

THE LEGISLATIVE ASSEMBLY OF MANITOBA
8 p.m. Tuesday, February 24, 1976

THRONE SPEECH DEBATE

MR. SPEAKER: The Honourable Minister of Tourism and Recreation. The gentleman has about 17 minutes.

MR. TOUPIN: Thank you, Mr. Speaker. When we adjourned at 5:30 I was going through some of the items that are contained within the Speech from the Throne and indicating where I consider the philosophy of the two parties in this House will lie during the Session and in the next Provincial Election. I'm confident that in regards to the philosophy that has been adopted and put in practice by this government over the last six and a half years will at least go half way to a victory at the next provincial election. I was talking equally of the cacklers on the other side which are still cackling, and that is not a courtesy that they usually receive from this side of the House but they prefer doing that than to listen. I wish they would lie back like they so often do and attempt to learn a few things. But they don't choose to do that; they'd rather cackle and make irresponsible statements.

I was talking about the program that was initiated by the government, recommended by the Minister of Agriculture, in regard to the livestock producer grants that were made to the tune of \$19 million dollars. When the livestock producers came to this building, Mr. Speaker, and were asking the government for what they considered to be their right, I noticed for one, as the MLA for Springfield, quite a few members from the opposition supporting the livestock producers and I don't quarrel with that. That's the right of all members of the House. But once a program was announced, once the funds were paid out - again being a member of the opposition, I don't expect the members of the opposition that are there to try to defeat us to pat the Minister of Agriculture on the back - but I for one feel that the livestock producers were in a bad state and they were treated with equity by this provincial government.

Now let's look at the issues of the next provincial election, Mr. Speaker, because that's why in a sense we're talking about programs that have been initiated over the years. This is why we are talking about philosophy, about capitalism, about socialism, and what falls in between. I would like to talk about what falls in between excesses in capitalism and/or socialism.

Let's go back to 1959. Members, especially the Member from Sturgeon Creek doesn't like us to go back so far or to talk about other provinces. I for one like to look at history and try to prevent things from happening that were somewhat bad in the past. I wish the Minister of Labour was here. My sometimes failing memory indicates to me that the minimum wage after the 22 years of the Liberal Government in this province was 85 cents an hour. Eighty-five cents an hour. In 1969, Mr. Speaker, again my failing memory tells me that after 11 years of the Conservative Government in this province, the minimum wage was \$1.25. That was a hefty increase of 40 cents. Forty cents in 11 years for the workers of this province. Now who is going to tell my constituents, who is going to tell the farmers of my constituency, the workers in my constituency that these people or whoever will come after them with their philosophy, represent the common farmer and the common worker of this province. I'm not.

What is the minimum wage now, could I ask the members of the opposition after six years of administration. Mr. Speaker, after six years - combined 31, 32, 33 years under the Liberals and Conservatives we got a hefty increase from what? 85 to \$1.25 an hour minimum wage. The minimum wage now is \$2.60. Two dollars and sixty cents. Now, Mr. Speaker, what philosophy represents the interests of the common person?

Mr. Speaker, I happen to believe that what falls between excesses in capitalism and/or socialism is the philosophy of the co-operative movement. I deeply believe that because I have worked in the co-operative movement for ten years and it happened to be mainly in the sector of credit and savings. Now if we ask the quarter of a million, approximately quarter of a million Manitobans that are active members of that sector - leave alone the consumer co-operatives, leave alone the members of UGG, Manitoba Pool and on and on - approximately a quarter of a million members of credit unions and caisse populaire in the Province of Manitoba who their friends are, can they tell you? Well I'm going to tell them. I'm going to tell them. Because when I was at the local credit union - when I was managing a central credit union I was limited. I was limited to whom I could do business with. By who was I limited? By these people here, by these people that were in office.

They were making it completely against the act of many bills that we had in this House.

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(MR. TOUPIN cont'd) It was against The Public Schools Act that a school board do business with a credit union. Did you know that? It was against The Municipal Act for a credit union to do business with a municipality. It was against the Act of the Manitoba Health Services Commission for a credit union to do business with a hospital. Did you know that? Now can the people of Manitoba really believe that these people are the friends of the co-operatives? I'm going to tell them different. That's the things I'm going to talk about when I hit the hustings. I'm not going to use statements like I have before me. Mr. Speaker, I very seldom do this, I very seldom do this but I have to.

I have a report here from the MLA from La Verendrye. I can quote it. --(Interjection)-- I know other things than credit unions. I've learned because of the philosophy that we practise here in this province. --(Interjections)-- Cackling, cackling. You never did like us did you? And I'm quoting, Mr. Speaker, "La Verendrye report, Bob Banman, MLA for La Verendrye. The Provincial Land Lease Program which has bought up a large amount of agricultural land and leased it to farmers has made people worried." And I'm quoting him. "As one gentleman put it, we left the old country because we wanted to own and farm our land and not to be tenant farmers." Now that's a quote.

MR. SPEAKER: Order please. Order please.

MR. TOUPIN: Did the honourable member continue to say how much land was purchased by this government under a program that was started by the Conservatives? Did he tell them that? Did he tell them that the corporation owns a measly three-quarters of one percent of arable land in this province? Did he tell them that? Did he tell them that so they would really be worried. The report doesn't say that, Mr. Speaker. The report doesn't say that. So he really wants the people to go into a panic because the government on behalf of the people of Manitoba has attempted to help farmers, younger farmers, get back on the farm.

There's less land that was purchased by the Minister of Agriculture in his corporation than land that was purchased by people living outside of Manitoba - less land. Now which does the Member for La Verendrye favour? Land purchased by the government on behalf of the people or land purchased by outsiders that don't intend to farm but intend to lease to make what they consider to be a reasonable profit. I happen to favour a land lease program initiated by the government, whether it be the Conservatives or the Social Democrats, with the intent to lease back and have the option of buying. I favour that. If the honourable members don't, let them make statements like is being made here. But at least let's not lay false facts before the public and I continue reading in the Member from La Verendrye's report:

"I will keep pressing" - and I quote, Mr. Speaker. They can laugh it off but the people of my constituency no longer laugh off false statements. I can tell you that much. "I will keep pressing the NDP government to get out of business and not start any new money losing ventures like Crocus Foods. Saunders Aircraft has now cost us \$50 million." Mr. Speaker, that's a lie, an outright lie. --(Interjection)-- It's not 48, that's a lie equally. Find out your facts before you write your constituents. It's not \$50 million. Please don't exaggerate.

When we put figures before the public in 1969 about the CFI fiasco at least we didn't have the audacity to bring figures like this. Now what is better, Mr. Speaker? A government of the day back in 1959 to 1969 that allowed private enterprise, a small group of private enterprise, four or five people to rake off, what? We can say very conservatively 40 million dollars. And that's conservative. What is best? Thirty-two million dollars that was spent in Saunders in regards to jobs that were created - close to 2,000 jobs all told - or just give away to a few people, not the province but a few people in the Province of Manitoba, well in excess of \$40 million dollars.

Now, Mr. Speaker, what type of philosophy can you as an elected member of this House judge that the people of Manitoba will decide upon. I consider, Mr. Speaker, that the people of my constituency will in part judge us for the record for the past eight years, when the election is called, and equally on a platform that will be presented when the election is called. We're not irresponsible to call an election now; we were elected for at least four years and we will make our four years. We'll have a platform like we had in 1969 and indicate to the people of Manitoba what we intend to do. Now I challenge, Mr. Speaker, any member on the other side of the House to tell us whatever we had on our platform in 1969 and/or 1973 that was not done. The people will just judge us on that. That will be the two points that the people will judge this government, Mr. Speaker, this party. They will judge us on the

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(MR. TOUPIN cont'd)performance of our last two terms and judge us equally on what we promise that will be done in the years following. Now that is important. That's not false statements. Mr. Speaker, I wish I had another hour. I've only touched briefly on the items that are contained within the Speech from the Throne. We have home care; we have equally . . .

MR. SPEAKER: Order please. Does the honourable member have a point of order?

MR. JORGENSEN: No. I would just like to tell the honourable member he can have all the time he wants as far as we are concerned.

MR. SPEAKER: That's not a point of order. The Honourable Minister has two minutes.

MR. TOUPIN: We have home care, Mr. Speaker, which we did not see prior to the coming of this party in government; we have Pharmacare that's based on need, not based on means of individuals; we have a program announced in the Speech from the Throne that honourable members on the other side of the House just I guess insist on avoiding to discuss; we have the program, the dental care program for children that is contained - there is a whole shopping list here of items that will be accomplished or at least started in 1976.

We have a completely new Co-operative Act that will be tabled and discussed in this House. Again we go back to the approximately a quarter of a million people that belong to co-operatives. Who is introducing this Co-operative Act? It's not the Member for Wolseley, he has just come into this House, although he has worked with co-operatives from time to time.

The government will assist families with moderate income by having a program, what we call Sweat Equity Co-operatives in the Province where people who build their own homes. Did we see that prior to 1969? No, didn't see it. No, no funds. Always the same thing, Mr. Speaker. And this is not Federal money; this is money that is being put by the people of Manitoba.

Mr. Speaker, I've only got possibly a half a minute left. I'd like to indicate to members of the House that there are several bills that I intend to bring to the House where I'll have the opportunity to continue my remarks. Thank you.

MR. SPEAKER: The Honourable Member for Pembina.

MR. GEORGE HENDERSON (Pembina): Thank you very much, Mr. Speaker. I'd like to begin my remarks by congratulating you on being returned to your office. I'm sure that you won't have any trouble with me and I'm sure that you feel the same way. I'm not one of the troublemakers, I'm just a reasonably good guy trying to get along with everybody and do things that are good for the province. However, I realize that I'm in the opposition and I don't believe that anybody in the opposition should be patting the government on their backs. Just judging by the remarks that I hear from honourable members on the other side, they tell all their good points and they don't tell any of their bad.

I'd like to congratulate the Mover and the Seconder of the Speech from the Throne, I think they did a very good job and I think that all members over there are trying to do a good job. It's just that they have a different philosophy than some of us over on this side - at least I should say all of us and I'm particularly thinking of myself in many ways I suppose.

I'd like to also congratulate the two new members to the House. I feel that they're going to be good members and on top of that they make two more that we never had before so we've got two more members which is something in our favour. I think that you should also be taking notice of the fact over there that they won in two very difficult seats and that really is representing public opinion that they're turning against you and you'd better watch out if you want to stay in power.

For the benefit of the new members and for those in the House that may have forgotten, I'd like to remind you that I live in a very good part of Manitoba where we have very very productive soil and we have a rainfall that's sufficient and there's a larger number of frost-free days down in that area, the Morden and Carman area, where they can grow many special crops. We can grow all the different varieties of grain and then we're very suited to growing corn and sunflowers and mustard and rape and things for canning and things like this. As you know this is where they have

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(MR. HENDERSON cont'd)Morden Fine Foods and they have no bother in that area getting their contracts filled very quickly by the farmers because they're all very willing to produce the crops that they want.

We have an area there where the people are really hard working and thrifty and they take pride in doing a good day's work. They believe that this is the way it should be. They are private enterprisers in their way of life and there's no doubt in the world but what this will be one of the last areas - if Manitoba ever were to go more socialistic - that it would be one of the last areas that you'd ever win. If you don't believe me on that you can just come and try and run in that area. The present Minister of Municipal Affairs ran in there one time and he got an awful trouncing, I tell you. I wish he was there. He didn't know there were so many people that believe like that in that area.

However, in my particular area there isn't any Indian Reserves at all, in my constituency. We've had lots of Indians from time to time. --(Interjection)-- Yes, but when I'm talking about the Indians I must say that we have had quite an influx of Indians there in the fall, different years, when they came in to shoot deer.

Unfortunately it happened to be in this area where a man was shot a year ago and the reason this man was shot because actually the Minister of Mines and Natural Resources didn't pay enough attention to the job that he was supposed to be doing. He was more interested at that time in trying to get into more businesses and other things like that. It does seem that capable and all that he is, that he's carried away with this and often doesn't do the other little things that he should do in the area.

Also the Minister of Mines and Natural Resources doesn't pay much attention to my area where we have had considerable flooding problems. You know the flooding problems that we've had in the Carman area where they've been flooded very severely for a great number of years and really they can't get the Minister really to be any more than just polite about it. Because he says it's just not one of our priority items, we've got other things to do.

So my area don't mind working and getting along but they believe that possibly where there's flooding and drainage problems that this is some place that the Government should be getting in and doing something because it's got to concerning several municipalities and they think this should be done.

They're very concerned about all the strikes that's carried on throughout Manitoba and indeed through Canada. I hear many of them talking about the strikes at the coast when we couldn't deliver grain and we lost so much on account of not having the grain there and the other ships pulled away and went to . . . --(Interjection)-- Pardon? Well it was never as bad as it was in this last while, and it was at a time when we had very good markets for wheat and rape . . . --(Interjection)-- Well there's no doubt you can say lots, the Minister of Labour can. But it's one of your babies, these unions and all the strikes, and you should feel pretty bad. You are actually the godfather of a lot of the strikes if you'd like to put it that way. It's been right up your alley all the time. It's a good thing it's come home to haunt you.

Well another thing that my area is very concerned about is the enforcement of law and order. They believe that the way things are going it's pretty tough to be a policeman. In fact I often wonder why a person would choose that as a profession. Well, it's no joke nowadays. The people that commit crimes - because of money or other influential influences they seem to get off or else they seem to get such short terms. We also have people that are in vandalism where it's going on, and fires destroying property. Now in many cases this doesn't affect us but we really aren't that dumb. We know that if there's a lot of fires and a lot of claims have to be paid out that the insurance companies are going to raise the rate. They'll be raised across the board and it's really going to cost everybody more money.

I just wish that the people would think of these kind of things as a government; things like drainage and irrigation, shall we say, and control on strikes, law and order, roads, these sort of things that we think a government should be doing.

I must say that personally I was very happy to see the Premier take the stand he did on inflation at their own convention. I wholeheartedly agreed with him, because inflation is becoming so serious that we really are wondering where it's going to end and I

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(MR. HENDERSON cont'd) think something has to be tried. I realize he had a very difficult time convincing people at the convention but I do congratulate him for that. I do hope that he means it and that he isn't just using it to just pretend that he's such a good fellow again as he often does in so many cases. He often has a great way of pretending how good and generous he is and putting on a good image and he's really an expert at it.

Talking about the guidelines and that, I'm not so happy as a rural person or a farmer that it doesn't affect the farmers, because I notice that everything we buy can go up ten percent or more and most of the settlements that we see seem to be for more. Hydro is going up more and so forth. They seem to be able to go up more and we have no assurance that farm prices are even going to stay where they are. In fact they have been going down and it is a rural area. Our agriculture is our most important industry and you know it's something like a balance. If you take it off of one side with prices going up and then at the same time what you sell is getting less, it's like a balance and it doesn't take so awful much until there's no profit left.

The guidelines may be bothering a lot of people. They feel well, if they're a teacher I'm only going to get ten or eleven percent or something like that. But I'm sure an awful lot of the farmers would feel pretty happy if they knew they were going to get ten or eleven percent. They're really wondering if, by gosh, if they'll make any if prices go down. Not only that, but they could lose. So you know we aren't just so privileged by being out of that.

Well to come back on another thing that my area is still very concerned about is abuses that are going on in the welfare system. We all know of them; we all know of them. Everyone here knows of them. I do realize it's very difficult to do something about them and I will say this, as the former Minister said at one time, I think having had the experience I have that we must get across to the public that they have a responsibility. Because if they're going to talk about welfare abuses down the street or in the corner of the town or whatever it is, they'd better be prepared to report it and to talk to the person that comes in and back it up. --(Interjection)-- Well this is really true. We know that there's abuses going on and I, for one, have actually reported abuses. In my area, to be honest about, it's improved quite a bit. Of course maybe it's because they know that I'm not too sympathetic. But I don't have people coming to me looking for a lot of help.

I really always did believe and still do believe that the administration of welfare should be carried on through the local municipalities and governments, and funded by the provincial. I think actually that most of the municipalities will accept this and if they don't they're really shirking their responsibility because they're the ones that's closer to it than anybody. They know if there's work available; they know if that's the kind of a fellow that will work and they're the people that can even give them jobs. These welfare workers that come around, they can't be examining everything. They go around and make enquiries but they can't tell if people are telling the truth or not. If the people that are on welfare tell some lies they can't come back and check again and double check. They're in a tough job to administer that program. So I think what they should really do - and I've said it from the word "go" - is that it should be administered by the local municipalities.

Our education costs are rising greatly out in the country. We've had some good years in the rural areas out my way. I think probably that the farmers out that way with the crops they've been growing have been doing very well. But we're worried about the way the mill rate is going up because a farmer, if he has a reasonable size farm has got several quarters, and when one quarter is assessed up as high as 10,000 which it is in our area in some places, and since education costs are set on a mill rate which affects the assessment in every case, if a man's got four or five quarters, he's got a high assessment. So he's paying a very big educational tax. He's paying far too much in reality to what he might be making. Just the fact that he has this amount of land that he's bought, he may have so many debts and payments to make that his net income isn't very great at all. I know if he makes it he can pay in his income tax but this isn't on his income tax, this is on his assessment. I think that the farm people are getting hit

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(MR. HENDERSON cont'd)far too hard on this assessment.

Mind you I think that the other person that's getting hurt very much by the way the mill rate is set is the small businessman in the local towns. He pays 33 percent mill rate I think it is and then the people in residence in there can be retired or that and have lots of money and be living in a house and they're only paying a 3 percent mill rate I think it is, and this is very small. Then they have this here property tax rebate and in many towns where the assessment isn't so high, as I said before, there's many people living in rural areas that are paying no taxes at all. They're paying no taxes at all. I think there should be some changes made in that because these people do have garbage pickup; they have streets and they have street lighting and they have fire protection and they have the things that are provided by the town. --(Interjection)-- Pardon?

--(Interjection)-- Listen. You have not lived in a rural area and I'm sure that you aren't as wise as you pretend at all, because I could tell you a lot of stories. In fact I could tell you a lot about a lot of older people who are living out the rural areas and in the city which, the way the things are handled, they've got money to take trips to Hawaii and every place else. Not only that, but they can take their daughter along whose working for a living, because she can't afford to go. The older people can afford not only to go themselves but they take their daughters with them often.

A MEMBER: Some of them go to Cuba too.

MR. HENDERSON: Sure they do. Well we feel that education costs are really getting out of line.

But the other thing that really concerns us, too, about it is that we're really wondering what's going on in education. We've been doing some talk about the three R's and about other programs that they bring in like the open area classrooms and so forth. I honestly feel that some of these things that are brought in are brought in just for the sake of justifying the job that somebody is given. I really feel that. Some hanky-panky going on and individuals out in the rural areas that pay the taxes get stuck. It's just trying to justify the positions of some people who got the job.

Your open area classrooms - I wish I had my Carman paper here at the present time. I'm sure you must be aware of it. It was just built a number of years ago; I'm sure you're aware of it. And now they're going to spend a \$170,000 putting partitions in that darn building. They're going to put her back into classroom size.

So here's a case of where we listen to these people that get put on to boards and commissions and they go out to study education innovations and all the other words you use, and they come and make recommendations like that and in a few years time they have to scrap it. It isn't just the children or the parents that are doing it. Do you know that some of the teachers are refusing to teach in those types of classrooms. Well, I think there's been many good remarks made about education and I know that there'll be many more things said when we get into your estimates. Not only that now but you've got people in there, whether it's been pork barreling or whatever it is that they're in there, they're really making it look like as if it's going to get worse and that's the trouble. --(Interjection)-- We don't need to tell you, you know.

MR. SPEAKER: Order please. Order please. Order please.

MR. HENDERSON: I'd like to speak a little bit about the highways and the provincial roads in our area and indeed throughout other parts of the province. Because no matter who you talk to and what councillors - and I've been to the municipal conventions - they feel that the municipal roads, the municipal roads that have been taken over by the provincial government, are not kept in nearly as good shape now as they were before. I remember the Member from Rock Lake saying here where they, in many cases now will pull off the provincial road and go over on a municipal road and that's happening in my area because the provincial road isn't kept up right and so they go on the municipal road. I do realize that probably there's a great deal more traffic on these roads than most people realize and probably that the loads are heavier, but everybody thinks that the roads aren't better so they can't all be wrong.

I'm just wondering about out in my area in particular, because it's the one area I'm familiar with, is I just wonder how many surveys we have to take before the government can go ahead and build a road. We have an area there through La Riviere which

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(MR. HENDERSON cont'd)was surveyed many years - even before you people came in. In fact it was on the road program the year you came in and then you pulled it out. You've been surveying it ever since; it's like a winter works program that's another form of welfare, you might say, because it keeps their employees on salary all winter.

MR. SPEAKER: Order please.

MR. HENDERSON: The way the local people talk about it out there, they say they've surveyed it so many times now that they've got so many stakes in they can hardly get any more ground to put stakes in it. That's how they feel about it. That's the way they talk about it. I just wonder --(Interjection)-- Well it is a type of a PEP program or STEP or IIP or something.

MR. SPEAKER: Order please.

MR. HENDERSON: We have roads in there that's been listed to be built or constructed for two years. They still aren't done and haven't been put up for tender. I just wonder is that just one way of making it look like as if you're doing something in the Highways Department. They haven't been done, and I made several inquiries. Now they say they can't get some of the land; it has to go up for arbitration or what is the word now they use when they? --(Interjection)-- Expropriation. It has to be expropriated and they don't like to do that because they don't want to make some of the people mad. Well what's the purpose of having expropriation laws if the government won't go ahead and use them. I just don't see the point in having a road program on for years and years and it's not being done. I was happy two years ago when it was on and now it's on a second year and it hasn't even started yet. It hasn't even been put up for tender. I'm beginning to wonder if it will ever be done in my time, at the rate they're going.

Of course, I know that the Minister of Highways has his problems because his budget isn't too large. I know with inflation and the way people work, nowadays - because I was watching a lot of those crews working this summer and by cracky I must say I felt sorry for them. But there were so many men standing around, I began to wonder and all the different outfits I saw standing, and there was somebody there. And this job wasn't under contract. I wondered how many of them were getting paid and how many weren't, you know, and I talked to the mayor of the town and he said, "Boy are we ever glad that we aren't paying for this ourselves, you know, because it's on a cost sharing." I would like to see how many of those machines got paid for working when they weren't even moving at all.

My area would like to see a lot more industrial development in that area. Now in truth we are the envy of most of the areas of Manitoba because we have had a great deal of industrial development out in Morden, in Winkler and Carman in that area. It's done very well. The people are really the type that will put their money where their mouth is and they go out and work and they do a lot of things.

There is one thing that they realize that you can't buy, or can't make more of, and that's land. Land is becoming very scarce, high in price. But you know the people aren't so narrow-minded that they seem to think that the way to solve this is to make more and more small farmers. Because actually the grain farmers as such do not get smaller. A grain farmer has got a bigger tractor; he's trying to get more land and this is the way the grain farmer is going to happen. It's happened in the States. You might do certain things that make it slow down a little but I doubt it because the farmers are getting bigger.

However, our farmers believe it's the quality of life you have out there, not the size of your farm. They don't mind if a fellow has a larger farm as long as he can afford to go to the football games if he wants to or if he can take a trip to Hawaii or some of these things. This is what they think counts more, and I think so too. So when we're actually talking about agriculture as such, the farmers do get bigger.

Now at the same time that this is happening in our area, our population is increasing because the farmers have learned to diversify, and to specialize in different things in those rural areas. We'll find the fellow living out on a quarter section who's got a large laying hen operation, and he's selling eggs, you know, by the thousands of

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(MR. HENDERSON cont'd). . . . dozens. Then we have other people raising chickens or broilers; we have other people feeding turkeys and there are others who have feed lots. --(Interjection)-- Yes and some still in hogs. Then we have people who are in cow-calf operation - there's a valley through there, and they do it very well. Then there's other people with seed-cleaning plants; other people will drive the school van during the day and then they'll work in a garage afterwards. So all in all our rural population in that area is building up because the people are that kind of people and they'll do it. As has been said earlier, it's the quality of life, and as long as they can make the bucks, they'll work.

They don't want the government going into more and more business. They think that the way the government has handled Saunders Aircraft and the way that has gone losing \$36 million and then having to close it down. They're very concerned about what happens with Manitoba Hydro, a utility which was handled so well for so many years, and now the government has come along just because they chose to get an adviser in that happened earlier on to belong to their own Party and was probably a good friend to some of them, and really made a mess of Hydro in Manitoba - now they're trying to justify all the rate increases on the fact that costs went up or else it's because the National Energy Board is delaying them and the costs are going up. You know it's a bit of a sham and this is what the Premier is using to try to show the people, you know, to try to tell the people or hide the fact that they blundered and made so many bad mistakes. He knows without a bit of a doubt that the regulation of Lake Winnipeg at this time was a farce and a terrible waste of money.

The school boards are very concerned about what's been going on this last while and we're very disappointed that the Inspectors have been done away with. And that isn't the only point about that. But they haven't dealt with the school boards before they done it. So we find that they have school boards who they like to use as people who will take the blame for education costs going up, and we find then that they get direction from head office that their Inspectors have been done away with and they haven't even been consulted. So what have they got the school boards for? Are they just whipping boys, or what is it?

Now I'd like to say a few things about Autopac. And there's no doubt that anybody in their right head would know that over the last period of years that if they had stayed with the private companies rates would have gone up. We're going to admit that without any trouble. But that doesn't say that Autopac is altogether so good as they try to pretend. And they'll do anything they can to hide expenses or things like this, or to hide the cost, just like putting the two cents on gasoline. So as people don't know it. Then they put it on your driver's licence and different things so the premium itself isn't so large. Not only that but when you have your insurance rate set by the government it's manipulated with and we know it was, because the Premier fooled around with it at the time of the last election saying there wouldn't be any increase and so forth, and then after they were in power there was an increase. So it becomes very political, and we don't like this.

Talking about Autopac, I have here a letter and I have discussed it with the Minister. Now what they've been doing for some time is if a person had a car, you know, and it's got a wee break, a wee stone mark in the right hand side, down over next to the corner, and the farmer didn't or the individual didn't want to go to Autopac with it because he had to pay \$25 or \$50 now, and he felt that it wasn't interfering with his vision, and so he says, well I won't make Autopac pay out that extra money and I don't want to waste \$25 myself, and if he was honest about it and didn't report it and then later on he gets his windshield broken and the adjuster comes around and finds out that that stone mark was over in that right hand corner and he hadn't replaced his windshield, he won't pay for putting in the new windshield. He won't pay for putting in the new windshield. How can we cut costs down like that? Now if you think that I'm fooling, I have a letter here from the individual that this happened with and I'm willing to table it. In fact I've given it to the Minister already because I believe these things should be settled and not always on the floor of the House. But this is the way it's been handled.

He says this is only the second or third one we've heard. Well I've been down at Morden a few times and that happened to them. Only they just thought, well that's the

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(MR. HENDERSON cont'd)way Autopac is and I guess I can't do anything about it. The next time I get a crack in it I'll take a big stone and I'll break it right and there will be no argument about it. Autopac will pay for it. And listen, don't think that hasn't been done. Don't think it hasn't been done. And you're asking for it.

--(Interjection)-- No, don't think this hasn't been done because I've heard people say, well if I don't report it then when I come to get my new windshield, I can't. I'll have to pay for it myself. Now they've got a regulation that if you report it and it's big enough they'll mark it, and then it's all right. But I mean the person that says, well I don't want to pay out \$25 or \$50 like it is, then they've got to pay \$50 and they don't want to. So they say, "Well I'll set up with that." Well if they're honest and report the truth to the adjuster chances they'll pay for the whole windshield. So I don't think there is anything very fair about that and don't tell me that I'm the first fellow that's had this happen because I'm sure if it ever gets around Manitoba there's all sorts of them will tell you that this is the way they've been treated by the adjuster.

Now talking about the Throne Speech itself, even though it was a mild Throne Speech compared with some others we have heard discussed in former years, it still had those socialistic programs in there that bugged me. I could see them; they had more emphasis on day care centres, more emphasis on different types of school programs, more emphasis on free legal aid. They're going to have so many people on that free legal aid that after a while you're going to have two people fighting each other and they're each going to have a lawyer on free legal aid and those lawyers are going to become fat cats on that one.

Yes, and on top of that, as well as expanding those programs, they're talking about expanding and quite proudly so they think on rent controls. Well all of these programs, I suppose, in moderation and if used right are acceptable in Society today, and politically and socially they sound pretty good. And if used properly they are good. But, abuses creep in, and we know that, until finally we find that the abuses become so bad that what was started off as a good program, really downgrades society and pulls society itself down. When we talk about society itself being pulled down, and when we think of the history we've learned, actually countries weren't destroyed by other countries in most cases, it's because of the way that things went within the country. I'm wondering many times, just where we're heading.

A good example of this is Unemployment Insurance. Because when that program came in, it no doubt was a good and needed program, and when people would talk about it it seemed very acceptable and it would be very difficult to vote against it. Now we have more and more money being put into Unemployment Insurance from the federal treasury every day. I would say that the people that believe in the principle of Unemployment Insurance, at least it should be carried out of their premiums as such and not out of the Federal Treasury. Now we've got another announcement the other day of more and more money going into Unemployment Insurance things. So to me, the way Unemployment Insurance has become now, it's really become a form of glorified welfare. It's just a different way of handing them out cheques all the time. I'd say that that program by itself should support itself on its own premiums and such like and they should certainly cut down on those payments, the amount of payments that people should get when they're off work. Because if a man has a good salary up north on some job and he's laid off, there's no way he's going to look for work while he can draw Unemployment Insurance. No way in the world.

I think possibly that one thing that we hear the other side complaining about from time to time is the press. I remember a few years ago here that it was said that the NDP Party should take over the Press because they thought they couldn't get any place while the Press was reporting as it was. I actually think that the Press has bent over backwards to help you. I have to think of the time of the B.C. election, and when it should have been news about the way that things swung in British Columbia and about the debt that they had and the different things, what was in the Press? About Premier Schreyer and his hard working cabinet. The lights up in the Legislative Buildings weren't all decorations and that the Premier and his Cabinet were up there working at night trying to figure out how to cut the Budget. Actually, what I thought would have

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(MR. HENDERSON cont't)made a lot better headline, being on the other side, was how the NDP had got British Columbia into debt so far. You see? So it might depend on how it looks and I think all in all the press have treated you more than good. Well I certainly think that they might think they can take the press over and get better press. Well maybe they might. I don't think they should kick but I know that it would go in the red. So maybe you had better leave them alone.

Well there's no doubt that what we'll see an expanding of Day Care Centres, and the way they are used. Personally, it isn't going to make me very happy. --(Interjection)-- You had your say if you don't mind. You may have another one, and then you can have it. Now I'm saying how I feel about it, and you had your say how you feel about, I'll have mine. --(Interjection)-- Yes, well that's all right. You'll have it lots of times; you've had it a great deal of times. Well, they can expand that all they like. Yes, we have the government in the . . . We have them in the Day Care Centres; we've got them in the Low Cost Housing, and by the way when you're talking about rent controls, which they're talking about introducing, if private enterprise as such, can't make a buck by building a house, and then don't forget to realize that they're competing against government programs now, because there's people in low cost housing and such like, so private enterprises won't build houses because they can't make a few dollars. There's no doubt the government can't build them cheaper, in fact they're going to cost more. But they'll have their hand in the cookie jar, or in the treasury box, or something, and it'll subsidize it. So really rent controls as such isn't really going to solve it, and any literature that I've read, and I'm sure you've read it, has always been against it.

Now, I'm not against the principles of following the Federal Government's guidelines in rent, I'm not against that. I believe possibly that something like a Rent Review Board which maybe could be handled through the Rentalsman, or something like that, would be sufficient in that area, but I can't see that rent controls as such, is going to be the answer. The only way that you can get the housing then, if once you start that, is by putting in large and excessive amounts of government revenue or money to build more and more government houses, to give people subsidized rates out of the fellow's pocket who's trying to build his own house and make a few bucks in revenue. So what do you do? You get the government more and more involved in the housing and government housing and such; you aren't really solving the problem, you're just more or less taking over more the old people. So I think that when you're bringing rent control legislation - and I shouldn't criticize it before I've seen the bill - I imagine that you're talking rent controls, I hope it's rent review, but I think that you need the worry because I've often heard the saying that the cure could be worse than the disease, and this just could be what you're running into.

MR. SPEAKER: The Honourable Member has two minutes.

MR. HENDERSON: Two minutes, wow! Well I'll try and finish. We have a government now who's taking over in the housing; they believe in an NDP education, they want that brought into the schools; they want them taking over the press - former member Cy Gonick said that; we have the Minister of Agriculture taking over land, he wants to take over more than that; we have the Minister of Industry and Commerce wanting to take over the mineral rights, and it's not for the money he gets in the mineral rights, because that's small, but he wants the mineral rights; he wants to take over the manufacturing of airplanes; he wants to take over the manufacturing of buses, and God only knows what else. They believe in supply management. Yes, they're in the lumber business, the paper business, the oil business and the exploration business. God I've got them written down here, and I know I haven't them all. So you people really do believe in government control, in government regulation right from the word "go", supply management, and this is where it comes in. And in this way you're killing the thrifty hardworking individuals off; you won't have them around after a while and I don't know what's going to happen to the country then. Then, the Government, I think, will be coming in and saying, "Well it's got to be different now; you do this and you do that and you get this and you get that." So myself I'm very anxious and I'm very glad that we've got back to talking more on a philosophical approach to this thing, I welcome it, because, I really think that when the people really size this up and look at where they're going to go - you can fool them for a while, but you can't fool them all the time - and the time's going to come very soon when you're going to be turfed out. Thank you.

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MR. SPEAKER: The Honourable Minister for Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet): Mr. Speaker, I rise in this debate because of the enthusiasm of the debate this evening, not because I had really planned to do so, but some of the comments that have been made today have convinced me that there is need for further input, and indeed input to correct the observations made of members opposite.

But, before I get into that, Mr. Speaker, I want again to congratulate you on the work that you are doing in this House in keeping the members in their proper place, drawing to our attention from time to time when we err in the rules of the House, and I indicate to you now, Sir, that I would attempt to co-operate with you as well as others that have mentioned likewise during the debate.

I want to also take the opportunity to congratulate the newcomers to the . . . or welcome, rather, the newcomers to the Assembly, congratulate them on their victories. But, I want to give them a bit of advice at the same time. I want to advise them that they, of course, are under an apprenticeship system that is not going to suit them in the long run, that they are learning from the old school on the other side and that the initial mark that they make will be indelible in the minds of the public, and they, of course, will eventually have to answer to the people of their constituencies when the time arises. So that I think credibility is what we're talking about and I would suggest to them that they not follow in the steps of the leadership that has so far been provided on that side of the House.

I want to also express regret, Mr. Speaker, that the Member for Souris-Killarney, is not with us. I always enjoyed the comments that he made in this House and the contribution - I didn't always agree with him - but it's my hope that we will see him back in here some time during the course of this Session.

I want to, first of all, take issue with the points raised by the opposition on the workings of Autopac, and I notice that a number of members opposite have raised the same question, and indeed the Member for Lakeside the other day in his contribution to this debate talked about the promise of this Government before Autopac was introduced, the promise that it would generate huge profits. Mr. Speaker, if you refer to Page 134 of Hansard, dated February 18th, you will notice in the second paragraph that the Member for Lakeside suggests that we had indicated that there would be profits in the order of \$35 million per year out of Autopac, and that of course we are going to--(Interjection)--No, but that is not . . . Well all right, I'm happy that I have now the correction from the Member for Lakeside, because the word here is "profits", and I'm reading from Hansard, and I couldn't believe, Mr. Speaker, that the Member for Lakeside, would want to misrepresent the facts in that way and I'm happy to be corrected, or at least I'm happy that the member is now correcting his position in this regard. But, I want to . . .

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: On a point of privilege that I may not have and perhaps . . . that I never read my own speeches in Hansard . . .

MR. SPEAKER: Order please.

MR. ENNS: . . . but I do concur with the Minister's remarks. If I recall correctly the debate centered around the fact that 35, 34 million to 35 million dollars worth of premiums were written in '69, and it was premiums that I was referring to, and if the word profit is in there then obviously I was well out of line in that . . .

MR. USKIW: Mr. Speaker, we're happy that the Member for Lakeside is prepared to set the record straight. But I think in that context, however, Mr. Speaker, we should not regret the entry of the Government into the automobile insurance business for many reasons, but certainly even for the fact that the province has realized, for the benefit of its motorists, a position of profit out of investments, investment of the premium dollar or a portion of it, which has served to keep the premium rates lower than they otherwise would be, and where under the private sector that is a separate portfolio and is never plowed into the auto insurance end of their business. So, I think, to that extent, Mr. Speaker, the program speaks for itself, it sells itself and the fact that we are able to operate at roughly around 17 or 18 percent administration costs of the premium dollar

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(MR. USKIW cont'd) compared to 35 to 40 percent in the private sector prior to Autopac - and I happen to know because I was in it myself, Mr. Speaker, that's about the level of administrative costs that we had to charge in the company that I worked with, and I know that we can't really argue as to the success of and efficiency of the public auto insurance business in Manitoba. I don't think anyone is going to carry that argument too far into the future, Mr. Speaker.

But, I want to take a moment to refer to Page 35 of Hansard, dated February 16th, and here, Mr. Speaker, I want to point out - and I'm sorry that the Member for Wolseley's not here because I was trying to, a moment ago, suggest to him that he should not follow the footsteps of his Leader. On Page 16, and I want to quote this paragraph, Mr. Speaker, it says as follows: "Mr. Speaker, call it a subsidy, call it what you will, but the fact that two cents tax on gasoline affects the price of everything that is shipped by road . . . whether the person who buys it owns a car or not. If I do not own a car, but you in effect tax the quart of milk I buy and take the yield from that to tax and protect those who do own cars, then, Mr. Speaker, we can legitimately say, 'That is a subsidy.' That's the kind of lack of frankness that has obscured political debate in Manitoba throughout the life of this Government." Talking about obscuring the debate, the facts, Mr. Speaker, that is a prime example of just that, because the Member for Riel, the Acting Leader of the Conservative Party of Manitoba, knows full well that whether you have private insurance or public insurance, the cost of operating motive transport is all going to be plowed into the consumer cost in the end. It isn't only because, or it doesn't happen to be because it's a public agency that happens to be in the field of insurance, but all costs have to be accounted for on all goods that are hauled by truck or rail, or whatever for that matter, and therefore, this demonstrates in my mind the lack of either thought or the intentional misrepresentation on the part of the Conservative Party as portrayed in the contribution in the Throne Speech Debate this year. So, I again, remind my new colleagues in this House that they ought to be careful when they follow in the footsteps of the front bench of their party.

Mr. Speaker, I would like to now talk about democracy and socialism, as my friendly Member for Lakeside indulged in the other day, but firstly, I want to deal with the question of political democracy, and to point out that we at this point in time in my opinion do not fully appreciate and enjoy political democracy as I would like to see it. I think it has too many interferences built in. And we are talking about the way in which political parties are funded, Mr. Speaker, and I don't know whether it's so difficult to understand that whenever you ask for a contribution from any individual to finance your political instrument that usually there is an expectation that that is a gesture of goodwill, that in some form will be repaid. It is always expected in the mind of the giver. And, Mr. Speaker, that is a human condition that I'm talking about that is not surprising, that is a human attitude, and I know that not only do the Conservative Party suffer from that problem but the New Democrats do as well; and one would be naive to think that those that contribute to the development and the promotion of a political party from time to time don't make it known that they do to the politicians and hope to receive some rewards or favours through the process of government and administration.

And that, Mr. Speaker, I find very distasteful, that is something that should not be part of a democratic institution, and I give support to the suggestions made by the Minister for Public Works, the contribution that he made in this debate, Mr. Speaker, with respect to that question. I think that we would be well advised, all parties would be well advised, to take a hard look at public funding of political parties so that we do not have to rely on the private subscription, whether it be companies or individuals, so that we don't have to be beholden, as the Leader of that party there suggested on many occasions, that he didn't want to be beholden to anyone.

And I don't know how he can escape being that, Mr. Speaker, because it is known, through his own admission, that even his very salary to put bread and butter on the table is based on someone's generosity to the Conservative Party and to the Leader of the Conservative Party. I don't know who that someone is, Mr. Speaker; I don't know whether that is in the public interest or it isn't, I have no way of knowing that, neither do

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(MR. USKIW cont'd) the people of Manitoba have any way of knowing that. They are hoping that there is nothing sinister behind that. And I say, Mr. Speaker, that that is not good enough, that if you truly believe in a democratic system, then we have to have the instrumentality to provide it so that the people have a choice based, not on influence peddling, but a choice as to policy and philosophy, regardless of who the shadows are behind the men that speak out in the front lines in political debate. And that is something that I would suggest to my honourable friends that is worthwhile considering so that we don't have to be the hangover of the Watergates, the hangover of the Lockheed Corporation contributions - as alleged in the medium - and Gulf Oil Company.

You know, Mr. Speaker, when I read about contributions made to political parties in Canada by the oil corporations of the world, I said, to my wife, "You know they missed me out. I don't know who they gave money to, they certainly didn't give me any, and I'm not aware that they gave my political party any." And I said to my wife, "You know, I'll bet they visited on Premier Lougheed of Alberta because that's where the oil is." And that is something that I would hope that we can correct in due course of time, that we would not be succumbing to that kind of pressure and that kind of motivation in the political process. And I also said to my wife, I said, "Now I know why we didn't sell our Saunders Aircraft, because we can't compete with that kind of nonsense if we have any ethics whatever." And that is a handicap of a Crown-owned agency in the aircraft industry. Obviously we cannot compete with the so-called kickback system that is alleged, you know.

MR. BILTON: Why should you?

MR. USKIW: And I agree with my honourable friend the Member for Swan River, "Why should you." All I'm pointing out is that all of these things prevail throughout the world. These are not surprising but we should do something to at least clean our house, Mr. Speaker, so that the people of this province would have greater confidence in their politicians, whether they be Conservative politicians, or New Democrat politicians, or Liberal politicians.

Now, Mr. Speaker, I would like to make some comments on the comments of the Member for Lakeside with respect to socialism and where it leads us, and on Page 132 of Hansard, dated February 18th, he makes a point about his concern as to how far we go down the road of socialism, and he makes reference to Iron Curtain countries where freedom and liberty has been destroyed, and so on. And I would like to remind him that prior to that happening, prior to the advent of communism in Russia or China, that they had a capitalistic feudal system that people rebelled against. It's not that they were happy that they installed these new institutions in that part of the world, it's because they were totally unhappy, and Mr. Speaker, you may check the history books, but in 1905 when the people of Russia demanded constitutional government the troops ran the people over with horses, they shot at them, because they demanded constitutional government. Surely, my honourable friends don't expect that any self-respecting society would allow that to continue indefinitely, that they had to change the system. And they went to the other extreme, Mr. Speaker, they went to the other extreme, and they went to the other extreme because they were fearful that if they were to compromise at all that they wouldn't long survive, that the capitalist system of the world would contrive to bring them down again. And it is the extremity that I think we should all object to, and I don't think one has to go to one extreme or the other.

If you look at the Spanish Civil War you have the same kind of situation where you had a left-wing coalition government, I believe it was in the Thirties, if my memory serves me correctly, and where the military people under Franco decided to launch a revolution to oust an elected government because it was of the left-wing philosophy, and there they went to the other extreme into fascism, and they have it till this point in time, and they have a revolution brewing there today because of the extremities in the other direction.

And then, of course, Mr. Speaker, we have the situation in Chile. In Chile you have a situation where you have the first elected Marxist President, but who could live with an elected Marxist President in South America? Certainly the right wing groups couldn't within South America itself, but more so the United States and the CIA couldn't live with it, Mr. Speaker. And democracy was not allowed to function because it was expressing a

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(MR. USKIW cont'd) left wing point of view and then resorted to gunpowder. The only mistake that Allende made, Mr. Speaker, was that he didn't pull the gun first. That is a lesson that one could learn about South American politics. That is a lesson, Mr. Speaker, that one could learn from South American politics. And if I was in South America, I think I would take heed to that lesson. I would take heed to that lesson because Allende was put out of office by largely external forces and a right wing element within the country itself. So my honourable friend the Member for Lakeside should not try to draw the extremities of left and right. I think there's a happy way down the middle, Mr. Speaker, and that is the concept that we are trying to present to the people of Manitoba through the New Democratic Party.

I think, Mr. Speaker, it should be clear to the people of Manitoba as to the differences of philosophy between the Conservative Party and the New Democrats. I think the people have a right to know the difference in approach, the difference in thinking. And I know, Mr. Speaker, that there are people on that side that are not happy with the philosophy of that group over there, mainly the deposed, the deposed Leader of the Conservative Party. And he makes no bones about it, Mr. Speaker. He makes no bones about it. And I know I could point to the Member for Virren who I look upon as a liberally minded individual who likely would be comfortable on this side of the House. And I'm sure that I could include the three members of the Liberal Party. Mr. Speaker, I suggest that the ideal situation would be in terms of the next election that we do polarize, that the Liberals from that side should cross over, and we should go to the country with a proper definition of where we stand as between the Conservative element and the more progressive element of the left.

So, Mr. Speaker, we are not advocating as the Member for Lakeside suggests an extreme position. We are suggesting that one doesn't have to go to the extremities of what happened in Russia or China or Spain or Chile, for there's a very comfortable path in between those two extremes, and we should attempt to direct ourselves in that way where we don't bring about that kind of confrontation that results in nothing but chaos and conflict and eventually a revolutionary situation.

You know, in observing politics in the United States, one could almost come to the conclusion - I'm not drawing that conclusion yet, but I believe that it is almost impossible at this point in time in the United States to allow a truly left wing expression of opinion. The McCarthy era suppressed most of what was there. It is virtually impossible to even think in terms of publicly exposing a socialistic or left wing social democratic, or whatever brand you would want to portray in the politics of the United States.--(Interjection)-- Mr. Speaker, the Member for Lakeside fails to realize that most people who espoused those ideas in the United States are haunted, or hunted, or hunted by the CIA and the FBI, and they are tired, Mr. Speaker, they are tired before they get to first base. And this is something that I feel proud that at least we are not subjected to in Canada. And I think, Mr. Speaker, we have the British parliamentary system to thank for it. --(Interjection)--Yes I have heard of George McGovern; I have a fairly high regard with respect to Mr. McGovern.

So, Mr. Speaker, it really comes down to the differences between the people opposite and the government. And I think the difference is here, Mr. Speaker, here is where the split is. The members opposite don't mind democracy, only if it takes the people of this country and this province to the ballot box. But beyond the ballot box, Mr. Speaker, they don't believe in it. They do not believe in economic democracy, and that is the difference, and that is the difference. I think one could illustrate for members opposite what we mean when we talk about democratic economic democracy. We talk about the need for equitable sharing of the nation's wealth. And that is something that members opposite, Mr. Speaker, are not prepared to accept. They don't believe in equity in sharing our production.

We talk about the fact that basic needs of society must be socially met, that government has to play a large role in meeting basic needs. That is not acceptable other than when they had to be dragged by the heels as they did in the Medicare issue to introduce government medical care and hospitalization into this province.

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(MR. USKIW cont'd)

You know we can talk about the allocation of manpower - and I don't have to go far back in our history to point out some of the anomalies that do exist because we don't have proper economic planning mechanisms. I recall when we saw the advent of the hula hoop - and that's about 15 or 20 years ago or so - and, you know, I don't know how many millions of dollars we spent on inventing and promoting and production of the hula hoop. But you know I concluded very quickly that we must have built all the homes we needed, we paved all the roads that had to be paved, we did all the things that people needed, the basic things, and we had nothing else to do so we built the hula hoop, Mr. Speaker. That is real economic planning. And that is something, Mr. Speaker, that demonstrates the waste of resources which our Premier so often talks about and which we have not been able to do anything about.--(Interjection)--

MR. SPEAKER: Order, please.

MR. USKIW: I think when we talk about economic democracy, Mr. Speaker, I think it can be demonstrated through the fact that basic needs of society are met on the basis of need and ability to contribute towards the funding of the program to supply those services, or whatever it is. And I think it can be demonstrated through programs like medicare, hospitalization, nursing home care, student aid, pensioner home repair programs, the tax rebate program, public housing, all of those are programs that have the effect of redistributing wealth and making sure that there is not too large a gap between those people at the bottom income level and those people at the top. Surely if government has any responsibility at all, it has to look at the ever-widening gap, and we witnessed that for decades now between the people at the bottom level of income and people at the top, and the percentage increase has done a great disservice, in my opinion, to the relationship of incomes as between groups in society across Canada. Ten percent, twenty percent, that is not the approach that we should have condoned, Mr. Speaker, and we tried to implement some change in that policy within the Civil Service negotiations for two years in a row, and effected some program in that regard here in Manitoba. But across the country, Mr. Speaker, it's true that if you have \$40,000 and you get a 20 percent increase you've got 4,000 bucks, but if you've only got \$10,000, 20 percent doesn't mean that much. And that is where we have been widening the gap as between different income groups, and that is what has been introducing greater disparity, lack of opportunity for people; and this is something that has to be dealt with.

Mr. Speaker, it can only be dealt with in the context of the will, of the will of people to try to bring economic order to our system. There has to be some means, some mechanism to bring about the co-operation of labour, management and government into some form of collective economic planning, as they have in some parts of the world. Even the Japanese have a system which takes into account all of these considerations. They have control mechanisms; they feel they could not survive without them. And, Mr. Speaker, we have not addressed ourselves to that important problem.

I think that at some point in our history in the near future we are going to have to set up a system where in advance labour management and government determine the rate of price increases, the rate of wage increases, and in fact attempt to take out some of the distortions and anomalies that now exist, and that's going to require the co-operation of all groups in society. Anything short of that, Mr. Speaker, is going to result in ultimate chaos of the whole system. Anything short of that. And that is something, Mr. Speaker, that my friends opposite have never wanted to respect. They felt that the free market system is the only way, the only way in which we should function and everything will sort itself out, that somehow millions of independent decisions are going to result in the global thing being the right thing that occurs. You know, Mr. Speaker, that is not possible.--(Interjection)--No, the Prime Minister indicated that the system isn't working. Well I never ever expected it to work. It has never worked historically. So why should anyone be so shocked if the system isn't working. It's just that the crunch is coming a little closer, Mr. Speaker, that's all he's saying. And that there has to be intervention of some sort to prevent a calamity. That is really what the Prime Minister is saying. And if my friends don't recognize that, then they're going to be very sorry fellows one day

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(MR. USKIW cont'd) because it will be demonstrated that they lack the instinct of leadership in trying to bring about a change of our economic policy and public posture in terms of directing the economy of the land.

One of the things that has to be observed, Mr. Speaker, is the fact that the Progressive Conservatives of Manitoba are a party that for some reason or other has always been out of step, or at least in the last several years. Always out of step. They threw out a Leader who had progressive ideas because they wanted to go back to the good old days, good old days, Mr. Speaker. That gang there, Mr. Speaker, chose not to elect that man when they had the opportunity; they chose to elect a person more to the right of him. But they bombed out in the election of '69, Mr. Speaker. So now they go back on bended knee and they say, "Well would you forgive us, would you forgive us."

MR. SPEAKER: Order, please.

MR. USKIW: Mr. Speaker, they have that liability to live with, they have that liability to live with. Their former Leader knew where he was going, he knew where the people were going. Their new National Leader has now indicated that the direction is the more liberal line. He is not going to be the out and out right winger as I understand him, but my friends opposite find themselves on the outside again. My friends opposite find themselves on the outside again. The oldtimers of the Conservative Party are back in control and they have rejected, they have rejected progressive ideas from within their own group. And, Mr. Speaker, I intend to debate in the political process in that context because that is what has been revealed to us, that is what has been revealed to us within the last six months, the posture that my friends opposite are taking.

Well, Mr. Speaker, the Member for Fort Garry suggests that tomorrow's Hansard... I make no apologies about that particular statement, Mr. Speaker, because in South America it has been demonstrated that moderate action is not going to result in anything happening of a progressive nature.--(Interjection)--That is correct. If I was in South America, I would advocate the Cuban approach. I have no apologies for that. No apologies for that.--(Interjection)--

MR. SPEAKER: Order please. Order please.

MR. USKIW: Mr. Speaker, there is no need for that approach in Canada. We do have a good parliamentary system but we have to make it more honest than it has been, and we have to get out of the private funding of political parties to make it more honest.

A MEMBER: They were even appealing to me to give them a contribution.

MR. USKIW: So, Mr. Speaker, I close on the note that I've enjoyed the contributions of my honourable friends in the last seven or eight days, and I'm looking forward to that party endorsing the main motion. I would hope that they would do so because I think the government has done a splendid job over the years, and the program that we've outlined is for the benefit of the people of Manitoba and a progressive program . . .

MR. SPEAKER: Subject to our rules, I must now place the motion before the House. MOTION presented and carried.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I move, seconded by the Honourable the Minister of Labour, that the address be engrossed and presented to His Honour by such members of the House as are of the Executive Council and the Mover and the Seconder of the Address.

MOTION presented and carried.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Sir, I have a message from His Honour, the Lieutenant-Governor.

MR. SPEAKER: His Honour the Lieutenant-Governor transmits to the Legislative Assembly of Manitoba Estimates of the sum required for the services of the province for the fiscal year ending the 31st March, 1977 and recommends these Estimates to the Legislative Assembly.

The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, while the books of Estimates are in fact being distributed to honourable members of the Assembly, I would like with your leave, Sir, to make what would be in the nature of a summary declaratory statement relative to the same Estimates.

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MR. SPEAKER: Agreed? (Agreed)

MR. SCHREYER: Thank you, Sir.

The government's Main Estimates of Expenditure for 1976-1977 fiscal year, which are in process of being distributed now and tabled with the Assembly now, total approximately 1 billion, 158 million dollars. This amount represents an increase of approximately 12.7 percent above the amount voted at last year's session of the Legislature. These percentage increases for 1976-77 are within the Government of Canada's Anti-Inflation Guidelines; although Ottawa did not suggest a specific percentage limit on the generality of government expenditures' increase in Canada, it did propose, and I quote from the White Paper of Last October, and I quote: "The trend of total spending by all governments of Canada should not rise more quickly than the trend of the gross national product." At present most forecasters are anticipating that Canada's gross national product growth between 1977 and 1976 will be in the 15 percentile range. In this connection it is worth noting that the Federal Government announced last week that it is aiming at a target increase of 16 percent in its total actual expenditures between the current fiscal year and the next one. At the same time its budgetary estimates have grown by about 19.3 percent between the current fiscal year and the upcoming fiscal year, taking into account certain changes in the way it is now presenting old age security payments in its estimates.

Other provincial governments' expenditure estimates for 1976-77 have not yet been tabled in most cases, but we have reason to believe that the rate of increase in our estimates will compare favourably with the average rates announced by other provinces, to be announced over the next few months.

The general preparation of our estimates for the coming fiscal year is a process that starts in summer and goes through the entire autumn; detailed departmental review began in the autumn. During the department by department reviews something in the order of \$170 million were cut from initial requests. In deciding upon these reductions and in establishing the estimate totals for 1976-77, we generally permitted only those increases which were regarded as being necessary to cover foreseeable changes in input costs, as well as the full year or annualized costs of new measures brought in during 1975-76. In some specific cases, such as advertising, expenditures have been frozen at their last year's level, and in turn last year's level, relative to advertising, has been comparatively constant over quite some several years now. These stringent limits on on-going expenditures give us some limited flexibility to free up funds for improvements in the higher priority programs.

Most of the increases in the 1976-77 estimates are accounted for by improvements in hospital and medical insurance programs, personal care homes, and this is an area of increase of about \$52 million.

Educational grants, including grants to school boards, and assistance to universities is up some \$21 million.

Agriculture, including the Farm Income Assurance Plan, is up \$14 million, or a 56 percent increase over the last year.

Local Property Tax Relief through the Tax Credit Program is up some \$10 million.

Members will note some changes in the format of the estimates in that, for one, our new Provincial Municipal Income Tax Sharing Plan under which we are transferring revenues from two percentage points of personal income tax and one percentage point of corporate income tax to the municipalities, will be reflected in the Main Revenue Estimates which are tabled at the time of the Budget, instead of being shown as unconditional grants. However, the cost of our tax credits will still be shown as expenditures, unlike in other provinces, such as Ontario, where the totals are netted out of revenues, rather than shown as expenditures. But I make that point, Sir, to indicate that there is merely a difference in format; I do not quarrel with the format principle as being used in Ontario in this regard, the netting out from revenue rather than the showing of it as an expense for purposes of transfer payments to local government.

Secondly, the estimates include brief program descriptions designed - this is a format change - that there is a brief program description in the estimates this year to assist

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(MR. SCHREYER cont'd) members in reviewing departmental spending proposals.

And thirdly, detailed information with respect to shared costs program recoveries from the Government of Canada are also shown more systematically in the format of the estimates of expenditure as tabled this year. Again, to provide more information to assist the members of the House and to identify the source of funding of various programs.

Overall we believe the 1976-77 Main Estimates are clearly indicative of our Government's continuing determination to apply restraint in its management of the province's financing, the determination, which, while some may feel is inadequate, I repeat, Sir, is comparing very favourably on an interprovincial comparison basis with every single province of this Dominion of Canada, a determination which has earned our Government a commendation for prudent budgetary policy, and an AA rating from one of the most respected and objective international financial rating agencies who do their own analysis free of the kind of partisan bias and blindness as has been exhibited here in recent hours.

Mr. Speaker, I would move, seconded by the Honourable the Minister of Agriculture, that the message, together with the Estimates accompanying the same, be referred to the Committee of Supply.

MOTION presented and carried.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: I would move, Sir, seconded by the Honourable the Minister of Health, that this House will at its next sitting resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MOTION presented and carried.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I move, seconded by the Honourable the Minister of Tourism and Cultural Affairs, that this House will at its next sitting resolve itself into a Committee to consider of the Ways and Means for raising of the Supply to be granted to Her Majesty.

MOTION presented and carried.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, it seems as though we have concluded today's deliberations. May I indicate to the House the tentative arrangements for the consideration of the Estimates when we reach the same would be that we would first consider the Estimates of the Department of Agriculture, followed with the consideration of the Estimates of the Minister of Urban Affairs, and then I hope that we will be in a position, through consultation with the House Leader of the Official Opposition, to arrive at a further extension of the department in order of their consideration.

Having said that, Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Agriculture, the House do now adjourn.

MOTION presented and carried, and the House adjourned until 2:30 tomorrow afternoon. (Wednesday)