, but nonetheless, I sense that in this House and to the press that he's speaking to and to the public at large, that he, unlike his colleague the Member for Crescentwood who at least is honest about his politics, the Minister of Mines and Natural Resources, he puts forward his case on cold, hard logic. He challenges us to debate the issues, debate the issues; don't label us, don't call us Socialist, don't call us this; debate the issues and we will always lose.

Well, I take particular time at this time, at this time to challenge the credibility of the House Leader of the New Democratic Party for having made that kind of a statement, for having made that kind of a statement because, Sir, -- (Interjection) -- Okay, let's tune off. I don't care if the press isn't listening but I want to say this particularly to my own group here, not to get that taken in when the Minister of Mines and Natural Resources speaks. He is a clever person; he knows what he's doing . . .

MR. SPEAKER: Order please. Is the member addressing the Assembly or his caucus?

MR. ENNS: Yes, Mr. Speaker, I'm addressing my group, my caucus.

MR. SPEAKER: Well, kindly refrain from doing that. Let's debate in the Assembly.

MR. ENNS: Well, I should make it very plain, Mr. Speaker, that I am addressing them through you, Sir - through you, Sir, as I respect the business of this noble House and this Assembly, but I felt that it's the kind of guidance that they were in need of at this particular time.

So, Mr. Speaker, let's understand this very fundamental thing. It's a cleverly exploited thing that the Minister of Mines and Natural Resources does; he leads us progressively on sure ground with good arguments of logic, with good arguments of truth, and then slips in completely unfounded facts, completely unfounded statements and expects us to accept them. I am pleased that he made that speech the other day where he said that there has not been a political party ever in Manitoba that made a promise and carried it out.

Mr. Speaker, I suggest to the Assembly that there is a far more serious concern about the kind of position that this government puts forward. They put it forward as represented again by the Minister in a logical, cool, clear fashion. They put forward the proposal of auto insurance on the basis, as the First Minister has often said, on the basis that it is better, will provide a better service and, above all, will provide a - well, the figure has been waffled too often and I don't really attribute any particular figure to him - 10, 12, 15, 20 percent. You name it and I'll agree with it. However, as the Minister of Mines and Natural Resources says, the difference between his group is that they go to the people of Manitoba, they lay down their program, their reasons for their program, and that's one of the reasons of their current success because they've been elected.

But you know, Mr. Speaker, after the wear and tear of three, four, just about five months of the last session debating Bill 56 among most other things, the truth finally came out as far as the Minister of Mines and Natural Resources was concerned. And what is the real reason? It's reported in the editorial pages of the newspaper of that day, August 12, 1970; it's also recorded in the Hansard of August 11 of 1970 of that day, and he says in essence that the question of a saving isn't really that important. The Mines Minister told the House that the real reason the government wants to set up a Crown monopoly is not - and I repeat - not to save the drivers money on their auto insurance premiums but to transfer \$35 million in investment capital each year from the private to the public sector.

Now I ask you, now I ask you to examine the credibility of the statements made. I don't mind some political opponent of mine going to the people and saying this and these are the issues and I fight you on these issues, but I have nothing but utter contempt, and I have that contempt for the First Minister who lends his name to that kind of a situation, nothing but contempt that will lend his name to that kind of a situation, that will agree to the fact that the prime importance of auto insurance is not in providing a savings - after all, we have no factual physical demonstrations of that saving yet, we've had statements, true, we've had statements, we've had statements in time for the by-elections, and I want to tell you something fellows, those savings are going to be there when you announce them, I know that, and they'll be there the next year and the next year and the next year and five years from now, and five years from now with no yardstick to measure we're going to be paying through the nose, we're going to be paying through the nose because you've taken away all the yardsticks of

(MR. ENNS cont'd.) measurement. You can't allow competition, you can't allow scrutiny - you can't allow that - no, no, you've done that by legislation. It's not that you have an honest belief yourselves that your proposal, no matter how much you believe in it, and I grant you your right to believe in it, but you cannot really allow yourself that privilege of saying that it will stand up to the scrutiny of the competitive system. No, he can't do that, so you have to, by law, abolish all others.

MR. SPEAKER: The honourable member has five minutes.

MR. ENNS: Mr. Speaker, thank you for your notice. All I'm suggesting, Sir, is that the basis, the premise that this program was sold to the public of Manitoba surely was on a very simple and understandable -- and this is what these boys understand so well. You see, Mr. Speaker, I want to put a proposition to you. Had auto insurance not been an issue, and let's say that the mattress manufacturers of this province had done a dismal job and before the invention of the Sealey Posturepedic we were a chronic group of morning backache complainers, this government would have chosen as their social priority the nationalization of the mattress industry. And don't fool yourselves. One of the difficulties that the NDP has nationally in this country is because -- you see they need and require, they foster on where unrest is and where disturbance is, where a province is -- their natural posture is that that posture in Quebec is for separatism and they have no posture, they have no posture in that situation because that -- (Interjection) --

MR. SPEAKER: The Honourable the First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): On the question -- (Interjection) -- yes of course. On the question of nationalization, the honourable member's point about nationalization of mattresses, I'd like to ask him if he's aware of the fact that the Conservative administration, I believe, nationalized the garden seed industry in Manitoba.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: I think the Honourable First Minister is referring to the McKenzie Seed Plant in Brandon which, as the Minister of Mines or Industry and Commerce indicated, had not been doing so well, and I should really indicate to all and sundry why the McKenzie Seed Plant all of a sudden did so well. I'll tell you what they did. They decided that instead of the kind of laissez faire attitude that they were having towards their business before, they brought in good management, they packaged half the seed that they were selling before in more attractive packages and sold them for twice the price, and they decided that they would no longer, you know, just sell bulk seed but they'd put it up in a true entrepreneurial fashion, they would not just sell cucumber seed but they would put it in a fancy package with a big cucumber showing on it and they sold it, and this socialist Minister of Industry and Commerce gets up and tells us about how pleasantly surprised he is that McKenzie Seed made a profit. They finally caught on that the way to do it is, as stated by my friend Frank Johnston who isn't here, is salesmanship, going out and selling it. -- (Interjection) -- Well, we didn't put the order in, that's beside the point. Look, let's not argue about the facts . . .

MR. SPEAKER: The honourable member has three minutes.

MR. ENNS: Mr. Speaker, as I indicated to you at the outset, Mr. Speaker, it's my intention to defer to your wishes. I hope you're taking cognizance of the fact that the moment you arose I always sat down because I believe in recognizing the sanctity of your office, Sir, and it's my intention to continue in this way.

However, having as we have a first . . . and wanting to at least thrust one more needle into my socialist friend, permit me to do it. And this is the significant one. Mr. Speaker, my friends the socialists who like to make great speeches about how they arrive at their social priorities, I want to indicate to you, arrive at them in a very helter skelter fashion. They have their feelers out, they sense those particular things that seem to disturb the public - and let's face it, we all knew that auto insurance was going to be one of those things, we saw that the moment they took the bumpers off the cars and put on \$100.00 fenders in front of them that we're looking into an era of high-price auto repairs. We knew that auto insurance premiums were going to rise and that this government was smart enough to say that's going to be the social priority of our government; this is more important than feeding babies, more important than providing jobs, more important than doing many things the Member for Crescentwood would like to do. But it was politically the right thing to do. Expediency, Mr. Speaker, is the word for this government.

And I want to tell you one thing and then I'm going to sit down, Mr. Speaker, because I don't want to abuse my privilege. I'm going to tell you one thing. The Member from Brandon,

(MR. ENNS cont'd.) the Member from Morris indicated how, very clearly, and I think with some shock - certainly to even me who's prepared to accept at first face, on principle, the integrity and honesty of members opposite - when he read back, the Member from Brandon, the posture taken on lotteries by the Minister of Mines and Natural Resources, the Honourable Minister of Labour, even the Premier to some extent, the Minister of Finance, that this was not a way to raise taxes, this was not a way, this was a regressive way to do things. And then the Member for Morris on the matter of acreage payments - "Oh", says the Minister of Mines and Natural Resources, "this is not the way to do things." I want to tell you right now, Mr. Speaker, that I'm going to sit in this House, I'm going to experience the time that the Minister of Mines and Resources gets up and votes in aid to private and parochial schools.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, it's difficult to follow a good vaudeville act and particularly is it difficult for me with my pedestrian style and armed only with the dry facts, but necessary it is to follow the Honourable Member for Lakeside and his colleagues in order to put straight some of the glaring inaccuracies that have found their way onto the pages of Hansard during the course of the past seven or eight days.

Before I get into that, Sir, I'd like to, along with other members who have spoken in this debate, extend to you congratulations on your elevation - and I hope, Sir, that you do regard it as an elevation - to the high office which you now hold. I join with those who are speculating already that during your time as Speaker here that you will conduct the duties of that office without in any way suffering in comparison to those many who have been your predecessors as Speaker of the Legislative Assembly of Manitoba - and I look at the Honourable Member for Swan River and I am looking at him when I say that. Of course it goes without saying that I think of my colleague the Minister of Consumer Affairs as well.

I would like at this time as well to congratulate the Honourable Member for Logan and the Honourable Member for Gimli for the way in which they carried out the traditional function of moving and seconding the Address in Reply to the Speech from His Honour.

It's always nice at the beginning of a session, it's always nice to look around and see so many familiar faces - some smiling, others not so smiling - but to renew old acquaintanceships and see how the world has treated our respective colleagues in the past eight or nine month period since the convening or the adjournment of the last session. For example, it's very nice to see the Honourable Member for Roblin in his place; I know that he's always one to liven the proceedings. Maybe at times he gets obnoxious, although I wouldn't be prepared to say that, but certainly it's nice to see him here, particularly after his extended holiday which he and many of his colleagues enjoyed in communities like Waterhen, McCreary and Ste. Rose in the course of the past 30 or 40 days. You know the old saying that "A change is as good as a rest," and I'm hopeful that my honourable friends opposite did find it a relaxing and enjoyable change of pace, the campaigning in the by-election of Ste. Rose. I say I hope that they enjoyed it because certainly nothing much else can be shown for their appearance on the scene.

I'd like to -- (Interjection) -- Well, Mr. Speaker, I'm well aware of what the Honourable Member for Souris-Killarney is suggesting and that can happen any time in politics. My point in raising it now is simply to remind my honourable friends opposite that circumstances have changed somewhat since the heat and furor of the last legislative session and that it can be said, to some significant extent, that there has been an opportunity for an expression "renewal of mandate" which this government has received in, I think, a significant way in recent weeks. Nevertheless, it is quite understandable that members opposite by the very process of acting in the Opposition, they must find fault with the course that the government is following and with the contents of the Speech from the Throne. It's part of their function; it can almost be said in the vernacular this is what they get paid for, to find fault with what the government is proposing. I'd like to think, however, that many of them could have been a little more fair in the things that they decided to criticize and they could have been a little more accurate, one would have hoped, in their treatment of the data and more respect for the facts.

The Honourable the Leader of the Opposition, to start off with him, and I think it behooves me to deal at length with what he has said in his address in reply. He started off in a very witty and humorous way. I rather suspect that the greater part of the time that he spent polishing his speech was spent on the humour rather than on the substance of his critique

(MR. SCHREYER cont'd.) because his humour came through much better than came through his analysis of government action, although some of my colleagues, I understand, were not that keen, were not that kindly disposed to the humour that the Honourable Leader of the Opposition used, and I must say that in one or two occasions I don't blame them.

The Honourable the Leader of the Opposition, if it's possible to characterize his speech in a few words, it would have to be said that his speech was humorous but full of inaccuracies, full of distortions and quite misleading. He spoke as though the Province of Manitoba was going through a phase when its economic performance was so bad that there was cause for alarm - he would have us believe this - where its economic performance was so bad that it compared so unfavourably with the rest of the country and with other provinces in Canada when the fact of the matter is, Mr. Speaker, that this is far from being true; in fact I have all kinds of statistical information, dry as it may be but important I think to use, which demonstrates that with respect to the economic performance of the Province of Manitoba in 1970, that in many important respects the performance of our province's economy outranked that of the national average, the national average of provinces, and there is no way that the Honourable Leader of the Opposition can get around that stark, unmovable fact.

He would have us believe that there is - he and others - would have us believe that there is some very alarming movement of population out of our province to a degree completely out of proportion with population movement in other regions and other provinces of Canada. The fact of the matter is that two or three provinces of our country are enjoying a much higher rate of population growth than Manitoba, but, on the other hand, a number of provinces are enjoying a lesser rate of population growth and one province has gone through the pains of a net population loss and has done so for two or three successive years. And furthermore, it's necessary, always necessary to point out to my honourable friend, the Leader of the Opposition, that if one takes care in looking at the population movement from Manitoba, within Manitoba, in the entire decade of the 1960's, he will see that there has been a greater population out-migration problem facing our province during more than one year while he and his cohorts formed the government of this province. I think in particular, of the last quarter of 1966, when a net population in one quarter alone from this province was in excess of 15,000 in one quarter. And that's only one quarter. He would have you believe, Mr. Speaker, he would have all Manitobans believe, if he could get away with it, that the economic performance and climate of our province is such that we are not able to attract new industry, that we are not able to encourage resource development companies from proceeding with their plans, and on both counts the facts stare right in the face to the contrary.

You know it's significant, Mr. Speaker, that in the entire period of the Conservative administration of the province, there was not one major resource development announcement other than the CFI announcement of 1966. -- (Interjection) -- That certainly did not come during your time. Not once during the administration of my honourable friends opposite were any negotiations entered into with respect to the development of a mine, nor of a mining community, and I defy my honourable friend, I challenge him to pretend to say otherwise. It's as simple as that.

Mr. Speaker, geological survey operations take place in a continuing way from year to year on the part of resource development mining companies. You know for awhile there was the myth perpetrated in this province that the development of the Thompson Inco operation was something that had been entered into, negotiated by the previous administration. The fact of the matter is that this was done prior to the Conservatives of Manitoba coming to office and during the premiership of the Honourable Douglas Campbell.

The case of the Ruttan Lake Mining operation, and the townsite, all negotiations, all the detail of the negotiations took place while this administration has been in office. And it's as simple as that.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I hesitate to interrupt the First Minister in particular, but I wonder if he would submit to a question? Can his ministers next to him not apprise him of the fact that the Ruttan Lake development was announced in about February 1968 and following the announcement, the accusation that came from this side of the House was that we were trying to influence the stock market by announcing it. That was the appreciation.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, do I have to be even more explicit than I was? Mr. Speaker, finds have been found before but there is many a slip between cup and lip and what

(MR. SCHREYER cont'd.) I said -- and I want the honourable member to listen very closely, because he much more than most members opposite has a very difficult time in understanding fine points, and that applies both to education policy as well as to mining development -- what I'm saying to my honourable friend is that all -- and I repeat all of the negotiations -- with respect to the development of the mining property, and of the townsite, have taken place while this administration has been in office. -- (Interjection) -- All of the negotiations with respect to INCO were carried out prior to your colleagues coming to office and the point I am making is that this -- and you know it applies with poetic justice to this group opposite, the Conservatives who like to leave the impression that they above all other groups are best qualified and have the best connections in respect to the negotiation of industrial and resource development -- the point I am making is that all of the detailed down-to-earth negotiations that have gone on with respect to resource development in Manitoba, the big ones, the big ones, have taken place either before or subsequent to their being in office. The thing that they can say that they were most involved with in terms of detailed negotiations, years of negotiations, two or three years, is the Churchill Forest Industries deal at The Pas, and my God I hope we never see another one like that again.

All of the myths of Conservative, suitability of Conservative parties to conduct business-like negotiations; I say that one only need look at the kind of agreement and agreements that they signed with respect to Churchill Forest Industries at The Pas, and the myth will have evaporated forever. One hopes that the kind of agreements that were entered into between the Crown in the right of the Province of Manitoba and the Sherritt Gordon Mining Company with respect to the mining operation at Ruttan, and the townsite at Leaf Rapids, will serve as a model for many years to come in this province and I would hope for our sister provinces from coast to coast. Meantime, my honourable friends opposite can hold up as their model the CFI agreement, and they are welcome to it. And I'll come back to that after a few minutes.

Now the honourable the leader of the opposition, he goes on to make a number of specific criticisms of this administration, one of them being that I am somehow at fault for not coming to the rescue of the judicial system, as we know it in our country and our province, and I would say to my honourable friend the Leader of the Opposition that if he looks carefully and ponders for just a few seconds, the statement made by the Honourable Member for Riel just a day or two ago and his comments upon the choice of persons for the inquiry commission into CFI, he will have to conclude that he has some on his side who from time to time find it possible and advisable to make comment upon the activity of somebody who was on the bench or who's left it so recently that the bench is still warm. I don't know that there's an important distinction there or not. But I think it's very, very, you know, unfair of members opposite to be that critical, to say anything critical about our choice of inquiry commissioners when the practice of this Assembly as long as I have known it has been to refrain from adverse comment upon the choice of personnel selected by the government of the day to head up an official inquiry under the Evidence Act. -- (Interjection) -- I would say to my honourable friends that if they feel so strongly about the point they are trying to make, they shouldn't want to emulate that, should they? I'm looking at my honourable friend, and my honourable friend who has had considerable experience, not just here but in other parliaments, should know by the way that back in 1966, January 1966, when he was sitting as the Member of Parliament for Provencher, does he remember what his leader at that time said with respect to a Judge of the Supreme Court of Canada when that Judge dared to hand around a handy document about the Gerda Munsinger affair -- do you remember that? Mr. Speaker, I ask my honourable friend if he remembers the actions of his leader at that time, who did see fit to make some relatively caustic comments about a member of the bench who had been assigned to do a particular task which involved an official inquiry under the Evidence Act; and I don't recall, Mr. Speaker, that the Honourable Member for Provencher at that time found the feeling welling up in his breast so greatly that he was simply moved to comment adversely about his leader's actions, I didn't hear him at the time. -- (Interjection) --

Mr. Speaker, I'm just reminding some honourable members opposite of parallel situations. There's an old saying, Mr. Speaker, that it all depends whose ox is being gored and for the moment my honourable friend's ox is being gored and they don't like it very much.

The honourable the Leader of the Opposition sometimes can get quite personal. He had some, I think, very unkind and uncalled for remarks with respect to certain of my colleagues and with respect to myself, more than hinting, suggesting in a very direct way that as Premier I was not in charge and that I was not really offering leadership. Mr. Speaker, well Mr.

(MR. SCHREYER cont'd.) Speaker, I would just say this to the honourable the Member for Morris, that since he really has not had to exercise the responsibility of leadership he's hardly in a position to appreciate its burdens. Mr. Speaker, the point that I want to make, particularly to the honourable the leader of the opposition, is that he may have his own concept as to what is required in the duties of political leadership. I have mine, and it may well be that our concepts are quite different. But I say this, that in my understanding of governments in the British parliamentary system of the past 20 or 30 years that have brought about the greatest social and economic changes, the leader of the government at one time or another who has led a government that has brought more change in social and economic matters than any other government that I'm aware of -- I refer to the labour government in postwar Britain -- was led by a man whose concept of prime ministership or leadership was obviously much different than the honourable the leader of the opposition. He felt that he was a man first among equals, *primus inter pares* as the term is expressed, whose main function and duty it is to try and keep a group of men of ideas, of impatience, of strong will, determination, to keep them working together, and I leave it to my colleagues, the inner councils of Cabinet to say whether or not I have done such a bad job of it or not.

I know that that would not be good enough for my honourable friend because he probably has delusions of grandeur. He'd like to be a premier more in the tradition of Sir Winston Churchill. I say to him - forget it. You have neither the status nor the prospect of leading a government, much less leading a government in that style. In fact, I rather think, Mr. Speaker, that there is something Freudian about the honourable member's preoccupation with leadership and who's in charge sort of thing. Something Freudian, because I rather suspect that beneath what he says, in his subconscious he's really very insecure as leader of the Conservative party, very insecure. I rather suspect that if he were ever to become premier he would come into the Cabinet Room on Wednesday mornings carrying his security blanket like Snoopy, and asking, the first order of business would be "who's in charge here?" The next week, "who's in charge?" I don't think that it's necessary to be preoccupied with that question, who's in charge, because political parties have a very simple way of dealing with that problem. When they find that there is someone else better able to lead them, they will simply select him. Political parties are very cruel that way. And the Conservative Party is perhaps the most cruel of all, because they have developed a tradition in this century, certainly in the past few decades, of turning on their leader as soon as he is not able to produce. I mean just like a pack of wolves, as soon as the leader tires a little, he is shouldered out and if he's bleeding a little, the pack descends. -- (Interjection) --

Mr. Speaker, there is quite a difference in the way in which the national leader -- I'll digress, because the Honourable Member for Roblin has brought in such an interesting digression -- there's quite an interesting and significant difference between the way in which the New Democratic Party is selecting its new national leader and the way in which the Conservative Party selected its new leader in 1967. In the one case the person is leaving of his own accord with the goodwill of party followers and in the case of the Conservative Party in 1967, everybody knows, all who watch television know, that it was done only by means of the shouldering aside of a man who more than any other one person was responsible for bringing them out of the wilderness.

I say to the Honourable Member for River Heights that if the Conservative Party is capable of doing that to a leader who drew them out of the wilderness, they are not going to be very patient with a person in a circumstance such as his. So I say to the -- but I'm digressing Mr. Speaker, I apologize for that. I just want to say in parting from this one point, Mr. Speaker, that the Honourable the Leader of the Opposition is new to his position. I recall so well, I recall so well admonishing him last session in my rebuttal to the Throne Speech debates, admonishing him that he should not put himself in the role of a Brutus but apparently this is what he has done, and I really don't find myself that interested in taking any advice from him as to what the prerequisites and functions and duties of political leadership are. Maybe it was unkind of me, Sir, to refer to the Brutus of antiquity but I think it's equally unkind of the Honourable Leader of the Opposition to presume to tell the public of Manitoba who is in charge of this government, because I think that they are in as good a position as my honourable friend to make that assessment for themselves. And I like to think that in the by-elections in Ste. Rose and St. Vital, this is precisely what they did.

Speaking of by-elections, Mr. Speaker, I can't help but recall one of the comments made

(MR. SCHREYER cont'd.) by my colleague the Minister of Mines and Resources. He said it was passing strange, or words to that effect, that the Conservative Party should have come out of those two by-elections with 29 percent of the vote and somehow claim that they won, that they could win, if they joined with the Liberals they could win. -- (Interjection) -- Well you must have said something very close to that, because you were certainly maintaining a facade of buoyancy and serene optimism. All right, I'll retract that, Mr. Speaker, but let me then just put on the record this very, very simple and clear analysis of just what did happen in terms of public support in the two by-elections that were held, because after all it is still ringing in my ears from last year, the oft repeated charge that we as a government didn't have a mandate because we had, was it 38 point something percent of the popular vote? And even though I tried to explain, Sir, that in 1966 the Conservative administration elected in 1966 had less than one percent, less than one percentage point more support, no one challenged their mandate, and in 1953 the Liberal Government elected in 1953 had less, much less than one percentage point more popular support, and no one was talking about mandates then. But anyway, with respect to the composite in the two by-elections held just a couple of weeks ago, Mr. Speaker, we see that the Liberal party, the leader of which claims somehow to have won at least something out of it, came from 37 percent of the popular vote in June of '69 down to 32, a loss of 5 percent of the popular vote, and the Conservatives went from 32 to 29, and the government went from 29 to 39, a 10 percent increase, and somehow, some would still try to hold those results in question. I just say this, Mr. Speaker, that if the same percentage movement in the popular vote were to occur in a general election, this government would sweep in with 40 to 45 seats. Sometimes, Mr. Speaker, I think it's necessary to keep a good clipping service. And still in connection with these by-elections, I feel this is important enough to put on the record. A letter of indignation to the constituents of Ste. Rose by the office of the Leader of the Liberal party. Neepawa Press advertisement Thursday, November 26th and it's to this effect, and I quote: "As leader of the Liberal party which has historically represented Ste. Rose constituency, I have urged the Premier to call a by-election immediately to fill the vacancy created by Gil Molgat's appointment to the Senate. I feel strongly that you must be represented in the next session when such important proposals as tax changes and rural boundary changes are planned." Now right there, Mr. Speaker, the reference to rural boundary changes, entirely uncalled for, persisted in during the by-election campaign, persistence in misrepresentation. However, I go on. "But Mr. Schreyer has indicated that he is in no hurry to let you elect your MLA. In fact he has even indicated that he may not call the Ste. Rose by-election until late 1971. It is shocking that the Premier should decide to place politics before people. There are some things that are negotiable when reasonable and fair men seek solutions to our problems, but there is one right that is not negotiable and that is the right of all people to representation in our democratic process of government. One of the historic rights in a free society is that there can be no taxation without representation. The Liberal Party is not prepared to allow Ste. Rose to become the trampling ground of these rights to satisfy the NDP government's apparent fear of facing the voters." Well here, Mr. Speaker, I pause to hark back to the term "historic, historic rights" that are referred to. So I did some checking in the records of history - checking just about every single by-election that has been called by Liberal governments in this province and in this country since the turn of the century, and I found that it was not uncommon for Liberal governments to wait not just 3 or 4 months but 5, 6, 7, 8, 9, 10, 11, 12 months before calling a by-election and they have the unmitigated gall to run paid advertisements pretending that it was somehow unusual to the point of being a threat to democratic freedoms that we had not called a by-election within 60 days. What intellectual dishonesty! But, Mr. Speaker, I don't know that I should dwell any more on the by-elections other than to take this opportunity to thank the electors of Ste. Rose and St. Vital for their demonstration of confidence in this government, in its policies, and its quest for social democracy. Because that's what we're all about.

Now I'd like to go on to deal with some of the points that the Leader of the Opposition made. And I'm doing them in sequence so if my speech seems disjointed, it's because my honourable friend's was disjointed, because he goes on from economics, he goes back to deal with the question of aid to private and parochial schools. And I think it's just as well to say right here that I don't intend to be misunderstood on this issue. I think there has been too much misunderstanding for 80 years. One thing I do give my honourable friends opposite

(MR. SCHREYER cont'd.) credit for, all who have spoken to this matter credit for, is that no one to the best of my knowledge is trying to inflame this into a partisan political issue. I don't believe that it was becoming that at the time of the early 1960's when it was an issue and a problem for the previous administration and I don't believe that anyone is trying to do so now. It is my sincere belief that if we avoid making it a partisan political issue that we may have some real hope of resolving it with the passing of this year. However, if there is to be any treachery afoot that will try to make it into a partisan issue, then it may well be that another 70 or 80 years will pass before the matter is dealt with, so that it no longer needs to fester away in the body politic of our province. -- (Interjection) --

I'm suggesting that my honourable friends - as I suggested, I'm giving them credit for not causing it to become a partisan political issue. If my honourable friends do not like words of appreciation I'll desist. -- (Interjection) -- No, Mr. Speaker, I put that in the hypothetical, that in the event that it became, I said I insist, Mr. Speaker, that I will not be misunderstood on this issue, that in no election campaign, either in 1969 or now, have I made any promises in this connection, other than to express my fervent hope and confidence - and I reiterate the term - confidence, that with the passing of this year we can bring resolution, we can resolve this issue after all these years. One of the reasons I am hopeful is that I sense that there is a greater consensus of view on this issue both sides of the house, not unanimity but a greater consensus of view, than has prevailed in decades gone by. -- (Interjection) -- I don't see how it's called for, Mr. Speaker. I go on quickly to say that I really believe that there is some prospect of getting the necessary consensus in this province so that with respect to all groups, not just one or another, but with respect to all groups, if any, then to all groups, there would be the same kind of treatment, the same kind of administrative arrangement as has been worked out in our two sister provinces to the west as recently as 1967 and 1966, where the programs have been implemented in such a way as to cause hardly one word of disquietude or disagreement or discontent. And if it can work that well there I say again that I have reason to be quite confident that we can bring resolution to this matter after so many years of uncertainty and disagreement.

The Honourable the Leader of the Opposition went on from that very important matter to talk about the apparent differences of view expressed by different cabinet ministers, making it appear as though this is a very unusual and very undesirable way for ministers or public servants to behave, to express different points of view in public. Well it may be, Mr. Speaker, that in years gone by, Cabinets of the day thought it was very very important, crucial, vital or whatever, that there be no apparent disagreement shown at all and that however great the disagreement they would paper it over in a facade of apparent unanimity. I have here, and I just had time to research two weeks from April 1st till now, the newspapers, and in those two weeks I found considerable evidence that this problem -- if it's a problem, and I'm not so sure that it's not a mixed blessing kind of problem -- that exists in other jurisdictions. I have here one article which goes into some detail about the difference in points of view between the Hon. Joe Greene and the Honourable Eric Kierans on one matter of federal policy and another one from the Province of Saskatchewan where a former cabinet minister who was defeated indicated in a public statement that not only was he in disagreement with the premier but that he was out to make sure that he never fought another election again as premier. -- (Interjection) -- Ah, but he's a candidate for office - just nominated a week or two ago. And then we have, of course, the example of the former Minister of Transportation in the federal cabinet, minister of housing, task force on housing, making not just a difference of view known but a sharp scathing attack on his own front bench -- (Interjection) -- Well, Mr. Speaker, all I'm suggesting to the Honourable the Member for Morris is that if there are no differences of view made public between members of a Conservative caucus or cabinet, the likelihood is it's because Tories really go into a study of a question in a much more superficial way, therefore, they have less reason to explain their difference of points of view. I go on, Mr. Speaker.

MR. SPEAKER: Order. The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I really don't have unlimited time and I'm trying to deal seriatim with the points raised by the Honourable the Leader of the Opposition. He went on from that point to make the argument that because we had introduced public automobile insurance we had demonstrated a certain callousness with respect to the livelihood of people. Apparently all of the explanation that was given by this government during the last session to

(MR. SCHREYER cont'd.) the effect that we were establishing a certain arrangement with respect to the retail sale of the auto insurance, with respect to transitional assistance etcetera, modelled along the federal government experience and practice, all that he has either forgotten or chooses to ignore, and goes on to repeat his worn out argument of the last session that we are not sensitive enough to individual citizens rights and so he suggests the appointment of an Ombudsman, an economic ombudsman. Well now, Mr. Speaker, you know I can give my honourable friends examples that go over the years with respect to the fact that it is a fact that when government introduces new concepts and new programs, often-times it is simply unavoidable that certain adjustments in livelihood patterns, in occupation patterns have to be made by individuals and there is an obligation and onus on the state to assist such people in coming to a new occupation, to a new livelihood, retraining and so on. The problem is that over the years this onus and obligation to adjust to new working habits, new skills and so on, has been thrown on the shoulders of wage and salaried people time and time again. There has never been outrage expressed about that; but the minute that it becomes time for someone who is self-employed to have to go through the same kind of adjustment process as many of his fellow citizens before him had to go through, but who were wage or salaried people, there is great indignation. We are making as much provision as any government in this country has ever made to assist people in making an adjustment from one kind of work pattern and livelihood to another and I don't think that anything more can realistically or reasonably be asked of us.

But I would ask my honourable friends on what magnitude or scale do they want to argue this point? Would they pretend for a moment that when they have built certain roads in this province and relocated certain roads, that they have not caused some economic disadvantage if not serious economic disadvantage to some people? Would they try to argue that at the time when they signed the CFI agreement they did not cause some economic disadvantage, if not serious economic disadvantage to some of the independent contractors and sawmill operators? Would they try to argue that when it took six years to settle some of the claims with respect to floodway land expropriation and Birds Hill Park expropriation, that this was not some economic disadvantage to people that had been directly affected by the state? Was there fair compensation, may I ask, in the case of the independent cutters involved in timber limits that were taken away in order to make it part of the 40,000 square miles for the CFI tract? That's just one example.

What about the storekeepers and others who had property along the old Grand Beach Highway? The highway was relocated a mile or approximately a mile and a half further east. I think that the files of this Provincial Government, as any Provincial Government or Federal Government, is replete with individual files of people who have been in some way or another economically disadvantaged as a result of the inception of one government program or another. Every time that you have government regulations come into effect - every time, Mr. Speaker, that you have economic regulations come into effect . . .

MR. SPEAKER: I would hope the members would contain themselves. The Honourable Member for Rock Lake has a point of privilege?

MR. J. WALLY MCKENZIE (Roblin): Mr. Speaker, on a point of privilege, I ask the First Minister one question: Did he . . .

MR. SPEAKER: Order please. You asked for a point of privilege. Now you're asking a question. I cannot recognize you on that basis. I'm sorry. The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, if I have time at the end of my remarks I'll try to entertain the question from the Honourable Member for Roblin, but I don't -- I have only 15 minutes, Sir.

Mr. Speaker, the point that the Honourable the Leader of the Opposition was trying to make is that this is the first time apparently, apparently the first time according to his understanding of history and government, this was the first time that government action has economically disadvantaged a group of people. Mr. Speaker, I say again that files in the possession of the Provincial Government of Manitoba, or any other government, must be full of individual case files of people who have been economically disadvantaged as a result of government action of one kind or another. The whole point about government regulations -- what is government regulation in the public interest? Do you think that the robber barons of the 1880's or 1890's were simply full of equanimity when governments decided to regulate freight rates and regulate the various charges that could be charged by utilities? Every single bit of government regulation, if it's effective at all, has to be regarded as an impingement on an

(MR. SCHREYER cont'd.) individual entrepreneur's right to earn a higher profit and therefore he can claim that he's economically disadvantaged, and if you follow that argument through to its logical conclusion, then instead of human progress, social and economic reform, we would have complete and utter paralysis. If my argument is a bit exaggerated, I would only say, Mr. Speaker, that the premise from which the Honourable Leader of the Opposition argued is itself exaggerated. It cannot be said that there is any case of human hardship that will result as a result in turn of the programs that we are initiating.

And so in the same vein the Honourable the Leader of the Opposition goes on to say that this government is acting in such a way as to turn citizens against citizens, groups against groups. I think that my rejoinder there has to be that, you know, it's possible for government to just simply sit back, withdraw from the action and to let the sort of natural forces flow. That is what we call "laissez faire". And may I say that when you have a system of laissez faire such as used to be embraced by my honourable friend's predecessors, some of his less ambitious colleagues today would like to see a return to laissez faire. What is laissez faire, Mr. Speaker, except that instead of government moving in in an attempt to regulate so that no group can attempt to take advantage of another, that the strong can exploit the weak, in laissez faire it's a case of one group being allowed by the passivity of government, being allowed to exploit the weaker group. And 500 years of history, Mr. Speaker, attest to the fact that if governments are not activists, then you know that the likelihood is that one group or another, or several groups at the same time, are severally or individually trying to exploit and take advantage of the weaker groups and individuals. That is why one thing that my colleagues all and myself share, is the political philosophy and point of view that government is a useful instrument, it should be used as an instrument or tool in order to make very sure that there is no exploitation of one group by a stronger group, or so that no group, no matter how influential and strong, can manage year after year to stymie and frustrate the implementation of new programs that, if implemented, can result in benefits and savings to the general public. -- (Interjection) -- That's right; it's a good example.

You know it's strange, Mr. Speaker, that in so many jurisdictions in this country where there has been dissatisfaction expressed by so many people for so long that governments have set up commissions of enquiry, Royal Commissions in provinces of Canada, in states of the United States, the consensus of opinion is coalescing, is welling up to the surface that there has to be major reform and major changes brought about to the auto insurance delivery system and when we, one of the jurisdictions of the many jurisdictions on this continent act, we get accused of being dangerous to freedom.

Mr. Speaker, I imagine that the people of St. Vital and Ste. Rose could have indicated that if it was that concrete and that real and that imminent a danger, but I think that many people, the very fact that our support went from 700 to 2700 in Ste. Rose and from 2500 to 3300 in St. Vital, I think part of that is probably due to the fact that many more people than my honourable friend thinks are aware of the fact that there is across this country, and across the United States as well, a growing dissatisfaction with the present system of automobile insurance. After all, why would there be all these reports and studies and Royal Commissions, and after less than 12 months in office we proceed, in the face of that the Honourable the Leader of the Opposition says that we aren't providing leadership. I think we are providing leadership, we're providing leadership on so many different important issues simultaneously that my honourable friends are lost; it's beyond their comprehension, their fragile comprehension.

. Continued on next page

(MR. SCHREYER cont'd) But I go on, Mr. Speaker, because the Honourable Member, the Leader of the Opposition, I suppose in a way what he concentrates on is that we have not really come through with anything important, anything new, anything significant, we're not providing leadership with respect to social and economic changes and reforms. And there is - I blush, Mr. Speaker, to have to do it again, but I find that I must again repeat what some of my colleagues have mentioned so many times and I too have mentioned many times, but I must repeat it again because the honourable member obviously forgets. There is an old Latin saying that, you know, "Repetition is the mother of learning," and I think it is a saying that I would like the Honourable Member for River Heights, the Leader of the Opposition to bear in mind. When he is getting a little annoyed with my repetitions, he should bear in mind that I am probably repeating for the sake of his being better able to understand leadership.

Would you say, Sir, that it was good leadership or no leadership when we took the plunge and reduced Medicare premium taxes by \$24 million? We could have taken the easy way, exercised no leadership and simply left the Medicare premium where it was, but that was the kind of specific decision-making that had to be done and we did it. -- (Interjection) -- Well, it was open to you to make that kind of decision, I suggest. And then, Mr. Speaker, because we did exactly what we said we'd do, reduce Medicare premium taxes and increase the income and corporate taxes, it is now said time and time again in a most inaccurate, most erroneous, most intellectually dishonest way time and time again that Manitoba now has excessive levels of taxation. I believe those are the very words that my honourable friend uses in moving his motion of non-confidence. Let me go right to -- here we are: "That the Speech contains" - and I'm quoting my honourable friend - "the Speech contains no indication that the excessive levels of taxation in our province will be adjusted to levels comparable with our sister provinces."

Mr. Speaker, we have here from more sources than one, from the Dominion Bureau of Statistics we have tax comparisons which show that - and it's entitled "Comparison of Provincial Individual Income Taxes and Medicare Premiums in Provinces with Medicare Programs" - and it refers to all of the 10 provinces and it shows that as a result of the change that was made by this government, Manitobans are now paying less in combined personal income tax and Medicare premium tax now than they were before when the previous group were in office. For example, for a person earning \$8,000 a year, before in his combination of income tax and Medicare premiums he would pay \$407.00; he is today paying \$356.00. For a person of \$6,000 a year, which is close to the industrial composite wage index, a person before paying \$270.00 on the combination of personal and Medicare premium taxes is now paying \$193.00. Even a person at the \$10,000 mark whereas before he was paying \$569, is now paying \$546.00; even a modest saving at that level.

So, Mr. Speaker, it is completely dishonest, dishonest, dishonest, dishonest for the honourable members opposite to imply directly or indirectly that there has been an increase in taxation in this province since we have come to office. The fact of the matter is that for some there has been an increase but for many there has been a decrease. The problem is, Mr. Speaker, that the people that have enjoyed a decrease in taxation - and that includes almost 99 percent of the farmers of this province, may I add - the kind of people who have enjoyed a decrease in their combination of personal and Medicare premium taxes are apparently the kind of people that the Conservative Party, maybe not the members here, I'm sure not the members here, but the brain trusting hierarchy of the Tory party really don't care about that much. But for how long, Mr. Speaker, can we continue -- (Interjection) -- the honourable member says it's not true and here it is from the Dominion Bureau of Statistics. Let's not take his word for it; let's not take my word for it; let's take this.

MR. SPEAKER: Order. Order. I would suggest to the members that their remarks are not being recorded; just the First Minister at the present time. He only has three minutes.

MR. SCHREYER: And so, Mr. Speaker, my point is that I admit that it is frustrating to this government to have to countenance a continued repetition of something which is so patently false, and what is doubly frustrating is that at least one of the news media of this province that should, if it were living and operating in the true traditions of responsible journalism would try and make an effort to correct, but it isn't correcting the fact that the statement that has been made from time to time that taxation levels in this province have

(MR. SCHREYER cont'd)....increased is a lie. It's a lie when stated in those terms because the fact of the matter is that for people, for the majority of Manitobans taxes are lower today than they were, provincial taxes, than they were in 1969.

Now I go on, Mr. Speaker, very quickly to make some reference to here again an effort to continue a misrepresentation of a particular public issue and that is the size and increase of the public service. They would have us believe that the public service in Manitoba and welfare costs in Manitoba have increased in a way that is disproportionate to the national average of provinces. I have data here to show beyond any doubt that the number of civil servants in this province, contrary to headlines that the civil service grew by 800 during 1970, the fact of the matter is that of the 800, 194 were those who had been with the MMS and 1970 was the year of record of transfer of these people. Actually the decision had been taken back in 1968 I believe, if not 1967, so you must subtract 194 from that figure of 800 right away. In addition to that, 103 jobs that had been continuing term have been reclassified as permanent, but these had been working on a continuing way year round, year after year, and so it seems nothing more than intellectual honesty to classify them as what they were, permanent employees, and that's not a net increase. And finally, Mr. Speaker, if you'll allow me the grace to carry on for another two minutes, in the Department of Education, as a result of the great increase, significant increase in the number of persons....

MR. JORGENSEN: Mr. Speaker, on a point of order.

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

MR. JORGENSEN: Mr. Speaker, the First Minister is continuing without the right to continue. If he wants -- (Interjection) -- well, just a minute.

MR. SPEAKER: Order please. Order please. On that particular point I was just allowing the Minister to finish his sentence and I was going to call the question. Therefore there is no point of order. Time is up. We have arrived at the hour when we are to take the vote according to our rules. -- (Interjection) -- I am in the hands of this Assembly. If the Assembly wishes to alter the rules I must comply. The Honourable First Minister.

MR. SCHREYER: On a point of privilege, I thought that I had not abused the rule simply because I think I asked Mr. Speaker if I could continue with his grace. Now it's another way of asking for leave. I'm completely in the hands of the Assembly.

MR. SPEAKER: Does the Assembly wish to proceed? By leave? The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, I can assure my honourable friends and thanking them for leave that I will not take more than another two or three minutes.

I was pointing out, Mr. Speaker, that a third reason for this increase in the Civil Service, which is not a net increase of 800 but a figure much lower, that there had been an increase in the Department of Education staff because of the increase in enrollment of young people taking courses at our Community Colleges - Red River here in Winnipeg, Keewatin at The Pas and at Brandon, and as a result, new courses were added and additional teaching staff taken on amounting to something like 30 or 40 people and that must be taken into account.

And finally, there is an increase in the Executive Council for the reason that the Planning and Priorities Committee of this government is taking responsibility for the implementation of special area programs - The Pas, Churchill, Brandon, some of the ARDA-FRED work, provision of additional water services at Dauphin and so on. You see, Mr. Speaker, the point is that if we had not passed 190 pieces of legislation between 1969 and 1970, if we had said to The Pas, look, it's your tough luck that you listened to those bums and you signed an agreement that would drive you into bankruptcy, if we had said you're on your own The Pas, but we didn't do that and so we have had to take on additional staff for the simple reason that we have got more programming under way. The townsite of The Pas is in process of being developed to something much different than what it was just a few months ago.

And may I add Churchill, may I add a word about Churchill. We could have probably avoided an increase of two or three or four in the public service, you can always avoid an increase by doing nothing, but in the case of Churchill I am rather afraid that we are going to have to increase our public service numbers by two or three or four because we are doing something in Churchill. After 13 years of inactivity on the part of the Province of Manitoba, the community of Churchill - something is going to change there now. I know that the Honourable Member for Churchill is very soul-satisfied about that and I'm almost as happy, in fact probably as happy as he is, that something worthwhile in the way of townsite

(MR. SCHREYER cont'd)....development will be done in that community which has been an orphan of this province, treated like an orphan for so long, and it's necessary to talk only to Federal officials to know that all of the propositions that were put forward by provincial governments in past years with respect to Churchill have not been to be taken seriously.

Mr. Speaker, looking in retrospect at all that has been said by the members opposite, I think it is very appropriate, very much in order for me to say that with respect to the main charge that no priorities have been laid by this government for new programs and legislation, that no leadership has been offered, I say on behalf of my colleagues and myself that never - I know the Member for Lakeside if he were here would object again - but never in the history of this province have so many changes been wrought, so many changes been made in economic and social matters in so short a time as in the last 20 months. There are many more priorities and innovations and reforms that we intend to do and we will do, but we will do so at a pace that will be administratively practicable and we will do so at a pace to be determined by this government. Thank you.

MR. SPEAKER: The question before the House, moved by the Honourable Member for Logan, seconded by the Honourable Member for Gimli.

MR. SPEAKER put the question and after a voice vote declared the motion carried.

MR. JORGENSEN: Yeas and nays, Mr. Speaker.

MR. SPEAKER: Call in the members.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: I rise on a point of order. The Honourable Member for Morris is quite learned in the rules and has good background in parliamentary procedure, but I am not aware that it is the practice to have a vote on the main motion.

MR. JORGENSEN: I find that honourable gentlemen opposite on at least two occasions in the past ten years have done it. -- (Interjection) --

MR. SPEAKER: I only recognize the First Minister so far. Call in the members. Order please. The question before the House on the Honourable Member for Logan, seconded by the Honourable Member for Gimli, that an Humble Address be presented to His Honour the Lieutenant-Governor as follows: We Her Majesty's dutiful and loyal subjects, the Legislative Assembly of Manitoba in session.....

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

YEAS: Messrs. Allard, Barrow, Beard, Borowski, Boyce, Burtniak, Cherniack, Desjardins, Doern, Evans, Gonick, Gottfried, Hanuschak, Jenkins, Johannson, McBryde, Mackling, Malinowski, Miller, Paulley, Pawley, Petursson, Schreyer, Shafransky, Toupin, Turnbull, Uskiw, and Uruski.

NAYS: Messrs. Barkman, Bilton, Craik, Einarson, Enns, Ferguson, Froese, Girard, Henderson, Jorgenson, McGill, McGregor, McKellar, McKenzie, Moug, Sherman, Spivak, and Mrs. Trueman.

MR. CLERK: Yeas, 28; Nays, 18.

MR. SPEAKER: In my opinion the ayes have it and I declare the motion carried. The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I move, seconded by the Honourable the Minister of Labour, that the Address be engrossed and presented by such members of the House as are of the Executive Council and the Mover and Seconder of the Address.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, I am about to move the motion which is usually brought in at this time, and as has been done in the past I ask leave to make a brief statement before I.....

MR. SPEAKER: Is leave granted? (Agreed)

MR. CHERNIACK: The estimates of expenditure about to be brought before you, Mr. Speaker, and members of this House, call for the appropriation of a sum of \$516, 850, 800 to carry out this administration's plans for fiscal 1971. This is a record amount for the Province of Manitoba, being some \$69 million more than the amount of \$448 million budgeted in fiscal 1970. The process of arriving at this requested amount has involved many months of planning, establishing of priorities related to the needs of all Manitobans, analysis of departmental requests by Management Committee of Cabinet and Planning and Priorities

(MR. CHERNIACK cont'd) Committee of Cabinet, and finally decision making by Cabinet itself.

Following procedures instituted during the review of last year's estimates, the fiscal 1971 departmental requests were again analysed on a program basis. Following Cabinet discussion and concurrence on program levels, the departmental estimates were again converted back into the appropriation format to which we are all accustomed and which is about to be put before you. A sincere attempt was made by Cabinet to restrict many on-going programs to the same level of service which existed in fiscal 1970. This type of restraint has permitted this administration to propose significant increases in levels of service where the need for increased assistance is apparent, and also to propose new programs and new methods of approach where government assistance in the past has been non-existent or inadequate.

An increase of almost \$19 million in school grants and other assistance indicates our promised intention to shift a further portion of education support costs from the property taxpayer to the general provincial tax base.

A \$15.7 million increase in social allowances and municipal assistance reflects our plans to further assist the disadvantaged citizens of our province to maintain their standard of living and improve their opportunities. Closely associated with this is provision for significant government support of projects to maintain and improve the employment situation in our province and to improve its economic base and diversification of industry.

An increase of some \$11 million is proposed in the subsidy to the Manitoba Health Services Commission to reflect continued improvement to the province's hospitals and to maintain the present level of medical services available to all residents of Manitoba with no change in the existing premiums.

The increased activity of the Manitoba Housing and Renewal Corporation in providing housing accommodation to lower income and elderly and infirm citizens necessitates an increase of some three-quarters of a million in current expenditures.

The control of pollution is of interest and concern to all of us. To improve efficiency in this regard there has been a transfer to and consolidation of all government activities in this regard on an increased basis in the renamed Department of Mines, Resources and Environmental Management.

Members of this House will also note provisions for additional development of the province's mineral resources and the establishment of resource development corporations.

Provision has also been made for the establishment of a separate Department of Co-operative Development and a Ministry of Urban Affairs.

On the subject of shared cost programs, I must again alert the House that the Federal Government continues to pursue withdrawal and disengagement actions in respect of their direct financial involvement in major joint programming with the province. Last year the Federal Government attempted to place cost ceilings on all programs which they classified as open-ended. These included such shared cost programs as hospital insurance, Medicare and post secondary education. The post secondary education program will expire at the end of this fiscal year and the future of this program is still most uncertain. The Federal Government has suggested that it will extend this program for two years, provided the provinces accept arithmetic cost ceilings. Discussions have begun already for revamping the hospital and Medicare financing arrangements and the sharing provisions under the Canada Assistance Plan. The subject of the costs of providing services to our Indian people has still not been resolved.

Given these circumstances of uncertainty, and quite possibly conflict in the Federal-Provincial shared costs field, it is most difficult to plan future expenditure programming in these areas of joint endeavour. These matters of course will be discussed more fully when I present my budget address.

As to the public debt, Mr. Speaker, you will note that I have estimated the total public debt costs for the year ending March 31, 1972 at \$9,386,500 which is a substantial reduction from the amount estimated for last year, namely \$12,974,800. When we made up our estimates for the March 31, 1971 year it was at a time when interest rates were the highest in recent history. As you're aware, interest rates in the last little while have been declining. This lower level of interest rates, both on long term and short term borrowing, is one of the major reasons for the expected reduction in public debt costs in 1972. These

(MR. CHERNIACK cont'd) higher levels in interest rate have in part worked to our advantage. Revenues of the province tend to flow into the Treasury on a more or less consistent manner whereas expenditures are less even. That is, there are more seasonal factors involved in the outflow of cash. There are periods of time, therefore, when the province has cash on hand. The Treasury has been able to take advantage of these temporary funds by investing them at rates higher than we had anticipated, thereby again reducing our debt costs.

To summarize, I'd simply say that our costs of borrowing hasn't been as great as we'd expected for the year gone by, mainly because of lower interest rates. We're anticipating that this market condition will continue in the 1972 year.

Well, Mr. Speaker, as I've already indicated, the estimates now tabled, or about to be, total \$516,850,800, an increase of some \$69 million over the estimates approved last year. The increase is about 15.4 percent. They reflect a further effort by this administration to achieve a more proper allocation of financial resources to serve the varied needs and interests of our province and its people and to provide them with the social justice which has been lacking in some respects in the past. What we have in mind will become more apparent to the members of this House during detailed review of the Departmental estimates and during consideration of the legislation to be introduced during the session. It is our hope that with the co-operation of members of this House, that our objectives will be achieved. I look forward to presenting you in the near future with ways and means to meet these proposed expenditures.

In the meantime, Mr. Speaker, I commend these estimates of expenditure to the study of the committee. I therefore move, seconded by the Honourable the Attorney-General, that this House will, at its next sitting, resolve itself into a committee to consider of the Supply to be granted to Her Majesty.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Agriculture, that this House will, at its next sitting, resolve itself into a committee to consider of Ways and Means for raising of the Supply to be granted to Her Majesty.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, I have two messages from His Honour the Lieutenant-Governor.

MR. SPEAKER: His Honour the Lieutenant-Governor transmits to the Legislative Assembly of Manitoba estimates of the sums required for the service of the Province for the fiscal year ending the 31st day of March, 1972 and recommends these estimates to the Legislative Assembly.

The Lieutenant-Governor transmits to the Legislative Assembly of Manitoba estimates of sums required for the service of the Province for capital expenditures and recommends these estimates to the Legislative Assembly.

The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, I move, seconded by the Honourable the Minister of Youth and Education, that the said messages, together with the estimates accompanying the same, be referred to the Committee of Supply.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried.

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

MR. CHERNIACK: I believe that the Honourable Minister of Labour was about to move adjournment and I thought it might be - were you? Oh. I just wanted the members to stay long enough, if they could, to await the distribution of the documents.

MR. SPEAKER: Order. No one has been recognized yet so there is no mike open. The Honourable Minister of Labour.

MR. PAULLEY: I thought it was open, Mr. Speaker. I was not rising to move the

(MR. PAULLEY cont'd) adjournment of the House. I believe in accordance with the Rules that is your prerogative at this stage. However, I did want to indicate, Mr. Speaker, to the House what I believe is an agreement reached today as to procedures for the balance of the week. It will not be the intention of the government to proceed with the consideration of the estimates tomorrow in order that members of the Assembly will have an opportunity of perusing the same.

And there is an agreement, I understand, that the House will adjourn tomorrow afternoon until Monday next, at which time estimates will be considered. It is the intention of the government, and again I as acting House Leader have informed the members of the Assembly that the first department that will be under consideration next Monday in estimates will be the Department of the Attorney-General, and following that I anticipate that on the return of the Minister of Mines and Natural Resources that agreement may be reached as to the next two or three departments whose estimates will be considered. The order then of business tomorrow will be normal government business but not including the estimates.

Tomorrow, I'm hopeful, although this isn't the precise time, in answer to the question, Mr. Speaker, I'm hoping that the House may be able to adjourn somewhere close to 4:00 o'clock in order that the members may go on a plane to other climates which leaves at 7:00 o'clock.

MR. SPEAKER: The hour being 10:00 o'clock, the House is now adjourned and will remain adjourned until 2:30 Wednesday afternoon next.