

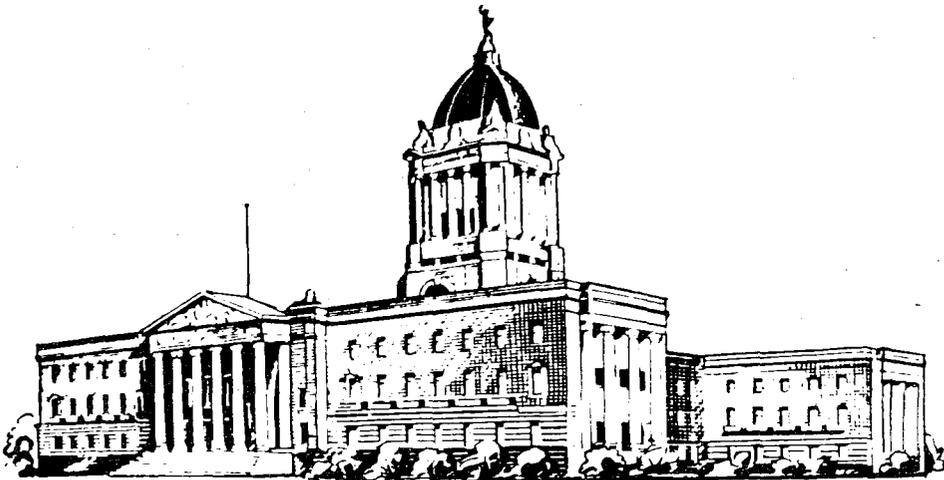


Legislative Assembly of Manitoba

DEBATES
and
PROCEEDINGS

Speaker

The Honourable Peter Fox



Vol. XX No. 46 2:30 p.m., Friday, March 30th, 1973.

Fifth Session, 29th Legislature.

Electoral Division	Name	Political Affiliation	Address	Postal Code
ARTHUR	J. Douglas Watt	P.C.	Reston, Man.	R0M 1X0
ASSINIBOIA	Steve Patrick	Lib.	10 Red Robin Pl., Winnipeg	R3J 3L8
BIRTLE-RUSSELL	Harry E. Graham	P.C.	Binscarth, Man.	R0J 0G0
BRANDON EAST	Hon. Leonard S. Evans	NDP	Legislative Bldg., Winnipeg	R3C 0V8
BRANDON WEST	Edward McGILL	P.C.	2228 Princess Ave., Brandon	R7B 0H9
BURROWS	Hon. Ben Hanuschak	NDP	Legislative Bldg., Winnipeg	R3C 0V8
CHARLESWOOD	Arthur Moug	P.C.	29 Willow Ridge Rd., Winnipeg	R3R 1L5
CHURCHILL	VACANT			
CRESCENTWOOD	Cy Gonick	NDP	1140 Grosvenor Ave., Winnipeg	R3M 0N8
DAUPHIN	Hon. Peter Burtniak	NDP	Legislative Bldg., Winnipeg	R3C 0V8
ELMWOOD	Hon. Russell J. Doern	NDP	Legislative Bldg., Winnipeg	R3C 0V8
EMERSON	Gabriel Girard	P.C.	25 Lomond Blvd., Winnipeg	R2J 1Y1
FLIN FLON	Thomas Barrow	NDP	Cranberry Portage, Man.	R0B 0H0
FORT GARRY	L.R. (Bud) Sherman	P.C.	86 Niagara St., Winnipeg	R3N 0T9
FORT ROUGE	Mrs. Inez Trueman	P.C.	179 Oxford St., Winnipeg	R3M 3H8
GIMLI	John C. Gottfried	NDP	44 - 3rd Ave., Gimli, Man.	R0C 1B0
GLADSTONE	James R. Ferguson	P.C.	Gladstone, Man.	R0J 0T0
INKSTER	Hon. Sidney Green, Q.C.	NDP	Legislative Bldg., Winnipeg	R3C 0V8
KILDONAN	Hon. Peter Fox	NDP	Legislative Bldg., Winnipeg	R3C 0V8
LAC DU BONNET	Hon. Sam Uskiw	NDP	Legislative Bldg., Winnipeg	R3C 0V8
LAKESIDE	Harry J. Enns	P.C.	Woodlands, Man.	R0C 3H0
LA VERENDRYE	Leonard A. Barkman	Lib.	Box 130, Steinbach, Man.	R0A 2A0
LOGAN	William Jenkins	NDP	1294 Erin St., Winnipeg	R3E 2S6
MINNEDOSA	David Blake	P.C.	Minnedosa, Man.	R0J 1E0
MORRIS	Warner H. Jorgenson	P.C.	Morris, Man.	R0G 1K0
OSBORNE	Ian Turnbull	NDP	284 Wildwood Pk., Winnipeg	R3T 0E5
PEMBINA	George Henderson	P.C.	Manitou, Man.	R0G 1G0
POINT DOUGLAS	Donald Malinowski	NDP	361 Burrows Ave., Winnipeg	R2W 1Z9
PORTAGE LA PRAIRIE	Gordon E. Johnston	Lib.	506 St. George Ave., Portage la Prairie, Man.	R1N 0T5
RADISSON	Harry Shafransky	NDP	4 Maplehurst Rd., Winnipeg	R2J 1W8
RHINELAND	Jacob M. Froese	S.C.	Box 40, Winkler, Man.	R0G 2X0
RIEL	Donald W. Craik	P.C.	2 River Lane, Winnipeg	R2M 3Y8
RIVER HEIGHTS	Sidney Spivak, Q.C.	P.C.	Legislative Bldg., Winnipeg	R3C 0V8
ROBLIN	J. Wally McKenzie	P.C.	Inglis, Man.	R0J 0X0
ROCK LAKE	Henry J. Einarson	P.C.	Glenboro, Man.	R0K 0X0
ROSSMERE	Hon. Ed. Schreyer	NDP	Legislative Bldg., Winnipeg	R3C 0V8
RUPERTSLAND	Jean Allard	Ind.	Legislative Bldg., Winnipeg	R3C 0V8
ST. BONIFACE	Hon. Laurent L. Desjardins	NDP	Legislative Bldg., Winnipeg	R3C 0V8
ST. GEORGE	Bill Uruski	NDP	Box 580, Arborg, Man.	R0C 0A0
ST. JAMES	Hon. A.H. Mackling, Q.C.	NDP	Legislative Bldg., Winnipeg	R3C 0V8
ST. JOHNS	Saul Cherniack, Q.C.	NDP	333 St. John's Ave., Winnipeg	R2W 1H2
ST. MATTHEWS	Wally Johansson	NDP	418 Home St., Winnipeg	R3G 1X4
ST. VITAL	D.J. Walding	NDP	31 Lochinvar Ave., Winnipeg	R2J 1R3
STE. ROSE	A.R. (Pete) Adam	NDP	Ste. Rose du Lac, Man.	R0L 1S0
SELKIRK	Hon. Howard Pawley	NDP	Legislative Bldg., Winnipeg	R3C 0V8
SEVEN OAKS	Hon. Saul A. Miller	NDP	Legislative Bldg., Winnipeg	R3C 0V8
SOURIS KILLARNEY	Earl McKellar	P.C.	Nesbitt, Man.	R0K 1P0
SPRINGFIELD	Hon. René E. Toupin	NDP	Legislative Bldg., Winnipeg	R3C 0V8
STURGEON CREEK	J. Frank Johnston	P.C.	310 Overdale St., Winnipeg	R3J 2G3
SWAN RIVER	James H. Bilton	P.C.	Swan River, Man.	R0L 1Z0
THE PAS	Hon. Ron McBryde	NDP	Legislative Bldg., Winnipeg	R3C 0V8
THOMPSON	Joseph P. Borowski	Ind. NDP	La Salle, Man.	R0G 1B0
TRANSCONA	Hon. Russell Paultley	NDP	Legislative Bldg., Winnipeg	R3C 0V8
VIRDEN	Morris McGregor	P.C.	Kenton, Man.	R0M 0Z0
WELLINGTON	Philip M. Petursson	NDP	681 Banning St., Winnipeg	R3G 2G3
WINNIPEG CENTRE	J.R. (Bud) Boyce	NDP	777 Winnipeg Ave., Winnipeg	R3E 0R5
WOLSELEY	I.H. Asper	Lib.	Legislative Bldg., Winnipeg	R3C 0V8

THE LEGISLATIVE ASSEMBLY OF MANITOBA
2:30 o'clock, Friday, March 30, 1973

BUDGET DEBATE

MR. SPEAKER: The Honourable Minister of Mines and Resources. The honourable gentleman has 10 minutes. I shall allow about a minute for summation of what he said this morning.

MR. GREEN: Mr. Speaker, I really must apologize for having been distracted in my remarks this morning. I had fully intended to deal with the speech of the Honourable Member the Leader of the Opposition and I told him that I would, and in that respect I guess I have not sort of fulfilled the commitment, but I hope that the Leader of the Opposition will forgive me because the remarks that were made this morning were so outrageous as just had to be commented upon, and I felt that I just could not speak without dealing with those remarks, and I guess, Mr. Speaker, that in that respect the Leader of the Liberal Party has some edge over me in that he does succeed, in any event, in getting me distracted from what I had intended to do.

The Liberal Leader is not here now, and I hope that I'll be able to pay more attention in the last few minutes that are remaining to me to some of the more significant issues that are raised. I do want to finish with the Leader of the Opposition by indicating that what he has said, Mr. Speaker, is that after he has discontinued the mental retardates' home and closed it up and let the retardates fend for themselves, and after he has eliminated the juvenile reception services, and after he has eliminated the child protection services and other things which he says have got no place in the expenditures of the Department of Health and Social Development, that he does say that he would have a commission -- at least that's what I heard him, or thought I heard him say, a commission with respect to taxation.

Now, Mr. Speaker, they did have a commission with respect to taxation, and when they had this commission they didn't -- you know, at that time I think it was the Right Honourable John Diefenbaker who appointed the commission, I'm not certain -- but when Mr. Diefenbaker was looking for someone to head the commission he didn't sort of look around at the left wing professors in the university and choose the Member for Crescentwood to head that commission, or he didn't look around at the list of economists in the New Democratic Party to choose one of them to head the commission and he didn't get any other Bolshevik to head the commission. He got a person who was from the school of the free enterprise, Conservative economist, a man by the name of Carter, and he had him head a commission, and Mr. Carter spent several years in reviewing the question of taxation and came up with the profundity -- and I'm not saying that in mockery of him, because I think it is a profundity -- he came up with the profundity that a buck is a buck and that it should be taxed on that basis.

And I would say, Mr. Speaker, that all of the suggestions that have been made by the Leader of the Liberal Party with respect to the Carter Commission, with respect to his incentive program, fly in the face of exactly what this commission suggested, except, Mr. Speaker, for one. The Liberal Leader as I knew him, and as I believe I know him today, did agree with one thing that the Carter Commission said. Do you know what that was, Mr. Speaker, does anybody in this room know what that was? -- (Interjection) -- No, a solid line of taxation, that's not what the Liberal member agreed with. The Liberal member agreed that you should tax the co-operatives, that you should take the co-operatives and say to them that they are not involved, as he would like his own clients to be involved, in a group of people buying at cheaper prices and therefore saving something or selling in such a way to their own members as to save something, which is a tax device which is available to anybody. I don't know whether anybody in this room has ever paid a tax on the savings that he has made by being able to purchase something wholesale, but they're a group of people getting together and buying wholesale and then distributing it to themselves at the lowest possible price, and what the Liberal Leader agreed to -- and I'm sorry he's not here to acknowledge it, but I am certain that he will not say I'm misquoting him -- is that you should tax the co-operatives. That was his one endorsement of the Carter Commission recommendation. And I wish, Mr. Speaker, that having made that endorsement that he would fulfill that endorsement and tell the co-operatives that when he comes to government he's going to give a 30% decrease to the corporations, or 50% decrease is what I think he said, cut their tax in half I think, and that he will tax the co-operatives. Because that is what he has been saying consistently about the Carter Commission, Mr. Speaker, since it came into being.

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(MR. GREEN cont'd)

Mr. Speaker, it's not my intention and I have spent too much time on the address of the Leader of the Liberal Party, and I admit it; furthermore Mr. Speaker, it's no fun dealing with a question when he is not in the House, so I do think I should revert to the speech that was made by the Leader of the Opposition, and I really am not able, Mr. Speaker, I'm not able to do justice to his address because I have really spent most of my time and can only spend a few more minutes, and I'm only going to deal with one aspect of it. The Leader of the Opposition said with some accuracy that this Party has not solved the problem of poverty. Mr. Speaker, I think that that is when he got the biggest applause from members of the opposition and biggest applause from members of the gallery; as though it were some satisfaction that this government which has been in being for four years, as opposed to governments which have been in being for 100 years, had not succeeded in solving the problem of poverty, and that was of some apparent satisfaction, at least in debate. I wouldn't want to suggest that the honourable member is happy with poverty but at least in debate it was of some satisfaction to him that we have not solved the problem of poverty. And, Mr. Speaker, there is no doubt that this government cannot claim that the situations which have created poverty and which will continue to exist for some years have not been eliminated by the New Democratic Party. It's probably also very difficult to deal statistically with the question of whether there has been even a significant impact on poverty. I hope that there has been, Mr. Speaker, but I will admit that I am not able to provide, and I have not researched it, concrete evidence that this government has made inroads into poverty.

And, Mr. Speaker, I'll go one step further. If my honourable friend had suggested anything or had indicated any change in attitude on the part of the Conservative administration, that by electing the conservatives we could solve the problem of poverty in our society, Mr. Speaker, there is no issue on which they would find a more willing convert to a Party than myself, or other members of this House; that if, Mr. Speaker, if they could really suggest means whereby they would solve the problem of poverty, I would think that any other loyalties that I had would really be disintegrated by that kind of appeal. But what the Leader of the Opposition was really saying was not that he was going to solve the problem of poverty but he expressed some satisfaction -- I won't use the word "glee" -- that we had not solved it and therefore somehow we did not deserve to govern.

Well, Mr. Speaker, I want to tell the Honourable the Leader of the Opposition something about what he would consider poverty. I never considered it poverty, but I think that when I think of poverty I go back to my own particular childhood, Mr. Speaker, and it's difficult to be personal about such things, but the fact is that my family was a family of eight people and with my grandfather who lived with us it included nine. We lived on 716 Selkirk Avenue, the home is still there, it was on a 25-foot lot; that home housed nine people, there wasn't a room in the house other than the kitchen or the bathroom that at night did not look like a dormitory. In addition to those nine people, it housed two trucks, and Mr. Speaker, a stable -- 25 feet by 90 feet -- that's how we lived. But, Mr. Speaker, we were rich, we were not of the poverty class; we had nine people in this one house; my father was self-employed, he was a coal dealer, he delivered his own coal and wood, and my grandfather was a peddler who had the stable in the same 25 feet. And we were rich -- of course we were not alone -- I have indicated, Mr. Speaker, that we were privileged, because on all sides of us there were people who were living on the dole, who were living on relief. And, Mr. Speaker, the fact is that I was in the unfortunate circumstances that many of the working poor find themselves in, that when I went, for instance, to register to go to the camp that was sponsored by the Jewish community, they would not permit us to register because we were too rich to be registered for a fresh air camp and too poor to pay the fee that was involved. Which is much the same as many of the urban poor.

I went on, Mr. Speaker, they would not take what we had to offer to register me at the camp so I went on, Mr. Speaker, and one day I became the director of the camp, and I assure you that when I became the director, the intake procedure had changed. But there are a couple of things that I remember, Mr. Speaker, and one of them was that my sister had scarlet fever, and when she had scarlet fever she was admitted to the hospital but the 25-foot of frontage that we had was then encumbered with a lien because we were not able to pay the hospital bill; and that lien stayed there, Mr. Speaker, until that house was sold, I believe it was in about 1952, at which time it had to be paid.

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(MR. GREEN cont'd)

I also remember, Mr. Speaker, that I was playing football and I was tackled and my knee hurt but I knew that despite the fact -- (Interjection) -- no, it was football -- despite the fact that my uncle was a doctor, that doctors cost money, therefore, I was afraid to tell my parents about it because this cost money, and I hobbled along for two days on a broken leg because I would not go to a doctor because I knew that this cost money.

Now, Mr. Speaker, what do I know about the Conservative Party? What I do know is that these things constituted some form of poverty, and that when hospitalization became available to everybody so that one did not worry about whether they could individually afford the fee or not, the Conservatives were against it. -- (Interjection) -- Mr. Speaker, when Medicare became available to everybody so that one did not have to worry about the personal expenses that were involved, the Conservatives were against it, Mr. Speaker. Mr. Speaker, when Workmen's Compensation was proposed as a means of dealing with workers' injuries, the Conservatives were against it on the basis that this was socialism. That when universal education was being proposed to be made available to everybody, and each one of these things were a relief of poverty, that the Conservatives were against it and they were against it on the same grounds that this destroys the freedom in our society. -- (Interjection) -- Mr. Speaker, it is true, and if the honourable member wishes me to document it, I will document the debate on universal education, I will document the debate on universal Workmen's Compensation, I will document the debate on universal hospitalization, I will document the debate on universal health care. And in each case the same group that is now represented by that side of the House said, we cannot do this, where will we get the money and besides it will destroy our free and democratic way of life.

Now, Mr. Speaker . . .

MR. SPEAKER: Order, please. Order, please. The honourable gentleman's time is up. The Honourable Member for Roblin.

MR. MCKENZIE: Mr. Speaker, as usual I rise on a Friday afternoon, I think I mentioned a week ago, the week before, that you can almost expect, Mr. Speaker, that Friday is McKenzie's day and he's going to be on.

Mr. Speaker, I find it a most difficult challenge today to rise in reply to the remarks that were made from the Honourable the House Leader -- and I will answer the questions that he raised in debate regarding my leader's speech -- and to follow after the great oration that we had from the Leader of the Liberal Party, some 46 pages in length -- my leader's speech yesterday, unfortunately I was not here, Mr. Speaker, -- and then to try and stand up and tell this House and the people of Manitoba what the people of Roblin constituency think about this Manitoba budget that we are debating on this great issue.

And, Mr. Speaker, this is one of the most unique budgets that I've ever had the experience to try and analyse and digest and I -- (applause) -- Mr. Speaker I come across a very interesting statement that was made in a little pictorial I picked up the other day and the comments were made by a gentleman by the name of Sir Anthony Pratt, who was a great British parliamentarian and an interesting person, and I'll quote his remarks which will give me the preface for my speech this afternoon. But this great British statesman said in his remarks, and I quote, Mr. Speaker: "He told the British accountants that they achieved a powerful position in Britain in the 1920s by entering into a conspiracy with the school teachers to keep the standard of mathematics so low that the industrialists of the future would never be able to understand money matters and would have to rely on accountants to sort them out. This conspiracy", he went on to say, Mr. Speaker, "has since been widened to include government which agreed to change the complicated tax rules each year guaranteeing full employment for all the accountants". Mr. Speaker, I'll go a little farther in my remarks this afternoon and I'll include the economists, the Adam Smiths or I don't know who the leading economists are in these vast rooms of bureaucrats that we've got around this Legislature, but every place you go you'll find "Planning this, Planning and Priorities that" -- they've got bureaucrats like they're growing out of their ears, and no doubt they had a lot to say at this document that I'm going to debate this afternoon.

Mr. Speaker, I am a country storekeeper. I make my living by selling goods and services across the country counter to rural people, and I'll reply to the Honourable the House Leader real quick when he talks about the poor. He took issue with my leader very briefly a few

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(MR. McKENZIE cont'd) moments ago regarding the poor. The poor, Mr. Speaker, are basically rural people; they have been rural people since Day One and we've got hotline radio operators going on in this city today that are going to divide this province right in two unless this government or the people of this urban society will get these bad guys off the back of the rural people of this province. (Applause) I think it's cheap nasty politics for any hotline radio operator to come on and divide the farmers from rural Manitoba against the urban society. We of rural Manitoba, Mr. Speaker, have sat up in this House and we supported the urban society since Day One, but I defy the urban people to try and divide the people of this province over a simple matter of farm prices. I think it's cheap, I think it's uncalled for and it's not fair to the rural people of Manitoba.

Mr. Speaker, let's further debate about the poor; and it's an interesting thing, since the day I was a kid -- I was born on a farm, I was raised in the country, so when I went to the big city, they said, you know, he's got hayseeds in his hair; I likely still got them today, Mr. Speaker, but that's where the poor come from, they've always come from the rural part of Manitoba. -- (Interjections) -- right, they have. Mr. Speaker, in my speech this afternoon, I'm going to ask the First Minister of this province, who prepared that document, what has he done for the poor of rural Manitoba? Nothing, absolutely nothing. And I'll prove my point. But let's, Mr. Speaker, go back to my original intent of my speech. I'm a storekeeper and I picked up this editorial from one of the Winnipeg papers the other day, and it's an interesting document because it related to a man that sells goods and services across the counter.

A MEMBER: What paper, Wally?

MR. McKENZIE: I shall not be sucked in like some of the honourable members opposite who take issue with the papers. It's one of the Winnipeg papers and I respect them both. But the editor, Mr. Speaker, and he said the giveaways, referred to the Budget, Mr. Speaker, as the giveaways. And let me hear what he said. He said, if a privately owned enterprise -- and that's what I own in the country, a privately owned enterprise, little store, say a store -- overcharged a customer and when the overcharge was discovered refunded the customer with the amount that he'd been overcharged, this would have been taken for granted by both the store and by the customer. And that happens in my store, Mr. Speaker. The customer would not likely go around praising the generosity of the store for giving him back his own money. On the contrary he might be a little incensed that he had been deprived of his money unnecessarily for some period of time. And that will likely be the theme of my speech this afternoon, Mr. Speaker.

And may I say that there are some highlights of this budget that I appreciate and the people of Roblin constituency endorse most wholeheartedly. Some measures that we've discussed and debated over the time of the four years of this government -- I don't think there's anybody in this province will quarrel with the free Medicare. And let me tell you about the days when I wasn't a member of the Legislature we battled bringing Medicare into this province. -- (Interjections) -- Mr. Speaker, Mr. Speaker, that proves the illiteracy of this government. How many of you sitting over there today were here in those days? Now stand up. -- (Interjections) -- Mr. Speaker, just let me ask the members opposite that were over sitting in the opposition in those days to stand up.

MR. SPEAKER: Order, please.

MR. McKENZIE: Mr. Speaker, they don't know what I'm talking about. I must presume they don't know what I'm talking about because they were not here in those days; they're not going to let me say what I want to say. But, Mr. Speaker, let me tell you, I'll tell you the plan that I supported in those days was the one where there was no premiums, no premiums absolutely at all.

A MEMBER: No Medicare either.

MR. McKENZIE: If in case you got problems with health you went and paid the first \$50.00 yourself and then the state paid everything else. That was a good plan at that time introducing Medicare into this province, Mr. Speaker, and the reason that the Federal Government turned down that plan in those days because it had a little built-in formula for the \$50.00. And I'm sure there's members over there that know the debates that went on between the Federal Government and the Provincial Government on Medicare in this province. The fact is, the Member for Roblin constituency -- that was the plan that I supported in those days. No premiums. -- (Interjection) -- No premium for anybody. If you happened to get sick and you had

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(MR. McKENZIE cont'd) to go to the hospital you paid the first 50 bucks yourself; after the \$50.00 the state paid it all. If you never were ill you didn't pay anything.

Well, Mr. Speaker, in those days we had some volunteer groups in this province that were doing a very fine job of health care. Nobody gives them credit today; nobody mentions the Blue Cross people. They were the ones that pioneered that field and gave us some of the insights as to where we could go and how we could go into Medicare. But, Mr. Speaker, I'm sure the honourable members won't buy that; they didn't want me to discuss it in the first place, and they didn't know what I'm talking about, so I pass that off as a bad experience on a Friday afternoon, Mr. Speaker.

I think everybody in my constituency will support the -- (Interjection) -- no, the prescriptions drug expenses of the senior citizens. I think that's a good plan. It's one I've supported for many years. I will still support it in this Budget. There's other ones. The one about the municipalities is not half enough, and I'll deal with that later on.

But, Mr. Speaker, let's get into the politics of this Budget which is basically -- it's a political document and that's as -- the Premier has the right to bring a political document into this House at this time of the Session; it's an election year. And it's very interesting. I cannot yet find why the Premier took over the portfolio of the Minister of Finance. The Minister of Finance is still sitting here. Now did the Premier want to get credit for all the things that this government does -- and they haven't done a hell of a lot. But anyway I'm sure there's some of the guys in the backbenches there when they go out on the hustings they've got to ride on the Premier's coattails, so it's quite interesting that, you know, the First Minister can take over the portfolio of Finance, and he can be the Premier and he can answer all the gut issues of this province, and he drags along all those backbenchers on his coattails when they go to the hustings. But, Mr. Speaker, it's not going to be that easy this election for the First Minister, not only with this Budget but some of the people that he's got running. I hear that the First Minister's got problems in his own constituency. Isn't that interesting? Isn't that interesting? Even after he laid that document on the table.

A MEMBER: You've got problems, man.

MR. McKENZIE: Mr. Speaker, I've had problems since Day One. I only win by 100 votes. You know when I first come on the scene politically my constituency was a grab bag between Roblin and Grandview, just redistributed so I won. Then they threw Ethelbert Plains at me which was one of the boys -- an NDP member was sitting. I got that constituency dumped into my lap: I still won. I think I'll come back again and, Mr. Speaker, I'll even go farther and predict we're going to get one more seat than the last speech I made, was it two weeks ago, I said 25 then, we're going to get 26 now. Things are looking better. And I'll tell you why, Mr. Speaker, because I suspect the First Minister is in trouble because why would he lay a document like that on the table if he wasn't in trouble? And I understand the polls are not that good in Rossmere, so it's interesting, Mr. Speaker, in debating this and we'll find out later on. But anyway we have the document and some people are saying -- and I think the Mayor of Portage said the other night in the gallery and there was clapping at great length, he said it was a fluke in '69 but it won't be a fluke this time. I still think it was a fluke in '69 but there'll be no fluke the next time. There'll be no fluke the next time, Mr. Speaker. I say how can you -- and I'd ask the First Minister in replying to this, how can you win an election by trying to buy the taxpayers with their own money? How can you possibly go out and tell the people in Manitoba that you're doing all these things in Roblin constituency -- and I don't see anything going on in Roblin constituency -- but I'm going to have to tell the people out there that you're going out to try and win an election with their own money.

And that raises a very interesting question. Mr. Speaker, I'm going to have to tell the people in Roblin constituency -- I've looked at this document at great length -- I find no mention, I find no mention for a better quality of life for the people in Camperville or Boggey Creek where the poor of my constituency exist. Mr. Speaker, I find no mention in this document for the Indian Reserve, the Valley River Indian Reservation, which is in my constituency, and those are poor people. Those are poor people, Mr. Speaker. I find no mention in that document for those people at all. Mr. Speaker, I find no mention of rural development in that document at all, and I would ask the First Minister if he would be kind enough to go back and read the TED Report -- great document, projected all -- even goes into the '80s. He's never even opened the pages of that book, because if he had opened the pages of that book and found

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(MR. McKENZIE cont'd) the wisdom -- and, Mr. Speaker, that was an interesting list of men that was quoted on the early pages of that book. Key people all around rural Manitoba. Unfortunately we were not government long enough to implement it but those were good people. Those were rural people that knew the gut issues out in Roblin constituency, that knew the gut issues out in Lakeside; knew the rural problems of this province. They scrapped it and they threw it away and they're coming in with the NDP manifesto. Is that the name of that document today that's guiding them? And then we're going to get some guidelines.

Mr. Speaker, I've searched through this document from page to page and I find that there's no mention that agriculture is still one of the key industries in this province -- (Interjection) -- not mentioned at all, Mr. Speaker. Isn't that unfortunate? We've had -- (Interjection) -- No, this government doesn't recognize that there are people that live out in rural Manitoba. It is quite understandable because who is from rural Manitoba over there?

A MEMBER: Nobody.

MR. McKENZIE: The Member for Ste. Rose, but he got -- (Interjection) -- Yah, I'll give him . . . - maybe the Minister of Agriculture but he's kind of -- the Minister of Agriculture is kind of urban. Basically they haven't got anybody over there that would even fight in caucus or fight in Cabinet for the people of rural Manitoba. They haven't got them. And that, Mr. Speaker, in my opinion is why there is no mention made of agriculture in this document. My gosh we've had one of the most buoyant economies that this province has seen in the last ten years because this year the farmers, Mr. Speaker, the farmers of western Canada sold 969 million bushels of grain and if that's not bucks in the people of the urban society, I'd like to know what it is. But, Mr. Speaker, they don't accept that type of economy at all. They said the Premier's got to come in and do it another way, by the Adam Smiths, and these various economists who will take from the rich and give to the poor on this ability-to-pay principle and what has this solved, Mr. Speaker? It has solved nothing. Mr. Speaker, it's interesting . . .

INTRODUCTION OF GUESTS

MR. SPEAKER: If the honourable gentleman would give me a moment to introduce some guests we have. In my loge to the right we have the Honourable Premier of British Columbia, Premier Dave Barrett, and also the Honourable Dave Stupich, Minister of Agriculture, British Columbia. On behalf of all the Members of the Assembly I welcome you here today.

The Honourable Member for Roblin.

BUDGET DEBATE cont'd

MR. McKENZIE: Mr. Speaker, to further my remarks in reply to the Minister's Budget, which is before us today . . .

A MEMBER: Don't let them cramp your style Wally.

MR. McKENZIE: I feel very unhappy that the country merchants such as I am are being blamed for the high cost of food today. I am being blamed because I am a country person, because I'm taking from the poor, I'm overcharging, I'm overtaxing. Mr. Speaker, that's a tragedy, that is a tragedy. We have enough problems in rural Manitoba without having been labeled with that one. Mr. Speaker, I very likely should tell the Minister of Finance that I went and bought a deep freeze for the store the other day, twenty-four hundred bucks, got to have it . . .

A MEMBER: How much?

MR. McKENZIE: Twenty-four hundred dollars. And, Mr. Speaker, let me tell you a That is now classed . . .

MR. SPEAKER: Order, please.

MR. McKENZIE: That is now classed as production machinery under the legislation that the Minister -- the retired Minister of Finance has brought, so I had to lay out another \$144,000 tax. Now, Mr. Speaker, in my store in the village where I live there's only 350 people there, so I can't draw customers in for 50 miles away, so what do I have to do? There's no way I can build my business up because I've got a freezer in my store, so I got to charge them for it. I've got to charge the people for that tax because -- and where does the tax go? Right into the Minister's -- and you're talking about who's putting the cost of food up in rural Manitoba. I charge the Finance Minister.

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(MR. McKENZIE cont'd)

We don't need production machinery taxes in rural Manitoba at this time and if the Honourable Minister of Finance had taken time to go out and look at some of the problems of rural Manitoba, I'm sure he would have never brought that tax in. Certainly I can't afford that \$144.00, Mr. Speaker, neither could you. So you pass it back on the price of goods. You pass it back on the price of goods. Taxes. What happens to the taxes they taxed me in my income tax? I charge it back to the customer. I can't afford to -- (Interjection) -- No way. So I charge it back to the customer. Up goes the price of goods. And it goes on, and it goes on, and in my remarks this afternoon I'll even get in to the inflation factor. And I've done some studies on the inflation factor in my little business. It's five percent every year man. You guys have been in office four years; you've done nothing about inflation. You add the cost of goods plus five percent inflation so four years, 20 percent. A 20 percent inflation factor. So are you kidding anybody when you're asking about why the cost of goods and services? Mr. Speaker, the government has done nothing to even take a look at that problem, and that's a serious problem, Mr. Speaker.

Mr. Speaker, we want in this debate to somehow justify the fact that the document is on our table; we want to try and find out when the First Minister is going to call the election, and this becomes a very interesting subject for debate. Because we have the Honourable Member for St. Boniface, he went to bed with the Premier about four years ago -- a Liberal going to bed with an NDP. We got it in Ottawa; Lewis now has gone to bed with Trudeau and, Mr. Speaker, I'm just wondering what kind of a biological creature is going to come out of this business of Liberals and NDP going to bed all the time. -- (Interjection) --

And, Mr. Speaker, I'm trying to find in the document that I have in my hand, if in fact if that is the reflection of these high taxes. Is that the reason that the First Minister can now get 40 million bucks back into Manitoba he didn't know he had? Because Lewis was in bed with Trudeau? It's possible.

A MEMBER: There's no other way.

MR. McKENZIE: It's possible, Mr. Speaker. It's possible. It's possible. Because we saw the arrangements that went on when the automobile insurance debate where the Member for St. Boniface crawled into bed with the Premier, and that sure was a big biological change. That was a big biological change, Mr. Speaker.

Well, Mr. Speaker, my concern in this budget is agriculture and rural Manitoba. I'm a rural MLA, and I again in my remarks I become very uptight about what the radio station people are doing -- I'm not going to reflect no names -- but I think it's very cheap; I think it's uncalled for because if we're going to let that continue in our province you're going to have a divided province. The rural and the urban people are going to be at one another's throats. What happens today, Mr. Speaker, what happens today when it's announced that there's a ceiling on the red meats in the United States? Whose going to get hurt? The farmer's going to get hurt, certainly. It's not going to be me, the storekeeper, because I can just reflect it back on the producer, on the primary producer. And there's got to be some way, Mr. Speaker, that we in the rural society and the urban society can go hand in hand and meet these problems rather than trying to divide us. And I think it's cheap; I think it's uncalled for, and it's not going to solve the problems of the poor in rural Manitoba. Mr. Speaker, I'll guarantee you that every person from my constituency of Roblin, rural people, will stand up here, shoulder to shoulder you urban people, and help you solve your problems. And I hope that you will come back and respect us and help us to stand up and fight some of our problems. And unless we can get that co-operation from this government, and I doubt if we are, Mr. Speaker, I doubt very much if we are, then good-bye Manitoba. We'll not only get hung up with the Liberal philosophy, but we'll get hung up with a government that doesn't care. And I'm really concerned that in this great document that has not been reflected to the best of my knowledge, Mr. Speaker.

Mr. Speaker, I recall reading a statement by the great Bernard Baruch where in 1949 he's quoted as saying, "Increased wages, higher pensions, and more unemployment insurance are of no avail if the purchasing power of the money falls faster." Now that's a great statement and it's factual, and when you reflect back from 1949 to 1973 and see the meat that's in that speech, and in dealing with this budget, Mr. Speaker, and in support of my Leader's resolution, which was placed before the members yesterday, or the amendment, pardon me,

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(MR. McKENZIE cont'd) there are two concerns that really come out over and above the urban-rural problem and the one of the poor and that's the one of unemployment and inflation. And, Mr. Speaker, chronic inflation I daresay is the number one concern of every member of this Legislature today. It's a serious problem; it's a national problem, and I'm surprised with all the technology and all the expertise that we have in this country today that nobody has been able to come up with an answer to hopefully give us -- if in fact it can be solved, and it's a concern, Mr. Speaker, that's expressed by hundreds of people across this province. It's a concern that the people of my constituency talk about every day. When are you going to get this inflation thing off my back? Five percent this year, five percent next year, five percent, and nobody's got the answers of how to stop it. Mr. Speaker, in my opinion what is the number one cause of this threat, this great threat that we face today in our economic struggle to even survive? Mr. Speaker, I join the sentiments of those who charge the greatest threat to inflation is government spending, big government spending, government over-spending such as we have in this budget, over-taxation, and the annual wage increases, Mr. Speaker, -- and I'd like to get this into the record. The annual wage increases which are far in excess of the gross national product or the product that those wages produce, and until we've got the guts to stand up and meet that, and the Minister of Labour should be one that would meet that challenge; we cannot afford the wages today unless we can produce the goods and services for those kind of goods.

Mr. Speaker, I find this very -- I mention the thing about the freezer, and I'll tell you another little interesting item the other day and you'd find this very very interesting. I went into the parking lot in the hotel where I stay and I found a man driving a Datsun car, and that's interesting. He's driving a Datsun car and I asked him very carefully, I said, "Have you got anything Canadian in your car or on your personnel." And he said, "I find that a very interesting question." And here's what he tells me and I've got it here. He was carrying luggage that was made in France, his shoes were made in Spain, his shirt was made in Hong Kong, his tie was made in Italy, he had a handkerchief in his pocket that was made in Ireland and he was carrying a cuffset in his hand that was made in Japan. He didn't have one Canadian item in his possession, not one. Now, Mr. Speaker, isn't that an interesting -- (Interjections) -- Mr. Speaker, I find that a most interesting thing. Is there any reason that there's unemployed people in Manitoba when you find -- (Interjections) -- Is there any reason why that man couldn't have one item in his possession that was made in Manitoba? One item that he could produce, tangible evidence that he was carrying something that was made in Manitoba -- Mr. Speaker, he did not have it in his possession at that time. In fact he didn't have anything that was made in Canada. And you think we've got a sick society, Mr. Speaker, we have a sick society, and why have we got that sick society. Mr. Speaker, in all sincerity I blame part of it on the shoulders of the Minister of Labour because we cannot afford these annual wage increases in this province unless you'll guarantee that the excess goods and services that we're going to provide for those so-called wage increases will end up in the gross national product. Until we meet that challenge we are not going to be people that can be recognized in the world, nor will we be able to produce any goods and services in this province that you can sell outside of its boundaries.

A MEMBER: . . . lower the minimum wage.

MR. McKENZIE: Mr. Speaker, I would do anything within my power and I am sure everybody on my bench here would do anything within our power to try and bring that back to reality. In fact give us a chance to prove something in rural Manitoba. Read the TED Report, do some of the things that were said in the TED Report about regional development in rural Manitoba, Mr. Speaker. But unfortunately, Mr. Speaker, that's not reflected in this great budget document that we have in our hands today. All they talk about is money that they got some place -- \$40 million, \$78 million. If they think that kind of a band-aid approach is going to shore up the problems or rural Manitoba, Mr. Speaker, I become very very unhappy with this government.

A MEMBER: Hear, Hear.

MR. McKENZIE: Mr. Speaker, it's interesting, this inflation thing is an interesting thing, and it's funny that people are becoming resigned to it. They've had it now for about five, six years and there are people now that are, -- the young people of our society today are standing up and they're resigned to the fact that they're going to have to face inflation for the rest of their days, and isn't that a sick society, Mr. Speaker. STEP 1 program, STEP 2 program,

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(MR. McKENZIE cont'd) STEP 3 program; LIP 1 program, LIP 2 program, LIP 3 program. PEP program 1, PEP -- no future. Nobody even tell those kids when to go to work, nobody to tell them when they give them a job what they're supposed to do; they go back home and wonder what they've done. Is that the future that this government and this kind of a budget predicts for the people of this province, Mr. Speaker? My gosh, Mr. Speaker, I'm sure there must be a lot of unhappy young people in this budget, if they read it the way that I read it; resigned to the fact that they're going to have to face five percent inflation every year, government tax programs, LIP programs, PEP programs. As I mentioned in my speech the other day a man said to me, he said, "How long am I going to have to cut willows for this government with a hatchet?" Cutting willows, is that the future of Manitoba for rural development. Mr. Speaker, I'm very unhappy with the fact that they haven't got anybody over in this government that understands the problems of rural Manitoba.

A MEMBER: How could they.

MR. McKENZIE: Sure there are people today, our citizens saying in this province, I guess we are going to have to live with it as long as we live; as long as this government stays here, that's going to be our future. Four years in office now, they haven't come up with anything that's positive. Mr. Speaker, that is a tragedy. It's not only a tragedy for our young people, it's a tragedy for all the people of this province; because if the people of this province are going to have to face that kind of a future why stay? Why stay? Why stay in the highest taxed province in Canada -- even if you're getting free medicare, and I support the free medicare thing. Is that the only attraction that you've got for the people to tell and say in British Columbia, come on into Manitoba, we got free medicare in Manitoba. And when you get them here you really rock them with taxes, rock them all over the place.

Mr. Speaker, that is important, the people of this province must face those kind of futures, and in fact if my economics and mathematics are right, I understand that inflation factor, that four or five percent every year, and I think in fifteen years that's half the value of the dollar, my mathematics tell me. You find inflation for 15 years straight, it's four to five percent in that factor in there -- four to five percent inflation for fifteen years so you take your buck out of your pocket -- what? -- it's only worth 50 cents. It's only worth 50 cents. Now that's interesting. That was twice the rate that was acceptable by the economists what? -- two years ago. Two years ago -- maybe three -- I remember reading a book on the inflation that they thought was 1.4 percent I think was acceptable but four to five percent is not acceptable, Mr. Speaker.

Now, Mr. Speaker, let's move on and talk about some of the great programs of this government. Follow the blue, follow the blue. Boy that really turned the people on at Roblin, they're still following blue all over the place trying how to fill out those income tax forms. -- (Interjection) -- Well, the province shares in it too. Certainly. Reduced premiums for 1973. Big ads, aren't they. Costs a lot of money. Is there any guarantee in all these programs, here's one from the Liquor Commission, "When in doubt, don't" "When in doubt, don't."

A MEMBER: You know this fellow couldn't fill out his own form.

MR. SPEAKER: Order, please.

MR. McKENZIE: Mr. Speaker, it's interesting, all these great people that are espousing on the television, espousing on the radio, phone your Zenith number, phone this number to help you fill these tax returns and get your school rebate, is that a wonderful thing for the people of Manitoba? That this government doesn't understand that people did have the knowledge at one time and the intelligence to file their own damn tax return. Who wants to file an income tax return anyway when they're taking money out of your back pocket. -- (Applause) Mr. Speaker, to pour oil on the wounds already of the lowly taxpayer who is already paying through the nose and tell him do it the easy way, "follow the blue" or get on this Zenith number and when you get on the Zenith number they'll tell you how they can extract this money from you, Mr. Speaker. Surely this Minister of Finances, this First Minister of this Province is smarter than that. Surely, he's got somebody in all these rooms and buildings around here that can say there's an easier way to extract tax dollars, and don't tell the people out in the country that we're fools and we can't fill these forms. We filled them before, we filled them before and why give us this gimmick to the tune of likely a million or a million and a half dollars, trying to tell us that we -- you can't fill this one out by yourself, boys, you've got to follow the blue. You've got to follow the blue and then phone this number, then you'll finally get your tax return. Mr. Speaker,

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(MR. McKENZIE cont'd) that is something I think that the government should take another look at, I'm sure they won't do it again. I think they've learned their lesson the hard way on that one.

MR. SPEAKER: The Honourable Member has five minutes.

MR. McKENZIE: Mr. Speaker, I'd like to deal very briefly with Public Accounts in this debate and I find some interesting figures in here. I'm not an economist, I'm not a mathematician but I'm reading here, and let's go back to the individual income tax that was collected in this province in 1968 -- \$53 million. In 1969 it went up to 64; 1970 to 81; 1971 to 116; 1972 to 119 -- double, doubled by this government in a matter of four years. Doubled.

Now the First Minister didn't say that in his budget. Let's read farther down, Mr. Speaker, let's go through, well let's take a look at the Revenue Act 1964, Part I, which collected some \$3.8 million in 1968; 4 million 1 in 1969; 4.7 in 1970; 4.8 in 1971; 5.2 in 1972 -- doubled, double taxation.

Mr. Speaker, let's go down and take a look at another one. Revenue tax, sales tax: 39 million in 1968; 60 million -- wow -- that's the first year they came into office -- 60 million; 66 million in 1970; 67 million in 1971; \$73 million in 1972. Mr. Speaker, you put that kind of taxation and put the five percent inflation factor on it every year, is there any wonder that the First Minister's running around with money he doesn't know where he got it, standing up and trying to tell us he's got \$40 million from somewhere, he doesn't know where he got it. I'm not an economist, I'm not a mathematician but I'll tell him where he got it.

A MEMBER: Out of our pockets.

MR. McKENZIE: He got it out of our pockets and he forgot there's such a thing as inflation. He forgot the inflation factor. -- (Interjection) -- It's gotta be. Where did he get the money. It didn't come out of this biological animal between Trudeau and Lewis going to bed, we're guaranteed it didn't come there. Well where did it come from, Mr. Speaker. They've overtaxed the people, Mr. Speaker, they have overtaxed the people of this province. There's the evidence. You overtax the people of this province and add the 5 percent inflation factor every year, certainly you're going to end up with 40 million. Next year you'll end up with \$60 million you didn't know where you got, because it just snowballs.

Mr. Speaker, that becomes a real problem. I'm sure that every member in this Legislature today can see the problems of this inflation factor. Sure this government, Mr. Speaker, I give them credit, they're no doubt trying to do something about the inflation factor but they've failed, in fact they have failed in any way that I can read that, to show me any evidence that they're trying to stop it. And the reason of my concern, Mr. Speaker, they have not controlled government spending, they have not brought back taxation, they have not given any people of this province back their money they could spend themselves. No, Mr. Speaker, they don't believe in that. They believe that government extract every buck you can get out of his pocket and we'll spend it better for you. We'll pay our political friends, we'll bring in our civil servants and we'll throw \$78 million to the people of Manitoba and we'll face an election, giving them back their own money.

Mr. Speaker, in my closing remarks, I suspect that the people in Roblin constituency are going to be very unhappy when I get back to tell them what this First Minister is doing to them with their own money. And I welcome the election, I welcome at the earliest possible date, Mr. Speaker; as I said earlier I predicted 25 seats the last time I stood up, I'm prepared to stand up today, Mr. Speaker, and say that the Conservative Party are going to come back with 26 seats, and maybe I'll stand up another week from now I got another member, but we've got 26 for sure now. I welcome the election, if that's all the ammunition that the First Minister has got I welcome the election and we'll meet you in Roblin constituency on the hustings anytime. Thank you, Mr. Speaker. (Applause.)

MR. SPEAKER: The Honourable Member for Logan.

MR. ALLARD: Point of order, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Rupertsland. Order, please. The Honourable Member for Rupertsland, state his point of order.

MR. JEAN ALLARD (Rupertsland): The point of order, Mr. Speaker, is this. That it was well agreed yesterday that it was the last time we would ever hear the galleries again after we heard the leaders of both opposition parties. We're hearing the galleries again and I would like you to take that into consideration, Sir.

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MR. SPEAKER: The point is well taken. The gallery will take note. No applause. The Honourable Member for Logan.

MR. WILLIAM JENKINS (Logan): Thank you, Mr. Speaker. Mr. Speaker, to follow the Honourable Member for Roblin is quite a difficult task. He's quite a comedian, I really think that he's wasting his time here, he should be elsewhere entertaining, I'm sure he would be much better rewarded than he is here. -- (Interjection) -- No, the Honourable Member for Roblin and I are good friends and I'm sure that he will take my joshing in a good natured way.

The Honourable Member for Roblin read into the record a little story that, said he met this chap outside his hotel, but I read the very same story, but this gentlemen he had underwear and a suit of clothes. The man the honourable member met evidently, according to his story that he told us here, and as a honourable member standing in his place, I believe him that he met this gentlemen, with no underwear and no suit on. Mind you he had a necktie and his shirt and a handkerchief, but I don't know where he kept his handkerchief because he didn't have no trousers on. --(Interjection)-- Well I don't know you would have to get verification of that from the Honourable Member for Roblin. It's an old story, I've read it not on just one occasion but on many occasions; it's one that people like to use on an occasion and sometimes it's occasionally funny, but the honourable member wishes to export products from Manitoba to Japan, to other parts of the world and I think that when you're in world trade and in that respect then you have to buy products back, because it's a two-way street. If the Honourable Member for Roblin doesn't realize that then it's time that he did.

Now the honourable member was quite incensed about a certain radio program. I don't know if it was John Harvard on CKY or whether it was Peter Warren on CJOB, one of these hotline shows, and he said that this gentleman was dividing the urban and rural people; and I have to agree with him. I do. And I can assure the honourable member that I haven't signed that meat pledge for red meat because I certainly don't intend to sign it, sign such a pledge. I realize the plight that the farm community has been in has been one not of their own making perhaps, and I know that rising costs, cost of production for their farming community, and now lo and behold when the farmer is getting a bit of return, people are being stirred up by one certain individual in this city, and I don't think that that's very right. I can remember back in the dirty thirties just as well as the Honourable Member from Roblin; I can remember when we got "two bits" an hour and we could buy hamburgers for 15¢ but that meant you worked three-fifths of an hour, and even beef at \$2.00 a pound today, that's only half an hour's work on the average wage in Manitoba. -- (Interjection) --

Well, I think if we were to take the mean average wage, and I'm not talking about those on the minimum wage, I have stated on more than one occasion and I think the Honourable Member for Thompson, I'll give him credit, he has also stated, that I think the minimum wage is despicable at the rate that it is now; I think that it should be at least \$2.50 perhaps \$3.00 an hour. But I think the mean average wage in Manitoba for urban workers who are unionized and those who are not unionized, where employers wish to keep unions out and they pay them the same rate as a union shop, I think you would find that the mean average wage in the City of Winnipeg, which I guess after all is the biggest meat eater in the Province of Manitoba, since the honourable member said, or one of the honourable members here said this morning, that 60 percent -- I guess it was the Leader of the Liberal Party, said that 60 percent of the people of Manitoba live in the City of Winnipeg and its environs. -- (Interjection) -- Well, I know that the Honourable Member for Wolseley, the Leader of the Liberal Opposition, seemingly has a distaste for the truth at times, but I would say that perhaps between 50 and 55 percent of the people of Manitoba live within the environs of the city; so they are perhaps the biggest meat eaters in the Province of Manitoba; so that their average wage in this city I think would be somewhere around that amount. And beef is not \$2.00 a pound.

I know, I was shopping the other day with my wife at the Co-op, which I'm very proud to be a member of, and I know that while I think prices are high, but I think that to attack the problem in the manner that this hot line reporter is doing is only going to hurt the farming community. And I can assure the Honourable Member for Roblin that I'm not being taken in by that sort of propaganda; that I don't begrudge the farmers, a fair return for their money, and I don't think that they've been getting it in the past but are starting to get it now; and it's unfortunate if we allow this breach or someone to drive a wedge between we of the urban areas and the people in the rural areas. Because I'm a Manitoban -- and I'm not using the propaganda

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(MR. JENKINS cont'd) that was introduced by the Liberal party -- but I was born in this province and I'm proud to be a Manitoban.

Now the Honourable Member for Roblin raised points about taxation in this province but I don't think, that there is -- in fact I know there hasn't been one section of this government that we haven't alleviated tax in one shape or form or other off the peoples' backs in Manitoba. We started in 1969 by cutting in half the \$204.00 poll tax on Medicare; and I must say, Mr. Speaker, Members of this Legislative Assembly, that I'm very proud to be associated with this budget. It is a peoples' budget. You can call it a political budget if you like but this is a budget for the people of Manitoba, for the poor people and the middle income poor. (Applause.)

We have taken \$204.00 off the backs of the people of Manitoba as opposed to about \$260, or 68 or 270 that people in Ontario are paying for this service. I know it's a sliding scale, but you have to be right down at the bottom of the heap to get it for \$132.00. We have taken this off, we have introduced a Pharmacare program for our senior citizens and it's one that I hope that when we are re-elected in this election that's coming up -- and the Honourable Member for Roblin dares us to go out on the hustings. Well I can assure him that we'll be on the hustings, we'll be glad to meet you, and we'll beat you.

Now the Honourable Leader of the Official Opposition, who's not here, and I understand that, as a leader of a political party, I am not going to draw attention to the fact that he's not here, I realize he has other commitments. Our Leader happens to be meeting with three other premiers, two prairie western provinces and the Pacific province dealing with problems of western Canada.

The Leader of the Opposition I realize that he has problems. He had problems the other day. He had, well I guess half a gallery when he started his speech, we had a full gallery -- (Interjection) -- I'm not disputing the fact, Mr. Speaker, through you to the Honourable Member for Swan River, but one thing I want to state to the Honourable Member for Swan River and the honourable members opposite, that the people over here Tuesday night stayed 'til the end, they didn't drift away like the support is drifting away for the Conservative Party, like they did yesterday. Half way through the speech of the Honourable Leader of the Opposition lo and behold they were drifting away, just like your support is drifting away.

And to really sum up what the Honourable Leader of the Opposition really felt, and I guess he's quite chagrined, because boy he said I could have done it, I could have done it better, if I had only had the chance. But he had the chance, you had the chance. You know Aesop's Fables, there's a very good little one -- (Interjection) -- It's not baloney, but it's food I'll admit to the Honourable Member for Pembina -- or Charleswood,

It's a story about the fox that was going along and he spotted a bunch of grapes hanging up, not the Little Red Hen story, I'll deal with the Honourable Member for Morris in due turn. The fox kept jumping, jumping, jumping -- like the Honourable Leader of the Opposition, who's jumping, jumping, grasping for political power -- not quite reaching it -- so in the end he quit and he said, I didn't want those grapes anyway they were sour. Sour Grapes -- that sums up what the Honourable -- (Interjection) -- no I am not referring to the Honourable Mr. Speaker, I'm referring to the four-legged animal -- the real fox. I know that during the debate on the Department of Mines and Environmental Management we had quite a number of animals introduced so I thought well I'll have to have my chance because this seems to be about the only chance I'll be able to get to introduce an animal, and I'm not referring to the speaker. If you, Sir, took it that way, I want to apologize, I certainly didn't mean it in that respect.

You know the Honourable Leader of the Opposition he said you know there's no incentive, no incentive for business. I believe the Honourable Leader of the Liberal Party, the Member for Wolseley said "There's no incentive, there's no incentive for business in this budget." Well I believe they said that last year, I believe they said that the year before. And you know, there is no better incentive for business than to take and put money into the pockets of the poor, the old age -- old age pensioners, are they going to put it in the bank or the credit union, save it for their old age? Good Godfather, they're already there, what do they want to save it for? These are the people that are going to spend the money, they are not going to hoard it away, and the more they spend, the more that the industry, the business in this province prosper. I think the retail trade in Manitoba last Christmas -- record, record sales, they sold more last year despite all the doom and gloom and what not that we heard from the Leader of the Opposition,

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(MR. JENKINS cont'd) the Leader of the Liberal Party, overestimating the income that we would receive, underestimating the expenditures that we would make, and you know I think one of the honourable members during -- I don't know whether it was during debate on agriculture or what -- but he was stating that you know, the people in the Department of Agriculture when they told the farmers to do a certain thing, if they did the opposite then they were right. And you know when the Honourable Leader of the Official Opposition makes a prediction then we just have to use the same yardstick and find out that it's exactly the opposite. And it's not happened only just this year, it happened last year, it happened the year before, it happened in 1969.

As a prognosticator of the future he's not very good. -- (Interjection) -- Well the proof is right in the pudding. I beg your pardon, -- (Interjection) -- No, I'm in the business, I'm a free enterpriser, I sell my services for the highest amount of money that I can get through my bargaining agent, just like you do; that you'll sell your services for just as much money as you can get. And it's fine and dandy when business does it, but when the Trade Union Movement -- who really are true free enterprisers, don't ever kid yourself that they're not -- sell their services for as much as a market will bear, lo and behold before we even go on strike, or even threaten to go on strike, we have members on the opposition side say, "compulsory arbitration, essential services, get an injunction, throw them in jail."

Two years ago, Mr. Speaker, when I believe the grain handlers were -- before they even went on strike -- and you know the Honourable Member for Roblin is gone and it's too bad you know, because he talked about certain people that mold and influence public opinion, who are in a position in the Fourth Estate, really have no responsibility because they are not elected to do anything, but they can mold opinion. And I have a backup for that theory, because the Honourable Member for Roblin just said it just a few minutes ago. But lo and behold, the people that were in the grain handlers' union, or whatever they call it, I don't know what their union was called, but whatever it was called, were even just threatening to go on strike, we had people in the news media, on the hotline, "stop them, injunction, throw them in jail" -- before they even go out. -- (Interjection) -- Yes I think that the Honourable Minister of Mines and Natural Resources had a very good point there. You know, it takes two people to make an argument, but according to some people in this country the only argument that takes place, and the only people responsible for argument are we poor little wee free enterprises -- we in the trade union movement. You know, try to sell our services for as much as the market will bear. Just like the farmer wants to sell his wheat for as much as what the market will bear. -- (Interjection) -- Oh yes, he can.

Well now the Honourable Member wants to eliminate the Wheat Board. Now the Honourable Member -- I can remember the dirty thirties; I can remember pitching boquets, stooking, working for a dollar a day -- (Interjection) -- yes there were a lot of people, a lot of people had to do that, and the farmers didn't have no Wheat Board. I remember farmers shipping their wheat and lo and behold, by the time that the grain brokers on the grain exchange in the City of Winnipeg got through with them, boy they really took them to the cleaners. That was the great fine, free enterprise days that the Honourable Member for Rhineland would like to go back to, I can remember farmers shipping their cattle during those years and they couldn't even sell them for enough to pay for the freight. Liberal and Conservative Administration, both of them, R. B. Bennett with the Bennett buggy wagon, -- (Interjection) -- right, he blasted his way into the markets. With the Eddy fortune he went over and became Lord Bennett, couldn't even live in this country after he ran them into rack and ruin.

MR. TURNBULL: That's a Tory for you.

MR. JENKINS: And what do the Liberals do? They were still under MacKenzie King, we just had a continuation of the depression, and where all your bright ideas in those days? Make work programs, like the Honourable Member for Roblin said; somebody's out chopping willow trees with a hatchet. Do you know what they told the boys to do in the dirty thirties? Go out on the farm and dig for worms with a fork, \$5 a month, and they paid the farmer \$8 a month. And some of the farmers even wanted the \$5 off the fellow.

MR. TURNBULL: Ripping off, the farmers were ripping off were they?

MR. JENKINS: But mind you I'll say not all farmers but some, because some of the farmers were decent fellows and they gave the chap the \$8 that they received for his board and room as well as the \$5 that he received.

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(MR. JENKINS cont'd)

And then there were people sent into -- you know, we talk about dictatorship and suppression and what not. Think of those thirties, when you sent the boys to the labour camps, and you built Camp Shilo and you built Wasagaming. What did you build it with? Slave labour that's what you built it with for \$5 a month. That's what you want to go back to. If that's what you want to go back to, well then you are welcome to go because the people of Manitoba are not prepared to go back with you. They are not prepared to go back with you; they are prepared to go ahead into the 70's and to the 80's and into the 21st century, with us, not with you people, not back to the 18th or the 19th century. These are the people for 103 years or for a 100 years who ruled this province, who ruled this country, and what did you do for the people? If it hadn't been for World War II you would have still been in a depression. That's what you would have been. The honourable members don't like being reminded of the dirty days.

A MEMBER: Bill, you read books.

MR. JENKINS: I read books? I lived through that era my friend.

A MEMBER: He didn't quote the right figures.

MR. JENKINS: I didn't quote the right figures, eh? Well perhaps -- (Interjection) -- I was still in diapers. Well you know I don't know whether I should be flattered, Mr. Speaker, or whether I should be insulted, but I really must say I'm flattered because I didn't realize I looked that young. But I can assure the honourable member that I was around in those days and I worked in those days, and I still work and I think, Mr. Speaker, the letters that I have received and the phone calls that I have received prior to this budget, through the years that we've been in office, and you know this is a people's budget. This is a budget for people, for the small people of Manitoba. If you don't believe me, read your newspapers, listen to the comments of the Mayor of the City of Winnipeg, the Mayor of Portage la Prairie, to the municipal officials all over this province. This is the best budget as has been brought down in 103 years in Manitoba. The best budget.

You know the Honourable Leader of the Opposition, the Honourable Leader of the Liberal Party are now running around echoing, "me too, me too, I could have done better, I could do better." You know that's all very well and good but you're over there and you're going to stay over there, and in diminishing numbers I can assure you, in diminishing numbers. But that is where you'll remain . . .

A MEMBER: Not all of them, not all of them. Some of them are going to remain out in the hallways.

MR. JENKINS: Some, as my honourable friend for Ste. Rose says are going to remain outside in the halls, out back on the farm, and you'll be able to make Manitoba more productive and stop the rural drain -- "stay option" -- you'll be able to stay out there on the farms and work and make the province that much more prosperous.

But quite seriously, Mr. Speaker, -- (Interjection) -- Well the Honourable Member for Rupertsland, I don't know what his problems are. I know the other day he made some mention about running federally, I don't know what he's going to do. Or maybe he's just going to run period, I don't know. But, Mr. Speaker, I don't have really that much more to say because really there wasn't that much in the debates that both the Member for River Heights, the Leader of the Official Opposition and the Member for Wolseley, the Leader of the Liberal Party said that really made too much excellent critique of an excellent budget. They did a very poor job and it's going to show when we go out on the hustings, and I hope it is soon. I realize that there's only one person who can answer that question but we're prepared to go any time and we'll beat you and beat you thoroughly. Thank you, Mr. Speaker.

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MR. SPEAKER: The Honourable Member for Morris.

MR. WARNER H. JORGENSEN (Morris): Mr. Speaker, the outbursts of the Member for Logan perhaps exemplifies the reasons why his conduct in the Chair is somewhat less impartial than we would like it to be. But I don't intend . . .

MR. SPEAKER: Order, please. The Honourable Member for Logan state his point of order.

MR. JENKINS: The honourable member is reflecting on my conduct in the Chair and I quite realize that -- but for his information, he understands or seems to think the other night that I ruled him out of order. I have the excerpts here from Hansard and when he next appears then I'll -- and it's just as much of a point of order as the honourable member raised last night . . . quite as one as I stated.

MR. SPEAKER: The point is well taken. I do believe the honourable member has tremendous scope in respect to the debate. He doesn't have to reflect on past decisions of any Chair.

MR. JORGENSEN: Mr. Chairman, when one who occupies the Chair in this House takes the floor as a private member and indulges in the kind of rhetoric in which he indulges in we have the right to criticize him whether or not he is chairman of a committee or what he is. If he chooses, Sir, to participate in a debate . . .

MR. SPEAKER: Order, please.

MR. JORGENSEN: . . . way in which he has then I have the right to . . .

MR. SPEAKER: Order, please. Order, please. I would suggest that the honourable gentleman is half right. He can criticize the member as much as he wishes but he cannot criticize his actions in the Chair and that is the rule. The Honourable Member for Morris.

MR. JORGENSEN: Mr. Speaker, I really had not intended to waste my time in commenting on the remarks of the honourable member because in my opinion they weren't worth commenting on. I've other things that I want to deal with. I simply mentioned that as an introductory remark and my honourable friend better learn that if he intends to participate in debates in this Chamber on the partisan basis then he can expect that same treatment in return. It can't be otherwise. And that is one of the reasons why it is -- (Interjection) -- I don't mind, I don't mind one who occupies a seat in this Chamber indulging in whatever record he wants to, I have an opportunity then to reply to it; but when he does that sort of thing when he's in the Chair that's a different matter. Now Mr. Speaker, this morning . . .

MR. SPEAKER: Order please. Order please. The Honourable House Leader state his point of order.

MR. GREEN: I'm sure that the honourable gentleman has an excellent speech to make and we're all anxious to hear it and I don't think that it should be in any way lessened by the fact that it's true that he can criticize the honourable member for making any remarks that he makes as a member, but I think the honourable member agrees and would like to gracefully change from reflecting on him as chairman in the House, that's the only thing that's being spoken to.

MR. SPEAKER: The point is well taken. The Honourable Member for Morris.

MR. JORGENSEN: I find it difficult to change gracefully but I don't intend to deal with it any longer. I close the subject insofar as the Member for Logan is concerned.

I want to say, Sir, make some comments about the very interesting spectacle that we witnessed this morning, another in the series of those verbal battles that we have become accustomed to in this House and with predictable results. One doesn't need a racing form any more to predict what the outcome of the battle between the Leader of the Liberal Party and the Minister of Mines and Resources will produce.

The Minister of Mines and Resources, who's an able debater in any league, must be getting a little bit tired of being so badly mismatched with someone who so obviously belongs in the minor leagues. Sir, to him it must be almost a relief from the day-to-day tedium of administration to be able to come in here and to be fed one straight line after another so that he can reply to them. I tell you Sir, it would make one of the best comedy teams in the business if they could only get together. I find that very difficult to imagine they'd ever do that but you never know. If there's enough money at the end of it both of them might join together and there could be a possibility that could happen.

I'm sure that some of the Minister's colleagues must be just a little bit disappointed in the obvious relish with which the Minister of Mines and Resources continues to rush into this verbal abattoir, firing salvo after salvo of verbal invectives and scorn and rhetoric at this poor drooping

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(MR. JORGENSEN cont'd) sitting duck who is there suffering from a self-inflicted wound. Surely the members of his party must be inclined to disassociate themselves from one who so evidently relishes the indiscriminate slaughtering of defenseless animals. Sir, the laundry list that the Leader of the Liberal Party brought into the House this morning was dealt with with some relish and a great deal of enjoyment by all members of this House, but there is one - even the Minister of Mines and Resources wouldn't have had time to deal with all of them. I just want to deal with one of them, Sir, and that's the question of - it was contained I think on page 41 of the long list that the Liberal Leader brought in here. He was talking about the need for rural development and he pointed out that the cost of that migration of bringing those people into the cities would be \$53 million per year, cost him \$10 million a year to educate them and then another \$241 million to house them.

Well there's no question in my mind that the cost, hidden or otherwise, of rural depopulation is a great one that this country is now shouldering and one that steps should be taken to stop, and I don't quarrel with that at all. But what strikes me as being rather amusing is that almost in the next paragraph - and the Minister of Mines and Resources was correct when he said there was at least two contradictions on each page - almost in the next paragraph he said, we got to set up first of all the Ministry of Rural Development. And you know what that does, Sir; that's going to create the very bureaucracy that he wants to eliminate. Then he said we're going to have to move the Department of Municipal Affairs out to a rural area; they want to move the Department of Agriculture out to a rural area; the Department of Mines and Resources out to the north and then he said the Manitoba Telephone System - and we all know the kind of building that they have here, it would take a considerable amount of money to duplicate that kind of a facility in a rural area and the same with hydro. The cost, the cost, not counting the monorail, the cost of those buildings alone would run into the billions not just millions. So he proposes as a solution to one problem one that would create an even worse one and the kind of contradictions that the entire document was shot through with poses an interesting study. I get the impression that he has listened to every person who has ever approached him in the last three years he's been Leader, jotted down every suggestion that they made and then incorporated that into 46 pages. - - (Interjection) - - That, Sir, without, without regard to philosophy as I said on another occasion - I won't repeat it, something about the philosophy of the Liberal Party - and without regard to cost. But if it sounds good, if somebody can believe it and if it appeals to somebody that's fine, that's what we'll do.

Sir, mention has been made by the Minister of Mines and Resources about another aspect of the First Leader's comments and that was the question of taxation of co-ops and the Minister of Mines and Resources went after him with great gusto in pointing out to him that he would tax co-ops. And I'm not going to comment on that other than to say that it might be a little bit different what my honourable friends opposite are intending to do with co-ops, because the manifesto has a very interesting chapter on co-ops and what they would do with them, when they get to power. Now I'm just going to make this one quotation from the manifesto, it says: "At this point it may be worthwhile to consider whether co-operatives might not be a redundant form of organization."

MR. GREEN: Mr. Speaker, would the honourable member table the document so we can see it too, Mr. Speaker.

MR. JORGENSEN: I'd be happy to table that document. After all he said if rational and extensive use is made of Crown corporations on both the provincial and municipal levels as a means of conquering private monopoly power and breaking down barriers to entry is there any need for co-ops. Is there any way of drawing a line between the proper area for co-ops and the proper area for public enterprises. And in many cases there are no grounds for rational choice between the two instruments, particularly at the local level. Thus a retail outlet owned and operated by a local government through its municipal development corporation would accomplish the same objective as a consumer co-op in terms of expanding the range of services in a remote community.

MR. GREEN: Mr. Speaker, I really am being serious. I would think that the document which he is referring to should be tabled so that we would know what it is.

MR. SPEAKER: The point is well taken.

MR. JORGENSEN: I'm very happy to table the document if my honourable friend will contain himself for a while. I may want to read a little bit more from it because there are a few more excerpts that are just as choice as that one and I wouldn't want to lose a document before

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(MR. JORGENSEN cont'd) I had completed it. -- (Interjection) -- Well the Minister you know has disclaimed parentage of this document as has the First Minister. But oddly enough you know, both of them have said very clearly that when they appoint people to do a job for them it isn't going to be Conservative, that's what the First Minister said, and the Minister of Mines and Resources -- and I'm always very careful when I refer to the Minister of Mines and Resources because I don't want to misquote him. He has too good a memory. So I brought a copy of -- it's in Hansard on page 1417 of June 1, 1971, and he says this -- in case he wants to disclaim any responsibility for this document. "I have a philosophy of government which says that a government in making its appointments, will generally make those appointments from amongst people who are sympathetic to the general direction of government." So let it be very clear that those people who drafted that document for the government -- and the First Minister has just referred to it as a working paper, it was drafted by people who were appointed by the government -- and I can just imagine around that Cabinet table, when they were deciding who the appointments would be to draft this document, that the Minister of Mines and Resources in his usual forceful way, asserted himself very vociferously and insisted that nothing but NDP supporters be on that committee.

Mr. Speaker, mention has been made of the meat boycott. I think that one of the most unfortunate things about this apparent desire on the part of the people to reduce the costs of food, one can't help but have sympathy for that family that are attempting to stretch their budget in order to provide the necessities of life -- and in this case food is a necessity -- to a family on an income that is shrinking because of inflation. I can understand the frustrations of people and what lengths they will go to in order to at least create the impression in their own minds that they are doing something and that perhaps their efforts will bring some results.

The unfortunate part of the whole exercise is that it has not reduced the price of food over the retail counter one cent, but it has reduced the price of the products of the farm, and the only people that are suffering as a result of this boycott are the farmers themselves, and I don't believe, at least I would hope that the people of the City of Winnipeg or any City, would wilfully want to hurt the new found prosperity that farmers have come upon in the last year or so -- and I'm going to deal with that a little later -- which I think is going to be short lived.

I can't understand why they would exorcise themselves so much on the question of food unless it's because they have been indoctrinated into the idea that they are entitled and must have cheap food. I don't hear the same quarrelling when the price of booze goes up, they pay it. The price of cars goes up, the price of clothing, everything else -- you don't hear -- or when labour wages go up -- there isn't a murmur, they just simply grin and bear it. But it always seems that whenever the farmer finds himself in a position where he might be able to make ends meet then suddenly there is a hue and cry across this country. I can't help but be a little bit critical of those who engender and foster that kind of a useless movement. I don't think that it is going to achieve what it is intended to achieve and it may do a great deal more harm than good.

Sir, the prosperity that the Finance Minister found in his budget, the largesse with which he was able to distribute so freely across this country, let it be clear -- and some members opposite have already referred to it how money has been passed around and how people are benefitting from the new found wealth -- let me make it very clear this new found wealth had its origin in two things, completely unrelated to anything that this government have done. The first one, the failure of the wheat crop in Russia. I am sure my honourable friends wouldn't want to take the blame for that. The Russians produce more wheat, the Russians produce more wheat in a year than United States, Canada, Argentina and Australia put together. Their average crop is about three billion bushels a year.

We all know the variability of wheat production; weather plays an important factor and we haven't been able to control that yet. The Russian wheat crop has the added disadvantage in production, which we don't have here yet, of an absolutely phenomenal bureaucracy which adds to the difficulties of production and a variation of 15 percent in the Russian wheat crop makes a difference between whether or not Canadian farmers are going to have to compete with the Russians in export markets or whether there is going to be an importation of something like a half a billion bushels which is almost the entire Canadian wheat crop into that country. The pendulum has swung for two years, almost two years in succession all the wheat producing countries of the world had bumper crops. That is a phenomena that has never, never existed

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(MR. JORGENSEN cont'd) before, and produced the extraordinary surpluses that existed during the past few years. We heard cries of - and one can read articles almost without limit of the economists, experts telling us that the thing that we must do is to reduce our wheat acreage and to produce less. Indeed we even had government action which was dedicated to this proposition.

I, Sir, took exception to the program when it was initiated; we said it was wrong morally, it was wrong economically, to pay people not to do something. It is the very nature of a farmer to produce as much as he possibly can - to do the best possible job he can. This government and the government in Ottawa through their restrictive supply-management philosophy, are telling farmers, "You must not do the best job you can. You must only do half a job." Sir, that is so much against the very nature of a farmer that it's no wonder that they're having difficulty getting farmers to accept it. That's the reason the farmer is on the land. For the same reason that my honourable friend the Minister of Mines and Resources I presume, likes to do the best job he can as a lawyer, or the best job he can as a parliamentarian. I don't think that he would wilfully enter into a debate in this House and only do half a job of debating. We saw a demonstration of that this morning. Why then, why then do they want to insist that farmers must do only half a job?

Sir, that LIFT program of 1970 has cost the farmers of Western Canada, and I think it's a conservative estimate, \$800 million. The utter stupidity of that kind of a program is beyond the comprehension of farmers and must be beyond the comprehension of those people who if there is going to be a short year this year, and there could well be, it looks as though there's going to be a return of the dry cycle, and if that means a shortage of wheat on this continent it could also mean a very severe famine in the world.

We Sir, then must take the responsibility for the stupidity of 1970, and the stupidity of 1972 when we wilfully ordered the slaughtering of two million hens, because they, too, like to produce as well as they can. And that was their only crime. There are a lot of housewives today who would like very much to have those two million hens producing so that they could afford to buy the food that they could produce. Sir, the kind of bureaucracy that the Minister of Agriculture intends to set up in this province can do nothing but discourage those people who have as their objective and their goal the feeding of a hungry world. Surely, surely they have the right to do that job the best possible way they can.

A great deal has been said about the prices and something has been said about the estimates, about the judging of the revenue of this government. Admittedly the Leader of the Opposition erred in one way but not any more than the government erred in the other direction. No one could foresee the impetus that would be brought to the economy of this country as a result of the restoration of some prosperity in agriculture, and surely to heaven, if we've never learned a lesson before, we have learned it today, how vital and how important the agricultural economy is to the well-being of this country. The \$40 million that the First Minister got from Ottawa is an example of that. That was as a result of a combination of agricultural prosperity, inflation and a tax program that deliberately creates inflation.

The Minister of Mines and Resources made some comments this morning about the Carter Commission on Tax Reform. Although I must confess that the recommendations contained in that particular document were extremely difficult to swallow, they did have some recommendations that were worthwhile. Recently the Leader of the Opposition in the House of Commons has made a suggestion that just could be - because of the particular situation that we see in Ottawa at the present time - just could be adopted. That is one which would remove the incentive to inflation in the taxation policies of the Federal Government. One I spoke on during the Interim Supply debate, I don't want to repeat it here today, but I hope that we can remove those incentives for government to create inflation and those incentives for government to increase prices.

You know the Minister of Agriculture recently appointed a committee - we haven't heard from him since - to study the question of fertilizer prices, because since the price of agricultural products has gone up, so has the price of the goods that the farmer must buy in order to produce. And herein lies what I believe to be the greatest danger and the greatest threat to agriculture that we have ever experienced. The costs that farmers are now going to have to pay are going to be rising to a new plateau; there is no assurance, and there can never be any assurance that the prices that they receive will remain at that same plateau. If we are to follow the policies advocated by my honourable friends opposite, the market for Manitoba products

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(MR. JORGENSON cont'd) would be limited to the Manitoba market. That, Sir, is not enough to keep many farmers in this province in business.

The other alternative is to produce for world markets, and when you produce for world markets - which our farmers want to do - then you must be prepared to compete in those markets. And, Sir, you cannot compete in those markets if the cost of production continues to rise. We place ourself at a disadvantage in those countries that are able to produce cheaper than we can. Let's take dairy products as an example. The Federal Government has recently announced increases in the prices of some dairy products, which means that the housewife in addition to the other burdens that she has in buying meat products and other food products, now is going to pay more for butter or for skim milk. I don't think it will necessarily result in an increase in cheese because the price of cheese already is above that level. But it has, not as some people have been led to believe, brought the kind of prosperity to the dairy industry and it's been almost a closed shop in the dairy industry, and one would be led to believe the figures for dairy production in this province have remained stable for the last 20 years. Indeed, it is lower than it has been in some years past. And the reason for that is very simple. Because the natural dairy products are being replaced by substitutes. Two hundred million dollars worth of margarine a year being consumed; something like \$20 million worth of coffee whiteners now being used as substitute for cream, and there already is a substitute for fluid milk on the market that will be on the market very shortly, and when that happens, the dairy industry is going to find itself in a very difficult situation.

The alternative to that, Sir, is restricting the imports or restricting the use of those dairy substitutes. And we remember the margarine debate that went on in this House year after year; I don't think that we want to go through that again. And I don't think that it is to the advantage of the agricultural industry that we do that. Our advantage lies in our natural ability to produce a better product at a competitive price. The Japanese pork market which now appears to have disappeared if recent statements in the papers can be trusted, and some of my honourable friends opposite sometimes don't trust them. Apparently the deal with Japan is not what we have been led to believe that it was, and I could well understand that the Japanese may be reluctant at present prices to purchase pork if they can get it elsewhere at a lower price. I can well imagine that the Japanese may be doing some hard bargaining. But they are looking for long-term contracts and they're, not only the Japanese looking for long-term contracts in pork, they are looking also in vegetable oils such as rapeseed.

There are markets in Europe that are looking for a continuity of supply, because a good many of those customers are now getting worried that unless there is some assurance of supply, they are going to find themselves in a position of being without many of the things that they now are becoming accustomed to eating in their regular diets. One of the important changes that has taken place in the European economy, particularly in western Europe is the switch, which is a natural one; when the economy of a country strengthens and living standards increase there's a noticeable shift from consumption of starchy foods to consumption of protein foods. That is reflected in an increase in the use of feed grains in those countries. We have an opportunity that we've never had before of being the supplier of those feed grains, if we can sign those contracts in such a way that they'll be lived up to.

Our experience in the International Wheat Agreement has been not a good one. We have found that we've been compelled, or at least we have had the honesty of maintaining our end of the bargain and supplying when the prices were to their advantage, but we've not always received the same consideration from our customers who when it was advantageous for them to buy at a cheaper price from somebody else they ignored the terms of the International Wheat Agreement. So, the arrangement that was made with China in my opinion in 1961 for the sale of wheat which was arranged by the Honourable Alvin Hamilton, was the kind of a deal that has continued because it took into consideration the realities of grain production; it took into consideration the realities of grain production. It had a fixed term first of all. There were quantities stretched over a period of years but the prices were to be negotiated at the time of delivery which was a realistic thing to do. That contract still exists and has been renewed from time to time, and we were asking questions of the Minister of Agriculture recently simply to find out if he had had the wisdom to enter into the same kind of agreement. We were unable to get the answers, but maybe there may be other occasions.

Sir, surely what we must have learned in the few years that agriculture has gone through

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(MR. JORGENSON cont'd) this tremendous change is that first of all, one is never going to be able to solve the boom and bust feature of the grain production economy. You will have years when the crops will be good in excess of what the markets will be and then there are going to be years when the markets are going to be in excess of what our crops will be. Surely this government has taken lessons from the Egyptians before, they are building pyramids and other things, they surely could take a lesson of the seven lean years and the seven fat years.

It seems to me, Sir, that a program designed to ensure the storage of grain when it is in surplus is one that is not only in the best interest of the farmer but in the best interest of the world and certainly in the best interest of this country. It is obvious that the cost of storing grain in terminal elevators or in commercial storage is far too high. It's a commodity that can be easily stored on the farm, and best stored on the farm. It would seem to me that a policy of insuring that that kind of storage can exist on farms would be a policy that governments now should be looking very closely at in view of the experience that they've had in the past few years.

The second thing that I believe must be done is a complete, I don't say a revamping but certainly an improvement of our transportation system to enable us when the markets arrive that we can make delivery at the quickest possible moment, because that seems to be the essence of maintaining markets once you have them; because customers want delivery when they want it not when we're prepared to make it. Selling wheat, Sir, and I've said this so many times, but I'll repeat it because I think that it's right, is no different than selling groceries in the corner grocery stores. You've got to have what the customer wants when he wants it, at the price that he's prepared to pay and when he wants delivery and the quality that he wants. If we can't do that in the international wheat market, Sir, then our farmers, our wheat producers or our grain producers will continue to suffer; but I don't want to conclude my remarks without making sure that I don't leave the implication in my remarks that I am considering the wheat economy, although it is the linchpin of the western economy, as the only thing we must look at.

I'm in agreement with the Minister when he says we must continue to produce things that the markets want, the beef, the pork the poultry products and the feed grains and the oil seeds, and I would hope that the farmers of western Canada are not going to forget the lessons that they've learned in the past few years and will accentuate the drive for negotiating contracts with those countries that want the products that our farmers can produce, and in the variety and the great many varieties in which we can produce them. Sir, if governments don't ruin the farmers with high taxation and what seems to be almost deliberate inflation, they can and will take care of themselves. I hope that they're given that opportunity.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, the hour being 4:30, I wish to move, seconded by the Honourable Member . . .

MR. PAULLEY: Mr. Speaker . . .

MR. SPEAKER: Order please. The Honourable Minister of Labour wish to proceed?

MR. PAULLEY: Unless my honourable friend wishes to speak, I would suggest to him in all deference that this is one of the most important debates that we are confronted with and unless somebody else wishes to speak then I would continue the debate.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Well, Mr. Speaker, in response to the Minister of Labour, I was acting under the impression that we did have a Private Members' Hour today, and I am in error in that assumption. That being the case, Sir, I withdraw my effort at adjourning the debate at this time.

. continued on next page

BUDGET DEBATE

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, it has been my honour to be in this House for a considerable number of years and if statisticians are correct longer than anybody else at the present time. The Honourable Member for Souris-Lansdowne, is correct. And I think it is most important for all honourable members of the Assembly to take part in this debate and to attempt as far as possible to consider the propositions that are before us.

I suppose, Mr. Speaker, that leaders of political parties are not bound by tradition that they have the right to absent themselves from the Assembly. We are well aware that today the First Minister of the province is involved with discussions with the First Ministers of Saskatchewan, Alberta, and British Columbia. And I don't think that anyone would fault my colleague the First Minister of Manitoba from being absent this afternoon. And as I looked in the Assembly, the Leader of Her Majesty's Loyal Opposition, the representative of the Conservative Party is absent, and indeed the Leader of the Liberal Party in Manitoba is also absent. -- (Interjection) -- Well somebody suggests that he's with the Honourable Member for St. Johns. The Honourable Member for St. Johns is a private member of this Assembly, but the Honourable the Leader of the Liberal Party who spoke for two hours or so today, I think owes to this Assembly, and to the people of Manitoba, the courtesy of hearing some criticisms, or rebuttals, of what he said over two hours this morning and he is now absent as indeed is the Leader of the Official Opposition. Mr. Speaker, I don't fault them, I don't really fault them for not being here at this time of day because they are so convinced, they are so convinced that we're going into a political confrontation, or an election, that they may find, they may find it far more advantageous for them to be out on the hustings than to listen in this Assembly to any criticisms of their policies that they have enunciated in this House in the last day or two. -- (Interjection) -- Yes, my honourable friend from Roblin says, make a note that I am here but I say that my Honourable friend from Rhineland in all due respect is not the leader of a political party in the Province of Manitoba in accordance with the rules of the Legislature or even the Election Act. But I do say and I want to compliment my honourable friend the Member for Rhineland who outside of the House has been declared as the Leader of the Social Credit Party, that he at least is very courteous that he attended the Assembly this afternoon. I cannot say this insofar as the Leader of the Conservative Party or the Leader of the Liberal Party.

Actually what my honourable friend from Rhineland has said effectively, Mr. Speaker, is that they spoke and ran, and that is the Leader of the Conservative Party and the Leader of the Liberal Party. They made no contribution as far as I am concerned to the well-being of the Province of Manitoba but did after an hour or two in each case spout what they thought was advantageous for Manitoba and then ran from their responsibilities as leaders of what we once consider responsible parties in the Province of Manitoba. -- (Interjection) -- Yes, my honourable friend from Souris-Lansdowne says that they are listening. I only wish, Mr. Speaker, that their leaders, or the leader of the party that my honourable friend adheres to was here to listen too.

Because I think, Mr. Speaker, it would be well for the Leader of the Conservative Party and the Leader of the Liberal Party to listen to some of the criticisms that we may have as to their involvement in the Budget Debate that we have just listened to as introduced by my leader the Honourable Premier of Manitoba.

I say, Mr. Speaker, I think it would be well for all Manitobans to realize that the Leader of the Conservative Party, the Leader of the Liberal Party are really effectually Johnny-come-latelys. That the New Democratic Party in Manitoba had -- (Interjection) -- had, yes were an old line party, that's right, I agree with my friend from Lakeside that we are an old line party that for years, Mr. Speaker, have tried to impress upon government in Manitoba that our policies should be adopted in Manitoba for the well-being of all Manitobans. And Mr. Speaker, yesterday or rather the day before -- or yesterday and today we had the Leader of the Conservative Party and we had the Leader of the Liberal Party confess the omissions of their directions in days gone by. They are now prepared to say to those of us who form of the Government of Manitoba that we accept your propositions of years gone by and then they try to discount them.

I recall Mr. Speaker, when I had the honour of being the Leader of the New Democratic Party in opposition, that I attempted to impress upon the government of the day, the Conservative Government, that the very proposition that the Honourable Leader of the Conservative Party and the Honourable Leader of the Liberal Party now say is so good, I tried to suggest to them

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(MR. PAULLEY cont'd) that these were fair and reasonable propositions but they were rejected by both of them, and Mr. Speaker, within the last two or three days, both the Leader of the Opposition and the Leader of the Liberal Party have given us accolades because of the content of the Budget Speech introduced by my Leader the Honourable Edward Schreyer.

We in the last few days in our discussions have heard used Mr. Speaker, the word phoney, fault me, Mr. Speaker, call me to order if I use that terminology to attribute the general involvement of my honourable friends the Leader of the Liberal Party, the Leader of the Conservative Party, because nothing is more clear to me, as I suggest the dean of this Assembly, that never in all of my years of involvement in an endeavour to work on behalf of the citizens of Manitoba, as I sat in my seat and listened to anything more phoney than what is being enunciated by the Member for River Heights and the Member for Wolseley.

I have before me Mr. Speaker, a number of press clippings going back to the election of 1962, and I confess, Sir, that as far as my party is concerned, that in 1962 we lost seats because of the influence of the daily rags that we have here in Manitoba, and I'm talking of the Winnipeg Free Press and the Winnipeg Tribune.- - (Interjection) - - They at that time used what I had suggested as the Leader of my Party as being a reasonable and fair proposition for the citizens of Manitoba, the abolition of premium payments, a reasonable and just minimum wage, a housing program that would assure to all Manitobans an equal right to reasonable housing, that the burdens of education taxation would be lifted from the residential taxpayers in Manitoba and their criticism at that time, Mr. Speaker, was that at that time as Leader of the New Democratic Party I was irresponsible, that these things could not be brought about, and now we are receiving support in these areas by Conservatives and Liberals and the criticisms, Mr. Speaker, that we have from each of them is that we are not going far enough, that we should introduce measures to further relieve our citizens and our local taxpayers of the necessity of paying local taxation.

Mr. Speaker, Mr. Speaker, back in 1962 the then Leader of the Conservative Party said that cheap electricity wasn't an election issue. We have tried since becoming government of Manitoba to lay a foundation where, and whereby, we would have continued cheap electricity in the province of Manitoba. And who are now our critics? The Member for Riel, the Leader of the Conservative Party in this House, and others, they condemn us now for bringing into effect those propositions which were the proposition of the then Conservative Government and administration.

Mr. Speaker, I don't want really to call them all phoneys but I do say that as far as I am concerned the Conservative Party in Manitoba under its present leadership and the composition of its membership is more phoney than any phoney administration, or group of politicians, that we have ever had in the Province of Manitoba.- - (Interjection) - - No, Mr. Speaker, I would say to the Honourable Member for Souris-Lansdowne on a personal basis I don't think he is phoney. All I do say, Mr. Speaker, he belongs to a phoney association of politicians in the Province of Manitoba. I like my honourable friend - - (Interjection) - - and this I would suggest, I would suggest, Mr. Speaker, even goes to include the Honourable Member for Fort Garry. - - (Interjection) - - He owes me a suckling pig.

But, Mr. Speaker, as I indicated earlier, we had listened to an oration from the Leader of the Conservative Party, we listened to an oration this morning for two hours from the Leader of the Liberal Party. And, Mr. Speaker, if we take a look at the amendments that have been proposed by the Conservatives and the Liberals, and if one seriously considers the contents of those amendments, we cannot but come to the conclusion that they are in cahoots to get rid of the first peoples party in government in the Province of Manitoba. And I suggest to you Mr. Speaker that maybe Bill Palk of this outfit called Good Government GGG's yes, and I have a few adjectives that I could use to this GGG and I don't worry a continental Mr. Speaker - - I nearly said something that may not be parliamentary. I don't give a continental for GGG or Bill Palk. I think that they are only interested, as indeed the Conservatives and the Liberals are interested, in the perpetuation of the economic system that gives to those that have, as against those that should have, the benefits of a fruitful society. - - (Interjection) - - Who's keeping Trudeau in power? The New Democratic Party, that's right. My honourable friend says to me, who is keeping Trudeau in power at the present time, and I say the New Democratic Party and Trudeau is only being kept in power because we can exercise our power to say to him that he will not any longer continue the persecution of the ordinary individual in the Dominion of Canada. And also, Mr. Speaker, may I just continue this a little while further, the persecution

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(MR. PAULLEY cont'd) that would be imposed upon the people of Manitoba by Stanfield and the Conservatives in the Dominion of Canada and I suggest that it isn't a bad proposition at the present time and I say to my friend from Souris-Lansdowne, isn't it fortunate for Canadians that Stanfield is not able to impose reductions in corporation taxes and the advancement of that sector as proposed by Stanfield.

But, Mr. Speaker, if one would take a look at the resolutions that we have before us on the Budget Speech, introduced by the Honourable the Leader of the Opposition, and also by the Leader of the Liberal Party, the similarity between the two. We are criticized as a government because, we are criticized as a government because we have not suggested that we should continue a development on a free enterprise system in the development of our natural resource industry.

Mr. Speaker, for so long and so many years, the natural resources of Manitoba have been given away and auctioned off to the highest bidder without any consideration at all as to its effect on the owners of the resources, namely the people of the Province of Manitoba. The Johnny-Come-Latelys, the Johnny-Come-Latelys of the Conservative Party, and in particular, Mr. Speaker, the Liberal Party say that we should now start development plans within Manitoba to utilize our natural resources for a secondary industry. Mr. Speaker, I recall when I was on the other side of the House that I suggested this time after time after time, and it was rejected by both Conservative and Liberal, and now behold at long last because we may be facing an election in the Province of Manitoba, the Member for Wolseley, the Member for River Heights, say, let's look after the people and the citizens of Manitoba. Phoney, phoney, I say yes, Mr. Speaker, phoney, and as my colleague has indicated, just for the time being, and I say to the citizens and the taxpayers of Manitoba, beware.

A few moments ago the Honourable Member for Roblin spoke of the involvement of the workers of the Province of Manitoba in the development of our province. -- (Interjection) -- Yes, yes Mr. Speaker, the Honourable Member for Swan River says "a good boy"; and what did this good boy advocate? What did this good boy advocate, from Roblin? He advocated, Mr. Speaker, that the wages of Manitobans should be so reduced to give to the so-called private enterpriser an opportunity to extract from them a greater profit than the private entrepreneur ever had before. That was the tenor of the speech of the honourable member for Roblin, and now we've got this great free enterpriser from Swan River, who says "hear, hear, I agree entirely with the Member for Roblin". In effect, Mr. Speaker, what the Honourable Member for Roblin said, and he's now joined by Swan River, in saying effectively that we should abolish all trade unions, that we should not allow an association of workers in order to improve their working conditions. This Mr. Speaker is the tenor, this is the direction of the Conservative Party in Manitoba; they object to our new labour laws because it gives to the worker in Manitoba an opportunity to be on a reasonable and firm foundation.

My Honourable friend from Swan River, my honourable friend from Swan River, the Member for Roblin are the same. They really would like -- would it be unparliamentary for me, Mr. Speaker, that the pair of them aided and abetted by most of their colleagues would like to screw the workers in Manitoba as much as they could. -- (Interjection) --

Ah, it may be, Mr. Speaker, it may be, -- (Interjection) -- well if it's unparliamentary, Mr. Speaker, in all humility, I withdraw.

MR. ENNS: I think the Labour Minister knows full well that that is not what we want to do with the worker, we want to clap him into chains.

MR. PAULLEY: That's right, that's right, Mr. Speaker, and if that was unparliamentary then I will withdraw, but damnit all isn't it true. -- (Interjection) -- no, I'm not political at all. I'm only factual, I'm only honest, and that has been my approach, Mr. Speaker, in the years that I've been in this Assembly.

Both leaders, Conservative and Liberal, condemn this government because of its approach to northern Manitoba. Both of them in their amendments and the sub-amendment have said that this government has forgotten the north, Mr. Speaker. Is this true? Is this true? May I, in all due respect say to the Leaders of the Conservative and Liberal Parties that their statements are not held by the people of the north.

May I say, Mr. Speaker, to them, as revealed in a news article in the Winnipeg Free Press -- and that paper of course is no friend of the New Democratic Party of Manitoba, and how this article ever got by Peter McClintock and those that are connected with Winnipeg Free

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(MR. PAULLEY cont'd) Press I don't know - - but may I indicate to you Mr. Speaker, by way of an article of Bob Lowry of the Winnipeg Free Press, Tuesday, March 27th, which is only a few days ago, dealing with the situation prevailing at Churchill - had this to say: "The social and economic benefits of a high level of employment are being felt throughout this community" - of Churchill, that is - "according to businessmen and social service representatives in this area." "I can't remember when I heard of the last break-in at a business premise," said one merchant whose store was one of the targets of pretty incessant vandalism which had the business community extremely worried a year ago. That there were only two break-ins in the community of Churchill within the last month or so. That the Manitoba Northern Manpower Corps unit manager reports that the only residents of the Churchill community not working are the aged or disabled persons and a few of what he calls the diehard employable unemployed. That to the east of the community of Churchill foundation work is going on for a new 30-bed hospital and health centre which will be about 500 by 250 feet.

That in Churchill over the past year there has been the development of a housing project, a northern manpower prefab setup where 39 home units have been produced; that in this operation 39 men mostly entirely drawn from the Churchill flats Metis community and the Chippawan Indian Denny Village, have been engaged in training programs. That 60 men working under the Northern Manpower program and 20 tradesmen are employed at the site of 32 units. That before the local housing authority takes possession of the units they must pass the Manitoba Housing and Renewal Corporation inspection. That the housing in Churchill - with people who could not afford them before - that the houses could not afford - or the people who could live in them - the Manitoba Metis Federation disputes the charge that they could not. Because she says that as a part of a provincial low-rental housing scheme the rent paid accounts for 25 percent of the earnings of anyone making more than \$500 a month. That the men working on the northern manpower project are paid \$3, 52 an hour for a 40-hour week and can work Saturdays at time and a half. That the families in Churchill now have the opportunity of going into housing facilities that they never ever had the opportunity of going into before as a result of the input of this government. That we are looking after on a universal basis the problems with which the communities of northern Manitoba were confronted before. That under the program which has been invoked in the Churchill area, it is hoped that at least 33 of the original people involved in the training program in Churchill will stay for the four years in order to receive their qualifications as tradesmen.

And yet, Mr. Speaker, I hear from the Leader of the Liberal Party, I hear from the Leader of the Liberal Party such nonsensical utterances that this government has no concern for the north. For the first time in the 103 years that we have been a province, that the people of north have had some consideration in the development of this province.

I heard this afternoon, or this morning the Leader of the Liberal Party condemn, or at least complain because of the involvement or the - not the involvement, Mr. Speaker, but because of the development within the Department of the Labour of the Womens' Bureau that we're not going far enough. I say, Mr. Speaker, that it has been a fact that until this government last year brought into being a recognition of the rights of women through the Womens' Bureau and a recognition of the status of women, that for a 101 or 2 years there was no recognition in the Province of Manitoba of the absolute recognition of the rights of women and the Minister, or the Member, the Leader of the Liberal Party had the consummate gall to refer to that this afternoon.

I say, I say, Mr. Speaker, that the citizens, the population of Manitoba have been well served by this government for the last four years and that come the election day whenever it is, they will continue to be well served by a New Democratic Government in Manitoba. I say, Mr. Speaker, in conclusion, I say in respect of Northern Manitoba, that in 1968 building permits in the community of Flin Flon amounted to \$128, 000 - under Liberal and Conservative regimes; that in 1972 under a New Democratic government, who is concerned with the north, that the building in Flin Flon increased from 128, 000 in '68 to \$2, 500, 000 in 1972, and yet both the leader of the Conservative Party and the Leader of the Liberal Party who are so damn phoney, attempt to indicate that this government is not concerned with northern Manitoba. It's a falsehood, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, if no one else wishes to speak at this time, I would like

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(MR. SHERMAN cont'd) to move, seconded by the Honourable Member for Morris that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, I believe there is a disposition to call it 5:30, but before we do I would like to indicate that the next week - - of course Wednesday the House will not be in Session by agreement of all persons - - we will be proceeding with the Budget Speech debate. If there is time to get to departmental estimates then the departments in order at the present time are the Minister of Agriculture, the Attorney-General, and all of the departments associated with the person of the Attorney-General, Consumer Affairs, etc., the Department of Health and Social Development, the Department of Tourism and Recreation.

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSON: I'd just like to ask one question of the House Leader in connection with the Budget debate. It is then assumed that Wednesday will not be counted as a sitting day?

MR. GREEN: We're prepared to be guided by the wishes of the Opposition in that respect. I still am not certain of the wishes of the Opposition but I assume they don't want it to be counted.

MR. SPEAKER: The hour of adjournment having arrived, the House is now adjourned and stands adjourned until 2:30 Monday afternoon.