

TIME: 2:30 p.m.

OPENING PRAYING by Mr. Speaker

**MR. SPEAKER**, Honourable Peter Fox (Kildonan): Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees.

### MINISTERIAL STATEMENTS AND TABLING OF REPORTS

**MR. SPEAKER**: The Honourable Minister for Health.

**HONOURABLE LAURENT L. DESJARDINS (St. Boniface)**: Mr. Speaker, I would like to Table the Return to Orders Nos. 20, 21, 22 and 23 in the name of the Honourable Member for Rhineland.

**MR. SPEAKER**: The Honourable Minister for Education.

**HONOURABLE IAN TURNBULL (Osborne)**: Mr. Speaker, I wish to Table the Annual Report of the Public Schools Finance Board for the yej ending December 31st. The Clerk has copies for distribution.

**M. SPEAKER**: The Honourable Minister for Highways.

**HONOURABLE PETER BURTONIAK (Dauphin)**: Mr. Speaker, I would like to Table the Order for Return, No. 18 and No. 33, on the motion of the Honourable Member for Birtle-Russell.

**MR. SPEAKER**: Any other Ministerial Statements or Tabling of Reports? Notes of Motion.

### INTRODUCTION OF BILLS

**MR. DESJARDINS** introduced **Bill (No. 68), an Act to amend the Social Services Administration Act.**

**MR. EDWARD MCGILL (Brandon West)** introduced **Bill (No. 69), an Act to amend he Public Schools Act.**

### ORAL QUESTIONS

**MR. SPEAKER**: The Honourable Member for Brandon West.

**MR. MCGILL**: Mr. Speaker, on a matter of House Privilege. Yesterday in the question period I asked the Minister of Continuing Education whether, on the 30th of March of this year, two appointments to the Brandon University Board had been made in contravention of the regulations. Mr. Speaker, he told the House that no appointments had been made to any Board in contravention of the regulations. I point out to you, Sir, that the change in the regulations occurred two weeks later. I wonder, Sir, if the Minister would care to explain to the House how it was that these appointments were made under regulations that were contravened and were not amended for two weeks subsequent to the action.

**MR. SPEAKER**: The Honourable Minister of Continuing Education.

**HONOURABLE BEN HANUSCHAK (Burrows)**: Mr. Speaker, my advice is that the Orders-in-Council that were passed, were in accordance with the legislation. I'll take the point raised by him as notice and I will seek legal interpretation of the validity of what has transpired. But at this point in time my advice is that the Orders-in-Council were passed by the Lieutenant-Governor, in Council, were in accordance with the legislation and regulations.

**MR. MCGILL**: Mr. Speaker, would the Minister now confirm to the House that this amendment did take place two weeks subsequent to the appointments?

**MR. HANUSCHAK**: Mr. Speaker, I did indicate that I am prepared to take the matter as notice and I'll be prepared to report back to him and to the House on the sequence of events and their validity and respond to whatever other concerns members may have which they could properly raise within this House.

**MR. SPEAKER**: The Honourable Member for Lakeside.

**MR. HARRY J. ENNS**: Mr. Speaker, I direct a question to the Honourable Minister of Mines and Natural Resources and Environmental Management in his capacity as Minister responsible for water resources. Can the Minister confirm that our northern rivers and streams in contrast to the south are enjoying above average water flows and runoffs at this particular time, and in particular the Churchill River?

**MR. SPEAKER**: The Honourable Minister of Mines.

**HONOURABLE SIDNEY GREEN**: Mr. Speaker, I am aware that there are no problems with the northern rivers. I don't know whether it's above average or below average, but I do not think that we are having a problem in terms of runoffs in the northern rivers.

**MR. ENNS**: Mr. Speaker, for the Minister's information that . . .

**MR. SPEAKER**: Question please.

**MR. ENNS**: . . . rivers near flood stage. I direct a question to the Honourable the First Minister. Can he confirm that at this very moment, every second in fact, that while I'm asking him the question, that 20,000 cubic feet per second are spilling over the Missi structure unused as far as an energy resources is concerned. . . .

**MR. SPEAKER**: Question is debatable.

**MR. ENNS:** . . . Is that still continuing?

**MR. SPEAKER:** The Honourable First Minister.

**HONOURABLE EDWARD SCHREYER, Premier (Rossmere):** Mr. Speaker, I cannot confirm that it is precisely 20,000 cubic feet per second, what I can confirm is that it is my understanding that rivers in the northern latitudes of this province, and indeed northern latitudes of western Canada, are at about average conditions, and that in the southern part of western Canada, indeed as far east as the Lakehead itself, that conditions are very very much below normal, and that this is part of the vagaries of climate and nature, and perhaps may be transposed at some time or another in ty future.

**MR. ENNS:** Mr. Speaker, a supplementary question to the First Minister. Can the Minister indicate to us, has he attempted in any way to speed up the problems that prevent us from using the CRD, the Churchill River Diversion to its maximum capacity, namely the full 30,000 cubic feet per second, rather than the 10,000 that are now being used at an earlier date than what was indicated to us by Hydro during the committee meetings?

**MR. SCHREYER:** Well of course, Mr. Speaker, this is being worked towards, but my honourable friend knows, or should know, that there are still legal positions being taken by some representatives of the Government of Canada, some representatives of the Northern Flood Committee, who contend that there is no right to assume the right to proceed on that scale. The matter continues to be negotiated.

**MR. ENNS:** Mr. Speaker, I would ask the First Minister to perhaps consult with Hydro and bring that information to the House for the benefit of members — some idea of what the 20,000 cubic feet per second of water that is currently not being used in energy resource, mean to us in terms of dollars, particularly in lieu of Hydro statement today . . .

**MR. SPEAKER:** Order please. The honourable member is making an argument now. Questions only.

**MR. ENNS:** Mr. Speaker, I'm trying to compare the Manitoba Hydro announced . . .

**MR. SPEAKER:** Through an argument, that's correct. Question only. Question only.

**MR. ENNS:** Manitoba Hydro announced that we are going to be buying expensive power, thermal power, coal and oil.

**MR. SPEAKER:** Order please. Order please. The Honourable First Minister.

**MR. SCHREYER:** Mr. Speaker, the honourable member has had ample opportunity to get that kind of information in terms of the equating of every 1,000 CFS or 10,000 cubic feet per second in terms of energy alue and equivalenced in coal or whatever, and I welcome his doing so. At the same time as he does that, I would like to ask him to inform himself as well, as to the value of the same manitudes, 20,000-25,000 cubic feet per second in the winter months.

**MR. SPEAKER:** The Honourable Member for Rhineland. The honourable member has had four. Will the Honourable Member for Morris state his point of order.

**MR. WARNER H. JORGENSEN:** Yes, Mr. Speaker, my point of order is that you saw fit to cut off the microphones so that the question that the Honourable Member for Lakeside asked is not on the record, because you ruled it out of order, and yet you permitted the First Minister to respond to a question that is not going to appear on the Order Paper. This arbitrary exclusion of questions on the procedures of this House cannot be allowed to go unchallenged.

**MR. SPEAKER:** The Honourable First Minister on the same point of order.

**MR. SCHREYER:** Yes, Mr. Speaker, I don't know if there is a technical problem in that regard or not. I heard the question, and I attempted to answer it.

**V. SPEAKER:** The Honourable Member for Rhineland.

**MR. ARNOLD BROWN:** Thank you, Mr. Speaker. My question is directed to the Minister of Health and Social Development. Can the Minister explain the reason for the Manitoba Dental School losing its full accreditation?

**MR. SPEAKER:** The Honourable Minister for Health.

**MR. DESJARDINS:** Mr. Speaker, this is something my honourable friend could take with these dental schools. I think they would be able to provide the answer better than I can.

**MR. BROWN:** My question is to the same Minister. I wonder if the Minister would attempt to get full accreditation reinstated for the Dental School in Manitoba.

**MR. DESJARDINS:** My honourable friend should know that I have nothing to do with the accreditation. There is no doubt that everybody would have it, including Selkirk, if I had anything to do with it.

**MR. BROWN:** My question then is to the Minister of Continuing Education. Will the Minister attempt to get full accreditation reinstated for the Dental School?

**MR. SPEAKER:** The Honourable Minister for Continuing Education.

**MR. HANUSCHAK:** Mr. Speaker, I believe that the honourable member knows that the matter of accreditation for no faculty or any faculty of any of our universities that is not under the jurisdiction of the Minister but that this is a matter for the university to deal with, or its senate. — (Interjection)— Not unless the honourable member is suggesting that the government ought to interfere with the

autonomy of the universities and run them directly, which is the only conclusion I can come to.

**MR. SPEAKER:** The Honourable Member for Rhineland, a final question.

**MR. BROWN:** My question is to the Minister of Health and Social Development. Can the Minister tell this House whether any attempt has been made to get full accreditation reinstated at the Selkirk Mental Hospital?

**MR. SPEAKER:** The Honourable Minister for Health.

**MR. DESJARDINS:** Mr. Speaker, all I can say is what I have stated in the House before, that the people responsible to the hospital will do everything possible to get their accreditation back but I don't think that they'll do that daily or every week. This is going to take awhile. This inspection is going to . . . I don't know when the next time will be.

**MR. SPEAKER:** The Honourable Member for Radisson.

**MR. HARRY SHAFRANSKY:** Yes, thank you, Mr. Speaker, a question to the First Minister. Can the Minister indicate whether the reasons given by the former Assistant General Manager of Manitoba Hydro, Kris Kristjanson, the reason given for his resignation was based on his engineering expertise which Manitoba Hydro refused to accept.

**MR. SPEAKER:** The Honourable First Minister.

**MR. SCHREYER:** Well, Mr. Speaker, I would say simply that the reasons given by various people who worked in senior capacities with Hydro, be they engineering personnel or economist personnel, those reasons and arguments were put forward at the time and a decision was taken on the basis of consensus of engineering opinion. And this has been confirmed, not by me, but by the Chairman of Manitoba Hydro, last year, this year, and is so recorded in the transcripts of the committee.

**MR. SHAFRANSKY:** Yes, Mr. Speaker, a question to the First Minister is his capacity as Minister reporting for Manitoba Hydro. Can he indicate the year that Mr. Tom Storey, a former Chief Engineer of Manitoba Hydro, was appointed to the Board of Directors of the Manitoba Hydro?

**MR. SCHREYER:** No, I couldn't remember precisely, Mr. Speaker. It's available by means of the records such as the inside front page or thereabouts of the Hydro Report for the given year which, I suspect, would be around 1971 or 1972.

**MR. SHAFRANSKY:** Mr. Speaker —(Interjection)— Yes, is there some problem out there?

**MR. SPEAKER:** Order, please.

**MR. SHAFRANSKY:** Yes then, Mr. Speaker, I have a question to the First Minister. Can the Minister indicate whether there has been any apology from the Conservative leader based on his allegations that Manitoba Hydro wasted some \$605 million of the taxpayers' money?

**MR. SPEAKER:** The Honourable Member for Lakeside.

**MR. ENNS:** Well, Mr. Speaker, several weeks ago I asked the First Minister about the draw-down on Lake Winnipeg; the question of whether or not we may not have let too much water out during the winter months. In lieu of the situation developing today and the announcements of Manitoba Hydro today, does the Minister concur that perhaps too much water was let out of Lake Winnipeg during the winter months?

**MR. SPEAKER:** The Honourable First Minister.

**MR. SCHREYER:** Mr. Speaker, my colleague, the Minister of Mines and Water Resources, may have more specific information but just so my honourable friend has some basis of maintaining perspective in the matter, I would refer him to the following two facts: the first is that we are advised that the levels of Lake of the Woods and Lac Seul are at a record low, that indeed, Lac Seul, for example, is 10 to 12 feet below its average — 10 to 12 feet I repeat and also that Lake of the Woods is a matter of 4 feet or more below its average. And finally, I would point out that Lake Winnipeg itself has been at 709 in previous years of even less serious or aggravated precipitation lows, and I refer specifically to 1940 or '41 and one other year in the late '30s.

**MR. SPEAKER:** The Honourable Minister for Mines.

**MR. GREEN:** Mr. Speaker, I am rising because I do have a precise answer to the question that was asked by the Honourable Member for Lakeside.

As at April 22nd, under the present operating plan for Lake Winnipeg, water is stored on the lake over the summer months when hydro-electric generation demands are low and is released during the winter when energy demands are high. Therefore, the present level of 711.62, that was as at April 22nd, is about four-tenths of a foot below that which would have occurred had Lake Winnipeg Regulation not been in effect. The present three months forecast indicates that if the present dry conditions continue, the level of Lake Winnipeg will reach 711.47 by July 1, 1977. We estimate that without regulation the lake would drop to elevation 711.06 by July 1977. Thus the Lake Winnipeg outlet structure will cause Lake Winnipeg to be higher than under natural conditions this summer by some half a foot, which is the problem for Lake Winnipeg Regulation; that it would be kept high under periods of drought conditions and lower during their periods of high water conditions, which is what every engineering advice that we have with regard to Lake Winnipeg Regulation and that the honourable members previously had says it should do.

**MR. SPEAKER:** The Honourable Member for Lakeside. Order please.

**MR. ENNS:** To the First Minister. Having established that for four-tenths of a foot we have spent \$300 million, does the Minister not now perhaps wish that maybe CRD would in fact have been fully in place and operational, say, three years ago?

**MR. SPEAKER:** The Honourable First Minister.

**MR. SCHREYER:** Mr. Speaker, I think that it was indicated in the Committee the other day that it would have been useful to have the Churchill River Diversion fully operational late last year and on into this year. However, by no means can that be stretched to say that it would have been necessary in early '76 or '75 or '74 in which years we had above average water level and hydraulic flow conditions and that, indeed, Churchill River Diversion would not have been critically significant or useful in — (Interjection)— It happened, so again by the vagaries of climate, in the periods, for example, '74, '75 and the first half of '76. I can see the point with respect to the last few months only.

**MR. SPEAKER:** The Honourable Minister of Mines.

**MR. GREEN:** Mr. Speaker, again I didn't give as much of an answer as I have. The minimum level Lake Winnipeg will reach this year will depend on inflows over the next few months. These inflows are difficult to predict since it is not known whether the present drought will continue or if there will be a return to normal precipitation conditions. The best possible estimate that at present can be indicated is that the minimum level will likely be between elevation 710.5 and 711. Mr. Speaker, I might, I don't often do this but I'll do it this time, the members will say it's gratuitous, but let me say that the previous administration was unable to complete Churchill River Diversion at all.

**MR. ENNS:** Mr. Speaker . . .

**MR. SPEAKER:** Order please.

**MR. ENNS:** Mr. Speaker, let me make it abundantly clear and not have it part of the big lie charge. I do not charge . . .

**MR. SPEAKER:** Order please. Question please.

**MR. ENNS:** . . . this administration with the continuing responsibility for the continuing drought. But I ask the First Minister a final supplementary question. In lieu of the serious doubts about the capacity of what level of water we will have on the Lake Winnipeg reservoir as we go into the fall, would he consider on perhaps compassionate grounds, granting an extended vacation to those courageous Russian engineers who have been attempting to assemble the turbines at Jenpeg for the last little while, not with notable success; that they could perhaps take an extended leave of absence or holiday until such time as we are going to be ascertained of having sufficient water to make those turbines turn?

**MR. SPEAKER:** The Honourable First Minister.

**MR. SCHREYER:** Mr. Speaker, that is really quite silly. The level — (Interjection)— Well, it is interesting that a number of vary partisan taymen should be saying it is nonsense when the recommendation of successive numbers of engineers and engineering consultant firms has always been that — and now I can quote — “that there is value in regulating Lake Winnipeg for power purposes.” It doesn't matter — (Interjection)— Well, Mr. Speaker, if my honourable friend has some nostalgic desire to return to 30 feet of flooding, he's welcome to do so. I say even today, in the midst of what is an admittedly unprecedented drought, that we have no nostalgic pining or yearning to return to the days of contemplation of 30 feet of flooding on Southern Indian Lake. They can do that if they want to.

And I say furthermore, Mr. Speaker, in reply to the question, that my honourable friend should check the historical record, that Lake Winnipeg levels have been at 709 feet in the past on occasion. And that with respect to — (Interjection)— Well, I would say to my honourable friend that the 28,000 or 30,000 kilowatt units being installed in Jenpeg will be spinning electrical energy with the discharge later this year from Lake Winnipeg into the Nelson.

**MR. SPEAKER:** The Honourable Member for Fort Rouge.

**MR. LLOYD AXWORTHY:** Thank you, Mr. Speaker. I have a question for the Minister of Tourism and Recreation. I wonder if the Minister can now report to the House on what the intentions are of his department in terms of the use of chemical pesticide spraying in the provincial parks in the province.

**MR. SPEAKER:** The Honourable Minister for Tourism and Recreation.

**MR. HANUSCHAK:** No, Mr. Speaker, I have taken the question as notice. He has asked me this question on a couple of occasions, I believe, the last time was yesterday and I do not have the answer to his question to date.

**MR. AXWORTHY:** A supplementary, Mr. Speaker. In view of that can the Minister explain to us what the difficulty is in his department, contacting his officials who are involved so that they can get an initial answer on a matter which has very serious implications for the safety of people who will be soon using those provincial parks?

**MR. HANUSCHAK:** Mr. Speaker, there is no difficulty. By the honourable member's own admission, it is soon that the people of Manitoba will be using our parks and I can assure the people of Manitoba that they will have their answer in ample time and so will the Honourable Member from Fort Rouge.

**MR. AXWORTHY:** A supplementary, Mr. Speaker, or an additional question to the Minister of Mines and Natural Resources. Can he confirm that a report was prepared by his department in December 1976 which recommended against any spraying for the particular spruce bug worm, saying that, in fact, it only increases the problem rather than solve it?

**MR. SPEAKER:** The Honourable Member for Mines.

**MR. GREEN:** Mr. Speaker, I am aware, as the honourable member is aware, of many people who have said different things on the side of spraying and it would not surprise me, whether I have seen the individual report or not, that there would be a report questioning the effectiveness of spraying. There is a report questioning the effectiveness of spraying vis-a-vis mosquitoes and there are reports by other people equally sincere, saying that it is an effective procedure.

**MR. SPEAKER:** The Honourable Member for Fort Rouge, final question.

**MR. AXWORTHY:** Thank you, Mr. Speaker. Can the Minister indicate if he has submitted that report to the Department of Tourism and Recreation and asked them to consider its findings in relation to their proposed program of spraying in provincial parks, in regard to the safety problems that are being encountered?

**MR. GREEN:** Mr. Speaker, as indicated, I would hope that the Department of Tourism, or any other department, before they undertook a program, would have cognizance of all of the relevant representations. And if the report is not available to them, then, by stating what I am now stating in the House, my officials will see to it that they get it.

**MR. SPEAKER:** The Honourable Minister for Consumer and Corporate Affairs.

**HONOURABLE RENE TOUPIN (Springfield):** Mr. Speaker, I was given two questions yesterday, one by the Honourable Member for Sutherland Creek and the other by the Member for La Verendrye in regard to practices followed by the Manitoba Telephone System.

I would like to indicate, Mr. Speaker, that the change indicated in the question of yesterday, was implemented on the 25th of April of 1977 and the implementation itself will take a few days. It is indicated here that until the 1st of May it will not be fully implemented. The change is actually for the MTS employees. Operators will no longer provide the number of the calling party on calls placed by dialing "0" requesting person to person service on a collect basis.

The reason, Mr. Speaker, for the change is indicated as being: On some occasions customers being called would not acknowledge being available and having received the called number, then return the call on the Direct Distance Dial basis at a cheaper rate. This kind of abuse generated additional MTS expenses which we feel do not contribute to maintaining the lowest possible rate to be shared by all our customers. This change in practice has been issued to all Canadian telephone companies and the recommendation that it be adopted and implemented across Canada.

**MR. SPEAKER:** The Honourable Member for La Verendrye.

**MR. BOB BANMAN:** Thank you, Mr. Speaker. I wonder if the Minister could confirm then that when a person calls collect and does not call person to person, they will be able to leave their name and phone number?

**MR. SPEAKER:** The Honourable Minister.

**MR. TOUPIN:** Yes, Mr. Speaker, that is certainly the indication by the answer I just gave.

**MR. SPEAKER:** The Honourable Member for St. Johns.

**MR. SAUL CHERNIACK:** Mr. Speaker, I would like to direct a question to the Honourable the Minister of Health, to ask him whether he has received a submission on a proposal in regard to Community Mental Health Services, from the Canadian Mental Health Association? If he has, how is he dealing with it?

**MR. SPEAKER:** The Honourable Minister for Health

**MR. DESJARDINS:** Yes, Mr. Speaker. In fact, these days many of the pressure groups are communicating with me. I think it is fair game. I have asked these people to meet with the staff in our department to try and find out what the department was doing to make them aware of what was announced during the debate on the Estimates, and also to get their reaction. We agree with some of the things that were in that report. Then I said that if there is need, if we feel that there is need to meet with them after the session, I would. —(Interjection)—

I'm sorry. There has been a couple of meetings with our staff, with our Chief Medical Consultant, the Provincial Psychiatrist and so on, with the Association.

**MR. SPEAKER:** The Honourable Member for Minnedosa.

**MR. DAVID BLAKE:** Mr. Speaker, my question is to the Honourable the Minister responsible for Mines and Natural Resources. I wonder if he can inform the House what minimum level is required on Lake Winnipeg to provide sufficient water in the winter dry dock, known as "the slough" at Selkirk, to float the Lord Selkirk back out into the main stream.

**MR. SPEAKER:** The Honourable Minister for Mines.

**MR. GREEN:** No, Mr. Speaker, I couldn't, but I will take the question as notice and try and find out.

I might say to the Honourable Member for Fort Rouge, that the matter of the use of insecticides or pesticides would be simply handled when the jurisdiction that has responsible ability for releasing

them on the market, which is the Federal Government, decides that they should or should not be used. The Federal Government is the agency which clears the use of all of such materials and in clearing it, indicates that they are safe for the purposes for which they are being used.

**MR. SPEAKER:** The Honourable Member for Minnedosa.

**MR. BLAKE:** Thank you, Mr. Speaker. A question to the same Minister; he may wish to take it as notice. I wonder if he could inform the House at the same time what plans they have for raising the level of Molson Lake in northern Manitoba some two feet. He may wish to take that as notice also.

**MR. SPEAKER:** The Honourable Member for Rhineland.

**MR. BROWN:** Thank you, Mr. Speaker. My question is to the Minister of Health and Social Development. Can the Minister tell this House whether he will have a full investigation implemented into the problems of mental hospitals and problems with accommodation of the mentally ill in Manitoba?

**MR. SPEAKER:** The Honourable Minister for Health.

**MR. DESJARDINS:** Mr. Speaker, every time there is a statement in the press I don't expect to call an investigation. We will continue with the administration of our department as we are doing now. We have people that are concerned reviewing these policies. This was discussed during the Estimates and we will welcome discussion with the honourable member at any time.

**MR. SPEAKER:** The Honourable Member for Fort Rouge.

**MR. AXWORTHY:** Mr. Speaker, just a question to the Minister of Mines and Resources based upon his additional statement. Can the Minister indicate whether he has been in touch with provincial authorities in the Provinces of Prince Edward Island and Nova Scotia who have recently banned those chemicals which are now presently being contemplated to be used in Manitoba, to determine the reason why they have banned them and what these serious effects may be?

**MR. SPEAKER:** The Honourable Minister for Mines.

**MR. GREEN:** Mr. Speaker, I have not done so because I am very well aware on a local basis as to how some jurisdictions have found conflicting evidence vis-a-vis the use of chemicals. I think that our experience with the City of Winnipeg is probably as extensive as the experience that has been referred to in Prince Edward Island and Nova Scotia. What I have done, Mr. Speaker, is that at the instance of the Province of Manitoba, the subject of pesticides and chemicals for spraying and their permission to be used by the Federal Government and the conflicting views of different provinces is placed on the agenda of The Canadian Council of Resource and Environmental Ministers, which is being held in June, at which time it will be discussed not with those two provinces, but with all of the provinces, and in particular with the jurisdiction which is responsible for deciding whether such chemicals will be permitted on the market or not.

**MR. AXWORTHY:** A supplementary then, Mr. Speaker. Can the Minister confirm, however, that when the Federal Government licenses such chemicals, they also allow those jurisdictions in which they are to be used to determine the conditions and controls under which they are to be used and the safety requirements that govern their use? And can the Minister therefore indicate whether any guidelines have been established by his department for the use of these chemicals in the spraying of provincial parks?

**MR. GREEN:** Mr. Speaker, there is no doubt that the Federal Government, in establishing the rules, does not say that they must be used; they say that they may be used. We have taken the position that if the chemical clears the authority which is responsible for setting it, then we will permit the use of the chemicals by the local jurisdiction, that we will not prohibit it. The use of it would certainly have to be done in accordance with the guidelines and in accordance with proper safety restrictions. I would assure my honourable friend that his concern in this regard is not unheeded, and that the department's concern will see to it that such safety precautions are taken. I am not guaranteeing that they will do it in the way that my honourable friend says, but I assure you that they too are concerned for the safety of their staff and the safety of the use of the chemical.

**MR. AXWORTHY:** Mr. Speaker, can the Minister then indicate that if in fact those guidelines will be established, that when the guidelines are established or if they have been established, will the Minister seek to gain from the Provinces of Nova Scotia and P.E.I., where the chemicals have been banned, the conditions and reasons why they in fact in their own local circumstances have prohibited their use, to see if, in fact, they apply in the Province of Manitoba?

**MR. GREEN:** Mr. Speaker, I have indicated that the entire subject and problem that arises from one jurisdiction giving permission and the other jurisdictions having the authority to administrate and the manner in which these things have caused difficulty and the manner in which the administration has taken place at the instance of the Province of Manitoba, placed on the agenda of that meeting of federal-provincial Ministers which have this matter under their consideration so that we will have far more than the views of Prince Edward Island and Nova Scotia. We will have the views of all of the provinces and the Federal Government.

**MR. SPEAKER:** The Honourable Member for La Verendrye.

**MR. BANMAN:** Thank you, Mr. Speaker, I direct my question to the Minister of Industry and

Commerce and would ask the Minister to inform the House whether the Deputy Minister of Industry and Commerce has been appointed as chairman of Manitrade?

**MR. SPEAKER:** The Honourable Minister for Industry and Commerce.

**HONOURABLE LEONARD S. EVANS (Brandon East):** Yes, I believe this is public information, Mr. Speaker. I think that was made known some weeks ago.

**MR. BANMAN:** A further supplementary question, Mr. Speaker. I wonder if the Minister could inform the House whether any persons in the private sector were contacted to fill this particular job?

**MR. EVANS:** Mr. Speaker, by policy we have decided to utilize the services of senior personnel in the Department of Industry, in the Department of Agriculture and other related departments to form a very small board to assist Manitrade. We had experience in past years with a large board of businessmen, and for various reasons we decided to pursue this course of action. But having said that, Mr. Speaker, I want to assure the honourable member that there is constant communication with the business community, seeking their advice, and indeed, getting their co-operation.

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

**MR. GORDON E. JOHNSTON:** Mr. Speaker, I direct this question to the Honourable the Minister of Industry and Commerce. Is it correct, can he confirm the fact that he or his department has sent a letter to the Progressive Conservative Party of Manitoba warning them to stop using the registered trade mark, the Manitoba logo in their election literature?

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

**MR. EVANS:** Yes, Mr. Speaker, I have sent a letter to the Leader of the Conservative Party and to the President of the Manitoba Conservative Party pointing out to them that they are using a registered trade mark of the Department of Industry and Commerce and that my staff have — (Interjections)—

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

**MR. EVANS:** This is a registered trade mark. This is a registered trade mark under the laws of Canada and my staff have checked with the federal Department of Consumer and Corporate Affairs and indeed the Conservative Party is contravening the law in this case. I have written to the Leader of the Opposition and to the President of the Conservative Party asking them to cease this practice, cease and desist.

**MR. G. JOHNSTON:** Could the Minister inform the House what the penalty is if the warning is ignored?

**MR. SPEAKER:** Asking for a legal opinion. Order please. The Honourable Member for La Verendrye.

**MR. BANMAN:** Thank you, Mr. Speaker. A further question to the Minister in charge of the Manitoba Telephone System, and it arises from the answer he gave to a question that was asked of him yesterday. I wonder if the Minister could assure the House that he will be checking into or reviewing the different policy as it applies to the members of the Legislature, with possibly allowing a Zenith number for the members, and especially the rural members who rely heavily on calls from their constituents; and this policy would adversely affect them?

**MR. SPEAKER:** The Honourable Minister for Consumer and Corporate Affairs.

**MR. TOUPIN;** Mr. Speaker, I will ask the Manitoba Telephone System Board to review the policy as it affects Manitobans, including members of this House.

**MR. SPEAKER:** The Honourable member for Fort Garry.

**MR. L. R. (Bud) SHERMAN:** Thank you, Mr. Speaker. My question is to the Honourable the Attorney-General, and I would ask him while he is wrestling with the decision as to whether the Progressive Conservative logo is legal or not, would he wrestle further with the frustration of Fort Garry residents who are not able to park on the parking lot adjacent to the Liquor Commission in Fort Garry, and report forthwith to the House as to the possibilities of an early solution to that problem?

**MR. SPEAKER:** The Honourable Attorney-General.

**HONOURABLE HOWARD PAWLEY (Selkirk):** Mr. Speaker, the matter referred to by the Member for Fort Garry was looked into by myself. I have responded to the Honourable Member for Fort Garry. It is a matter involving an independent agency of government, and I think that certainly it would be beyond the bounds of proper involvement on my part to intervene beyond that which I have to this time in connection with that question.

**MR. SPEAKER:** The Honourable Member for Fort Garry.

**MR. L. R. (Bud) SHERMAN:** Well, Mr. Speaker, I'd like to direct a supplementary to the Attorney-General and ask him whether he is advising the House that the Liquor Commission is not going to take any further action in attempting to resolve a dispute which is creating difficulty in a community in greater Winnipeg?

**MR. PAWLEY:** Mr. Speaker, I didn't indicate that the Liquor Control Commission wouldn't attempt to resolve the dispute but they will not be pressured into paying a rent which is beyond rental value by a neighbour of the Liquor Control Commission who happens to own land adjacent to the Liquor

Control Commission, for his own personal purposes.

**MR. SHERMAN:** A further supplementary, Mr. Speaker. I understand that but will the Liquor Commission consider paying a rent of a reasonable value? At the present time, there is nothing taking place.

**MR. PAWLEY:** Mr. Speaker, they have always been prepared to pay fair rental value for that property.

**MR. SHERMAN:** A final supplementary, Mr. Speaker. I would ask the Attorney-General, on the basis of revenues accruing to the province through that liquor outlet, whether he considers \$100 per month to be a reasonable rent?

**MR. PAWLEY:** Mr. Speaker, the rents paid by different government agencies and departments does not depend upon the revenues received by those departments and agencies but depends upon the rental market in the vicinity of the particular government property. And lo and behold, if it was on any other basis, with the Liquor Control Commission's revenues we would be paying, I suppose, the highest rent in the province.

**MR. SPEAKER:** The Honourable Member for St. Johns.

**MR. CHERNIACK:** Mr. Speaker, I'd like to direct a question to the Attorney-General. Is he aware, from any information he has received, that the parking problem that he has just been discussing is any more serious or more aggravated than the one that was caused when the Liquor Commission had its major outlet on the corner of Ellice and Donald, at the time when the present Leader of the Opposition was the Attorney-General, and whether there is any knowledge of any great aggravation that left customers unserved and unable to satisfy their need to buy liquor in that much of a hurry?

**MR. PAWLEY:** Mr. Speaker, from the information which I have received in connection with this, I would say no, there would be no comparison between the two problems. The one, certainly, that existed downtown in much greater than the other though not minimizing the fact that there is a problem in obtaining parking space at reasonable rental value in the vicinity of the Fort Garry Liquor Store.

#### ORDERS OF THE DAY — BUDGET DEBATE

**MR. SPEAKER:** The Honourable House Leader.

**MR. GREEN:** Yes, Mr. Speaker, now that the commercial for drinking liquor quicker is over we'll proceed with the Budget Speech debate.

**MR. SPEAKER:** On the proposed motion of the Honourable Minister of Finance and the amendment thereto by the Leader of the Opposition and the Honourable Member for Fort Rouge, the Honourable Member for Brandon West.

**MR. MCGILL:** Mr. Speaker, I'd like to begin by joining my colleagues in congratulating the Minister of Finance on the presentation he made to the House on Friday last.

Mr. Speaker, I think the Minister at least will understand that it is possible to disagree almost entirely with the substance of the presentation, and with the premises upon which it is based, without in any way downgrading the person who presented it or in fact in any way questioning the integrity of the Minister.

I'd like to speak more about that phenomenon, Mr. Speaker, a phenomenon that I will describe as disagreement free of animosity or a gentlemen's disagreement, in a few moments. But first I'd like to reply to the remarks made by the Honourable Member for St. Johns. The honourable member, himself, was the Minister of Finance before he chose to retire to his present chair and I know he feels an almost ongoing proprietary interest in the financial and economic policies of this government. And certainly, Mr. Speaker, for our part we're always interested in the contributions that he makes to the debates here, particularly to the debates on financial matters. But, Mr. Speaker, his contributions to this debate revealed rather more about how long he had been absent from the Treasury Branch than it did about the matters in the debate.

He made what I would class as an "all purposes" speech in reply. He could have made it in any year, I think, about almost any Budget and about any opposition remarks concerning that Budget. It could have served as well, or as badly, because it was not based on specific matters that have and should be continued to be raised here. In this case, of course, I believe it served badly but perhaps in replying to it I could again raise those questions that we believe should be most urgently addressed to this Chamber at this time.

Mr. Speaker, the heart of what substantive comment there was in the remarks of the Member for St. Johns was an accusation that the speech by my leader, in response to the Budget message, did not contain any outline of the Progressive Conservative policy. I can only assume that the Member for St. Johns was not listening with his usual attentiveness. But I must say that he did, unlike the First Minister, have the courtesy to remain in his chair as is the convention and usual custom of this House when an important speech on the Budget is being delivered. But because he failed to notice the statements of Progressive Conservative policy that were included in my leader's remarks, I would like to take the liberty, Mr. Speaker, of restating for him in simple form.



My leader spoke of the need for prudent handling of the public's money. And, Mr. Speaker, whether or not the Member for St. Johns understands it, that is a policy. And there is urgent need for it to be applied in Manitoba. But perhaps the confusion of the honourable member's mind arises from the fact that, like many statements of policy including most of those emanating from the Treasury Bench opposite, that this kind of a pronouncement gives rise to a need for some more specific interpretation. But I think that too, Mr. Speaker, was offered quite clearly in my leader's reply to the Budget Address.

As to the mechanics of that required prudence for the money Manitobans worked to earn, my leader was quite specific. He announced that we would amend the Financial Administration Act to assure a more revealing reporting and more effective legislation and administrative control of spending.

Those amendments would include moving to the combined account system and that, whether the Member for St. Johns knows it or not, is a statement of policy. Unless it has escaped his attention, it's a policy that has been urged upon this government for some years now. It has been urged on the government for some years now by no less an authority on finances of this province than the Provincial Auditor. And that there is a growing need for this policy to be implemented is demonstrated by the chaotic financial reporting of this government and by the indeterminate kinds of deficits that have become normal practice in Manitoba. It is surely demonstrated, Mr. Speaker, by the complete and abject failure of the government's so-called "year of restraint" that just ended with a shortage of revenues as compared to expenditures, on the combined account basis in the order of \$100 million. I think it was quoted as \$98.4 million.

But there was more clear a description of specifics in support of our policy of prudent management of the public funds, Mr. Speaker, in the remarks that my leader made to this House. There was the clear statement that all major activities of government would be subject to a review using zero-based budgeting techniques. A member may not understand how these techniques work so perhaps I might explain just briefly what is meant.

The budgeting procedure of this government, and of most other governments as evidenced by the truly awe inspiring increases in public spending across Canada, can best be described as incremental budgeting.

These procedures begin by taking the amounts spent on any activity of government in the past year, as the starting point, as the given point. If the program cost \$50 million last year, that's the number they start with. Then the only question they ask is, how much more will it cost to perform the same set of activities next year? And because of rising costs, Mr. Speaker, and rising salaries and the tendency for bureaucracies to expand themselves, it always does cost more. But the increases are justified by saying, last year we spent \$50 million and this year we're only spending \$55 million, and that's only 10 percent increase, and 10 percent is really a pretty low increase. That's how the budgeting procedures of the province work now, Mr. Speaker. It's incremental budgeting and given the very weak financial controls of this government that should be spelled with a capital, Increment.

The zero-based budgeting techniques we intend to implement as a matter of policy work rather differently. Instead of starting with last year's expenditures these procedures start with a figure zero, and they begin with a question. What expenditures can be justified on this program? Those expenditures that can be justified are authorized and those which appear not to be justified in terms of measurable benefits to the people of Manitoba are not authorized. This technique, Mr. Speaker, rather than accepting last year's level of spending as the starting point deals frankly with the fact that moneys spent last year may not have been spent as effectively as it should have been.

It deals frankly with the possibility that conditions may have changed making the program in question less useful to fewer people. Mr. Speaker, it provides a clear basis for paring down programs that are more costly than can be justified in terms of their benefits to the people of Manitoba, and of eliminating programs that no longer serve any useful purpose. And doing exactly that, Mr. Speaker, is a program and a policy of my party.

Since the thought of restraining the growth of public spending is apparently foreign to the Members for St. Johns, I suppose it is understandable that he did not recognize it as much.

And parallel with the zero-based budgeting procedures we would adopt would be a consideration of which, if any, government activities could more economically be performed by private enterprises. That is a matter of policy for this party, Mr. Speaker.

We believe that especially in the area of general government administration which, as my leader pointed out, costs more here than in most other provinces, there may be opportunities for substantial savings in this area. Mr. Speaker, since the inclinations of our friends opposite is rather to have government undertake activities now performed by the private sector, this is not a policy with which we can expect them to agree, any more than we can be expected to agree with the First Minister's statement of this government's 2 to 1-1/2 income policy for Manitoba, two and a half times one, the income policy program and the policy of this government for Manitoba. But both, Mr. Speaker, are

quite clear statements of policy of the intent of the party making them.

The people of Manitoba will look at these statements and judge their intents and make their choices between our two parties accordingly.

And parallel to these steps, Mr. Speaker, as part and parcel of our program of financial reform for government was the announcement of my leader in his speech that we would freeze hirings within the Civil Service and reallocate manpower into priority areas. That too, Mr. Speaker, is a policy. It's a policy that we recommend to this government rather than eternally adding to the number of employees in the public service, and there should be some concern when our public service is growing twenty times as quickly as our population has.

This policy would permit the government to make the most effective possible use of the employees we already have. And that too, although again my friend the Honourable Member for St. Johns may not recognize it as such, it is a policy of government. Although unfortunately for the taxpayers of Manitoba it's not a policy of this government.

But perhaps the reason the honourable member did not perceive these statements to be policy is that he cannot understand the reasons for their financial reform of the government. But these reasons should be self-evidence. The first and most important reason is that we believe, as the people of Manitoba believe, that governments should not tax or spend more money than is absolutely necessary to meet its responsibilities. Every dollar is absolutely necessary to meet its responsibilities. Every dollar the government taxes away, Mr. Speaker, is a dollar that is not available for private purposes. Whether those private purposes are buying groceries or bicycles or going on holidays or whatever, those private purposes deserve the respect of government although this government has shown them precious little respect.

The second reason for this financial reform of government is that only through financial reform can government continue to meet its obligations within a tax regime that does not attack or inhibit endeavour. Government must use its resources prudently if it is able to meet its priorities in responsibilities. A dollar saved in improved government administration, or by a decision not to build a government luxury hotel, is a dollar that is available to be spent on better home service for senior citizens, or a dollar that can be left in the hands of the people who worked to earn it through reduced taxation. Mr. Speaker, our policy is to reduce taxation as the best means of stimulating the efficient private sector of our economy to create more jobs in Manitoba.

We would reduce the small business tax. There can be no question that a small business tax rate, 44 percent higher than in neighbouring Ontario is a great disincentive to small business creation in Manitoba. That, Mr. Speaker, is a statement of policy. We would reduce personal income taxes so that people of Manitoba would have more money available for private purposes. That too would stimulate employment, and that too is a statement of policy, Mr. Speaker.

We would remove succession duties, since these taxes raise very little revenue and do inhibit the development of family-owned businesses and interfere with the ability of young people to establish themselves on farms. That, too, is a statement of policy.

My leader also stated as a matter of party policy that the debt load of this province was growing at an imprudent rate, and that our party would control that growth. Mr. Speaker, by the time the borrowing programs described in this Budget are completed, even before we allow for the inevitable inflation of the Minister's predicted deficit, our gross direct and indirect debt will have soared to about \$3,900 for every man, woman and child in Manitoba.

Mr. Speaker, the First Minister and his friends would dismiss these numbers as insignificant. But, Mr. Speaker, when a man and woman sit down and realize that their government has borrowed a total of \$15,600 for them and their two children, they find that kind of arithmetic rather disturbing. In the face of this kind of massive and escalating debt load, Mr. Speaker, simple prudence demands that budgets in Manitoba not be almost balanced, as the Minister dared to claim this one to be, but actually balanced, and that, Mr. Speaker, is a policy of my party.

I could continue this, Mr. Speaker. I believe the basic point is clear. Instead of replying to any of these clear statements of the policy of this party, all of which can be found in the reply to the Budget message that my leader delivered to this House on Monday, the Member from St. Johns made his all-purpose approach.

Mr. Speaker, he did something else and I must confess this troubles me. I spoke earlier, as I was congratulating the Minister of Finance on what I considered to be an excellent performance last Friday, about the possibility of what I called a gentlemen's disagreement, a disagreement without animosity. The Minister of Finance understands that concept, the Minister of Mines and Environment understands it, but increasingly we are seeing the First Minister and others from whom we had expected more, like the Member from St. Johns, do not. We know the First Minister's inclination to personal invective. The former Liberal leader was the brunt of it at one time and I believe that most members of this House were embarrassed for the First Minister then, as we are becoming embarrassed for him now.

The people of Roblin and the people of Birtle-Russell saw this side of this man when he told him

that if they dared to elect the then and current members for Birtle-Russell and Roblin, that he would have very little interest in their problems in the future. But these outbursts, Mr. Speaker, while regrettable have, until now, been the personal inclination of the First Minister. Indulged in at times but not marking the proceedings in this House to any great or constant degree. But that is changing and now we find that member after member, on the government side, is rising and parroting with variations and individual styles as between, for instance, the member for St. Johns and the Member for St. Matthews, the Premier's style at its worst. We're hearing the words liar, cynic and hypocrite.

Mr. Speaker, one could forgive the occasional outburst from the Premier. That, after all, is his nature and normally he restricted himself to partisan gatherings of his party, where enthusiasm will sometimes overwhelm temperance. But in the many years that I have lived in this province, Sir, and in the eight years I've been a member of this Chamber, I have never seen this kind of personal abuse elevated to a matter of policy. And yet it is becoming clear that this is the policy of the First Minister and of a growing number of his colleagues. In fairness, I will say that there are some members on that side of the House who have not, and I believe would never take part in this kind of calculated campaign of smear and that is what it appears to be.

But Mr. Speaker, since I have not yet been called a liar personally, perhaps I could say clearly that I endorse the remarks of my leader in this Debate. I share his deep concern about what we believe to have been disastrous mismanagement of Hydro. I share his revulsion with the stated two and one half to one income policy of the First Minister. But, Mr. Speaker, I believe these things about which we disagree are honest disagreements. I believe the tradition of gentlemanly disagreement, which is the tradition upon which our rules in this House are based and should be enforced, is worth preserving.

We will soon face an election. If this style and habit of personal abuse that we are seeing is to be the election platform of the government, with a four months employment program perched somewhere on the top left hand corner, then it will not be a pleasant or edifying chapter in the history of public life in Manitoba.

My friends across the way believe different things than I do. If they believe them sincerely, then let them talk about them and put them before the people of Manitoba and let the people choose. So far as I'm concerned, the choice the people of Manitoba will be making will be between an honest Socialist government and an honest Conservative one. Let us put the choice to them in that way.

Mr. Speaker, I am sure all of us in this Chamber would agree that the greatest need in public life is for men and women of competence, and character and high ethical standards. I for one have taken pride, during my eight years in the Chamber, of the fact that the vast majority of the members live up to those standards. I believe we are fortunate, indeed, in Manitoba that all three party leaders, all three party leaders whatever they may disagree about, are men of competence and character and high ethical standards. But, Mr. Speaker, if personal vilification is to be raised to the status of a policy of this government as we enter this election campaign, its only effect can be to drive away the very kinds of men and women we need in public life.

There will be occasional excesses by individuals. I suppose that in the heat of the debate or in the enthusiasm of partisan gatherings we will all, from time to time, and I don't separate myself from this group, we will all from time to time fall heir to this kind of blunder. But it is a blunder, Mr. Speaker, and if there are any among us who cannot understand this, then I would suggest respectfully that they have no real place in this Chamber or in the public life of Manitoba.

Mr. Speaker, I will end as I began, by congratulating the Minister of Finance on his presentation last Friday. I consider the substance of it to be, in a phrase my leader often uses, wrongheaded but, Mr. Speaker, I consider the Minister to be an ornament to this Legislature. Thank you.

**MR. SPEAKER:** The Honourable Minister for Labour.

**HONOURABLE RUSSELL PAULLEY (Transcona):** Mr. Speaker, as I take part in this great debate, I do so this afternoon because it may be my last opportunity as a nominee for re-election to the next Assembly, because tonight we are going to be honoured in Transcona with the presence of the First Minister at the nominating convention, to name a successor for me in the next election. And I'm sure, Sir, that you, as well as members of the House, will appreciate how difficult one must find an occasion that after having had the opportunity of serving my respective communities for about 25 years, that it is with some misgivings that I take part in this great debate. A debate, of course, Mr. Speaker, that goes on year by year.

I join with the Honourable Member for Brandon, who has just taken his seat, in complimenting the Honourable, the Minister of Finance, for the presentation of this year's Budget. He joins two other great New Democrats who have had an opportunity of presenting a Budget for the consideration of Manitoba in this House, the now Member for St. Johns and the leader of our party. And, Mr. Speaker, as one reflects back over 25 years and has seen a great transition take place in Manitoba, one cannot help but be mindful of the basis upon which the three Ministers of Finance to whom I have just referred, the basis upon which they founded their budgets, and their propositions for the people of Manitoba is a reflection on the ineptness of previous administrations.

I've had the honour, Mr. Speaker, of being a member of this House as first elected in 1953. The

then Premier of Manitoba, D. L. Campbell, was a man of high integrity, great knowledge, sincerity and devotion in the service of Manitoba, followed as he was by Dufferin Roblin who brought about, may I say, an almost new liberal concept of the approach of government, than the conservative approach of D.L. Campbell, and I say this in all affection, that Duff Roblin, after he had won the first internal battle for leadership of the Conservative Party that I was aware of, that was the battle between Errick Willis, who was the leader at the time of the 1958 election. So even in those days, Mr. Speaker, the Conservatives were a divided party, as indeed they are today, and possibly even more so today than they were then. But I do give credit to a Conservative Premier that I served along with Duff Roblin, who was followed by Walter Weir, again after a great internal battle of the Conservative Party for leadership between the present leader of the Conservative Party and Walter Weir. And then following that, of course, we have the Conservative leadership of the Member for River Heights until he received the "kiss of death" by the Conservative Party, both inside and outside of this House.

After considerable stress and strain within the Conservative party, we now have the Member for Souris-Killarney whose constituency says to him, we will not allow you to run for us in the next general election. That was made amply clear some months ago. So I according to news reports, that I believe he is still the leader of the party, although sometimes wonders whether he is in debates in this House — the Honourable Member for Souris-Killarney will be a candidate in Charleswood, and of course even there, the internal rift and eternal rift within the Conservative Party is very evident in the defection of one or two of the prominent Conservatives in that particular constituency.

And then, of course, we have the present Premier of Manitoba, my leader, and I had the honour and the privilege of at one time being his leader. I don't know, Mr. Speaker, whether I taught him anything or not, but I do know that from that beginning, when he was the youngest man ever to serve in this Legislative Assembly, he has developed into, in my opinion, and I think I can say that without prejudice, into the finest Premier that Manitoba has had in its whole history.

We are talking these days, Mr. Speaker, of the possibility of an election. That election can come this June, next October, and it can come a year from now in August, and I want to say to the Conservative Party of Manitoba, be very very wary because, Mr. Speaker, the more I see the operations of the Conservative Party in Manitoba at this particular session, the more that I am convinced that no matter when the election is held, the New Democratic Party of Manitoba will continue to guide the destiny of Manitoba. Not because the New Democratic Party, Mr. Speaker, is so great, not because they have the answers to all of the problems with which Manitoba and society are confronted with today, but because of the ineptness of the opposition. Yes, chortle, but it is so true. I recall — (Interjection) — Yes, I'm getting senile, but that's one thing I doubt whether my honourable friend will live long enough to become senile, because I think with his utterances, other things may happen and I wouldn't predict that it should happen to my honourable friend.

Of thing I do want to say, Mr. Speaker, that in all of the years that I have had the honour of being a Member of this Assembly, I would not need the fingers of more than one hand to count individuals of all policies parties and faces in this House that I couldn't call a friend, even though I may argue constantly with him. But I do say to the Conservative Party, and the present members of the Conservative Party, if you think for one moment that the propositions that are being enunciated by your leader and you gentlemen, are going to endear yourselves to the populace of Manitoba and the electorate, think again, because it just isn't going to happen. As I read some of the statements made by the Leader of the Official Opposition, it really, Mr. Speaker, turns my stomach. Here is a man who while I was seated over there — I believe where the Member for Roblin now sits — as leader of my little group, he over here as the Attorney-General of the Province of Manitoba, issued or made a statement that it was the responsibility of government to govern, and the responsibility of the opposition to oppose. He was right, it was a responsibility of government to govern, and for those of us in opposition, to oppose. But what is happening today, Mr. Speaker, as we listen to the utterances of my red headed friend from Souris-Killarney?

I have a little bit of a quote here of about a year ago when the Leader of the Opposition was at a nominating convention. He says that the NDP are blind to human nature. Can you imagine, Mr. Speaker, when you were in the House with me for a few years, do you not recall, Mr. Speaker, the utterances of the former Attorney-General when he was condemning and berating particularly the New Democratic Party group in this House for proposing such things as the abolition of premiums in Medicare? Do you not recall, Mr. Speaker, that that very same individual condemned our group because we dared to suggest Pharmacare, we dared to suggest such things as Day Care, we dared to suggest that there was dignity in mankind, and his stock answer and the stock answer of the Conservatives of the day, was where is the money going to come from in order to pay for these things?

How well I recall the election in 1962. I was speaking in Swan River as the leader of our group at that particular time. I made certain propositions for the well-being of Manitobans, and I can almost, in my mind's eye, see the tears that were welling out of the eyes of the then Premier of Manitoba, the

Honourable Duff Roblin.

**AMEMBER:** He was a find and honourable man.

**MR. PAULLEY:** Oh, he was a fine man, but he was not bent towards an endeavour to alleviate the responsibilities or the difficulties with which humanity was faced. And now, Mr. Speaker, we've got a leader of the Conservative Party, and a Conservative Party who today says, "We're going to provide all of these services and at the same time as we are going to provide these services, we are going to reduce taxes, we're going to eliminate taxation here, we're going to balance the budget, we're going to do unto all people all things", and he has the temerity and the consummate gall to say that the New Democratic Party is blind to human nature. Mr. Speaker, I have more faith in humanity, and my fellow Manitobans to think for one moment that they will swallow such guff.

It's not my purpose in taking part in this debate this afternoon, Mr. Speaker, to berate on a personal basis the present Leader of the Conservative Party, but to point out the phoneyism, and I cannot think of any other word to use that would more aptly describe the Conservative Party as a group than the application of the word "phoneyism".

My honourable friend the Member for River Heights, how well I do recall meeting him in debate. At that particular time, as indeed today, his whole bent was for the alleviation of any particular burden on those that have, instead of relief for those that have not.

As I try, Mr. Speaker, to recall events over these 25-odd years, I recall a great debate that we had here three or four years ago, when we as a political party, a responsible party in government, suggested that for the first time since Confederation, that the Civil Servants of Manitoba should have the right of free association, that they should have the right to be seen and to be heard which we are now, and sometimes some might question, Mr. Speaker, whether that was such a good move in view of some events that have been taking place recently. But I have no suggestion that I did wrong in introducing such measures. But, Mr. Speaker, do you recall the utterances of the Honourable Member for Lakeside, the Honourable Member for Roblin and I believe the Bill was No. 7, the debate which went on for two or three months, and now after our government gave the rights of free association to the civil servants, what does the Leader of the Conservative Party say about it — nothing.

"Lyon pledges to clean House of NDP political appointments." Let's just analyze that, that man there argued time after time, Mr. Speaker, in effect that civil servants should be seen and not heard, that they didn't have the basic rights of free association, and his new leader, his new found oracle who is old stuff, says that he's going to clean out the Civil Service. Is he implying that those people, who I might say, are devoted to serving the community are incompetent when we've got the most effectively operated government in the whole of the Dominion of Canada. My honourable friends laugh, but I'll bet you a dollar to a doughnut, Mr. Speaker, that at no stage at all, has any of the Conservatives failed or been ignored by the present Civil Service, as indeed we were not years ago, except this one occasion I do know. And I think I have said so before, that when the then executive secretary of the Manitoba Government Employees Association, which incidently was only recognized after I'd been able to convince Maitland Steinkopf that they should be recognized, came to me and said to me, "Russ, don't talk to me here," and that's at the foot of the grand staircase, "let's go around the corner lest somebody see you talking to me, and get an idea that I'm disclosing secrets." That was the attitude and the approach of the Conservative Government in those days, Mr. Speaker.

And yet, and I repeat, here is the pledge. Here is the pledge to the devoted civil servant of Manitoba by the Conservative administration: Lyon pledges to clean house of so-called NDP political appointments.

We have been criticized, and I particularly have been criticized, since we became government because we have introduced into the House some of the most progressive labour legislation on the North American continent. I do not consider — (Interjection) — I walk talk about religious freedom in a minute and all freedoms because it is a principle that I have that my honourable friend from Lakeside would reject; a principle of freedom. This government exempted that freedom by the establishing of The Human Rights Commission so that people did have some freedoms, a thing unknown to the Conservative Party.

And because — just dwelling with religious freedom for a moment — I suggested that there were other denominations other than the Christian fraternity that had a right to be heard, particularly in respect to Sunday opening, he says that I abandoned the principle of religious freedom. I want to say to my honourable friend I have a communication in which one of the non-Christian communities said to me: "God bless you, we know that you are a man of principle." And I doubt very much whether the Member for Lakeside has ever had the privilege of receiving such a communication.

**MR. SPEAKER:** Order please.

**MR. PAULLEY:** We're talking about labour laws. We did make transition, Mr. Speaker. I make no apologies for it as the Minister who introduced it, with the full support of my colleagues. We changed the wholeness clauses in labour legislation, to take it away from the supporters of the likes of the

Member of Lakeside, to allow the little guy an opportunity to be heard and to resolve the complaints that they have. We attempt to do it, Mr. Speaker, without too much interference by the State.

I would like, Mr. Speaker, to place on the record an editorial of the Winnipeg Tribune. Now the Winnipeg Tribune and the Minister of Labour haven't been too friendly over the years because the don't support my ideology. Oh, maybe they are a little more favourably inclined than that other rag on Carlton Street that I have fought so bitterly against over the years. But I think it would be of interest, in view of the remarks of the Member for Lakeside, to quote from a Tribune editorul of October 1975, caption worth noting: "Manitoba's Labour Minister, Russ Paulley, has been spending a good deal of time lately putting forward his views on the present state and future prospects of labour management relations and the role of government in these matters.

"Last weekend Mr. Paulley told the Manitoba Federation of Labour's annual convention that the prime responsibility in making collective bargaining work satisfactorily lay with labour and management. He emphasized his belief that the smaller a part government played in continuing relationship between management and labour, the better for all concerned."

The last sentence of that editorial said, "In reiterating this warning, Mr. Paulley has done a great service to the whole province."

And yet, Mr. Speaker, we find that that group on the other side are oft wont to severely criticize this government because it hasn't solved all of the difficulties that have arisen from time to time between management and labour. Their answer has been, in document after document, Mr. Speaker, that rather than the approach that we have taken of the less the better, they have taken the attitude that we are supreme, that we are in effect, Gods, and we reserve the right and should impose compulsion in solution of industrial disputes.

What an attitude, Mr. Speaker, when we tell ourselves that we are living in a free democratic government. Well there is a big difference, Mr. Speaker, between what I believe in and I am sure my party believes in, than those opposite; and that is the true and free process of collective bargaining. That is a principle I would recommend, that rather than receiving criticism for from across the floor, I would recommend that the type of an approach should be the approach of the Conservative government.

I said — and please forgive me, Mr. Speaker — I said Conservative government, I should have said if, God forbid, there was ever a Conservative government again in Manitoba. It did take almost 100 years to get rid of them and their fellow travellers. We have a government today of the people and for the people.

What happened? What happened when we were talking about the climate, the situation prevailing between management and labour in industrial relations with the Workshop Safety and Health Act? What is the attitude today, Mr. Speaker, of the Conservative government, or conservative forces in this House — and please forgive me, I used that word government inadvertently again.

**A MEMBER:** You are going to hear it more.

**MR. PAULLEY:** Not my lifetime and I expect to live as long as Diefenbaker.

What is the approach and the attitude of the spokesman opposite, so far as workshop safety? They voted for it last year, Mr. Speaker, and they have asked that the legislation be repealed this year because it may work a hardship on their friends and supporters in the industrial field, at the cost of possible death of workers because of unsafe conditions. They take the attitude of their friends and supporters, the Chamber of Commerce, who said that the Labour Act is frightening. Frightening whom, Mr. Speaker? Is it frightening to the worker who has to go down to the bowels of the earth to extract therefrom those commodities that we need in our industrial world, that we need in society as a whole?

The Honourable Member for Fort Garry — and it is the first time I have referred, I believe, to a particular member in this discourse — made a request of me to repeal the Act that he voted for a year ago.

I want to say to you, my friend, that this is one of the types and pieces of legislation that has been overdue for 100 years or more; that no longer the psychology that seems prevalent within the ranks of the Conservative Party here in Manitoba, holds sway. I do not know of any jurisdiction that any longer permits youngsters of six and twelve and the likes of that, to go down into coal mines or any other type of mines, or into unsafe conditions such as prevail and have prevailed over the years.

Mr. Speaker, it has really been to me, these 25-odd years, an education that I only wish that all people would be able to have at least a little participation in, because it would give an insight into the mentality, the type of thinking of so many, Is it any wonder, Mr. Speaker, today we question and we wonder, whither goest thou young men and young women. Is there any wonder today, Mr. speaker, where we have so many who are ready to rebel against the State, who are ready to rebel against authority, when here we have a group such as that opposite who will vote for something today because they are in a frame of mood of having some principles and some responsibilities — as indeed my friends opposite did a year ago insofar as safety in the mine was concerned — and then a year

later saying we don't need it, we don't want it.

Is there any wonder, Mr. Speaker, that our youngsters and our oldsters are confused? How in heaven's name can we expect them to know where they are going when those opposite don't know either and they are supposed to be mature, knowledgeable thinking individuals. We talk about the dignity, Mr. Speaker, of old age and the rights one should have in society to be able to live in reasonable comfort, with provision for real social benefits; something that this government of ours and this party that I have been connected with for so long, has long advocated something that the Conservative Party — yes, and the Loberal Party before them, Mr. Speaker — rebelled against; that we dragged, this New Democratic Party government dragged a reluctant Conservative Party into supporting some of these measures that brings about the dignity of man. And after having, over these 25 years that I have been here, listened to the objections of the then government: where is the money going to come from? What do we find in the policy paper of the Conservative government today?

We will not change from those programs that we now have enshrined in legislation in Manitoba. We will not go back, they say in effect in this paper, Mr. Speaker, to the reinstatement of payments, premiums for Medicare. But, oh by jiminy Christmas, didn't they fight it! Didn't they fight it with every little bit of vim and vigour they had, and that is why they were kicked out. They say in this policy paper of theirs today that we will continue the Pharmacare Program. And what was the approach when we suggested it in opposition? To quote the present leader of the Conservative Party again, "It's all right for you to stand up and talk, you haven't got the responsibility of finding the money and enacting the legislation required to bring into effect these proposals."

Mr. Speaker, that was the Leader of the Conservative Party at the time. I want to say to him, I want to say to all of his colleagues and I hope my voice reaches out to all of the electorate of Manitoba, that that was the nonsensical approach of the Conservative Party.

But this party, this party . . .

**A MEMBER:** Screwed it up.

**MR. PAULLEY:** Yes, that's right. Isn't that typical of of the approach of the Member for Lakeside? This party screwed it up. And how did we screw it up, Mr. Speaker? By bringing it into effect for the benefit of Manitobans! And this is why I am saying that after 25 years in this House, if the people of Manitoba — to use his phraseology, not mine — want to screw up the benefits that we have brought about as a government in Manitoba, let them take the alternative, the psychology, the approach and the ideology as uttered by the Member for Lakeside.

Mr. Speaker, may I just conclude by saying this. I did not take part in the Throne Speech for a reason or two, one of them healthwise. I didn't have the opportunity of saying to you, Sir, how much I appreciate the courtesies that you have extended to me during your tenure of office, and other Speakers who preceded you. Manitoba has been well served by individuals such as yourself. And I trust and hope, Sir, that when I am privileged, as indeed I always will have that privilege while I am capable of walking, of coming in and being seated in one of the lounges in this House, it will give me great satisfaction to know that an individual such as yourself, representing your constituency and believing in the same ideals as I do, will grace that Chair.

Mr. Speaker, I do not think the people of Manitoba are going to be bamboozled. I attribute to them a greater degree of intelligence and knowledgeability of things that are than that they would return to government an outfit such as that that I face across the floor.

I have enjoyed my life in this House and the people that I have been connected with. And while this may not be my last contribution, if you want to call it, in debate in this House, Mr. Speaker, I've felt that I could not help but go over the years and say that even to the Opposition, despite their deficiencies, and to my colleagues in government and my friends in the Liberal Party, that over these years I have had the honour and the privilege of meeting a damn fine bunch of men and women.

**A MEMBER:** Thank you.

**MR. SPEAKER:** The Honourable Member for Roblin.

**MR. J. WALLY MCKENZIE:** Mr. Speaker, I have a few comments that I would like to put in the record on supporting of the amendment as proposed by my leader, and the further amendment as proposed by the Liberal Party in the Budget Speech Debate.

But may I, before I proceed any further, Mr. Speaker, assure the Honourable the Minister of Labour, who has just spoken, that I, and I am sure there is not a member in this Chamber, who is not going to miss this great man when he has left his chair and gone back to private life. I daresay in all of my years in this House, I look eagerly forward to the time when he rises from his seat to speak in this Chamber. I have loved his style, every moment of it, every word that he has delivered, and the thrust that he has put into the debates of this Legislature will leave a lasting memory with me, Mr. Speaker, and I am sure with a lot of other members, because it is a style that is slowly but surely leaving this graceful Chamber, and when I came into the Legislature first, it was a style of oratory that most practised in those days, where you basically come into this Chamber, know your subject matter, and you speak off the top of your head on the matter that you've prepared to debate.

So, well, the Honourable Labour Minister is not sure if in fact we may get at the Budget once more, and yet on the other hand he thinks that maybe there will be June election. We certainly wish him well and thank him for his devotion of those many many years that he has served in public life.

Mr. Speaker, I can't in passing overlook other members who have already signified their intention that they will not be in the next set of members that are in this Chamber. The Honourable Member for Gimli has indicated that he will not be back. My deskmate here, the great Anglican from Swan River who is a buddy of the Minister of Labour in that field, my deskmate on my right here, the Leader of the Liberal Party, the Member for Pembina, the Member for Charleswood, and the Honourable Member for Arthur, who has a long career in this House, have already signified they will not be back and certainly I wish, and our group wish, them all the best for the future.

**A MEMBER:** Don't forget Wellington.

**MR. MCKENZIE:** Oh, yes, I apologize to the Honourable Member for Wellington — I didn't have his name down here — I wish them all the best in the years ahead when they are able to put their feet up and retire away from the heat of the political debates of this arena.

Mr. Speaker, it is rather significant in the debate that was raised by the Labour Minister that in the slurs and the challenges that are flying across this Chamber, that while he was challenging my Leader, his nomination is tonight, too, and the future candidate from Transcona is being nominated tonight, which will be a rather significant evening in the history of our great province.

Mr. Speaker, I certainly would like to extol my congratulations to the Finance Minister, who has placed before us the Budget that we are dealing with at this particular time in this Chamber. Another gentleman of the New Democratic Party, Mr. Speaker — and I don't know why I am passing out all these accolades to the members of the New Democratic Party, but it has just happened today the two that I have the greatest of respect for happen to be involved in this debate — and this is now the former businessman of this city, a former Mayor, who has had a long and distinguished career in public life, and I certainly rise to speak on his Budget with the greatest of personal respect to him.

Mr. Speaker, the Finance Minister and the government seem somehow, in this debate, to be trying to leave the impression that only the New Democratic Party can or should manage the affairs of government in this province. And the Honourable the Labour Minister brought that point out very specifically on a few occasions in his remarks just before me.

And of course, Mr. Speaker, we in the Opposition benches are quite familiar with that old red herring that has been dragged back and forth across here many times in the years I have been here. And it certainly is not fooling me, Mr. Speaker. I have only to remind the Finance Minister and the Minister of Labour of a pictorial that came out last weekend under the title of "The Salvation Army — Who Needs It?", and some glaring statistics are in there whereby it says, "Despite government efforts to redistribute wealth more equitably, the family income of the poorest 20 percent of Canadians fell by seven percent between 1969 and 1974." And that includes the New Democratic Government.

But, as the Minister of Labour said, Mr. Speaker, all governments in my time, and I am sure into the future, have improved the welfare and the well-being and the goodwill of the people of this great province. They have combined to build and they have combined to strengthen. They have passed good legislation and the government has naturally passed some legislation that we cannot support, but I find I found it very annoying last evening when the Minister of Consumer Affairs, from his chair, tried to leave the impression that only they, the New Democratic group, have the right and the ability to govern in this province.

He went on to elaborate that he knew of nobody on our benches that had done anything in the cooperative movement or had been involved in the credit union movement. And I suspect the party deserves an answer, Mr. Speaker, because you don't have to look very far at our benches to find many people who have been involved in those great movements and are continuing to take part, and an active part even today. Even I was a Director of the Central Bank of the Credit Unions for some six years. — (Interjection) — The CCSM, Sir, I was a Director for six years, until I got into the Legislature and I left that position.

The other thing, Mr. Speaker, that makes me wonder at this particular time in this debate, is why the Minister or the government hasn't left a paragraph of some form or other outlining Manitoba's position regarding the problems that we have in Quebec today. And I have yet to hear a Minister of the Treasury benches, who are part of the Dominion-Provincial relations of this great province in Canada, elicit one line to tell us where they stand or what we should be doing in this province to hopefully assist to resolve what seems to be an impasse taking place in the east today.

I wonder, Mr. Speaker, is it possible that Canada's future and our salvation could be guaranteed by some direct appeal from the citizens of our great province? I wonder why the government who are supposed to be leading us today, Mr. Speaker, haven't come up with some suggestions as to what we in Manitoba should be doing at this time. Are we in direct consultation with the Levesque government and the Federal Government and our province at this time? They are locked into what seems an



impasse, from the remarks that were presented in the city last night by Mr. Claude Wagner. He said, "If they continue on this course it's going to lead to violence."

So I say, Mr. Speaker, it's interesting that the government up to now has been strangely silent on this very very important issue. And I would suggest maybe to the Minister of Finance that in his remarks when he closes the debate, that maybe we should someday draft an all-party resolution from this Chamber and possibly tell the people of Quebec that we want them to stay. We need them as part of Canada. We want Canada to remain as it is. And while it is a federal matter, and must be handled by the Federal Government, I think that issue is so important, Mr. Speaker, the way it's tearing this great country apart, that we can no longer overlook it in the debates.

I'm sure the Prime Minister of our great country is devoting his full time and his efforts in trying to deal with this very serious problem. And while he is doing it, he certainly is avoiding some other very serious problems that we face in Canada such as the unemployment and what appears to be double digit inflation that's on the horizon again. And I don't think, Mr. Speaker, that these blasts of statistics, the counter-statistics, the dollar figures, Quebec's dollar figures, the accusation charges and the counter charges that are being hurled back and forth are going to do anything towards solving this difficult issue.

I think, Mr. Speaker, on listening to the people from my constituency, most of this political jargon is a bore to the people that I represent because it only confuses the issue and gives them less understanding than they had before of what is actually taking place.

So I would hope, Mr. Speaker, that sometime before we go to the people, sometime before the First Minister calls the election, that we try and draft an all-party resolution from this Chamber to send it down to the people in Quebec and to the Government of Canada and tell them that we will do everything possible to assist to resolve this impasse.

Mr. Speaker, I wouldn't have made those remarks at this particular time had I not saw the comments of Mr. Claude Wagner which he provided last night in this city when he spoke to the Societe Franco-Manitobaine in St. Boniface. And I'm sure if one reads that, you would naturally become very alarmed because he said there, on the one page, Mr. Speaker, that verbal violence . . . "Such violence in speeches", Wagner said, "could very well lead to physical violence throughout the country."

Mr. Speaker, in going through the Budget and trying to find out where the government is leading us, I take a look at the Capital Estimate for Highways which was placed on our desks in the last few days and I look at the item of some \$20,573,000 that has been placed before us. And on complete investigation of the Highways Estimates a couple of weeks ago, Mr. Speaker, this item of course was not included and the Minister said naturally that it would be following later.

It is quite likely, as the Minister of Consumer Affairs said in the debate yesterday, Mr. Speaker, quite possible that this is the election pegs and the surveyor that we're going to see out in the hustings again as we face the election. And I'm sure there will be road repairs all over the province to the tune of this \$20 million. And I daresay, Mr. Speaker, I don't have any quarrel with that item because the P.R. road system in our province is deplorable and if there is any time that it needs repair, it's now, Mr. Speaker.

I regret that the Budget for some reason, Mr. Speaker, didn't contain any strategy or planning into the Eighties for Manitoba's future transportation routes, for our highway planning, for our north-south routes, and for the saving of our railroads. And maybe it is possible that we should wait until next week for the release of the Hall Report on that. But I find it rather difficult to understand why plans for the years ahead of our future in rail transportation, in road transportation, are not anywhere seen in the Budget. I believe there are one or two lines which say something about our energy resources but basically, Mr. Speaker . . .

I wonder, Mr. Speaker, why the tax incentives that are being proposed in the Budget are not included for the hundreds of small business firms that are stretched across our great province from border to border, and who face very difficult decisions today as they look into the future and just wonder where we are going.

News releases that are coming out now are telling us that gas rationing will be a reality in this province by the year 1983. I don't see any indication from this government that this province has even dealt with that matter as yet. I tried to get some information when we were dealing with the Minister of Highways in his Estimates and nothing was forthcoming. I failed to see any evidence of it in this Budget, Mr. Speaker, and that I think is one matter that should have had special attention. Because if in fact we're going to be facing gasoline rationing by the year 1983, then I suggest that that's going to cause some very very serious economic problems due to the lack of adequate energy to supply the transportation needs of our province.

So therefore, Mr. Speaker, I wonder why we don't have a transportation policy from this government to try and serve those needs. Mr. Speaker, there is no mention in the Budget, there is certainly no mention of tax relief for energy. I don't see any tax incentives mentioned in there for the small businessmen of our province. Some say that we should switch the gas tax to put it on vehicles.

The First Minister, the other day he was suggesting different methods of collecting gasoline taxes. But the Budget doesn't deal with these matters, Mr. Speaker, which will be here with us in a matter of three or four years. One report that I have says that in 1983 we'll have gas rationing; the other says 1984.

So as I stand here today, Mr. Speaker, the transportation problems, the concerns of the people in this province that are in the transportation business and whose livelihood is wholly dependent upon an economic and a fast and swift transportation system in our province, they're sitting back wondering, Mr. Speaker, why or where it's not in this Budget. And of course possibly, Mr. Speaker, the reasons may be right before our eyes and we can't see them. Because I think, Mr. Speaker, that the Highways Minister and the government instead of doing the work that is being required of them, and that is to maintain the road system that we had in our province, to rebuild on the old highway system and expand, they followed in what appears to me to be the usual pattern of the New Democratic Party. That is, they seem to hire lots of civil servants, Mr. Speaker, spend lots of money but they don't carry out the workload that's required of them. And, Mr. Speaker, the list of people that have been in touch with me over the problem that they're having with P.R. roads in our province grows and grows everyday. So I thought maybe at first there was only the few problems, Mr. Speaker, that were in my constituency and the constituency from the Honourable Member for Swan River but now they're swelling from all over the province, from other constituencies.

We have the first one here from James Shuttleworth from Ebb and Flow complaining about a PR Road 278. Here's another road, PR 277 in Swan River. There's one here for PR, from George Benson, Sister Gray, PR 277. This is from Saskatchewan Chamber of Commerce in — no, Swan River Chamber of Commerce regarding Highway 10 to the Saskatchewan border. PR 254, Highway No. 44 from PTH 11 to Whitemouth under construction since 1968, not completed. PR 201, PR 504 to Ross and Ste. Genevieve. PTH No. 20, PR 452 and the list goes on and on Mr. Speaker, of people that are concerned about the — not the provincial trunk highways, but the public road systems in our province, it seems to be where the problem lies.

And Mr. Speaker, as we examined the Estimates of the Highways Minister and as we examined the Budget that is before us at this time, it soon becomes evident that these many problems are coming in to force very quickly in our province and I find that the big problem, Mr. Speaker, with the duties and responsibilities of air transportation in one Minister's office; we have the rail transportation in another Minister's office; we have highways scattered over the Minister of Northern Affairs, the Minister of Tourism and Recreation, the Minister of Renewable Resources and in the Highways Minister's office, it soon becomes quite evident, Mr. Speaker, that this is a most difficult situation for the government to deal with, because I don't see how it's possible to get five sets of bureaucrats to sit down at a table and agree on the allocation of certain moneys. So I suggest, Mr. Speaker, that while the Premier did give LIP service to this proposal at the time of his Cabinet shuffle last fall, instead of measuring up to that particular challenge, Mr. Speaker, he turned around and he assigned the Highways Minister the added responsibilities of Autopac.

So naturally, Mr. Speaker, the Manitoba public, the commercial trucking industry, the consumers, Mr. Speaker, the farmers, the business community, the citizens of this province who are wholly dependent in one form or another upon an economical and sound transportation system were very very unhappy, because the province had failed again, and the First Minister had failed again to live up to what's happening in some of the other provinces and that is they have one solid Ministry of Transport to guide their transportation problem in that particular province.

The other problem in the transportation industry, as I see it today, Mr. Speaker, the citizens of this province are gobbling up energy as if it was going out of style. And if the present trend continues into the Eighties, as we see we're going to have gas rationing, I just wonder, Mr. Speaker, how we're going to meet the cost, the escalating costs of the increased transportation costs that we are going to face in this province. I wonder how we are going to allocate the energy which is so important to transportation. Are the people that have a private car, are we going to go into the rationing system where the transportation system will get the priority for the gasoline and the private man, the operator who just uses his car for pleasure, he will be rationed at a different level? Those are things, Mr. Speaker, that the citizens of this province should have before them at the earliest possible date. And I think, Mr. Speaker, the matter as I see it in the Budget and going through the Estimates of the Minister of Highways, as far as I can ascertain, Mr. Speaker, it still has not been resolved.

I suggest, Mr. Speaker, the matter is an urgent one because the energy supplies that we are talking about to share across this country are going to have to be allocated to the trucking industry at some level or other and they should have some idea when we get into this — short periods of gasoline rationing if rationing is what's going to take place in the early Eighties — then they should know now so they can know what's facing them, Mr. Speaker.

So, Mr. Speaker, I do think that this is a warning to the Finance Minister and to the government which may be chilling in more ways than one. But it's borne out by many indicators as I stand before the House here today and it has a very strict bearing on the future transportation of our province.

I wonder, Mr. Speaker, as I drive around the city or come back and forth from the Legislature and you see the hundreds and hundreds of automobiles that are driving to and from work each day with generally one passenger in the car and that, of course, is the driver. We look at the statistics of Canada on gasoline consumption and the figures show that collectively across this country today we're burning close to seven billion gallons of gasoline as we move about on our highways. Of course, Mr. Speaker, when we project those figures into the 1980s, it soon becomes quite clear that the end result will soon be with us. And of course I wonder you know, Mr. Speaker, the energy supply that is in the north is going to be a problem. I don't see how possibly we're going to resolve the position of that energy and get those supplies out to the marketplace due to the problems that they are facing today.

The slowness of exploration and development in the north, Mr. Speaker, is another matter that certainly has to be measured. The problems that we are having in the North Sea today, the last four or five days with that well polluting the North Sea, is one that makes us have second thoughts about how difficult it is to explore and develop these supplies that are off shore. The technology that we are supposed to have, Mr. Speaker' and the ability to harness that well that's spouting the oil into the sea certainly is of concern to us today.

And of course the other thing, Mr. Speaker, and the last question of all is how are we going to pay for it all and what's it going to cost? Are we looking at gasoline in this province? It will be \$2.00, \$2.25. I suspect that we are in the not too distant future. So, Mr. Speaker, the uncertainty of supplies of energy is bad enough, even if there was lots of the black stuff still in the ground in Canada, but we're satisfied there simply isn't enough to go around, so I again appeal to the Minister and possibly at the Interprovincial Convention of the Western Premiers, which I understand is coming up in the not too distant future for the first First Minister and the Ministers of Energy in Alberta, Saskatchewan, and British Columbia to try and hopefully sit down and come up with some integrated energy and transportation policy with the Government of Canada, and see if we can't give some of the answers that's being asked at the present time by those, especially those that are in the transportation business.

**MR. GREEN:** Mr. Speaker, would the honourable member accept a question. I wonder if he could deal with the dilemma that we have in terms of the Premiers sitting down with one another that it has apparently been in the interests of Mr. Blakeney and Mr. Lougheed, of different parties, to demand a high price for their oil because they are the receivers of the benefit of the high price. It's been in the interest of the Premier of Manitoba, regardless of party and we've had similar suggestions from your side, to ask for a lower price for awhile. Can you make a suggestion as to how this dilemma is resolved when the purchaser wants a low price and the vendor wants a high price?

**MR. McKENZIE:** Well, Mr. Speaker, the question of the Honourable Mines Minister is a very timely one and a very important question and one that certainly deserves an answer. I suspect that reading today's paper or yesterday's paper where they are trying to prepare the agenda for that meeting, that the First Minister of this province is not sure whether he should put those items on the agenda or not because of the difficulties that come up when they're raised.

I would think, Mr. Speaker, that Canada will have to get into it at a very early date and start setting down some hard-nosed guidelines and say, "This is the end, this is the deadline and either you sit down and bargain or we will make the decisions for you." —(Interjection)— Yes. And I hope that that's what a strong Federal Government is for and I think we all support in this House the need for a very strong hard-nosed government to deal with that and other matters that may be on the agenda. Give them so long to make up their minds and then say, look if you can't we will make the decision for you.

**MR. SPEAKER:** The Honourable Minister for Mines.

**MR. GREEN:** Mr. Speaker, again and I am finding the discussion interesting, it has generally been my observation that Premier Lougheed is the strongest advocate of a decentralized less power national government than exists at the present time. Particularly as the national government has tried to interfere with resource selling policies of petroleum and resource taxation of petroleum and I heard the honourable member say that he wants a strong Federal Government on which I am fully accord, so I gather that he would not pursue or try to pursue a program of decentralizing Ottawa authority and having more power to the province.

**MR. McKENZIE:** Definitely. If we're going to save this country and save Canada and save the provincial system, we must have a strong central government in Canada and I can't see that we can survive any other way. Now I haven't. . . —(Interjection) — That is only my personal opinion, but it's an opinion that I have had for a long time and I'll continue to share it with those who . . .

**MR. SPEAKER:** Order please.

**MR. McKENZIE:** So Mr. Speaker, I'm sure that if the politicians don't get in and solve this problem, then the people are going to demand that it be solved at the earliest possible date and the only vehicle that we have in this country at this time can make the provinces come to the table and bargain is our

Federal Government and that's why we need a strong Federal Government in my opinion, Mr. Speaker.

So Mr. Speaker, I do, as I close off my remarks, urge the First Minister of our province to try at the earliest possible date to try and establish a single Ministry of Transport in this province so that that one Minister who again must be a strong Minister to meet some of these challenges that I'm relating this afternoon of transportation and energy and he can do it from one department much better than it can at the present time where it's scattered through four or five departments.

I thank you, Mr. Speaker, and I urge the members to support the amendment that's been proposed by my leader and the other amendments being proposed by the Liberal Party.

**MR. SPEAKER:** The Honourable Member for St. Johns.

**MR. CHERNIACK:** Would the honourable member permit a question? I'm wondering if the honourable member would care to take the opportunity at this time to either produce the Hydro bills that he promised to produce or clarify whether he really meant to say that as a result of Hydro rate increases, bills have grown from \$10 to \$50.00. Maybe this is his opportunity to make the correction.

**MR. SPEAKER:** The Honourable Member for Roblin.

**MR. McKENZIE:** Mr. Speaker, first of all I never promised the honourable member that I would bring those Hydro bills. I said if he will read Hansard I would see what I could do. As soon as my bookkeeper is finished with my books then I will try and locate those Hydro bills.

**MR. CHERNIACK:** Mr. Speaker, just a supplementary question. Am I then correct in assuming from the honourable member's remarks that he still says that his Hydro bills increased from \$10 to \$50 because of rate increase? I want to suggest that there might be a difference in consumption and that is the question I — because the impression he left in the House was that it's a rate increase that caused the rise from \$10.00 to \$50.00. Does he still mean that?

**MR. SPEAKER:** The Honourable Member for Roblin.

**MR. McKENZIE:** Mr. Speaker, when I get my records back from my bookkeeper I will come here and if my figures are wrong I will correct them in the record.

**MR. SPEAKER:** The Honourable Member for St. Vital. Order please.

**MR. D. JAMES WALDING:** Mr. Speaker, I will attempt to respond to the Honourable Member for Lakeside and lay it on the line as he urges. —(Interjection)—

**MR. SPEAKER:** Order please. If the Honourable Member for Lakeside can't contain himself, will he please leave?

**MR. WALDING:** I just noticed, and note in passing, Mr. Speaker, that the opposition front bench is much more good looking this afternoon than it has been with the recent addition of the Minister of Health on that side.

Mr. Speaker, I wanted to make a few comments about two matters in the Budget, and following on remarks that the Leader of the Opposition and the Member for Lakeside had made since then.

But before I get into that I would like just to comment very briefly on the decorum of the House over the last few days, in a matter of a few weeks. I have been shocked and dismayed, Mr. Speaker, to see the sort of conduct that has gone on in this House, and to hear the sort of words that have been banded backwards and forwards across this Chamber. It is a sad day, Mr. Speaker, that we come down to using that sort of abusive invective at each other. I wonder if honourable members on both sides of the House — and I don't point any fingers at anyone — give a thought to the citizens of Manitoba who sit up in our gallery watching our deliberations when we indulge in this sort of abuse.

I wonder, also, if members ever have the opportunity to speak to any of their constituents after they have watched the proceedings in the House for awhile, asked for their reaction. I'm sure that those constituents would be just as shocked and disappointed as I have been. Inasmuch as I am a member of this House, Mr. Speaker, I don't claim to be guiltless but I will try to mend my ways and set an example to other members.

Mr. Speaker, in reading the remarks of the Honourable Leader of the Opposition in his reply to the Budget Speech a few days ago, he seemed to divide his speech roughly into two parts, one shorter part at the beginning, pointing out those things in the Budget which he and his party favoured, and then of course a much longer part explaining those that he was opposed to.

In that part of the speech where he was complimenting the Minister of Finance on some of the things that he had brought in, I thought that I had heard him speak in favour of the \$25.00 increase in the property tax credits. Now I wasn't sure that I could believe my ears at the time because of remarks that had been made at previous times by members of the Conservative Party, so I went back to Hansard a day or two afterwards when it came out and looked for those same words and I find on Page 2413 that the Honourable Leader of the Opposition said, "This is some measure of tax relief", and he was referring to the \$25.00 increase. "This is some measure of tax relief for Manitobans, as such it is welcome and will be supported." Well, that is news to members on this side of the House, Mr. Speaker, because we recall that members of the Conservative Party, even as recently as one year ago, were saying some rather uncomplimentary things about the Property Tax Credit Plan.

I went back to Hansard for the year 1972 to find some specifics that honourable members

opposite had quoted on the bill. I would like to refer to some of those remarks that had been made. I did not refer to Hansard in the years after that, 1973, 1974, 1975, although I'm sure that the topic did come up for debate in that time and that there had been remarks made by honourable members opposite.

At the time of the introduction of the Property Tax Credit Bill in 1972 — and honourable members might recall it was Bill 55 — the Honourable Member for Lakeside in making his remarks, called the Property Tax Credit Plan "a hocus-pocus arrangement."

There were other members, too, who had some rather uncomplimentary things to say about it at that time. The Honourable Member for Fort Garry, for example, called it a "socialist lullaby, a socialist lullaby." Now that does have a certain musicality to it — (Interjection) — "lilt" is the word that I was searching for. I might say, Mr. Speaker, just as an aside, it is a melody that has been on the Manitoba Hit Parade for the last five years.

The Honourable Member for Sturgeon Creek — who is always forthright in his remarks on the topic — said that, "This is a con game", the Property Tax Credit Program, "it's a con game" and he called it further, "hodge-podge silly financing Well, that was the view of the Honourable Member for Sturgeon Creek in 1972, and I have heard in the years since the honourable member making similar remarks about this program.

The honourable member of the Conservative Party at the time, the Honourable Member for River Heights said in the same debate on Second Reading and on Page 2739 he said, "We call it deceit," and he went on further to term the bill, "a monstrous deception." a monstrous deception, Mr. Speaker, and now according to the Leader of the Conservative Party, the Leader of the Official Opposition, the increase is welcome and it will be supported by honourable gentlemen opposite. So the member who considered the measure to be a monstrous deception in 1972 is now prepared to support the bill as being welcome.

The honourable member who thinks that it is a socialist lullaby now is prepared to support the measure. And of course the Honourable Member for Lakeside who termed it a hocus-pocus arrangement, now apparently finds it most welcome and is prepared to support it again.

Unless, Mr. Speaker, honourable members opposite say, "Well, we're looking back into history and you are speaking of five years ago, and that's now ancient history and things have changed." I will refer honourable members back to less than one year when the matter came up for debate again. The Member for Lakeside told us in his remarks of a couple of days ago that when the Honourable Member for Riel was our Acting Leader, under the leadership of our present leader and presumably getting his direction from that leader, for the first time in some years you, that is the government, are facing a cohesive opposition, and facing a group that stands fully and squarely behind their leader.

Well, Mr. Speaker, we must ask ourselves to what extent the honourable members opposite and their Acting Leader of that time were standing full square behind their newly elected leader a year ago, when the Member for Riel, the Leader of the Opposition at that time, in speaking about the same Property Tax Credit Plan called it "nonsensical". He called it a "contorted technique, a crazy technique." He went on to say, "It is not sensible and it is the ultimate in stupidity."

Now was he at that time foursquare, fully, squarely behind their leader? We ask ourselves, Mr. Speaker, was the Honourable Member for Souris-Killarney instructing and leading the Member for Riel in the attitude that he should take to the Property Tax Credit Plan at that time? Was the Honourable Member for Riel mirroring the remarks of the Leader of the Conservative Party when he said it is not sensible, in fact it is the ultimate in stupidity?

Unless there should be any doubt as to how the Conservative Party intended to treat this Property Tax Credit Plan, let me quote you from the remarks of the Honourable Member for Riel, the Leader of the Opposition, on May 3rd, 1976, Page 3260, when he said, "Let me tell you right now, it would be our prime objective to get rid of this sort of an inefficient program." The objective of the Conservative Party, to get rid of such an inefficient program.

The matter would seem to be confirmed when an article appeared in the Tribune of the next day, which the Minister of Municipal Affairs has already quoted, which made it very clear that it was the policy of the Conservative Party, even as of one year ago, that they would get rid of the Property Tax Credit Program as soon as possible. And this of course was in line with their remarks of it being a monstrous deception, a socialist lullaby, the ultimate in stupidity, and a crazy technique, as well as being nonsensical and a hocus-pocus arrangement.

However, it seems, Mr. Speaker, that the Conservative policy has now come a full 180 degrees when their present leader says, "This is some measure of tax relief for Manitobans and as such it is welcome and will be supported." Well, Mr. Speaker, we must ask ourselves what caused this change of mind, if indeed it is a change of mind on the part of members opposite. Did they simply wake up one morning and they were all converted to the opposing opinion? Were they struck down on the way to Damascus and finally saw the light? Or was it that they were swayed by the eloquence of their leader and came around to the opposing point of view? And we wondered, too, whether the present Leader of the Opposition has changed his mind in the last year, whether as of a year ago he was still of the

opinion that it would be the prime objective of the Conservative Party to get rid of this sort of inefficient program, or whether or not he was saying a different thing at that time and that the Member for Riel was simply speaking for himself and for his caucus. That being the case, it seemed that the Leader of the Opposition at that time was marching to a different drum. Now he has changed his mind and apparently has changed the minds of all of his caucus.

And it might be as well, Mr. Speaker, to remind members opposite that there were fourteen of the Conservative opposition who voted against Bill 55 in 1972 on second reading, and to the best of my recollection, 23 of them voted against it on the third reading when it again came to a vote.

There is one further possibility, Mr. Speaker, with this change of view of members opposite. I can well picture where they opposed a socialist lullaby, hodge-podge, silly financing and a con game, when they did so on the grounds that it was socialism. State control has been mentioned and those sorts of words really did come out in the remarks of honourable gentlemen at that time. Can it be, Mr. Speaker, that the present Member for Souris-Killarney has now persuaded members opposite that property tax credits are now not a socialist measure, but are in fact a free enterprise measure, that property tax credits now are a capitalist measure, that freedom of choice is exemplified by property tax credits, and where property tax credits are in accord with that principle of private ownership, another one of those slogans . . . Well, that is another one of those unanswered questions, Mr. Speaker, that maybe one of the honourable gentlemen across that side will enlighten us upon when he gets up to speak.

There was one other item in the speech by the Honourable Leader of the Opposition that I wish to comment upon as well, and that was the matter of succession duties. And it seems, on the matter of succession duties, that we do have a clear division of philosophy, opinion, and even ideology with honourable members opposite. The Honourable Leader of the Opposition took more than a couple of pages in speaking about succession duties and he used some rather strong language in doing so, some rather unpleasant words in referring to members on this side. He called it "spiteful, envious nonsense that permeates and animates their attitude toward public affairs in Manitoba." He also alluded to the peculiar little prejudices and the silly socialist prejudices of members on this side. He also referred to their "perverse Succession Duty Act." "To serve the spite and envy" was an expression used in a different position. "Their peculiar prejudices," and on the same page, "their prejudice has nothing to do with the public interest. It serves only their peculiar ideology."

It seems to me, Mr. Speaker, that in resorting to those sort of words and the great deal of verbiage in trying to explain their opposition to the principle of succession duties, was the recognition by the Leader of the Opposition of the weakness of his position, for he, like many other members of the Conservative Party, attempt to make the point, Mr. Speaker, that it is those who work and work hard to build up a farm or a small business who are in fact paying these succession duties.

I will quote you one sentence where the Leader of the Opposition attempts to make that point. He says, "But as mechanisms for attacking those who have accumulated what the NDP view to be excessive wealth." All of the farmers and the small business people and so on, these terrible people who have gone out and worked and sweated and worked hard in their own family businesses and have accumulated an estate that is taxable under this.

Well, Mr. Speaker, the Leader of the Opposition is an intelligent man and he knows very well that it is not the people who have accumulated these estates who pay the tax, but it is the recipients of the bequests left in a will who are levied the succession duty. It is not the people who work to gather the money together. It is those who do not work, and are the recipients of unearned income who are levied the succession duty.

**MR. SPEAKER:** The Honourable Member for Lakeside.

**MR. ENNS:** Well, Mr. Speaker, the honourable member raises an interesting point. Does he have the particular desire to deny me from making a bequest to somebody?

**MR. SPEAKER:** The Honourable Member for St. Vital.

**MR. WALDING:** I don't believe that suggestion has ever been made by anyone on this side, Mr. Speaker. I'm not making that suggestion now. —(Interjections)— Mr. Speaker, I know that the Honourable Member for Lakeside works hard, and that he does not object to paying income tax on the earnings from his hard work, and I'm sure that if the Member for Lakeside happens to have any capital invested and he makes some return on this capital, that he does not object to paying some tax on the income derived from that capital. It seems odd then, Mr. Speaker, that he should object to anyone paying tax on money which is not earned by working, which is not earned by capital, but which is simply earned by being related to someone rich enough to leave that person a tidy bequest. —(Interjections)— Well, Mr. Speaker, an honourable member from the back row suggested that money has been taxed already. That is a ridiculous argument, Mr. Speaker, because if one were to argue on that premise, one should also say that no one in this province should pay any sales tax because he has already paid tax on his earnings, and also that no one should pay any municipal taxes because he has already paid taxes on his earnings or any of the other taxes. That is simply an

unacceptable and ridiculous argument. However, if members opposite do wish to enlarge upon that theory of taxation and present us in this House with some mechanism for levying tax only once, I would be most interested to hear that theory and to engage in some debate with honourable members on it. —(Interjection)— Well, Mr. Speaker, the Member for Inkster, the Honourable Minister of Mines is suggesting that such a concept is somehow communistic, or that we will be called a communist. It's not too often, Mr. Speaker, that the Honourable Member for Pembina and the Honourable Member for Inkster seem to see eye to eye on a certain topic, but if they both wish to be accused of being communists and both wish to put forward the same proposal before members in this House, that would make a most interesting duet I might say.

**A MEMBER:** Another socialist lullaby.

**MR. WALDING:** Mr. Speaker, let us not get away from the matter of succession duties before we have dealt with it. It has been suggested both by the Leader of the Opposition and by other persons in other places, that even if it is not the farmer himself or the businessman that pays this iniquitous tax, it is still a tax on the capital and that it represents a terrible drain on the farm or the business to find these thousands of dollars to pay off the tax man.

Honourable members should not forget that on those two percent of the occasions when such a tax is levied, and the person taxed cannot come up with the cash immediately, he may apply to the Minister of Finance to have the amount paid over five or six years, I believe it is, at a fairly reasonable rate of interest, so that should not pose such a terrible burden.

In any case, Mr. Speaker, and I just noticed the Honourable Member for Minnedosa in his seat, and I'm sure that he being a banker, would be delighted to loan a few thousand dollars to any farmer who happened to have a farm worth a quarter of a million dollars — \$300,000 clear — because, Mr. Speaker, a quarter of a million dollars is pretty good equity to ask the member for the Royal Bank or any other bank for a loan of \$10,000, \$20,000, to pay off his taxes. —(Interjections)—

Well for the benefit of the Honourable Member for Rock Lake, Mr. Speaker, let me compare for his benefit two young men, one of whom has worked hard maybe in the city or at a steel mill or somewhere, and has accumulated enough money to put down as a down payment on a farm, let's say it's a quarter of a million plus farm, he's put down some money, took out a loan of \$200,000 which he intends to pay off. On the other hand, the next farmer is a young man who didn't work hard for his farm, but was left to it by a rich relative, and he's faced with finding say \$20,000 to pay the taxes. Okay / he goes along to his friendly banker, and takes out a loan from which he might be expected to pay what \$2,000 a year in interest. —(Interjections)— Well I suggested that he took out a loan for \$20,000, and that \$2,000 might be a reasonable amount of interest to pay for the loan. However, the first farmer who has borrowed \$200,000 for a similar farm, is faced with paying \$20,000 in interest in a year, \$20,000 for farmer number A, \$2,000 for farmer B. Now that is a matter of inequity.

**MR. SPEAKER:** Order please.

**MR. WALDING:** Now honourable members opposite, with their sense of conservative equity, are prepared to say, well that's fine for farmer number A to pay his \$20,000 a year in interest, but the poor farmer B over here, who has had to take out a loan and pay back \$2,000 a year, he really shouldn't be in that position, and you shouldn't tax him in the first place so that he should be in the position of paying nothing in interest a year, while the first farmer still continues to pay \$20,000.00. Now that might be conservative equity, Mr. Speaker, but it's certainly not my idea of a fairness in equity.

Mr. Speaker, the Honourable Member for Minnedosa asked what is the point. The point is that a man who works hard for his income is prepared to pay income tax on it. The man who invests some money is prepared to pay income tax on the income from it. But when it comes to succession duties, the Conservatives say that the man who receives hundreds of thousands of dollars simply because he happens to be related to someone should not pay income tax. That is the Conservative principle.

The Honourable Member for Minnedosa nods, Mr. Speaker. Apparently that situation does not offend his sense of fairness or equity. I assure him it offends mine, Mr. Speaker.

**MR. SPEAKER:** The Honourable Member for Minnedosa.

**MR. BLAKE:** Would the member, just for clarification, permit a question?

**MR. WALDING:** Yes.

**MR. BLAKE:** I understand from your comparison that one young man inherited a farm and the other one went out and purchased it on the open market and borrowed money to finance it by way of mortgages. Am I correct to here? — (Interjection)— Yes, and I see nothing wrong if one inherited his farm. There's nothing repulsive about that to me. The one that went out and worked hard and purchased his farm, and was willing to pay for it . . . There's something about self-fulfillment, you know, in this world that's pretty damn nice.

**MR. SPEAKER:** The Honourable Member for St. Vital.

**MR. WALDING:** It seems the Member for Minnedosa and I are in some agreement on this, Mr. Speaker, when he speaks of self-fulfillment as being a good thing for the community and a satisfying experience. That is precisely, Mr. Speaker, what we on this side are saying, that . . .

**MR. SPEAKER:** Order please.

**MR. WALDING:** . . . if the choice is between the farmer who seeks his self-fulfillment through hard work and, on the other hand, the one who is simply given the farm on a plate, that either they should be treated the same or the one who receives the non-earned income should be assessed higher than the earned one.

The Member for Minnedosa, in asking the question perhaps asked me, you know, why I bring up the matter. It is brought up as an answer to those whose criticism of the succession duty is that it causes an unbearable hardship on the actual estate that is passed from, say, father to son. What I am pointing out to the Honourable Member for Minnedosa is that if someone is given an estate worth a quarter of a million dollars or more it should not be difficult for him, having such an asset, to borrow the \$10,000 or \$20,000 needed to pay off the tax involved in it.

Mr. Speaker, the Leader of the Opposition says that we have a peculiar ideology in wishing to see a tax levied on unearned income as against those who work for it. And if there is spite and envy involved then I can tell him that that same spite and envy is shared by my constituents, Mr. Speaker, most of whom work very hard to gain what little self-fulfillment they can and they do not object to paying taxes on it. But what they do object to, Mr. Speaker, is to someone who is to receive hundreds of thousands of dollars and not pay any taxes on that money.

Mr. Speaker, I have heard the expression used by Conservatives, "the work ethic" in the past and I have never been absolutely sure as to what this meant. And it is used, when it is used by Conservatives, in those sort of terms of reverence that are usually reserved for God or Diefenbaker. But it seems that reading this that we can see what the meaning of the term "work ethic" is when it is used by Conservatives. What the Conservatives mean by the work ethic, Mr. Speaker, is that the workers should continue to work hard and by the sweat of their brow pay the income taxes so that those who receive unearned amounts of money into the tens or the hundreds of thousands of dollars should not pay any tax on their gifts.

Mr. Speaker, as I mentioned before, we have a clear division of opinion on this matter. And it is something that the Conservatives have given some prominence to, both in public speaking and also in their literature. I would invite members opposite, Mr. Speaker, to make this an election issue and we have been told there could be one sometime. We would be delighted, Mr. Speaker, to argue out on the hustings and in our constituencies with the honourable members on the matter of succession duties. And I would invite the members opposite to make the attempt to polarize opinion amongst Manitobans on this matter since we do, in fact, have a clear division of philosophy and opinion on a very clearly perceived issue. Because, Mr. Speaker, if honourable members opposite wish to be on the side of the two percent who are now paying those taxes, I would prefer to be on the side of the ninety-eight percent who do not.

**MR. SPEAKER:** Order please. I'm prepared to call it 5:30. Supper recess hour having arrived, I am now leaving the Chair to return to the Chair at 8 p.m.