

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
8:00 o'clock, Thursday, March 13, 1975

THRONE SPEECH DEBATE

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, since this is the first occasion that I have taken really to speak at any length during proceedings of this House, I should like to offer, in more than just the traditional passing way, my best wishes to you, sir. And may I say that I think it's entirely appropriate that I should say it, that in the past few years that you've occupied that position, your general demeanor and impartiality has been such as to give me the impression, at least, that you are to the station, or the position, or the duty, born. In fact, I find it difficult to visualize in my own mind anyone else wearing the Speaker's hat. That just goes to show how ingrained by habit one can be. But I daresay it also is a result of being impressed with the manner in which you have taken on and carried out the responsibilities.

I should like as well to pay my compliments and good wishes to the mover and seconder of the address and reply, and to say to them I hope and trust that the symbolism of the occasion is perhaps one way of marking, I hope, many long years of service to their respective constituencies, to the people of the Province of Manitoba over the years, and possibly even decades to come.

Also, I would like to extend best personal wishes to members opposite, and on this side, in terms of seeing them again at the opening of another Session of this Legislative Assembly. I must say that I am not too surprised by much of what's been said to date. But, I detect, I hope it's true, a certain modification in tone from the stridency which seemed to prevail at the last Session. Whether that be true or not, I suppose they will think they have their work to do, or their job to do and we have ours.

All the more reason then, sir, why I listened with interest to the Leader of the Opposition and read his remarks, and read some newspaper accounts of his remarks, and came to the conclusion that we were witnessing the remarkable transformation of a political figure in the person of the Honourable the Leader of the Opposition. Because this year it would seem that the Conservative party, or its Leader, or both - one can never be sure these days - seem to be undergoing some change towards a greater social concern. And well, judging by the remarks of the Leader of the Opposition we are to understand that he is certainly interested in issues such as poverty and the distribution of wealth, and if that is symptomatic of the party as a whole I would say that's a welcome change.

I think it's unfortunate that it's taken the Conservative party since the days of Walpole, say 200 years, to come to that kind of transformation. But perhaps it is happening during our lifetime. Because I don't believe that any government can hope to govern, or at least hope to govern well, if it is not concerned with the fundamental issues of poverty, mal-distribution, and the ways and means of going about trying to help those who are in conditions requiring therapeutic counselling of one kind or another. But I must ask, are they serious about redistribution of wealth and a war on poverty? I believe that this government has in the past five years redistributed something in the order of 160 to 200 million dollars in wealth by using the instrumentality of tax law, tax concepts and changes in tax concepts, tax credits and scaling tax credits to income, and by using equalized assessment, and per pupil grants, and so on and so forth. Whether the Conservative party would be dedicated to continue those kinds of programs, which they seem to criticize so much but yet which are the very essence of redistribution of wealth, has to remain an open question after listening to more than one Conservative. Then, too, I know that they have on repeated occasions said that they would if elected reduce income tax - that's their big priority - six points we are to understand.

Mr. Speaker, I know that words often are inadequate, and that oftentimes genuinely we do not communicate because, not because of deliberate intentions to conceal or mislead or obfuscate, but simply because we each have different mental sets in our own minds, and we have different definitions of terms. But I understand one thing very well, Mr. Speaker, that a reduction in income tax while leaving other forms of taxation at their present level is a pretty sure giveaway as to the real intent and social conscience of a political party. What better test can there be of progressivity and desire for reform and for redistribution of wealth. So I think that Manitobans have a right to be quite skeptical about any eleventh hour

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(MR. SCHREYER cont'd) . . . . or recent-day references to the need for redistribution of wealth to an extent greater even than is going on when such is being uttered by Conservatives.

If his party had been concerned about these issues when they were in office they might not have imposed flat taxes, poll taxes, premium taxes, call them what you like. They might have done something more meaningful about housing for the socially disadvantaged and the economically disadvantaged - public housing we call it, a very dirty word with some people. Let's not hide the truth. There are many people who loathe public housing, and unfortunately the majority of them are in the ranks of conservative thought. Can anyone deny that fact?

They may if they really had a concern for redistribution of wealth and greater equality in the human condition, they may have done something more about elderly persons housing, prescription medical drug costs scaled to income, nursing home construction and nursing home financing.

All these things they may have done. I don't know who was stopping them. I don't believe the people of Manitoba were stopping them because I am not of the impression that they are stopping us. They are not asking us to stop, so what stopped them? It was because their sense of priorities which they have every right to exercise as a government just as the current administration has that equal right. Their current sense of priorities certainly did not have redistribution of income and greater equality and decency in the human condition very high among their priorities, that was the problem.

They may well have done something about urban renewal, although that becomes a little more complicated an issue. But to listen to some of the urban members for the Conservative party one would have thought that we are somehow very negligent as a government in not having done more in the way of housing and urban renewal in the City of Winnipeg and in the Province of Manitoba. Of course the Province of Manitoba is much bigger than the City of Winnipeg. And so, not only Winnipeg but also in communities like Churchill, like St. Lazare, like Roblin, like Minnedosa, like Lac du Bonnet, like Swan Lake, and a host of other communities that I could mention, Mr. Speaker, not a single blessed sustained systematic effort to build anything in the nature of social and family and public housing.

Now then, sir, Churchill because I think Churchill is an interesting case in point too. There was a community which small though it was, practically three-quarters of it was of a condition of housing not unlike that of the centre core of Winnipeg. And the people in Churchill would not feel offended if the truth be told. And for twelve years they - I'll use a different verb - they fiddled around and did nothing, nothing in the way of construction of building something. Well there were literally a thousand things that they could have demonstrated a greater solicitude and determination about in the way of urban renewal, housing, Churchill redevelopment, and they of course sat on their duffs and blew it. But "might have" is not good enough, sir, the fact is that they had the chance for over ten years and they didn't do it. Still to his credit, perhaps to his everlasting credit, the Leader of the Opposition seems to be trying to learn. He says that he's been reading Canadian Dimension. Well - and he seemed to rely on it rather heavily for his information. Besides pleasing the editor I wonder what other conclusions to draw except that perhaps the Leader of the Opposition and some of his more "Red" Tories, there are some, I understand, who have higher aspirations might be interested in making some sustaining contributions to Canadian Dimensions since it is after all a Winnipeg-based publication and we should all support local business.

I know that I should not try to raise the expectations of my honourable friend too much. According to the Member for River Heights our government already is guilty of having raised expectations too high and having failed the people. I believe that that's almost a direct quote. And, sir, in a sense, in a very real sense I sort of accept that criticism. Maybe in the flush of having first been elected that we did give people to understand that their hopes and dreams might somehow be far more likely to be realized under a social democratic administration than under a conventional Conservative one. And you know, sir, measuring against the ideal of what should and needs be done and what we have actually managed to do, I think that my colleagues, certainly as much as I, have a profound sense of frustration and failure. But, sir, that being the case, and in the context in which my honourable friends govern, with the kind of priorities that motivated them, then in that perspective the people indeed have a great deal to feel, a great reason to feel a sense of achievement. Some things haven't worked well at all,

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(MR. SCHREYER cont'd) . . . . but other things have. Many new programs that have been introduced that are working quite well, and which are costing money, but they are working well in terms of bringing about more equality among people. So everything is relative, even failure is relevant. And relative to my honourable friend's opposite when they were the government are a failure is relatively small indeed. Well, maybe it's the expectations of the Leader of the Opposition which have been too high or those of us but his friends who surround him. But that's for them to decide.

But on the matter of expectations, I think it would be indeed relevant to look at some of the measurements that measure Manitoba's economy and performance over the past decade, over the past five years, over the past ten years, over the past fifteen years. Why not? How do you measure whether expectations have been too high, or whether performance has been too low. Everything is relative, sir. And I know this that any cursory glance, an analysis by even a junior in statistical analysis will show that the performance of the economy of the Province of Manitoba has been far better than what they were predicting back in '69 and 1970. Do you remember the years, sir, when they were spending money on out-of-city business, establishments, getting bumper stickers printed in Kansas City and other places - "The last one to leave the province, turn out the lights." It's interesting in that context, sir, to note that the population of this province has grown by more in the last four years than in the ten years before that, not that that by itself is any . . . I don't regard that as of any earth-shaking consequence but it is a measure of relative population movement and performance.

And, sir, talk about economic stagnation. Do you know that it's in the period between 1961 and 1965 that any one, any non partisan objective observer, looking at the scene from a good vantage point would in truth be able to say that Manitoba's economy was in stagnation between 1960 and 1965, and more so than the national average, more relatively stagnant. It was stagnant. It is not often in this whole century that it can be said that Manitoba's population and gross provincial product actually dropped. But that happened, sir, in the early and mid-1960s. All of this however we readily admit must be taken in the context of inflation. And take 1961, or 1964, and in those years take inflation and they say it wasn't very high, but when you took the gross, the GPP percentage increase and subtracted the inflation, which they said wasn't very high, they actually had a net, a drop, a net decrease in the value of goods and services produced in the Province of Manitoba.

So I've asked them to maintain a sense of perspective, keep that filed away in their mind for future reference; it may help to keep them more humble in terms of what they feel they have a right to dare expect in the way of performance.

Well, by any economic index that one cares to look at Manitoba's economy has been performing at, or even slightly better by some measurements than the national average. The labour force of our province - we're not talking about dollars, we're talking about human beings, so there's no inflation. The labour force of this province has increased far more than was expected even by the Tories. He says if you go back to their COMEF report in the early 1960s, and there are some here who remember it, the COMEF Report was predicting a great challenge which Manitoba Conservatives would seek to meet, to create 80,000 jobs by 1980. I'm pleased to report, sir, that we passed that about six months ago. I know that crude growth measurements are not that important but then let my honourable friends bear that in mind when they try to comment intelligently on the performance and future of this province.

The labour force of Manitoba standing at around 430,000 men and women; an increase of something in the order of 28 to 30 thousand in the last four to five years as compared to the increase of 12 to 14 thousand between 1965 and 1970. And of those increased numbers, sir, by far the greater part are employed. We stand at about third lowest of the provinces in Canada in terms of unemployment, so I don't think that there can be any intelligent, incredible criticism of what we are trying to administer here in economic terms of the Government of this Province when viewed in perspective and in relationship to the rest of our nation of Canada.

But inflation: Mr. Speaker, I don't fault my honourable friends opposite for raising the matter, raising it with a vengeance if you like, because no Canadian should want to avoid the subject. Inflation in our country is burning away at a pace that just cannot be tolerated by Canadians and they ought to want some determined stubborn action to counteract it.

But I'm quite prepared to delve in to the subject of inflation, and in doing that I will start, sir, by saying first off that the Leader of the Opposition is as usual distorting statistics

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(MR. SCHREYER cont'd) . . . . when he tries to allege that Winnipeg has a higher rate of inflation and a higher cost of living than other cities in Canada. I don't know where he got his figures. As a matter of fact just at that point in time when he was saying that I turned to my colleague the Minister of Mines and Resources and the Minister of Labour saying, where did that index come from? I haven't seen anything resembling that. They said neither have we but we're not surprised because that is sort of symptomatic of the Honourable the Leader of the Opposition.

But certainly, certainly one can find all kinds of statistical data that does compare the cost of living in Canada, and one of the places that - the newspaper that has done a good job of that is the Financial Times. I believe that they can be regarded as a pretty objective newspaper, more objective I think, sir, than most in Canada. According to an article at the end of the year they did an inter-city survey and cross-checked it with the Dominion Bureau of Statistics, or Stats Canada Regional Inter-city Consumer Price Index, and it showed, sir, that using Regina as a base of one hundred, because it is of all Canadian cities the one with the lowest cost of living - and even though Regina is not in our jurisdiction let us not be jealous to the point of distorting facts - Regina is the city with the lowest cost of living, and on that basis, and using it as the index of one hundred, other cities in Canada stack up as follows in terms of all items of the food basket, the standard type of survey taken by Stats Canada: Regina is 100; Winnipeg is 102; Edmonton is 105; Vancouver 116; Toronto 112; Ottawa 108, Montreal 104; Halifax 108; St. John, Newfoundland 113. That's one valid way of measuring the cost of living taking it from an objective extra territorial source like the Financial Times.

One can also look at the index proper and see that in terms of - and I think I should, I should because I believe honourable colleagues in this Chamber will find it interesting in this sense. The amazing uniformity of the increase in the shopping basket cost or the cost of living in Canada in the last four years. The same group in their survey show that since 1971 the cost of living has increased as follows in the following cities: Vancouver 29 percent; Edmonton 26.5; Regina 24.8; Winnipeg 27; Toronto 27; Ottawa 27; Montreal 27; St. John, New Brunswick 28; Halifax 25; St. Johns, Newfoundland, 33. With one or two exceptions all the major metropolitan areas facing almost really an incredible uniformity of increase in the cost of living.

What conclusions do you draw from that? Well, sir, I think that intelligent Canadians would infer from that article that inflation is a phenomenon from Atlantic to Pacific, that no one city, no one province, can by itself have any significant impact whatsoever. In fact, sir, I doubt that it can even be done effectively - on a national scale will require great resolution and effort. But I believe it can be done on a national scale, at least to relative good effect.

I could go on to make the partisan case that if you take the 12 months of 1974, calendar 1974, January to December, instead of just a two-week or a one-month, one-shot type of analysis, that I suspect the Leader of the Opposition did, he must have taken one month out of 12, flipped through to find the best month to suit his case, and then brought it forward. But on the basis of the January to December 1974 Consumer Price Index, Winnipeg's price increase is one of the lowest, one of the lower rates in Canada.

But I'm not going to harp on that point, because we know what the phenomenon is; the question is, what are the answers? What are the solutions? And do you know, it's childish of my honourable friends opposite to berate us because the cost of living has gone up 15.2 percent, let us say, in the last 12 months, when it's gone up 16.4 in Canada as a whole. If there is some secret the Tories have, then why aren't they applying it in the Province of Ontario where the cost of living is going up at least as much? Why don't they apply it in Newfoundland where it's going up higher than in any other jurisdiction by far? What is this mystique that the Tories have that they can feel right, and adult within themselves in criticizing us because of the spectre of inflation. You see, must we accept that there is this inevitable childishness to politics and argumentation, that root causes are ignored and all the effort is on trying to do a quick thumb job on the other side. Is that what my honourable friends think it's all about?

Well, I want to come back to the matter of inflation, but perhaps a little later in my remarks, sir.

I want to speed on now to the attitude so often expressed by the Leader of the Opposition about expenditures: that we are spending too much, we are the most spendthrift administration in the history of Manitoba, he said last week. Well, again is that rhetoric? On what does he

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(MR. SCHREYER cont'd) . . . . base that kind of extravagant outrageous statement? Has he compared with the other nine provinces in Canada, at least some of which are administered by Conservative Governments. I invite him to look, again at external to Manitoba sources, Statistics Canada, Financial Times, Financial Post, if he wishes, and he will find there that in terms of expenditure per capita for the current fiscal year ending March 31, 1975, that Manitoba's expenditure per capita is sixth highest, or fourth lowest, in Canada. Where should we be, first? Or should we be last? It seems to me, sir, reasonable to assume that in proportion to our per capita wealth, in proportion to our gross provincial product, or gross provincial wealth, in terms of disposable income per capita, in terms of all the standards of measure, we ought to be somewhere among the average of the provinces of Canada, and so we are. And so if we are one of the most spendthrift administrations, then I wonder how you would describe those other administrations in Canada which are Conservative, and which are spending substantially more, and I wonder to what effect --(Interjection)--Well, all right, so then I take it it's not an ideological argument, it is one of personalities now, I suppose. The fact is that we see that one province's expenditures per capita running at \$1,380 - and sir, that province does not have the kind of per capita wealth or production or disposable income in comparison to many of the other provinces. The Province of Ontario per capita expenditures for a province of eight million - if there's anything to the old adage about economies of scale you would think that a large, a much larger province would have some certain advantages of scale, but in fact would seem to have none, because expenditure per capita is just about exactly at parity with the Province of Manitoba with one million people.--(Interjection)--And of course that is something I will be quite pleased to come to in a moment.

A MEMBER: They're on their way out as well.

MR. SCHREYER: What is spendthrift? I would like to know from my honourable friends what they regard as spendthrift.

A MEMBER: I like it.

MR. SCHREYER: I know that the Leader of the Opposition was a member of the Cabinet at one time, and he may blush about it now but I think without too much effort we could give him some examples of where he commissioned or authorized the doing of certain things that were rather extravagant, looking back in retrospect. I remember for example, sir, just off-hand, an occasion back around 1966 or '67 when the then Minister of Industry and Commerce called a gala banquet.

A MEMBER: And how!

MR. SCHREYER: He invited all the reeves and councillors from across Manitoba, invited Baron Edmond Rothschild to address them. I don't know what was on the menu, sir, but I know what the results were. The results of all that - in 1967 dollars it cost enough. I'm sure my honourable friend wouldn't even argue the point - and I happened to meet some reeves and councillors after that banquet, and I asked them, "Well what was said there, what happened? What results do you think will come from it?" And as one of them said to me, and I will repeat it word for word, he said, "Sir: Chort vin znaye". He said, in other words, "Who knows?" Freely translated it means, "Who knows?" Because the meeting took place and Eddie Rothschild, if one may call him that, addressed the people there about the possibility of the Town of Churchill being the venue or the place where submarines can come in for cargo under the ice. Now there's a place in this world for men of vision, but sir, it is not for a province to put on a gala banquet to indulge in futuristic dreaming about something which will not transpire for, shall I say modestly, at least a decade, while at the same time the town in which this is supposed to happen remains in the sort of squalor of sub-standard housing, tar paper housing, no port improvements - instead of concentrating on port improvements, they were talking about submarines coming to Churchill. You see, sir, if one wants to take an isolated episode and twist, I want to tell my honourable friend that two can play that game; and I've just related this episode as much in a bantering way as in a serious way. My honourable friend has the habit of taking isolated episodes and cases and making them into causes celebre, and then he wonders why sometimes a feeling of bitterness wells up in this Chamber. And I'm going to come back to that, sir, this business of the RCMP reports, and whether the RCMP reports will be made public, because I've got quite a little episode to relate in that connection back in the middle 1960s, and I must say, sir, to the everlasting credit of my colleague the Minister of Labour, then the Leader of the New Democratic Party, he didn't stoop for a

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(MR. SCHREYER cont'd) . . . . split second to the kind of scurrilous tactics of my friend, the Leader of the Opposition. A little later I will cite chapter and verse of just what I am referring to. I'll come back to that; do not be concerned about that, sir.

I want to deal with economic issues a little longer, because my honourable friend says that we're spendthrift, even though I can demonstrate that in per capita terms we are comfortably, if that's the word - maybe that's the wrong word, but we are nevertheless, comfortably or not, we are about the Canadian middle of provinces in per capita expenditure terms.

Gasoline tax. They really excoriated us for even daring to mention two cents of an increase in gasoline tax. And they say, that you see proves that the government's word is worthless, that they are using this to subsidize Autopac, gasoline taxes are higher than need be, all because of this wrong headed thinking on the part of a socialist administration. I wonder how many Manitobans, certainly I hope none in this Chamber, would be fooled for a moment, or would forget for a moment the fact that even after we increased gasoline tax by two cents, it will be, still be one cent lower than it was when my honourable friends formed the administration of this province. My information is that in 1964 the Conservatives raised the gasoline tax from 14 cents to 17 cents a gallon, and the motive fuel tax by an equal three cents from 17 to 20 cents a gallon, and it kept those rates right through the remainder of the 1960s. At a time I might add when it was higher than many other provinces. Now, today, the gasoline tax in Manitoba is lower than all provinces except three. So that's something for my honourable friends opposite to think about.

But that's not really the main point. The main point is that my honourable friends almost seem stubbornly determined to misinterpret, because two cents that is levied on gasoline consumption, and which is channelled directly to the Automobile Insurance Corporation on the basis of the vehicular gasoline consumption only, not on the basis of motor boats or skidoos or non-road users of gasoline, those funds do not go to Autopac; only the road using consumption, and the two cents related to that gallonage goes to the Automobile Insurance Corporation. There's a reason for it, sir, because I rather suspect that within a decade that there will be a complete abolition of the differentiation as between preferred, general, and all purpose risk categories of insurance, because it is so difficult, in fact, sir, virtually impossible, to administer properly.

So instead of hasseling as to whether a given vehicle and a given driver are to be charged a premium that is slightly higher or lower because they use it for pleasure only, or to go to work, or to go to work some time but not always, general, all purpose, preferred, there is a better way to determine exposure to accident in terms of sheer frequency of use, and that is by a gasoline specific charge, not a subsidy. In no way, a specific charge. You know, it's interesting that we have this kind of argumentation in Manitoba, because we are not alone. As a matter of fact, the gallonage surcharge for insurance purposes that is taking place in British Columbia ranges anywhere from three to ten cents per gallon; and in Saskatchewan, I understand, at three cents. And there's a good rationale for it, sir, but I certainly do not intend to take that much time this evening to argue the merits of public automobile insurance, because I firmly believe - whether my credentials as a socialist are very good or not very good, I leave for others to decide - but I, sir, believe with all my heart and soul that on the basis of all the evidence that I can marshall together here and from other jurisdictions in Canada and this continent, that there is no better substitute than public automobile insurance itself.

They've been having their fun in the months of February and March when we had to announce the adjustments, the increases in automobile insurance, despite the fact that they all acknowledge that inflation, the cost of body shop repair work, etc., has been going up by so many index points, somehow by some miraculous manner of means Autopac is to be abnormal, it is to stay static in a dynamic inflationary world.

Well, aside from the silliness of that, I say let them have their fun now, but their turn will come some time I venture to say around the 1st of June to the 10th of July when the automobile insurance industry will have to announce their 1975 version of rate adjustments on the heels of their 1974 adjustments, which ran from 6 to 19 percent. And lo and behold, I think probably unprecedented in Canada's history, they couldn't even wait 12 months, in some jurisdictions they had to announce a mid-term semi annual adjustment. Well Autopac has run a deficit. Ten million dollars. Great gnashing of teeth. This is demonstrable proof that public

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(MR. SCHREYER cont'd) . . . . ways of doing things are inherently inferior to private ways, private corporate ways of doing things. I take no comfort from it, but it is a fact that the automobile insurance industry is looking at a deficit in the order of a quarter of a billion dollars across the country. And so what seems to be sad but palatable somehow for one can't be for the other.

Again, sir, we come back to this unseemingly unavoidable silliness of certain argumentation. But that doesn't even take the cake, it is more local that some of the nonsense has reached its crescendo, and the ultimate absurdity, such as receiving a letter from someone presumably senior in the insurance, private insurance industry, who said in his letter: "Total premiums charged in Manitoba in 1970 were \$35 million; today they are 68 million. I don't know what you think, but it looks to me like a 79 percent increase." No reference to the number of vehicles; no reference to the number of drivers, that kind of crude simplistic comparison. So I asked someone to do just the most, the shortest, most elementary kind of research in return and find out how many vehicles were in Manitoba in 1950, and what the total premiums collected were in 1950, and compare it with today, and compare it with 1970 when it was still private insurance, and that was done. So I was able to write back that in 1950 total premiums charged by the private insurance sector in Manitoba were \$4 million, 35 - 1970 rather - 30 some odd million. I wrote, "Using your own peculiar method of reasoning this would look like a 685% increase to me." What manner of nonsense some people will engage in in order to carry out some ideological argument, but what's even more sad is that they're on the losing side. I am not by nature an excessively or an over-confident - I hope I'm not at least - or cocky person, to use a colloquial expression, but there are some issues that have arisen and which have left me with a pretty bad taste in my mouth and one of them is the kind of argumentation that was resorted to by those who were still trying to fight a rear-guard action on behalf of some discredited private sector insurance system that will not last to the end of this century anywhere in Canada.

Certainly there are many things that private enterprise can do, and do very well and do better than the public sector, but the underwriting of risk is certainly not one of them. And why do I feel so sure? Well I believe that we have specific evidence in a specific field such as automobile insurance where the Royal Commission in Quebec was able to say, I take them in this case to be relatively objective - in fact by definition a Royal Commission I accepted as being objective - and they were moved to say that while they aren't particularly recommending public automobile insurance one of their findings was pretty clear. The relative cost of administration to total payout for damage was a far more favourable percentage in terms of payout where it's supposed to go to those suffering damage, and less in administration under a public system than under the private.

But I know that I'm wasting my time in this Chamber by trying to persuade members opposite that there is a certain logic and rationale, a certain undeniable rationale, to public underwriting of risk. But they needn't take our word for it they should look among their own friends. In the banking business - one of the big chartered banks, very competent people, extremely competent people in chartered banking in Canada at the senior levels, and certainly they have - a lot of the banks are large, their assets are very impressive, but do you notice that in the decade of the 1960s, and for a few years under this government, they were lending money to farmers. But you know they always wanted the government to underwrite the risk. Well if the public sector is so inherently clumsy and bad at underwriting risk why do Conservatives take it as given, axiomatic that a large competent major private lending institution, or any private corporation should need the Crown to underwrite the risk in the final analysis. And yet they do that time and again. So I assume from that that at least there is nothing inherently disabling, there is nothing inherently impossible about the public sector underwriting risk. And if it's going to underwrite risk, why not do it on a comprehensive scale instead of being creamed, because I think that maybe in our politeness we sometimes, we sometimes fail to call a spade a spade. The juxtaposition of the public and private sector I happen to believe in a judicious mixture and combination of public and private sectors. The one thing that rather bothers me is that in that juxtaposition of public and private sector, guess who does the creaming? And guess historically who almost expects to be creamed, and why should it be that way? Why should the totality of people be taken advantage of for the benefit of certain specific individuals who are shareholders of the part? Why should the whole

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(MR. SCHREYER cont'd) . . . . be taken up to the advantage of the part, which is not the same as saying that it should be the other way around, because I'm not advocating that either.

Which brings me to the land question. Well, you will forgive me, sir, if I have to dwell on taxation for a moment because taxation - I couldn't help but notice that the Honourable the Leader of the Opposition the other day had to make this passing reference to the Federal Government, to Ottawa. He said that the reasons that they had to introduce the sales tax in Manitoba in 1967 was because the Federal Government was not willing to enter into a favourable tax or fiscal arrangement as they are today. He must have forgotten his history because as I recall 1967 was the year that Ottawa gave the provinces four extra points of personal income tax and one point of corporation tax to help pay for post-secondary education. And that transfer came after several years of constantly increased sharing. I would ask any honourable member opposite to read through the Hansards of 1958, when they started, to 1965. Let them find one occasion when I rose in my place and engaged in the silly stupid childish game of tearing hell out of the government opposite because it was taxing too much, spending too much, but not doing enough for the people. I challenge them to find one case where I said that the government of the day was spending or taxing too much. As a matter of fact to my great discomfort at the time in my innocence of 1959, or 60 was it, I even rose in my place and suggested that perhaps the government would be better advised to levy a sales tax and everyone spun around and looked at me in disbelief, that a member of the opposition should be advising as to the relative merits of increasing one form to reduce another, or income tax. But you know the game, sir, is that taxes are too high, spending is too great, but not enough is being done. And so I suppose it will go on to the end of time, especially if my honourable friends continue in their present track.

I can say to my honourable friends opposite that we have during our time in office - yes, we have increased spending but a great deal of it has been by way of increase in transfer payments, which is hardly a case of spending by the province, by the Crown in the right of the province as such. Do you know, sir, for example that between 1969 and 1974 the increase in transfer payments from the province to the Municipality of Winnipeg increased from 37 million to 129 million. And maybe even that isn't enough. But bear in mind in the years up to 1969, and there were many years up to 1969, as many years as you want to go, they had reached the amazing level of 37 million. That has been increased by, well, almost literally \$100 million in five years. And with respect to the other great part of this Province of Manitoba, rural Manitoba, the urban rural centres, northern Manitoba, an increase in the order of \$100 million there as well. So that transfer payments have increased a minimum of 200 million approaching a quarter of a billion dollars during our term of office. And then they would try to insinuate that we do not care about local government and we're trying to starve local government. That, sir, is so galling and disgusting I wish that they'd blush when they go home tonight.

They try to insinuate that we are not doing enough with respect to school boards, school divisions and education finance. Well a few figures here would be helpful as well. It took them quite awhile to get to their foundation grant program - I think it took them about seven or eight years - and then when they introduced it they got onto a level of roughly 55 percent provincial financing, 45 percent local, or was it the other way around? Whether it was the other way around or not the significance, sir, was that there was a very small oscillation and a band around 45-55, one year or two it may have gone to 56 so the other was 44.--(Interjection)--The other was 46. Okay that's the relative effort in financing education, public, elementary and secondary.

This administration has through its great spendthriftness, I suppose, it contributes to our image of being spendthrift because we have assigned a minimum of \$120 million extra to the financing of education in this province, a minimum of 120 million. And the proportion that we bear, and the proportions are more important in an inflationary period than dollars, so I'll mention the proportion as well. And as a result of the present financial arrangements the Crown in the right of the province - the Provincial Government on behalf of the people of Manitoba is financing in the order of 70 to 75 percent. 70 to 75 I say with all deliberate repetition, and I'll prove to my honourable friend very easily how we arrive at that. Because in terms of the increase in the foundation grants, in terms of the increase in special program financing, in terms of the property tax credit, in those terms, sir, it comes to a 70 to 75 range and we know that we can't keep a perfect constant so it will be oscillating between 70 and 75, 70

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(MR. SCHREYER cont'd) . . . . and 76 percent. But that's a far better sharing of the burden than my honourable friends were willing to undertake.

You see I believe that they were image, that their priorities and their actions were decided upon with image far more often in mind than what they accuse us of. They want to, especially in the last two years of their administration, they don't want the image of being spenders so they just transfer the load of certain costs for services that cannot be avoided, and if the province doesn't do it then the local governments are shouldered that much more. So they play around if there is good reason to provide a particular program or service, then either pay for it or arrange for transfer of funds, and that's one of the reasons why we did, why we were one of the first, in fact we were the first province, Mr. Speaker, in Canada to initiate the experiment - and I admit it's experimental - of dedicating 5 percent of the yield of corporate and personal income tax dedicated to municipal finance. They say we have the highest income tax in Canada. I believe that Conservatives - I'm not sure if the Liberals use this argument. We have the highest income tax in Canada. Yes, yes, it's true. And of the 42.5 points 2.125 points are dedicated to the municipalities, and something approaching 1 full corporate tax point is dedicated to the municipalities as well and transferred out by way of unconditional per capita grants. Then of course some people say, that isn't enough. The per capita grant has increased the last year alone by 20 percent. A 20 percent increase is I think keeping pace with the increase in responsibilities to municipal governments. 20 percent of that component was increased by 20 percent I should say. At the same time my honourable friends when they were the government managed to work their way up to the - in all the years they were the government managed to work their way up to a grand total of \$3.00 per capita in unconditional support to municipalities. But mark this, mark this, sir, in 1969 on the eve of the election after having gone for a decade with \$3.00 per capita all of a sudden, bang, it went from \$3.00 to \$8.00. And then they talk about vote buying. They talk about vote buying. Well you see my honourable friends--(Interjection)--We, sir, cannot be accused of vote buying, we have accommodated ourselves to an automatic index escalating formula, 5 percent of the yield, 2.125 points, and whatever that yields, and it increases every year, that goes as of right to the municipalities.

But my honourable friends have a good habit, you know, they can make the most outrageous and scurrilous accusations and then when one can demonstrate an example that is far more damaging in terms of their own respect and image they have a way of averting their glance or plugging their ears or both.

They talk about politicising the civil service. I must come to that now. I'm not going to try particularly hard to persuade honourable members opposite because they will believe what they want to believe but I say to them that I would be most annoyed, in fact I would be furious if I were to, if I were to be given to understand that there has been ever any pressure by this government on any public servant with respect to his or her participating or not participating in the democratic political process. I don't believe that there is a single blessed human being in the public service of this province who has ever been pressured to do or not do something insofar as the democratic process is concerned. I say as a matter of personal view that it is entirely up to the individual as to whether he or she wishes to participate at all, or to participate more, or to participate less in what other people regard and have as a matter of normal right. But let my honourable friends not pretend that they were so simon pure because I have a document here, maybe it should be tabled, in which by definition it proves that they spent money, and a good deal of money, in politicising the civil service.

I have here a section that comes out of one volume which in turn is part of ten volumes, or five to ten volumes, of a public service administrative study. Administrative study. I don't know if this is our equivalent to their equivalent of the Working Paper and Guidelines for the Seventies and that they in fact renounce it now, but this was prepared in 1968, I should think at considerable cost. And here is what the public servants were being asked to do: To advise the government as to how to bring in programming that would be more sensitive to the different constituency political patterns. I'll come back to it a little more but, sir, it concludes with this paragraph: "The implications for Cabinet are obvious. Programs having a high sensitivity index must receive first attention in allocating funds. This is essential for the political security of the government." Mr. Speaker, if there was ever a more blatant few words or sentences in terms of an already politicised public service, I'd like to know where and when.

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A MEMBER: It's on the record. You'll hear about it.

MR. SCHREYER: They may say, well we never asked the public service, we never asked the public--(Interjection)--yes.

MR. SPEAKER: The Honourable Member for Portage la Prairie.

MR. G. JOHNSTON: For matter of the record and posterity, I would ask the Premier to table that document.

MR. SCHREYER: With pleasure, sir. I will certainly accede to the --(Interjection)--after I'm finished. I'll certainly accede to my honourable friend's request.

MR. PAULLEY: I have the other volumes as well, Gordon, and I'll . . .

MR. SCHREYER: This public service study, I've seen nothing similar, not even anything remotely similar to this prepared for this government by the contemporary public service of Manitoba. It segregates the constituencies of the province, tithes, solid opposition seats, solid government seats, volatile opposition seats, volatile government seats, marginal opposition seats, marginal government seats. Then it goes on to say, "Each of some 300 programs of the government has a differing impact on the political scene in each riding. In some areas, for example, hospital services to Indians are of political significance. In another riding, vocational basic training for skill development meets a greater felt need. Indeed programs which are vote getters in some ridings may have a depressing effect on the electorate in others." Mr. Speaker, if there was ever anything more purely politicised in terms of a political exercise for a government by a public service, you show me, sir. I don't believe it exists. I'm pleased to table it herewith.

But you know, sir, I have been in the habit, Mr. Speaker, of not - as a matter of fact it has been a matter of some personal pride to me that I have not wanted to, nor have I gone back into old records to poke around to see what kind of muck I might be able to raise. But you know, this business about certain northern communities and the possibility that there may be malfeasance and the fact that there is or may be grounds for an investigation by the RCMP, the fact that one or two political persons or one or two public servants, or one or two part-time civil servants might somehow be involved in malfeasance and the raising of it through Channel 7 and in this Legislature, and for somebody who unlike my colleague the Minister of Labour who is not, the Leader of the Opposition is a Harvard trained lawyer, for him to get up in this House and ask if a criminal report by the RCMP will be made public, it just goes to show an attitude of mind to companion a certain ignorance as to what is ethical and just.

And let's not pretend for a moment, sir, that parallel cases have not existed in the past. As a matter of fact, I don't regard it as a blot on this government, I regard it as evidence that at least in some communities they did occasionally try to do something in terms of providing better conditions and greater work opportunities in some deprived or disadvantaged communities.--(Interjection)--Very few, as the Member for Churchill says, and he is certainly true, but in one or two. And one or two of those would have been, for example, in Easterville and Grand Rapids. Now they are not exactly - they aren't communities where people chose to live, I might add. Easterville is a community where people were uprooted and moved. No choice to them, they had no choice. My hypocritical - I must avoid being unparliamentary, sir - they had no freedom of choice, let me put it that way, as to where they lived. They had to move. But apart from that, Mr. Speaker, they had a fish co-op at Grand Rapids, Grand Rapids Fishermen Co-op Limited, and in the same area they had some remote housing, and they had an officer of the Crown collecting moneys there, and some time between 1961 and 1965 more and more money was collected and never credited to the accounts of the people that were purchasing these houses. And I don't particularly relish going into this kind of thing, but I know my honourable friend, the Leader of the Opposition would just love it. He would just love to wallow around in the muck of what might be involved here. What did they do? Did they prosecute? Well we tried to straighten out what was a very difficult problem. Records were inadequate, in fact records were not kept for the last six years. Some people had been paying, others had been paying but the moneys not turned in, and others quit paying, and there was no record as to when they quit paying. In other words, a mess with a capital M.

Now we're being asked to resolve this after ten years practically. We've asked for any assistance that the Ombudsman might be able to give. I'm not going to engage in naming names, but the report is there if members wish to read it. The fact of the matter is that after some few hundreds of dollars were taken wrongfully - there is an element of criminality

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(MR. SCHREYER cont'd) . . . . here, there is no question about it - from the Fishermen's Co-op at Grand Rapids, and from those 20 or 26 families that were paying on their houses and the money wasn't being credited to their account, loans of 39,000 on which 11,000 was collected and never written off, that just stopped. They didn't collect any more and they didn't write the loans off and it stood there, 11,000 collected out of loans outstanding of 40,000. Defalcation of funds, malfeasance. In the final analysis I suppose they took the right course of action. The person was asked to make restitution and was dismissed. No charges were laid. But I imagine there must have been malfeasance or why would the person have been dismissed. And of course you see you get into the area, Mr. Speaker, of where in trying to ascertain what is a reasonable course of action to follow certain honourable members opposite would like to be able to pounce and say that this is further evidence that the NDP is, either because it is soft on its friends or hard on its enemies, it will either prosecute or not prosecute, you see, and they will rag that around until it becomes an issue about which it can only end in disgust on all sides.

. . . . .continued on next page

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(MR. SCHREYER cont'd) . . . . .

I raise this, sir, because you know my colleague, the Member for Transcona, the Minister of Labour, when he was Leader of one of Her Majesty's Opposition parties, had a plenitude, he had lots of opportunity to raise identically the same kind of issue in the same manner as my honourable friend the Leader of the Opposition, and to the everlasting credit of the then Leader of the New Democratic Party, he wouldn't stoop to such tactics and such disgusting . . . And I don't know whether this would be because of the fact that he lacks a Harvard law degree or whether there is a more fundamental reason which motivated him to act in a far more responsible and courteous fashion. But - oh well - I know that Oppositions can have great fun with auditors' reports and with the potential of there being some malfeasance somewhere in the realm, somewhere in the land, there must be malfeasance, and so they will poke away and attract attention and then they have their fun. I used to see this in the House of Commons, sir. Every time the Auditor General's report was tabled, there were at least 30 MPs out of 265 who would drop literally everything in order to very quickly get the Auditor's report to see what scandal they could read about. And they had plenty. Like \$45 million being wasted on the HMCS Bonaventure. After spending for a refit they mothballed it. Horses on the payroll at Petawawa. Children 13 and 14 years old getting a pension from Her Majesty's armed forces, and any number. And of course, certain members of Her Majesty's Opposition - of which I was not one, sir - had great delight in asking questions in the Question Period for the next 60 days. Their great contribution to --(Interjection)-- of course it's not right.

But, Mr. Speaker, there is one thing in pursuing items in Public Accounts with the Auditor General present, writing letters, making phone calls, and the other where you run straight to the nearest sympathetic television studio. There is quite a difference, sir. However, I suppose it's all a matter of mind. And then they think that they can perhaps set up certain members of the Crown as patsies, that they will bring documents and then they will take other documents to the television station; and then, depending what those documents say or don't say, they then watch to see if they have an opportunity to accuse the Minister, or First Minister, of interfering in the administration of justice. Mr. Speaker, I wasn't born yesterday, neither were my colleagues, neither were most Manitobans. The great majority of Manitobans are over the age of 13.

Well, Mr. Speaker, there is so much to speak about. I think I must speak, at least for some time about the Manitoba Development Corporation, because my honourable friends take great delight in some of the difficulties we have with development financing. And goodness knows we have our problems in that respect. But you see what they would like very hard for all to be unaware of, to hide, is that, so did they. Except that the public was not generally as aware of that fact during the period of the 1960s because they kept their records secret and under key.

Mr. Speaker, what's to be said about some of the difficulties that we have with MDC financing. I would simply begin by saying that it is all, here too, it's a matter of perspective and of relativity. "Everything that this government touches, all the gold it touches turns to dross." Quote, unquote, the Leader of the Opposition. Well, that implies that whatever they touched turned to gold, they had the Midas touch. So let's look at some of the corporations that they were involved with. I look at - well, I look at Friendly Family Farms, Damascus Steel, I look at Columbia Forest Products, Lake Winnipeg Navigation, The Pas Forestry, Lighting Materials Limited, to name but a few. The fact of the matter is, sir, that during their period of office - oh, Fieldmaster would be another one - during their period of office they operated quite differently. And you know, no matter how long or how short a time I shall be in public life, sir, there is one thing that shall remain long in my mind, was the completely secret and unethical, and unprincipled way in which my honourable friends operate the Manitoba Development Fund in their time. They've got the gall now to say that we lack candor, when all of the financing by the MDC is a matter of public record within a maximum of 12 months, often as soon as three months, of granting of a loan or of financing, it's a matter of public record. And during their time not only did they not make it a matter of public record, but as we know now from a Royal Commission of investigation, secret, orders to keep under lock and key, and when they changed the Deputy Minister he was ordered to take these documents with him. Candor! They have the gall to talk about candor.

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(MR. SCHREYER cont'd) . . . . It seems to me that what they operated with - and it can't be unkind, because it's true - was surreptitious deceit. Surreption and deceit. When the honourable minister was asked whether some greatly vanted 100 million dollar forest complex was to be built with any financing by the Crown and the right of the province, the answer was "I think not, I suspect not". They have a reputation as financiers in their own right. But, sir, that is merely one example. The fact that they kept it under lock and key, under the shroud of secrecy, surreptitious deceit was the order of the day, and then they say that we lack candor! How dare they! What hypocrites! What hypocrites, sir! And if one ever needs an example of the old adage, that if one wants to perpetrate a deceit, that the best tactic is that of the big lie or the great exaggeration. Certain members on the front bench opposite are crowning classic examples of that.

Maybe we ought not to concentrate on that point, because I cannot evade the fact that we have certain difficulties, but we manage to look at them in perspective; in perspective of the past, in perspective of the present, and in relation to other jurisdictions in Canada, some of which have the fortune, the good fortune they would say, of being governed by Conservative or Liberal governments. So I wonder whether they have ever taken the time to look, to search, whether in other provinces more fortunately endowed with governments, being Conservative or Liberal, whether they have any public sector development corporation financing difficulties. And I don't think that I need take more than two minutes to point out to them that if they want to go to Newfoundland or Nova Scotia or New Brunswick or Quebec, they will find their share of phenomenon of difficulty under Conservative and Liberal governments. And then just the other day we are to understand that in New Brunswick a \$20 million chemical park or complex that was financed by New Brunswick public financing authority back in their Liberal days with the involvement, I understand, of a Manitoban in the financing of this chemical park, a \$20 million write-off - Zap. So there we have some evidence of a - is it Liberal or Conservative problem. Probably Liberal initiated and Conservative consummated.

I make no particular ideological point, sir, about Crown development corporation financing. All I know is that when one looks at any jurisdiction to the east of us, including Ontario, the amount of funds of the public sector being put into various economic development ventures, joint, private, public, outright loans to private, grants to private companies, one sees that the amounts involved amount to tens of millions and hundreds of millions of dollars. And of course I'm enough of a politician to know that the easier way politically to do something, especially if it's high risk, particularly if it's getting involved in remote communities, higher risk ventures, is the outright grant. As a matter of fact not only in remote communities, some of the largest corporations in Canada certainly are not embarrassed in taking the outright grant, thank you. And I notice that in a period of approximately six years that hundreds of millions of dollars have been paid out in outright grants through DREE, PAIT, DIP, IRDA and one or two other programs of the Government of Canada, and substantial funds, many tens of millions of dollars more through the Nova Scotia Crown Development Corporation into their famous or infamous Heavy Water Plant, into the Newfoundland Linerboard Plant 160, 180 million dollars plus or minus, \$20 million chemical plant in New Brunswick. So what's at issue here? What's at issue is that perhaps we have been given less than judicious or fair treatment in terms of analysis of the phenomenon, not only here but elsewhere in Canada. And also, although I'm not one to complain about Federal Government doing this or not doing that, I believe that there is ample and growing evidence that in more recent months the Government of Canada is becoming increasingly each month through its Department of Industry, Trade and Commerce, through that department in particular, is becoming virtually an expression of the lobby of southern Ontario in terms of industrial development. Great concern is raised about the fact that we have some 20 million, 25 million dollars in trying to give birth to some aircraft manufacturing presence here in western Canada. When we talk to Ottawa in terms of proportionate effort and support by them we are told that this is something that will be considered. Perhaps two, three million dollars has been put in thus far, but the people of this province should know that at the same time approximately \$300 million has gone in federal grants to Toronto and Montreal based aircraft manufacturing and about 450 million in guaranteed purchases, for a total of three-quarters of a billion dollars during the past decade.

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(MR. SCHREYER cont'd)

Mr. Speaker, there is such a thing as proportionality, and if there isn't there ought to be proportionality of consideration and treatment between the regions in our country. That insofar as aircraft manufacturing is concerned in Canada, sir, it is virtually tantamount to say Toronto/Montreal, Montreal/Toronto. The amount of money that is pumped in by the Federal Treasury to those two places alone in respect to aircraft - they are the only two places literally - is something approaching three quarters of a billion dollars in approximately ten years. And if there was even 1 percent, 1 to 5 percent of that effort being given with respect to establishing and maintaining some capability or capacity in that field here in western Canada then we would not be nearly as defensive or feeling that there was as much difficulty as we are at the present time.

But I don't think that we should give up, sir, I think we have every right to pursue the Government of Canada, to ask them to keep their word, because the word of the Minister of Defence - not the present Minister of Defence I make it clear - but the Minister of Defence of 1969-70 was that they would do all that was reasonably possible and equal effort to the province in trying to provide off-setting alternative employment opportunities in the community that was being abandoned with a loss of some five to seven hundred civilian jobs.

Ah well, thereto.. But I suppose I'm wasting effort because my honourable friends again will continue to follow the line of attack that they have in this respect in the future. It doesn't make it any easier, sir, to hear the Member for Brandon West, who is usually quite gentlemanly, to make a statement saying that - implying so nicely, so cleverly - that McKenzie Seeds are somehow a problem created by this government, is suffering losses, that too all started with this government. That's the insinuation, make no mistake about it. When you look at the record you find that since 1960 it had lost - and I give you the figures - 1969 a loss of 157 million.

A MEMBER: 157 thousand.

MR. SCHREYER: I'm sorry I'm trying to switch now from one level of figures to another. \$157,000 - thank God, Whew. 1968, 294,000 loss; 1967, 184,000 loss; 1966, 196,000 loss; 1964, profit 21,000. Hooray. --(Interjection)-- Yes sir. So it just goes to show that everything is relative. This too is relative. Even the success that my honourable friends, the great business wizards, their success was relative too, I mean relative, 21,000 relative to 195,000. And I've heard it suggested that the plant was under excellent management in the 60s and late 50s until I met the other day with His Worship the Mayor of Calgary, and I was advised that lo and behold McKenzie Seeds had spent some considerable funds in the late 60s to smash down, demolish, a solid, a solidly built concrete building in Calgary built just 10 years earlier, but built in the wrong place, for the wrong purpose, under the wrong design. So they built it in the late 50s and demolished during the late 60s. Then they have the nerve to talk about sound, cautious prudent, wise, private management. I'm surprised that they're not trying to pin that one on us too, sir.

Mr. Speaker, there are literally a hundred things yet still to be talked about but I would be remiss if I did not use the remaining time available to talk about land. Land is something, the issue, the policy is dear to my heart. The Member for Lakeside I can see feels genuinely about it, and it was indeed a pleasure to listen to him just the other day in debating the relative merits, pros and cons, of holding land under one mode or another. But where I think the Member for Lakeside does us an injustice is when he would have someone believe that the government has a master plan dedicated relentlessly to ensure that in the near future all land is going to be held and operated under leasehold systems. Now even though he has a well developed sense of mischief, even the Member for Lakeside cannot succeed in getting that bit of mischief message across to the people of Manitoba, at least I hope not.

We said in the Throne Speech, sir, we said in the Throne Speech clearly so that all could see who wanted to see, that we believe that the resident operator type of ownership of land is still, and in my opinion will always remain the best and most effective means of food production. There's just no question about that. But we also happen to believe genuinely, sir, that some people in agriculture may, they just may want to exercise the option, the freedom of choice to hold all or some, if not all perhaps some, of the land they operate under leasehold systems. And no one can say that there are not some who prefer that

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(MR SCHREYER cont'd) . . . . because I know that some of the best farmers in this province are those who continued to hold their basic section, 640 acres or 1,100 acres, under fee simple and they lease from the Crown or from a neighbour, or from the Crown, it matters not to them a bit, another 300, 600, 900 acres. They're exercising a freedom of choice, and we want to expand the dimensions and the boundaries of that freedom of choice. Some people may choose to increase their indebtedness to buy more land so they can enjoy a capital gain later, and others may choose, sir, I say in conclusion, they may choose to have a lesser amount of indebtedness and to have therefore a lower cost of operation or production so that they have a higher net income during their productive years, but at the same time they are foregoing a capital gain when they retire. And you know some farmers like having, you know a simpler life at a perhaps lower standard of living but they have a big nestegg in their retirement. And other farmers, I know from personal experience, resent that in all too often they have no freedom of choice; they live poor and, as they say, they die rich. Some want to do it one way, some the other, and I say if you love freedom then what's your hang-up? Let them choose for themselves.

The last sentence, Mr. Speaker, is the traditional one but I feel that I am saying it for substantive as well as traditional reasons, that all that has been said here to date in this debate does not demonstrate any need to not have confidence in this government because thus far there is an absence, a scarcity, a dearth of alternative policies. There is no alternative credible on the horizon, sir.

MR. SPEAKER: Following our procedure under Rule 35, subsection 3, I must now, half an hour before the adjournment, put the Amendment through the main motion.

MOTION presented on the amendment and lost.

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

MR. SPEAKER: Call in the members.

A STANDING VOTE was taken the result being as follows:

YEAS

Messrs.	Axworthy	Jorgenson
	Blake	McGill
	Brown	McGregor
	Einarson	McKellar
	Enns	McKenzie
	Ferguson	Minaker
	Graham	Moug
	Henderson	Patrick
	Johnston (Portage la Prairie)	Sherman
	Johnston (Sturgeon Creek)	Spivak
		Watt

NAYS

Messrs.	Adam	Johannson
	Barrow	McBryde
	Bostrom	Malinowski
	Boyce	Miller
	Burtniak	Osland
	Cherniack	Paulley
	Derewianchuk	Petursson
	Dillen	Schreyer
	Doern	Shafransky
	Evans	Toupin
	Gottfried	Turnbull
	Green	Urush
	Hanuschak	Uskiw
	Jenkins	Walding

MR. CLERK: Yeas 21; Nays 28.

MR. SPEAKER: In my opinion the Nays have it. I declare the motion lost.

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

MR. MINAKER: Thank you very much, Mr. Speaker. This is the first opportunity that I have had to speak in the House during this sitting, and I would like to wish you well in your position. I am very happy to see you back in the responsible position of the Speaker of the House. And I would also like to wish well to the Deputy Speaker, the Honourable Member for Logan, my neighbor to the north. I'm very happy to see that he is back and we're looking forward to that strong gavel again during the committee debates.

I would also like to congratulate the new Cabinet members that have taken their seats in the Treasury Benches, and also to congratulate the new member, the Honourable Minister of Health and Social Development.

I would also like to take this opportunity to formally welcome the Honourable Member from Churchill to our constituency and if he should have any problems with the Provincial Government, I'm ready and willing and able for all of my constituents and I will help in any way that I can.

I recognize that the tone of debate this year is somewhat different than my first year in the House, experiencing I guess people coming back from a hard campaign and things that they wanted to get off their chest, and as the Honourable First Minister indicated earlier tonight, that the tone of the debate seems to have a different tone and quality to it.

I also couldn't help but notice at the opening of the sitting, that the Cabinet chorus line seemed to be longer as the Cabinet moved in. One could sort of refer it to a chorus line and when one considers the innuendos that came across the floor the other night from the Honourable Minister of Labour, one would think that we do have a Cabinet chorus line and they're doing that dance that they've been doing for a number of years, a Cabinet shuffle. And it looks like they've added to the chorus line with some new members. I don't know whether they're getting tired or what, but they're also changing positions in the chorus line, and we get people like the Honourable Member from Selkirk who used to be the Minister responsible for Autopac becoming the Attorney General, and we get the Honourable Member from St. George taking over his position, responsible for Autopac. Then we get the Honourable Member from St. Johns who has left the position in the Cabinet chorus line. I don't know whether he's got tired or what, but I think the position that's the most trying in that chorus line must be the honourable position of Minister of Urban Affairs, because I know from my own personal experience, I believe the Honourable Member from St. Johns was the first one, and then I think we went to the Honourable Member from Inkster. Then from there I believe it went to the Honourable Member from Burrows; then from there it went to the Honourable Member of Seven Oaks, and then went back to Inkster, then I believe it went back to Rossmere, or to Rossmere again, and now to Seven Oaks. So it appears that that is a very trying and tiring position in the chorus line.

I failed to mention before, but I would like to also congratulate the movers and seconders of the Throne Speech, and I couldn't help but notice that the wallflowers in the back row were making innuendos of wanting to become a member of the chorus line and by complimenting the First Minister, the chorus line leader. And then the other night, the Honourable Minister of Labour, the senior baritone of the chorus line started to try and croon the honourable Liberal members across the way to the chorus line with his baritone voice singing "Come Dance With Me" type of comments. And then the following day we had the Honourable Minister of Tourism in his alto soprano voice try and croon the Liberal members over as well. But he was a little more brass than the senior baritone, the Honourable Minister of Labour, who tried to do it when the chaperone was missing from the Liberal ranks, but the Honourable Member from Springfield thought, well it didn't matter whether the chaperone was there or not, he would try. Then yesterday, the Honourable Member from St. Rose, in his - well, I guess it was a baritone voice that sounded like his truss was too tight, tried to yodel the Liberals across as well. But we understand, we know the reason, the Liberals are waiting until the senior crooner, the First Minister will try and croon them across the floor like he did so successfully in years gone by with the Honourable Member of St. Boniface.

But I would be remiss not to comment on the First Minister's speech tonight. And what a difference a year makes. My first experience in the House last year listening to the First Minister the night he delivered his comments on the Throne Speech was one that - he had policies he was going to do for the people of Manitoba, and he had something to say.

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(MR. MINAKER cont'd) . . . Tonight, I don't know whether the First Minister has danced himself out or whether or not he's pleading his case before the people of Manitoba before he's even tried, his government's even been tried, because all we heard was past history of what the government has done, nothing new, no comments on what their policies are going to be this year. In fact, all we heard was past history, and one can only recognize when the past history comments of RCMP investigation in administrations of days gone by to me signals that there's imminent prosecution coming through the government, it's forthcoming, and members of the Civil Service will face dismissal, and I would suggest that the government come clean to the people of Manitoba in the best interests of Manitobans. And really one could probably describe the highlight of the First Minister's speech as "his left jab to the desk top."

I would like to make a few comments with regard to some of the statements made in the Throne Speech and I wait with interest on the statement that new recreational options will be made available for the people of Manitoba. I'm happy to see that the government is finally looking into this and we hope that the need for recreational facilities that have been in existence for several years in this province will be now answered, because I believe this is an important thing that people of Manitoba, whether they're in the rural areas or urban areas are looking for, and to date have not really had the greatest opportunity to take advantage of our natural resources that we do have, and I'm happy to see that the Honourable Minister of Tourism's department is opening up this area.

Also I'm waiting, and I'm happy to see that the government is finally going to look into the City of Winnipeg Act. In my opinion, that's long overdue, and we hope that they will see fit to make changes where changes are required, and not to be politically embarrassed if they have to make quite drastic changes in the operation of the City of Winnipeg.

Also we notice in the Throne Speech that there is a centre core development planned for the City of Winnipeg, and we always are encouraged by any development in areas where rehabilitation is required and needed. We wonder though if the government has gone through the normal channels on this proposed development, because they are the great proponents of resident advisory groups, of the people knowing what is happening in their area and that the discussions take place with them, and I hope that in this development if it hasn't already taken place that it will take place prior to a decision to put a large public building in an area where possibly something better planned might go in there.

Also we would want to know and we are concerned on what kind of fringe costs might be accrued to the City of Winnipeg in this development. It is going to be like a Winter Works project where the carrot is dangled and the development is offered and when the smoke clears the government gets the credit for the particular development, the senior level of government, but the municipal government is left to pick up the costs of capital, or educational facilities or recreational facilities? So I hope that as this is developed that there will be a proper overall plan for this area.

We are also happy to see that there is interest in child development services in the Throne Speech, and we hope that the government will continue in the development of retarded children's schools and in industry so that the people who are not as fortunate as we in this House will have a good opportunity, whether it be in an urban area or a rural area, and I would commend the government on this type of approach to this problem.

Mr. Speaker, we've dealt with the good news. The First Minister tried to deal with the good news tonight of past history. Now we will look at other areas where we are concerned. And one important area which we feel has been missed in this Throne Speech is the problem that is facing our urban dwellers, whether they be in Morris, Manitoba, whether they be in Brandon or whether they be in Thompson, or in St. James or Winnipeg. The government has failed to face this situation in their Throne Speech. To date the members on the opposite side have failed to really deal with the problem that's there and there is a problem, because in the comments that the government will seek greater funds for education, when one looks at what the greater funds will result in, one is very disappointed.

In our own area of St. James, the new equalization rate will not help to any degree, because our area is faced with a 13 mill increase in education this year. Similarly, the City of Winnipeg is faced with a minimum of 10 mills increase, more probable 15 mills increase. What does that mean to the fixed income homeowner - and I have very many in our area like all of our colleagues in the House have - the senior citizen on a fixed income who wants to

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(MR. MINAKER cont'd) . . . retain ownership of a house in an urban area. What does it mean to this type of homeowner? It means that we're looking at somewhere in the order for education costs . . .

MR. SPEAKER: The honourable member will have an opportunity to carry on tomorrow. The hour of adjournment having arrived, the House is now adjourned and stands adjourned until 10 a. m. tomorrow (Friday) morning.