

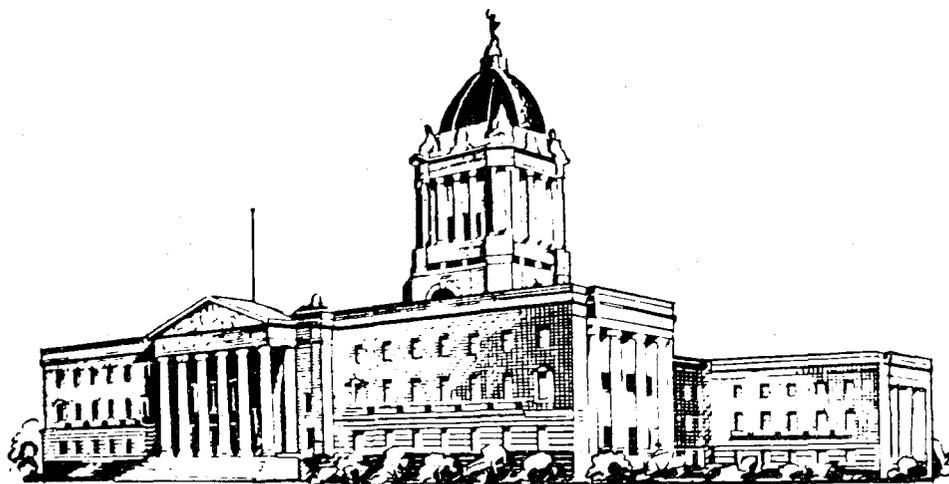


Legislative Assembly of Manitoba

DEBATES  
and  
PROCEEDINGS

Speaker

The Honourable Peter Fox



Vol. XXI No. 80 10:00 a.m., Friday, April 5th, 1974.

First Session, 30th Legislature.

| Electoral Division | Name                      | Political Affiliation | Address  | Postal Code |
|--------------------|---------------------------|-----------------------|--|-------------|
| ARTHUR             | J. Douglas Watt           | P.C.                  | Reston, Man.                                     | ROM 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          | Les Osland                | NDP                   | 66 Radisson Blvd., Churchill                     | R0B 0E0     |
| CRESCENTWOOD       | Harvey Patterson          | NDP                   | 978 Garwood Ave., Winnipeg                       | R3M 1N7     |
| DAUPHIN            | Hon. Peter Burtniak       | NDP                   | Legislative Bldg., Winnipeg                      | R3C 0V8     |
| ELMWOOD            | Hon. Russell J. Doern     | NDP                   | Legislative Bldg., Winnipeg                      | R3C 0V8     |
| EMERSON            | Steve Derewianchuk        | NDP                   | Vita, Manitoba                                   | R0A 2K0     |
| 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         | Lloyd Axworthy            | Lib.                  | 132 Osborne St. S., Winnipeg                     | R3L 1Y5     |
| 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       | Bob Banman                | P.C.                  | 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            | Hon. Ian Turnbull         | NDP                   | Legislative Bldg., Winnipeg                      | R3C 0V8     |
| PEMBINA            | George Henderson          | P.C.                  | Manitow, Man.                                    | R0G 1G0     |
| POINT DOUGLAS      | Donald Malinowski         | NDP                   | 23 Coralberry Ave., Winnipeg                     | R2V 2P2     |
| PORTAGE LA PRAIRIE | Gordon E. Johnston        | Lib.                  | 135 - 16th St. S.W.,<br>Portage la Prairie, Man. | R1N 2W5     |
| RADISSON           | Harry Shafransky          | NDP                   | 4 Maplehurst Rd., Winnipeg                       | R2J 1W8     |
| RHINELAND          | Arnold Brown              | P.C.                  | Winkler, Man.                                    | R0G 2X0     |
| RIEL               | Donald W. Craik           | P.C.                  | 3 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        | Harvey Bostrom            | NDP                   | Manigotagan, Manitoba                            | R0E 1E0     |
| ST. BONIFACE       | J. Paul Marion            | Lib.                  | 394 Gaboury Place, Winnipeg                      | R2H 0L4     |
| ST. GEORGE         | Hon. Bill Uruski          | NDP                   | 10th flr., 330 Portage Ave., Wpg.                | R3C 0C4     |
| ST. JAMES          | George Minaker            | P.C.                  | 318 Ronald St., Winnipeg                         | R3J 3J8     |
| ST. JOHNS          | Hon. Saul Cherniack, Q.C. | NDP                   | Legislative Bldg., Winnipeg                      | R3C 0V8     |
| ST. MATTHEWS       | Wally Johannson           | NDP                   | 418 Home St., Winnipeg                           | R3G 1X4     |
| ST. VITAL          | D.J. Walding              | NDP                   | 26 Hemlock Place, Winnipeg                       | R2H 1L7     |
| 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. Rene 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           | Ken Dillen                | NDP                   | 1171 Westwood Dr., Thompson                      | R8N 0G8     |
| TRANSCONA          | Hon. Russell Paulley      | 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  
10:00 o'clock Friday, April 5, 1974

Opening Prayer by Mr. Speaker.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed, I should like to direct the attention of the honourable members to the gallery where we have 50 students, Grade 9 standing, of the Earl Grey School. These students are under the direction of Mr. Sloan. This school is located in the constituency of the Honourable Member for Crescentwood.

We also have 23 students, Grade 11 standing, of the Warren Collegiate. These students are under the direction of Mr. Balian. This school is located in the constituency of the Honourable Member for Lakeside.

On behalf of all the honourable members of the Legislative Assembly I welcome you here today.

Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements or Tabling of Reports; Notices of Motion; Introduction of Bills; Questions. The Honourable Leader of the Opposition.

ORAL QUESTION PERIOD

MR. SIDNEY SPIVAK Q.C. (Leader of the Official Opposition) (River Heights): Mr. Speaker, my question is to the Minister of Mines and Natural Resources, the Minister involved or in charge of the Communities Economic Development Fund. I wonder if the Minister can confirm that a firm by the name of Schmidt Cartage who have a \$75,000 loan with Communities Economic Development, have discontinued business.

MR. SPEAKER: The Honourable Minister of Mines.

HON. SIDNEY GREEN Q.C. (Minister of Mines, Resources and Environmental Management) (Inkster): Mr. Speaker, I'm advised that the firm is in receivership.

MR. SPIVAK: I wonder if the Minister can confirm that there has been an undertaking by the Communities Economic Development that the wages of approximately \$2,300 owing to about nine employees or ten employees will be paid.

MR. GREEN: Mr. Speaker, my knowledge of this type of matter generally is that wages are usually a pretty good charge on assets, and I would imagine that there are assets beyond that amount, so I would think that if that is the information that the honourable member has heard, I would think that it would be in normal circumstances accurate, but I can't confirm that.

MR. SPIVAK: Well, I wonder if the Minister is in a position to inform the House whether any official of the Communities Economic Development gave an undertaking to the manager of the firm that in fact the wages owing would be paid by the Communities Economic Development Fund.

MR. GREEN: Mr. Speaker, I just answered that question.

MR. SPIVAK: Mr. Speaker, I would like to frame the question again for the Minister. I wonder if he can indicate whether an official of the Communities Economic Development Fund gave an undertaking . . .

MR. SPEAKER: Order please. The question is repetitive.

MR. SPIVAK: Well, Mr. Speaker, can I ask then the Minister, when will the wages be paid to the employees of the firm?

MR. GREEN: Mr. Speaker, if the honourable member will read my first answer, I indicated to him that I didn't know whether such a commitment was made or was not made, that I couldn't confirm it, but my knowledge of these types of affairs is that wages are usually a pretty good charge, and that if that were done I am very happy and that I hope that the matter will be expedited, but I cannot confirm that a member of the CEDF staff said that that would happen. I expect that that is the normal course.

MR. SPIVAK: Mr. Speaker, I have another question for the Minister of Mines and Natural Resources. I wonder if he can inform the House how many loans of the Communities Economic Development Fund are in arrears at the present time.

MR. GREEN: I couldn't, Mr. Speaker, but the Communities Economic Development Fund will be in appearance before committee on Thursday morning starting at 10 o'clock.

## ORAL QUESTIONS

(MR. GREEN Cont'd) . . . . . At that point, all of the activities of the Fund will be made available to honourable members as was done yesterday with the Manitoba Development Corporation.

MR. SPIVAK: I wonder if the Minister is in a position to confirm how many firms are in receivership at the present time as a result of loans from the Communities Economic Development Fund.

MR. GREEN: No, Mr. Speaker, I could not. And by the way, Mr. Speaker, in giving my last answer, it is sometimes considered by the Fund, as by the MDC, that the question of a default or non default of a particular loan could reflect on the commercial transactions of that particular operation and they may decide that that information will not be given. That is quite an advance to giving no information at all, which is the position that the honourable member took when he was Minister responsible for the operation of the Fund, but there is still, Mr. Speaker, some details of commercial operations that are considered not appropriate to divulge.

I would also remind honourable members that the Communities Economic Development Fund was discussed by this House, discussed by all members, and I recall specifically the Member for Swan River, the Member for Portage la Prairie, who were members of the Northern Task Force, on the basis that people in northern Manitoba would be able to exercise entrepreneurial leadership, accept the same kind of challenges and make the same kind of mistakes, Mr. Speaker, that people in southern Manitoba have done for years.

INTRODUCTION OF GUEST

MR. SPEAKER: Order please. It has come to my attention that we have a guest in the loge to my right, a former member of this House, Mr. Larry Desjardins. On behalf of the honourable members, I welcome you here today. (Applause)

MINISTERIAL STATEMENT

The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet): Mr. Speaker, I simply want to draw members' attention to a sample of some of our fresh product in this province, namely the jar of honey placed on the desk of every member, and I want to read into the record if I may, Mr. Speaker, a message from the Beekeepers Association of Manitoba, and indeed hope that members opposite would seize on the opportunity to display the lapel symbol, symbolizing the honey industry of this province, for this day. The honey distributed in the Manitoba Legislature is Canada No. 1 White Honey produced in Manitoba from the nectar of clover and rape, and packed especially for this occasion by the Manitoba Co-operative Honey Producers Limited in Winnipeg. In 1973 there were 650 registered beekeepers in Manitoba who operated 54,000 colonies and produced an estimated 8.64 million pounds of honey with a value of \$4.32 million. At the present time, because of a short world supply and an increased demand, both domestically and on the foreign market, honey prices have risen to an all-time high of 50 cents per pound to the producer. The increased returns to beekeepers has caused a marked increase in interest in beekeeping and it is estimated that the number of colonies in Manitoba for 1974 will approach 60,000. Excellent returns for forage seed, such as clovers, alfalfa, Timothy, rape, sunflower and buckwheat, are maintaining good acreages of these crops. This, combined with good demand, makes the immediate future very bright for the beekeeping industry in Manitoba. Thank you, Mr. Speaker.

ORAL QUESTIONS Cont'd

MR. SPEAKER: The Honourable Leader of the Liberal Party.

MR. I.H. ASPER (Leader of the Liberal Party) (Wolseley): Thank you, Mr. Speaker. My question is appropriately, because of my own condition, directed to the Minister of Health. When can the residents of North Winnipeg expect construction to begin on the hospital for their district and when can they expect it to be completed?

MR. SPEAKER: The Honourable Minister of Health.

HON. SAUL MILLER (Minister of Health and Social Development) (Seven Oaks): Mr. Speaker, the residents of North Winnipeg, the hospital Seven Oaks, what is known as Seven Oaks Hospital, a functional program has been presented to the Commission. They are

## ORAL QUESTIONS

(MR. MILLER Cont'd) . . . . examining it, they are viewing it. Meetings have been held and other meetings will be held to explore further the construction. There are some, I gather -- I'm told that the Commission has certain reservations about some of the things asked for but there is no doubt in my mind that the Seven Oaks Hospital will be constructed.

MR. ASPER: Mr. Speaker, to the same Minister. In view of the oft-stated commitment that the hospital would be built - last year, the year before and then this year - could the Minister give some assurance that construction will commence in 1974?

MR. MILLER: Mr. Speaker, since the design of buildings is in the hands of architects and others, I couldn't assure that at all. I do know construction will start; as to the completion date, again I don't know. There are many things that interfere with the construction of a building.

MR. ASPER: Mr. Speaker, could the Minister at least indicate or inform the House whether the final blueprint and plans and specifications are completed and merely awaiting final policy decisions?

MR. MILLER: Mr. Speaker, if that was the way to build any facility we'd really be in trouble, private sector or public sector. You do not design and prepare all the blueprints prior to the final decisions vis-a-vis the actual size, the functional program to be contained within that building, etc. That's the wrong way to build a building.

MR. ASPER: A supplementary, Mr. Speaker. Will the Minister -- or is it a fair conclusion, from what the Minister said, that there appears to be very little possibility that the building can be constructed in 1974 then?

MR. MILLER: Buildings this size and scope could never be constructed within a year. Construction may start, but there's no way a building of this magnitude could be constructed within a year.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. HARRY J. ENNS (Lakeside): Thank you, Mr. Speaker. Mr. Speaker, I direct a question to the Honourable the Minister of Agriculture. The other day the Minister indicated that there would be a downgrade revision in the recently announced pasture leases. Has his department had any opportunity to give us some indication as to the extent of that downward revision in pastures.

MR. SPEAKER: The Honourable Minister.

MR. USKIW: No, Mr. Speaker, I think the honourable member should be corrected. I did not indicate that the rental rates would be revised downward. I did indicate that as a result of the formula some of the taxes that are going to be paid will be higher than those taxes to be paid in the same area on owned land, and that we would attempt to correct those anomalies which would be a tax adjustment, not an adjustment of the rental rates.

MR. ENNS: A supplementary question. Then the Minister and the government is prepared to let stand the over hundred percent or hundred percent increase on pasture leases this year that are being . . . on the ranchers this year.

MR. USKIW: Again, Mr. Speaker, I think the honourable member knows full well that part of that increase results from the fact that there has been a dramatic increase in the price of beef during the formula period, which does bring about some escalation in itself notwithstanding the change in the royalty rate.

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

MR. J. PAUL MARION (St. Boniface): Thank you, Mr. Speaker. I direct my question to the Honourable the Minister of Consumer Affairs - Consumer and Corporate Affairs. Has the Minister received or requested a copy of the report by the Association of Professional Engineers of Manitoba which indicates that the operators of the Powerview Arena . . .

MR. SPEAKER: Order please. The question period is for questions, not for supplying information.

MR. MARION: Well, Mr. Speaker, I have a question, and this question is relevant. Has the Minister received a copy of the Professional Engineers of Manitoba report with respect to the misleading comments of the manufacturers?

MR. SPEAKER: I appeal to the honourable member to rephrase his question.

MR. MARION: Has the Minister received any information with respect to the appraisal by the Manitoba Engineers on the Powerview construction program of the arena that caved in?

MR. SPEAKER: The Honourable Minister of Consumer, Corporate and Internal Services.

## ORAL QUESTIONS

HON. IAN TURNBULL (Minister Consumer, Corporate and Internal Services) (Osborne): Mr. Speaker, I thank the member for his labours. To my knowledge, Mr. Speaker, that information has not arrived in my office and certainly I have not as yet seen it.

MR. MARION: Mr. Speaker, as a follow-up to the same Minister, it would appear from this report . . .

MR. SPEAKER: Question.

MR. MARION: The question is, are the claims by the Manitoba Professional Engineers Association that the format of the building . . .

MR. SPEAKER: Order please.

MR. MARION: The format of the building . . .

MR. SPEAKER: Order please. The honourable member is trying to make a statement and debate it at the same time to a question. It's not possible.

MR. MARION: Mr. Speaker, my question is - rephrased this way then: Is the appraisal of Manitoba Professional Engineers Association with respect to the shortcomings of the construction program on a prefab building of this type accurate or not, inasmuch as he can ascertain?

MR. SPEAKER: Order please. It's asking for an opinion and that is contrary to our rules. Questions. The Honourable Minister of Industry and Commerce.

HON. LEONARD S. EVANS (Minister of Industry and Commerce) (Brandon East): Mr. Speaker, a week or so ago the Honourable Member from La Verendrye asked how many productivity audits were conducted during the last fiscal year, and I can advise him that there were three productivity audits conducted by the Department of Industry and Commerce completed in the last year, in 1973, namely audits for the hospitality industry, the fashion industry, and the parklands regional area audit.

In addition to those three completed, there were five audits started: 1. on the Interlake region; 2. on the Pembina Valley region; 3. on the EastMan region; No. 4, on the dairy products industry; and No. 5, on the farm implement industry.

So all in all, there were three completed and five started.

MR. SPEAKER: The Honourable Leader of the Liberal Party.

MR. ASPER: My question's to the Attorney-General, Mr. Speaker. Has he or any of his colleagues received the report of the Commission enquiry into the Churchill Forest Industries?

MR. SPEAKER: The Honourable Attorney-General.

HON. HOWARD PAWLEY (Attorney-General) (Selkirk): I can only speak for myself. I have not received any report, Mr. Speaker.

MR. ASPER: Well, Mr. Speaker . . .

MR. SPEAKER: Order please. The Honourable Leader of the Liberal Party.

MR. ASPER: Mr. Speaker, may I redirect the same question to the Acting First Minister? Has the government or any member of the government received a copy of the report of the commission enquiring into Churchill Forest Industries?

MR. SPEAKER: The Honourable Minister of Finance.

HON. SAUL CHERNIACK, Q.C. (Minister of Finance) (St. John's): Mr. Speaker, I can only speak for myself. I have not received a copy.

Mr. Speaker, in the event that a copy has been received, I'm sure that information will be forthcoming very quickly. I'm putting it that way so that if any other member of Cabinet has received it they will give that information; it's not a question of withholding it. I don't believe it was received because I believe that when received it would be sent to the Attorney-General or the Premier, neither of whom have received it.

MR. ASPER: To the Attorney-General, Mr. Speaker. Since the issue comes under his jurisdiction, would he enquire of the commission when the public can expect to have the report inasmuch as four years have elapsed since it was appointed?

MR. PAWLEY: Mr. Speaker, since the commission has indicated that the report will be forthcoming shortly, I don't think it would be a proper thing to do to appear to be attempting to impose what could be interpreted as pressure.

MR. ASPER: Mr. Speaker, to the same Minister. In view of the fact that for three years - no, for two years, the same statements have been made, that if the report is imminently coming, I wonder if the Attorney-General could not be impressed with that date

## ORAL QUESTIONS

(MR. ASPER Cont'd) . . . . and advise the House when we might have a report that is now four years in the making.

MR. PAWLEY: Mr. Speaker, I do think that if I followed the course of action that is being recommended by the Leader of the Liberal Party that I would then be charged, probably within this House, of attempting to pressure or to hasten the completion of a report, despite the fact that the commission might feel that they have not complete or full information in order to make their final report.

MR. ASPER: Could the Attorney-General, Mr. Speaker, indicate or explain to the House why the Attorney-General last year indicated that it would be improper, it would prejudice the work of . . .

MR. SPEAKER: Order please. That is an argumentative question.

MR. ASPER: Well, Mr. Speaker, the Attorney-General made a statement in this House last year, and I'm questioning the current Attorney-General . . .

MR. SPEAKER: Question please.

MR. ASPER: . . . on the statement. In view of the Attorney-General's statement that to proceed with criminal charges . . .

MR. SPEAKER: Question please.

MR. ASPER: Yes, Mr. Speaker, I'm trying to tell you what the question is.

MR. SPEAKER: The honourable member is making a preface which is effete.

MR. ASPER: Mr. Speaker, the question is: why has the Attorney-General proceeded now with criminal charges against principals in the CFI affair in contradiction of the statement made to the House last year that such action would prejudice the work of the Commission of Inquiry?

MR. SPEAKER: Question is argumentative. Out of order. The Honourable Member for La Verendrye. Order please. The Honourable Attorney-General state his point of order.

MR. PAWLEY: The words posed by the Leader of the Opposition might leave a false impression that charges are only commenced now. In fact charges had been laid I believe as early as June of 1973 and have been made at various times since that date. So it's not a question of charges only now having been laid. The previous Attorney-General had laid a number of charges.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. BOB BANMAN (La Verendrye): Thank you, Mr. Speaker. I direct my question to the Honourable the Minister of Labour. Could the Minister inform the House as to when the announced Manitoba firefighters training school in Brandon will be in operation?

MR. SPEAKER: The Honourable Minister of Labour.

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): No, Mr. Speaker, and I can't announce definitively that it will be. I was in Brandon two or three week ago and accompanied by the Assistant Fire Commissioner there I saw a building or two that could conceivably be a facility to house a firefighters' college in Manitoba. The property being owned by the Federal authority, I have requested my colleague in the Department of Public Works to ascertain as to whether or not the particular building is available and if it's going to be disposed by the Federal authority what would the cost be of purchasing the same for the purpose.

MR. BANMAN: A supplementary question, Mr. Speaker. Would the Minister confirm that this will be a training school for voluntary firefighters in the province?

MR. PAULLEY: Hopefully if established, Mr. Speaker, it will be a training college for volunteers as well as regular full time firefighters in Manitoba in order to provide a service which we are desirous of providing to Manitoba.

MR. SPEAKER: The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, I'd like to direct a question to the Minister of Education. Can the Minister advise what measures are being considered to alleviate the impact on the special levy of the increased school costs?

MR. SPEAKER: The Honourable Minister of Education.

HON. BEN HANUSCHAK (Minister of Education) (Burrows): I believe, Mr. Speaker, the honourable member will recall, or if he doesn't Hansard will show it, that a similar question was asked of the First Minister yesterday. This is a matter of policy and when a policy decision is made it will then be announced.

## ORAL QUESTIONS

MR. CRAIK: Mr. Speaker, I wonder if the Minister could indicate in view of the current pressures on the school divisions and on the municipal authorities establishing mill rates, when we might receive a decision to this effect?

MR. HANUSCHAK: Mr. Speaker, the government is well aware of whatever time constraints there may be and therefore will proceed with all due haste and an announcement will be made in due course.

MR. CRAIK: Mr. Speaker, I can't hear the Minister. I wonder if he would mind speaking into the mike or looking across here.

MR. HANUSCHAK: Mr. Speaker, as I said a moment ago, that the government is well aware of whatever time constraints there may be on school boards and municipal councils and being cognizant of that fact it is proceeding with all due haste and an announcement will be made in due course.

MR. CRAIK: Mr. Speaker, has there been any representation to the government from the portion of the urban area that contains School Division No. 1 that would indicate that the total increase in mill rate for municipal and school services this year may increase by as much as 20 mills?

MR. HANUSCHAK: No, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY (Fort Rouge): Mr. Speaker, I have a question for the Minister of Consumer and Corporate Affairs. Could the Minister tell us whether he plans or intends to communicate with his counterparts in the other two prairie provinces to see if the findings of the former Batten Royal Commission can be revised or updated to examine monopoly practices of supermarkets in western Canada in view of the rising food costs in this part of the country?

MR. SPEAKER: The Honourable Minister.

MR. TURNBULL: Mr. Speaker, I would be delighted to enter into discussions with my counterparts in the prairie provinces to investigate to what degree supermarkets and the vertical integration of the food processing and retail industries have resulted in excessive prices charged to consumers in the prairie provinces. I might point out to the Honourable Member for Fort Rouge that there is in my estimates a small appropriation for a research group which I hope will be involved in just that kind of groundwork study in preparation for discussions with my counterparts in the prairie provinces.

MR. AXWORTHY: I have a supplementary, Mr. Speaker. Could the Minister tell us whether his Department has determined whether there has been any charge or alteration in the market position of the major supermarket chains in the City of Winnipeg leading to an increased monopoly position of the largest chain, Safeway Incorporated, in the past year?

MR. TURNBULL: Mr. Speaker, my information is some months old but I do know that in 1970 I think it was the price war between the supermarkets in the City of Winnipeg in particular did result in a reduction in a number of independent grocery stores in the city, and certainly in a reduction in the number of small chain retail stores in the City of Winnipeg; and I have no reason to suspect now that the price squeeze that small operators, small independent grocery operators face has not resulted in a further reduction in their numbers and consequently a growth in the market share of the large chains, particularly Safeway.

MR. AXWORTHY: I have another supplementary, Mr. Speaker, if I could be heard, Mr. Speaker. Could you please call for order so that we could hear what is happening in the Chamber?

I'd like then to ask a supplementary to the Minister. Whether the government has asked or invited the Combines Investigation Branch of the Federal Government to undertake investigations in the Province of Manitoba related to monopoly practices of supermarkets within the last year or two in relation to the findings and the convictions that occurred in the Province of Alberta last year?

MR. TURNBULL: Mr. Speaker, as yet I have not invited the Combines Investigation Branch to conduct such an inquiry into the practices of supermarkets in the Province of Manitoba.

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. J. FRANK JOHNSTON (Sturgeon Creek): Thank you, Mr. Speaker. My question is to the Minister of Mines and Natural Resources. I wonder - well I don't wonder -

## ORAL QUESTIONS

(MR. JOHNSTON Cont'd) . . . . Mr. Speaker, could the Minister inform the House as to whether the people of Winnipeg are going to be eaten alive by mosquitoes this year or not - what is the policy?

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, I would presume that the answer to that question depends on many many considerations and the honourable member is asking it no doubt facetiously. I'll answer it as if he asked it seriously. I doubt that they will be eaten alive; I assume that they could be annoyed as they have been in the past. The matter involved an application to the Clean Environment Commission and then a report to the Municipal Board to my office. I was asked a question yesterday by the Honourable Member for St. James. I indicated that I would be writing the City of Winnipeg. Subsequently my information is that one of the media has taken access to the Order-in-Council which is available to anybody and therefore I know that it will appear publicly today.

The fact is that an Order-in-Council was made confirming a decision of myself relative to an appeal from the Clean Environment Commission which essentially says, that insofar as fogging in residential areas are concerned the last year's application is denied on the basis of the environmental considerations which were studied both by the Clean Environment Commission and the Municipal Board, with leave to the City to apply this year if they can make a case before the Clean Environment Commission, which is a commission that was set up by all of the people in this Chamber to make just such decisions, and that with regard to public areas such as parks, stadia, golf courses, etc. that the City will be permitted fogging on a research and experimental basis up until 1975 and that hopefully from the results of that fogging both our Environmental Branch and the City will have more information relative to both the benefits of the fogging and the harmful effects, if any, of the pesticides that are used.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, my question is for the Honourable Minister in charge of the Manitoba Development Corporation. I wonder if he could tell the House whether the 16 million approximately representing the total involvement of the Manitoba Government in Saunders Aircraft as represented on the recent statement, includes the application and approval of a \$5 million additional loan to Saunders, or if that would be one granted additional to the 16 million?

MR. SPEAKER: The Honourable Minister.

MR. GREEN: Mr. Speaker, the \$16 million is current commitment, it does not include the recent application that the Honourable Member is referring to, and I say that without confirming that he is correct exactly about the recent application. But I understand what he is referring to, the 16 million is previous commitment.

MR. MCGILL: A supplementary question then. Has the Minister made any decision on the most recent application for an additional loan?

MR. GREEN: Mr. Speaker, I answered an honourable member the other day, and all I can indicate is that that matter is not yet -- that the process in that particular regard is not completed.

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

MR. MARION: Mr. Speaker, I direct my question to the Honourable Minister of Finance in his role as Acting First Minister. Will the Minister advise the House of the government's decision regarding the method which it will use to reimburse the entire \$2.50 a barrel, or realize the \$2.50 per barrel surcharge on oil products?

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Not at this stage, Mr. Speaker.

MR. MARION: As a supplementary, can the Minister advise if there has been thought given on how best to return to the petroleum consumer the \$10 million that that \$2.50 is anticipated to yield?

MR. CHERNIACK: Mr. Speaker, thought has been given to the manner in which the moneys expected to be received, due to an increase in oil costs, will be used by the government, but Mr. Speaker, I'm not aware yet whether the honourable member supports the thought that there should be a tax imposed to take that money. There is none yet.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Speaker, I'd like to ask a question of the Minister of Industry

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(MR. AXWORTHY Cont'd) . . . . and Commerce, if he's able to resume his place in the Chamber. Well will he? Mr. Speaker, if the Minister of Industry and Commerce is able to interrupt his conversation is he prepared to answer a question? All right then, I'll ask the question. --(Interjection)-- That remains to be seen.

MR. SPEAKER: Order please.

MR. AXWORTHY: I would like to ask the government then, or the acting Minister of Industry and Commerce . . .

MR. SPEAKER: Order please. The Honourable Minister of Finance state his point of order.

MR. CHERNIACK: I would indicate to the honourable member that regardless of where a member of the Treasury Branch is, he may pose the question. If the answer is available immediately by anyone, it will be given. If not, it will be taken as notice. Had he wished to give notice to the Honourable Minister that he would be asking this question, then an answer may have been ready. So I would invite him now to ask the question, of which he apparently did not give notice, and it will be either answered or taken as notice.

MR. AXWORTHY: Mr. Speaker, just if I may answer that point of order. I do not recognize that it is part of the rules of this House that at all times notice must be given of questions. I would like, then to ask a question of the acting Minister of Industry and Commerce. Has the government of Manitoba negotiated or requested of the Federal Government for any assistance or help in expanding or improving the steel industry in the Province of Manitoba in comparison, or in relation to, the assistance given to the Province of Saskatchewan?

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

MR. EVANS: Mr. Speaker, we've had lengthy conversations with the Honourable Minister of Regional Economic Expansion, Mr. Jamieson, we've had considerable correspondence with that particular minister and there have been several discussions. However, the Federal Government has made a particular decision which is their purview.

MR. AXWORTHY: Has the Minister inquired or negotiated with his counterpart in the province of Saskatchewan to see if any of the development planned in that province in the steel industry or the secondary supplies or activity that may accrue as a result, will be transferred or put into the province of Manitoba under the new commitments or guidelines of Western Economic Co-operation, which was agreed to about a month ago in Vancouver?

MR. EVANS: Mr. Speaker, as I understand it, there is a very critical shortage of basic steel in the world and in Canada, and there is a shortage of steel in Manitoba which in effect is hampering some expansion, I know, in the farm implement industry for example, so that any expansion of steel supply will benefit Manitoba, as far as I'm advised. I can also advise the honourable colleagues that we have had discussions with our counterparts in Saskatchewan and I believe the Premier is in Regina today. I believe he was to be speaking to Mr. Blakeney today.

MR. AXWORTHY: Thank you, Mr. Speaker. In view of this answer of the shortage of steel supply and of heavy machinery, is the Province of Manitoba planning to provide any assistance in the way of direct capital or service to the steel-making or heavy machinery-making industries in the province of Manitoba to help improve its capacity and expand its ability to . . .

MR. EVANS: Mr. Speaker, the Province of Manitoba does not give capital grants but we do receive DREE grants and we do assist industry in obtaining such DREE grants, but I can advise the honourable member that there is a significant modernization program going on at Selkirk, at the Rolling Mills in Selkirk, and this is under way right now.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Yes, my question is to the Minister of Industry and Commerce and it relates to the series of questions and answers that have been given. I wonder if the Minister is in a position to indicate whether the Provincial Government made any representation in writing to the Federal Government after the Western Economic Opportunities Conference dealing with the question of steel mills, in view of the Federal Government's position that it would be supporting a steel mill in Saskatchewan?

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

MR. EVANS: Yes we did have correspondence. We did write to Ottawa, as well as talking.

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MR. SPIVAK: I wonder if the Minister could indicate whether it was on the ministerial level or whether it was on the Premier's level?

MR. EVANS: Well, I'm not sure whether the Premier -- I believe the Premier's written -- I'm not sure, but I know I have written to Mr. Jamieson.

MR. SPIVAK: I wonder if the Minister can indicate whether there was any consideration by the Federal Government to the alternative of Manitoba instead of Saskatchewan.

MR. EVANS: Well there was some consideration but there are certain reasons for the Federal Government taking the decision that it did take but there were considerations of Manitoba and perhaps some day there may be a further development in Manitoba.

MR. SPEAKER: The Honourable Leader of the Liberal Party.

MR. ASPER: Mr. Speaker, my question's to the Minister of Mines responsible for MDC. Would the Minister of Mines indicate or confirm to the House that should the government of Manitoba stop supporting Saunders Aircraft, that the company would close?

MR. SPEAKER: Order please. The question is hypothetical.

MR. ASPER: Mr. Speaker, to the same Minister. Has the Government of Manitoba made its decision one way or the other whether to continue supporting . . . MDC supporting Saunders Aircraft?

MR. GREEN: Mr. Speaker, I answered that question to the extent that I'm able to answer it on two occasions, I believe yesterday and in answer to the Member for Brandon West. Mr. Speaker, it should be obvious to honourable members that certain consequences would flow by actions accruing one way or the other. We'll have to take our responsibility for whatever occurs. I wouldn't want to think that people would be joyful if it occurred in a way which would be good for Manitoba.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I want to direct a question either to the Minister of Finance or Industry and Commerce. It relates to a statement by the Premier two or three days ago that there would be meetings held with the oil companies in relation to the pending increase in gasoline prices of 2 1/2 cents prior to the May 15th lifting of the general freeze. Can the government indicate whether the meetings have taken place and what the results were?

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

MR. EVANS: Mr. Speaker, the Premier and myself did meet with representatives of two major oil companies last week to get an explanation of the impact of the proposed increase of crude oil at the wellhead, and there were differences of opinion, I might add, between the two major companies. However, we will be meeting -- we are endeavouring to meet, it's not firmed up yet -- we are endeavouring to meet with the Minister of Energy, Mines and Resources in Ottawa on Tuesday. The Premier and myself will be there.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I wonder if I could ask for a clarification from the Minister. The question really related to the retail price of gasoline at the pumps and I think he said the conversation referred to the production prices. Could he indicate perhaps more clearly whether the matter of the retail price was discussed and what measures are likely to be taken?

MR. EVANS: I'm sorry I didn't make myself clear. It did pertain to the retail price of gasoline, among other products, and as I indicated there was some difference of opinion between the two companies that we discussed the matter with. We discussed with them the question individually, separately, and the price variation could be anywhere from 8 to 10 cents and could be slightly higher. It's going to depend on whether the Federal Government will maintain its sales tax, it's going to depend to some extent on the degree of competition that will result in due course, in a month or so, when the price changes take place. There is such a thing as price competition and there will be a variation because of that. But one way or the other, Mr. Speaker, there will be an increase unfortunately. One way or the other there will be an increase at the pumps.

MR. CRAIK: Mr. Speaker, a final supplementary then. I wonder if I could ask the Minister, can we expect that a unilateral action by the companies will raise the prices prior to May 15th?

MR. EVANS: Well, I'm advised that they were going to abide by the suggested guidelines of the Federal Government, and that is not to increase beforehand.

MR. SPEAKER: The Honourable Member for Brandon West.

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MR. MCGILL: Yes, Mr. Speaker, my question is to the Honourable the Minister of Finance. I wonder if the Minister could tell the House whether he and his department have had meetings recently with representatives of Canada's airline, with respect to the formula for the application of tax on flights overflying Manitoba.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, I'm sure that the Member for Brandon West would be amazed to discover that we did have such meetings yesterday.

MR. MCGILL: Mr. Speaker, I wonder if the Minister could indicate whether he was able to agree upon a formula, and if so, could he indicate what that formula would be?

MR. CHERNIACK: Mr. Speaker, I'm sure it will not surprise the Member for Brandon West to know that I was occupied in this Chamber for a good part of yesterday and therefore have not yet had a report on the full discussion that was held yesterday in my department.

MR. MCGILL: Mr. Speaker, I wonder if the Minister could indicate whether it is the intention of the Government to make this tax apply to airlines who are not based in Manitoba, or even not based in Canada, when they overfly Manitoba.

MR. CHERNIACK: Mr. Speaker, I'm sure the Member for Brandon West remembers as well as I do the debate that took place when the tax was brought in, discussed, and I would indicate that there is no change in my views from what they were then, and as to the manner in which we succeed in taxing those people that we believe are taxable, has yet to be seen.

STATEMENT

MR. SPEAKER: Before we proceed to Orders of the Day, I would ask the indulgence of the House, as I indicated on Tuesday, I would be making a statement in respect to the question period. Let me indicate this is a statement and not a ruling.

The problem of questions is not a new one and our Rule 48, which the members can peruse for themselves, is one which has been derived by practice and usage and is similar to the one used in the House of Commons.

As a background, I will be referring to a number of Speakers who in the past have had to make statements in respect to the question period. Let me indicate that the question has been raised many, many times. They are documented and can be perused at leisure by the honourable members, and I can assist them if they are so desirous.

Mr. Speaker Glen on July 15th, 1940, as reported on Page 1596 of Hansard, House of Commons, Ottawa, went into the question at some length. The members may read the whole statement themselves. I am taking a few short excerpts that are pertinent to us and bringing them to the notice of the members.

Mr. Speaker Glen states: "To sum up: There is only one standing order governing questions seeking information from Ministers of the Crown. It is Standing Order 44, which provides that such questions may be marked with an asterisk if oral answers are required. Forty-eight hours' notice must be given of these questions, which must be laid on the table of the House before 6 o'clock and printed in the Votes and Proceedings. On the Orders of the Day being called, members may ask Ministers to explain certain matters in accordance with the practice expounded by Bourinot and sanctioned by usage. It is not done under the authority of a standing order and therefore such questions may be either permitted or disallowed by the Speaker, who must judge each case on its merits."

And further he states, "It seems to me manifestly unfair to compel Ministers to answer questions on important matters without an opportunity of consulting their chief officers, and it would be arbitrary to deprive private members of the privilege of putting certain questions of immediate urgency on the Orders of the Day being called. The principle on which the practice has been tolerated in past years should be respected; that is, the reading of long series of questions elaborately prepared is not to be allowed on the Orders of the Day being called."

Again, on March 15, 1943, as reported at Page 1234 of Hansard, House of Commons, Ottawa, Mr. Speaker Glen had this to say: "As long as our standing orders are unchanged, the only questions permitted on the Orders of the Day being called must be confined to very urgent matters, personal explanations, inaccurate reports of speeches delivered in the House, denial of charges, dilatoriness in obtaining returns, or other similar matters closely connected with the routine business of the House. These questions must be brief and must not be prefaced

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(MR. SPEAKER Cont'd) . . . . by any argument. Standing order 44 gives members ample opportunity to place on the Order Paper any number of questions they desire with respect to public affairs.

"Reading telegrams, letters or extracts from newspapers as an opening to a question when the Orders of the Day are called, is an abuse of the rules of the House. It is not parliamentary practice to communicate written allegations to the House and then to ask Ministers either to confirm or to deny them. It is the member's duty to ascertain the truth of any statement before he brings it to the attention of parliament.

"This has been decided long ago in the United Kingdom House of Commons. On June 14, 1882, Mr. Speaker Brand, in preventing a member from reading a telegram from a newspaper and founding a question on it, pointed out the extreme inconvenience of founding questions on every telegram in every newspaper. 'I am bound to say' he added, 'that it does appear to me that before questions of such gravity are put, an honourable member should take some measures to ascertain the truth of the telegram'. This quotation is from Denison's and Brand's decisions, Page 230."

Mr. Speaker Glen concluded as follows:

"I feel it is my duty to explain to the House the procedure with regard to questions, and I hope that in applying it I shall have the co-operation of all members of the House."

Similar statements were made also by Mr. Speaker Fauteux, Speaker Beaudoin, Speaker Michener and Speaker Lambert. The references to these are also available and I'll assist members who wish to peruse them.

I believe Mr. Speaker Michener most succinctly gave an outline as to the discipline in respect to questions, and briefly he made these points:

1. The questions should seek information or press for action on a matter relating to public affairs, of such immediate urgency that it would be inappropriate to put it on the Order Paper.
2. Both the question and the answer should be concise, factual and free of opinion and argument or observations which might lead to debate.
3. An explanation can be sought regarding the intention of the government and not an explanation of opinion upon matters of policy. That is Citation 173 of Beauchesne's Fourth Edition.
4. Other detailed limitations, some 40 in number, are set out in Citation 171 of Beauchesne's Fourth Edition . . . and apply to oral questions as well as to written questions.
5. Supplementary questions are matters of grace.
6. The Minister is entitled to notice and answers cannot be insisted on nor is it regular to comment on the refusal to answer an oral question."

One other point I wish to make in this statement which was most lucidly made by Speaker Lambert on October 16, 1962, where he indicated that he did not wish to get into a policy dissertation on the role of Speaker, his duties having been much better described on many occasions by others, and he would subscribe wholeheartedly to these definitions, but he said:

"I believe the Speaker should be the impartial arbiter of rules as they exist for him and for the House in the Standing Orders, in the decisions of his predecessors and in the decisions of this House, aided by the persuasive authority of the commentaries such as Beauchesne, Bourinot, May and others. The Speaker is the servant of the House insofar as it makes rules for the conduct of its affairs, and I conceive it would be a grave dereliction of duty for the Speaker to put these rules aside consciously in response to either whim or expediency."

But if the rules exist for the Speaker to interpret, they also exist for honourable members to observe. It is not the sole duty of the Speaker to preserve order, or the traditions and dignity of this House, or to protect members from unconscionable actions. I would submit that there is an equal duty on all members to do likewise. May I translate ourselves into another medium which may be more graphic. The rule book does not exist only for the hockey referee or the football referee or the umpire in baseball, nor are these officials the only ones who should know the book of rules. The players themselves, if they are going to do their jobs properly, must not only know the rules well but must observe them."

## STATEMENT

(MR. SPEAKER Cont'd) . . . . .

I want to tell the honourable members that I think that between their conception of what should be asked at question time and mine, there has developed some variance. I therefore hope that this statement will afford us the opportunity of working together. Nevertheless I also wish to indicate that if the honourable members are of the opinion that the rules should be changed, that is their prerogative and I would then interpret the rules in the light of those changes.

In the meantime I would hope that I can have the cooperation of all the honourable members under the rules as they now exist. I thank the honourable members of their indulgence in allowing me to make this statement.

The Honourable House Leader.

MR. GREEN: Mr. Speaker, would you call Bill No. 34, please?

INTERIM SUPPLY - BILL No. 34

MR. SPEAKER: Bill No. 34. The Honourable Member for Sturgeon Creek. The honourable member has 25 minutes left.

MR. F. JOHNSTON: Thank you, Mr. Speaker. Mr. Speaker, as I mentioned to the House last night before the House closed, I was saying that the many reasons why this side of the House, the Opposition has for holding up the debate on Interim Supply. . . And, Mr. Speaker, I also would like to recap just a little bit in my 25 minutes, that the Minister of Finance could have at any time had this bill passed if he had taken upon himself the responsibilities which he should take, to request judicial enquiry or to have the Provincial Auditor go in and completely investigate the irregularities that have been brought before this House in the areas of the fish co-ops, in the areas of the construction companies that we have mentioned - and in many other areas.

Mr. Speaker, I also said that the government is in the position with their majority to overcome stubborn opposition at any time. I would also like to say to the Minister of Labour who has gone, but to honourable members on the other side, the next time that they get up and plead for a bill to be passed, that they plead for the Opposition to sit down and stop debating on the basis of that we are holding up supply, that we are holding up salaries, I will fully expect the Minister of Labour after his speech last night to represent himself to any union who is striking and holding up the delivery of materials, the transportation of people, the delivery of foodstuffs to the people of Manitoba or of Canada, and he would plead with them on that basis. I know he won't, he doesn't believe that. He believes that the chips fall where they may if you feel you're in the right of debate, and I'm very disappointed that the Minister of Labour in his speech last night looked at us as if we didn't feel that we had the right to debate the issues that we have brought forward.

Mr. Speaker, the Minister of Finance keeps saying: never before have we held up, or has anybody even when they were opposition, Interim Supply; and in my remarks last night I didn't say it, but I certainly indicated, never before have we had the present Minister of Finance, never before have we had the present Premier, never before certainly have we had the present government who is completely irresponsible as far as the spending of money is concerned. And I have detailed some of them and I have some more to detail, but the irresponsibility that is so bad, Mr. Speaker, is the fact that the Minister of Finance just believes that he is in the position and should only be in the position to tax people and collect money. He believes that it is only his position to sit down and allocate the money to different departments according to the requests to him for their Budget expenditure, but he does not believe, and it's indicated, it's the inference that we have, that he should have any responsibility to follow up and find out how the different organizations which he allots money to spend it; whether they spend it frugally on behalf of the people of Manitoba or whether they just spend it any way they feel like.

Mr. Speaker, that is the reason for holding up Interim Supply. Also another reason, Mr. Speaker, is it is the first time in the history of this House we're told that a Minister has decided to issue warrants - or Cabinet have issued warrants for the Interim Supply - while the House is sitting I might add - which gives us every opportunity, the Minister gave us every opportunity - he by his breaking of tradition, he said we broke it, but by his breaking of tradition, gave us the opportunity to debate Interim Supply much longer, because he's taken

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(MR. JOHNSTON Cont'd) . . . . the pressure off. The fact that he says, nobody will be paid, he has issued the warrants, he has done it, and given us the opportunity to debate Interim Supply much longer than we might have. And as I said, Sir, he had the opportunity to have the bill passed any time that he wanted to. The Minister of Finance I'm sure, and I know is regarded as one of the stronger men of the government, and at any time if he had said I want to find out what is happening to the money of this province, I'm sure that he could have convinced the honourable members on the other side to do that, but yet that has not been done.

Mr. Speaker, I itemize the times that we now have bridge financing. We have a situation where a department has allotted so much money and they put that money to use in actually another department without any authority whatsoever. Certainly not any authority from this Legislature. We voted the money for a particular use and the authority should come from this Legislature if it should be . . . elsewhere. That happens in the Manitoba Housing and Renewal Corporation.

We also have a situation where there's a building down here right in the middle of Winnipeg with the top floor of it empty, costing in the neighborhood of about \$400,000 when you take the cost of the floor, take the cost of the office partitions, take the cost of the furniture and everything that goes to build an office building or put into an office situation, sitting on top of a senior citizens' residence it should be used for senior citizens to live there; it's the only air conditioned floor in the building, Mr. Speaker, and it's standing idle. Standing idle. And the Minister of Finance wonders why we want to debate Interim Supply.

The Minister of Finance has not given us an answer to why that money was spent there and not being used. The Minister of Health and Social Welfare where the department is responsible to Manitoba Housing and Renewal Corporation has not given us an answer to those questions. We have not had an answer to the allegation of irregularities with the fish co-ops, with the construction company in Wabowden, and these we would have hoped would have been forthcoming.

Mr. Speaker, there is another reason why we - or I personally would like to debate Interim Supply longer, and it happened last night. We have a situation with the government at the present time that says, we accept resolutions because it's the advisability of - "consider the advisability of." We have no problem accepting that. They used to criticize the government, the Conservatives, because we would not accept resolutions. We regarded a resolution passed by this House as something that should be done, but this government has said, we regard a resolution as requesting that we consider the advisability of - and we will accept that and we will do exactly that - consider the advisability of.

But last night, there was a resolution requesting this government to set up a committee to study the effect of all provincial taxes on the people of Manitoba, and what possible inflation is caused by the taxes the Province of Manitoba placed on them, and this government who accepts resolutions, voted that down. This government must have thought - a government that accepts resolutions, must have really felt that this is one they really didn't want, because they voted it down. This is the government that accepts all resolutions. They voted down a resolution requesting the government to set up a committee to study the effect of provincial taxes on Manitobans; to study the effect, the inflationary effect that taxes have on Manitobans, and the Minister of Finance and the whole government stood up and voted it down. And then, Mr. Speaker, they voted on the main motion, the Member for Radisson who is not becoming the "slap the government on the back" member as far as resolutions are concerned, got up and amended the resolution again saying from practically the second word of the member's resolution changed the whole thing by saying: because the government has done this, because the government is so great, - because we are the greatest people in Manitoba, - and because we were cave men in Manitoba before this government came along, you know, that he amends it to that extent. This government and the Minister of Finance . . . voted against setting up a committee to study the effect of provincial taxes on the people of Manitoba. And the Minister wonders why we want to debate Interim Supply!

Mr. Speaker, we have a development fund. The Manitoba Development Corporation has been advancing money and loaning money. The Manitoba Development Corporation has been acquiring and owning businesses. We have a report yesterday that one is \$16 million in the hole; they've gone into Autopac, it's \$10 million in the hole. --(Interjection)-- Well, I want to have that out with the honourable member, the Minister of Autopac he's going to

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(MR. F. JOHNSTON Cont'd) . . . . keep answering my articles in my local paper and if he wants me to bring it to 16 again, I will say your \$6 million in start-up costs, whether you amortize them or not they have to be paid back. You're \$10 million in the hole on your operation and you've got another million dollars that the Vehicle Branch has had to spend to take care of the Autopac. So, the buildings that you're - well, that's in the six million, the buildings they're putting up. But, Mr. Speaker, all the other businesses the corporation is involved in; we have a business that's got over, well one million three approximately, and they've hired two people in Manitoba as part-time help. We have all the other lists of businesses which is in our report that are losing money to the tune of about \$34 million, and the Minister is supposed to be a lawyer and businessman and he knows how hard it is to make back, to make back \$34 million with these businesses before you start making a profit. But they do it, if they lose they just tax the people. And this Minister wonders why we want to debate Interim Supply!

Mr. Speaker, I mentioned the Hydro rates, and this Minister was in charge of Hydro. Mr. Speaker, this Minister of Finance has never really wanted to hold the line on spending, because he's always had the benefit of an inflationary economy which is helped by government spending. He couldn't operate if he didn't have an inflationary situation, and he wonders why we debate Interim Supply. And the only thing that he comes up with, Mr. Speaker, is a rebate system to the people of Manitoba which is taking your money - your money - and saying, "I'm going to give you some back." After all the advertising and administration costs, he says, "I'm going to give you some back." And as I told the Minister in the debate, Budget Debate, he presently has everybody in Manitoba coming before the big government, the big brother government, every year and saying, "I wonder how much of my money is Big Brother Government going to give me back this year." You know, Mr. Speaker, and as I said in the Budget Debate, he now has everybody on the dole in Manitoba, every taxpayer. Every taxpayer in Manitoba is on the dole because we're now in the position of wondering how much Big Brother Government is going to give us back of our money each year, and which is just the basis of controlling the cash flow of the people of Manitoba. It's straight control and the Minister of Finance has always been in favour, been in favour of these measures, and he wonders why we would debate Interim Supply.

Mr. Speaker, one of the other real reasons that we want to hold things up or debate this bill, is the Minister, or all the Ministers of the present government seem to think that it is a great joke, or a big joke, Sir, not to answer questions in this House. I listened with interest to your statement, Sir, and I would agree that there should be some information or some advance notice given on many of the questions. But nobody can convince me, Sir, that the Ministers in this House do not have the answers, many of them, available to them. Yet when we ask questions on finance on many occasions, or we ask questions of the Ministers on how money is spent in their departments, never before have we heard such laughing, sarcastic remarks. And it is obvious that the Minister of Finance has an urge to answer a question with, first of all a sarcastic answer, and then after a comment maybe from the other side of the House, he will settle down and give an answer. It happened this morning when the Member from Brandon West asked him a question, the first answer was one of sarcasm, Mr. Speaker, and they wonder why we want to debate Interim Supply.

Never before, Mr. Speaker, have we had a member in the back row of the government who has done nothing other than sit in his seat and quietly comment, "Question? Question? Question?" I'm sure his constituents will be happy to know that his greatest contribution to this House has been "Question? Question?" You know I could keep saying it, Mr. Speaker, because he's said it hundreds of times and that's all he's said. Oh he spoke one other time, Sir, and he had to be ruled out of order for it.

Mr. Speaker, I have taken the opportunity last night and today to outline to the Minister of Finance why we would prefer to -- or why we have preferred to debate Interim Supply longer, and he has given us the reason to do so and we have done it. We have outlined to the House the many questions that we would like answered that we have never had answers from this government. And this is the open government that we are told about. Oh sure, Mr. Speaker, they come along and say, "You've had more reports than you've ever had before. You've had the opportunity to go before different committees than you've ever had before. We answer, we have given more information than the opposition has ever given before. But

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(MR. F. JOHNSTON Cont'd) . . . . they've had the ability to give this kind of information above. In other words, we'll build a great big platform and show about what we're doing, but when it comes down to the nitty gritty information that the opposition asks for and really requires, we'll have no part of it. We'll block it every way we can."

Mr. Speaker, we're not about to be hoodwinked like the members of the back bench in the government, who would at no time, who would at no time -- in fact they would shudder in their boots if they were ever to stand up and maybe disagree with King Saul. And, Mr. Speaker, the First Minister of this province today, has decided to be like the President of the United States and drop in once in awhile to make comment, send messages like the President does to the Senate regarding his wishes, come into the House and speak about - well, make the same speech he's made for the last four years about how great his government is. He comes into the House, Mr. Speaker, and completely avoids the issues that the Opposition have been placing before his government. He comes into the House, Mr. Speaker, and says that "I get a lot of phone calls; I don't remember all my phone calls." That, Mr. Speaker, is just plain nonsense. I think I could say to 90 percent of the businessmen that I call on, you know, did you happen to hear from somebody last week about such and such a situation? And I would be willing to bet they could tell me that they did. I'd be willing to bet that the First Minister, if the mail that comes to his office that is of some importance, that he would want to see it. But it's fairly obvious, Mr. Speaker, that the Executive Assistant of the Premier has the right to decide what he looks at and what he doesn't look at, and the Premier of this province better start looking around him at the people behind him and say to himself, "You know, you fellows, you honourable gentlemen are doing some things that I don't know about and you're getting me in a lot of trouble." And if he was a strong First Minister of this province he'd be looking into it at the present time, Mr. Speaker.

So, Mr. Speaker, why do we debate Interim Supply as we have? We were given the opportunity because the Minister broke tradition and precedence by issuing warrants. And, Mr. Speaker, we believe that this government, and especially the Minister of Finance, has absolutely forgotten about the control of the money after he gives it to a department, which is wrong. He should be on top of it at all times, Mr. Speaker, and that's what we've been requesting him to do, and if he'd tell us he would do it we might not be in this debate at the present time. But he obviously doesn't care and has no reason or feels he has no reason to do so. Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Thank you, Mr. Speaker. The purpose in rising this morning on this particular debate is really prompted by the examination that I've made of the economic statements that have been made by various members of the government of the past two weeks, beginning with the Budget Speech and continuing throughout, because an interesting pattern has developed in those comments which I think needs some recognition and some bearing upon because I think they demonstrate what is becoming a very serious malady or illness on the part of the 30-some-odd members who sit on that side. I suppose if we had a registered psychiatrist in this Chamber he might sort of diagnose it as either a strange form of schizophrenia, or the inability to face reality, either that or he would say that they are on some form of strange hallucinating drug which again prevents any member of that side to be able to understand or comprehend, or even cope with the economic patterns of inflation and unemployment that are becoming a major consistent pattern, not just in Canada and in Manitoba, but throughout the world. And of course, the ultimate demonstration of that form of unreality, of incomprehension, and of sheer ignorance, was demonstrated last night in the remarks of the Member from Radisson, who sort of reminded me very much of the comment that Benjamin Disraeli made about an opponent of his at one time. He said to the member across the way that he was distinguished by his ignorance. He only ever had one idea in his life and that was the wrong idea. And I think that that has become sort of a standard that we're beginning to see represented time and time again, that the member has demonstrated or distinguished himself by his ignorance on economic matters.

Now let's look . . . --(Interjection)--

MR. SPEAKER: Order please.

MR. AXWORTHY: Oh, now isn't that an interesting comment from a member to deliver to the House. Well let's talk about them, then, some of the facts and realities of what has been

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(MR. AXWORTHY Cont'd) . . . . stated over time. To begin with, we have been assured without question, without any reservation, that somehow we in this Province of Manitoba live on an isle of peace, tranquility, where milk and honey flows with a goodness and while the rest of the world around us is suffering extreme pressures of inflation, while they're suffering extreme requirements for every level of government and every level of public agency to begin to examine in a very strong and effective and directed way the kind of economic policy response that's required. Oh no. Here we are assured by all the members, including sort of the laughing sort of man who probably is a walking example of how you can have a mental lobotomy without having an operation, is to demonstrate the fact that somehow or other we've escaped all these. Somehow or other we are not affected by these in Manitoba. Nothing affects us here. And of course the reason is we have a Socialist government. That can be the only reason, that can be the only evidence that's produced; it has nothing to do with facts or performance of the realities of figures, it is simply a fact that somehow or other we must go on an act of faith or an act of God or the gods whenever they who they admire or honour say so.

Well let's look at some of those questions and let's look at really what is the economic facts that are facing Manitoba and the irresponsibility or lack of direction and leadership that is being shown by those who received a mandate last June to exercise that leadership.

To begin with, when we really talk about the question of inflation. I was absolutely sort of amazed last evening and amazed at other statements when members from the opposite side would produce statistics to say, well, we're you know, we're a half a point better than the Province of Ontario, or we're three-quarters of an index better than Nova Scotia. Now doesn't that give us a lot of satisfaction? Well it may give satisfaction to the statisticians; it doesn't give much satisfaction to the consumers of the Province of Manitoba who are facing an ever-increasing and ever-accelerating rise in various kinds of costs. And they say, "Well now, wait a minute. Let's look at things like the consumer price index." Well if anybody had bothered to read carefully the question of consumer price index -- and I would recommend to the Member for Radisson, seeing that he takes some exception to having a little lesson in economics given to him, to the latest review produced by the Economic Council of Canada which talks about economic indicators and economic performance criteria. They point out that the gross aggregate of the consumer price index is a false and misleading indicator because it doesn't point out the specific areas of price increases which in many cases can be most damaging.

I would point, for example, to the question of building materials. I heard statements last night which were just so indicative of that kind of hallucination that's going on, that they sort of can only be broken, I suppose, by going into a dry-out clinic so that the kind of whatever juices they're pouring through their veins can be expunged so we can get back to a sense of reality. We were told that somehow everything was all right with housing in Manitoba. We had this great public housing policy -- which, by the way, last year produced less than 500 units. Now isn't that a great accomplishment? Isn't that something to be proud of? Isn't it great that the people only have to wait two years on a list to get public housing? Now we can take real satisfaction from that, Mr. Speaker. That's a tremendous accomplishment, and I hope that the Member for Radisson, when he goes back and has to talk to people in his own constituency, can say, "Boy, we're really doing a hell of a job for you because you only have to wait two years on a waiting list."

Now let's go on and talk about another example of this. He talked about the question of how this housing affects other people. Well, I would like to point out that in the last year housing costs in the Province of Manitoba have risen on an average of 20 to 25 percent. A large proportion of that rise is attributable to building materials which, if he would receive the consumer price index reported in the Tenth Annual Review of the Economic Council, which I'm sure he hasn't bothered to read, he pointed out that the major, one of the major accelerating indicators in the consumer price index was a 28 point rise in building materials.

Now if you take a house that's gone up from \$10,000 to \$30,000, and you sort of divide out that 30 or 40 percent of that is attributable to building materials, and you add a five percent sales tax, you're talking about an extra three to four hundred dollars which is directly sort of garnered in by this Provincial Government, which is sort of making a profit and a rip-off on the sales tax on building materials. And they say, "well, we're doing all we can."

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(MR. AXWORTHY Cont'd) . . . . You tell the young family in this province who is making nine or ten thousand dollars and wants to buy a house, that you're doing all you can. And when we asked in this House, by both groups, for a committee to study sales tax and income tax to find out how do we deal with inflation, we were voted down. Not you go back and tell those people that you're purporting to represent, that you don't want to deal with the problem of how to buy a new house and the extra three or four hundred dollars, and you don't want to talk about the rise in furniture which is directly attributable to the lumber which has gone up 20 or 30 percent, and you don't want to talk about the increase in consumer durables like stoves and refrigerators.

Now, Mr. Speaker, we were told that under the present Budget this was supposed to be a plan for redistributing income. Well I don't know that a fridge and a stove were simply products that were available only to the idle rich. As far as I know, someone who's making 9,000 bucks has to buy a house and has to rent an apartment and has to buy drapes and a rug and furniture. And those are all items which are totally and completely vulnerable to a five percent sales tax, and should be reduced so . . . those middle income consumers, who by the way, if you want to refer back to the Economic Council again, say, are those who are now bearing the major costs of redistribution programs in the country of Canada, and that the Economic Council, which is an independent group representative of all views, says that governments of all kinds should begin to restrict transfer payment because it will lead to increased taxation, which will lead to an increasing burden upon the lower-middle and middle income taxpayer who is the major source of personal taxation in both our province and throughout Canada. And these are the forgotten people in this province, forgotten by this government, who in the last election said, "We are going to be the party of all the people." Well, it's an extreme form of reverse discrimination that's going on in this Chamber, that you can be all right if you're poor and old and ill but if you happen to be 25 years old and you want to buy a house and you want to make a decent living, you're going to be taxed until you can hardly stand it any more. That's the kind of policy we're receiving from the government now and that's what they talk is their attack on inflation. You can't ignore the majority of people in the province when you're dealing with the problems of inflation; and that isn't sort of talking about those who are making \$20,000, that's talking about those who are making 9 or 10 or 11 thousand dollars and who can no longer sort of continue to afford the kind of cost increases that are going on.

Now we have to say, Mr. Speaker, well what other kinds of options are available, perhaps they don't want to deal with taxation, but certainly a Provincial Government like all governments are being asked in this day and age to develop a strategy to attack the problem of inflation. Now a strategy is not a single program. It means looking at the problems of labour. It means looking at the problems of distribution of things like food and clothing and lumber. It means looking at the problem of the tax policies that are administered. It means looking at the kind of transfer payments and social programs that are being introduced. It's looking at the kinds of programs that introduce incentives for increased productivity and increased employment, and increased economic activity. And right now, we don't have a strategy, we simply have a series of ad hoc reactions.

Let's go to the list, we say, how do we increase the productivity and economic activity in the Province? We are told by the Minister of Labour we can't do anything for the garment industry because it's not a high wage industry. Let's forget that one. We are told - we say let's to something about sales tax on building materials, sorry we can't do anything on that because it doesn't affect the right kind of people.

We are asked to look at the question of food prices. We find out that very little is being done to begin to investigate price restraints and price monopolies that are existing in the food distribution industry. In other words, what is beginning to happen in this province, as is happening in other provinces, is that simply the government is ignoring the kind of obligation that they have to mount a full scale attack on the problem of inflation, bringing their best instruments to bear and try to provide an overall comprehensive attack on the problem, so that we can begin doing something about it.

Now I admit, Mr. Speaker, that inflation is not certainly a problem exclusively the concern of a provincial government. It has got to be something that's tackled internationally, it has to be something that's tackled nationally, but it cannot be ignored as well provincially

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(MR. AXWORTHY Cont'd) . . . . and when I again hear comments like I heard last night, like why don't you do and talk to your Liberal friends in Ottawa about doing something - well I've got news for you. They have an opposition too which should be reminding them just as the opposition here is reminding you, and I'd be much happier if you'd listen to us rather than telling us to go and tell somebody else. I'm elected to serve in the Provincial Legislature of Manitoba not the House of Commons of Canada, and while I'm in the Provincial Legislature I'll talk to the government of the day which happens to be the people I'm looking at, and they're the ones that I'm hoping will have some grace and some discretion to listen to reality once in awhile and get off that form of hallucinating . . . that they seem to be in, saying that somehow Manitoba is a pocket in an island of great sort of peace and tranquility, of goodness and light and we don't have to worry about it. Well I'm simply suggesting we should be worried about it, we should be concerned about it, the policies we have in the province are not directly affecting many of the people of our province who are being affected and are finding an extreme and serious kind of squeeze, both in their prices and wages. And again when we talk about what are the effects, we I gather or understand, have members on the opposite side who have some connection with the trade unions in this province. Well I'd suggest they go back and talk to members of the trade unions to find out. For the first time last year, the cost price increased particularly in the area of food and furniture and clothing exceeded the actual usable income acquired by Canadian workers, and that in fact, Canadian workers last year lost income as a result. Now that's called inflation and that's called a requirement to do something about it. It simply bothers me that members of the trade unions who are sitting in that caucus haven't brought that to the attention of some of the people like the Member from Radisson who doesn't seem to be interested in things like that and some of the Ministers of the Crown who should be taking responsibilities in their own departments for providing an over-all strategy to cope with the problem of inflation in the province of Manitoba.

So simply speaking, Mr. Speaker, let's look at another problem that has been totally ignored in this province in terms of inflation and price differentials. We received a report in this House about a month back and the Minister of Northern Affairs or the Minister of Industry and Commerce I can't remember, pointing out how in many northern communities there is almost a 20 or 30 percent price differential in basic consumer goods. This group brought in a resolution suggesting that we tackle the problem. We suggested that we provide a differential on incomes and wages. That was voted down of course - that's not agreed with. We said, well what's the alternative? Well thus far there has been no alternative and therefore the price increase and aggregation in northern Manitoba continues and nothing's being done. Now I would honestly ask some of the members on the opposite side, is that called an approach to inflation? Is that called an answer to the price rise that's going on in this province? Here is something that's within the power and responsibility of the Provincial Government to do something about, it is not doing something about.

We have the same thing in relation to the Hydro bills that are going up, that that could have been absorbed in that \$100 million surplus that was reported by the Minister of Finance, and nothing was done. We're sort of talking about the basic question of gas price increases - that's going to cause a problem, not for the idle rich, not for those wealthy people living on Wellington Crescent, it's going to cause a problem for the average income earner and the average family in Manitoba who again is becoming part of that forgotten group in the province; forgotten by this government, forgotten because somehow they assume that they can carry all the burdens and get none of the benefits, that they can sort of pay for all the programs and receive none of the service, no incentive, no provision to help them in the kinds of situations they must face. That's what is beginning to appear, as I sit and read the economic documents and statements of ministers and members on the other side, is that they have deliberately and consciously adopted an economic program which is designed to exclude the majority of people in Manitoba from any benefit or from any assistance; and until we correct that and overturn it, we are simply going to divide this province into warring camps one against the other, and we are going to frustrate the ability to bring in good social programs. We are going to frustrate the ability to do the decent thing in this province because you're going to create a backlash and a reaction against any kind of good social program, because people will simply say we are fed up and tired of being ignored and being forgotten. And that is the kind of situation we are facing now. It is going to cause a problem not just for the government,

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(MR. AXWORTHY Cont'd) . . . . it is going to cause a problem for all members of this House who are seriously concerned and interested in trying to improve and better the lot of the poor, and the indigent and the handicapped and the disadvantaged; that in order to provide support and programs to help the disadvantaged in society, you must be able to rely upon a consensus of support by those who are gainfully employed or who have a taxation position. You can't get that support if you continually rub it in their face that they're being ignored and forgotten and not given any assistance. So for the sake of the continuation of social progress in this province, then for goodness sake get an economic policy that makes some sense and which covers everybody in this province so they feel that they have a government representing them too. That's the greatest tragedy, and one of the greatest flaws of the present economic stance and the economic position of this government is that not only are they creating a budget and an economic position which is adding to the inflationary push on the province and the inflationary push in the country; as they are also creating the seeds of disunity and the seeds of distrust and the seeds of reaction, so that as the time comes to continually try to improve, whether it's guaranteed annual incomes or better transfer payments, we will not have the capacity to do it, because people will say we've had enough, when's it our turn. That's the kind of statement and the kind of plea I want to make to members of the Crown. I think that the kind of statement we heard last night on the sales tax should be expunged from the memories and records of this House because it makes no sense.

It simply is the idle prattling of someone who is in some form of wild drug induced sort of state of unreality. I think we should check the coffee urn in the NDP caucus to see if someone's sort of added some kind of hallucinating drug so that we can somehow provide a counter remedy or some sort of antidote, so that we can kinda get back to discussing the real facts of economic situation in this province.

What it simply means is that this provincial government has a responsibility to integrate very carefully, programs in labour and manpower supply, programs in food distribution, programs in taxation and programs in terms of looking at specific product areas where the price differential has gone out of line, such as building materials, lumber, clothing, furniture, and consumer durables, to begin to provide specific assistance to those groups in order to enable them to sort of properly meet the question without having to realize or fall back on their only answer, which is to go back and ask for more salaries and more wages, which then simply adds to the consumer push. That's the kind of thing - we're simply contributing to the increasing and widening cycle of inflationary push in the country because we're not providing any kind of incentive to get out of it.

I think as some of the members who have some economic intelligence on this side would realize that inflation is oftentimes very much a psychological fact; that at some point someone has to take steps to provide sort of a stake in the road, stop the wheel from turning, to stop the cycle from accelerating it's that kind of psychology that's required, and the psychology should be an obligation of government. I'm told increasingly by the Minister of Mines and Resources that they are the people, that they have through some kind of divine will, some mystical transcendence they invoked the mandate. It sounds like Jean Jacques R . . . sort of speaking in this House of some mystical sort of divine, sort of translation between the people and government.

Well if that's the case, if we can go on your own premises then for goodness sake provide some leadership, and for goodness sake provide some direction and quit simply providing excuses or painting things through some Pollyanna sort of unreality that doesn't exist. That's the kind of requirement that this opposition is putting forward to you, and that's why we're taking up some time on Bill 34 to debate it. It's unfortunate but it's required. It could be unnecessary if we had been convinced that this government rather than distinguishing itself by its ignorance, rather by saying that because we're socialists things can't be wrong, if it would simply say that we are government of the Province of Manitoba that is required to take economic leadership, to zero in on the problem of inflation, to provide our utmost capability and capacity to answer those problems in a most honest direct way fashion, then you would receive the commendation at least of this group, and I can promise that.

But let's see it first, let's show it first, rather than trying to hide behind some glowy-eyed picture which has been painted by some surrealist artist and then sort of padded out in public relation sheets by the Department of Information saying that's the line to take today

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(MR. AXWORTHY cont'd) . . . . fellows, because we can't say that somehow things in Manitoba may not be as good as we like to say they are.

MR. SPEAKER: Order please.

MR. AXWORTHY: We're simply saying, let's look at the reality of Manitoba, and let's look at how, as a government of this province, ideologies aside, we can be providing the leadership that is both expected and required at this present time - a very serious economic crises in the country of Canada.

MR. SPEAKER: The Honourable Member for Virden.

MR. MORRIS MCGREGOR (Virden): Mr. Speaker, I rise with considerable pride in having the privilege to represent my constituents and contribute to Bill 34. Sometimes that pride is cut down somewhat and I have to think of a day earlier this week when it was announced this Chamber would shut down and go to Brandon Fair. I was one who travelled there and I must say I was very ashamed to be a member of this Chamber with so few there. It was I think safe to say, at the taxpayers' expense, and while we were not too well represented from our party, we certainly were much better represented than any other party, namely the government side who only had but four members, one of which was a Minister, one which was a local . . .

MR. SPEAKER: Order please.

MR. MCGREGOR: Mr. Speaker, if they would just, allow to hear me out, I said one Minister that was outside of that immediate area and one Minister that was representing part of Brandon. So I think it's something that we should look at, if we're going to shut down to do something that is right, and I believe I've always tried to associate myself with things within the city, within northern Manitoba that I didn't know too much about, I was always willing to go when there was a trip to see what goes in those other parts.

I also was a little bit annoyed when our Minister of Public Works several - ten or so days ago got up and gave us his usual lecture, and I think there's one Minister that had no right really to lecture us in the disgrace that he put on the shoulders of many veterans last year when he built that restroom in Memorial Park, and I think the one thing that the veterans raised their voices about was that. That is to be a Memorial Park and really it could well be named something else when you see the goings-on there in the summer nights.

And he further added to my annoyance as one who has been a little further than the boundaries of this province and a visit yearly down in the United States of America, the one thing that always comes home is not our prices of meals, not in our hospitality shown to our Americans, but it is in our hotel expenses, hotel rooms - and I think rightly so because I have had enough rooms down there to realize - and here he's suggesting an initial dollar a night, the one industry we want to be promoting and we want not to be doing things that's going to annoy our tourists, and that would be one certainly that I couldn't stand to see implemented.

The other area, if he wants to be that righteous he could well look within these buildings and go down to the cafeteria at noon hour, especially at noon hour, you sometimes go down there at one o'clock and you have a line-up. And I ask you, Mr. Speaker, if you had some people in from the rural you wanted to take them to dinner, and I'm not a believer of a private club, but there isn't room and there isn't the quickness there. And there's no fault to the Canadian Institute for the Blind. The absolute cramped quarters if you went into the kitchen, how they even do what they're doing is beyond me. While we have spacious offices, I think we should associate some of that expense in that particular area.

Likewise, the Minister of Labour lectured us on our good and bad points and I would have to think of him as the high noon kid, and I probably can refer to the former word and when he says minimum wages and he always take great credit and I'm sure this party gets sucked in from time to time, and groups of high earning people come to us, beg us to support raising of the minimum wage, but they in turn are filling their own pocket, and this seems to be the unfair point. No one is against those low income people having a raise but it's the people farther up the ladder that get the bigger amount of raise and cause those companies to have to lay off people and this seems to be the harm, that this could be righted.

And I felt just a little bit guilty when the Minister of Labour was presenting his Estimates when I realized I hardly knew his Deputy Minister, namely because his assistant has been one that I have known and respect, a Mr. Art Wright, and I almost invariably went in to talk to him rather than - certainly no slight to the Deputy Minister but that happened and I did feel just a little bit guilty.

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(MR. MCGREGOR cont'd)

The other Minister that certainly has some criticism coming to him is the Minister of Agriculture. It was very fine for the reporter of the Brandon Sun that said that we were not presenting this question of the home economists, but it's rather false and maybe the Brandon Sun could well afford to have a daily reporter here and get the rural aspects of the rural members and not listen to a clique to my upper right that I think only see within the vision of the City of Winnipeg. They are sales people and I suppose they have to be guided by their superiors and that is certainly their right.

But the home economists, it certainly affected the W. I. I have several letters here from fine people and I remember one that I have on top of my file, in visiting there last year this lady, and I can name her, Mrs. Finkbeiner, was very proud of the things that they were doing and they felt they were part of government, they were contributing something to a better life for whatever government was in power. And I have a letter, and I can probably - I don't know that I should read it all, but the last line: "I resent the way we have been treated. What can we do?" And I hope the Minister does listen to this. I see he's rather listening to his own Whip and there are other places he could be listening to him.

The other area, to the same Minister, is the Farm Machinery Act that was implemented in the late days of several years ago, and it's really becoming a problem. Now I'm a very small farmer, but I know when that one in three year warranty he has talked about, and I'm one who wants just exactly what I got in years gone by. In one year warranty, if I can't prove a piece of machinery defective, and companies were never that tough, if you had something was going wrong in the second year, if you could prove your case, it certainly--I've never had that many problems. I've had to sit down with machine agents at times and go over the thing in pretty harsh terms and harsh words, but eventually we always end up in agreeing on something. And I'm just looking at my small account book here and my operation last year in bringing in new equipment, I just haven't totalled it up across the way, \$49,220, and that's the few bucks that I earned and run my own show, and the fact that I have to pay five percent on that figure in order to protect the shysters. There are poor people with machinery that forget about the grease . . . --(Interjection)--"shysters" was the word - the people who will never be able and will give great problems and we have to pay for that, and I assure you I have no intentions of paying that five percent. And probably the Minister will be down my neck, but that's a fact. I want--(Interjection)--That's all right, I've been there before - on my own request, I might add.

So I just hope the Minister in the weeks ahead or before this House closes, he announced some time ago there are changes in the Machine Act, and I hope there is consideration also for the penal bond. Again it seems no problem for the huge operator to get that penal bond, but the smaller operator that's doing a very effective job in his area is having trouble. He isn't having troubles if he gives him his house and all the things he owns - and really, surely this bond wasn't intended to be that troublesome.

The other area, and I wonder why we're even talking on this bill because as of yesterday it's really worthless. However, the other Minister - I was hoping he would be in his seat - it's the Minister of Tourism and Recreation. And while I'm not a racing fan as per se, I think if I had a few bucks and wanted to do something I would probably trust the casinos in Las Vegas quicker than trying to outguess the horses at the Downs. However, I do look at this, I do look at this as a real gold mine, and as one who has had his fingers in gold mines in other parts of Canada, again I look at this as a real, one of the real industries here in Manitoba. Now you only have to go out there on a summer's night and look at those licens plates, and it intrigued me why there was so many Minnesota plates until I started enquiring and I find racing is illegal in the State of Minnesota. And here--(Interjection)--In any case we have a tremendous racing plant. I'm sure you can go to Sackville Downs, as I've done, you can go to Exhibition Park in Vancouver, and maybe it's a little more picturesque in Vancouver, but I don't think the plant itself is one bit better, and if the Minister could see fit to set up a better purse structure - and believe me, I hope he does not get his fingers in that plant, even though I know he's desirous of that, has some equity in it; but that is a cold million dollars to the treasury of this province with no outlay, no gamble on the part of the treasury at all. And I've watched this thing - I'm not a racing buff but still interested in reading the sports pages and I remember 25 or 30 years ago when there was a real war on between the standardbreds and the thoroughbreds, and over a lot of years that wound has been healed up and they're almost sitting beside

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(MR. MCGREGOR cont'd) . . . . one another talking in the common ranges of the future racing plants. So what does the Minister do? Well, he says he didn't. He put up a member on the advisory committee, advisory board I should say, that I certainly have warned him about that this would be harmful to him if he wanted to buy that racing plant for nothing, that was a name to put there, because he would corrupt the entire racing program. Now that individual is going around and saying he's representing the Minister and I would dearly like to hear the Minister stand in front of this House, Mr. Speaker, and say he does not represent the Minister because this could right some of the wrongs.

The other area that was touched in the question period this morning was the concern of where the smaller oil companies are coming off on this new price structure regarding oil. And I've certainly had several calls as the Member from Riel had with me yesterday, and they seem to have appreciated the fact that they're going to get nothing extra at the oil head for this new structure, and I hope that not to be the truth. I spoke to the First Minister last night and he hasn't come up with a firm policy in regard to this. Because it isn't the big companies, the big companies Imperial Oil, California Standard, and names of that nature, they can make it up from the refining end, but the small operator that may have six, eight or ten wells has to give it to the Imperial Oil. I was talking only to one that has some wells down in the Sprucewood Forest area; it showed a net loss of some \$3,000 last year, simply there's oil production but it's all the ingredients you put in to keep the wax out of your pipes, and believe me it was the little oil companies that made this all happen in Virden, because while California was in, and Imperial Oil was in, and many other large companies was in, and had it sewed up, but it took a wildcatter to blow it off and when the oil starting flowing out they had to come in. So it is a lot of the little companies that are contributing an awful lot to the oil industry. While I know it's small in comparison to the other problems, it's still a major contributor because we are well over the hundred millionth barrel.

I just hope the responsible Minister would look at the Alberta plan, and look at the Saskatchewan plan, and not because Alberta is Conservative but Alberta is indicating by the press release they're going to do something, not for the big companies but for the small companies. And one of the calls yesterday from Estevan that it's just really causing chaos what the Saskatchewan government is doing regarding the oil industry, and again it's supporting the small companies that I'm concerned with.

And lastly, surely the Attorney-General and all the stuff that we've heard in recent weeks, and going to Brandon, and I have to be honest as I've tried to be here in this House, and I don't think anybody can ever accuse me of being a political animal because I've tried to stay within my principles and say that the public generally speaking are catching on to this affair up north, call it what you like. And I'm thinking it back to the days when I was on that side, when we were - a stream of accusations were being thrown at us on behalf of the Triple F Farms, but this is much higher and much deeper, and I would say that the Attorney-General owes this to Manitoba to put a royal commission in there and get the facts, not (Applause) because if we are wrong we'll pay a penalty, and if there is wrongness done, and let's not forget that governments are not perfect, never will be, and if they have made mistakes let's face up to it; there is still time to right some of that wrong I am sure.

The third - the very last thing is my concern with rail abandonment, and it is big in my area because I do have three branch lines that are dead end, and some of them will go, and I am greatly concerned with my Minister of Highways, who is really saying nothing, and this administration is really not coming out and saying, we agree with rail abandonments or we do not agree with rail abandonment. And I think that people are expecting this administration to take a stand on this, especially in rural Manitoba. Thank you, Mr. Speaker.

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

MR. EARL MCKELLAR (Souris-Killarney): Mr. Speaker, I just want to say a few words on Bill 34, third reading - and I'm sorry the Minister isn't in his seat at the present time. I thought maybe the Minister of Mines and Natural Resources was going to say a few words because he had a bunch of notes out there and ready to go, but I see he's left the Chamber too.

MR. SPEAKER: Order please.

MR. MCKELLAR: Yes, Mr. Speaker, we are dealing with the third reading of Bill No. 34, and I'm sure the government by now are wishing that Bill No. 34 had never been brought in, but they had the opportunity to bring Bill No. 34 in, they had a chance to bring it in a long while

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(MR. McKELLAR cont'd) . . . . ago. And I can't see why they waited till last week of the month of March to deal with this important bill, because they could have during their Budget debate at any time delayed that Budget debate and dealt with Bill 34. So they accused the Conservative Party of delay actions, they accused us of everything. I suppose they were right, they could - it's always right to blame somebody else for your own mistakes. And I consider the government did make a mistake. At any time after the Budget they could have brought in this particular bill; they could have brought it in three weeks ago, four weeks ago, five weeks ago, six weeks ago, any time after the Throne Speech, but they chose not to do so, they chose not to do so. So now they accuse the Conservative Party. We've accused of the government not being able to pay the bills of the government. Well, the government solved that problem, and they solved it as mentioned before by the Member for Lakeside yesterday, they solved it using a particular section of the Act, which was never used before in my memory in 16 years in here. And they say it was never done before because it never had to be done. Well that may be so, but I remember many times in the House of Commons when they never paid their bills either, and they never used this particular section of the Act to do so. But there's one other thing that has been done in the past and it's closure by government, and this was done in this particular House on one particular occasion and I remember I think about two years ago, closure was brought in, I think, in Autopac I think if I remember rightly, or on one particular . . . And this could have been done by the government. This is the action they could have taken to solve their problems.

Mr. Speaker, there are many things, and I wouldn't be up here unless I thought there was many things that should be dealt with, and they've been mentioned many times, but as the Member for Virden said, the Brandon Sun say, we're not talking in western Manitoba and if I gotta talk every day of the week I guess I'll talk. But I don't think that we have to express these things time and time again to get our particular points across. But in the case of the 4-H and the home economists, and I have a particular paper here, Boissevain, it says, "A beautiful girl here", and it says, "The last time." Well, that brings a point home, the last time, that's their last day of work, and that's the last time I guess a home economist will be stationed in Boissevain. And this is why we get up and talk, and this is why we express ourselves on this. We're not against helping out Winnipeg; we're all for helping out Winnipeg and northern Manitoba, but let's not do it at the price of rural Manitoba, let's not do it at the price of rural Manitoba, and this is all we're asking. Let's expand the programs but not eliminate the programs; and in the case of the home economists in rural Manitoba the program is being eliminated as I see it. Sure, you're going to have the people working out at Brandon, but I know enough about rural Manitoba, and a winter like this that it's impossible to serve the particular areas, and they won't serve them because the home economists at Minnedosa and Virden and Boissevain in that particular part of the province are being eliminated, and that serves practically all of western Manitoba.

Now, I think that's about all we need to say other than to say that I do hope that the government have a reversal of their decision, that's all we're asking. Have another look at it, have another look at it, and I am sure that after they talk it over with the people of the province, that part of the province that they'll see that these home economists should be left in these particular towns.

Now one other very important problem in my area, and I have a press release here from Souris Valley School Division, and this was brought up by some of the members, I think the Member for La Verendrye brought it out, the school taxes in the Souris Valley School Division the mill rate's going up 10.26 mills this year. Now that doesn't look very much, but the mill rate was only 15 mills before, and it's going up 25 mills now. Now that still doesn't mean that much because it's only three mills on a general levy which brings us up to 28.21 mills. But the thing that I want to express to the government is the commercial mill rate, commercial mill rate which is 35 mills over and above that, that's 60 mills the commercial rates will be in the Souris Valley School Division. And, Mr. Speaker, we do have pipelines in our school division and I wish the Minister would listen, I wish the Minister would listen for just a minute, and I know he's got important things to talk over there with the Minister of Mines and Natural Resources, because the Minister of Mines and Natural Resources tends to run the government from day to day. But I would wish the Minister would listen for one minute, that some relief has to be given to the people who are paying the commercial rates and the school taxes, and I

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(MR. McKELLAR cont'd) . . . . mean it, and I wish the Minister would listen, I wish he would listen. There's no way the people, the businessman can continue to pay that high rate, that high school tax mill rate, there's no way he can continue to pay that. What is happening, Mr. Speaker, is that many businessmen won't be able to pay that and they'll have to fold up because I can tell you in the City of Brandon where the mill rate is over 100 mills, the mill rate this year will be 100 mills in Souris, in the Town of Souris for school and municipal. And I tell you there's no way that the businessman can continue to pay that mill rate and also pay the added costs that are attached on to his business by the governments of the day, both federal, provincial and municipal. It's getting too big a load. And I would say to the Minister of Education when you're looking at all the costs of education which you have at your doorstep right today and in other news releases here that were put in the paper yesterday, in the City of Winnipeg even, have a look at that commercial mill rate. Have a look at it because I tell you you're destroying a lot of businesses. There's no way a new business can start up and I tell you, do something about that before it's too late. I say do that. I realize you've taken the cushion off the general mill rate on the farm and residential but do something about the commercial mill rate. If you're going to help somebody help that businessman who is paying this added cost at the present time.

Mr. Speaker, there's some things here that affect my area, one of the ones which I haven't been very vociferous up to the present time, and partly because that until I get some knowledge of what is taking place I figure that it's just not right as a member of the Legislature to get up and be against something for the sake of being against. But, Mr. Speaker, about two weeks ago we were given a book, we were given a book, and I tell you it's a book, and there's no way the average man in here can interpret this in a couple of days, in a couple of days. I've been one of those that haven't been . . . even though this has been affecting my area, I haven't been one of those that have been just standing up every day lamenting the fact that the government haven't been doing something.

And I'm glad that the Government of the United States are finally getting around to realize that they themselves are going to cause untold amount of damage to our part of the country. --(Interjection)--Yes, that's right. But I tell you what disturbs me was the attitude of the Government of Canada. Mr. Sharp one night got on television here, Mr. Sharp got on television one night and said that we have no worries, the Government of the United States are going to look after us. They're our brother's keeper, this is fine. This disturbed me and disturbed untold numbers of people. --(Interjection)--That's right.

Now I don't know whether you criticize the Minister of External Affairs or not because I don't go around asking governments what they say to each other. But this was wrong, this was wrong. But the problem with the whole thing, that \$75 million has been spent on this project and the Government of Manitoba, and I don't know whether you knew about it or whether the Government of Canada knew about it, but this project's been going on from two to three years or more and longer than that, and it's a funny thing why this was not brought to the attention of the Governments of Canada and Manitoba by the Governments of North Dakota and the United States, and consultation wasn't going on at least five years ago before the planning stage. Now \$500 million is going to be spent on this project in the next six years; like 500 million in total, 75 million up to the present time. I think another 30 million this coming year has been allocated by the Government of the United States towards this project.

Now I know enough about what's going to happen, I know this area and I'm going down there in the month of May if we ever get out of here and I'm going to have a look at this. But I tell you when you take water over a great divide like it's going over from the Missouri over the Great Divide south of Minot and pump it north and put it into all these series of canals . . . and eventually flood or irrigate a quarter of a million acres and then the water comes back into the Souris River, it's got to come right by the Town of Souris which uses the water, and I tell you I'm sure glad that the government of the day finally got talking, finally got talking and I see in the press release where Governor Link has finally appointed his chairman, and I want to know who the Minister here has appointed to be responsible for his committee that's going to negotiate. And I'd like him to tell us that in this debate before Bill 34 is passed.

And all I want to do is know that we in Manitoba, we in Manitoba, negotiators, the people responsible for the committee who have to go down there, and I do hope that the committee and yourself go down there and negotiate. Well maybe not negotiate but protect the interests of the

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(MR. McKELLAR cont'd) . . . . people of Manitoba. This is all I'm asking on behalf of the Town of Souris and the other communities along the Souris River who will be affected eventually, eventually by this project, the Garrison Dam project. This is all I'm asking, that you representing the people of Manitoba protect our interests in that part of Manitoba.

It's a most unusual situation I guess that's ever happened in Manitoba, where you have a country, the United States Government through the North Dakota Government building a project with no consultation, affecting another country, affecting another country. A situation which never maybe - with the exception of the Columbia River maybe where some of the other projects of that nature - which is flowing the other way, which is flowing the other way. But this Souris River starts in Saskatchewan, flows through North Dakota. The irrigation and the pollution is going to come into Manitoba and come right by our door here. The water comes right by the door here, right by the Legislative Assembly door, right in the Assiniboine River here. So the pollution is going to affect us. Into the Red River, into Lake Winnipeg and on to Hudson Bay. So we all should be interested as Manitobans; not only those people in southwestern Manitoba but everybody in Manitoba should be interested in the total effect of this project. And I guess in the year 1979 when maybe many of us won't be in this Chamber - this is the problem, maybe we won't be, who's to know - but I think we should be greatly interested in the environment of the future of Manitoba. This is all I want to say on that particular subject matter.

One other thing that affects my area is the clean environment, Clean Environment Commission, and the rules and regulations that are affecting the farmers along many creeks and rivers in my area. I always said that you got to do some of these things from an educational point of view. You can't go in and say in twelve months time you've got to do this and you've got to do that. Somewhere along the line I would suggest to the Minister that rather than put demands on the farmers which I know is going to happen along Oak Creek west of Glenboro, all that area, I would say that through the municipalities that you have an educational program, how to educate people, because it's better to educate them than to try to tell them that they've got to in twelve months time stop putting manure on any part of their farm, stop watering in that creek, stop pasturing in that creek, these are the things that they're going to be told. I say that it's far better to educate these farmers through an educational point of view rather than do it by law in this case. Sure maybe eventually you'll have to do it by law but I think an educational program - because I tell you some of the farmers are getting hostile and it's better to I think to keep--through an education. Now I realize that if you go out there on an educational lecture and try to educate farmers that it's difficult to get farmers to go to meetings. I know that from past experience. You can't get them out to political meetings at times. I realize that. But I think that educational lectures in every municipality, if you're going to deal with environment dealings with farmers, that I think this is a way to start, and this hasn't been done.

I know the problems that are going to be involved in my area because they're going to be told this month by letter that in twelve months they can't put manure on their land and that puts the hog men out of business. They can't pasture in the creeks, the livestock, the cattlemen. They can't water in the creeks. So in many cases that puts them out of business too, they have no water supply. So these are the things that they're going to be told, and I would say rather than to do this that you get your people and go to each municipality whose area is affected, in this case South Cypress, and have public meetings. And I think the farmers will work. But if they're going to be told I know some of them are going to get hostile, then there'd likely be legal action. Somebody's going to have to take legal action. So I say from an educational standpoint yes, start it. Then if that won't work then you go to the other course of action.

Mr. Speaker, I want to deal with the gasoline problem - not tax problem but the oil problem as I see it. I haven't got any oil wells - oh I guess I got a few in the Turtle Mountain area, but the area that I serve is not one of those that's fortunate enough to have oil wells like the Member for Virden. But I think the farmers are going to have a problem, the farmers are going to have a problem when they go to pay their fuel costs this coming spring. I know there's nothing the government can do because there's no tax involved on farm fuel but the farmers are going to end up paying I would say seven or eight cents a gallon more, it's going to increase their cost of operation at least 50 percent. But I think that the government can do something there and the Premier has admitted that they're going to relieve by at least \$12 million anyway.

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(MR. McKELLAR cont'd) . . . . Well I was looking in Estimates, in the estimates there's \$45 million accruing to gas tax, there's \$9 million accruing to motive fuel tax, that's a total sum of around \$55 million, and if you reduce it by \$12 million I suppose that's in the neighbourhood of about four cents a gallon over all. Four cents a gallon.

Now it was mentioned I think by the Member from Virden, I don't think he related but I understand that Alberta is reducing by five cents down to ten. I think Saskatchewan's reducing it from 17 down to 10, the tax on their fuel, which brings it down to I guess comparable. But ours is still 17. I realize that the government's got to make decision on this, but I would say for the economy of Manitoba that we have to go equal to Saskatchewan. Not any better, not a cent better but I think we've got to get down to that level. Now I realize you're going to have to raise another 10, 12 million dollars, maybe ten or twelve million dollars, I don't know where you're going to get it. But I'm sure you're going to get it out of sales tax, and I know darned well you're going to get it out of income tax. I know that. Because I know how much money I got to pay you this month, and I tell you that's a lot of money. I'm sure that your \$30 million increase on income tax, \$30 million increase over the previous year is going to be away under, away under. I know that everybody's paying at least 50-60-70 percent more, the farmers maybe more than that. I know that. In fact lots of us are paying maybe double what we were a year ago. So I would say use the income tax money. Because the farmers are going to pay that. So give the farmers a break, give them a little break, give them a little break and give them back on taxes that they're going to use.

A MEMBER: They don't operate that way.

MR. McKELLAR: I tell you the farmers are the one people in society that if they got a dollar they're going to spend it, they're going to spend it. In fact they spend more, sometimes a lot more than the ones they have. And I tell you - on Monday I'm told by Mr. Lang he's going to send us cheques out Monday, and we're going to have to use that money to pay the income tax to the Minister in Ottawa and the Minister here. So I would say use your heart, use your heart and reduce that gas tax. Get it down so it's going to take the cushion. We're paying 57 cents in my area right now on gas. If we've got to go up any more than that it's going to hurt our economy in rural Manitoba. And all I'm saying is support the economy in rural Manitoba by doing anything you think you can to cushion that, and I would say with that large amount of income tax that you're going to get this month, use that money to cushion that. You're going to have more than you ever thought that you were going to have. I'm telling you that right now. And you're going to have a lot more the year following because of the increased price of the grain. And it's through no good judgment on the part of the government that's caused it, it's just a world demand for grain and at pricing. But I'm saying to everybody that we better not get used to these high prices because I think we've hit the peak right now. I think we have hit the peak. In fact I wish I had sold my flax about a month ago. I haven't sold it yet, lost \$3.00 a bushel. --(Interjection)--Yes, okay.

MR. SPEAKER: The Honourable Member for Ste. Rose.

MR. A. R. (Pete) ADAM (Ste. Rose): I wanted to ask a question of the honourable member. He mentions in his remarks that he would like to see the sales tax on gas, the gas tax reduced. How will this help the farmer? He doesn't pay any tax now on fuels.

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

MR. McKELLAR: Well, yes, I realize that in farm trucks. But many of us use our cars, we don't use farm trucks to get around. I at least go 25,000 miles a year on my car and I realize that it isn't that maybe as big an issue, but many people do use their cars and it does amount to a lot of money. What will happen, what will happen you know, there's always ways of getting around things, but I hate to see this happen where everybody uses a half ton truck to go everywhere as a farmer. And you know for 17 cents a gallon this will happen, this is what will happen, if you get gas over 60 cents. All I'm saying is trying to keep the economy going and not keep it out of line, that you reduce the tax by seven cents, equal with Saskatchewan, equal with Saskatchewan. --(Interjection)--

MR. SPEAKER: Order please.

MR. McKELLAR: Yes, the Minister's got an argument, the Minister's got an argument, I agree with that. But you had no choice. Our economy is not one bit better, is not as good, so we've got to do something to put some fire into it and that's the way you put a fire . . . If you don't do that your whole trucking industry, everything is going to be affected. Everything

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(MR. McKELLAR cont'd) . . . . is going to be affected. I tell you truckers are going to be affected more than anything. This is one industry we got to look after because we lost the rail-road industry. The railroads aren't transporting enough goods. We've got to look after the trucking industry, so that's one reason why, Mr. Minister, you got to do that. We don't want to ruin that industry, that's one industry we don't want to ruin and we're in deep trouble right now. I understand after talking to one of the men in Brandon the other day.

I've just got a few minutes and I want to dwell on one very important industry, an industry in which I'm not directly involved but over the years I used to be involved in the dairy industry, used to run a dairy. But I'm interested enough to know as a grain farmer that as a grain farmer I can't survive unless the livestock industry is healthy, and I tell you, I said time and time again governments should stay out of the livestock industry. So what happens? The Government of Canada in their wisdom three weeks ago or two weeks ago said they were going to put a seven cent subsidy on A-1, 2 and 3. Mr. Speaker, I tell you as long as government they'll never learn, never learn. So what do they do? A week ago they changed it. We'll take off seven, we'll put on five on all the grain. What they still didn't understand and couldn't realize, they destroyed the whole cattle industry, They destroyed it. What happened? The price went down five cents; the farmers are no better off; the consumer is worse off. The consumer doesn't know where he's at now. And everybody's confused. The thing that really hurts me and bothers me, that I can foresee right now every livestock auction mart closing up in Manitoba. Because how can you operate a livestock auction mart when there's no subsidy on feeder cattle? I tell you the confusement is literally destroying the cattle market.

Now what's happened to the man that's growing grain for feed? That man is going to be really hit. And I'll tell you he's going to be hit, he won't be able to sell his feed grain, and it's happening right now that we're told we might only get 20 bushels to the acre grain sales on barley this year. So I'm worse off; the cattleman is being destroyed and I mean destroyed by the actions of the Federal Government and I wish we could pass a resolution right today and tell the Federal Government to wipe off that subsidy, because until they do the cattle market will never ever get back on its feet, it'll never get back on its feet. Maybe I can bring in a resolution to that effect because I think it has to be done; that we ask the Federal Government to eliminate that subsidy and let the market operate on its own. Mr. Speaker, we are on a North American market, we are on a North American market and there is no way like a country of Canada can get into that business, and we should know better. And all I'm saying to the Government of Canada, get out of the business of subsidy; you are hurting the farmers of Manitoba, you are hurting the farmers of Canada. Until you get out of this market the industry will suffer and suffer greatly.

Mr. Speaker, there is not much I have to say other than I think I should finish up with Autopac. I think it's a good subject, and we are going to have more debate on that. We are to have more debate on that before this session is over yet. I was very interested the other night listening to the Minister speak on behalf of the government, trying to tell us why I shouldn't be on the Board of Portage Mutual, telling the Member for Riel why he shouldn't be on the Board of Wawanesa Mutual. I want to say to the Minister that these are Co-op companies, co-operative companies, set up by policyholders, and I'm elected at the annual meeting by the shareholders who are the policyholders, in the case of the Portage Mutual are the note policyholders - not all the policyholders can vote, just the note policyholders. This company was established in 1884 by the policyholders of the day, and this company has never changed. I tell you if you're a note policyholder you can go and elect me or you can make sure somebody else is elected, and I tell you this is as democratic, democratic as any government, or any government could possibly be. I'll lecture you that some other day, I'm not getting into . . . I'll tell you why we lost money. I'll tell you why we lost money - it was because of governments like yours, governments like yours like creating a 20 percent inflation every year, 20 - 15 or 20 percent. Government of Canada raised their budget 20. --(Interjection)--No, hail . . .

MR. SPEAKER: Order. Order please.

MR. McKELLAR: Hail was part of the reason, yes sure, part of the reason. It is governments like yours that's causing our problem, inflation, government like yours. They are the ones that are the villains. So I tell you, we're not paying any taxes to you people this year. --(Interjection)--And we won't pay any taxes to you for five years either. --(Interjection)--We lost money, sure, we lost money. But I tell you, Autopac is not contributing anything to

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(MR. McKELLAR cont'd) . . . . the prosperity of the Province of Manitoba either, not one little bit to the prosperity of Manitoba, not one little bit. I tell you, I tell you, when a Minister brings in a bill to go into the General Insurance business, that's the day we're going to have the real debate on clauses, that's the day we're going to have the fight; and I tell you, anybody that's got anything to say of clauses about how much involvement government should have in the peoples' business in the Province of Manitoba, that's the day we're going to have - and I understood, somebody told me this morning the end of April this was coming out. Well I hope the Minister gets it out good, because this is one debate we're going to have that's really going to bring it home to the people of Manitoba.

We've got a new critic this year, he's the man that's going to lead us, the Member for Minnedosa is going to lead our party. He's the man . . . --(Interjection)--Well I fought the other battle and I lost in '71 but I never go down with bleeding heart, I always come back.

A MEMBER: You always have the right to rise to fight again.

MR. McKELLAR: Fight again. Fight again. So that's why I was elected last year, I knew that if this government was returned that they were going to get further involved in the peoples' business so I had to get elected last year, so I came back.

I'm disappointed though that we weren't the government so we could have got rid of this mess, got rid of this mess, got rid of this mess. Mr. Speaker, I think it's about time that I just closed off saying that we are going to have 90 hours to debate this - 90 hours, 35 hours we've completed already. We've been here 45 days, 45 days. The Minister of Labour mentioned that we put restrictions on hours, and the Member for Morris has been telling us all the time that when I was a member of the government that we did the wrong thing, and I agree with him, I agree with him. But I remember one year, 1967, when the Minister of Mines and Natural Resources was a new member and the Minister of Public Works they came in and they spoke and they spoke - we went 126 hours that year. I think it was over 100 hours, over 100 hours--(Interjection)--Oh yes, we did over 100 hours, over 100 hours I sat and listened to all your 40 minute speeches that year.

MR. SPEAKER: The Honourable Minister of Mines and Resources.

MR. GREEN: I'm sure the honourable member will be mistaken, there was a time limit on hours when I came into the House. I would like him to note that.

MR. SPEAKER: The Member for Souris-Killarney.

MR. McKELLAR: . . . was put on that next summer, next summer after--(Interjection)--Yeah I know because I remember that so well. But anyway that's not the point. We're going to have 55 more hours to debate the Estimates. I know some departments are going to get hit, touched I mean, because there is just no way you can deal with every department, and we never have dealt with them, and you've never dealt with them when you were over here. It's going to happen, it's a fact of life. But it's up to us, it's up to us as opposition to decide who we want to tackle over there. And I tell you, there's a lot of tackling over there because I tell you there's a lot of points that we've got to bring out and we haven't brought them out even though we debated the Throne Speech, even though we debated the Budget, even though we debated Interim Supply Bill, and there's Capital and other debates that are going to follow. I only hope, I only hope that when this session ends, that you people, you people see the light, you people see the light and you bring in the home economists and you bring back this executive secretary, and that you forget about going into general insurance business, and you do other things - get rid of the Feed Grains Commission, and you get rid of a few other boards you elected and that the public of Manitoba . . .

MR. SPEAKER: Order. Order.

MR. McKELLAR: . . . will be further protected if they get rid of the . . . by the principles which the Conservative Party have always advocated to keep out of the peoples' business and let the people run their own business, and also pay less taxes in the interests of everyone in the Province of Manitoba.

MR. SPEAKER: Are you ready for the question? The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, you may or may not want to call it 12:30 but I would like to make one comment before we complete the proceedings this morning, and then in turn I'll be able to add to it later on. I intend to deal, Mr. Speaker, with the question of the Special Warrant, the unusual Special Warrant issued by the Minister, and the unusual proceedings

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(MR. SPIVAK cont'd) . . . . and unprecedented - and I'll deal with that in a few moments.

I also want to deal with the question of the north and the problems of the Communities Economic Development Fund, but I want to draw one very simple illustration to you, Mr. Speaker. The problems of the two directors of the Communities Economic Development who swore affidavits is something that I think could be compared with the following thing - the following situation: The Minister of Mines and Natural Resources has placed himself in a foxhole and in a war of words, and in a war which has significant implications for the individuals concerned, and he has basically said to his two directors, you do not stay in my foxhole but you try and find a foxhole for yourself, and in the course of it the two directors now are running all over the place being shot at while the Minister remains in his foxhole and allows them to take the brunt, unnecessarily, of accusations, and in turn a reflection on their character and individual actions, Mr. Speaker, which I believe is unwarranted by the Minister who has a responsibility as the Minister in Charge of the Communities Economic Development Fund.

MR. SPEAKER: The hour being 12:30 I am now leaving the Chair to return at 2:30.