

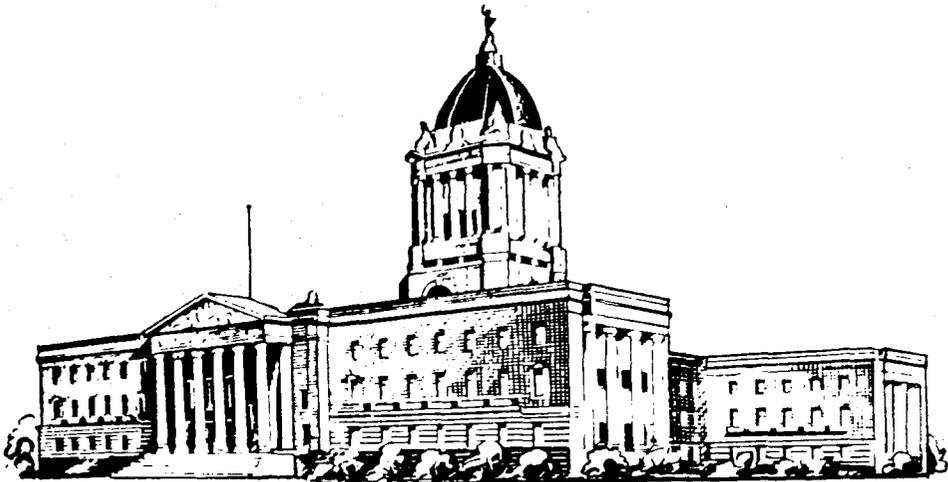


Legislative Assembly of Manitoba

DEBATES  
and  
PROCEEDINGS

Speaker

The Honourable Peter Fox



Vol. XXII No. 65 2:30 p.m., Tuesday, April 29th, 1975. Second Session, 30th Legislature.

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Electoral Division	Name	Political Affiliation	Address	Postal Code
ARTHUR	J. Douglas Watt	P.C.	Reston, Man.	ROM 1X0
ASSINIBOIA	Steve Patrick	Lib.	10 Red Roblin 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	Vacant			
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.	Manitou, Man.	R0G 1G0
POINT DOUGLAS	Donald Malinowski	NDP	23 Coralberry Ave., Winnipeg	R2V 2P2
PORTAGE LA PRAIRIE	Gordon E. Johnston	Lib.	26-120 - 6th St., S.E., Portage la Prairie, Man.	R1N 1E8
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	Hon. Harvey Bostrom	NDP	Legislative Bldg., Winnipeg	R3C 0V8
ST. BONIFACE	Hon. L.L. Desjardins	NDP	Legislative Bldg., Winnipeg	R3C 0V8
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	Saul Cherniack, Q.C.	NDP	333 St. Johns Ave., Winnipeg	R2W 1H2
ST. MATTHEWS	Wally Johansson	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. René E. Toupin	NDP	Legislative Bldg., Winnipeg	R3C 0V8
STURGEON CREEK	J. Frank Johnston	P.C.	310 Overdale St., Winnipeg	R3J 2G3
SWAN RIVER	James H. Bilton	P.C.	Swan River, Man.	R0L 1Z0
THE PAS	Hon. Ron McBryde	NDP	Legislative Bldg., Winnipeg	R3C 0V8
THOMPSON	Ken Dillen	NDP	84 Pintail Cres., Thompson	R8N 1A6
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	Hon. J.R. (Bud) Boyce	NDP	Legislative Bldg., Winnipeg	R3C 0V8
WOLSELEY	Vacant			

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
2:30 o'clock, Tuesday, April 29, 1975

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 42 students, Grade 11 standing of the Teulon Collegiate. These students are under the direction of Mr. Reinsch and Mrs. Masters. This school is located in the constituency of the Honourable Member for Gimli.

We also have 64 students of Grade 5 standing of the John Pritchard School. These students are under the direction of Mr. Jackson and Mrs. Bush. This school is located in the constituency of the Honourable Member for Rossmere, the First Minister of this Province.

And we also have 20 students Grade 11 standing of West Kildonan School. These students are under the direction of Mr. Klassen. This school is located in the constituency of the Honourable Member for Seven Oaks, the Minister of Urban Affairs.

On behalf of all the honourable members of the Legislative Assembly I welcome you here. Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports; the Honourable Minister of Mines.

TABLING OF REPORTS - FLOOD FORECAST RELEASE

HON. SIDNEY GREEN Q.C. (Minister of Mines, Resources and Environmental Management)(Inkster): Mr. Speaker, I have another flood forecast release.

Mr. Speaker, I'd also like to see whether it is generally agreeable that Committee on Economic Development meet next Thursday with the continued report of the Manitoba Development Corporation, and this Thursday if possible with regard to the Manitoba Public Insurance Corporation. Public Utilities Committee for the auto . . .

MR. SPEAKER: Agreed? Any other Ministerial Statements or Tabling of Reports? Notices of Motion; Introduction of Bills; Questions; The Honourable Leader of the Opposition.

ORAL QUESTIONS

MR. SIDNEY SPIVAK, Q.C. (Leader of the Official Opposition)(River Heights): Mr. Speaker, my question is to the First Minister as Minister of Finance. I wonder if he can indicate whether the Provincial Auditor has tabled with him a report of the audit of the PEP Grants of the Department of Co-operative Development.

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier)(Rossmere): Yes, Mr. Speaker, I have such a report. I believe that it is just temporarily with the Minister of Co-op Development but such a report has been received.

MR. SPIVAK: Is that report going to be made available to the members of this Assembly?

MR. SPEAKER: The Honourable Minister of Co-operatives.

HON. HARVEY BOSTROM (Minister of Co-operative Development)(Rupertsland): Mr. Speaker, the report that I have, which I don't have on hand here right now, indicates that the Auditor is still continuing with the audit, it's not complete at this time. He's indicated that he could provide an interim report if required, however, his full audit is not complete yet.

MR. SPIVAK: My question is to the First Minister. I wonder if he could instruct the Auditor to file an interim report for the members of this Assembly.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I don't see a problem. I will want to check to ensure that we are not setting a precedent, but other than that, if there is no problem in that regard, then accordingly we will make it available.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L. R. (BUD) SHERMAN (Fort Garry): Thank you, Mr. Speaker. My question is to the Honourable the First Minister, and I would like to ask him whether there has been acceptance of the resignation of the Minister of Labour from the Government negotiating team negotiating with the Government Employees Association, and if so whether a replacement for the honourable gentleman has been named?

MR. SPEAKER: The Honourable First Minister.

## ORAL QUESTIONS

MR. SCHREYER: Mr. Speaker, that's with respect to the honourable member, something which if there is something to announce I will announce it.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY MCKENZIE (Roblin): Mr. Speaker, I have a question for the Honourable Minister of Tourism, Recreation and Cultural Affairs. I wonder if the Honourable Minister can advise the House how much money has the Province of Manitoba committed to the City of Winnipeg Centennial Library project which is just under construction at this time.

MR. SPEAKER: The Honourable Minister of Tourism and Recreation.

HON. RENE TOUPIN (Minister of Tourism, Recreation and Cultural Affairs)(Springfield): Mr. Speaker, I'm not quite sure of the exact amount committed by the province. I'll check and make the information available.

MR. MCKENZIE: A supplementary question, Mr. Speaker. I wonder after the completion of and the official opening of that project will the government now be prepared to announce a library policy for all of Manitoba?

MR. TOUPIN: Well, Mr. Speaker, I wonder where the honourable member was a few days ago when the Premier stood up here and announced a policy. A policy that more than doubled the amount that we've paid up till now in regards to public libraries. There will be as of the First of July, Mr. Speaker, an amount of \$2.00 per capita available to all those municipalities wanting to join forces, 10,000 people or more, as long as it does not exceed 50 percent of the expenditure of those given municipalities. That's more than most provinces in Canada.

MR. MCKENZIE: A further supplementary question, Mr. Speaker. I wonder if the Honourable Minister would announce the policy for those communities or regional groups of 10,000 or less.

MR. TOUPIN: Yes, Mr. Speaker, that equally has been dealt with. We indicated that those municipalities that cannot muster the human energy to have 10,000 people or more, that the old policy stands firm. And in some cases they may choose to stay on the old policy which the honourable member has a copy of.

MR. MCKENZIE: Mr. Speaker, I have a question of the Honourable Minister of Labour. Mr. Speaker, I wonder if the Honourable Minister of Labour could advise the House what was the total cost of the renovation and the purchase of the building that's now known as the Manitoba Library and Public Archives Building?

MR. SPEAKER: The Honourable Minister of Labour.

HON. RUSSELL PAULLEY (Minister of Labour)(Transcona): I would suggest, Mr. Speaker, if my honourable friend would put in an Order for Return we'd go through the books to ascertain the precise cost.

MR. SPEAKER: The Honourable Leader of the Opposition. The Honourable Member for Roblin.

MR. MCKENZIE: I wonder if the Honourable Minister can advise the House if the final figure is even close or is it more than he estimated in a speech here in the House, or is it less, or does it even come close to the estimated cost that he gave the members.

MR. SPEAKER: Order please. Order please. The question has been answered. The Honourable Minister.

MR. PAULLEY: Yes, but, Mr. Speaker, it will be revealed when the Order is returned.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: To the same Minister dealing with the same item. I wonder if he can indicate at what point he became aware that the cost escalation was much higher than the original estimates given in this House.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: When it became evident that inflation was taking place in Canada.

MR. SPIVAK: Is the Minister suggesting that the costs increase are only due to inflation?

MR. SPEAKER: Orders of the Day. The Honourable House Leader.

ORDERS OF THE DAY - BUDGET DEBATE

MR. GREEN: Yes, Mr. Speaker, would you refer to the Motion of the Honourable the First Minister.

MR. SPEAKER: Thank you. Proposed motion of the Honourable First Minister, amended by the Honourable Leader of the Opposition and amended thereto by the Honourable Member for Fort Rouge. The Honourable Member for Swan River.

## BUDGET DEBATE

MR. JAMES H. BILTON (Swan River): Mr. Speaker, for some time now we have been considering the Estimates, sir, and the facts and figures, Mr. Speaker, to me anyway, just boggle the mind.

We are now dealing with the Budget by which the means are to be told to us as to how we're going to raise a billion dollars for the operation of this province throughout the coming year. Mr. Speaker, it's not my purpose to lead or to speak about the intricate figures, I'd rather leave that to the statisticians of our party and possibly across the floor of the House. I must however say that I have questioned during the estimates, as has many others, the extravagant spending of the Government.

The heavy burden of expenses throughout the province these past three years, Mr. Speaker, were more or less accepted. People that you spoke to said "Well they're doing good things, give them a chance, let's see how this thing goes. Give them a try." Last year, Mr. Speaker, the Budget went up something in the neighbourhood of \$864 million, plus, Mr. Speaker, the borrowing of \$600 million for public utilities. It was my feeling at that time, as I'm sure it was of many others, that surely this was the ultimate. But no, Mr. Speaker, what do we find this year? The mad rush is still going on - up to a billion dollars. To me, Mr. Speaker, without any qualification it seems to me that this is public spending out of control. This Government, Mr. Speaker, I am sure will learn to their peril that the people will not be too long in telling them that spending has gone too far.

Mr. Speaker, the feeding of the fires of inflation by public spending will not take us out of the apparent on-coming recession. My Leader delved extensively into the reckless spending of this government which requires no elaboration from me. Many items of this spending, Mr. Speaker, has been pinpointed in recent days by those of us in the Opposition when dealing with the Estimates. But it seems, sir, that with the replies we are receiving that it will all be to no avail.

Something comes very forcibly to my mind at this time, and I'm sorry the Minister of Mines and Natural Resources is not in the room, but the other day he mentioned the last election and he recalled the famous Russell speech by the First Minister who singled out three of us in northern Manitoba, and from what I understand waved correspondence and told the people if they didn't send in NDP candidates there would be nothing more for our area. And the Minister went on to say, Mr. Speaker, to emphasize his point that I won by only 90 or 110 votes. Mr. Speaker, in spite of the several invasions by the First Minister himself, and several other Ministers into my constituency, union organizers, Mr. Speaker, and with Charlie Hunt and Max Hofford how could I lose; how could I lose! The Minister of Mines and Resources is well qualified, Mr. Speaker, he knows the art, that a statement rarely is caught up with by the initial truth. I want him to know, Mr. Speaker, and you to know, sir, that in spite of the powerhouse they send into the Swan River constituency to beat me, I not only gave them the back of my hand in beating their candidate, but I'd beat him in his own home town, Mr. Speaker. I'd beat the pants off him in three-way fights, and never let the Minister of Mines and Natural Resources forget that.

Mr. Speaker, there was something happened yesterday that to me begs an answer, and I don't take any pleasure in answering it, sir, but I feel that in view of what was said yesterday and what was said last week, I feel compelled to give my opinion. Mr. Speaker, I am at a loss to understand what the Minister of Labour meant. We witnessed him last week, Mr. Speaker, as a Minister of the Crown taking up a grievance period to expound his feelings as to a decision of the Cabinet. The using of the vehicle of the budget, Mr. Speaker, yesterday, continued his address on the subject. All of which, Mr. Speaker, would have been better said in a union hall rather than in this Chamber. He may be the dean of this House, Mr. Speaker, - I too have been around for a few years and I have attended parliamentary conventions and conferences, and commonwealth conferences, Mr. Speaker, as my honourable friend has across the way. I wonder, Mr. Speaker, what those parliamentarians would have thought had he had his exhibition in turning the highest court of the land, the highest court in the Province of Manitoba, into a cockpit, to pour out his abuse on his colleagues. Our system, Mr. Speaker, as I understand it requires that such exhibitions be fought behind closed doors, cabinet doors, Mr. Speaker, where secrecy is paramount. Out of which, Mr. Speaker, they must assemble together - come out with conclusions, right or wrong. Their deliberations, Mr. Speaker, must at all times be treated with secrecy.

## BUDGET DEBATE

(MR. BILTON cont'd)

Are we now, Mr. Speaker, to witness that every time there is a violent disagreement within cabinet ranks to have the substance of that violence dragged into this Legislative Assembly? That being the case, Mr. Speaker, if it is the case, we've seen many changes in the last seven years and if the policies and the practices of this House are to include this sort of thing, what a sorry state this Assembly has arrived at.

Mr. Speaker, those 17 men before us are by protocol the first citizens of this province. Seventeen men, Mr. Speaker, of one million people. The first citizens of this province, Mr. Speaker, in who the Premier in the first place places his confidence and in turn the people of this province, by virtue of the Premier's actions, place their confidence in turn in the men in office. I suggest to you, Mr. Speaker, that every word that they utter whilst in that office, as burdensome as it may be, and the decisions, the separate decisions they make, individually, is made in the name of the oath that they took when they accepted office. If this is not so, Mr. Speaker, our 100 years of tradition is in jeopardy. And I repeat that, Mr. Speaker, in jeopardy, and we must be very very careful.

Mr. Speaker, the history of this province, the history of this country and the history of Westminster and the history of the commonwealth, has seen to it that men who have taken the road open to them when they have lost the confidence of their colleagues in cabinet. There's only one way, Mr. Speaker, it's been proved time and time again, and that is why our system of government, sir, is strong and has stood the test of time for these many many hundreds of years.

The most recent one, Mr. Speaker, was our own Minister of Mines and Natural Resources. He had a difference of opinion with the First Minister and his colleagues in Cabinet no doubt; he recognized what he should do, and Mr. Speaker, he did it. He resigned from office, and he joined with the rest of us and debated that problem to its conclusion. I have no argument with him being in the Cabinet today. That's where he should be, Mr. Speaker. But at the time he knew what to do and he did it.

I remember too, Mr. Speaker, the action of the last Maitland Steinkopf who after considerable heartache, and abuse, in a few words of regret he stood over there, Mr. Speaker, in a few words of regret he left this House in tears. He too, Mr. Speaker, knew his position. He knew his obligations and he carried them out, sir. He walked out of this Chamber carrying with him the continuing traditions of this House and our parliamentary system.

Mr. Speaker, what I'm talking about has been proved beyond reasonable doubt. How else can we have the confidence of the people that elects us to this House? Mr. Speaker, it cannot, and it must not be otherwise. Else where is our pride and accepted form of government travelling, Mr. Speaker? Travelling, sir, it's travelling out of existence if we allow and tolerate this sort of thing. And I say to you, Mr. Speaker, in all sincerity, God forbid that that ever happen.

I must say again, Mr. Speaker, the Minister in his dramatic outpourings may have some self-satisfaction, only his conscience can tell him that. But I suggest, Mr. Speaker, for the moment that he has brought our system to a perilous stage by his activities on those two occasions. I remember, Mr. Speaker, when holding your office I had a brief confrontation with the Honourable Member for St. Johns. He and I discussed the matter, and I remember so well and I hope he will agree with me, I said to him on that occasion, "I am expendable, if you don't agree with what I say, I say to you again, I am expendable, and if the moment ever arrives that I lose the confidence and respect of any one member of the House, I will resign so quickly that you'll never know I was there."

Mr. Minister, it bothers me to say this, but I'm going to say it. Your service to the people I respect and it requires me to extend to you my respects for services rendered. But I want to tell you, Mr. Minister, here and now, that you have lost my confidence.

MR. SPEAKER: The Honourable Member for Logan.

MR. WILLIAM JENKINS (Logan): Thank you, Mr. Speaker. First of all, Mr. Speaker, may I . . . this is the first time I've spoken in this House since some time last year when I had an unfortunate illness. I want to thank the honourable members who during the Throne Speech debate made some very kind personal remarks towards me and I want to say to them how much I appreciated the very kind remarks that they passed. I can assure the honourable members that I'm back in good health and my right arm is still as strong as ever, and I think

## BUDGET DEBATE

(MR. JENKINS cont'd) . . . I made some exhibition of that already in the House. My voice is still as strong. I want to say to you, Mr. Speaker, that I wish to join others, I never had the opportunity during the Throne Speech Debate, to pass my good wishes on to you, sir, for the good job that you're doing in this House.

I particularly want to also say to the Honourable Member for St. Vital who last year and this year has assisted me greatly in the carrying out of my duties, and I would be very remiss, sir, if I did not extend to him my sincere thanks for that service he has rendered, not only to this House, but to me personally.

We're now back, sir, to the Budget of 1975 and we've heard the Leader of the Opposition and the lead-off man for the Liberal party both make their presentations to this House on the Budget and both have proposed amendments and sub-amendments to the proposals that we have before the House, which is the Budget for 1975.

The Honourable Leader of the Opposition starts off his motion of non-confidence by stating "that this House regrets that this government has failed to provide tax relief to expand consumer income purchasing power."

Well, Mr. Speaker, I think if you look at the budgets that we have presented in the past and the one that is before the House today, you will see that we have made perhaps the greatest redistribution of economic wealth that has ever been made in this province. People at the lower end of the income scale qualify for cost of living tax credits, also for expanded real estate tax rebate, which I think we, with the Province of Ontario were first in pioneering in conjunction with the Federal Government here in Canada. So we have put money into the pockets of the people who need it most, the people at the lower end of the income scale. These people don't hoard that money, they don't put it in banks, they spend it.

I think that you will recall, sir, that the Honourable First Minister, who's also the Minister of Finance, said that spending by people in goods and services in Manitoba has risen to its highest peak. I know that there's an inflationary factor involved in all our spending but the opposition's cure for this would be a straight income tax cut. You know, three or four points off the income tax for a person who is at the bottom end, who really has not too much taxable income is not going to give him . . . you know, when you take 4 percent of peanuts, you've still got peanuts, and the same thing is involved if you're taking 80 percent of peanuts, it's still peanuts. But for those at the top end of the scale, 4 percent is a helluva lot of money. So we have decided as a government, and I think it's been our policy ever since we were elected in 1969, that we would try to, as far as humanly possible, to redistribute some of the wealth for some of the people who are at the lower end of the income tax scale.

The Honourable Leader of the Opposition also stated in his second item that this province has failed to show restraint in overspending. Mr. Speaker, we presented a Budget, the Honourable First Minister did, last Thursday evening, a budget just slightly in excess of \$1 billion. This is for a population of approximately one million people. You know, if we want to look around at some of the other jurisdictions in this country, and look at some of their budgets . . . Take Newfoundland, for instance, with approximately about two-thirds of the population of Manitoba, and what is their budget? It's slightly in excess of a billion dollars. So to say that this government has failed to show restraint in spending is pure hogwash, and for the honourable members opposite when they like to say, cut the spending and increase the services, and the Honourable Leader of the Opposition, one of his favorite tactics is to say you can't have it both ways, and I say to him you can't have it both ways. You can't cut expenditures to the bone or cut taxation back to that great extent and still have expenditures, because somewhere along the line something has to go. I think that we have shown quite a bit of restraint in spending. I'm sure that some of the Cabinet Ministers here would have loved to have many other programs but they were subject to some severe paring and chopping of what their estimates would be. --(Interjection)-- One of my honourable friends tells me that we cut in excess of 155 million.

We also note that the Leader of the Opposition criticizes us for productivity has not increased, and yet we know that productivity has increased. The gross national product for Manitoba has increased, even when the inflationary trend is taken into consideration. You know, Mr. Speaker, we come now to the fourth item that he's criticizing this government for. That is for the proposed taxation on gasoline, two cents for an auxiliary method of paying for our Autopac premiums and one cent tax relief for small oil producers.

## BUDGET DEBATE

(MR. JENKINS cont'd)

You know, Mr. Speaker, there's nothing wrong with the concept of a gasoline tax on paying for automobile premiums. Perhaps it might be the fairest method of all. I know I did a rough calculation on the car that I'm driving now which I bought new in 1973, and even at about 10 to 12 cents a gallon, I would have paid less in automobile insurance premiums than I did pay under the premium system. However, --(Interjection)-- The Honourable Member for Souris-Killarney may do an awful lot more driving than I do, that's quite possible. I'm just saying for the amount of driving that I did - and don't let him think that I'm trying to give him a snow job because I'm not. I'm saying for the amount of driving that I did, I'm not arguing the fact that the automobile insurance premiums - I would have had it cheaper by a gasoline tax. But, I can say this, sir, that my - and even though my automobile insurance premiums went up this year, I think in line with many other fellow Manitobans - but I know I'm still paying a lot less for automobile insurance than I would have paid under the private automobile insurance scheme.

We've also been criticized, sir, for our lack of provincial-municipal taxation problems, we haven't addressed ourselves to the problems of education and health and welfare in the municipal field. You know, I believe I heard the, if I remember correctly, yesterday afternoon the Honourable Leader of the Opposition stated - or maybe it was not him, maybe it was one of the other members on the other side, I'm not quite sure - but they stated that we perhaps should be looking at taking over 100 percent of the costs of education. Mr. Speaker, as one who spent eight years on the Winnipeg Public School Board, I'm a firm believer in the fact that there has to be some local input in a financial manner into education because if you're not then what is the responsibility of school boards. To sit and draw up budgets which they will pass on to the Public Finance Board which in turn will just emasculate them to their satisfaction? This is what happened in New Brunswick under the Robichaud government when they decided that they would take over 100 percent financing of the school system in the Province of New Brunswick. --(Interjection)-- Yes, he lost the election after that. Yes, and they continue with the same program and they're still doing the same thing. But you know what happened, sir. Instead of abolishing the school board, that's what they should have done in a case like that because they were creatures with no taxing ability, not even like they were in the United States where they are creatures of city council and allowed to raise, in most cases, 9 mills.

But, you know, in New Brunswick, the boards were allowed to present budgets to the school finance boards, they had pressure from the local population, their constituents, for certain things to be done and when that budget went to the school finance board it was chopped and chopped and chopped. And who got the blame? The provincial government? No, no way, sir, the people who got the blame were the local school boards because they had failed to do their job properly. How can they do their job when they have no taxing authority? I maintain that at least 35 percent of school costs should be borne on the local tax base. If you start chopping it down much more than that then you are going to be in a situation where school boards really have no authority whatsoever and the enriched programs that people want to carry out in certain areas by raising extra revenue by local taxation is gone.

You know if we want to look back and take a look back, just a few years when the Campbell government was in office, the Winnipeg School Board, we had got down to about 14-1/2 cents on the dollar provincial grants, the remainder was local taxation. We got a bit of a relief, when the Roblin government came in we got up to about 26-1/2 cents, but again inflation and the day and age . . . and prior to the introduction of the foundation grants, the Winnipeg School Board again was down to approximately 17-1/2 cents on the dollar. I can tell you, sir, they're in a much better situation today of the amount of money that is spent in the local school divisions. They're not operating at no 14-1/2 or 17-1/2 or even 26-1/2 cents on the dollar. I know I would like to see many improvements in the foundation levy, and I think we've made some, some very good improvements. Perhaps with a declining enrolment in the Winnipeg School Division which has dropped, from when I first went on the board, from somewhere around 50,000, I think now, if the Minister of Education will correct me and I'm right, is somewhere about 41,500. I think we've improved the pupil-teacher ratio and other things that we've done. So I don't think that we need to hide our heads when the opposition say that we've done nothing for education.

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(MR. JENKINS cont'd)

Now we come to municipal taxation and we've had proposals from the City Council whereby they want 5 percent of growth taxes, 10 percent is what I think they came up with this year. You know, it's a very nice thing if you can have someone else raise the taxes for you. We used to get accused of the same thing by City Council when I was on the Winnipeg School Board. They claimed that they had to raise the taxes for us but we had a tax sharing agreement or whatever you want to call it of a sort. They collected the taxes for us but we had full taxing authority. The amount of mills that were charged for the education levy were shown on the tax bills and are still shown on the tax bills. So when City Council say they are forced to collect taxes for the Winnipeg School Board, or any of the other school boards in the unicity area, that is nonsense, because I am sure if it was left to the school boards, they could set up their own taxation collection machinery and reverse the trend and collect the taxes for unicity. So really, if they want two collection agencies then they should say so, but I think it's ludicrous when you have one already set up.

I think that the First Minister in presenting the Budget the other day, set up a method whereby it is possible for municipal governments in the Province of Manitoba to share in the growth taxes. There's no doubt that two percentage points, or two points on the personal income tax and one point on the corporation taxes are going to produce more money next year, or for this year when the taxes are collected and paid in 1976. And they are this year . . . just by the sheer inflationary trend that is here. But for local authorities it also carries with it some certain aspects of local responsibility; and local responsibility means that you have to be responsible for a certain portion of the tax load. If they're not prepared to do that then I think that they should decide that they don't want to be members of the unicity council and perhaps run here. But for them to say that, that this government is going to cut its program because of something that is decided down on Main Street, I think is absolutely ludicrous. That's like the tail is wagging the dog. After all they're creatures of this Assembly, not vice versa. And when we go to the people with a program on election, we are expected to try and carry those out to the best of our ability. But if we're going to cut our spending in certain fields on which we have received a mandate from the people of Manitoba, in order to satisfy the people down in unicity, then I say to them, you run when the next municipal election runs and come out on a platform and tell people this is what you're going to do. Quit hiding behind the fact that you are at the local level, non-partisan, no politics; because you know, Mr. Speaker, and every member in this Chamber knows, that the minute that two people get together and decide on a course of action that makes them a political party, regardless of what name they may call themselves. When you have 28 or 29 unicity councillors who get together and decide that they will nominate certain people for certain chairmanships and memberships on boards, that is a political party. Because these people who in the main make up the ICEC are Liberals and Progressive Conservatives who failed to win a majority in this House, are now trying to win it through the back door, and I say they're not going to get away with it.

Mr. Speaker, we've heard much about labour unrest and inflation and many of the people have been blamed in the trade union movement for being unreasonable and we have prominent members of our society all across this land saying that we should have wage and price controls and perhaps some restrictive labour legislation. I might just quote, sir, from a recent copy of Time magazine where it says "In Search of a Better Way". It says, in practical terms, sir, the right to strike can be granted by governments or asserted by workers, but it can never be taken away. And as David Beatty, Acting Director of the University of Toronto Centre for Industrial Relations puts it, you can't prevent strikes. Australia has a system that essentially prohibits all strikes and until this year they've lost more man-days through strikes than we have. Strike isn't a disease, but I'll tell you one thing, sir, happy workers don't strike. You know, we've heard all sorts of things, compulsory arbitration, voluntary arbitration, binding, now we have a new method which is the final offer selection. I might say, sir, that it works fairly well for some people, and for some people it doesn't work too well at all.

Again quoting from this article, he says "newer still is the method called Final Offer Selection which has been used successfully in Canada by teachers and the school board of Ontario's Wentworth County and by professors and the Board of Governors of the University of Alberta amongst others. It calls for an arbitrator to make a flat choice between two final bargaining positions of the opposing parties and both parties agree to bind themselves to his

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(MR. JENKINS cont'd) . . . decision. " You know this is well and good, but you know to some people who are perhaps at the very bottom of the pay scales, you know just in some cases barely above the minimum wage, and it's almost like, I believe David Archer, the President of the Ontario Federation states it's almost like a game of Russian roulette. He says it may be acceptable to well paid people with a base but it is of no earthly use to someone in lower income brackets. And also the Toronto Management's Consultant, Bruce Light, agrees with him, states, "if the parties are amateurs and the union position is rejected" - this is by the final arbitrator - "then you don't have a happy labour force." Now they got two things they can do; they leave you or they're disappointed. But that's not what collective bargaining is about. No, sir.

You know, the unfortunate thing is that in the past seven, eight years many sectors of our society which never before had the right to organize, never had the right to collectively bargain, never had the right to withdraw services, have had this right, federally, since about 1967, that is correct I believe, sir. In Manitoba since about 1972. You know some of the largest wage demands that we're seeing today are coming from the public service sector, and there is some cases, sir, where our people in the public sector have been paid very poorly. As I said before, you know 80 percent of peanuts is still peanuts. You know someone is just barely above the national poverty scale and he's asking for an increase, then I think, you know, we've got to look and look very carefully. I think perhaps one of the worst things that's ever developed in this country was percentage wage increases. I know as a member of a trade union when our negotiations were with the railways, I always objected very strenuously to percentage increases, because percentage increases are . . . it may be all right . . . especially when you have people who are say at three or four different levels in wage scales. It's fine for the fellow that is at the top, 10 percent of 10,000 is a heck of a lot more than 10 percent of 5,000. And for the fellow that earns 5,000 and receives his 10 percent increase, it costs him as much for his bread and butter and milk, and potatoes as it does the fellow that is at 10,000 receiving a \$10,000 (?) increase.

Perhaps we should be looking at some other methods, and I know some of the arguments that I've got into with my own fellow trade unionists. They say that well, if the mechanic receives a dollar, the helper receives 75 and the labourer receives 50, that at 10 percent that it closes the gap, or the gap ratio closes between the job skills. Well, perhaps we should look at a pretty healthy wage increase across the board and a very small one on a percentage scale to maintain that bit of ratio difference. But a straight across the board increase in many cases harms the - or percentage across the board causes a lot of harm to the fellow who is at the bottom of the scale. So I think that when we see some of the proposals that we have heard, some of them I don't mind admitting, sir, when you hear them stated in flat percentage terms, they sound pretty frightening. But then you have to look and see what that base is that 80 percent is of.

I think we're going through a period in the collective bargaining in Manitoba, in Canada, as I stated before, of transition. I think that the people in public service unions, many who have been granted the right to strike and the right to collective bargaining, are still learning the ropes; and in many cases so are the governments they are dealing with. They're learning the ropes. This is evidenced, sir, by I think you'll see in some cases where these unions sometimes get into a bit of a bind and they come running to government and say "government, we want you to settle this". Well, I can tell you that if they'd been in the trade union movement as long as myself and some of the other members in this House, the government is the last person that I would ever run to, be it a New Democratic Party government, a Liberal or a Conservative government, to settle my wage dispute. I think that the collective bargaining process can work. It has to be meaningful discussions and a give and take between management on one hand and the bargaining agent on the other. Nobody, but nobody, can come along and be the Solomon that will be the cure all and the end all, because regardless of who you appoint as an arbitrator, one side or the other is going to be disappointed. We have been disappointed, I know myself, many times in the arbitration, but the last arbitration that we were involved in I know that the railway companies of Canada were disappointed, because we got a better deal than we thought we would ever been able to negotiate. But that is not collective bargaining, sir. That is not collective bargaining. And what has happened in many cases, you have management on one side, you have union negotiators on the other side who just go to

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(MR. JENKINS cont'd) . . . the table, go through the motions and hoping to God that Government will step in and be the court of last arbitration. And that isn't collective bargaining.

We have got to get a message through to both labour and management, and I think that we have succeeded to a partial extent in some of the labour legislation that we brought about in this House in 1972. We never expected for a minute, I can assure you, Mr. Speaker, when we passed that legislation that we would never have strikes in Manitoba again, because we'll never reach that Utopian society. But at least we have put the onus I think to the management that the day that the contract expires the management can lock them out and a union can withdraw their services. And they know that there is a day of final reckoning, that somewhere along the line they have to start and make some meaningful discussions to attempt to come to an amicable agreement. But when you have contracts and disputes and the collective bargaining process going on for six months, a year, 15 months, 18 months, you haven't got a happy work force, and then when their settlements are settled, in some cases no retroactive pay for working 18 months without a contract, how can you expect people to tolerate that? I mean either you have a work force that is happy, wanting to do its job, or you have a work force that is going to dog it and fight management all the way. But I think that we have got to realize I think that this is a transitional period that we're involved in right now. I think that we'll see a tapering off of some of the wage demands, in fact I think some of the wage demands that I've read about in the last week or so are not in the vicinity of 80 percent or 53 percent or 40 percent, but they're practical.

No, Mr. Speaker, I don't want to see this Assembly winding up to be the court of last arbitration for any group. In fact it disturbed me the other day when we had a group in front of this Legislative Assembly to see some of the members of the opposition and some of the statements that they were making to these people. They were pretty inflammatory. I think that we as members of this Assembly and I as one think that people should be able to negotiate their own agreement. You can't come running to this assembly all times, unless this Assembly wants to grant to this government, or any other government, the right that we'll take and run the universities. And I don't think that's what the members of the opposition want. We have Boards of Governors and a Senate who are appointed or elected to run the affairs of that institution. And I for one, sir, don't think that the wage dispute that is taking place there today is going to ruin that university. I have far greater respect for the people who are involved there. Sure when an industrial dispute develops there are hard line positions taken on both sides, and not always do all the people come back. I think this is something that people who are involved in that sort of a process have got to realize that there is a give and take and they can not come running to the government to say "You settle the dispute" as we had in the Flyer Coach Industry. You can't. I mean if the Government and this Legislative Assembly is going to be involved in settling labour disputes then I say we'll be here for 12 months of the year working steady just settling labour disputes in this province. And that is not what the people of Manitoba elected us to do. They elected us to implement a policy, they elected the opposition to criticize that policy. But certainly by no stretch of the imagination did they elect us to sit here as a court of final arbitration in wage disputes. Thank you very much, Mr. Speaker.

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

MR. EARL McKELLAR (Souris-Killarney): Mr. Speaker, I thought I should take part in this debate because it's now four days since the First Minister presented his Budget Address and I'm sure the air must be getting a little hotter in the Province of Manitoba because I'm sure the public are becoming aware this Government is not doing their job.

The one thing I admire this government for, they can spend other people's money like it's going out of style, and it's proven right in this Budget. And the Premier says "I'm the good fellow in the Province of Manitoba and I'm going to distribute everybody's wealth", and he's doing a good job at that. But I tell you, Mr. Speaker, I want to start off this way, there comes an end, there's going to come an end to all this free wheeling. I know the Premier and I were elected first here in 1958, and I know the Premier if he'd listened a bit he'd realize that the budget in that time was \$80 million, and it took from 1870 to 1958 to get to \$80 million. And it took from 1958 to 1969 to get to \$357 million. But how long, Mr. Speaker, did it take to get the \$357 million to over a billion? Exactly six years, exactly six years. Three hundred percent increase in the Budget of the Province of Manitoba. Is that the kind of government we

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(MR. McKELLAR cont'd) . . . need? Any drunken sailor could act as a government under those conditions, any drunken sailor. That's what they are, Mr. Speaker, a bunch of drunken sailors spending other people's money, and they're spending a lot of mine too doing it.

Mr. Speaker, we all know that tomorrow's the last day to make your income tax out. I suppose there's some people who haven't got it mailed yet, but I tell you when they sign that cheque this year, then they sign that cheque there's a lot of tears shed of hard sweat and toil that went in to make that money. A lot of hard sweat. And I tell you when someone else says that they can spend my money better than I can myself I tell you I lose a few tears too and a lot more people in the province of Manitoba lose a few tears. And it's all right for the Premier to get up and give his holier than thou first paragraph in this here great bible, and I want to read this again. I got a little chapter in a red book I want to read here too. And it pretty well is the same line of thought, that the governments of the day can spend the people's money better than they can themselves. And I want to read this over to the Premier, I guess he read it a couple of times himself before he presented it to the House: "The test of our progress in society is not in whether we add to the abundance of those who already have much, but in whether we provide more for those who have little." That's the way, that's the philosophy of the government, and I'm not afraid of helping the. . . but what did they do years ago, Mr. Speaker, and you can remember as well as I did. People helped other people. They helped their own families, their mothers and fathers. The church helped everybody and everybody donated to the church. I tell you people I've given my share and I'll continue to give my share, I'll tell you yet, but when I have to give 42-1/2 percent to you and then you tell that you're a big man, a big shot, put your hands on your hips and give \$150 to every man, woman and child, even the tenants. That might be all right for you to stand up in the pulpit and on the platforms of every town and every village in the province of Manitoba and what a big man you are. But I tell you the farmers of the province of Manitoba who are donating the largest share this year on your 42-1/2 percent, I tell you the first break they ever got in the last number of years to put a dollar away to pay their debts. And I want to say about a farmer in the area that I represent, went into a lawyer in Killarney the other day and he found out he owed \$50,000 income tax which 42-1/2 percent was the First Minister's share. And he didn't have any money because he'd been paying up his debts over the past few years because of the low grain prices and the low quotas. And let's not forget the record of the governments past. It's just the last 24 months that the farmers have had a decent share of the living. And you might talk about all the people in the cities who are not making a fair or decent living. Let me tell you my farm lost money for about seven or eight years in a row, and it wasn't because I didn't have grain in the granary. I couldn't sell it, and if I did sell it I had to sell it down to Landmark down there to a feed mill because there was no demand. And you forget about it, you're too young, Mr. First Minister, you're too young, you never farmed. I realize that you're born out at the farm at Beausejour, but it's a different thing when you're paying the bills than when you're sitting here in the First Minister's chair collecting tax money from the farmers in the Province of Manitoba.

I'm only speaking to half the people I represent, I'm speaking to half the people I represent and this is the message I'm getting loud and clear, loud and clear. --(Interjection)-- Are you sure of that? Did you ever check into the income tax . . . when he had two jobs, two jobs, you can't do it, you can't do it. You can average under the new system where they started in 1974 or 1972, drop off one year. That isn't going to help the average person that much, help them a little, they helped me \$400 last year but that's only a drop in the bucket when you're buying 35 cent gas and paying all this extra three cent tax. That's the trouble today, Mr. Speaker, our expenses have gone up faster than our incomes and yet when we make a dollar along comes the First Minister and says he's going to distribute it across the breadth of the country to everyone. Well let's leave the farmers a little bit of money to live on. How does he know we won't have a crop failure next year. Does he know I'm going to have a crop in '75. I wish he'd tell me, because if I have a failure and go in the hole in debt is he going to come to my rescue? Not in your lifetime, not in your lifetime. He won't come to the rescue of any farmer. This is what he'll do, yes, take a . . .

Now I want to read from another famous book, "The Constitution of the People's Republic of China". A very famous book, very famous book. I tell you this is an up-to-date article. I got it right from China today, it came in the mail today. Adopted in January 17, 1975, in

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(MR. McKELLAR cont'd) . . . fact their government is actually a little faster than our Government. We got to wait a year and a half to get an annual report here for a given department. They got theirs right out . . . they tell people in every province in the State of China what they mean.

I want to read this Article 9, it's very important: "The State applies the socialist principle: He that does not work neither shall he eat." Neither shall he eat. Listen to that. "And from each according to his ability, to each according to his work." That's very important. "The State protects the citizens right of ownership to their income from work, their savings, their houses and other needs of livelihood." Now let's sort that one out. Maybe China is becoming right-wing to our fellows across the way here. Maybe you fellows have not stopped to think what Russia and China are doing here in this world and socialist states across the country.

MR. GREEN: Mr. Speaker, I wonder if the honourable member would permit a question?

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, would the honourable member agree that when he quotes that and when the Member for Pembina quotes his similar provision, that if they don't work let them starve, that really what they are talking about is Communism?

MR. McKELLAR: Yes. So what's new, what's new. No, I'm not advocating that. I'm just comparing China with you. I got a different - my idea of running a government's altogether different. Let the government stay out of the people's business. Let the people spend their money. And if there's somebody in need you look after them. That's the way we operate over there. You said it was selfish. I don't say it's selfish, I say it's the right principle. That's my form of government. I tell you you don't have to bleed every dollar out of everybody's pocket to have a good government, and you multiply it by 300 percent in six years. I tell you let's stop and think where we're going in the Province of Manitoba. --(Interjection)-- I'd like to tell you what I spent on income tax the other day and I haven't got much disposable after I paid you.

Mr. Speaker, you know it always bewildered me, university professors that go places in politics, because they got an answer for everything. I tell you the last thing we need in here is a university professor. I never got to university, I had to go out and slug it and work, and I tell you I'll do things on my own and make my own living and I'm proud of it too. I'm proud of it too. Mr. Speaker, mention was made in the Budget of the three cents a gallon tax and I wish the Minister for Autopac was in here, because I'd like to tell him a word or two on what's happening in B. C. I don't suppose he knows what's happening in B. C. on that great nationalization of the whole automobile industry in B. C. and also into general insurance. I don't suppose the Minister of Autopac even knows that. I'd like to tell him that they lost \$34 million this year on that great experiment in B. C. and \$2 million on the general insurance business. And if that isn't a lesson to the man on the street, what is a lesson. What is a lesson? They paid out 100 percent of their premiums in claims, 100 percent, and yet they went up and down the streets telling the public of B. C. and telling the public of Manitoba, we're going to save you 15 percent, we're going to put dollars in your pocket. Well I tell you, Mr. Speaker, the truth is coming home to haunt them. And the Attorney-General over there who is the great idea man behind this Autopac in the Province of Manitoba, I wish he'd read this in the Globe and Mail. \$34 million. How long can a company last going \$34 million - on their first year - and yet what did Mr. Strachan in the Province of BC say? - well inflation hit us and the drivers didn't behave that year, they hit the odd mountain going through the pass in summer. Well that's all right, we know there's cars and we know there's mountains and we know there's politicians. And I tell you any more ideas like automobile insurance or general insurance by your government I tell you it's about time that you took a second look at it and went to bed, slept on it, forgot about it, because that's the best advice I can give you. \$34 million. So what's the experiment - Oh the Premier of BC, that great man up there said "We'll give you 10 cents tax on every gallon of gasoline sold in BC out of the 17 cents." The First Minister says, I'll give you two cents for every gallon of gas and every gallon of diesel fuel that's sold in the Province of Manitoba. I'll give it to you this year; then we'll soon be galloping up to ten; we'll soon be up to ten." And then what happens to our highway money for the construction of highways? It dropped down. Something's got to give, so the highway construction goes down. And I've got something to say about that before I finish too. The First Minister, he decides he's going to help somebody out

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(MR. McKELLAR cont'd) . . . .and he's going to put another cent on. You know what the price of gas is out in my area? We don't have gas wars on like you folks have in Winnipeg or Brandon. We've got to pay the right price. It's over 70 cents right now, add three more on - 73 or 74 cents, getting closer to a dollar. Is that the kind of leadership we need? I tell you, pour it on the farmer, pour it on the fellow that lives in the rural parts of Manitoba.

The Honourable Member for Logan said today that he drives so little, he's got to go from Logan to the Legislative Building and back. Well that's all right. That's quite true. I agree with everything he said. "It won't even cost me very much if we put it all in gas tanks." I wish he was living in rural Manitoba - I wish he was -trying to do business, like a farmer, like a politician. I tell you, he'd find out that 40,000 miles a year was very common, very common for rural members of the Legislature who also farm - 40,000 miles a year. --(Interjection)-- That's all right. Are we not important, Mr. Minister? Are we not important? I tell you, . . . you shut up, I want to tell you. This is a fact of life, yet they go up and down the street and you think that where Manitoba ended, the one perimeter highway ended the other, started the other. Manitoba's a lot bigger province than that. Even though 17 of you represent the City of Winnipeg, there's a lot of us that don't; and I tell you, it's going to mean a lot of dollars, a lot of dollars, that extra three cents. And it won't stop there because it will be just a matter of time. Another three or four years it will be up to a dollar a gallon. I can see it coming.

Mr. Speaker, we're told that the municipal governments are going to have to fight their own battles. Fight their own battles. That Big Daddy, who is responsible for the creation of municipalities, is not going to help them other than give them a little extra per capita grant equal to one percent of the total taxables this coming year. The Town of Souris, which I represent, the residential mill rate is over 90 mills this year, over 90 mills; commercial is 120 mills besides the 5 percent business tax. Now, I'd like to ask every one of you who are in business over there to just see how long you could stay in business at the rate this mill rate is going up. I'd like to ask you, each one of you who are in business over there, and I know there aren't very many in business. But you cannot remain in business very long, and I spoke on this in the Throne Speech. The main streets of our towns are very important to the survival of our community, several communities, and one by one you're going to close another door, close another door on that Main Street. And one by one of our communities are going to suffer, and I tell you, you'll suffer with 120 mills on your commercial.

And the Minister of Education, who is sitting here and I hope studying the mill rates of the several communities in the Province of Manitoba, should know that this is pretty small to what many of them are. Many of them are 130 on the commercial mill rate. Many of the towns, the residential are 100 mills. This is common across the Province of Manitoba because the mill rate is going up at least 20 mills this year on school and municipal, at least 13, 14 mills on schools and at least 7 to 8 mills, 9 mills on municipal. And why do the municipalities have to put up their . . . Because of inflation - and government create inflation. Every time they plow the snow on a given street, every time they fix a sewer line, every time they fix a water line, their costs go up because of the increased cost involved in maintenance and repairs. And I admire the municipal men, but they're not getting many pats on the back from the people over there. Not many pats on the back. And I tell you, these are dedicated people in our communities, dedicated people, and let's do something for them. You've got \$1, 027, 000, 000 there to spend. Surely you could do something for the municipalities.

One way you could do something is helping out with the mill rate on education. But the Minister of Education says everything is fair and, well, "I did everything I could this year; I am going to put \$16 million in there and that's it." Well, I tell you, the school boards aren't happy, the municipal men aren't happy, the taxpayers aren't happy, so who's happy? Who's happy? And I tell you, he'll find out when he travels around the province after the session's over.

I'd like to say a few things on highways because, I tell you, this is one thing where in the rural areas we could tell how good a government is. That's the one indicator, the rural areas. --(Interjection)-- Yes, how much construction. I would like to say in 1969, the budget for highways, construction of highways, was \$24½ million. What is it this year, six years later with a budget of 300 percent increase? 29½ million - 5 million increase. Five million increase. I'd like to know what the Minister of Highways is doing about this because, I tell you, \$29 million will not build half as much highways as they did in 1969, half as much highways, because

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(MR McKELLAR cont'd) . . . . of the increased cost of construction. He knows it, I know it, and I tell you, he's not doing his job when he's pleading the cause before the First Minister and his staff who are deciding on the estimates for the Department of Highways. It's not good enough. Our provincial roads are falling to pieces and, I tell you, with the 5 inches of rain that we got this past weekend in southwestern Manitoba, I tell you there won't be any gravel left in most of these provincial roads, I can assure you of that. --(Interjection)-- I didn't say that inflation . . . There's a lot of chaff in that budget could be cut out, a lot of chaff, and I tell you, he needs to cut it down. Oh, yes. But all we could hear is property tax credit - \$100 million. That \$100 million could be spent to a lot better use in a lot of cases; in a lot of cases.

Now there's one subject I want to speak on here while the Honourable Minister is in the House, because we heard a speech from the Honourable Minister of Labour a week ago, and I sat in with the Minister of Labour here a long while. He's five years my senior. He came in 1953, I came in 1958. --(Interjection)-- By the time I finish with him, he won't even be talking. 1953 he came in, 1958 I came in. He sat over here; he sat down here after they got a new Leader - he became the Leader of the Party - in fact, he's the third Leader of the New Democratic Party that I've sat with now - and he lectured us and he lectured us on what good government and what he would do if he was over there. He lectured us often, and one night even in the middle of the morning, or early in the morning, he had a cap he put on trying to embarrass us all, trying to make us feel like our government weren't being fair. Well, I'd like to remind him that 7:30 in the morning is a lot later than 1:30, and we sat here till 7:30. But that isn't the point that I want to make, Mr. Speaker. Never in the history of the 17 years I've been in here have I seen a problem that should have been dealt with in Cabinet or, if the Cabinet won't deal with it, should have been dealt with the caucus and not brought into this House like he brought it in the other day and brought it in last night, trying to justify the position he took. That should have been dealt with in Cabinet, and if you two want to fight, get together and get at it, because you're the two - you're the man he meant. I tell you, you know what would have happened under the former leader that I was . . . ? He'd have had as long as it took to get his bags and get out of that office and go home and shed his tears at home. I tell you, that's how long. It's not right.

Did you ever hear of a Cabinet Minister coming in with a grievance against his own government? That's the last thing I ever heard of. The last thing I ever heard of. I tell you, Mr. Speaker, I'd like to know who's running the caucus. I'd like to know . . . I wish the First Minister had stayed a little longer because he's not providing leadership. He's not providing leadership in this government today. I tell you, if he's going to provide leadership, there is one place to solve fights. We had our share of fights. We didn't bring it in the House. We could have brought them in the House and shed tears over somebody else, trying to win the sympathy of --(Interjection)-- Yes, and to make matters worse, he called the press a bunch of liars. I tell you, the Minister of Labour, I mentioned the other night, should hang his head, should hang his head in shame. And one other reason why I was disgusted with you, was really disgusted, because I belong to an order of which you belong and I tell you, it's not right if I can't have trust in a brother, in a brother Mason, if I can't have trust in a brother Mason, of which there's 13,000 in this province, I tell you -- (Interjection) -- You can grin and talk all you want, but I tell you, there's a lot of Masons who have lost a lot of faith in you in the Province of Manitoba and I can say it right from here. If you want to fight with the RC's, that's one thing; you can fight all you want, but go and fight out there. Fight out there. Fight out in the Cabinet room. That's the place where a fight should be held. That's the place. That's the place.

Mr. Speaker, he tells us he is a senior member and he couldn't get it on his agenda in Cabinet to have a fight with the Premier or a fight with the Minister of Health, so he came in here shedding his tears and his emotions flew and he just about broke down. I tell you, Mr. Speaker, if you ever get up again, once again, and come in and shed your sorrows, I'm going to adjourn the House if I can adjourn it, because that's the kind of treatment it deserves. That's the kind of treatment. We thought you were sincere the other day, that you were going to . . . The press thought you were sincere, and everybody else. We took you for your word. My seatmate here got up after you left and made a speech on your behalf because he realized, he realized the fights that, I tell you, the arguments that go on in Cabinet. There's a lot of

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(MR. McKELLAR cont'd) . . . . arguments go on. They've got to go on.

The Member for St. Johns spoke on your behalf. My seatmate on my left here, the Member for Portage - (did he speak?) --(Interjection)-- Oh, he wasn't recognized. Well, that's fair enough. But this is wrong, Mr. Speaker. Somewhere along the line government's got to learn, just as in a family, just as in a family, brothers and sisters, or parents and children. You're going to have fights, but let's not go out on Portage Avenue and talk about them. Let's not go out . . . We don't have to take the time out of the House to listen to that kind of crap. And I tell you, we won't listen to it again. If you come in here we'll all walk out on you the next time you try that kind of a stunt.

Mr. Speaker, I know I'm getting near the end of my . . . There's nothing much more in the budget to talk about because they've spent all my money anyways. I haven't got any left; haven't got any left. Where is the Minister of Urban Affairs here? The Minister of Urban Affairs, who is in charge of housing. I see where there's \$40 million in the budget for housing this coming year, \$40 million to be distributed across the Province of Manitoba. Now, I'd like to know how much is going to rural Manitoba and how much is going to the City of Winnipeg, where this housing is going to be built, what kind of housing is going to be built, and so on? I was told that Ottawa wouldn't give enough money of their 90 percent share so that the Province of Manitoba could construct enough housing this coming year. But we have \$40 million, and I wondered if this is all Federal Government money or whether this is all Manitoba Government money. But I did a little research on the amount of the Government of Canada, and I'm not going to altogether stick up for the Government of Canada but I wanted to do some statistics on what moneys you're getting from the Government of Canada this year.

Out of the present estimates, the budget, you're getting \$292 million. That's not including housing, nothing to do with housing as far as I know; \$292 million, practically one-third of the total budget is coming from the Government of Canada, and there's a lot coming from Provincial Income Tax which the citizens of Manitoba pay and so on. But \$292 million comes from the Government of Canada, practically as much, Mr. Speaker, as we had in 1969 for the whole budget, but yet who criticizes the Conservative Government of the day for doing nothing? If we had that kind of money in 1969 we could have put up housing, we could have built everything in the North, we could have built everything in the south. But we had to go. We only had \$357 million to spend - 357 million, that's the total sum of money we had to spend. And I tell you, we had more roads, we had more schools, we had just a lot of housing, and you can read it in the report too, and I want everybody to look at the 1969 reports in housing. We built a lot of housing even though the government of the day said we didn't do a thing, we didn't do a thing for anybody. We built a lot of housing, and I tell you, all you had to do is look in the communities of Souris, Wawanesa, Glenboro, Killarney, Boissevain, all those housing was built before 1969. All the housing was built for senior citizen housing. --(Interjection)-- It was so. I can take you, and I was at every official opening too, so I tell you, don't tell me there wasn't housing built because I was at the official openings, a simple fact of life, and it was done with local charitable organizations that raised their share of the money, and I tell you, the people who live in them are quite proud of them today, quite proud of them today.

You know, one amazing thing about this whole Legislature is, well, we've got five members from the North and we represent the North and we do what's right for the North, but not a damn squawk from the North, not a squawk from the North. Hardly a squawk have I ever heard from any of the northern members. If they were so proud of this budget, why didn't they get up before now and speak on it, if they were so proud of this budget? And I want to hear a speech from you because it's about time. You're getting about \$20,000 for saying nothing and sitting down there. Try and get up there and spoke for the North. I am speaking to the farmers. Let's hear something from the North. If you're good members, you'll do that. You don't make \$20,000 sitting on your fannies all year. That's not the way to spend the taxpayers' money. Get up and let's hear what you've got to say for yourself.

Now, Mr. Speaker, I know there's other members that want to speak on this budget and I know they've got a lot to say, a lot to say on what's happening in the Province of Manitoba, and I tell you, Mr. Speaker, I guess if we talked from now to Christmas time we wouldn't change the opinion of the government. But I have no confidence in the government, I have none at all, and it will please my heart when I get up and stand and vote against this budget, really please my heart, because I know there must be a better way of running a country than the way

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(MR. McKELLAR cont'd) . . . . they're operating. There must be better people in this province could operate the government of the day. They're not all in the Conservative Party. There's some in the Liberals, there's lot of good people walking the streets of the Province of Manitoba. And I tell you, with this kind of leadership we're getting, these people walking the streets will be in here after the next election. A lot of people, a lot of good people. A lot of good people.

Mr. Speaker, I only hope that maybe something out of what I said will soak into the members opposite.

MR. SPEAKER: The Honourable Minister of Health.

HON. LAURENT L. DESJARDINS (Minister of Health and Social Development) (St. Boniface): Mr. Speaker, the last words of my honourable friend saying that he hopes that something that he says stays and is accepted by the members of the government side. I would hope that it is not his statement that it is all right to fight between Masons and RC's but not between Masons. I know that there has been a tendency in these last few days for people to --(Interjection)-- I beg your pardon? Oh, he meant KC's. Well, if he meant KC's, that's a different thing.

And there was a statement made, I think that my honourable friend is trying to give the impression that there's been a big battle in Cabinet over the settlement of the doctors, the government-employed doctors. I can assure him that this is not the case at all, Everything is well in Cabinet. I think that you've had a Minister, a member, who is quite concerned to see how much you have to pay a certain class in society to get them to accept certain responsibilities, and he's certainly entitled to say that. I don't think at any time he suggested that this was something that was not agreed in Cabinet. I think that anybody who has the guts to stand up and say what he said - I wasn't there yesterday but I was here a few days ago - should be congratulated. And, you know, I say to my honourable friend that speaks for the farmers, don't worry about the Cabinet, don't worry about my friend and I. Although we don't worship in the same church, we get along quite famously, and getting along doesn't mean that we have to agree on everything, because that's something that we don't do.

I would like to say a few words because there is an awful lot that's been said, about the question of the contract that we're just agreeing between the 70-odd doctors that work for the government, that are employed by the government. They're represented by the MMA, of course, for the first time, and the Government of Manitoba. I can say that, first of all, the wages were very generous. I think that we would all agree, and there again I think that all the members of the Cabinet felt that we went a little high. We went a little high. Why? Because we were very anxious to have a settlement, to get down to business. We had a situation where some patients were not getting the care that all the members of this House would like to see them receive. And also, I think the main reason, that no matter how we look at it we have to be able to compare wages with other provinces, and this is a problem that you have with the medical profession who are trying, like everybody else, to get as much as they can, make no bones about that.

This problem exists in all provinces. This is not a battle between the medical profession and the New Democratic Party; it is done in every province, and if you've been following the papers, the newspapers not long ago, you'd see that they're having problems in Quebec now. And I think that there's only one way that this can be solved, when the ministers, the people responsible for the government of the different provinces, the ten provinces, will get together and try not to compete, because this is exactly what we are doing in this country. We're competing for certain jobs, for certain people that we need. I think that when this is done that you will have a fair distribution of doctors and that you will have not only so many doctors for the population, figuring out the population of the province, all stationed in the capital city, or the City of Winnipeg and Brandon, but you will have, you will be able to live up to the agreement that you made with these people when we decided that we would have a program of Medicare, and at that time, if you remember in those days, that the people were paying premiums and there was a contract, and I don't think that the government of the day, nor this government, was living up to this contract because we weren't in a position to deliver the service that we should. So I think that this is very important and this is something that the government will do its utmost to rectify.

There has been this business of - and I think I should mention that because that misled

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(MR. DESJARDINS cont'd) . . . . a lot of people - there's been this question of contracting out. A very large group of doctors were under the impression that that was the same as opting out and that the government wanted to introduce measures that would prevent people from opting out - that is, that they could not work outside of the government-sponsored plan. Of course, as the members of this House know, this is certainly not the case at all. This is not something new that the government introduced; this is something that . . . it's been there for, ever since the provinces came to life. This is something that the people who are managing the affairs, the political affairs, the affairs of Manitoba, certainly must be in a position to manage, and they reserve the right to hire people on contract. Now this is something that every single government is doing and this is something that the Province of Manitoba intends to keep and will not surrender that right to any group of people, because we don't feel that there is any group that should be a privileged class in society. So this is something that I'm glad to say that we were certainly all agreed with, that we would resist that, and this is what happened and nothing has been changed, Mr. Speaker.

As far as the question - there was another point made about the residents. Well, we've tried to keep some of these people here. It's very difficult. There is a shortage, I was the first one to admit it and we're going to have to find other ways to try to be able to change the situation to see that we have enough doctors, and especially in the area of treatment of mental illness and so on, this is the case. We've had people that a few years ago were considered . . . if you remember, they were the interns who were getting practically no pay at all. They are residents in the hospital. Now they are receiving from the hospitals, these residents, through the university, they are receiving approximately - I think it starts at \$8,500 to about \$10,000 or so.

So the government said, to try to retain these people here, the people that were training to be psychiatrists, they said to them that we'll enter a contract with you and we will guarantee you, we will give you the difference between what you're getting now through the hospital and the minimum, the starting salary of a Medical Officer I, which was \$19,500. And, of course, since then, the Labour Board has accepted, has recognized, certified the MMA as the people that would do the negotiating for this group, and of course they start negotiating these contracts and we agreed to increase the M. O. I. And the M. O. I, because we wanted to attract good young doctors, we've increased to \$27,500, and there is no way that we ever intended that we have those people who would just not work for us at all, they would be paid for the work they were doing at the hospital, would not work for us at all, would have an increase of \$7,000 just so they would work with us when they're finished. That was never the intention and that is something else that we resisted.

Now we are ready to say to them. "You will stay on the same contract, but whatever increase will be given to the residents in university, this will be passed on to you." So, for instance, if the increase instead of \$8,000 would go up to \$10,000, well we wouldn't say \$10,000 to \$19,000, we'll just give you the \$9,000 instead of \$11,000. They would get the same amount, so they will get that increase. This is a bursary system and that's all it is, so there is no . . . Mind you, we don't feel that they should be represented by the MMA, and this is in front of the Labour Board also.

The question of security. Well, there was no clause, no added security that the medical profession received. It was just the repetition of what is already in the Act covering any civil servant. Mind you, I don't think that this is such an issue. How could it be? Because just a few weeks ago we were told that we were lucky to have these people here because they could all leave the province and make about twice the amount of money that they were getting here. So I don't think that there's too much fear there.

Now there's a question that was mentioned and I would like to try to straighten this thing out. There's been the question of a group withdrawing their services. And the attitude of the government and my attitude on this is that this is something that everybody has the right to do, especially when you are a free enterpriser and you are self-employed, that you can work if you wish or you can withdraw your services. But this is something that they must accept the responsibility. In this question - and I'm no longer speaking of the 70-odd doctors that work for the government, I'm talking about these 1,200 or so that are self-employed - I think that there is no doubt that they are working for their patient and if they withdraw their services they are withdrawing their services from the patient. The government, and I think my friends

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(MR. DESJARDINS cont'd) . . . . to my right are the first ones that would say that they don't want the government to take over the medical profession. There is no doubt that they fought for the right to be able to opt in or out of the plan. That is accepted. They've also felt that they wanted to retain the patient-doctor relationship. This is what they have now, and they must accept those responsibilities. And furthermore, this is a profession that has requested the people of Manitoba, through their legislators, to have the right to license themselves, to set the standard of care, the ethics of the profession, and have talked about reprimanding their own and disciplining their own. So I think it is quite clear, then, that that can't be changed every week. If this is their responsibility, it has to be their responsibility at all times. So we recognize, we are very concerned if any time the medical profession decide to withdraw services, but we will not accept the responsibility and we'll not look at it as if they are withdrawing their services or striking.

Now, these 70-odd doctors, we have a responsibility because we have an agreement with them, and if they go on strike, this is their right and it's recognized and then you have to negotiate. But the other people where the government is, in effect, an insurance company, the government has said, for instance, and we've started a new Pharmacare program, and we've said, "Well you're going to pay the first \$50.00 and then you're going to pay 80 percent." Now, the druggists could say, "To hell with that. We're going to withdraw services if you don't pay for everything." Well that's the responsibility that they have. And you might have the guards at Stony Mountain say, "If you don't give us what we want, well then, we'll open the gate and . . ." It's a free-for-all; they could all leave. So I think that you will agree and I think that you know what happened in the pirates of the air, where the people have been taking over planes and saying, "You empty our jails or we'll use these people as hostages." Well, I'm saying that we will not agree to that and we will not let this happen and I'm sure that I'm getting the support from everybody across the street and so on, because you believe in law and order and you believe in this kind of a system of government. And there is no way that if you work by threats you can have this kind of government.

Now the people certainly have the right to show their displeasure with the government. Now you might have some people that . . . Well, in certain countries they pour gas and then light a fire or something. This is the way of showing their displeasure at times. Other people will give away meat in front of the parliament buildings and so on. And this can be done, and I recognize that. But their actions, they must accept the responsibility for their actions. So this is what we're saying very firmly at this time, that we are concerned but we will not let patients be used as hostages, we will not negotiate with a gun at our heads. And this has got to be clear. There's no mistake about that at all.

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(MR. DESJARDINS cont'd)

Now there's been some discussion also, and I think very unfortunately, I was the Chairman of the Manitoba Health Services Commission and I was the first Chairman of the Consultative Committee. And God knows how much we bent over backwards to try to make this thing work. And I must confess my weakness. At the time, I was so worried that we would be told again, "See, the NDP government cannot work with the doctors," that you know, I really bent over backwards to make it work. And we've had some pretty good meetings. I remember the first meeting. I brought those people into my office and I said "What is it going to be? We have a contract. We can live up to the contract and it won't mean a damn thing. It will be a loss, a waste of time for you and a waste of time for us. Or you can be as far as my phone and I can call you when I need you, and we can discuss a certain thing confidentially, and we can do away with this name-calling, sometimes we can have some joint statements. And we can even meet on weekends, meet with our wives and that, so we get to know each other. And this was accepted. And in all the time that I was at the Commission, there wasn't one statement made about the MMA. But unfortunately, as soon as we got used to a President, a President of the MMA and so on, there was another one, and it seems that the first requirement, it seemed, would be, who can kick the government the best? Who can criticize the most? And, unfortunately, this is what's happened, that we've had statements about Misericordia Hospital, and I was looking at the clippings, newspaper clippings, and the MMA is not acting in good faith and so on. Then when we talked about that in the Consultative Committee - "Well, we didn't really mean that." But it was said. So this is what I'm saying.

Now this is not going to happen again. And I would like to say, there was an agreement. As I said, the government bent over backwards and they had an agreement signed between the MMA and the Manitoba Health Services Commission, and the intent of that - and I'll quote right from this agreement, - is this: "General purpose. The intent and purpose of this agreement is to promote co-operation and understanding between the Commission and the Association, and to recognize the mutual value of joint discussions in consultation about any matter within the jurisdiction of the Commission relating to or affecting medical practitioners who are practising their profession in the Province of Manitoba." And I believe in that.

But I've learned a lesson: that you cannot legislate co-operation and understanding, and this is what we tried to do. And we're not going to do that again. And if I seem hard, I would not want to give the impression that I don't want to work with the medical profession, because I do. But I think I've proven that in the past. But I say work with them, not be threatened by them, not be insulted by them constantly. And if this is the only way, then I'm not interested in working in that kind of an atmosphere. I haven't got the time.

So I'm saying that this agreement did two things mostly. It talked about a schedule of fees, and it was accepted. There has been an Economics Committee of the MMA that has met with the Commission. I don't think there's been too many problems. And on the Consultative Committee Branch there has been some discussion as to plan. Well, unfortunately, the doctors, the members of the MMA, are giving full mandate to their executive when it comes to try to get increased wages. I don't blame them for that. I'm not being critical at all. But the very nature - and again I'm not being critical - but the very nature, the make-up of the MMA, will not make it possible to plan in the real sense of the word. And I can tell you why. I'll give you an example. I have the minutes of the Consultative Committee. At one time we had invited some doctors to come and talk to us to let us know their views on the way they should be paid and so on and the Executive Director of the MMA was absent at that meeting. But then when he came back, all of a sudden all hell broke loose and these people weren't going to come. We were told that the MMA had changed their mind, because they thought you shouldn't consult because you're going to weaken your position when you start negotiating and we're going to negotiate for these people. That meant that where we had an idea that we were going to work together and co-operate and try to diffuse these issues so the public wouldn't be under the impression that doctors and government had to fight, that that was part of the rules of the game. That we weren't allowed to talk to these doctors at all. Then there was a question of course, you know, some people said they wouldn't want me to take out their appendix. Well I wouldn't want to try. I'd like to take something else out of certain people but not their appendix.

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(MR. DESJARDINS cont'd)

But I might say - I'll give you another example. That there was the question of the Seven Oaks Hospital. There was a debate, should you have an Obstetric Ward, and the advice that we were getting well - at that time it was going to be only 100 beds - it wouldn't be practical. I went to the MMA and I said, all right we have a political decision to make but it would be a lot easier if we had the advice of the medical profession to see if this is done. And again I don't blame the MMA, I'm just saying that you can't plan with this group. I didn't say the medical profession now, remember that, because I'll get back to that - I'm talking about the MMA. And my answer was well - oh boy, you know, no, no that's dynamite we can't touch that because the specialists do not agree with the GPs and the rural doctors will not agree with the city doctors. So there was no decision made at all, so therefore we couldn't use that and go to the then Minister of Health and say, you know, the medical profession and the commission feel that this is ridiculous and we can't, so those things had to be built solely on a political decision. So then I said, they said, well when could we be plugged in, and I said I'll tell you what, whenever we have any committee that is preparing something for the recommendation to the Minister we'd like to plug you in right here before the Minister even finds out. They said, "Well that's kind of dangerous, because if he says something as a member of this committee it might be taken out of context or he might say something that will not be approved by the executive of the MMA or might not be approved by the total membership of the MMA. We planned like that." In other words, what they wanted to do is get the information, work amongst themselves and then come in and have the veto power. And there is no way, nobody in his right mind, even this government will purposely give ammunition to somebody that has got one thing in mind. So I'm saying that the MMA is serving a real purpose. They're looking at the economics, they're looking at what it's going to mean to the doctor and so on and this is fine, and we will consult with them, we will talk to them about those things, and we will negotiate with them where they represent this group. Mind you I think it's a very odd situation. I agree that, I cannot see . . . you know if this is the case . . . visualize a situation where all the architects that work for the government, all the architects that are working on their own, decide that we will represent the five architects that you might have working for the government and they decide what's going to be done, and besides that they say you can't hire anybody on contract. Then the chartered accountants they might start, and then the social workers. And I don't think that any government can work like that. So I think that this is very difficult.

Now I might say that if they say that the MMA didn't do too much planning, we've had some on committees and so on and if they've criticized that, let them say at least, let them say the MMA, let's not for one minute believe that it's the medical profession, because we've gone directly to doctors in the private field who had expertise in certain fields and they've worked on many of our committees. We've hired medical consultants and so on who are working, we have many of them, and now we've re-organized the department where we could have a Chief Medical Consultant who will try to work as a team with his doctors and give as much contribution as possible. So we very much wish to take advantage of the knowledge of the medical profession as such, but the MMA, the people that are interested mostly in economics, we should discuss economics with them but we are not going to be paralyzed and we are not going to give them ammunition for them to fight us. So I think that this has to be made quite clear.

And there is another accusation that was made. It is that the government made a declaration of policy and it was said in this House and I think it was repeated by a member that we didn't live up to our agreement at all. And what they were talking about is the letter that was written by, Mr. Toupin was the Minister of Health then, and I think the letter was . . . it was December 11, 1973 and it said "Declaration re Manitoba Government Health Policy", and because the accusation was made I'd like to refute this at this time and tell you that this is the commitment that the government had, and I quote right from this letter: "Without restricting the generality of the foregoing the Government of Manitoba herein undertakes that with respect to the items herein before enumerated." And I'll come to those. "Changes will not be made in the health policy of the Province of Manitoba without notice being given to the Manitoba Medical Association and without the Association being given a reasonable opportunity of making representation concerning the proposed change." And I'll enumerate those because that is the list that is in here.

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(MR. DESJARDINS cont'd)

The first one, "Medical practitioners in the Province of Manitoba shall continue to have the option of practicing on a fee for service basis." This I would like to say, Yes please fight for that because that's what we want.

"Medical practitioners shall continue to have the option to collect their fees directly from their patients by opting out of the Health Service Insurance Plan in accordance with the present practice." No sweat, this is exactly what we want. We agree with this. There is no change.

"When a person received medical service from a medical practitioner not participating in the plan, such a person shall receive as reimbursement for such services not less than the amount that would be paid by the Manitoba Health Services Commission to a physician participating in the plan had he rendered such services." Absolutely no change, nothing.

"No coercion, intimidation or undue influence shall be exercised against members of the medical profession by the government or by their fellow practitioners." Here I would just like to underline the last few words, "Or by their fellow practitioners", and we would say again, hurry that's what we want.

"The College of Physicians and Surgeons of Manitoba shall continue to have the responsibility to supervise and enforce standards and ethics of medical practice." They are fighting for that. This is what they want. This is why I think that I'm on solid ground when I'm saying, well if they withdraw service these are the people responsible, these are the people that they should deal with, and of course their patients. We don't want to change that.

"Subject to existing law the government will impose no additional obligation upon a physician to render medical service to any person." That's right, we're not going to force them to work.

"The Manitoba Medical Association is entitled to have it's own code of ethics and is entitled to incorporate the code of ethics of the Canadian Medical Association for its use. It being fully understood that the Government of Manitoba is not bound by nor responsible for the enforcement of the said code of ethics and the said code of ethics shall not be binding upon the College of Physicians and Surgeons of Manitoba." Again that's what we want, no change, and so on.

I think maybe I would like to enumerate them, because I think it would have a good effect, but my plane will be leaving pretty soon, I've got to go and represent Manitoba in Ottawa on the welfare question to satisfy my friends, get a little more money and to see that we have a policy that would encourage people to work a little bit. So I think that probably - well I was going to table it but I know that everybody at the MMA has it but I have no objection --(Interjection)-- they all have it? Okay.

I think that is quite clear, that we will live up to this, this deals with the doctor directly and we will not change this without talking to them, giving them an option to discuss.

Then there is consultation, and this is what he said: "The widest and fullest degree of consultation will be encouraged from various sectors of the public in relation to health care policy. In this regard the Province of Manitoba particularly desires to be receiving the advice of the Manitoba Medical Association and herein invites the Association to provide such advice as the Association wishes from time to time to offer concerning health care policy in Manitoba in respect of the matters hereinbefore enumerated in respect of any other matter. (b) the Government of Manitoba will continue to seek the advice of many other health professional or para-professional bodies in other organizations in matters of health policy and invite periodic briefs and representation from such groups." This is what I want to do, and this is what I said, that we will try to get a little closer and get an input from the College of Physicians and private individuals. And this is what we want to do. I don't think that any of you would want to fault us for doing that.

Now what's going to happen, and I welcome this chance to explain because I think that the way some of the articles were written and especially today about that "Desjardins said that we'll never negotiate with the MMA again", I think that has to be understood. My point is this, that where there is a negotiation where the two parties have to agree and that there's going to be threats and so on, we have to face that when we deal with the 70 doctors that work for us, but not in the schedule of fees. And this is what I mean when I say we will never negotiate like this again. We will consult, more than ever I hope that we will be able to hire the proper

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(MR. DESJARDINS cont'd) . . . . people in the department, because it is getting to be a big department and we're dealing with a lot of people that are working in the health field so we want the expertise to be able to get the information to maybe an economist, we want to see what's going on in other provinces, and we will be ready and we will try and get the best possible schedule of fees. Because we are interested, we want to make this thing work and we will consult with them. But the word here is "consult", we will let them show us where maybe this is unfair and so on, we can have this thing going on continually, not just at contract time.

But the point that I want to make is once that everything has been weighed and looked at, including what the people of Manitoba can afford, and what this government states that this will be the schedule of fees, well then there is no reason to go on strike and withdraw service and we won't even recognize that. We are saying this, that either they will - and that's the only agreement because we're a third party, we're an insurance company - and where they say that they will accept whatever we give them as full payment - if you remember right, those that were in the House a few years ago, that that schedule is supposed to be only 85 percent of their schedule. So add on another 15 percent if you want to know what they're getting, because these people have no bad debts and they don't have to collect and so on. This is what the government is doing for them. So I'm saying then, if those people after - it will be the best that we can find. We certainly don't want to antagonize anybody and certainly, especially this government wants, we got all the premiums out, we want to be able to say "we're paying for the full shot." But, if, after we've reached, and we've said, this is our schedule, any member of the medical profession says no, well there's no way that they're going to get away like they did two years ago, "We're going on strike". Because the next step, they say, no let's go back to this free enterprise system that we love so much, we want, let us start billing our patients, and this is what they will be expected to do.

So this is the only thing that I - Oh and I think that it's this, I think that we had to show, that the Minister had to be firm, I think that we had to call a spade a spade, and I intend after my estimates probably to call the President of the MMA, get together with them and probably invite the press at this meeting to just iron out the kind of relations we would have, and they will decide. Because it is in our advantage to talk to them, we want to talk to them, but never again are we going to work under threat, never again. Well never again, as long as I'm Minister of Health anyway, this is not going to be acceptable. This is too big a department, there's too much work done, my estimates will probably be a real fiasco because I know so little about the department, that I haven't got the time to do that. I admit it, Mr. Graham. Some people don't. --(Interjection)-- No, no excuse, I'll take care of myself, but I think that that took an awful lot of time. So I hope that this will be understood by the medical profession and by the people of this House.

I have no criticism about the members of this House because I think that they wanted to be sure what this was all about and I think they were fair. I can say that I have no regrets at all for placing that ad in the paper. I tried, first of all I tried every possible way and maybe I'm gullible, I tried to have a press release I was criticized for that - not a press release a press conference. I made a statement in this House I was criticized for that. I just don't know what to do to give you the information. On the 10th of December every member, including my friend the Minister of Labour, knew exactly what we were going to pay because we didn't - the 10th of April - because you received a pack, everything was in there. But I'll tell you this, from that day and the next day when we put the ad, then you know what was said. "Money is no object, the Minister is trying to pretend there's money." I never said anything. And that did it. When the people saw the ad, saw where they were getting the increase they were, in fact I think that's where my friend the Labour Minister woke up and got so mad about that time. He should have known before but this is what he thought, so I don't regret that at all, and I feel that I did what I had to do because I was working for the people of Manitoba on this. So I don't want . . . Well I want to say a hell of a lot more but I haven't got the time. I've got six minutes, I won't take six minutes.

There is something that I'm a little disappointed, because the members that were here when I was in opposition remember, in fact my friends in the Liberal party used to call me the 20 percent kid. The one thing is the owner's equity, and I didn't hear anybody mention the owner's equity, and I hope this is something that didn't escape you, because we are.

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(MR. DESJARDINS cont'd) . . . . Somebody's made - I think the Leader of the Opposition, his amendment is something we're not looking at the field of health and education and so on. Well there won't be this 20 percent, the final - at what date, when the cut-off date, this has not been settled, but the 20 percent will be paid by the government. The public health, this will be done at least in the rural points, the city is doing that themselves. Now if they want to discuss that with us we will do it. There's been a lot of programs but I've got to keep a few things for the estimates to show that at least I have some idea of the department anyway.

So, Mr. Speaker, I welcome this chance and I hope that I set this question of this liaison, relationship between the doctors and the Minister of Health and the Government of Manitoba, and I will seek full co-operation, but as equal, as businessmen, as intelligent people and certainly not under duress. Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: It's a question, Mr. Speaker. I wonder if the Minister would accept one question? Is the Minister not asking the medical profession to play against what in effect is a stacked deck in terms of future negotiations. He has said that he is assuring them that there is going to be consultation and that they're going to get the best kind of proposition possible, but how is he going to be able to guarantee them that. Perhaps he can establish a rapport of excellent faith between himself and them but what about the future. Is he not asking them to buy a blind package here?

MR. SPEAKER: The Honourable Minister of Health.

MR. DESJARDINS: I'm asking for co-operation and trust, of course, and I think that's how intelligent people can work. But it's not a stacked deck. First of all, like everybody else if they don't like the programs, because those are programs, they can do their utmost to defeat this government, like the insurance company did. They can spend money, they can do everything they want. They can call a meeting once in a while and withdraw service that will not be dangerous, to point out to the people that they don't like this government. That is what they do. And then we're also on the spot, because there is no way that we want the people - and this is why I wanted to straighten this thing out. I'm not inviting them to opt out and I would imagine that the MMA itself will not be able to convince their people that they should opt out if they're fairly well-satisfied. So we have to come up with something that will compete or they will opt out, and then there will be egg all over our face. We'll be in trouble, because we don't want that at all and this is what's going on in Quebec. But I want them to know that once we've done that, we've reached . . . This is what we're doing, my honourable friend, this is what we're doing in any other programs. Some people don't like . . . You don't have all the teachers withdraw because they don't like our programs because we don't pay 100 percent of the education costs. They might fight like hell and they'll work against and they'll withdraw when it's the contract, but the policy is the policy of this government. I'm sure that my honourable friend is not suggesting that you allow an association or a group to be powerful enough that they're going to dictate the policies of the government, because then forget it. Forget it. It's utter chaos. They have means; they can get rid of this government and so on, but once the government is elected, any government, and they have the policies, they are responsible for these policies.

MR. SPEAKER: The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, I want to make a few comments with regard to the budget at this time, and I do intend to keep my comments more or less concentrated on the items contained in the budget as we heard it from the government.

First of all, Mr. Speaker, I want to say that the document we have received is an interesting document. It provides extensive statistics, provides us with a lot of valuable information, but I also want to say that this year, more than any other year, it's difficult to compare budgets like they've been compared in the traditional sense. Over the years we've been accustomed to thinking about budgets, whether they're a balanced budget or a deficit budget, and very seldom do governments ever have a budget where they're in a surplus position. But what we find now in the rapid escalation of inflation during this period, is that you really can't any longer look at a budget in the traditional terms, because if we look at this year's budget and say, well, there's a \$6 million deficit, it tells really only a very very minor part of the total picture. So it's not adequate to say it's a deficit budget, because \$6 million no longer really means very much in the size of budgets that we have, and had it been \$6 million surplus,

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(MR. CRAIK cont'd) . . . . . there wouldn't really have been much point in saying that it was a surplus budget, because again it really doesn't mean very much.

I think what is the important thing to realize is that governments do not appear to be able to budget very accurately during this period of inflation, and if we look at this one here, this budget in particular, probably one of the best examples is that last year the government went into the year carrying forward \$45 million from the previous year. In addition to that, they had nearly \$50 million in Special Warrants over and above what they budgeted for, and then carried out of that year \$45 million into the coming year. So when you look at it in reality, they erred in their budget last year by \$95 million, so \$6 million here nor there, in trying to say whether a budget is balanced or otherwise, really isn't important. But the important thing is that the government took in last year \$95 million more than they planned on taking in, and carried forward into the coming year that extra 45 million.

Well, Mr. Speaker, you couldn't help but listen to the First Minister's comments, and my first reaction was, well, you know, things really are surprisingly balanced, much more so than I would have thought. And then the First Minister made the comment that we should not be optimistic about the coming year, that there were storm clouds on the horizon; that the Canadian economy was in difficulty and Manitoba's might be too. It's only after you realize, look at what happened to the budget last year, that you really get the full implication, because if the economy levels out and you don't get these windfall gains like \$95 million in one year, all of a sudden your provincial budget is in real trouble, and that is that if suddenly the inflationary spiral stopped and suddenly the taxes, the escalation of people into the personal income tax brackets stopped, all of a sudden the Provincial Government would be in some difficulty and we could have a deficit budget that was 10 or 15 times as high as the deficit that's predicted here.

Now it doesn't necessarily mean we go bankrupt. It simply means that in this period of inflation we can't even budget, apparently, to within ten percent, and by traditional standards that's a long way off to be on a budget. I'm sure than any person in his family household that was out by as much as the Provincial Government is out in its budgeting on a yearly basis, they would be having marital problems in no time at all in trying to manage the family budget. So even the housewife of Manitoba know that you have to budget closer than ten percent if you're going to end up without piling up untenable bills at the end of the month and at the end of the year.

Well, Mr. Speaker, I simply want to point out that this is a strange budget more than anything else, because we're in a strange period of time. The traditional yardsticks by which we would look at it are no more. They do no longer exist. Deficit budgets, surplus budgets, you know, just don't mean a thing. What it means is what's going to happen to the inflationary spiral is the whole governing yardstick for the next year, and if the inflation carried on and government can net more money next year - and I see that out of personal income tax the plan to take in an extra, whatever it is, \$60 million, \$50 million, for personal income tax - then it must be, Mr. Speaker, that they do plan on this spiral to continue pretty substantially through 1975-76, because that's a lot of dollars of increase - \$60 million, somewhere of that order.

I also noticed in here that the public debt has gone up by 150 percent, and this is a figure that wasn't isolated out by the First Minister in his remarks. In the budget, the public debt has gone from \$10 million to \$24 million, a very substantial increase, and that, Mr. Speaker, doesn't include any provision for some of the very substantial losses that the MDC has sitting on its back door, and particularly with regard to CFI. As a matter of fact, I would want to, I think, ask the government at this stage of the game why the absence of provision specifically for recapitalization of Manitoba Forest Industries, Manitoba Forest Products. There's no statement of it in the Budget Speech, neither in the Capital Estimates is there adequate funds provided for the MDC to make any substantial change in the present capitalization of the CFI or Manitoba Forest Products. The Minister of Mines and Natural Resources says it's coming. If it's coming, Mr. Speaker, it's not indicated in either the Budget Speech or in the Capital Estimates that have been provided to us. And while on that topic, Mr. Speaker, the relative calm regarding the CFI issue is one that's unusual at this stage of the game, regarding not only the capital structure but the question of why charges are not being pressed with regards to the findings, in part, of the CFI Inquiry Commission. Why the strange silence regarding the pursuit of the charges that should logically have been laid pursuant to the investigation?

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(MR. CRAIK cont'd) . . . . . Surely this topic, with the financing as well as the charges associated with the inquiry, must be pursued.

MR. GREEN: The charges were laid a long time ago.

MR. CRAIK: Well, Mr. Speaker, I'm talking about the questions that were raised probably the first week in the session by the Member for Portage and the resulting reply by the Attorney-General at that time, and I'm surprised to hear that there hasn't been more action since that time, nothing substantial.

Mr. Speaker, I also now at this point want to deal with the provisions in here and the reference to Manitoba Hydro in part. I think one of the other interesting tables in the budget here indicates the investment in Manitoba. I think it's important to point it out because it points out the particular position that we now exist in here in Manitoba as far as capital investment is concerned. Total capital investment in 1974, Mr. Speaker, is listed as \$1,797,000,000 or, say, \$1.8 billion, and of that the utilities, including Manitoba Hydro and substantially Manitoba Hydro, recalling that last year we passed a borrowing authority of 600 million; in 1974 the utilities investment shows 564 million. Now, to say that that is substantially Manitoba Hydro, most of it would be, which indicates that one-third of the total investment, the new investment in Manitoba in the last year, has been by our utilities and principally Manitoba Hydro, because there's been little if any expansion in the gas system, which is not a government-owned utility. So that's nearly all Manitoba Hydro. Also in that, the institutional services and government departments' investment is \$263 million.

Now you add those two together and you have a total of \$827 million, and that's getting pretty close to one-half, between the government expenditures and Manitoba Hydro and Manitoba Telephone System. You have nearly half of the total investment in Manitoba in 1974 provided by government. The private sector and other capital investment - and I don't know what the other capital refers to here - comes to \$969 million.

So we have a picture here that has changed pretty substantially over the years, where the private sector investment is smaller now in relation to the total investment than it was at one time earlier, and one can't help but ask the question, realizing that Manitoba Hydro is a capital intensive business, particularly in water power, what happens at the end of the period when we start tapering off from the massive constructions programs in the North? Right now, you can see the distortions that are taking place in the economy in the construction industry - 4,000 or so people working on construction jobs in the North. There's a mass exodus at the moment of workmen from the Winnipeg area to the North on the Hydro projects because of the pending strike coming up, the fact that there's no binding agreement that requires those on contract in the North to honour a strike in Winnipeg but provides those that go now to the North with a secure job during the period of the strike here, and I say "pending strike", Mr. Speaker, because it appears that within a couple of days we are headed, in the construction industry, into a pretty substantial disruption. Well, capital-wise we have a very heavy dependence on what's happening by government decision in relation to the investment in Manitoba, nearly half of it, 40-odd percent, now in the hands of the government either through their direct investment, line department, or through Manitoba Hydro principally and, to a lesser extent, the Manitoba Telephone System.

Also, there's another very interesting comment made in the Budget Speech by the First Minister, which deals directly with another issue that's before us, and that's with regard to whether the Public Utilities Board of Manitoba has jurisdiction over Manitoba Hydro rates as it does over the natural gas rates, with the natural gas being distributed by the private companies in Manitoba. And oddly enough, the statement in the First Minister's speech asks you to wonder whether it was written by a speech writer or whether he intends it to mean a matter of policy. And he's referring here to the oil companies, and he says: "The major oil companies are already attempting to lay claim to a larger share of our nation's financial resources in order to extend their exploration and development activities. Our government does not dispute the need for expanded oil supplies, but we believe that these supplies should be developed through a system which will cause the least possible disruption to our economy and the least possible burden to the people of Canada."

And here, Mr. Speaker, is the important statement: "Such a system would involve the application of utility-pricing principles to oil just as they are already applied to hydro electric power and natural gas." Well the contradiction here, Mr. Speaker, is that the government has

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(MR. CRAIK cont'd) . . . . been much less than willing to allow the Public Utilities Board to control the price of hydro electric power in Manitoba. They have resisted for the last several years, and resisted this year very clearly any possibility of the hydro having to go to the Public Utilities Board for an example of its rate structure with regard to hydro rates. But still, it says here, the First Minister says "just as they are already applied for hydro electric power and natural gas." Now we've said here that we feel that Hydro should have to go to the Public Utilities Board to have approval of its rates, and it should give plenty of advance notice to the Public Utilities Board, who in turn can give some forewarning to the people of Manitoba of what is happening to hydro electric rates in Manitoba. And, Mr. Speaker, if this now means that the government is willing to have hydro electric rates referred to the Public Utilities Board, we would be in complete agreement with them, but if they're not, and they intend to use it as a precedence to require oil companies to go to a Utilities Board for justification of a rate structure, then certainly it's not a fair or bona fide comparison, because at the present time they do not require Hydro to do so.

Mr. Speaker, also in relation to Hydro, I want to point out the interesting sequence of events that have happened and that one can't help but observe in listening to the Premier's statements over the last few years. He, in his speech the other night, tended to again portray this picture of the Opposition somehow trying to throw, as I think he said, sand into the gears of Manitoba Hydro development, and how they somehow were nitpicking over issues of small amounts of money, and generally causing and preventing the cause of greater advancements of hydro electric development in Manitoba.

Well, Mr. Speaker, let's state in no uncertain terms that the position of the Official Opposition has always been to press ahead with hydro electric development. Let's not forget that the position that the First Minister is now trying to take, that of sort of the paternalist attitude of the person who has developed and protected the development of hydro electric power in Manitoba, harkens back and reminds you of the sort of legitimate stand taken by the former First Minister of this province, Mr. Roblin, who, along with Hydro, developed the initial scheme in 1966. But somehow the First Minister wants to sort of erase that history and say, you know, "We're trying to protect this massive and good development of renewable resource for the Province of Manitoba."

The position that we have taken, Mr. Speaker, consistently has been that we think that it has been undertaken and changed, changed to a new undertaking that has cost the people of Manitoba unnecessary hundreds of millions of dollars, and we refer specifically to the changes that were taken in the Churchill River Diversion, which we think went beyond where they had to go, and we refer also specifically to the waste of money with the development of the control of Lake Winnipeg. When we were first told of the Lake Winnipeg development, it started out in the order of \$50 million, it then went to \$97 million, it then went to over \$100 million. It's referred in the Water Commission Report to \$68 million, and, Mr. Speaker, we now find it at \$270 million and we're also advised by the Chairman of Hydro that that is not the final figure, it will go higher than that amount as well.

That is the opposition, the criticism that we have of the government's handling of Manitoba Hydro. Why would we, in any way, attempt to throw sand in the gears of the development of Manitoba Hydro per se? We simply are trying to tell the government that the sequence of development that they have undertaken during that period of uncertainty for the first two years after they were elected, has cost an amount of money to the people of Manitoba on their Hydro bills that is unjustified, and we put that figure in the order of an unjustified amount of \$300 million. And, Mr. Speaker, if the First Minister calls opposition to that waste of money as being nitpicking, then I'd like really to know how much money in the budget is being wasted elsewhere if you can turn a blind eye to \$300 million, such as has been done here, just to satisfy your own uncertainty and indecision in the first two years after taking office, because that is essentially what's happened. That is the point of argument with regard to the Official Opposition in relation to Manitoba Hydro.

Nobody has ever questioned the necessity of developing a renewable resource. We said this long in advance of the energy crisis or crunch that was hitting people of Canada and the Province of Manitoba. We always said, even in the days when nobody thought of shortages of gas and oil and other forms of energy, that it made sense to harness a renewable and natural flow of water. Mr. Speaker, we realize the capital investment is high in this development, but

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(MR. CRAIK cont'd) . . . . it's still worth it. But we don't think the capital investment should be \$300 million higher than necessary. At the present time, this will and does represent a substantial load on the people of Manitoba.

Mr. Speaker, I also have some other questions with regards to the comments made in the budget. First of all, in the changes in the succession duty that were announced, I noticed in the budget that the money taken in from this gift tax and so on is only \$5 million. I notice last year it's \$4 million and, if my memory serves me correctly, it's been somewhere in that order. It doesn't appear to have changed over the last several years. I'm sure that if I'm not correct in this that I'll be corrected by the Member for St. Johns who brought this bill into the House at one time and changed the gift tax and succession duty setup. Question No. 1 is, if there hasn't been any increase in the amount of money taken in by the government from these changes in the laws, what has happened to cause this? We've seen a doubling of the other taxes in the same period of time, double the amount of sales tax money, double the amount of income tax money, or more, and no substantial change in this. I suggest, Mr. Speaker, that very likely what's happening is that the people who do fall into the category of succession duties are very likely transferring their assets to other parts of the country and other parts of the world, so that there seems to be very little change. I'm sure we'll get some explanation.

If that's the case, Mr. Speaker, I wonder if it wouldn't be really, apart from the political sort of side of it, an opportunity to take a realistic look as to whether we should even have laws as restrictive as this. I think that there's probably a tendency to think that \$150,000 is a lot of money, and I see the government has moved it to \$200,000 on succession duties. But I ask you that, in a period of inflation, whether or not this is in fact a lot of money for the young widow, the young person who is widowed, with no profession to fall back on, but widowed possibly by a husband who had a home that had escalated in value because of inflation and also had some substantial life insurance policies. Is that in fact enough money to sustain a person with a family of young kids and with no occupation? --(Interjection)-- Well, I agree that on the surface it would appear to be, but with the inflationary rate the question should be put; does the government, should the government really be looking at that as a tax source because two people wanted to protect themselves, regardless of the fact that if they could invest it at 8 percent they would get \$16,000 a year, which seems like a lot of money? Really, at the present inflation rates, is that going to mean anything ten years from now?

Well, Mr. Speaker, it's not a question, really, of whether it would be a logical or good income. It's question of whether the government should be looking at taking part of that money. And that's really what this taxation is about, whether they should be looking at taking part of it. Also, Mr. Speaker, we have this year, supposedly, the Year of the Woman - not the Year of the Nurse, you know - why not? National Women's Year in Canada, not just in Manitoba but in Canada. Is it not also a time to look at whether a husband and a wife cannot share legally and split legally the husband's salary, or vice versa, because although they may in fact be doing it, Mr. Speaker, legally I don't think they can. A woman cannot lay claim to one-half of her husband's salary without her husband actually giving her that half of salary, and if he exceeds \$5,000 then technically in one year he should be paying part of that to the government for having given his wife half his salary.

Now I suppose it happens. I suppose in most households the wife may well end up issuing the cheques for more than one-half of the household income, but technically and legally speaking, \$5,000, if a woman wanted to exercise her full rights, I'm sure that she could come back and say that she is being discriminated against because she cannot technically assume and demand one-half of the family income. It has gone to him. If she wants to get more than \$5,000 of it in her own name, she would have to pay tax. Not a major point, Mr. Speaker, but major because it happens to be this year, that particular year, and also the time when women's rights are becoming more important and are very important, and this is one point where the government appears really to be taking in very very little money from its efforts but still providing a penalty there if somebody were to legally do as the government said.

Mr. Speaker, I want to close this by again commenting on the budget and again reiterate that I think that the budget presents a picture, may well present a satisfying picture as far as the public is concerned in the way of a balanced budget, or nearly so, but it's one that it's no longer possible to judge by the traditional yardsticks, and I would have to tend to agree in summary that 1975, if the present inflationary trend does not continue, the government is going

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(MR. CRAIK cont'd) . . . . to be in a much different position than this budget would indicate, because they will not have the windfall gains that they made in last year's gain in the inflation rates.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Sturgeon Creek.

MR. J. FRANK JOHNSTON (Sturgeon Creek): Thank you, Mr. Speaker. Mr. Speaker, I can only say that when the Premier brought down the Budget I was very disappointed in the fact that he is indulging in some of the things that the Autopac people are indulging in, which is close to false advertising, and I would sincerely hope that if the Premier is going to keep repeating the figures that he repeats consistently in this House, that I wish there was a way to put him in jail for five years too.

Mr. Speaker, the Premier continues to deduct the Property Tax Credit Plan from the provincial tax without adding in the person's taxes. The Minister of Education not too long ago said it's only one tax bill, and that's just how much he knows, because the federal and provincial tax bill which you pay - you don't even pay it at the same time, for one thing - is your provincial tax bill, and your property tax bill is another tax bill. So, Mr. Speaker, the \$6,000 taxable income has a tax on it, according to the books, of \$484. The property tax on a \$6,000 assessment in St. James-Assiniboia in 1975 would be \$642, giving you a total of \$1,126. We will deduct \$307, which is what the book says to deduct, and you've got \$819. Now in 1969 a person's taxes were \$347, he paid health of \$204, he paid property tax on a \$6,000 assessed home in St. James-Assiniboia of \$299, which came to \$850.34. So for the Premier to stand up and give us this gobbledegook of taking the Property Tax Credit Plan off your provincial tax without adding in the property tax, is close to misleading and very close to breaking the laws of the land, which would give somebody five years in jail. And I would hope the Minister of Consumer and Corporate Affairs, during the next election, would watch the advertising that is put out.

Mr. Speaker, the Minister in charge of one-colour toothbrushes consistently talks about Ontario. And I don't care about Ontario. I don't care about Ontario. And just to remind the members of the House, in the Budget this year there's \$790,000 to take care of the tax rebate. So now we have it going up every year to take care of the tax rebate. So, Mr. Speaker, I would sincerely hope that his great empire that we have growing on the rebate tax plan, or because of the rebate tax plan, would really come to an end. Because the First Minister keeps saying that we are putting the money back in people's pockets. And, you know, there is just no way. My tax bill will be in the neighbourhood of \$1,300 - 1,400.

A MEMBER: You're a wealthy man.

MR. F. JOHNSTON: Well, if I happen to be a wealthy man that's my business. Right. Because I certainly don't walk around hypocritically like some of the people on the other side.

So, Mr. Speaker, I don't go down to the bank, or neither do the members on the other side, if their tax bill is, let's say, \$800 or \$900, and take out \$900 and put \$100 in my pocket and then go and pay my taxes with it after the rebate's off. You don't do it. You take the amount, the actual amount you need, out of the bank and you pay your taxes, and if a person did happen to stick the money in their pocket, or the extra money that you say that he's going to have or he has off his rebate, if he took the cash he might buy a new suit or a new bicycle for the children or something. But who benefits? The Government. Because the person will pay five percent sales tax. So, Mr. Speaker, where, in that point, is the municipalities helped out?

I bring that in now because I would like to say this. If this government had come up with a very simple way of helping the cities and municipalities, which I will speak on in due course in the item under the budget, of basically increasing the per capita grant during an inflationary period and then could have even brought it down, as it has in different years, if things changed, by about from \$12,500,000 to close to \$25 million, what would you have had to find? You've got \$12,500,000 in the budget. The Premier came up with another \$1 million the other night. The two percent that he came up with, which is a straight abrogation of the Provincial Government's responsibility, will maybe bring in around four. So then you've found another five. And in order to get up to \$25 million, really with you \$45 million surplus, if you found yourself another \$6 million, you could have brought the cities and municipalities out of trouble in an inflationary time, and at the same time the municipalities would not have had to

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(MR. F. JOHNSTON cont'd) . . . . tax the people and the people would have had the money in their pockets. So, you know, why do we have to go through an abrogation of Provincial Government's responsibilities by saying, "I'm going to get out of this business of taxing by two points down to 40.5"?

And then the cities and municipalities if they want to go any higher, and, as the Premier said, it will be the responsibility of the elected people in the areas to make this decision, then of course that means that it's impossible to work unless they all go for it. And if Winnipeg and Brandon and Thompson and Dauphin decide that they're going to go for it, the others will have to go through it because if you take it on the population of people that would go for it, you're going to force the other people into it even if they don't want to.

The province is throwing the responsibility of taxing in this way onto the municipal taxpayer, or onto the municipal governments, and saying that it's up to you but, you know, if the province happens to drop back to 39 on their points or 39 points for provincial government, do you not think that the municipalities will then pick up that as well? Do you not think that the municipalities are going to have to keep using this tax formulation all the time? Which is a straight desertion of the Provincial Government's responsibility.

The cities and municipalities are the responsibilities of the Provincial Government. They are created by the Provincial Government. They should be guided by the Provincial Government - not left rolling in the sea because this government wants them to tax, and you take your 40.5 and go off on a bunch of socialistic nonsense programs that should be thrown out. And you stand up on that side and say, what will we throw out? --(Interjection)-- That's correct, more than correct. So, you know, this is not provincial governing; it's provincial hodgepodge for the municipalities and it's absolutely nonsense. And when the Minister of Public Works - and, Mr. Speaker, I will be so happy when his flowers come out and his roses bloom and he can find his time digging out there, trimming, rather than fooling around with something he knows nothing about, which is Urban Affairs, and probably spread some of the stuff he was spreading in here the other day out there, I'll be very happy. But, Mr. Speaker, oh, he believes that I think because he was never in public life as far as municipal is concerned that he doesn't know anything. Mr. Speaker, I'd believe it anyway.

Mr. Speaker, to say that cities should tax on their own a hotel tax, it would bring in a million dollars. That's all. That's all it would bring in. --(Interjection)-- Yes, I'm against it, because it's not necessary with a \$45 million surplus to find \$6 million to help the municipalities out of trouble. Yes, I'm against it. I'm against taxes like that which will harm the people of rural Manitoba more than anything else, that will harm the tourist industry. I'm against those type of taxes. I'm against those irritable, needling little type of taxes that the Minister of Finance in Saskatchewan for years put on. Six hundred and twenty taxes he finally found in Saskatchewan, you know. And I'm sure the Minister of Finance, or the previous Minister of Finance, must have got some lessons from his because we get this continual standing up and saying let's find little new, sneaky taxes for people, when it's unnecessary.

Mr. Speaker, it was also very interesting to hear the Premier give Duff Roblin's speech on Hydro in the House. As my colleague from Riel stated, that's what he's basically doing now, standing there talking about the great power of Northern Manitoba and the potential of it. Very pleasant to hear. And the Premier calls it a \$400.00 nitpicking. Nitpicking. Nitpicking worth \$400 million - excuse me. Isn't that something? That's quite a lot of nitpicking when it cost the people of Manitoba that much money.

Mr. Speaker, then we have the Minister of Consumer and Corporate Affairs, who I'm starting to have quite a regard for. I think he's presenting himself much differently to this House than he did before. Mr. Speaker, yes I'll take it easy, because I'm not in the habit of being that nice to those ministers. But, Mr. Speaker, he did bring up the point about our leader and our party not knowing which way we were going, and I thought that was just the most hypocritical statement I've ever heard in my life, when we've got a government who wants to be the biggest businessman in Manitoba, who wants to be the biggest land owner in Manitoba - as I said here, on somebody else's money or the taxpayers' money - and then when they lose the taxpayers' money they just have to put on another tax. They don't have to worry about whether they lose it or they don't lose it; they just come walking in here, Mr. Speaker, once a year, and put on another tax.

So now we have the socialist government of Manitoba trying to be the biggest businessmen and biggest land owners in Manitoba, and what have they done for a better social effort in

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(MR. F. JOHNSTON cont'd) . . . . Manitoba? You know, you can talk about your tax rebates as much as you want, you can talk about your housing as much as you want - which, by the way, Mr. Speaker, got very little, other than the tax rebate, that the housing, the hospitalization, which got very little opposition from this side of the House - but I still see a situation in Manitoba where people are not helping themselves any more. That's what you've done to Manitoba. You've put in a situation where people don't help themselves any more. And that, Mr. Speaker, does not raise the standard of Manitoba in any way, shape or form. So let's not talk about who's going where because, as I said at the beginning of this year, I just don't understand that NDP government on the other side except for one reason: if they own the big businesses and they own the control of the land, then they will ultimately have control of the cash flow, and cash flow means control of people. And that's the only logical reason that they could be thinking that way.

Then, Mr. Speaker, I can visualize now the First Minister in Canada, the Prime Minister, standing up and instead of blaming inflation on an international situation, he can first blame Manitoba. He can say, "How can I possibly cure inflation, because Manitoba has had a higher inflation rate than we have over the past six years?" Manitoba is leading the Federal Government in inflation, and, as the First Minister says, superior inflation. You know, it's a better brand of inflation in Manitoba because it's far more rampant than it is federally, and of course we can't do anything about it in Manitoba because they, as this government has always done, blame somebody else for the problem. Let's blame somebody else for the problems, is the favourite saying of this government.

Mr. Speaker, and then the horrible part about it is that the government takes the opportunity, when they have nobody else to blame, they blame the opposition, somebody that has not got the power to do anything in this House except "give the advisability of" which they never seem to take. But then, that's the way this government is. Or the First Minister has to stand up and say, "They did it this way back then. They do it in Ontario this way and they do it some other place anywhere in the world, this way." And this is what we continually get told in Manitoba. And it was a big joke, Mr. Speaker, when the First Minister mentioned that in 1970 there was a large increase in the per capita grants, and the Minister of Education, during his estimates, said that we were responsible for that budget. And we did recommend and have recommended a jump from \$2,050,000 to \$7,600,000, is what we recommended, and you know, the joke was that it wasn't passed in 1969 and it was this government that had to do it. But they had the opportunity at that time to withdraw it if they didn't like it, but they chose to realize that the cities and municipalities had a problem and they put it through. And all that had to be done this time is when you get to that item in the budget that says "per capita grant", instead of having your taxing hodgepodge, which you've done by the two percent and the requesting the other people to make these decisions, if you'd just found another \$6 million over and above the four or five that you found and put it in the per capita grant, and possibly it might have to have dropped last year . . . You see, it dropped in . . . In 1973 it was 10 million, 1974 it was 7 million. Is this government not capable of working with the municipalities on the basis of inflation and discussing it with them? No, that's not the way that this government does anything.

MR. SPEAKER: Order please. The honourable member will have an opportunity to proceed after the supper recess. I'm now leaving the Chair until 8:00 P. M.