

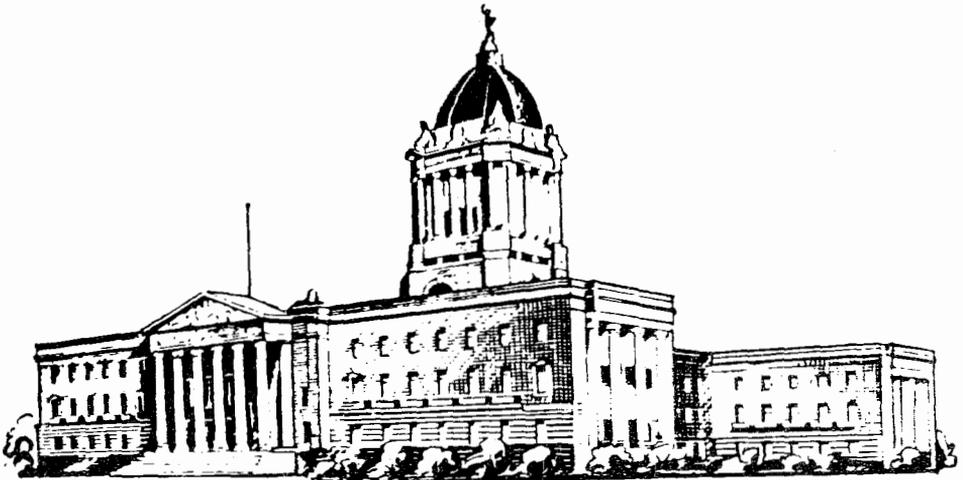


Legislative Assembly of Manitoba

DEBATES
and
PROCEEDINGS

Speaker

The Honourable Peter Fox



Vol. XIX No. 51 2:30 p.m., Monday, April 24th, 1972. Fourth Session, 29th Legislature.

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THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Monday, April 24, 1972

Opening Prayer by Mr. Speaker.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed I should like to direct the attention of the Honourable Members to the Gallery where we have 70 students of Grade 11 standing of the St. Mary's Academy. These students are under the direction of Mrs. Grier. This school is located in the constituency of the Honourable Member for Fort Rouge. We also have 28 students of Grade 6 standing of the Margaret Scott school. These students are under the direction of Mr. Woroniak. This school is located in the constituency of the Honourable Member for Burrows, the Minister of Education. On behalf of all the honourable members of the Assembly I welcome you here today.

MR. SPEAKER: Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports; Notices of Motion; Introduction of Bills:

INTRODUCTION OF BILLS

MR. J. WALLY MCKENZIE (Roblin) introduced Bill No. 31, An Act for the Relief of Ross Meroslaw Kozak and Arlene Kozak.

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet) introduced Bill No. 32 an Act to amend The Court of Appeal Act. (Presented on behalf of the Attorney-General).

MR. JEAN ALLARD (Rupert's Land) introduced Bill No. 34 an Act to amend The Northern Manitoba Affairs Act.

MR. STEVE PATRICK (Assiniboia) introduced Bill No. 37 an Act to amend An Act to incorporate The North Canadian Trust Company, and Bill No. 36 an Act to amend An Act to incorporate The United Way of Greater Winnipeg.

ORAL QUESTION PERIOD

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SIDNEY SPIVAK Q.C. (Leader of the Opposition) (River Heights): Mr. Speaker, before the Orders of the Day I have a question of the First Minister. I wonder whether he can indicate whether the provincial government or the Federal Government have in fact, set up a Task Force with respect to the potential of the Uranium Enrichment Plant of Manitoba.

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): Not a Task Force, Mr. Speaker, no.

MR. SPIVAK: I'm sorry, I wonder if the First Minister would repeat that.

MR. SCHREYER: . . . Mr. Speaker, that there has been no establishment of a Task Force, although I can advise the honourable member that on Friday last the Federal Minister of Energy, Mines and Resources was intending to make a statement bearing on the subject of the Uranium Enrichment and Canada's interest in it. I haven't been able to ascertain whether in fact he did proceed to make that public statement.

MR. SPIVAK I wonder if the First Minister can indicate to the House whether the Provincial Government is considering the views of the chairman of Brinko who also made an announcement last week on uranium enrichment.

MR. SCHREYER: Mr. Speaker, as I indicated last week the subject matter was being taken under advisement once again, and as soon as we have some more definite indication of intent and interest on the part of the government of Canada we will be able to take more tangible steps. Until such time however, any speculation about uranium enrichment will in my opinion prove to be largely non productive because it is only with the government of Canada's concurrence that there can be any meaningful progress on this matter.

MR. SPIVAK: Has not the Provincial Government in the past announced that there would be co-operation in the Task Force with the Federal Government for the Uranium Enrichment Plant?

MR. SCHREYER: Mr. Speaker, the Honourable Member should know that the Government of Canada has been approached a number of times on this subject and the Government of Canada's position up until now has been that this is a rather futuristic development which they were not prepared to take under active consideration for the present time. It may be that

(MR. SCHREYER cont'd) . . . Federal policy is now changing in that respect.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, my question is to the Honourable the Acting Minister of Mines and Resources, relative to the operations of Manitoba Government Air Services. Could the Minister advise the House how many Saunders ST-27 aircraft have been acquired by the Government Air Services?

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

HON. LEONARD S. EVANS (Minister of Industry and Commerce) (Brandon East): Mr. Speaker, the answer is zero.

MR. SPEAKER: The Honourable Member for Emerson.

MR. GABRIEL GIRARD (Emerson): Mr. Speaker, I would like to direct a question to the Honourable Minister of Industry and Commerce. I wonder if he could advise the House, as to whether or not the services of Mr. Ron Cockerton referred to in the Free Press of last week was paid by the MDC for the union busting activities.

MR. EVANS: Mr. Speaker, I'm not aware of the honourable member's allegations.

MR. GIRARD: May I clarify the matter for the Minister.

MR. SPEAKER: Order, please. Would the honourable member place his question.

MR. GIRARD: . . . place the question Sir. I make reference to an article that appeared in the Free Press of Saturday last week, and the question is was Mr. Ron Cockerton who was referred to as a person employed by MDC brought from Montreal for a union busting activity at the MDC. My question is was this gentleman paid for - - or his services paid by the MDC?

MR. SPEAKER: The Honourable Member for Thompson.

MR. JOSEPH P. BOROWSKI (Thompson): Mr. Speaker, I have a question for the Minister of Finance. Could he indicate to the House what the penalty - the financial penalty is to the taxpayers of Manitoba in regard to \$100 million Deutschemark convertible redeemable loan that was floated by the previous administration.

MR. SPEAKER: The Honourable Minister of Finance.

HON. SAUL CHERNIACK Q. C. (Minister of Finance) (St. Johns): Mr. Chairman, this question was posed this morning at Public Accounts and I undertook to try and get some sort of more definitive statement on what the role is, but I would say that of this day the penalty is a complete and abstinence one because the projects referred to by the honourable member have not paid any interest at all and are in arrears, so that if the interest is not paid the penalty is complete. Once we know the extent to which - - and if the borrowers pay interest then we'll be in a better position to assess the cost. What the honourable member, I believe what he raised this morning dealt with the interest charges payable by the Provincial Government and payable by the MDC to the Provincial Government - what relationship they bear to the interest chargeable to the four borrowers of The Pas complex and that is a very difficult thing to say, but I did say I would try to get some general description of the nature of . . .

MR. SPEAKER: Order, please. I would like to thank the Honourable Minister of Finance for indicating to me that this subject matter was before a committee. One of the rules of procedure has been and still is that what is before a committee which is not reported we do not bring into the Assembly here, and so therefore I would say to the Honourable Member for Thompson I'll allow him to have another question but if it's related to the same subject I must disallow it. The Honourable Member for Thompson.

MR. BOROWSKI: No, Mr. Speaker, I wasn't aware of that rule but it's not related. The question is to the Attorney-General and in his absence, I'd like to direct it to the Premier, and the question is - - is the government considering changing the present law which prohibits the overloading of city transit buses; and the other part of the question is is the government considering taking action against the Transportation Division for penalizing drivers who obey the Highway Traffic Act in respect to the overloading?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, there was considerable detail involved in that question, so I'll take it as notice.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MRS. INEZ TRUEMAN (Fort Rouge): Mr. Speaker, I have a question of the Honourable Minister of Industry and Commerce concerning the same Mr. Cockerton. Could the Minister tell us - - he terms himself a doctor of psychodrama. Could the Minister explain to us what the functions of a gentleman in this profession is?

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L. R. (Bud) SHERMAN (Fort Garry): Mr. Speaker, my question is to the Minister of Municipal Affairs responsible for Autopac, and arises out of the fact that a number of youth-ful Manitoba motorists have apparently been charged with an offence for having blue Chiquita banana stickers on their automobile license plates instead of Autopac validation stickers. My question, Mr. Speaker, is would the Minister consider a stay of charges pending an investigation on the grounds that a faulty Autopac computer may be turning out blue Chiquita ~~banana~~ stickers.

MR. SPEAKER: I would hope the honourable member is serious in the way he poses his question. A bit of levity is fine. The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, my question is to the First Minister. Has the First Minister or any member of his government together with any members from the two sister provinces of Saskatchewan and Alberta held any discussions with the Federal Government in connection with a joint U. S. Canadian move to construct the McKenzie Pipeline?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I can advise the honourable member that I have had some communication with the Federal Minister of Energy, Mines and Resources and he has indicated in turn that the matter is still very much in the preliminary planning stage. I did ask him to advise the earliest possible date when the government of Canada would have some relatively definite proposals and intentions. That stage has not yet been arrived at so the matter remains for the time being as still in the hypothetical stage.

MR. PATRICK: A supplementary, was there any discussions held with the other two provinces, Alberta and Saskatchewan?

MR. SCHREYER: Mr. Speaker, until there is some more definite indication of intent by the Government of Canada, it would be in my opinion not very helpful to have any formal discussions with the sister provinces, except of course you can have discussions of the most speculative kind and that may take place this summer at the next meeting of the prairie Premiers. But it would have to be understood this would be very speculative discussions inasmuch as our national government has not yet made any decision.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Thank you, Mr. Speaker. A serious question to the Minister of Industry and Commerce. --(Interjection)-- Did the Minister indicate in an interview on television on Friday evening that a search is underway to determine the identity of the individual who made public the letter from MDC to Mr. R. E. Fisher the Montreal Insurance Broker on the Group Insurance Question.

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

MR. EVANS: Mr. Speaker, not having watched television I am not sure what the Honourable Member saw or heard, but with regard to that particular letter we are concerned as to how members of the opposition got a copy of it. Can you tell me?

MR. SHERMAN: A supplementary question Mr. Speaker. Is an investigation underway to determine the source of the leak of that letter?

MR. SPEAKER: Orders of the Day. The Honourable Minister of Industry and Commerce.

STATEMENT

MR. EVANS: The other day a question was asked of me by the Honourable Member from Virden with regard to the flooding situation on the Assiniboine at Miniota. He made reference to the Qu'Appelle River and his specific question was: "What arrangement or agreement does Manitoba have with Saskatchewan with respect to this problem?" I can advise the Honourable Member that the Water Resources Branch of the Department of Mines, Resources and Environmental Management does maintain liaison with the Saskatchewan Water Resources Commission during the spring runoff period regarding flood potential on interprovincial streams. The Prairie Provinces Water Board is the permanent intra government agency responsible for maintaining an overall co-ordination for the planning and development of programs and projects affecting the quantity and the quality of flows on intra provincial streams. At the present time the Qu'Appelle Basin Study Board composed of representatives from Canada, Saskatchewan and Manitoba is completing the final phase of the two-year study on a comprehensive framework plan for the Qu'Appelle River basin. It is anticipated that the board's report will be presented to the government later in this year. Flood control of course is one of the major problems on

(MR. EVANS cont'd) . . . which the Board will be submitting a recommendation.

Mr. Speaker, while I'm on my feet, I would like to answer a question posed by the Honourable Member from Brandon West respecting maximum flooding to be experienced in Brandon. His question was: Is there any further flood cresting to be anticipated and I can indicate to him now that the flood crest was anticipated in Brandon over the past weekend, primarily yesterday.

The Member from Lakeside asked another question with regard to water. He asked if we had figures on the amount of water being diverted via the Portage Diversion into Lake Manitoba and the latest information we have, Mr. Speaker, is that on April 19th the rate of diversion was 5,000 cubic feet per second; April 20th, 5,000 cubic feet per second, and on April 21st it was a rate of 6,000 cubic feet per second.

MR. SPEAKER: The Honourable Member for Churchill.

MR. GORDON W. BEARD (Churchill): I'd like to direct this question to the Minister of Consumer and Corporate Affairs but since he is not in the House I wonder whether the Minister of Education can handle the question. I do understand that here is a promotion of reproductions of Eskimo handicraft going on within the city and the advertising is very misleading. I wonder if the government could look into this. I am concerned in that Eskimo and Indian handicraft is one of the earliest arts that we have.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, if the honourable member would be prepared to give us some further particulars in this connection then certainly it will be forwarded to the appropriate officials in the Department of Consumer Affairs for a follow-up.

MR. SPEAKER: The Honourable Member for Emerson.

MR. GIRARD: I'd like to direct a question to the Honourable Minister of Labour. In view of the allegations made in the Free Press on Saturday, I wonder if he would be prepared to investigate the conduct of the MDC vis-a-vis CUPE with regards to the union busting.

MR. SPEAKER: The Honourable Minister of Labour.

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): Mr. Speaker, may I say they're accusations galore rampant in the newspaper. The Minister of Labour does not pay any particular attention to them. If my Honourable friend has anything of a specific nature that he feels that I have been appraised of, I will be glad to answer his question.

MR. SPEAKER: The Honourable Member for Emerson.

MR. GIRARD: A supplementary question, Mr. Speaker. If the allegations made were . . .

MR. SPEAKER: Order, please. The question is hypothetical and against our procedures. The Honourable Member for Emerson.

MR. GIRARD: Would the Minister consider beginning an investigation if I provided him with the material?

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: . . . me . . . something that has substance, Mr. Speaker, which is un . . . I'll cease.

MR. SPEAKER: The Honourable Member for Rupertsland.

MR. ALLARD: I have a question, Mr. Speaker, for the Minister of Industry and Commerce. Would he advise the House whether Mr. Keith Turner is employed by MDC and if so, how much is he paid and for what services and itemize it?

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

MR. EVANS: Mr. Speaker, this is a question with regard to administrative procedures, with regard to staffing and so forth, and you are asking a question of internal administration and it could be fair to any individual in the public service to single that individual out to ask for his -- you know, to ask for this type of information. However if the honourable member would like to submit an Order for Return we will consider the request.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, last week the Honourable Member for Lakeside asked whether the Manitoba Hydro had entered into contracts with any firm or any person with respect to certain construction works being carried at or near Jenpeg. I indicated to the honourable member that it was my impression that there were no such cost plus contracts and I find upon checking that my impression was correct.

MR. SPEAKER: The Honourable Member for Crescentwood.

MR. CY GONICK (Crescentwood): A question for the Premier. My question is: Will public hearings be held before Manitoba Hydro's granted a licence to flood South Indian Lake?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, there will be need for the holding of meetings whether the meetings take the form of hearings or not has not been definitively decided as yet.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SIDNEY SPIVAK Q. C. (Leader of the Opposition) (River Heights): A supplementary question. I wonder if the Minister could indicate to the House whether there'll be hearings or meetings before the flooding takes place of Opachuanau Lake?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, that Lake is in the same general area as Southern Indian Lake and the same general reply would apply.

MR. SPEAKER: The Honourable Member for Arthur.

MR. J. DOUGLAS WATT (Arthur): Mr. Speaker, I'd like to address a question to the Honourable Minister of Agriculture. I'd like to direct a couple of questions. The first question to the Honourable Minister: Did he agree with the grain stabilization program proposed by the Honourable Minister from Ottawa, Mr. Otto Lang?

MR. SPEAKER: The Honourable Minister for Agriculture.

MR. USKIW: Mr. Speaker, on that particular question I think the record is quite clear. Members opposite I'm sure have copies of Manitoba's submission which was also supported by the two other provinces.

MR. SPEAKER: The Honourable Member for Arthur.

MR. WATT: A supplementary question. Could the Minister tell us what it will cost the average farmer who goes into this plan on a voluntary basis and whose possible average receipts will be \$325,00. Could he tell us what it will cost?

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: I think, Mr. Speaker, the Member for Arthur would probably be well advised to research the document in question and then pose his question because it appears that he's confused on the issue.

MR. SPEAKER: The Honourable Member for Arthur.

MR. WATT: A second supplementary question. Can the Minister then not tell us now what it is going to cost the average farmer for the average receipts that he will receive under the stabilization plan - since he has agreed with it.

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: Mr. Speaker, the proposition that was put to the Government of Canada by the three prairie provinces had in effect a larger obligation on the part of the Government of Canada and there was no implication on the producers, that is if one is to take the base figure of \$1.1 billion up to which point no payment would be required from producers.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MRS. TRUEMAN: Mr. Speaker, I have a question of the Honourable Minister of Labour. Have the office girls and clerks from MDC who were a bargaining unit wanting to join CUPE, have they been decertified?

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Pardon? I do not know whether or not, Mr. Speaker, whether the girls concerned - - or males - I guess we better not get into difficulty because there are males and females - I do not know whether or not any application has been made for representation through CUPE or any other organization. I do know an application was made for decertification which was unopposed, to the Labour Board.

MR. SPEAKER: Orders of the Day. The Honourable Minister of Agriculture.

MR. USKIW: Mr. Speaker, last week the Member for Rock Lake wanted to know about the number of applications for a crop insurance position in Glenboro. I want to advise him that there were 27 applications of which 12 were interviewed.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, my question is to the Honourable Minister of Tourism, Recreation and Cultural Affairs and arises out of a question I asked him a few weeks ago. Has the Minister been able yet to arrange a meeting with City of Winnipeg officials to meet to cope with the funding crisis that faces the Winnipeg Symphony and the Ballet and other cultural groups this season?

MR. SPEAKER: The Honourable Minister of Tourism, Recreation and Cultural Affairs.

HON. LAURENT L. DESJARDINS (Minister of Tourism, Recreation and Cultural Affairs) (St. Boniface): Mr. Speaker, yes, approximately a week ago I had a meeting with the Chairman of the sub-committee to see . . .

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: A supplementary question, Mr. Speaker. Is the Minister available to advise the House and Manitobans of any optimistic results of that meeting.

MR. DESJARDINS: Well, Mr. Speaker, all I can say at this time is that it was an informal meeting. It was an exchange of ideas because the Provincial Government certainly doesn't intend to dictate to the officials of the City so it was just an exchange of ideas and informing the gentlemen of our concern.

MR. SPEAKER: The Honourable Member for Fort Garry - - one more.

MR. SHERMAN: A further supplementary, Mr. Speaker. Can the Minister advise the House whether it appears that the funding crisis can be overcome as a consequence of that meeting?

MR. DESJARDINS: Mr. Speaker, it was a very, very friendly meeting and I think productive meeting and any announcement as to the decision of the City should come from the City itself.

MR. SPEAKER: The Honourable Member for Souris-Killarney.

MR. EARL McKELLAR (Souris-Killarney): Mr. Speaker, I'd like to direct a question to the Minister of Municipal Affairs. Can the Minister inform the House as to whether Mr. Dutton is working full time for the Manitoba Automobile Insurance Corporation?

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

HON. HOWARD R. PAWLEY: (Minister of Municipal Affairs) (Selkirk): Mr. Dutton is working much more than full time for the Manitoba Public Insurance Corporation. He is however on leave yet from the SGIO as was reported last summer.

MR. McKELLAR: Mr. Speaker, is the same Mr. Dutton a resident of Manitoba or is he commuting from Regina, Saskatchewan?

MR. PAWLEY: Mr. Speaker, I'm pleased to inform the honourable member, regrettably Mr. Dutton is a constituent of the Honourable Member for Fort Rouge. I wish he was a constituent of mine rather than of the Honourable Member for Fort Rouge.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MRS. TRUEMAN: Mr. Speaker, I have a question for the Honourable Minister of Labour. Would he please obtain for the House the information as to whether the girls in the MDC office who are applying for membership in CUPE have in fact been decertified?

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, in all due respect to my honourable friend, I think that this is a private matter between the employees and CUPE, and is not a matter that I should have to answer for in this House.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, my question is either to the First Minister or the Minister of Industry and Commerce or the Minister of Labour. It's meant as a supplementary question. I wonder if the government would be able to furnish the House with information as to how many girls have left the employ of the Manitoba Development Corporation since the psychodrama union busting arrangements by the Chairman.

MR. SPEAKER: Order, please. I'm sure the honourable member had not intended to use the last adjective. One of our rules in regards to the question, - - (Interjection) - - I am raising a point of procedure at the moment. When I've raised it then the honourable member can raise a point of order if he wishes. But I wanted to indicate that we are extending the latitude of the question period to where we are becoming a little too lenient in what we are saying and I think that I should remind all honourable members that this is not the procedure they have adopted, and I'm just trying to adhere to your rules. The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I'm sorry - - that I thought you had completed your explanation. There's no reason for me to rise at this point. I would only hope that the government would either take that question as notice or answer it.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, it's not necessary to take the question as notice. I'm quite prepared to answer it now if it's in order to do so. I wasn't clear, Sir, as to whether

(MR. SCHREYER cont'd) . . . you were allowing the question. Assuming that you are allowing it, Mr. Speaker, I would say to the Honourable Leader of the Opposition that the assumptions upon which he bases his question are as contemptuously erroneous as statements made about the MDC in this House last Friday by the Honourable Member for Emerson.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, my question is to the Minister of Industry and Commerce. I wonder whether he can indicate whether on the files of MDC there is a report on each employee who was present at a psychodrama conducted by the MDC indicating their preference for or against a union?

MR. SPEAKER: The Honourable House Leader.

MR. PAULLEY: Mr. Speaker, I would suggest this is totally out of order for the Honourable the Leader of the Opposition. . . Certain people in this province of ours have privileges and I don't think of self-determination; and I don't think that it's proper for my honourable friend to raise a question of this nature which may be an infringement on personal privilege here in the Province of Manitoba under our labour laws.

MR. SPEAKER: Order, please. Aside from the labour laws, I just go by the rules of procedure of this Assembly and the first item in regards to annotation comments, Citation 171 of Beauschesne says: " (a) questions oral or written must not be ironical, rhetorical, offensive, contain epithets, innuendo, satire or ridicule." And I think that covers a tremendous of ground. I would hope that members would consider . . . Order! Would you the honourable members wish to hear what I have to say in regards to procedure or do they wish to conduct their own procedure? I wish they would offer me the courtesy to hear me out and then I'll give them the same courtesy and hear them out. But as I said, these are your rules and I'm trying to conduct your meeting according to them and I would hope that you would all take it to heart that we conduct ourselves accordingly as gentlemen and lady. The Honourable Member for Fort Rouge.

MRS. TRUEMAN: Mr. Speaker, I have a question for the Honourable Minister of Labour. Since it is illegal to do union busting before a union has actually been formed, would the Minister make an inquiry into the instance of the CUPE girls and consider whether any prosecution should be made?

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: May I assure my honourable friend and through my honourable friend, the representative from Fort Garry, that if the Minister of Labour receives complaints from anyone inside or outside of this House in respect to the labour laws of the Province of Manitoba, as Minister of Labour I give my assurance that they will be investigated.

MRS. TRUEMAN: Mr. Speaker, a supplementary question. Then would the Minister consider that that complaint has now been made.

MR. SPEAKER: The Honourable Member for Emerson.

MR. GIRARD: I'd like to direct a question to the Honourable Minister of Education. I wonder if the Honourable Minister would consider informing the members of this House of the substance of his speech outside of the House on the weekend?

MR. SPEAKER: The Honourable Minister of Education.

HON. BEN. HANUSCHAK (Minister of Education) (Burrows): I'd be happy to answer the question if it would be permitted under the rules.

A MEMBER: No, no.

MR. SPEAKER: The Honourable Member for Emerson.

MR. GIRARD: A supplementary question, Mr. Speaker. I wonder if the Minister would consider a ministerial statement to that effect?

MR. SPEAKER: Orders of the Day.

MR. GIRARD: Well, is he going to?

MR. SPEAKER: Order! Orders for Return. The Honourable Member for La Verendrye.

ORDERS OF THE DAY - ORDERS FOR RETURN

MR. LEONARD A BARKMAN (La Verendrye): Mr. Speaker, I beg to move, seconded by the Honourable Member for Assiniboia,

THAT an Order of the House do issue for a Return showing:

- (1) The names, positions, and salaries of all employees hired by the Department of Education since July 1, 1969.

- (2) The names and terms of reference of all advisors and consultants hired by the Department of Education since July 1, 1969.
- (3) The last position, salary, and location of the above mentioned employees, advisors, and consultants.
- (4)
 - (a) The record to date of all fees and expenses committed to any of the above two groups.
 - (b) In the case of expenses for each of the above mentioned persons, show all details, and if for trips out of the province, give dates, destinations, purpose of trips, and all costs attributable to the trip.
- (5) In the case of each employee hired by the Department of Education state whether position was filled by:
 - (a) Civil Service competition; or
 - (b) Appointment by the Lieutenant Governor in Council; or
 - (c) By any other method, and if so, explain.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Minister of Education.

MR. HANUSCHAK: Mr. Speaker, we'd be pleased to accept this Order with the exception of Item (3) and in response to the rest of the information requested we'd be happy to provide it by category, group of employee and -- (Interjection) -- yes, well in line with what I've said, Mr. Speaker, if we're going to provide the information only by category or groups of employees then No. (1) will have to -- we cannot accept No. 1 and offer the salary range and job description of various groups.

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

MR. SPEAKER: The Honourable Member for Roblin.

MR. MCKENZIE: Mr. Speaker, I move, seconded by the Honourable Member for Brandon West,

THAT an Order of the House do issue for a Return showing the following information:

The total amount of monies expended to date by both the Province of Manitoba and the Government of Canada on the following Provincial Parks:

1. Asessippi Provincial Park
2. Birds Hill Provincial Park
3. Spruce Woods Provincial Park
4. Hecla Island Provincial Park,

and, Mr. Speaker, may I add Turtle Mountain Provincial Park which I overlooked.

MR. SPEAKER: Is it agreeable to amend it? Is it agreeable to the Assembly to add the amendment? (Agreed) Very well.

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

MR. SPEAKER: Address for Papers. The Honourable Member for Fort Garry.

ADDRESS FOR PAPERS

MR. SHERMAN: Mr. Speaker, I move, seconded by the Honourable Member for Brandon West: THAT an humble address be voted to His Honour the Lieutenant-Governor praying for copies of all scripts broadcasted by Mr. Roger Newman since February 1st, 1972, on Manitoba radio stations for the Department of Industry and Commerce.

MR. SPEAKER presented the motion.

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

MR. EVANS: Mr. Speaker, we feel that inasmuch as the content of the broadcasts of Mr. Roger Newman have been made known to the people of Manitoba that it's public information for all those who took the trouble to listen to this broadcast, that there is no need for us to spend provincial monies to provide copies of the scripts. However I'm sure that the honourable member can himself go to the particular radio station and obtain the information from them. I know the radio stations in this province tend to be very accommodating.

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

MR. SPEAKER: Mr. Speaker, could I have that Address for Papers transferred for debate?

MR. SPEAKER: Order, please. Once I am into the middle of conducting a vote I don't think that I can be interrupted except on a point of order. The Honourable Member . . .

-- (Interjection) -- The Honourable Member for Morris.

MR. WARNER H. JORGENSEN (Morris): . . . you called for the vote, long before you called for the vote.

MR. SPEAKER: Very well -- (Interjection) -- I'm at the hands of the Assembly. Does the Assembly wish me to go back to asking again whether the Assembly is ready to take the vote? The Honourable Leader of the House.

MR. PAULLEY: Mr. Speaker, in all due respect it did seem to me that there was a little bit of confusion at the time, and we did agree in our rules that where the government does refuse to accept an Order that it is within the possibility of the member asking it to be transferred to Private Members' and I think that it would only be fair to allow my honourable friend from Fort Garry and you, Sir, to accede to the request that this be transferred to Private Members' Hour.

MR. SPEAKER: Very well. It shall be transferred to the Private Members' Hour. The Honourable House Leader.

MR. PAULLEY: Mr. Speaker, may I ask you now to call the proposed motion of the Minister of Finance dealing with Bill No. 21, standing in the name of the Honourable Member for Fort Garry.

. . . . continued on next page.

ADJOURNED DEBATES ON SECOND READING - GOVERNMENT BILLS

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker . . .

MR. PAULLEY: . . . has the right . . .

MR. SHERMAN: Mr. Speaker, could I have the indulgence of the House in asking that this matter stand?

MR. SPEAKER: The Honourable House Leader.

MR. PAULLEY: Mr. Speaker, we have no opposition to the request of my honourable friend but I would like to know whether anybody else wishes to speak on this bill. I believe the bill is to come into -- the contents of the bill is to come into effect on the first of May, or the suggestion contained within the bill has that provision and for that reason I'm not objecting to my honourable friend deferring his speech but I do ask, Mr. Speaker, if anyone else wishes to speak would they kindly do so or indicate.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: No, I just want to respond to the House Leader's suggestion.

MR. SPEAKER: Well it's all very irregular procedure. If someone wishes to have the floor I think I should recognize anyone who indicates. If they don't then we have to go to the next item on the agenda. The Honourable House Leader.

MR. PAULLEY: May I now then call Bill No. 17 standing in the name of the Honourable the Leader of the Opposition.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I rise in debate to the bill that was presented on Friday for the purpose of once again clarifying our position with respect to the position of the taxpayer in this province and without any intent on our part to delay those proceedings that are necessary if the government's particular policy is to be enforced. However it is important, Mr. Speaker, that the position of our party be understood and known by this House and by the people of Manitoba. And it's rather appropriate that the particular bill that we're dealing with is being dealt with at this time in this week because for many people in Manitoba this is income tax time in Manitoba as it is for people all over Canada and, Mr. Speaker, very shortly the municipal tax bills will be forthcoming and the taxpayers in Manitoba will be in a position to make an assessment of what their municipal and school levies are and they will be able together with the bite that the Federal Government has taken as a result of alleged tax reform to have some understanding of the total tax load that they are paying in this province. And, Mr. Speaker, my suspicion is that the taxpayers in Manitoba are not going to be very happy, and my suspicion is that the taxpayers are not going to be pleased and my suspicion is that the taxpayers are not going to be very much taken with the sleight of hand that the Minister of Finance and the First Minister and the government have provided by talking about an education tax reform for next year.

Mr. Speaker, in Canada now as we have in the past we have a tax jungle. We've gone through a tremendous period of study, consultation, discussion, argument on the federal level and the provincial level by those people involved in the tax field, by governments and what we now have produced both by the Federal Government and by the provincial government is a tax jungle which accomplishes very little of what the original reforms were intended to accomplish. There is not the kind of relief given by way of taxation that the taxpayers expected; there is no way in which anyone really with certainty can be sure of his taxable position for the next period of time. The confusion that existed before is bound to exist as well and the degree of confidence that individuals should have in knowing what the tax incidence will be of their actions has not been corrected or has not been developed and we have the same kind of situation that we had before. And for that reason more than any other -- or at least along with all the others rather than more than with the others -- it was necessary to try and to do something in a dramatic way that would indicate to the taxpayer that it was the intention of government in some way to control the expenditures and not to take such a continuing large bite of the income that the taxpayer earns.

Now, Mr. Speaker, if our economy was booming, if revenues were being generated relief would have been given in this year. But the truth of the matter is that our economy is not booming. Mr. Speaker, nobody in Manitoba is in great shape. The farmers, the small businessmen, the worker, the insurance agents, the manufacturer, no one, no one is in great shape. And, Mr. Speaker, this applies even to the very large conglomerates whom the

(MR. SPIVAK cont'd) members on the opposite side would like to pinpoint. We know there have been lay-offs in Manitoba; we know there has been a retrenchment as far as expansion is concerned; we know that there have been lay-offs in Manitoba; we know there has been cuts in production and all of this had a total effect with respect to employment, the raising of income and the revenue generated by taxation.

So, Mr. Speaker, we face a situation where we have a dramatic rise in expenditures, tremendous rise in borrowing and increases in the over-all monies paid by the taxpayer to the tax collector. And we have it at a time when in effect the economy although it has shown some signs of increase is not generating sufficient revenues and is not generating sufficient rise so that in effect the taxpayer in real terms is better off than he was before. And it's in that context, Mr. Speaker, that we have to understand the specific legislation in front of us. The legislation in front of us -- and I gather from what the Minister of Finance said it's a legislation that has been duplicated by other jurisdictions in the same way as to more or less conform to the percentage that the government used to take out of the monies that were collected or added on to the monies that were collected by the Federal Government. And in effect the suggestion is that there is really no change as a result of it.

But the truth of the matter is, Mr. Speaker, while the Minister of Finance may want to suggest that the percentage is not changed, the truth of the matter is that there is more and more and more money being paid by the taxpayers to the Federal Government and more and more and more money being paid by the taxpayers to the Provincial Government. And, Mr. Speaker, I do not believe and we do not believe that this is what the people of Manitoba wanted. We do not believe that the people of Manitoba were prepared and are prepared to have the increase in government expenditures that have occurred, to have before them the disarray of a government trying to carry on programs and to have any confidence that the money is being spent wisely, their money being taken out of their pockets into the hands of the Minister of Finance.

Mr. Speaker, we believe that governments should have controlled costs. We believe that expenditures should have been pared. We believe that what was required for Manitoba was an attempt to try and review the programming of the last decade and on the basis of that review to do the expenditure reform that at least would have matched the attempted tax reform no matter how bad that tax reform was. Because an expenditure reform could have in fact provided the government with money for new programs that may have considered as priority if they in fact have determined that and certainly could have also provided the kind of tax cuts in this year, not for next year, that we think would have been desirable.

Instead, Mr. Speaker, we have a government who are characterized in their actions as a government who mismanage, who have misdirected management, who have non-management of our affairs and who I suggest are in both a confusion and disarray in settling their own public policy. We have, Mr. Speaker, in the government not only a waste of money in certain areas but a colossal waste of energy because they are not acting as a team and they are asking the people of Manitoba by this bill and the other bills, the bill the Member for Fort Garry will be speaking about shortly -- they are asking the people to continue to pay, to continue to pay -- the taxpayer.

Now, Mr. Speaker, we have a procedure in the House for some accounting of what has really taken place and what is happening. But the procedures do not necessarily work well for the opposition. There are times when certain points can be made. We deal with, as we did this morning with public accounts and it's a year old. And we follow procedures that have been followed before but the truth of the matter is there are very few ways in which we can get from this House the information that will indicate the justification for the government expenditures.

Now, therefore, we can only make comparisons, Mr. Speaker, and I think it's very interesting for the record and even though it may be old news to the members on the opposite side I think it's necessary to make some comparison between 1969 and 1972. In 1969 Manitoba received as a result of its income tax \$64 million. Mr. Speaker . . .

MR. SHERMAN: On a point of order, Mr. Speaker.

MR. SPEAKER: Order, please. The Honourable Member for Fort Garry on a point of order.

MR. SHERMAN: On a point of order, Mr. Speaker. I'm having great difficulty hearing the Leader of the Opposition. -- (Interjection) --

MR. SPEAKER: The Honourable Leader of the Opposition. -- (Interjection) --

MR. SPIVAK: Well I wonder -- the Minister of Labour says he's having trouble understanding. Mr. Speaker, I'm going to repeat it again. In 1969 the people of Manitoba paid by way of income tax \$64 million. In 1972 they're going to have to pay \$141 million. Now that's an \$80 million rise, Mr. Speaker, it's over two and a quarter times, Mr. Speaker, in three years. -- (Interjection) -- Now when anyone suggests, Mr. Speaker, that the people of Manitoba are not paying more and more and more money into the provincial treasury -- (Interjection) -- all they must do is look to income tax and to the -- (Interjection) -- Mr. Speaker -- no, this is income tax. -- (Interjection) -- Yes, I'm going to talk about the sales tax and I'm going to talk about the liquor tax and I'm going to talk about the corporation tax. But Mr. Speaker, the greatest rise is in the personal income tax, the greatest rise percentage-wise, the greatest rise in terms of dollars. And that's significant, Mr. Speaker, and it's significant if we compare last year and this year with a projected rise of \$20 million -- and when the Minister of Finance says that the 42.5 is equal to the 39 and that all this tax bill does is really put us in the same position as we were before, what he is not saying to the taxpayers in this Legislature, but what the taxpayer knows because he has his tax deduction, is that in effect they are paying more and more money federally and provincially; and the truth of the matter is, Mr. Speaker, the truth of the matter is, Mr. Speaker, they know that and they know as well, Mr. Speaker, as a result of it that . . .

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

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

MR. CHERNIACK: I'm not up to date on the rules. Am I supposed to rise at the first earliest opportunity to correct a statement made wherein I was improperly quoted? If this is the occasion then I'd like to do that.

MR. SPEAKER: Yes, the Honourable Minister of Finance may proceed on that.

MR. CHERNIACK: Mr. Speaker, if this is the occasion, the honourable member referred to a statement saying that the new formula would produce the same as it produced previously. What I believe I said is that the new formula is to produce the same as we would have collected under the previous formula.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, on the point of order I believe the precedent has been set before in this session whereby I am entitled to interpret -- and I'm not going to quarrel with the Minister's particular position -- but I am entitled to interpret his position and his statement. -- (Interjection) -- I am entitled to interpret and that's all I am doing. Mr. Speaker, I believe that there's a precedent already set and I think that, although I accept the interpretation the Minister of Finance has given right now, I suggest, Mr. Speaker, that if I was prepared not to, and I'm on the point of order, that I'm entitled to continue without the correction given by the Minister. He certainly is entitled to enter the debate, and he will I have no doubt when he closes debate on this bill. -- (Interjection) --

Have fun? I don't think it's particularly funny for the people of Manitoba that there is \$80 million that they're going to be paying, more than they did in '69, and I don't think that the people of Manitoba really think it's funny. I really don't. I must tell you, Mr. Speaker -- the Member for Inkster who is now in the Minister of Labour's seat, I must tell him -- I don't think the people think it's funny. I think the people are damn mad. -- (Interjection) -- No, they're not laughing at me. Well, I'll tell you how I interpret. I think they are angry. I think they are angry and if you suggest that they are laughing at us, I think you're mistaken, you know; but I know that you suffer from certain delusions, like Lake Winnipeg is a matter that the people of Manitoba are really not concerned about or interested in. We will come back to that later on, Mr. Speaker.

Mr. Speaker, there have been rises in other taxes and it would be wrong to suggest that there hasn't between 1969 and 1972. There has been a rise in the revenue tax from \$60 million to \$85 million, but, of course, we know that in that 85 is approximately \$7 million of new taxation; so the actual rise based on the previous tax was only \$18 million. We know that there's a rise in the gasoline tax from \$35 million in 69 to \$41 million approximately in 1972. And we know as well, Mr. Speaker, that other taxes have gone up, but nothing has gone up to the proportion or the amount of personal income tax in this province; and, Mr. Speaker, the question that one has to ask, and the question that the taxpayers in Manitoba are asking is, was this necessary; is this necessary?

(MR. SPIVAK cont'd)

Well, Mr. Speaker, we then have to look at the expenditures, we know that the expenditures have risen in a period of time from 69 to 70. Too, we know that revenues have risen from \$354 million to \$575 million, and that's a pretty substantial rise, Mr. Speaker; and that rise in itself reflects the need for more and more dollars, and the question that has to be asked, was all of this necessary, was this the wisest course of action with the state of the economy?

Now the members opposite quote Ontario when it suits their convenience and they sort of make fun of this side because they say, our colleagues and your colleagues in Ontario have done this. But our colleagues and your colleagues in Ontario have done something substantially different. They have in fact provided a corporate tax credit, they have provided a reduction in income tax, and they have done this because of necessity. They have also provided a public works program, and they have done this because of the necessity of stimulating the economy, to be able to create demand and to be able at the same time to take care of the recessionary period that we are going through in Canada and the problems that they have and the problems that we have. Our government is reluctant to do that. They are reluctant to give some of the money back to the people. What they are prepared to do is continue to have more and more and more of that money to handle themselves because they themselves know better how to handle it. I suggest to you, Mr. Speaker, that the people are not prepared to continue to allow the members opposite to have more and more control of the hard-earned money that they are earning in this province. -- (Interjection) -- Well, we'll find out. But I'm suggesting, Mr. Speaker, that they are not prepared for that, they are not prepared to have more and more of their money being spent by governments whom they've lost confidence in with respect to the ability to manage.

Mr. Speaker, the Minister of Finance in his Budget summation, at the end of the Budget, made reference to certain figures that have been produced before with respect to the rise of government costs and he indicated the question that what had happened in the statement that I had made was that in indicating the rise in the civil service over the past few years, I had included other expenditures. I think I'm correct in what he says, and if I'm wrong he can misinterpret it, but I've got these Hansards in front of me, and he indicated what he did was he read "salaries and wages and other expenditures were pooled together and that amounted to a 35 percent rise over the last two years."

Well, Mr. Speaker, I assume that the Minister of Finance had not seen the Press statement and someone had given it to him. -- (Interjection) -- Well if you had a copy in front of you, Mr. Speaker, it would have been interesting, because in effect there was a breakout between salary wages and other expenditures. Mr. Speaker, the salaries and wages percentage increase was 35 percent, the other expenditures increase was 35 percent, the total, aggregate, of salary, wages and other expenditures was 35 percent.

Mr. Speaker, in two years between 70, 71 and 72-73 the civil service rise has been 35 percent. That's a pretty substantial one, that's much greater than the rise of the wealth in the province. -- (Interjection) -- Well I can only judge the economy and judge the revenues that are coming on the basis of dollars. And, Mr. Speaker, this becomes a very important factor. We have indicated a criteria that we were prepared to adopt which we think are necessary. The government has not indicated a criteria. The government says we will provide money for whatever programs are required. We suggest at this particular time, and it will be necessary for a period of time until the economy becomes more stable in Canada and Manitoba, to control the rise of salary and wages, to control the rise of the civil service, and to control it with a factor and a criteria that would be applicable and would be no higher than the rise of wealth in the province. Yet the government on the other side has not announced such a policy. And you may say, Mr. Speaker, well we are incorrect in this but you know, my colleagues and the government colleagues in Ontario have done this. You know, in the last two budgets that Ontario has had they have specifically indicated with some major statements their position with respect to civil service. They have indicated that they have attempted to control civil servants, they have attempted to try and control government expenditure because of the necessity of tax, of the necessity of government expenditure reform and the ability to be able to cut taxes. And, Mr. Speaker, they say it hasn't happened. Well the truth of the matter is that Ontario's figures produced in this budget indicate a rise of one percent in the civil service -- no more of a rise; and for the previous year, two percent. Well, Mr. Speaker, the members on the opposite side cannot indicate that.

(MR. SPIVAK cont'd)

This brings me to another point, Mr. Speaker, There's been a bit of confusion caused by the First Minister and others as to really where we stand with respect to the civil service in Manitoba. At one point I think we are the third lowest, if I'm correct -- and if I'm being misinterpreted or I'm misinterpreting anyone I'll gladly sit down at this point just to hear clarification. I think the allegations are that we are the third lowest. But Mr. Speaker, if we look at provincial and municipal finances of the Canadian Tax Foundation on page 8, we will find, Mr. Speaker, that Manitoba is the fourth highest for employees per thousand of population. The truth of the matter is, Mr. Speaker, that there has not been the control exercised with respect to civil service. And, Mr. Speaker, we are aware and all we do is listen day by day to the explanation, to the harrassed way in which the Ministers attempt to answer questions with respect to what's happening in government departments, to know that the kind of discipline that was required to control expenditures have not been forthcoming, nor will it ever be forthcoming from the members opposite; and the question is, Mr. Speaker, at what point the taxpayers are going to have to be paying even more than they are paying today?

Mr. Speaker, we believe that tax cuts were necessary. We sort of reject the Information Service headline of January 14, 1972 which says that "Income tax down for typical taxpayer". This is a statement put out in the name of the Minister of Finance. "Income Tax down for typical taxpayer." And then they took a situation, if I'm correct of a married couple with two children and then when we look at the population of Manitoba we found that that represented 10 percent of the families listed in the population of Manitoba. I don't know whether 10 percent is typical but maybe it is, maybe it isn't, but Mr. Speaker if we are going to have a rise of \$20 million in income tax, from the Federal Government -- from the raising of money this year, we are going to have a \$20 million rise, which in effect is a 16 percent rise, then how is it, income tax down for the typical taxpayer?

Now the members opposite could say, well the privileged few are paying it. But that isn't so, Mr. Speaker, by no means is it so. The \$20 million that is going to be forthcoming from the people of Manitoba to meet the budget estimate of revenues -- and it may be low, Mr. Speaker, it may even be higher than that -- is going to come from average taxpayers, from taxpayers in the middle income group and it's going to come from the people who at this point are thoroughly disgusted and concerned and unhappy at what they consider is mismanagement and government waste.

Mr. Speaker, we have already indicated that in our opinion Manitoba should have had a tax cut this year. We have indicated as well that a dedication tax reform, credit reform -- ours as opposed to theirs -- but even adopting theirs, although it couldn't have been adopted in the technique that they had, could have been started this year again if there had been an expenditure reform.

Mr. Speaker, tax cuts come from various sources. When we have an education tax cut we take revenue from one source and we pay it out of one pocket into another sources. That's how we manoeuver education tax cuts, and in effect, revenues are still being raised from someone -- and you are not fooling the taxpayer, he's still paying. When we talk in terms of tax cut, we talk in terms of not raising that much revenue which leaves the revenue . . . -- (Interjection) -- borrowing? Borrowing for what? Borrowing for programs that shouldn't be? My suggestion last year, Mr. Speaker, was borrowing for tax credit on sales tax. I think I'm directly related to that, I think I said that, and that's what I would have suggested could have been done this year, as a means to in fact be able to reach the lower income group.

Mr. Speaker I think the valid question has to be asked of the opposition, what would you have done? What would you have done this year? Mr. Speaker, we would have seen to it that the real estate tax, the education tax would have been taken off real estate for farm land, for senior citizens' homes owned and occupied by them. We would have seen to it that the \$50 rebate or up to \$50 be given to all the other taxpayers in Manitoba, that is real estate taxpayers. We should have seen to it that a tax cut of ten percent took place. Mr. Speaker, we would have done that by cutting government expenditures and we still would have had a deficit and we still would have had to borrow the substantial sums of money that the government had with respect to programs for general purposes. But in doing that, Mr. Speaker, we would have caused the kind of stimulation to occur in this economy that could have been done, had the government philosophically been prepared to adopt the reality that it's going to be the private sector that is going to continue to generate income and wealth and revenues in this province and not the

(MR. SPIVAK cont'd) public sector. This becomes apparent from the presentation of the Standing Committee on economic development with Dr. Weldon. And it was interesting Mr. Speaker, when Dr. Weldon talked in terms of what really unemployment is in Manitoba. He did this in a very sincere and direct manner and I don't in any way question his judgment, his integrity or his intelligence in this respect, but I do know that inherent in what he is saying and the statements that he has given, there is a philosophical approach that the public sector is the only way in which the pump can be primed at this particular time, that there is no way in which the private sector can do it, and in that rejection, Mr. Speaker, we have the total rejection, the concern, the distrust, of business in this province and of private initiative in this province which has prevented the growth that could have occurred and prevented the government looking at its programs in a realistic way to be able to try and do the cutting that they could have done to try and carry on the programs that should have been carried.

Mr. Speaker, I am not going to deal with the education tax credit program in any detail, the Minister mentioned it, except to indicate that notwithstanding any of the statements that are made by him that the amount of money will be \$28 million, he has not yet produced on the record in this House how he arrived at it, how it could possibly realize \$28 million. He said that they have done it on some actuarial basis, that they did it from Ontario, some way in which they applied it from Ontario. Mr. Speaker, I suggest that there is no way in which they can realize it, because the \$28 million was arrived at by the simple expedient of multiplying all the percentages of people that they thought could possibly achieve a maximum of \$140, could possibly average between \$100 - \$140, could possibly average between \$50 and \$100 and could possibly achieve \$50, and on that basis, Mr. Speaker, they arrived at \$28 million and that's not a real figure because nowhere is it going to be possible for those percentages to be achieved and the tax credit reform which they are talking about next year will not occur in the dramatic way that they are suggesting nor in the amount they're suggesting under the formula that they have.

Mr. Speaker, there is one other item that I think reference has to be made to in this debate, because we are talking about a change in the income tax to comply with the Federal Government. And this has to do with a very interesting statement that was produced on Public Accounts and made reference by Mr. McFee in his auditor's report, when he refers not to this year but the previous year in which he said revenues of \$17,300,000 were transferred to the capital division for capital purposes.

I think we should go back a bit in history to understand exactly what we are talking about. In 1969, a budget was brought in, it was not approved, an election was held, and we know the results. Another budget was brought in by the government with a medicare shift and an increase in personal income tax and corporation tax. The government of the day can only base its revenues on what it knew, and what it was forecast, and no one could quarrel with that procedure, and they did it on the basis of the best information that they had.

Mr. Speaker, as it happened, the revenues in that year in the year of 69-70 were higher than anticipated by over \$13.5 million, and in turn there was an underexpenditure of \$4 million. At the end of the fiscal year of 1969-70 while the new income tax rates were in force, the government knew that they had \$17 million more in revenue as a result of the underestimate of the projections of income. On that basis, Mr. Speaker, in 1969-1970 the government had two alternatives -- three alternatives: One, they could have taken it into revenue for the following year, not an unusual procedure. They did this last year and they took \$19 million which is a windfall and put it in last year's estimates; or they could have given it back to the people in the following year or they could have taken it for capital purposes.

Now, Mr. Speaker, those were their options in 1970. They could have reduced income tax in Manitoba by \$17 million but it would have meant that they would't have had as much money to carry on with programs and what they did is they transferred it to capital purposes. By doing this they did not have to take it into revenue for the next year and show it. They also did not have to give it back to the people by way of a tax cut. Now, Mr. Speaker, that \$17 million has been lost in the shuffle but let it not be understood -- or let it be understood by everyone -- that it was with respect to the income tax rise that occurred as a result of the shift, Medicare, the government was capable with a knowledge of the revenues that it received, it was capable of being able to reduce the rate of income tax that had been raised substantially if not eliminated completely because they could have put that \$17 million and given it back to the people in 70 - 71. And they decided not to, and they decided not to. -- why, Mr. Speaker?

(MR. SPIVAK cont'd) Because they know better than the people how to spend the money. -- (Interjection) -- And they know better than the people -- well I can assure you we wouldn't spend it in that way. We wouldn't spend it in that way. They know better than the people. There had been a major shift: there had been an increase in revenues; they could have taken it into income as they did the next year. They took \$19 million in the next year which was a windfall on the speed-up payment from Ottawa and on the equalization payment but instead they did it by throwing in a capital surplus and they deprived the people of Manitoba the opportunity not to be the highest personal income tax province in the country -- not to be the highest personal income taxpayer in the country. They could have in fact reduced it and they did not.

And, Mr. Speaker, this is damaging indictment of a government who at the particular time knew the concern, the actual strain that had been caused as a result of the raise both in corporate and income tax in this province. Regardless of how they want to -- and I know the former Minister of Mines and Natural Resources used to stand up, harangue us on how we got better health care facilities or they were cheaper than other provinces, and this is the total package. The truth of the matter is that the business-professional community and management community in this province were continually concerned about the fact that the degree of taxation had risen to the point that it had; that developments were taking place that were going to be made that would not be in the interests of Manitoba. And yet the members on the opposite side with full knowledge that they could have reduced income taxes in 1970 as a result of the increased revenues that they did not anticipate when they brought in their budget -- and I'm not blaming you for that -- decided to throw in the surplus and in the course of doing this denied the opportunity for the people for reduction of taxes at least to put them on a comparable level with that of other provinces -- (Interjection) -- all people, all people. And, Mr. Speaker, I suggest that that specific instance is an example of an attitude of a government that is really not concerned about the taxpayers but is concerned about how they're going to, by razzle-dazzle, put them in a position to believe that the government and Big Brother essentially is doing something for them.

Well, Mr. Speaker, I'm going to close by quoting from Ontario -- the form of my colleagues and their colleagues -- (Interjection) -- And I'm going to refer to two budgets: the 1971 budget and the interim budget that was presented on December 13, 1971 or the additional estimates and revenues that were provided by the Minister of Finance. This is after their very successful election, Mr. Speaker, on the Ontario Budget 1971, Page 10 and on Page 11, the following is expressed: "Our objective is to reduce unemployment to 3 percent as quickly as possible. To achieve this target 150,000 new jobs are needed in Ontario this year." On Page 11: "For these reasons the government has decided to pursue the alternative route of stimulating the economy primarily by tax reductions while continuing expenditure growth within the limits of our long term financial capacity. By these means we plan to increase private economic activity and investment and to expand employment without reactivating inflationary pressures." That's the Minister of Finance whom the First Minister was prepared to quote on other occasions. -- (Interjection) --

Darcy McKeough, a nice fellow, he's a Conservative, but you're not listening to him very much. -- (Interjection) -- Why should you? Because you're quoting him all the time.

A MEMBER: You like his tax shift.

MR. SPIVAK: Mr. Speaker, dealing with the additional revenues and expenditures which were presented I believe as an Interim Budget, if I'm correct on December 13th -- I think that's the terminology they use but I may be wrong on that, Mr. McKeough made the following statement: "While discretionary increases in expenditures were made to relieve seasonal unemployment, the key element in the plan was a five percent corporate investment tax credit. This tax credit was introduced to shore up business sector confidence and investment especially in manufacturing which employs over a quarter of Ontario's labour force. This fiscal initiative was based on our own economic analysis and was subsequently reinforced by the Dominion Bureau of Statistics' survey of investment intentions." The Minister says it bombs but that's not the information we have from Ontario, and I think he'd better -- (Interjection) -- He basically said this fiscal initiative was based on our economic analysis and was subsequently reinforced by the Dominion Bureau of Statistics' survey -- investment intentions. -- (Interjection) -- And on page 9 of Hansard of December 13 he states and I quote: "It is my view, was my view and continues to be my view that the best way to restore full employment

(MR. SPIVAK cont'd) is through tax cuts which encourage investment and the expansion of private sector activity. Expenditure increases however if adopted on a selective and prudent basis can play a special and important role in the direct relief of seasonal unemployment." -- (Interjection) -- Yes.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, I wonder if the Honourable Leader of the Opposition would find the reference in that very speech which I believe he says: "To a projection in a loss of revenue or projected reduction in income revenue based on that five percent reduction as being 125 million. For the record could he read it into our record?"

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I'm quite prepared to admit that there was a figure of \$125,000 used. I don't know exactly, I didn't mark it, I know that it's in here. I'm sure he'd be prepared to look it up and read it. I'm also aware of what their projections are at the present time and I must say to the Minister of Finance, and he's mentioned it before, that my information is that this has been a good tool for them. Not a bad one. This has accomplished partially its purpose. Well it has accomplished partially its purpose that in effect there is a survey that's now being conducted in Ontario and that the results are not complete and the indications are that this was a positive and very worthwhile program.

Mr. Speaker, let's understand what I'm saying. There was a corporation tax credit program that Ontario brought in. There was a tax reduction program that Ontario brought in and there were other tax cuts that Ontario brought in with respect to its total tax level. And I come back to one very simple situation, Mr. Speaker. The government asks us to support their position that more and more money should be given to them for their distribution and for their direction. We know and we can start to indicate chapter and verse of specific areas that we consider waste. We know as well that there is no control over government expenditures. We know that they have not established any kind of reasonable criteria to present to us about what growth should be with respect to the various categories of salaries and wages and other expenditures, health and welfare programs. So what we face, Mr. Speaker, is the prospect of continuing growth with respect to government, with no attempt to try and stimulate the private sector, with a sort of schoolboy attitude on their part, that business activity will be generated here regardless of the attitude of the government and regardless of the fact that we're the highest personal and corporate tax group in the country.

Mr. Speaker, the Minister of Industry and Commerce the other day quoted a speech of mine and I want to repeat in this House what I've repeated many times and I know this from the personal experience that I had as Minister of Industry and Commerce when I dealt with many industries that attempted to try to either expend or build in Manitoba. There are many reasons why industry will come into a particular province or expend and those deal with market, they deal with labour, they deal with freight, freight costs, etc., but the one major cost that all of them have and the one problem area that we've had in Manitoba has to do with management. Has to do with the ability to hire the technical people who are capable to operate and run the more sophisticated technological changes that have occurred with respect to industry. And the truth of the matter is, Mr. Speaker, that now comes back to the cost to industry of what it will be to put those people who have that particular kind of capability to come to Manitoba, and that cost is a cost of industry as it is a cost to the individual. And what we have, Mr. Speaker, is a clash in a government who are not prepared to realize that in many respects many people in the management side will not move to Manitoba because of the increased personal cost to them or will want from industry that increased personal cost to be borne by them, and when you realize that income would have to be doubled because of the salary range that would be involved in relation to it -- because we're talking management capability -- the result is we have a situation where we're passed by. That's problem number one.

Problem number two is we've always had a disadvantage and continue to have a disadvantage because many of our centres outside of the urban area of Winnipeg do not have the amenities that can hold those people who have the management capability, the technological expertise that is required for industrial development or for expansion. And so therefore we have at this point a disadvantage; we either require some additional opportunity to be able to attract them or we have to recognize that we will be passed by.

Mr. Speaker, in the proposals that we have before us, we have a situation which the

(MR. SPIVAK cont'd) government is completely and continues to be oblivious to the reality of development in this province and is sort of stuck-in-the-mud with this concept that only the public sector is going to be the way in which the economy will move and is not prepared to recognize the realities of what we have and is not prepared to recognize today the taxpayers in Manitoba are not prepared to continue to pay in to the Minister of Finance for their handling of the government, for the waste, for the rise in civil service, for the reforms that have not come, or for the lack of reforms that should have come with respect to the whole range of government programs. Including, Mr. Speaker, the programs of the last ten years. Including the programs of the Roblin and Weir years. I'm not in any way suggesting that those programs have not got to be examined, cut down and pared down and changed or altered, thrown out. It's a total program. It's not the NDP program. It's the total government program. But what the people of Manitoba wanted, what this tax bill indicates to them, is that the government has not been prepared to come in with that kind of program, is not prepared to spend its energy on that kind of program, is prepared essentially to allow the government to be able to grow and grow in an uncontrolled and wild way. And until the Minister of Finance and the Premier become more disciplined in the way in which they approach the position of the taxpayer, then I believe that the taxpayers in their own way will produce for the government the result that we think is coming.

MR. SPEAKER: The Honourable Member for Thompson, on a question.

MR. BOROWSKI: I wonder if I could ask a question. The Leader of the Opposition mentioned that if he was the government he'd have a 10 percent income tax cut. I wonder if he could indicate to the House what benefit that 10 percent would have to the 94,000 old age pensioners most of whom do not pay income tax and the 30,000 minimum wage earners, most of whom do not pay income tax. How this would have helped them?

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I think I indicated already to the members of the other side and I'll do it again, that long with this was a proposal that the education tax be removed this year from all senior citizens homes, owned or rented by them; that in turn as a result of government expenditures not rising and as a result of the decrease in taxation, the likelihood is that the cost of living would have gone down in Manitoba.

MR. SPEAKER: The Honourable Member for Inkster.

MR. SIDNEY GREEN, Q. C. (Inkster): Mr. Speaker, we've just heard the Leader of the Opposition attempting, I think, to convince himself and nobody else because I don't believe that he himself can be convinced on a proposition which is so outrageous, that this government in its term of office has drastically increased taxation to the people of the Province of Manitoba.

Mr. Speaker, we were all here during these two and a half years and my recollection of the budgets are as follows: That in the first year, the first budget that was introduced by the Minister of Finance, there was a shift of taxes whereby the people of Manitoba had their Medicare premiums cut by roughly - and I know that my figures will not be exact but I'm going to try them out anyway - that they had their Medicare premiums cut by roughly \$26 million. In order to cut those Medicare premiums by \$26 million the government introduced a tax measure that resulted in revenue of less than that amount. I can't remember the exact figures but let's say that it was \$22 million. That that was the first tax change. Now, Mr. Speaker, with that first tax change my honourable friend if he was being reasonable would have to admit that there wasn't a tax increase, even if we took the aggregate which he is so fond of doing; but even if we took the aggregate, roughly \$26 million was given back, roughly \$24 million was collected. I'm using figures which will be to the advantage of my honourable friend. So that was not a tax increase, that was a tax cut.

In the next budget, my recollection is that there were no tax increase - I stand to be corrected - with the exception of a doubling of the royalty taxes on mineral corporations, which meant that instead of collecting \$4 million, we hope eventually to collect 8. That would not be a tax increase to the people of Manitoba, because if we did get \$4 million out of royalties, it would mean that we could save \$4 million in revenue collected from other sources. So that was not a tax increase that would affect the people of the Province of Manitoba.

In the next budget, my recollection - and I stand to be corrected - is that there were no tax changes. There were no tax changes whatsoever.

(MR. GREEN cont'd)

In the fourth budget which the Honourable Minister of Finance introduced, and possibly I would be more critical the other way, but in the last budget my recollection is that the Minister of Finance said that we're going to give up roughly \$30 million a year in terms of an education tax credit, and that we're going to collect \$20 million a year. Which, Mr. Speaker, if one calculates right, one would see that the revenue being collected is \$10 million less than the revenue being paid out in tax credits so that doesn't come out as a tax increase. That comes out as a tax reduction. Those are the four budgets, Mr. Speaker. Each one of them showing not a tax increase but a tax credit to the people of the Province of Manitoba. And by the way I'm not that enthusiastic about that kind of situation. I have always felt that if you're going to give a tax credit in order to maintain the financial integrity of the province, that you should try to collect as much revenue by means of imposing a different form of tax. And this is dealing in the aggregate.

Now, Mr. Speaker, those are the four budgets and my honourable friend gets up and says that of those four budgets -- in which you cannot identify in any one of them an increase in taxes being imposed, that in each case there is a tax deficit, in the aggregate -- the honourable member says that there is a tax increase. You know, it's somewhat like the story of the insurance people who were in here. The insurance people came in and they said they lost money on every policy of insurance that they sold, and one of the members of the committee said to them "Well how do you make money?" And my reply was that they make it up on the volume; that on each insurance policy they lost but by selling a great deal they make up their profit.

The honourable friend says that in all of the four years there have been tax decreases not tax increases but we make it up on the volume, that of the four years' aggregate we have had a tax increase. Well the honourable members will want to know because the argument seems to sound logical, said "well how did the honourable member figure this out?" And I'll show you how he figured this out. What would the honourable member have said if the financial critic for the New Democratic Party, the Honourable, at that time the Member for St. Johns, had come to the Legislature in 1966, 1967 and said, Mr. Speaker, when this government took office in 1958 the aggregate budget of the Province of Manitoba was roughly \$80 million - and again I'm speaking from memory. The budget in 1969, or 68, the last year, is roughly \$400 million. Therefore, Mr. Speaker, look what those, the Conservative administration has done. In the ten years of office they have increased the taxes of the people of the Province of Manitoba by five times -- 500 percent.

Now if the Minister of Finance had said that to those people, you know what they would have done, Mr. Speaker? They would have laughed because it would be laughable. And when the honourable member says that the people of Manitoba are not laughing, I suggest to him with his kind of presentation how can they help but laugh. Because what he is saying, what he is saying, Mr. Speaker, is that because the same rate of taxation realizes more money it represents an increase in taxation. That's the first time we heard that definition, it's the first time, Mr. Speaker. In their years I will admit that the situation was different. In their years, Mr. Speaker, rather than having budgets which did not increase taxes, the fact is that the first thing that the Roblin administration did - and again I'm speaking from memory and if it's not the first thing it may be the second thing - do you know what they did, Mr. Speaker? They increased income tax by roughly 20 percent. They made the same kind of increase that we on this side made when we came into office in 1969, with one difference. They didn't do it in order to shift and remove another burden of taxation, they did it in order to pay for the hospitalization scheme. And I say that that was a good thing and I think that they did it in the right way. But, Mr. Speaker, let it be understood it was not a tax shift; it was a tax increase. And the next thing that they did in the budget, as I recall it of 1964 to 1966, is that they increased tobacco tax, they increased liquor taxes, they increased all of those forms of taxation which did not amount -- which did not shift taxes, which were for the purpose of adding to the revenue of the province by virtue of their program. And the last thing they did, Mr. Speaker, in 1968 is they put on -- in 1966 -- is they put on, the last budgetary presentation that they made and which they are asking us to accept, instead of what we have done, is that they put on a five percent sales tax.

Now those are the three budgets, let's compare, the three budgets of the economy-minded, careful managing, prudent, money-pinching Conservative administration, or money protecting if they like that word. In each budget, Mr. Speaker, in each session they put on

(MR. GREEN cont'd) increases in taxes, not for the purpose of shifting the burden, but for the purpose of making up revenue which they didn't have. In the one session that we've had, in the one administration that we have had, they aren't able to point to a single measure of the Minister of Finance that has increased the tax load on the part of the people of the Province of Manitoba. Quite the reverse. But my honourable friend, because when they were in opposition, that the biggest argument that they used to have, the biggest argument that they had when we presented various type of programs was that well these socialist talk nice but where are they going to get the money. In order to now give credibility to the arguments that they had in opposition they insist on saying, although they know it not to be true, that taxes have been increased in the Province of Manitoba.

And how do they do it, Mr. Speaker? The Leader of the Opposition continually says that we have the highest personal income tax and the highest corporate tax in the country. Mr. Speaker, I say that that is the fact of our revenue program of which I am most proud. I say that the income tax and the corporate tax is the closest thing -- and I admit that you can't always get there -- but it is the closest thing to indicating an intention to collect revenue on the basis of ability to pay, and in that regard, Mr. Speaker, I am happy to say that the Province of Manitoba will utilize an income tax and a corporate tax to a greater extent than any other province, which means that we are prepared to use the ability-to-pay principle to a greater extent than any other province in Canada. Mr. Speaker, if it was any other way I would have severe criticism of the Minister of Finance.

But if that is his complaint, how does that complaint figure when we come to other taxes? Well we do know, Mr. Speaker, that in the Province of Manitoba the total premium for health care is roughly \$100.00 a year, slightly less, I think it's \$98.60 or something but it's not quite \$100.00 a year. In the Province of Ontario where they have a lower income tax, which is what the honourable Member, the Leader of the Opposition wants us to do, the same premium cost roughly \$300.00 a year. So the difference, Mr. Speaker, is that an Ontario taxpayer in the \$6,000 income group with two children -- I want to take that group, Mr. Speaker, I want to take a person in the roughly \$6,500 a year group with two children. The Leader of the Opposition says let's impose an additional \$200.00 on that person like we do in Ontario and we will save him \$30.00 in premiums which he would have to pay by virtue of having that premium put on as an income tax. Because, Mr. Speaker, that's the difference, and if my figures are not exact they are in principle right. If we wanted to charge \$200.00 in premiums to the man that the Leader of the Opposition is talking about, we would save him \$30.00 in income tax and we could reduce the income tax, my honourable friend could say we are no longer the highest income tax province in the Province of Manitoba. The man who is earning \$6,500 a year we've imposed a charge on him to give him the privilege of walking around and saying "I am a Manitoban, I pay \$300.00 in premiums but we do not have the highest income tax in the country; if we had I'd only be paying 30 but I'm happy because the Leader of the Opposition can now say that we are no longer the highest income tax province in the country". That's what he wants. And, Mr. Speaker, he says that the citizen of Manitoba agrees with him. Well surely he should have learnt a lesson from the last election; surely, Mr. Speaker, he should have learnt a lesson from the last election. He is also saying, and if we go to that same Government of Ontario -- I can't again remember the exact figures, but I read something about university tuition, and they added, Mr. Speaker, \$100 to the university tuition fee. Do you know, Mr. Speaker, what we would have to do to raise \$100.00 in income tax from a \$6,500 a year person with two children in order to collect \$100.00? We would have to probably increase that person's income tax by another 20 percent -- and again I'm talking without having calculated but I think I'm on fairly safe ground -- so that we would increase that person's taxes by \$100.00 by increasing it another 20 percent. And my honourable friend says that it's preferable, it's preferable to tax that person individually \$100.00 for the purpose of paying his university premiums.

But that's not the only situation, Mr. Speaker. The university fees in the Province of Ontario were already \$100.00 higher than those paid in the Province of Manitoba. So what has happened in that province is that a family that is on Medicare, and they all are, and a family who has one child in university, pays \$400.00 a year more to the provincial revenues than the same person in the Province of Manitoba. Four hundred dollars a year more. Mr. Speaker, that is almost the total average family tax load in the Province of Manitoba. For two items. For two items. University and Medicare premiums. If we collect \$600.00 a year in taxes,

(MR. GREEN cont'd) we have a million people, that's an average of \$600.00 a year per person, the fact is, Mr. Speaker, that \$400.00 for that family that the Honourable Leader of the Opposition is talking about in the Province of Manitoba that has to pay that rate pays almost as much as a family -- well, no, my figure in this case is wrong. If we figure a family of four they'd be paying \$2,400 a year on the average, it would be increased by \$400.00 merely by reducing their tax load. By reducing their tax load in the way in which it has been done in the Province of Ontario, by reducing their tax load by some \$100.00 we would give them an additional \$400.00 responsibility on the terms of their Medicare premiums and their university fees. Well the honourable member questions what I am saying. I assure him that if the amounts are not exact, Mr. Speaker, the principle is correct. And that is why -- not because the people of Manitoba or that this government thinks that we can spend money better than the people themselves can spend it, that they have decided that it is cheaper to pay their Medicare premiums in terms of a tax rather than a premium, that because we have a greater amount of public revenues going into the universities than we require individual spending -- it's not because the administration feels that we can spend the people's money more sensibly than they can. It's because, Mr. Speaker, whether the Leader of the Opposition will agree with it or not, that by the experience of every administration, whether it be Conservative whether it be Liberal or whether it be New Democrat, it has been found that you can get a better deal if you collectively gather your income and pay for a service than if you permitted each individual to do it himself.

And isn't it obvious, Mr. Speaker? How much is the cost of sending a child to school? The cost of sending a child to school if one said that we will no longer finance it publicly, if we will no longer gather our revenue collectively and send it out, would be roughly \$600.00 or \$700.00 a year. A family with three children in school, if we said to them, or if they said to us we prefer that you no longer collect our money and have an educational system, we prefer that you leave our money in our hands and we will build our own educational system, the average person would have to spend roughly \$600.00 per child -- and I'm using a low figure -- to send their child to get an education. And with my family since I have four children in school it would be \$2,400 a year.

Mr. Speaker, the fact is that it's not the government, it's not a government or a New Democratic Party Government that said that we can spend the people's money in a better way than if they had it themselves. The people themselves have said time after time -- and they've said it to Conservative Governments, they've said it to Liberal Governments and they've said it to New Democratic Party Governments -- let's have a system which will be handled as efficiently and as inexpensively as possible. And the way of doing it in certain cases is to do that by means of collecting public revenue, and that's what has happened.

Is the Honourable Leader of the Opposition aware that in the United States where public revenues are not collected for the purpose of collectively paying Medicare schemes, that in order to have a health plan that the premiums can run three, four and five hundred dollars a year. And that's why the people have said let the government collect the revenue and institute a plan. Not because they like a New Democratic Party Government; not because they like collectively to give their money up, but because they can do it less expensively. And the Leader of the Opposition what he thinks and what he sees is that this is proving so effective that not only is it showing that things can be handled more inexpensively by the people collectively doing it, but that they are not taxing the public, that what he is saying is that this might prove to be so effective that they might go into other areas, we have to try to create delusion that it's costing more money. And what is the final argument that is used to buttress his position? The final argument that is used is that somehow we are losing what he would call or what I interpret him to say in quality people by virtue of the fact that managerial people, other people in the upper income groups are somehow not going to come to the Province of Manitoba by virtue of the higher income tax rate.

He doesn't appear to worry, Mr. Speaker, about all of the other people in the Province of Manitoba who have a problem with paying their taxes. He appears to say, Mr. Speaker, as he said with regard to the estate tax -- and I'm rather sorry I didn't get an opportunity to finish my remarks in that connection. I may divert for a moment by telling him that at the beginning of last week or the end of last week that I was in the Province of North Dakota and I spoke to the Governor of that province, Governor Guy, who assured me that almost all of the states or all of the states that he knew of had an inheritance tax in the United States; that not

(MR. GREEN cont'd) only did all of the states have an inheritance tax but that there was a Federal Government inheritance tax and that as far as he could recall that the exemption in the State of North Dakota was \$60,000 per year, farm lands and all other lands. And when I told him that our exemption was \$200,000 a year - I think that is the figure - including a wife - when I told him that, he didn't throw his hands up like the Leader of the Opposition and say oh, my God, all of my North Dakota farmers are going to pick up their acreage and take it to the Province of Manitoba to take advantage of that \$200,000 exemption. He didn't say anything of that nature. And the fact --(Interjection)-- Pardon me? --(Interjection)--

Mr. Speaker, I assure the Honourable Member for Rock Lake that if he will go to the very poor countries in the world he will find that their taxation is very low. If he will go to the very rich countries in the world he will find that their taxation is very high. And coincidentally that does not result in all of the very rich people in those rich countries with the high taxation immediately running to the poor countries so that they can enjoy that poverty in those other countries.

And I'll tell the honourable member something, and the Honourable the Leader of the Opposition something. That I had it both ways. I had it both ways. There was a time when I paid no taxes at all, no taxes at all. And there is a time now that I pay what at that time I would have considered to be substantial taxes. I had it both ways and I wouldn't go back to paying no taxes at all.

Maybe the Honourable Leader of the Opposition who never had it both ways would find that to be a problem, but I had it both ways and I say to you, Mr. Speaker, that if he's talking about the increased revenue that the governments are receiving, by virtue of the same rate, collecting more taxes, is he not aware, I mean, does he leave out completely, or is he ignoring or doesn't he even put a caveat on his own argument, yes, inflation has resulted in some of them having more salaries and therefore the same rate will collect more taxes. Is that not even a part of the submission, do you not even hedge your argument to that extent? Because, Mr. Speaker, that is the fact, that is the fact during the last four years. It was the fact during the ten years of his administration and given the way in which all governments, including the Leader of the Opposition, appeared to be irresistibly attracted to Keynesian economics so that he says that the only part of our budget that he is willing to really accept is the \$90 million deficit that he saw. That's the only part that he hasn't attacked. Mr. Speaker, that's the only part that he hasn't attacked, and on that basis, on that basis, Mr. Speaker, if he knew anything about economics, and I think that he does, in which case, he really must be knowingly misrepresenting his position, then the fact is, then the fact is that given that type of economics, there will be a steady inflation of the money supply, that that inflation will result in the same rate of taxation collecting more money. But what he ignores is that the guy who is paying more, and if you took it at five percent, the person who is paying more if he was paying ten percent on \$5,000 -- and again I'm going to use meaningless figures - and that he paid \$500 based on 10 percent of \$5,000, that next year if he was earning \$6,000 he would pay \$600, but there would be an increase in his position. And if my honourable friend won't at least bring to the attention of the people that he is talking to, that his figures have that built in quality, it would appear to me, Mr. Speaker, that the honourable member is in hopeless condition, that he has nothing that he can say which makes sense, and that therefore he prefers to talk nonsense in the hope that some people will accept what he is saying. Well, Mr. Speaker, those are the facts.

He will not and cannot deny that during the ten years of Conservative administration the budget went from \$80 million to roughly \$400 million. Will he therefore let me stand here without challenge and say that the Conservative administration increased taxation on the people of the Province of Manitoba by 500 percent during their years in office? Because that's what he is saying about us, Mr. Speaker. Now surely, surely that indicates a desperate position; and if it indicates a desperate position is there any wonder that it's not accepted with any credibility. He indicates, Mr. Speaker, -- he took the Province of Ontario - let's leave out the Province of Ontario -- the highest personal tax, corporate tax, the highest corporation tax in Canada. When he says that, will he at least not accept the fact, does he at least not in order to make himself credible, at least, let him say, it's true that sales tax in the Province of Quebec is eight percent and we could have a lower corporate tax and a lower income tax and he would be very proud, I am sure he would run around and say, yes, we no longer have the highest income tax, we no longer have the highest corporate tax in Canada, but the New

(MR. GREEN cont'd) Democratic Party put on three percent of sales tax and that takes away the stigma which I have foisted on them for all of these years. --(Interjection)--

Well, they have the highest sales tax. Mr. Speaker, the Province of Nova Scotia, has a seven percent sales tax, --(Interjection)-- pardon me? No premiums, right. Is that what my honourable friend is advocating? He may find a supporter, he may find a supporter. You want to propose, you want to propose that we eliminate, eliminate the premiums of \$100 and increase the sales tax. We'll talk about, but you haven't said it, you haven't said it, nor did you do it. The Province of New Brunswick, Mr. Speaker, has the same type of sales tax as the Province of Nova Scotia and the fact is that these things apparently are left out of his submission, and the reason they are left out of his submission, Mr. Speaker, is that he has no real submission.

I once again urge him to identify in which year the Minister of Finance of this province introduced a budget which increased the rate of taxation to the people of the Province of Manitoba, in which of our sessions. He couldn't do in the first session, he couldn't do it in the second session, couldn't do it in the third session, couldn't do it in the fourth session, but he says that in the aggregate, despite the fact that you haven't done it in any of the individual sessions, in the aggregate you have done it. And the only way he could make that argument is by saying, Mr. Speaker, that the total revenues of the province indicated that we collected more money. And if he makes that argument and if he insists on that argument, the, Mr. Speaker, he cannot but admit, he cannot but admit that during the years of Conservative administration the Conservatives increased taxes in the Province of Manitoba by 500 percent. Because that's what he is saying.

Mr. Speaker, the honourable member has talked about the philosophy being different. There is really very little argument, Mr. Speaker, that can be made on the basis of philosophy, because I don't recognize, although I might wish for it, that the philosophy was very much different, but the fact is that the other provinces in which there are administrations of his philosophy, have had budgets which have done much worse by way of taxation than the Province of Manitoba. In this budget that the Minister of Finance introduced, he is raising \$20 million to cover expenditures of \$30 million -- \$34, he says. The Province of Ontario has raised their taxes by roughly 120 to 150 million dollars - not to give a tax relief to its citizens, not to reduce, not to give a tax rebate, not to give a tax cut; there is a tax credit in that province, Mr. Speaker, but is that going to cost them the amount that they have increased taxes by, because they certainly haven't introduced it in that way. They have introduced it on the basis of increasing revenue. Well the Honourable the Minister of Finance, corrects me and if that correction should come forward then I will put it forward. Then they have done the same thing, except that they have used, Mr. Speaker, with the greatest of respect, a worse form of tax. Their taxes on liquor are more onerous, their taxes on tobacco are more onerous, their taxes on the things that the little man buys are more onerous and therefore I suppose it would find favour with my friend, the Leader of the Opposition because it would create the bias on the quality people whom he thinks the rest of us owe a living, and therefore we have to be very careful about not taxing them in such a way that they would squeeze them a little bit.

I note that during the entire budget session, Mr. Speaker, the one tax which I would think that this administration did introduce with some degree of, well I would say more than some degree, with a great degree of reluctance is the one that does tax citizens rather equally and that is the tobacco tax; that that particular tax, Mr. Speaker, hits the little man in the same way as it hits the big man and it probably is the one that we feel is necessary for the purpose of maintaining revenue and for the purpose of maintaining tax balance. But that's the one that I have heard less argument about from the leaders of the opposition. They have been more interested, Mr. Speaker, they found some guy who are in terrible shape, the Member for Rock Lake says that somebody who has inherited \$200,000 and they have to pay \$10,000 in taxes and be left with a mere, with a mere \$190,000, that they have a real problem; that that's the one, that's the one that needs a break. As a matter of fact, I heard various leaders saying that on that particular bill, Mr. Speaker, we should take it out of the House and go to Law Amendments Committee - to take that particular bill out of the House, that is the Estate Tax Bill. Significant he didn't say take the Tobacco Tax bill out of the House, it's the Estate Tax bill, that's the one that he is most concerned with.

Well, Mr. Speaker, it rather reminds me of what Carlisle said in his history of the French revolution, that there were great grave complaints during the French revolution about

(MR. GREEN cont'd) some of the people who were suffering and I would say that they were very legitimate complaints, because I don't like suffering, no matter who the sufferers are, but there were great cries of agony about the people who were being hurt by the French revolution and Carlisle then went to indicate that one could take any other four year period of French history and show that the number of small people who have been devastated, who had been sent to death in war, who had died of starvation, who had had to suffer all of the privation leading to great amounts of deaths on their part, that all of those people, that of all the four year periods in French history, that the number of people who suffered was least during the French revolution than in any other period. But Carlisle said that there was a difference; that during those four years, Mr. Speaker, or during those other years, during any other four year period, Carlisle says it was the silent thousands who suffered, and during the four year period of the French revolution it was the screaming hundreds. And those are the people that my honourable friend is worried about. What he says is that the screaming hundreds have to be looked after and that we don't have to worry about the silent thousands because they will remain silent.

Well I want to tell my honourable friend something. The silent thousands have learned something during the development of the democratic process and the silent thousands are no longer going to remain silent; and when the time comes to speak, they will speak, and they will speak not to protect the screaming hundreds, they'll speak to protect the silent thousands.

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MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, I had expected that members opposite would have derived sufficient line of reasoning and logic from the particular position that my leader took to the discussion of this bill that it would not have been necessary, that it would not have been necessary, Mr. Speaker, for anyone on this side of the House to stand up and buttress my leader's argument at this point. But after listening, after listening to the desperate bottom of the ninth inning, bail us out argument of the Honourable Member for Inkster, the specious arguments of the Honourable Member for Inkster, Mr. Speaker, I cannot resist the urgent requirement to get in and put the record straight.

Mr. Speaker, I want to tell the Honourable Member for Inkster something. He's a top-notch parliamentarian, he doesn't need to be told that by me; but if he thinks that he can go out in the Province of Manitoba and sell that phony line to the people of Manitoba about not having any increases in their taxes, or their tax bills, that he has just tried to deliver to us in this House, then his brilliant parliamentary star is waning and waning fast. It won't be up there long. It won't be up there long, Mr. Speaker, if he's going to try that kind of double talk, that kind of presentation on the people of Manitoba. He talked in the concluding moments of his address about the screaming hundreds and the hungry thousands and he talked about the difficulties facing politicians and social orders, when people who have been disadvantaged and ignored for far too long begin to make themselves and their feelings felt, begin to articulate themselves as is their right.

Well I would suggest to him that he's got a number of screaming hundreds and hungry thousands in terms of taxpayers and jobless and unemployed in Manitoba who want answers from this government as to how they are going to live for the next 2, 3, 4, 5 years, and they are not getting them, they are not getting them with that kind of a smoke screen presentation of a bill that is designed to raise, to entrench and enshrine a steadily rising level of taxes of all kinds, including income tax, in the Province of Manitoba. And all the Minister has to do, all the Minister has to do, or the former minister had to do to bring himself up-to-date on what is implied and called for in this bill, is read the clauses of the bill, Mr. Speaker, and I know that I cannot do that at this stage of the debate, but if he would address himself to the clauses of the bill, and at the risk of incurring your wrath I mention clause (5) in particular, he would see for himself there in black and white, a record of the rate and the degree to which income tax levels on the provincial base have risen in the Province of Manitoba since the year 1967 and how they are projected to continue to rise through '72 and thereafter. So for him to try to sell that argument, all he has to do is read the bill and then go out and talk to a couple of Manitoba taxpayers; perhaps even look at his own tax bill, Mr. Speaker.

The former minister is the kind of parliamentarian and debater that any party would love to have in its stable in times of difficulty in debate. I'm not speaking about philosophical positions, I'm talking about the ability to develop an argument that short cuts and short circuits the specifics of a piece of legislation and turns the argument in favour of the government despite that legislation's shortcomings. He has a great capacity for presenting logical and cogent argument but the trouble is in many, many cases it's based on a false premise and in many other cases it's based on nothing.

He has taken a situation here, Mr. Speaker, which is crystal clear and the wording of this bill will be crystal clear to a million Manitobans or a quarter of a million Manitoba households when their tax bills, when their tax bills next arrive in their mail boxes, and attempted to say that this is not so. These things aren't happening, we are not badly taxed here. Our taxes haven't gone up, there's no hardship as far as taxes are concerned. Well I suggest he go out and knock on a few doors and ask a few taxpayers whether they agree with him as to whether taxes have reached an onerous level in this province.

Mr. Speaker, Mr. Speaker he's no longer a minister, but he's still a capable, extremely capable debater and they pulled him out and put him back on the firing line on this particular bill, because they know, they know that it's the kind of projected legislation that is going to arouse the opposition of Manitobans in general, certainly incur the displeasure of all of us on this side of the House and I believe the vast majority of those whom we represent in our respective constituencies. So to make the thing sound palatable and logical and reasonable they use the Honourable Member for Inkster to get up with another one of his carefully constructed coolly logical, dynamically presented arguments, and it still is hogwash, and to use one of the former Minister's favourite expressions that argument that he employed just now won't wash,

(MR. SHERMAN cont'd) Mr. Speaker, it won't wash because the Minister cannot deny that outside the budgets that he refers to - and he carefully, he carefully restricted most of his remarks to the four budgets that have been presented to this Legislature - outside those four budgets, Mr. Speaker, there have been significant changes in the tax rate and the tax structure facing Manitobans. He cannot deny that the level of provincial income tax in Manitoba was 33 percent in respect of the 1967/68 and 69 taxation years. It was 39 percent, Sir, in respect of the 1970 and 1971 taxation years, and it will be 42 1/2 percent in respect of the 1972 and subsequent taxation years.

Now I don't know what kind of mathematics he uses, what kind of addition he uses but if that does not represent an increase in the taxation level which Manitobans are carrying, if that does not represent to him a heavy and an onerous burden of taxation in terms of the average income and the gross income of the Province of Manitoba and in terms of the productivity of our economy up to this point in time, then I suggest he start over again in mathematics and approach it from a more basic and a more elementary perspective than he has done. He's approached it from a doctrinaire perspective rather than an elementary one and he does not understand, Sir, that that rate of taxation reflects and represents an increase and the level of taxation in Manitoba today is too high and the taxation level in terms of income and corporate income tax is damaging to the economy of this province. I see the former Minister wants to ask me a question but I wonder if he'd just allow me to conclude my remarks which won't be terribly lengthy and then I will attempt to answer his question. The level is damaging, restrictive and its effects in terms of a slowdown and a semi-paralysis of our economy I should think have made themselves felt very clearly in the last three years.

Mr. Speaker, the former Minister talked about -- or if he didn't his colleagues talked about people laughing where this kind of argument that we're now engaged in is concerned and where some of the things that my Leader was saying are concerned. Well I don't think that the people in agriculture and the people in other industries in Manitoba are laughing at the present time with respect to the load of taxes that they're carrying, but they will be laughing, they will be laughing when they read the Member for Inkster's speech of a few moments ago and learn for themselves from the tongue of the master that they're not heavily taxed, that they're not caught in a tax spiral squeeze that limits their capacity to develop the industries in which they're engaged and limits their capacity to enjoy what we could describe as the good life here in Manitoba. They'll be laughing when they read those remarks because their record, their experience of the past few years and their tax bills of this year will make it abundantly clear to them just how heavily taxed they are and just how wrong the Member for Inkster is.

Mr. Speaker, the member devoted some considerable time in his remarks to the great battle of Medicare and the shift in taxation reflected by the change in the Medicare premiums and the adherence of my honourable friends opposite to the ability-to-pay principle and the application of it where Medicare premiums are concerned. Well that battle surely, Mr. Speaker, was fought and won by my honourable friends opposite and many many Manitobans a long time ago. That battle surely now, Mr. Speaker, is a chapter in the past, a chapter in the history of Manitoba from which surely the Member for Inkster and his colleagues can now go forward instead of continually remaining mired down in debate after debate on piece of legislation after piece of legislation in a battleground and in a context that was fought, won and concluded, two and two and a half and three years ago.

I'm surprised as I listen to the remarks of the Member for Inkster that he hasn't brought in some of the arguments and some of the conflicts and the different positions that were undertaken during the great struggles 120 and 140 years ago dealing with child labour laws and child labour, Mr. Speaker. I suppose that's his next speech. We've worked in a very logical progression. We've started with a piece of legislation that has to do with today; we've heard from the Member for Inkster who has taken us back a few years ago to the battle for Medicare and before the debate is over, particularly if the Member for Inkster is able to reassure his influence in it I'm sure we'll continue to move in that backward position and go back to those battles of a 120 and 150 years ago. I was surprised he didn't bring them in at this point.

Mr. Speaker, what we are saying essentially is that a tax cut properly handled and properly managed could we believe be achieved and would we believe provide a necessary stimulus to our economy. This is the argument and the line that we have taken; we have not heard anything from the other side to dissuade us from that position and in fact, Sir; I suggest that the records of some governments in the western world at the present time support that

(MR. SHERMAN cont'd) position very strongly.

My honourable friend, the Member for Inkster, who is partial to quoting from the record and has a fund of knowledge in terms of the historical record, which I enjoy and admire, would be interested I would suspect, Sir, in an article in the current issue of the Reader's Digest which is hardly a historical document but which has to do, which has to do, Mr. Speaker, with the record of the Heath government in Great Britain in recent years and particularly at the present time in coping with the economic difficulties that it has faced. And I would like to -- (Interjection)-- My honourable friend asks me what party it is. I would say that the government headed by Mr. Heath probably reflects the best traditions of Progressive Conservatism, some of which are not unfortunately found in other Conservative Governments in other parts of the world, probably the best traditions of Progressive Conservatism; many of which would commend themselves I'm sure to the member's colleague, the Honourable Minister of Finance who has described his budget of 1972/73 in this Chamber as a -- I believe he described it as a progressive conservative document, small "p", small "c". Well I stand corrected if I've misinterpreted it but it certainly was an interpretation of his remarks.

Mr. Speaker, let me just read three or four lines for the Honourable Member for Inkster about the situation in which Prime Minister Heath has found himself because I think it effectively illustrates the point that we are trying to make where fiscal policy and levers of fiscal policy are concerned. The point that we are trying to make where the impact of taxation is concerned on a struggling economy, be it a country, a province or a localized community. Mr. Speaker, this article which I say is in the April issue of Reader's Digest and was written by a man by the name of James Atwater, says in part, and I quote directly from this part: "From the beginning there were plenty of problems facing Heath. The British standard of living once one of Europe's highest had become in 1970 one of its lowest. In fact the economy had expanded at the negligible annual rate of about two percent from the previous five years." -- (Interjection)-- It was the previous government, right. The Honourable Member for Lakeside brings in a historical perspective which I think will provide some food for temporary thought at any rate among my friends opposite. "One problem was a high income tax rate that discouraged incentive. Heath therefore reduced income taxes as part of a general tax cut of 1.4 billion pounds, the largest in British history."

Now, Mr. Speaker, I go on to a later portion of this article because I don't want to take up the time of the House with the material in between but the next part of the article deals with the manner in which those taxation and fiscal measures were applied and we come to two or three concluding paragraphs in the article which read as follows, Sir, quoting again. And the former Minister, the Member for Inkster, will like this I think: "So far Heath's demanding programs have not aroused any great support among the electorate and a recent gallup poll revealed that only 39 percent of Heath's countrymen thought that he was doing a good job as Prime Minister." And I interrupt to say that I think the Member for Inkster will enjoy that because what it reflects is something that I give the Member for Inkster credit for. It reflects an integrity, a faith, a loyalty to a principle. Heath undertook measures which he believed were the right things to do for Great Britain whether or not they were going to win him popularity with the electorate. He's found that he hasn't been the beneficiary of the great new tidal wave of popularity but he's pushing forward with the application of those principles any way. I think that I can honestly say that the Member for Inkster strikes me as a parliamentarian of that type and I think that he would respect, I think that he would respect the position that Heath has taken here.

Mr. Speaker, quoting again: "Nevertheless Heath believes that if his programs work he will eventually win popular support and if they don't it won't matter what kind of personal leadership he provides. Slowly signs are beginning to favour him. The economy is growing at the rate the Tories predicted, twice the speed of the past five years and the rise in inflation has slackened. Strikes last year were off 40 percent from 1970's peak although in mid February a lingering coal strike brought British industry to a near standstill." That's the end of the quotation. The article goes on to a conclusion, Mr. Speaker, which is not necessary for me to introduce at this point. The paragraphs which I've quoted and read into the record support the position I'm trying to underline and the position that our party has tried to put forward since the beginning of the session with respect to all financial measures in the House and that is simply this: that there comes a point where incentive is blunted and initiative is discouraged by excessive taxation. There comes a point when the spirit and the drive and the

(MR. SHERMAN cont'd) thrust to produce and help one's community and one's province develop is inhibited by a level of taxation that becomes onerous and oppressive, and we believe that the government of the day be it an NDP government or a Conservative government or a Liberal government has a responsibility to the wage earners in its constituency to address itself to that kind of danger and to make sure that that kind of thing doesn't happen and develop and grow to the point where an economy is stifled and stultified. And for the Member for Inkster to try to gloss over the kinds of discouragement that face the economy of Manitoba at the present time and to try to suggest that taxation is not an onerous burden for the majority of wage-earning Manitobans and to try to suggest there has been no increase in the level of taxation facing Manitobans in the past three years I say, Sir, is not correct and is a smoke screen argument which ignores the facts that are stated clearly in Queen's English in Bill 17 before us at the present time.

Mr. Speaker, I would ask the Member for Inkster to ask himself what some of the members of our community who are engaged in business and in industry really and truly feel about the -- really and truly feel, politics aside -- about the taxation level in this province at the present time and the effect that it has on the kinds of things they are trying to do. I would hope that I'm not compromising a prominent Winnipeg executive, Mr. Harold Thompson, of the Monarch Life Assurance Company, for example, when I suggest that perhaps the Honourable Member for Inkster could spend an interesting and an informative half hour with Mr. Thompson and ask him what he thinks about the levels of taxation here and how difficult it may be to get people to come here to work in the Province of Manitoba, whether it be for that particular company or any other company when they're faced with the level of taxes, income and otherwise that currently exist in the province.

The former Minister talked about the quality of our people and the quality of the personnel that we are attempting to develop and attempting to protect here in Manitoba. Well that argument is also specious. In fact it's rubbish, because the former Minister knows full well, Mr. Speaker, that many of these people of quality that he talks about, that he's referring weren't Manitobans to begin with, they're imports. They were brought in here by this government because the economy and the structure of the economy and the structure of society and all the related aspects of it including taxation and including living costs, militate against the development and the retention of the qualities, just the very qualities in leadership and management and capacity in all levels of labour, business, government and education that the Member for Inkster argues for. We can't retain the kind of quality that we need to retain here in Manitoba so we wind up having to go outside and hire imports and bring them in at extremely attractive salaries, attractive to them probably unattractive to the many Manitoba taxpayers, because our policies have militated against the retention of our own quality and our own talent. So for the Member for Inkster to stand up and say what he said in the last twenty minutes I say is a deception and a smokescreen and the only people that are going to be laughing are the voters of Manitoba when he tries to sell that foolish story to them.

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: The honourable member indicated that he would accept a question following his remarks which I enjoyed very much. Mr. Speaker, the honourable member asked me to check my arithmetic and since he wishes to teach me arithmetic, will he tell me whether 39 over 111, which is the old rate, is less than 42 over 142 which is the new rate. Will he give me that lesson in arithmetic?

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Well, Mr. Speaker, I wonder if I could ask the Honourable Member for Inkster to repeat his question. I'm sorry - no, I'm sorry there were one or two conversations going on. I apologize.

MR. GREEN: The honourable member mentioned that if you look at the book you will see that the old rate was 39, the new rate is 42 and that my arithmetic should teach me that 42 is higher than 39. Now I ask him, as arithmetic teacher to tell me whether 39 over 111 is lower than 42 over 142?

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, the 39 is certainly lower than the 42 and, Mr. Speaker, it depends on the base, it depends on the base out of which that percentage is taken and I dispute the Minister's figures when he talks about 111 as opposed to 142. It's closer to something like 172 as opposed to 142.

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: I then ask whether the honourable member agrees that 39 standing by itself and 42 standing by itself are not the figures, but 39 over the previous base which I say was 111, 42 over the new base which I say is 142.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Not wishing to evade the mathematical question, Mr. Speaker, if it's taken precisely in that limited context the former is lower - the 39 out of 111 - but that does not describe the full context of taxation in which we're caught at the present time.

MR. GREEN: . . . Mr. Speaker, I'm sure that my honourable friend didn't want to let pass an inadvertent mistake. He said that 39 over 111 is lower than 42 --(Interjection)-- . . . You agree that 39 is higher when it's taken over 111 than 42 is when it's taken over 142? Thank you.

MR. SPEAKER: The Honourable Member for Souris-Killarney.

MR. McKELLAR: I beg to move, seconded by the Honourable Member for Lakeside debate be adjourned.

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

MR. SPEAKER: The Honourable the House Leader.

MR. PAULLEY: I wonder, Mr. Speaker, would you kindly call Bill No. 23, standing in the name . . .

MR. SPEAKER: The proposed motion of the Attorney-General. The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, the Attorney-General is aware of a prior discussion before entering this House in an attempt to try and reach some agreement on this side to see that this bill is proceeded with as quickly as possible. It's not the intention of the Opposition to in any way inhibit the ability of the Commission of Inquiry dealing with The Pas Forestry Development to not have whatever power is required to be able to undertake whatever hearings they think are required. However, there are a couple of things and I think there may very well be some agreement on this.

One is that particular clause that refers to boards and commissions and tribunals other than those established under the Part V of the Manitoba Evidence Act. It is our feeling and I think there is general agreement now with the government that this would be too wide a power to give even though it's an ex parte application to a judge of the Court of Queen's Bench and that it should be restricted to those commissions that in fact occur under Part V of the Manitoba Evidence Act, and therefore I think there may very well be agreement to delete a portion of the application of who may apply for the ability to in fact take evidence outside the jurisdiction.

Having said that, Mr. Speaker, it's not our intent in anyway to do anything that would prevent the ability of the commission to hold its hearings. On a preliminary examination without reciting hearings outside of the province, on a preliminary examination without attempting to try and deal with detail, it would appear that the Canada Evidence Act, the rules of private international law will have a direct bearing and the precedents already existing in other jurisdictions will have some bearing on the ability for the commission to be able to accomplish its objective, and while we admit that we want to fully co-operate in allowing it to be able to proceed as is requested, we must question the real ability of the commission to be able to accomplish the result that's anticipated based on the fact that there is no essential proceeding at this particular time, there is no essential proceeding that would comply with the requirements of the Canada Evidence Act stating that there should be a civil, commercial or criminal matter impending.

I believe that will in fact to a certain extent frustrate their ability but nevertheless we do this not by way of a caveat but by way of an indication that we do not think necessarily that it will have the ability that it expects, but we are prepared to agree to its passage now and to its speedy passage as far as the House is concerned.

MR. SPEAKER: Are you ready for the question? The Honourable Attorney-General.

HON. A. H. MACKLING, Q. C. (Attorney-General)(St. James): Mr. Speaker, in speaking now I would close debate. The Leader of the Opposition is right in indicating that after having heard the comments from the members of the Opposition who indicated some concern as to the generality of the provisions that are being made, I have examined them and I'm prepared to make amendments which would clearly indicate that the commissions who would be

(MR. MACKLING cont'd) entitled to make application to the court would be such commissions as are appointed under Part V of the Manitoba Evidence Act, and it wouldn't be the standing boards, commissions and tribunals that may have been established under specific acts for the limited purposes of meeting problems that arise in connection with the administration of Acts within Manitoba. It wasn't the intention of the government to go unnecessarily beyond what is reasonable to handle situations where there is need for investigation of persons who may from time to time be reluctant to come within the jurisdiction, for their own reasons, to give evidence.

I would point out also, Mr. Speaker, that of course it is still discretionary on the part of the court as to whether or not letters rogatory or other extra provincial process are granted to the supplicant or applicant - in this case it may well be a board or commission, or in this case a commission appointed under the Part V of the Manitoba Evidence Act.

The other point I wish to make is that the Honourable Leader of the Opposition may have some justifiable concern in respect to the practical effectiveness of the letters rogatory that the commission or a commission may be able to obtain through application to the Court of Queen's Bench. But I thoroughly believe, Mr. Speaker, that the reciprocal arrangements with the other courts are such that the applicant, the commission, would be able only to exercise the powers that are accorded to it by the reciprocating court and any defences, any privileges, any rights of non incrimination and so on that obtain in the reciprocating court will be available to any witness that is called before the commission under the rules of the reciprocating court. So that I really don't think that the application of the Canada Evidence Act will have any direct inhibiting factor. It will be what the rules are and the rights and privileges that are accorded to a witness that is brought before the reciprocating court.

However the experts will be available before the Law Amendments Committee and I will endeavour to make sure that the people who have gone into the intricacies of the legislation more precisely from an extra jurisdictional point of view are available for questioning when the bill is under study clause by clause, and I will move an amendment to have the effect of taking out the unnecessary surplusage that I think we can agree exists in this.

MR. SPEAKER put the question 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 Minister of Public Works that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider the Supply to be granted to Her Majesty.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House resolved itself into a Committee of Supply with the Honourable Member for Logan in the Chair.

COMMITTEE OF SUPPLY

MR. CHAIRMAN: Resolution 103 (a) (1). The Honourable Minister of Public Works.

HON. RUSSELL DOERN (Minister of Public Works)(Elmwood): Mr. Chairman, I would like to thank the honourable members opposite for their kind comments and suggestions made the other day and I'll now attempt to answer the points raised by them.

The Member for Birtle-Russell made a number of points. He focused on the point that the civil service had grown considerably since the advent of the New Democratic Party in government but I think that point has already been handled by the Premier who has pointed out that statistically and numerically the growth of the civil service in the Province of Manitoba is certainly in proportion and not out of line of the growth of other civil services in other provinces. The honourable member also seemed to dwell for sometime on the definition of the word "hack" and I would simply say that a hack by his definition would be a person appointed by another political party.

Mr. Chairman, the Member for Birtle-Russell indicated that there were increases in the automobile fleet that he thought was out of line. I might point out that there has been over the past half dozen or more years an annual increase of some eight to nine percent in the automobile fleet, that in 1970-71, during that, in that particular year and all through -- for a one year period there was a freeze on the purchase of big-4 automobiles, but there was a small number of foreign cars, largely Japanese cars that were purchased. So if you compare --(Interjection)-- I have a CCM bicycle - if you compare the growth in a fiscal year, from

(MR. DOERN cont'd) 70 to 71 bearing in mind that there was a freeze but there was cars purchased at a certain time in that period that were committed prior to the freeze, there was some 34 automobiles purchased. In 1971-72 there was a larger than normal purchase but this is due to the fact that the previous year there was a smaller than normal increase. So if one were to average the past couple of years, you would have an average net purchase of some hundred vehicles which was simply repeating the pattern of previous years. In effect, Mr. Chairman, there was no particular increase in our purchasing over the past year. I might also point out that there is a larger percentage of compact and intermediate cars being purchased by the present government than ever before.

Mr. Chairman, the Member for Lakeside raised a number of questions. He asked questions about the security services in the Legislative Buildings and the surrounding areas. It is true that there is a line in the Estimates which indicate that there is an amount of money set aside for security services which gives the appearance that there is some inordinate increase, but what has happened in effect is that this item has been separated out from the previous year and is shown as a separate line. Before it was included in a resolution under 104 and now it is being separated out to stand by itself.

There has been in my judgment a considerable improvement in security services over the past year and more. We have a person in charge of security who has an experience with the Federal Government and with the Canadian Navy who I think has considerable background and ability in this area, but there has been no staff increase.

Mr. Chairman, the Member for Lakeside also mentioned that he was most impressed with the dazzling decor in the press room. I agree with him. I think all of us realize that we are serious people and sober citizens but that the press tends to be a bit more, shall we say, colourful and in keeping with their personalities we've attempted to reflect that in their quarters.

My honourable friend, the Member for Lakeside also put forward what I think was a sound proposal, perhaps a stroke of luck or a stroke of genius. He made the case for an underground parkade in the legislative area. I think he may have described it as being on the legislative grounds but I would say to him that our department has studied the feasibility of an underground structure in the Memorial Boulevard region and this is something that is being given consideration. It is more expensive to go below grade than of course to build a parking structure at grade or to build a super structure but I think that where you have buildings that are of the quality that we have in this particular area, it makes good sense to have underground parking because I think that above ground parking structures would detract from the aesthetic quality of the area, and I'm happy to see that my honourable friend has drawn this general conclusion.

He talked of course about the green area and so on, close to a farmer's heart, the desire to maintain grass and lakes and flowers and so on. I'm not so certain however, Mr. Chairman, that the province can operate -- I have no doubt about our ability, but when a dollar and cents value is put to the cost of building and operating and maintaining a parking structure, there are a number of questions that then could be raised. If, for example, we institute a program, a policy of charging people who work for our civil service, or people who wish to use parking space in a parking structure built by the government, we are going to be confronted with unsubsidized costs that would range in the \$20 or \$30 per month range and it is known that at present by the grace of the government that the civil servants are not charged for parking in this area, so we would of course have to decide whether to charge a portion of the actual cost of a parking structure.

There is no doubt that with the construction of the new office building across the street at 405 Broadway, with the upgrading and renovation of the Provincial Library and Archives Building, that hundreds of more people of course will be working.

MR. CHAIRMAN: Order, please. I wonder if the members could just cut out this undertone. It's very difficult for the Chair to hear what the Honourable Minister is saying. The Honourable Minister of Public Works.

MR. DOERN: Thank you, Mr. Chairman. With the construction of our new office building and as I said, the Provincial Library and Archives Building, there are more civil servants who are going to be located in the Legislative complex and as a result, I think the need for parking will sharply increase and the government will have to undertake some improvement in the parking facilities in the downtown area, because I think it is in fact becoming

(MR. DOERN cont'd) rather intolerable. We have at this time, funds allocated for the building of a parking structure, no decision has been taken at this time on its location or its size, but nevertheless, we have a number of alternatives in mind and we certainly intend to take action.

The Member for Assiniboia is one of those people who ask very simple, apparently simple and straightforward questions but to answer them might require very complex and lengthy answers. I know this is his method but nevertheless I will try to deal with them in brief.

First he asked about what was once known as the Winnipeg Auditorium. There are extensive renovations underway in that building, a good portion of which are complete. I know that anyone in this Chamber who has ever seen the building when it was used as a concert hall and as a facility for conventions, etc., would be really startled to see the central interior where we used to sit to watch concerts, which has now no balconies and in that region there are several floors of course being constructed to make it into a suitable accommodation for offices and library and archives. There will be some 200,000 square feet which will be utilized in that building. My honourable friend asked me for some figures on costs to date. We have spent approximately three quarters of a million dollars to this time and to complete the construction and renovation program for that building some 1.4 million dollars will be required.

In terms of our long range space needs we are attempting to provide for the space needs of our people. We don't have any grandiose plans to rival our friends in British Columbia where just yesterday I observed in a paper that Premier Bennett is putting up a 55 story, \$50 million government office building in Vancouver. His Minister of Public Works simply walked into the Vancouver Council, told them what they were doing and walked out. We don't have any plans to rival that or any needs that are comparable to the growing civil service in that province. I regret that my honourable friend the Member for Rhineland isn't here.

Mr. Chairman, the building that we are planning for Kennedy and Broadway, what is called internally 405 Broadway, is the first office building that has been undertaken by a Provincial Government since the completion of the Norquay Building in 1959. We rent at present throughout the City of Winnipeg tens of thousands, if not a couple of hundred thousand square feet that we are leasing and renting for our needs, so it makes good sense economically I think to, when you reach a certain stage, to consolidate your operation and to make it more efficient by concentrating it in a particular building or on a particular floor of a building. This building that is presently being planned will consist of some 220,000 square feet approximately at a cost of some \$5.5 million. It will contain largely the offices of the Attorney-General's Department, the Department of Industry and Commerce, Municipal Affairs and Consumer and Corporate Affairs.

The Member for Assiniboia also raised some questions about the increased costs in telephones. There is a figure of some \$200,000 that is included in the Estimates, some \$32,000 of that is for salaries and annual increments and the inclusion of some new operators to be located at The Pas, Brandon and Fort Osborne Barracks, and a figure of some \$200,000 is for the purchase of equipment, new switchboards and the Watt telephone lines which allows us to purchase telephone long distance calling at a sort of bulk rate, and gives us an advantage in terms of costs.

The member asked us about long term research for telephones and we do in fact work quite closely with the Manitoba Telephone System. We are of course, a big buyer of telephone lines and the MTS has assigned to us a senior officer who is continually working with the province to provide us with our needs.

The member raised a question about the Provincial Garage. There again, there are a number of figures which simply reflect annual increments, general salary increases. There is the addition of five new staff for a \$58,000 total and the remainder under "other expenditures" was for the purchase of additional vehicles.

The Member for Assiniboia, who has had the painful experience of receiving a parking ticket and I sympathize with him on that account, draws attention of course to the very difficult situation on the Legislative grounds of attempting to find a parking space. I know that the civil servants spend, some of them spend minutes every morning driving around the roadways and down Kennedy and down Assiniboine attempting to find a parking space, simply pointing out the necessity of expanded facilities.

(MR. DOERN cont'd)

There is no doubt that we have to assign space for the members of the civil service, for Ministers of course, for MLA's especially during Sessions, for visitors, and for service vehicles. When you start cutting that up and allocating space, you soon are running out of space and somebody is of course going to be in a difficult position. The Press is of course growing in size, they ask for more seating capacity, they ask for more parking capacity, they ask for more square feet in the building --(Interjection)-- much faster, much faster.

The Member for Rock Lake raised the question of a bomb threat that was called in and, Mr. Chairman, I always find bomb threats rather painful. I myself had the experience of teaching high school and most of us who have taught have had the experience of the rash of bomb threats - some students calling in, or nearby residents who get their kicks by phoning in and seeing people run out of a building or file out of a building. I personally can't be too excited about them, but at the same time we are now giving consideration to developing some sort of rational and routine response to any future bomb threats. That last one we had seemed to be one of the first in a long time and people in many places responded with great gallantry, like the Cabinet who sat in the Cabinet room in the face of danger, but other people given the option to leave or stay, left, and of course, when you have word of mouth I think there tends to in some peoples' minds develop some sort of sense of insecurity or panic. We intend to develop some routine procedures similar to those of the Federal Government so if we have to go through this silly nonsense that we will have some system of informing people and under circumstances will insist upon an evacuation of the building; in other circumstances we will simply inform people and so on. But there has certainly been no increase in security as a result of that isolated incident.

Mr. Chairman, finally the Member for Rupertsland, my former colleague, who now sits across the House, raised questions about the quality of certain members' facilities. I know that he is one who is not pleased with automatic coffee machines, doesn't believe in that sort of thing. We have attempted and I'm now looking into some method of trying to bring back the sandwich and maybe re-establish of our old refrigerator or I'm attempting -- I'm attempting to make an arrangement downstairs in our cafeteria so that maybe members might be able to go in there after 5:30 and have a sandwich or some food.

I hope that members have noticed that we have upgraded the tables and chairs in what was once the Locker Room, which had the sound of the old high school locker room. We have taken the lockers out, we have put in some new furniture and we have dignified it with the name of Members' Lounge and the former Members' Lounge we have now referred to as the Members' Conference Room.

Finally, the member raised the question of the Riel monument. This of course was basically handled by the Department of Cultural Affairs and the Department of Public Works - if I might just conclude Mr. Chairman - was instrumental in seeing that the monument was properly placed and later on that the statue was turned in the direction of the building.

MR. CHAIRMAN: The hour being 5:30, I am leaving the Chair to return at 8 p. m. this evening.