

THE LEGISLATIVE ASSEMBLY of MANITOBA
Tuesday, February 22, 1977

TIME: 2:30 p.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Honourable Peter Fox (Kildonan): Before we proceed I should like to direct the attention of the honourable members to the gallery where we have 15 members of the Stradbroom Senior Citizens Centre under the leadership of Miss Elaine Sorin. This group is from the Constituency of the Honourable Member for Fort Rouge.

We also have 80 students of Grade Eleven standing of the Springfield Collegiate under the direction of Mr. Ott. This group is in the Constituency of the Honourable Member for Springfield, the Minister of Consumer and Corporate Affairs.

There are 26 students Grade Six Standing of the Governor Semple School. These students are under the direction of Mr. Carriere. This school is located in the Constituency of the Honourable Member for St. John's.

We have 15 members of the Camperville Political Science Class under the direction of Tony Ruprecht. This group is from the Constituency of the Honourable Member for Roblin.

On behalf of the honourable members we welcome you here this afternoon.

Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports.

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MR. SPEAKER: The Honourable Minister of Mines.

HONOURABLE SIDNEY GREEN, Q.C. (Minister of Mines) (Inkster): Mr. Speaker, I have a statement to make re the status of Limited. Flyer Industries

Flyer Industries Limited and its predecessors have been engaged in the manufacture of buses in the Province of Manitoba for the last 46 years. For the year 1976 the company manufactured and delivered 470 buses, having a total sales volume of \$32 million. This ranks the company 5th in terms of total value of business sales generated for manufacturing concerns of Manitoba other than food products and natural resources. In 1969 its predecessor, Western Flyer Coach Limited, approached the public of Manitoba - the Manitoba Development Corporation - for financing in order for the company to overcome financial difficulties. A loan in the sum of \$2 million was approved in 1969.

The company's difficulties continued and finally the Manitoba Development Corporation took control of the company and issued preferred shares to the former stock-holders. The Development Corporation decided that economical viability depended upon making a major expansion which was based on being a major competitor in the diesel bus market in Canada, a working contract with American Motors General to supply bus shells for this company's orders in the United States, and the continued manufacture of trolley buses as virtually the sole supplier in North America.

The company experienced a series of problems some beyond their control and some related to an inexperienced and inadequate management. Its major entry into the market was made immediately before the worst inflationary escalation in prices. The arrangements with American Motors General turned out to be unsatisfactory. It had a costly strike with political overtones and its management was unable to cope with its difficulties.

In the spring of 1974 the Board of Directors of the company recognized the problems and commenced to correct them. It is a credit to existing management that virtually all of its major production difficulties were solved. For the past several months the company has produced between nine and ten buses per week. It is fulfilling its obligations, namely, the San Francisco order of 343 buses, the Boston order of 50 buses, and the Dayton, Ohio order of 64 buses, which orders were bonded for completion in whole or in part by the Manitoba Government.

In 1974 it was the virtually unanimous decision of the Manitoba Development Corporation, concurred in by the Government, that the best commercial position for Flyer Industries was to exercise every effort to fulfill its then obligations and to assess the future of the company as these obligations were being dealt with. It should be said that management in maintaining the excellent level of performance which it has achieved in the past two years, did so under the most adverse circumstances imaginable. The company's every move was scrutinized by a hostile media. Its difficulties, though great, were exaggerated by persons who would normally be trying to assist an enterprise in Manitoba and it was continually downgraded by persons in Manitoba in both Canadian and American markets. Customers were contacted by media and political representatives hoping to obtain adverse comments on its performance and the most bizarre occurrence of all, the bonding company began making public statements questioning the capacity of the company to produce, thereby endangering their own indemnity position. It is my experience that all of these events would have been reversed if this were a private company in difficulty in the Province of Manitoba.

The Board of Directors and, Mr. Speaker, I would add a personal note, as this statement is a statement which has been concurred in by the Development Corporation and myself. But I add personally that it's my belief that no private company would have been able to survive the type of treatment that was given to Flyer Industries and it is by virtue of it having been supported by the public that it did survive.

The Board of Directors of the Manitoba Development Corporation assess each of their operations on a commercial basis. This is the most important basis upon which the corporation enters an industry. That basis has now been re-assessed and the Board of Directors, as is their responsibility, indicate that prospects for long term profitability with the present bus markets available to Flyer Industries Ltd. are questionable. They believe that the Company can expect a market of between 150 to 200 buses per year which, given present operating costs, could result in a shortfall of approximately \$3 million per year on operations if bus manufacturing were to remain the

only activity of the company. The Board has quite responsibly informed the government of these conditions and has sought a policy decision since only the government has the authority to commit the public to such expenditures.

The government is of the opinion that the company is a very important feature of the industrial scene in the Province of Manitoba. It is also the opinion both of the company and of the Board of Directors of the Manitoba Development Corporation and of the government that every possible option be explored to deal with this matter to the benefit of our province. Several options are available and are being explored, including, of course, the option of continuing the operation on the basis of a sales volume of 200 buses per year.

In order to maintain all options, it is necessary and desirable to operate the Company at its maximum potential. The Government of Manitoba has accordingly authorized the Board of Directors of the Manitoba Development Corporation to proceed to keep this company in operation at maximum sales volume obtainable, despite the possibility of future losses while the government and the Manitoba Development Corporation make every effort to explore available options for improving the position of the company. In order to facilitate the carrying out of this announced program, Flyer Industries Ltd. is bidding aggressively to obtain orders for the manufacture of buses with the intention of obtaining orders which would carry the company operations forward into 1978 and beyond. All suppliers and customers of the company may be assured that the government intends to honour all obligations made by the company with regard to trade accounts and product support.

Mr. Speaker, as I have indicated, this statement was authorized in content in every respect by the Board of Directors of the Manitoba Development Corporation. The only remark which was personal to myself relates to my opinion relative to this company's ability to maintain its position as against what would have happened to a private company in similar difficulty.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. STERLING LYON (Souris-Killarney): Mr. Speaker, we appreciate the Minister's statement to the House which, when it is all boiled down, seems to say that Flyer Coach is continuing in business at a loss until such time as the government and/or the Board of Directors of Flyer Coach can see their way clear to operate competitively in what is obviously a sophisticated and a very competitive field. We would naturally have some disagreement with my honourable friend when he refers to some of the problems of Flyer Coach being caused by either political interference or by interference from our friends from the fourth estate, by the media. I can well recall a speech that my honourable friend once made after he had been severely critical of a government operation in a previous administration when he quite properly pointed out that the job of the Opposition and indeed of the media, is to criticize government operations and to let the chips fall where they may. He made that statement when he was in Opposition. He was correct. I merely say to him that he should refer to that statement today when he attempts to blame either Opposition or political interference or comments from the media for the undesirable — in fact, one might say the near disastrous — state in which MDC and Flyer coach, but particularly Flyer Coach in this instance, find themselves.

I think that he would be well advised if he would take a look at the Report of the Provincial Auditor, which was distributed only yesterday for reasons that are becoming more apparent hour by hour, in which on Page 25 there is perhaps a more rational description given of why Flyer Industries is in the particular problem that it is today. And I will quote just for a few moments. This is the Report of the Auditor Page 25 reading under Paragraph 1: "The main difficulties of Flyer Industries Limited seemed to have commenced with the expansion of operations in 1972. It appears that management was not fully qualified to evaluate, undertake and effectively carry out the expanded program. The expansion of the Plant facilities was undertaken primarily as a result of an agreement with another company to produce bus shells in substantial quantities. Subsequently the agreement was found not to be workable and has since been terminated. We were told that because of the agreement it was not considered necessary to undertake a Feasibility Study prior to deciding on the expansion of the Plant. While the Plant expansion was underway appropriate development was not carried out in the operational and the financial management areas. Bidding for contracts was not based on realistic estimates. When the new Plant became operational because of a lack of effective cost accounting," and I repeat Mr. Speaker, because of a lack of effective cost accounting, "operational and financial controls and management information systems, the managing of this Plant was substantially out of control.

Now, Mr. Speaker, the honourable minister can stand up in this House and point the finger of scorn at his political opponents or at the media all he wishes but I suggest that he read the report of his own auditor, who is not a political appointment, who is not a member of the media, but who is telling him in pretty frank terms what's wrong with this industry.

So I conclude by saying that we appreciate his statement today even though we don't accept the rationale behind it. And I would refer him, in closing, to an article that appeared very recently in Business Week of February 7th, 1977, wherein he will find that the company which was ordering shells from Flyer Industries, the AM Company in the States, and the article he can read for himself, but the final comment is this: That because of changes in specifications in the United States market and so on, that company which is a competitive company in the private sector in the United States, they're saying we don't have the staying power to wait out the changes that are taking place in this industry.

Now, there is a private company, Mr. Speaker, that has some sophisticated knowledge of what's involved in this industry, and they're saying in a market as large as the United States that they don't have the staying power to wait out the changes that are taking place technologically and in terms of the specifications that are being required now by public bodies in the United States, national and local. So I suggest to my honourable friend, Mr. Speaker, that he may wish to review the statement that he has just made to the House, review what is going on in the industry in North America, consult again with the Board of Directors of Flyer Industries and please consult with the Provincial Auditor who is telling him what is really frankly wrong with this company, before he comes to this House trying to blame the opposition and the media for his own failures.

MR. SPEAKER: Any other ministerial statements or tabling of reports? The honourable member state his Matter of Privilege.

MATTER OF PRIVILEGE

MR. GORDON E. JOHNSTON (Portage la Prairie): Well, the Matter of Privilege is a statement contained on Page 2 of the document and I quote "Customers were contacted by media and political representative hoping to obtain adverse comments on his performance." Mr. Speaker, my Matter of Privilege is that an accusation has been made by my honourable friend, the minister who just read this statement, and I would like to state emphatically that no member of the Liberal Party contacted Flyer Coach. And I would also like him to name those political representatives who did.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: I didn't say these political representatives contacted the company - I said contacted purchasers and the people in San Francisco were indeed contacted by political representatives, and said so in the newspapers. So that is the information I have, Mr. Speaker, I'm quoting the newspapers.

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

ORAL QUESTIONS

MR. LYON: Mr. Speaker, I would direct a question to the Minister of Finance. In view of the statement that is contained in the report of the provincial auditor (and the Minister can read it for himself on pages 14 and 16), with respect to his continuing recommendations to this government about changing the method of accounting procedure for Public Accounts of this province, can the Minister advise us if the government is today considering implementing the auditor's oft-repeated suggestion regarding changing the provincial accounting system to more realistically report revenues and expenditures, thereby to bring Manitoba's provincial auditing system in line with that of other provinces?

MR. SPEAKER: The Honourable Minister of Finance.

HONOURABLE SAUL A. MILLER, (Seven Oaks): Mr. Speaker, I would have to read in more detail the comments referred to by the Leader of the Opposition. I am not quite sure what parts of pages 14 and 16 he is referring to.

The Department is constantly trying to bring changes to the format and I believe this year there is one. In the Public Accounts there is a change in the financial position which now indicate both current and capital in their summary instead of keeping them separate so that there is a better understanding of the total expenditures. If that is what the Leader of the Opposition is referring to, I think he will find that table is shown in the Public Accounts.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. LYON: A supplementary question. The information that I was referring to the Honourable Minister may be found on pages 14, 15 and 16 of the Report of the Provincial Auditor for the year ended March 31, 1976, in which the Provincial Auditor states, Mr. Speaker, . . .

MR. SPEAKER: Question please.

MR. LYON: I am posing the question, Mr. Speaker.

MR. SPEAKER: Very well.

MR. LYON: The Auditor states, Mr. Speaker, that the present system results in legislative control over programme expenditures being essentially . . .

MR. SPEAKER: Order, please. I think we should get the question period straight. It should be precise with no preface, no opinions. It should be stated what one desires, and then the question, and then the answer can be brief. Otherwise we get into a question of debate because there are opinions expressed and prefaces stated which create an argument. We can do those things during the estimates and during the perusal of the Audit Accounts and so on. Let us keep the question period brief.

The Honourable Leader of the Opposition.

MR. LYON: Mr. Speaker, I thank you for your advice. I repeat to the Honourable the Minister to draw his attention that by way of preamble to my question (and questions do require preambles) that the statement of the auditor on page 17 is that the present system of auditing of the provincial records of Manitoba results in programme expenditures being essentially non-existent, particularly with the introduction of substantial General Purposes Capital votes. Would the Honourable Minister care to comment on that statement, which is on page 17. Mr. Speaker.

MR. MILLER: Mr. Speaker, I have now been referred to three different pages. I can't read as quickly as the honourable gentleman is throwing new pages at me. Perhaps this can best be discussed during the Public Accounts which will be called. I would refer the Leader of the Opposition to page 25 in Public Accounts which does, for the first time, I believe, under the sources and Use of Funds, include both current and capital in a simple table so it can be readily understood.

MR. SPEAKER: The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, I would like to direct a question to either the Minister of Finance or to the Minister in charge of MDC. I refer again to the auditor's report and would ask the Minister whether with the report in his possession since November 25th (the date on the report) whether an advice went out to the MDC board to require appropriate documentation before the advancement of funds from the MDC? I refer here to page 24 of the Auditor's Report regards to the MDC.

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, a copy of the Auditor's remarks were forwarded to the MDC Board who, Mr. Speaker, assured me that they had taken appropriate steps before advancing monies to Flyer Coach Industries

that the monies are properly advanced. Incidentally, Mr. Speaker, the Auditor doesn't claim one cent to have been improperly advanced and I suggest to you, Mr. Speaker, that the MDC Board of Directors are composed of people more competent than the Auditor in knowing when to advance money for business enterprises.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY, (Fort Rouge): Thank you, Mr. Speaker. I have a question for the Minister responsible for Housing: Going back to the where he states that the major problem Auditor-General's report of the Corporation has been the lack of effective control on the information and management systems, can the Minister indicate whether steps have now been taken to correct that major deficiency in the management of the Corporation?

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

HONOURABLE LEONARD S. EVANS (Brandon East): Yes, Mr. Speaker.

MR. AXWORTHY: Supplementary, Mr. Speaker. Would the Minister care to elaborate upon his reply to indicate what steps have been taken and what the present phasing of implementation of those steps are?

MR. EVANS: Mr. Chairman. Mr. Speaker, the answer would require some time. I suggest an appropriate time to discuss these things would be during Estimates but they do involve hiring of staff, they do involve changing certain financial reporting procedures and so-on within the Corporation.

MR. AXWORTHY: Supplementary, Mr. Speaker. In that respect, can the Minister indicate whether the position taken by the Cabinet waiving the requirement that proposal calls not be submitted to the Line Appraisal Commission? Has this been now rescinded in light of the Auditor-General's Report? This leads to confusion and misallocation of funds in terms of these applications. Has the Cabinet rescinded its order?

MR. EVANS: Mr. Speaker, no, my honourable friend is incorrect in making — perhaps implying — that in his question. I would also indicate that I think he is reading too much into the Auditor-General's Report in this respect. We stated publicly several times, Mr. Speaker, the value we're getting from the proposal call system is excellent. It compares very well with the conventional tendering system. **MR. SPEAKER:** The Honourable Member for St. James. **MR. GEORGE MINAKER:** Thank you, Mr. Speaker. My question is to the Minister responsible for MDC. In view of the Minister's statement today that Flyer Industries will remain in the bus business, can the Minister advise the House if Flyer is presently considering redesigning the present bus that they now market in the USA to meet the

administration's new Urban Mass Transportation new specification which was effective February 15th, that all buses must have an effective floor height of 24 inches? **MR. SPEAKER:** The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, if there are specifications that are required to be put into bids and the Corporation is interested in making a bid with regard to a United States program, the Corporation will do what is necessary to meet that specification or to not bid.

MR. MINAKER: Mr. Speaker, a supplementary question. Is the Honourable Minister aware that AM General's representative has stated that to redesign AM General's bus to meet this specification will cost approximately \$20 million?

MR. GREEN: I also believe it to be the case that AM General is engaged in a lawsuit relative to the United States' combines related legislation concerning this specification because it applies to only one company. Now, I'm not certain of that information, but, Mr. Speaker, the market that the Flyer Company is looking at that I have referred to is very low in its dependency on United States buses, however that doesn't mean that it cannot bid on this market. It would have to supply whatever the United States market wishes. In addition, Mr. Speaker, I have indicated that there are things which the Corporation is doing which are designed to improve its position.

MR. SPEAKER: The Honourable Member for Wolseley.

MR. ROBERT G. WILSON: Thank you, Mr. Speaker. I have a question to the Minister of Mines in two parts. Would the Minister confirm that while Flyer Industries produces eight buses per week, American Motors General produces 30 buses with the same sized plant and the light bus, and would the Minister confirm that his statement has left out the fact that American Motors General now has employed the Chief Engineer — former Engineer — of Flyer, Arthur Dean, and is now in the trolley bus business?

MR. GREEN: Mr. Speaker, the honourable member who is a great proponent of the Three R's should correct himself when he says that I said they produce eight buses a week. I said they have been producing nine to ten buses a week which, if one wishes to take the average is nine and one-half. I think it is more likely ten. The honourable member apparently has a problem in that connection. With regard to General Motor's capacity to produce buses per week, I understand that our hours per bus compare very favourably to General Motors. It may be that they have, you say they are producing 30 compared to our ten, it may be that they have three times as many employees.

MR. WILSON: A supplementary. Would the Minister then correct his statement made to the House that the Chief Engineer, Arthur Dean, is now working with American Motors General and, in fact, American Motors General is now actively engaged in the trolley bus business?

MR. GREEN: Mr. Speaker, I never suggested that other people are not attempting to enter the trolley bus market. I am not aware as to which companies are now in the market; I am aware that Flyer Coach Industries in 1969 was the virtual sole builder of trolley buses in North America. That is a statement I make. Since it is a correct statement, I cannot re-correct it.

MR. SPEAKER: The Honourable Minister of Public Works. (ELMWOOD): **HONOURABLE RUSSELL DOERN** Mr. Speaker, on Friday, I was asked a question about the fire exit signs in the Legislative Building and I wanted to answer that for the Member for Crescentwood. We had to select a particular style of fixture because of the thickness of the limestone walls. They are virtually impenetrable. I would like to just read a sentence in that regard — "We selected a self-powered product containing its own solid state tritium gas energized source of power thus avoiding the undesirable aspects of installing electrical powered fixtures such as running surface wiring over the limestone as well as costly and messy cutting and patching of plaster surfaces elsewhere." In other words, the

units are self-contained and don't have any wiring and will work even if the power supply is out. In addition, the signs where the straight-forward lettering was modified, the panels were enclosed in a walnut trim and there was a bronze anodized bracket cover. The cost of the signs that you see installed in this building, including all of that plus labour, etc. was \$9,500.

MR. SPEAKER: The Honourable Member for Minnedosa.

MR. DAVID BLAKE, (Minnedosa): My question is for the Minister responsible for Renewable Resources. I wonder, in view of the disastrous forest fire situation experienced last season and possibly a more serious one occurring again this season, and the fact that Ontario now have their Forest Fire Protection Program underway, I wonder if the Minister can inform the House if the government has made advance preparations or advance arrangements regarding the availability of forest fire fighting equipment, particularly aircraft specialized in water-bombing?

MR. SPEAKER: The Honourable Minister of Renewable Resources.

HONOURABLE HARVEY BOSTROM, Minister of Renewable Resources and Transportation, (Rupert's Land): Yes, Mr. Speaker, we are geared up for the forest fire season at the present time, gearing up with aircraft that will be required for the forest fire season, as well as all the necessary equipment. All reports are as the member suggests — that we may be in for a serious forest fire season this year — and we will be prepared for it.

MR. BLAKE: A supplementary, Mr. Speaker. I wonder if the Minister might inform the House how many of these particular aircraft the province owns and how many are available on a short notice lease arrangement?

MR. BOSTROM: Well, Mr. Speaker, we do not own the large water bombers, the heavy water bombers, but the Canso type which we utilize in this province we are expecting to renew the leases, in fact I believe we've already renewed the leases on the ones we had last year. There were two water bombers used last year.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. BOB BANMAN: Thank you, Mr. Speaker. I direct my question to the Minister of Agriculture and would ask him if he has filled the vacancy left in the Manitoba Marketing Board by the resignation of Mr. Usick.

MR. SPEAKER: The Honourable Minister of Agriculture.

HONOURABLE SAMUEL USKIW (Lac du Bonnet): Yes, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Crescentwood. Order please.

MR. WARREN STEEN: Mr. Speaker, I have a further question to the Minister of Public Works' and I thank him for his answer regarding the exit signs. Could the Minister tell us how many signs were erected in the building for the cost of \$9,500, and could he tell me further whether they were installed by the Public Works staff, and does the \$9,500 include the cost of labour?

MR. SPEAKER: The Honourable Minister of Public Works.

MR. DOERN: Mr. Speaker, there were forty facings used, namely some signs are double and a few are singles so there's some forty facings — apparently some 22 signs - they were installed by the Department of Public Works. Now there was a third question which I can't recall.

MR. STEEN: Mr. Speaker, the third part of the question was, does the cost of \$9,500 include the installation price, the labour?

MR. DOERN: I can't answer whether it includes all the labour. I believe so, but I'll double check that. I know it includes some, I'm not sure . . .

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L.R. (Bud) SHERMAN: Thank you, Mr. Speaker. My question is to the honourable the Minister of Urban Affairs. I would like to ask him whether in view of the frustration for scores of persons whose land has been frozen for some two years now in Fort Garry and other parts of Metropolitan Winnipeg, does the government have any intention or plans to initiate action by the City of Winnipeg to unplug the bottleneck in the land assembly program?

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

MR. MILLER: Mr. Speaker, I assume the member is asking a question regarding the Joint Land Assembly which the province undertook at the request of the City of Winnipeg. I suggest his question should be referred to the City of Winnipeg who are doing the acquisition. We're simply participating with funds.

MR. SHERMAN: Well, a supplementary, Mr. Speaker. Perhaps it should go to the Attorney-General, but I'll direct it to the Minister of Urban Affairs. Do persons intending to appeal against offers that have been made by the city have to get their Notices of Intention to Appeal into the courts within a certain limited period of time in order to escape taxation penalties?

MR. MILLER: Mr. Speaker, (a) I'm not a lawyer; (b) if I were I still wouldn't give a legal opinion. I think it's pretty well known what protections a person has in case of expropriation. If they don't know it I'm sure any lawyer could advise them.

MR. SHERMAN: Well, Mr. Speaker, then may I direct another supplementary directly to the Attorney-General. and it's asked in consideration of those persons who have not acquiesced in the offers that have been made to them by the city. Do those people have to file Notice of Intention to Appeal against the city offers within a given period of time, specifically by August of this year, in order to escape the penalty of income and capital gains taxes?

MR. SPEAKER: That's asking for a legal opinion. Order please. Does the Honourable Member for Fort Garry wish to rephrase?

MR. SHERMAN: Mr. Speaker, I accept your suggestion that I'm asking for a legal opinion, but I appeal to you. Sir, that I'm not asking for an opinion, I'm asking for an answer as to whether there is a limitation on the Intention of Notice to Appeal?

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. AXWORTHY: Mr. Speaker, I have a question for the Minister of Health and Social Development. I wonder if

the Minister can indicate to the House whether it is a policy of his Department to prohibit visits by Public Health Nurses and VON nurses to unlicensed guest homes and foster homes for senior citizens in the city.

MR. SPEAKER: The Honourable Minister of Health.

HONOURABLE LAURENT L. DESJARDINS, (St. Boniface): Mr. Speaker, in order to make sure I will take this as notice.

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. J. FRANK JOHNSTON: Yes, Mr. Speaker. My question is to the Minister of Urban Affairs regarding his previous answer he gave to my colleague from Fort Garry. Does the province not demand a progress report on projects that they are participating in financially from the city or anybody else?

MR. SPEAKER: The Honourable Minister of Urban Affairs.

MR. MILLER: Oh, yes, we get progress reports but the pace at which it will develop is determined by (a) the pace at which the land will be acquired and/or the title; and then after that the underground services to go into that particular area and plan of subdivision being developed.

MR. SPEAKER: The Honourable Minister for Public Works.

MR. DOERN: Mr. Speaker, just to clarify again for the Member for Crescentwood, the figure that I gave does include the cost of labour. I would reiterate again that the recommendation came from a Public Works Fire and Safety Officer, from the Fire Commissioner's Office. There are many people who have problems finding their way around in this building, and in the night time or in the event of a disaster one would have to find one's way out in the dark. Those signs would show the way out.

MR. SPEAKER: The Honourable Member for Wolseley. Order please.

MR. WILSON: Thank you, Mr. Speaker. I have a question for the First Minister. In light of the world food program dealing with hungry people of the world does the First Minister intend to investigate the charges that enough food to feed a thousand families a week is being wasted at Hydro campsites at taxpayers' expense?

MR. SPEAKER: The Honourable First Minister.

HONOURABLE EDWARD SCHREYER, (Rossmere): Well, Mr. Speaker, I will attempt to trace the source of that allegation and find out more information about it. I certainly don't take the honourable member's question as being definitive in any slight respect whatsoever.

MR. SPEAKER: Order please. The Honourable Minister of Education.

HONOURABLE IAN TURNBULL (Osborne): Mr. Speaker, I rise on a matter which I regard as the House privilege. There was an article in *The Tribune* of today's date to the effect that two Ministers misled the House. One of the Ministers was myself, Sir, with regard apparently according to the report rumour put out by the Member for Morris. The Member for Morris apparently alleges that I misled the House by saying there were no changes in the specifications and the tenders for school bus bodies. My answer in the House to his question the other day was that to the extent of my knowledge there was no change in the tenders on those specifications. I have checked since that answer was given in the House and I have been told again that indeed my answer was correct, there were no changes in the specifications on the tenders. Therefore, Sir, I leave it in your hands as to whether the rumour put out by the Member for Morris is in fact a question for the Privilege of the House, or whether indeed he can - and I do want to give him an answer to the best of my ability - whether he can substantiate the remarks that he has reported to the press.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I just undertook to find out certain information with respect to the question posed by the Honourable Member for Wolseley, but on reflection, Sir, I'm not sure that I will do that unless I can get more specification or definition as to just what is being alleged.

It occurs to me, Sir, that the meals at Manitoba Hydro construction camps are all provided by three private companies. Therefore, if there is waste by them it would be within the terms of their own profit and loss statement. If my honourable friend is intending otherwise then I would be pleased to hear him.

MR. SPEAKER: The Honourable Member for Morris.

MR. WARNER H. JORGENSEN (Morris): Mr. Speaker, I don't intend to pursue a question of privilege other than to advise the Minister that when the appropriate time comes during the course of Estimates I do intend to pursue this matter a little bit further. Perhaps the whole thing boils down to what he considers to be an interpretation of a change in specifications.

MR. SPEAKER: Orders of the Day. The Honourable Member for Charleswood.

MR. ARTHUR MOUG: Mr. Speaker, I would ask leave of the House to make a brief statement with regard to curling in our province.

MR. SPEAKER: Agreed? (Agreed). The Honourable Member.

NON-POLITICAL STATEMENT

MR. MOUG: Mr. Speaker, last week there was the Ladies' Senior Curling Playdowns that took place at Virden, Manitoba. Lorraine Bloomer, a curler from Charleswood Curling Club is the new Provincial champ and will be competing at the Dominion Playdowns at Peace River. The Royal Canadian Legion, on the weekend, held their Playdowns at Transcona. The Steve Vance Rink skipped by Ray Mahand are the new provincial champs and they'll be competing in Halifax at the Dominion Finals on March 19th.

MR. SPEAKER: Orders of the Day. On the proposed motion of the Honourable Member for Logan, the amendment thereto by the Honourable Leader of the Opposition, the Honourable Member for Portage la Prairie.

THRONE SPEECH DEBATE

MR. G. JOHNSTON: Mr. Speaker, before I begin I would like to offer my congratulations to you for assuming your post for one more year, perhaps your final year, I'm not sure, and also to congratulate the mover and the seconder for their addresses last Friday. Also, I would like to offer my congratulations to the new member — I see

he is not in his seat — but the Leader of the Official Opposition, the new member for Souris-Killarney. I'm sure that being an experienced parliamentarian and a very good politician, that he will give a good account of himself in the coming session.

Mr. Speaker, this session is but a few days old. Already we have witnessed enough political posturing to last for a full session. We cannot believe that the mover of the *The Speech from the Throne* is sincere in praising the government for its accomplishment for he well knows, representing an Inner City riding, that this government has failed to develop policies to meet the social needs of his constituents.

We have difficulty in believing the sincerity of the Leader of the Opposition with his sudden concern about housing, job creation, and the Garrison Diversion. When he was seeking the leadership of his Party and since his election as leader, neither he nor his Party demonstrated any concern about the lack of adequate housing stock or lack of job opportunities. As for the Garrison Diversion, during an entire by-election campaign he did not make much of an issue about what many in the province considered to be a major development, which could cause immense damage to the very area he is supposed to represent. Now that he finds that it is popular to speak against the Garrison Diversion, Mr. Speaker, he boldly comes forth.

The New Democratic government of Manitoba has set forth its position in the *Speech from the Throne*. The contents of that document is sufficient to demonstrate that the NDP have lost its zeal and have become timid. It has indeed become conservative. It has become conservative because it has become afraid. It is afraid that the electorate will react against it in an election year if it strays from the staid, unimaginative policies that have characterized the last three years. The N.D. government has cause for concern. The electorate will vote the NDP out of office, not because it is too reformist but because it has lost the will and the energy to reform.

This government will be defeated not because of its humanitarian policies but because the desire to retain office has replaced humanitarian concern in the priorities of the NDP. This government will be defeated not because it represents openness in government but because it is increasingly apparent that a government behind closed doors, and without the participation of people, is its way of

This governing government will be defeated not because it has aggressively attacked our major social problems but rather because it is now in full retreat and the savage dehumanization of our Native people in remote areas and in the Inner City through unemployment, inadequate housing, alcoholism, poverty and lack of hope for the future continues unabated.

This government will be defeated not because of its aggressive determination to control inflation but because of its vacillating resolve to maintain some control of the economy until Canada, as a Nation, has brought inflation under reasonable check.

This government will be defeated, not because it has provided low-cost housing for low-income people but because of its failure to supply and its tolerance of land speculators an adequate housing stock' siphoning off large profits at the expense of consumers and condoning shoddy profiteering in dealings with the Manitoba Housing and Renewal Corporation.

This government will be defeated not because of its historical friendship with labour but because of all employers it has established the unenviable record of bad labour relations and unfair labour practices, and lack of imagination in resolving industrial disputes.

This government will be defeated not because the budget is too high and government spending at record levels but because of imprudence and mismanagement in the fiscal resources which comes into its hands.

This government will be defeated not because the people are fearful of new ideas but because they are beginning to realize that this government is bereft of new ideas as the Conservative opposition.

The NDP will be voted out because of its attempting to entice the support of those elements of the community which traditionally vote the Tory Party line; a community which in recent decades has never represented a majority voting strength of this province. In doing so the N.D. are leaving a massive vacancy for the Liberal Party to fill, and we will try to do so.

This government will be defeated because the NDP was given a mandate to renew trust and confidence. But instead, we have the despair of a divided society. One could at least have hoped that those in organized labour would be satisfied with what some within the movement would consider to be their government. But the N.D. have managed to antagonize the business community, professionals, consumers, students, the elderly, and still not satisfied the legitimate concerns of the labour movement.

The sad fact is that this labour orientated government has an abysmal record as an employer as witnessed by the recent condemnation of the M.G.E.A. In the meantime, the climate for doing business, practising a profession, or exploring for minerals, has become strained by a large paternalistic and sometimes hostile administration

Through its tax policies, large segments of the population feel oppressed and not just the wealthy. The senior citizens on fixed incomes are often unable to afford the taxes imposed on their homes and are compelled to move into subsidized rented quarters at even greater public expense.

The NDP was elected as an alternative to the folks who brought us C.F.I. and who are planning to flood South Indian Lake out of existence. The people were looking for a better management of public business. Instead we have received Saunders Aircraft, Flyer Industries, Hecla Island, questionable contracts between MHRC and MBS Construction, and cost overruns on the between MHRC and MBS Construction, and cost overruns on the hydro projects that boggle the imagination.

Competency in management is noticeable by its absence.

These preliminary comments should not give comfort to the Conservative opposition. The very reasons why the public now look for an alternative to the present government are the reasons why the Conservative Party cannot be an acceptable alternative.

We challenge this government for ceasing to be reformist. It started out with reasonable gusto, making up for

years of Tory unwillingness to democratize any institution or open any doors to public participation. Municipal government for the urban area was revamped; an Ombudsman was appointed; Legal aid was expanded; a Human Rights Commission established, and The Law Reform Commission revitalized. But all the reform has come to a grinding halt. A true reformist government does not cease reforming and does not cease looking for an area which requires perfection.

For example, we require improvement in *The Electoral Boundaries Act* which allows a tolerance of 25 percent above or below the constituency. It is simply unmedian average size . . . acceptable to have a Boundaries Commission establishing constituencies which will last for ten years, where some urban constituencies start with 50 percent more registered voters than some rural ridings' well knowing that before another re-distribution, that disparity will continue to grow to perhaps over 100 percent. At this session of the Legislature we will introduce a bill to restore equity for the urban voter. Throughout Canada, there is increasing agitation to obtain access to information from governments; to emulate legislation on the Statute Books in other jurisdictions which put the onus on government to either demonstrate a valid reason for withholding information or to make it available. We intend to persist in advocating a *Freedom of Information Act* in this province, an Act which is doubly needed, given the reluctance of this government to share information with the public. There was a time when, by tradition, there were public hearings before the Public Utilities Board before a rate increase would be authorized for the Telephone System or the Hydro. Now, rate increases are imposed without public inquiry and without the opportunity to ask questions and seek explanations. This, at a time when people are desperately seeking the reasons for increases.

It is nice to hear the noises from the Leader of the Opposition that he too favours freedom of information legislation. But, is this not the same leader whose caucus last year joined with the government to defeat proposals for freedom of information legislation? We hope that he has not only moderated his position but that he will have some measure of success which his predecessor did not enjoy in persuading his caucus to support his progressive legislation.

Reform is also needed in the conduct of the Legislature itself. The lack of detail in spending estimates has made the process of reviewing estimates difficult. This lack of detail prevents not only the Opposition but government members of the House as well, from making the kind of suggestions that might have the effect of either saving money or improving the administration of existing programs. The lack of detail in information results in members of the House indulging in further post-posturing and generalizing in a useless way instead of dealing with the government spending on a proposal of a line-by-line basis.

If a government is interested in reform, it need look no further than at the way the Legislature deals with and passes the spending estimates. We challenge the government with failing to proceed with the necessary social measures to meet the human needs of our people, yet the Conservative Party provides no alternative. The Conservative Party was dragged unwillingly into Medicare but we are pleased that the leader and his colleagues are now prepared to concede that that battle is over and that Medicare is here to do the Leader of the Opposition stand on the issue of improving the financing of Day Care centres; of providing a program of publicly supported after-school care; or restoring the ambulance service to Northern residents or of meeting our major health challenge, that of providing community health services to the mentally afflicted? What we hear from the Conservative leader is that he would cut out unnecessary social services without identifying what he considers to be unnecessary. In the meantime, human needs are not being met in a variety of areas to which the Conservative leader makes no response.

There are some 165 Day Care centres in Manitoba, most of which are operating on a deficit. Many of these institutions —(Interjection)— well, I stand corrected. Correct me. —(Interjection)— Then I'll correct the statement and say, that of the Day Care centres in Manitoba, most of which are operating on a deficit basis —(Interjection)— well, representations that we have tell us that this is true. Many of the institutions will have to close their doors unless there is a substantial financial aid from the government. What is the government's response? It allows them a pittance by increasing the per diem rates the clients must pay from \$5.00 to \$6.00. To the extent that the government subsidizes those of low economic status, there is some contribution from the public treasury but most of the additional funds come out of the pockets of the parents, many of whom can ill-afford the additional \$20 a month. What is needed is more generous maintenance grants, grants which are funded to the extent of 50 percent by the federal treasury but this government says "no"; this government has misconceived the purpose of day care. In part, it is an investment that enables and encourages the welfare recipient to seek and find employment and to allow single households to survive on a modest income. To the extent this is achieved, the day care represents a sound economic investment which will yield more dividends than its initial cost, yet not one word appears in the Speech from the Throne on such a vital topic.

The present day care facilities can accomodate only 20 percent of the children under school age who are denied the privilege of parental care during working hours. We need more day care facilities, yet we impose a cost squeeze upon the existing centres which makes it difficult for continued operation. The situation is even more lamentable with respect to children between the age of six and twelve who attend regular school classes but whose parents or parent are not available during noon hour or after regular school hours. Less than one percent of such children are involved in programs which are designed to meet their nutritional needs and provide for their care and supervision in a suitable environment.

This Fall, the government announced that it intended to cut back on funds devoted to the Northern air ambulance service. The import of that announcement was that the air ambulance services should be available for a emergency treatment but not for having patients flown down to Winnipeg for a diagnostic consultation with specialists in Southern Manitoba. We agree that the air transport service must be monitored to ensure that abuses are minimized but diagnostic services that prevent subsequent emergencies are not an abuse. We have no right to terminate this program unless and until there are specialists located in the North who can provide the required

services. We are not even close to that situation. This government has forgotten the underlying reason for establishing the air ambulance service in the first place. It was not merely to provide emergency service, it was to provide Northern residents with the advantages of the specialist's treatment and diagnostic care which in Southern Manitoba is taken for granted. Again, not a word in the Speech from the Throne on such an important matter.

Surely the measure of any government must be its ability and its willingness to tackle the major social problems festering within society. One could read the Speech from the Throne and come away believing that no problems exist in Manitoba, but they do. In some remote Northern areas, unemployment is around 80 percent. Infant mortality is four times the provincial average and the use of alcohol and drugs and the sniffing of fuel has become a major problem. Similar conditions exist in the downtown core of Winnipeg. There are now 25,000 native people mainly located in the core area of the city who have come here in the hope of finding opportunities that do not exist in remote communities. Many soon find that the urban area is more devoid of promise than the remote areas.

We have failed to harness the human potential that is here; we have failed to provide training programs to give them skills so that employment opportunities can be seized. We have failed to help them in their efforts to develop community institutions within the urban setting. We have failed to channel the energies of government, business and labour in joint programs to establish new business activity in the inner city through community development corporations. The failure of meeting the human problem confronted by native people is matched by the failure to assist the new immigrant. Apart from some modest support at the International Centre, this government is content to allow the new landed immigrant to flounder or survive on his own. Because of their own tenacity, most of them survive and thrive in spite of the lack of assistance from the government.

There is a housing shortage in Manitoba, a fact that is passively acknowledged in the *Speech from the Throne* in which the government expresses its intention to build 2,000 new units of housing this year. The government is using the same old prescription — build more units through MHRC. We suggest that MHRC has become one of the most expensive and least-efficient methods of meeting the demand for new accommodation. We suggest that the methods employed by MHRC have added to the cost of housing. It should be pointed out that while some 2,000 units are scheduled to be built, according to the claims in the there are 1,000 housing units demolished every year in Winnipeg, largely because this government has no programme to retain, renovate, and improve existing housing stock.

It need not be said that new housing units are costly. An estimate of \$30,000 for each unit would not be unreasonable. It would be much more economical if higher emphasis were placed upon the retention and refurbishing of existing housing stock. As MHRC continues its monolithic growth, there is a constant decline in the construction of new housing through other mechanisms. Co-op housing is almost non-existent because the government will not provide managerial skills to people who otherwise would be interested in utilizing CMHC loans to develop their own co-operative housing developments.

This government is afflicted by a tunnel vision when it comes to housing solutions. It cannot see or understand that the private developers could become partners with government in supplying both non-subsidized and subsidized rental accommodation. If only the government would turn away from its almost exclusive relations with MHRC!

The problem of providing shelter is not for the rich or even for those of middle income; it is for the poor. This government's approach is to provide low-income housing developments constructed for and managed by MHRC. but there are other answers. For example, under Section 44(1)(B) of the National Housing Act, the Government of Canada will enter into agreements with the province to provide rent supplements to low-income people in a wide diversity of housing stock distributed throughout the urban area. But this government continues to focus on MHRC developments as the only solution.

For four years the Liberal Party has been urging different approaches to the housing shortage for low-income families. For four years the Official Opposition has disdained to take part in this discussion. It is gratifying that the Leader of the Opposition has begun to recognize that housing is a major concern and his recent pre-election repentance is too late really to be credible.

The problem confronting the individual who wishes to purchase a single-family dwelling is obvious, not just in Manitoba, but in virtually all regions of Canada. The simple suburban bungalow simply costs too much for the average young person. One of the major factors in that cost is the escalating price of serviced land. Potential homeowners will find little comfort in the promise in *The Speech from the Throne* that the government is planning to develop and the sale of 500 acres of serviced land for private home development. The history of land banking by government in this province indicates that the land usually ends up as the most expensive land. Why? Because this government continues to tolerate land speculators making large gains for no effort. One can have some sympathy for the person who takes his chances on the stock market. Maybe he will win and maybe he will lose. But the land speculator is in an almost no-lose situation. He buys the land that is unserviced and as the urban population expands, the people through their taxes provide roads, sewer lines, water lines, bus service, hydro lines, telephone service, police protection, garbage pickup, and all that enhances the value of the land without a tap of effort on the part of the owner.

In addition to the usual income or corporate taxes, we think there should be a special tax to allow the recapture of at least part of the windfall profits and to use these revenues to keep the cost of housing within reasonable boundaries.

We are pleased to note that the government intends to continue participation under the AIB programme for some time longer, perhaps until the end of this calendar year. We join in hoping that by year end or before, the federal government will be able to conclude that controls have served their purpose and that inflation is in reasonable control on a national basis and that the expectations of our people will have been tempered on a continuing basis. We believe, however, that when controls are removed, there must be some plan to prevent the

immediate resurgence of inflation and a renewed round of price and wage increases at too high a level. For example, when the AIB programme does terminate, and with it, rent controls, are landlords free to increase rents by, say, 50 percent? Will labour unions demand wage increases of 30, 40 to 50 percent? There is no evidence in *The Speech from the Throne* that this government has given any consideration to the post-controls society. We would suggest that discussion should take place without delay involving representatives of business, labour and government with a view towards devising a plan which will prevent a sudden repetition of the inflationary spiral.

The conduct of this government on the issue of anti-inflation controls has been far from impressive. The Premier was an advocate of controls when controls were imposed in October of '75. He supported them in concept. When the full details of the programme were known in late '75, he gave unqualified support in his New Year's message to the people of the province. Then he began to have second thoughts. He began to see gaps in the programme even though the programme was designed from the beginning to exclude small business and their employees on the theory that they would be self-regulating.

In spite of these perceived imperfections, he committed the public employees of this province to the programme in March of 1976. But when the inevitable occurred, when the AIB began to roll back excessive settlements, he suddenly became the advocate of the employees in trying to obtain for them higher wages. He even suggested at one point that the Liquor Commission employees should not worry about a rollback because it could be made up by a bonus as soon as the controls terminated, thus defeating the whole concept of a control programme designed to reduce expectations. He hinted broadly that the one-year agreement with the AIB would not be renewed in March of this year. But now it appears he is resolved to continue some indeterminate period into a second year.

I suppose that this peculiar conduct is understandable in a strange sort of way. The Premier does not wish to antagonize his traditional support within the labour movement. We suggest to the Premier that labour would understand and forgive a firm decision even though it is contrary to their wishes and the uncertainty which has marked his conduct on these issues.

Some people mistakenly believe that the NDP have some unique allegiance with the labour movement. Not so. What labour is looking for is fair treatment and some imagination in dealing with labour relations problems. From this government, labour has received neither. As an employer, this government has an unenviable record. Members of the MGEA are denied the rights which this government extends to all other employees. In terms of moderating labour-management disputes, this government has been ineffective. No new initiatives for solving the confrontations between labour and management have been introduced. Labour leaders still sing the praises of the NDP but many rank-and-file members are beginning to wonder whether it is in their interest to continue to support a government that is so bankrupt of ideas for resolving the costly disputes that reduce the income of workers. The Woods report on public service employees continues to gather dust in some ministerial closet. We still have no mechanism to obtain timely reports on the progress of bargaining, and even if we did, even if we wanted to do something about it, we lack a sufficient staff of conciliators to fulfil the task.

The Leader of the Opposition yesterday attacked the government with mismanagement and wasteful spending, and not without justification. There has been mismanagement but we will spare a long history of MDC losses at this time. They have happened. But they are part of the record which this government must carry as its burden into the next election. It should afford NDP members cold comfort that the same burden of mismanagement lies equally heavily on the necks of the Conservatives. It is colder comfort still to those who must pay the consequences. We are paying now for an ill-conceived hydro development which ultimately will cost five or six times its estimated cost when it was first decided upon during the Roblin years. Those plans were changed by the NDP and I suppose there will continue to be debate as to the wisdom of doing so, but such debate misses the point. The point is that the project was ill-conceived in the first place and that the NDP lost its opportunity to reconsider the validity of the entire project. Both parties have proven that they have become prisoners to the bureaucratic technocrats and are led about by the nose the expenditure supporting of millions of dollars more than intended.

We have had three successive substantial rate increases and we face the prospect of more rate increases of greater magnitude in the future. No one has the fortitude to stop. No one would say the costs are out-of-hand. We cannot afford to bankrupt our province to provide cheap power to our American friends. No one would heed the warnings of Eric Kierans who has said we are going too far too fast with incompetent management. No one could heed the warnings of Eric Kierans, as a matter of fact, because his report was kept secret until 1976 when we learned of its existence and called for its production. What a splendid example of openness in government has typified this administration! No wonder the Liberal Party feels it is again necessary to seek a Freedom of Information Act in Manitoba so that citizens will have the opportunity of knowing what takes place in the sacred precincts of government offices.

The self-congratulations about hydro achievements in the Speech from the Throne is not just a joke; it is an insult to the judgment of thinking Manitobans. What irony! Here is the government applauding itself for the wisdom of constructing hydraulic generating stations to cope with the problems of low water conditions resulting from drought. For a long time the Liberal Party has advocated that a greater diversity of electric generating capacity was desirable. It should be pointed out to the First Minister in case his knowledge of energy matters does not extend this far that thermal plants are not affected by drought conditions.

The Liberal Party has advocated and will continue to advocate a provincial energy board. It is our belief that the engineers in Hydro now establishing our energy policy without any check or control except for the First Minister ... we don't think that is good enough. A small group of people who determine Hydro's policies are in effect dictating the energy policies of the entire province. It is they who decide whether we have a hydraulic development or a nuclear development or a thermal development or a mix of all. It is they who estimate the energy demands. Their collective incompetency has now been proven beyond a shadow of doubt, yet the government has failed to establish any other decision-making body to which responsibility for establishing energy policy

might be entrusted. This much is certain: that we are in no position to move towards a nuclear development with any public confidence if such development is entrusted solely into the custody of Manitoba Hydro.

The Speech from the Throne makes reference to the amendments to the City of Winnipeg Act and the Premier has indicated that these amendments will include provision to reduce the size of city council. The main problems of the City of Winnipeg, however, cannot be cured by amending the City of Winnipeg Act. What is required is a different attitude by the provincial government towards the city, and in particular, a different attitude on the question of financial assistance.

The City of Winnipeg more than any other community faces some rather unique problems. It is to the core area of the city that most of the native people have come and settled. The City of Winnipeg and in particular the inner city has become the magnet for new immigrant families. As a result, unique problems have developed in the inner city of Winnipeg which impose an additional financial burden on the municipality and upon the school division. The City of Winnipeg School Division No. 1 must provide for the special needs of those who have come to Winnipeg from remote reservations and the children of the newly-arrived from other countries. This imposes extra demands and extra costs which are not sufficiently recognized by the provincial government.

In terms of capital spending, the City of Winnipeg goes through the labourious process of establishing a long-term five-year capital budget but the provincial government does not bother to go through a similar exercise. As a consequence, the establishment of spending priorities as between the city and the province cannot be done on a rational basis. The city's priorities, many of which are funded in part by the province, cannot be compared with a similar list of priorities developed by the province. What usually takes place is that the province simply vetoes important capital developments in the city, such as needed transportation links, and continues to proceed with its own capital spending programs regardless of their immediate needs. Thus the government (and I'm talking now about the provincial government) proceeds into so-called "urban renewal programmes" at an estimated cost of \$50 million even though some of these projects are of questionable value and necessity.

This province has a growing unemployment problem, but there is nothing in the Speech from the Throne to indicate that this government either recognizes the problem or is prepared to do something about it. We are afflicted by the flight of capital out of our province. The economy is stagnant and there are no immediate signs of improvement.

The nation as a whole is troubled by the election results in Quebec and our people look to their government for guidance as to how we may conduct our affairs so as to maintain confederation. And what is this government's response to these grave concerns? The Speech from the Throne does not acknowledge the existence of these concerns. The Speech from the Throne has no new innovations, no new directions, no thrust for reform, no evidence of social concern. Instead, it consists of platitudes and self-congratulatory messages and statements. It is a stand-pat document and it is a *status quo* document. It is pathetic if this represents the best efforts of this government to come to grips with the major issues of this day.

I regret that I moved all too quickly over the sins of omission and commission of this government. In due course, we will have the opportunity to consider them in greater detail. I believe this chronicle of failure must be revealed in order to demonstrate that a government which latches onto the label "Social Democratic" is neither socially conscious or democratically orientated. In the proceedings of this House, I am sure no doubt with its majority it will survive its vote of confidence, but among the people of this province to whom it must look for a mandate very soon, there is surely a failure in confidence.

Do not take comfort in the fact that the Conservatives are afflicted by divisions which have persisted over the last year and a half.

The Liberal Party will provide an alternative that will restore confidence in the people of Manitoba; confidence that we can provide opportunities of employment; confidence that we can create a climate in which the private entrepreneur will be able to thrive and prosper; confidence that we will be able to generate revenues sufficient to meet social needs without resorting to tax increases; confidence that the public will not be excluded from participating in decisions that affect them or denied access to public information; confidence that we will be able to maintain a higher standard of public service without continuing the scandalous growth of the Civil Service. We will give hope to those native people who still live in conditions of poverty; hope to the French Canadians in Manitoba who seek restoration of their original constitutional rights; hope to other cultural minorities who yearn for greater recognition of their language; hope for the new immigrant who needs help in accommodating to a new society; hope for the juvenile delinquent who requires something better than overcrowded facilities to provide his educational and vocational needs; hope for the young people who seek an educational system that will truly provide equality of opportunity; hope for the unemployed who require new initiatives in job creation; hope for the elderly facing the problems of finding placement in nursing homes; hope for those afflicted by mental disorder; hope for the worker who would like to see some imagination on the part of government in preventing labour strife; hope for the consumer who must pay the cost of government inefficiency in the marketplace and hope for the taxpayer who wants a termination of the constant imposition of additional taxes.

In the early sixties President Kennedy began a program of support and aid to South American countries and he called it The Alliance for Progress. I believe the Liberal Party has a unique opportunity to create an Alliance for Progress in this province. It will be an alliance which is not based upon negativism. It will not be based upon the Pyrrhonic fears of the NDP Socialist hordes which exist only in the minds of Harry Martin and some Conservatives. Our Alliance for Progress will rest on the positive assertion of the principles of Liberalism which have always been our strength: Reform, individual liberty, equality of the imposition in distribution of fiscal resources, and on such a firm foundation that we hope to create a new alliance for progress in this province.

Mr. Speaker, I would like to move this sub-amendment. I move, seconded by the Member for Fort Rouge that the amendment be further amended by adding the following words:

And this House further regrets that Your Honour's Government has

1. Failed to proceed with necessary social measures to improve Day Care and child care and Community Mental Health Services and juvenile corrections in the province.
2. Has failed to provide effective programs to upgrade older housing or provide assistance for introduction of fire safety improvements.
3. Has failed to meet the serious financial difficulties of our schools and municipalities.
4. Has failed to develop an energy policy that provides for alternative sources of power and encourages conservation and ensures full public examination of the impact of potential nuclear energy sites.
5. Has failed to outline and develop alternate strategies to deal with the high cost of rent, food, clothing and housing when Wage and Price controls will end.
6. Has failed to channel the energies of government, business and labour in joint programs to provide expanded job opportunities and business activity in the inner city.

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

HONOURABLE RENE TOUPIN (Springfield): Mr. Speaker, first of all I would like to congratulate you on reassuming your responsibilities of Speaker of the House.

I would like to again bid a welcome as you have to students from Springfield, mainly of the Oak Bank Collegiate. I would like to congratulate the mover, the Honourable Member for Logan, and the seconder the Honourable Member for Emerson, for their comments on The Speech from The Throne. I would like to welcome the newly elected member of this House — unfortunately he is not in his seat, the Honourable Member for Souris-Killarney, the now Leader of the Conservative Party. Before making my few remarks, Mr. Speaker, on The Speech from The Throne I take it as a custom that for an MLA of this House which I am, it is customary to make certain comments in regard to one's constituency being an election year or not it's always advisable.

I happen to be, Mr. Speaker, the elected Member for Springfield. Springfield is not only a vast constituency, it includes what I consider to be the finest people of this province, going as far south as Ste. Agathe, including Ste. Agathe, Glenlea, St. Adolphe, and the people of those areas know what this administration has caused to happen in the wise partnership in those given areas. We've talked about and we've done certain things. As an example, bridges, grants for arenas were caused by different programs that were in a partnership between departments of government and agencies like lottery revenue that caused certain grants to be made for the construction of curling rinks, hockey arenas and so on. That's part of the areas that were given certain grants.

Other parts of Springfield are contained within the eastern area of this province, Lorette, Ile des Chenes, Dufresne, Landmark, Ross, . . . Those were equally treated as well, I hope, as other areas of the province pertaining to the construction of highways, through the partnership with regard to grants again causing certain works to be done jointly by municipal, provincial and federal governments.

We go to East St. Paul where I personally reside and have since March of 1972, including part of the city and the only part of the city that I have in my constituency being Transcona South - south of the tracks in the City of Winnipeg in Transcona - and then we go east to Oakbank, Dugald, Hazelridge, Glass, Anola, Vivian, Ste. Rita, Lewis, Elma. We'll get to the other areas in a few moments.

The Oakbank/Dugald area, Cooks Creek, are in need of some drainage and this is being considered by the levels of government involved. I did so indicate to the Councils of Springfield and the LGD of Reynolds who are equally involved, and Tache.

There were grants made available to those given areas for the construction of recreational facilities, Senior Citizens' Homes, in many parts of Springfield which I'm proud to so indicate. The construction of roads which are still in some cases leaving to be desired, but on the program for upgrading in years to come.

The eastern part of Springfield, the extreme eastern part includes Vivian, Ste. Rita, Lewis, Elma, the LGD of Reynolds, Medika, Whitemouth, Seven Sisters, River Hills, Rennie, West Hawk Lake, and many of those communities are in need of basic services which are being considered on a daily basis either by myself or the very active constituency executive that I have working with me.

A MEMBER: Are they all polling stations?

MR. TOUPIN: No, not quite. You can't have them all over the place.

I wish the Honourable Member for Swan River would give me the courtesy of listening without chattering so I can do the same to him.

Mr. Speaker, I think it's important for an MLA whether he be in the Cabinet or not to always recognize the problems of his constituents and to make ongoing efforts to work more closely with them in solving their problems. I've attempted over the last eight years to do that and I will continue in years to come as the hopefully newly elected Member for Springfield in the next Provincial election.

I know the honourable members opposite would like it different, but this is politics, Mr. Speaker, and we can't take away from them a desire that they have to form the next administration in this province.

Now I would like to get to some of the comments made by the newly elected Leader of the Opposition. I indicated awhile ago that he is not in his seat. I feel sorry that he is not in his seat, but hopefully that he will take the time to read Hansard and comment if he so desires or at least rectify some of the statements that he has made over the last few months.

One of the first things that the Leader of the Opposition said, Mr. Speaker, "let us forget the past and let's look at the future". Well, Mr. Speaker, the people of Manitoba are not willing to forget the past whether it be the past of the New Democratic Government, whether it be the past of the Conservative Government in Manitoba. Manitobans will look at the past and base their opinion of the future and their directions of the future - not all on the past - but basically on the performance of parties here in this country over the years. So the Leader of the Opposition who was in government for a period of ten or eleven years cannot he himself forget that past and cannot expect his constituents and the rest of the people of Manitoba to forget the ten or eleven years that the Conservatives had in this province from 1958 to 1969.

The Honourable Leader of the Conservative Party is wanting the people of Manitoba to give him blind faith in

the future. In a sense the honourable leader is wanting the people of Manitoba to forget the past, base their political decision of 1977 or '78 on what he indicates now is his amended views pertaining to the political philosophy that he is now leading, that is in a sense wanting the people of Manitoba to vote for the Conservatives in the next Provincial election based on the blind future.

He is now, Mr. Speaker, talking about Medicare being a very good proposition for Manitobans. He hasn't been that specific, Mr. Speaker, with regard to the premiums, but yet he says further on in his speech that he'd like Manitoba to have a taxing system that would be close to what we see elsewhere in Canada. Well, the Honourable Leader of the Opposition knows that if Manitoba was to follow Ontario pertaining to its method of taxation that it would have, possibly, a higher sales tax. Has the Honourable Leader mentioned sales tax? Has he mentioned the sales tax of Ontario being seven percent? Has he mentioned, Mr. Speaker, the Medicare premiums in Ontario being a tax, what we consider to be a very negative tax? No, he hasn't mentioned that. But I happen to believe, Mr. Speaker, that that is the way that the Conservatives would make it possible to have a similar taxing taxation system as other provinces, by increasing the sales tax, by having a Medicare premium being very negative whether a family earns \$2,000 a year net or a million dollars a year.

In 1969, Mr. Speaker, the people of Manitoba know that the Medicare premiums were \$17.00 a month per family, \$204.00 a year per family, and that wasn't based on means. That was an across the board tax for medical services that are not at the level as we see them today. But the Leader of the Opposition has the gall to indicate that the medicare system as we have it today is acceptable and he would not do anything to change it. I can tell you what the Conservative attitudes of yesterday caused Manitobans to suffer pertaining to medical needs. I've said it in this House before, Mr. Speaker, and I will repeat it again. I gave the example of my grandfather having to place his wife in a nursing home at \$492.00 a month, a man that had never been on welfare in his life because he had received the Grace of God and the health to work all his life. Eventually he himself had to be placed in a nursing home. The approximately \$20,000 that he had saved away during his lifetime, the house that he owned in Transcona was sold, that man was a welfare case before he died because of the system of the Conservatives that we had in this province prior to 1969. Now the Leader of the Opposition, Mr. Speaker, has the gall to say to this House and to the people of this province that he likes the system of Medicare as we have it today. Why did he not like it back in 1969? Because he was in power and he chose not to implement these types of laws. Do you think that my grandfather, my grandmother and all those that suffered under this system loved the Conservatives? I can ask my grandfather today, who has passed away, what he thought of that type of philosophy, and that's only one small example, Mr. Speaker, of the Medicare system as we have it here in this province today. I don't blame the Leader of the Opposition to say to the people of this House and to the people of this province that he likes Medicare as we have it today. I only say, Mr. Speaker, why did he not implement those policies when he was a Minister of the Crown?

What does the Leader of the Opposition now say pertaining to Autopac? What will the Leader of the Opposition do to public insurance in this province, whether it be, Mr. Speaker, pertaining to automobile insurance, whether it be pertaining to general insurance. The Honourable Leader of the Opposition will indicate. As indicated to this House, that he will make it possible for Auto pac to compete — to compete — meaning, Mr. Speaker, that the compulsory basic automobile insurance will not be necessarily insured by the public of Manitoba through a Crown corporation but will be at the hands of all those desirous of insuring through private or public enterprise.

Mr. Speaker, prior to 1969, I was involved in the credit union movement, and I was an insurance agent for the last seven years. I happen to know, Mr. Speaker, what large companies have caused to happen in this province. If you look at companies, Mr. Speaker, that had the bulk of the basic insurance, he could very easily, Mr. Speaker, make it possible for their company to offer insurance rates at a lower cost. But what happened to the smaller companies that we had in this province? They were bought by the larger companies. That was happening on a regular basis. But this is the type of insurance that the Honourable Leader of the Opposition and his Party would promote in this province. Not revenue for the people of Manitoba globally but revenue and profits for the minute few in this province' causing monopolies by a very select few not by the majority of Manitobans.

He doesn't talk about the millions and millions of dollars that was invested by the general insurance corporation of this province in hospital debentures, in municipal bonds; reinvested in this province not caused to be reinvested in eastern Canada or in the United States of America. He doesn't talk about that.

The Leader of the Opposition, Mr. Speaker, talks about freedom of choice. I'd like to know of what freedom of choice. Freedom for whom, Mr. Speaker? Is it the freedom for the individuals that the previous administration sought to encourage. I'll get back to that later' in regards to a few examples that I'd like to cite, C.F.I. being only one of them.

Mr. Speaker, the Leader of the Opposition again has the gall to criticize. Well, I guess that's the role of the opposition whether it be independent members or the official opposition — to criticize what practically did not exist when they were in power. Patient air transportation being one, in the north. We never said, Mr. Speaker, that that type of service for northern people was the best throughout the world. But it is much better than the previous administration had decided or saw fit to implement.

Day Care Services in this province, Mr. Speaker, are certainly not the best. Certainly they leave somewhat to be desired in some segments of society. But it is certainly, I vouch to say, Mr. Speaker, ten times better than what we saw when the Conservatives were in power in this province.

The Honourable Leader of the Opposition talks about resignation of three members of the Arts Council. wanting to leave the impression from that comment that the Arts Council, that the Arts generally in this province are not satisfied with the Grants that are being made available by this government. I would only like, Mr. Speaker, to refer the Honourable Leader of the Opposition to the amounts that are now being made available in the field of

Arts as compared to 1969 on a pro rata basis.

Mr. Speaker, the honourable member made comment about the statement made by the Leader of our Party, the Premier of this Province, pertaining to his vision of what is considered to be acceptable for the future of Manitobans and seemingly the two and one-half times alluded to by the Premier not being acceptable to himself. I'll leave the Premier himself to comment and to clarify for the mind of the Honourable Leader of the Opposition what is intended by two and one-half times the amount allowable for certain professions in society as compared to another.

Mr. Speaker, the Honourable Leader of the Opposition indicates that hard work should be rewarded in this province. Have you ever heard anyone from this side of the House indicate otherwise? The Honourable Member for Crescentwood seems to feel that there may be someone on this side of the House that said we're wanting to allow payment for non-work that is being performed in society. The Leader of the Opposition is talking about what he considers to be motherhood. Hard work, yes, Mr. Speaker, should be rewarded in all segments of society, whether it be in the private enterprise, in the co-operative development of this province, or the public sector. And those that are not involved in hard work should not be compensated.

The Honourable Leader of the Opposition, Mr. Speaker, talks about government imposed marketing boards. Does he recognize that when he was the Minister of this Crown, that he caused the marketing board to be imposed on Manitobans without a vote by the producer? He seems to forget that. He seems to forget, Mr. Speaker, that the Minister of Agriculture is causing a vote to be taken pertaining to beef producers and the implementation of same will be based on a vote by producers, not by a government imposed marketing system. The honourable member doesn't mention these things.

The honourable member is willing to attempt to distort the land lease policy that we have. I can inform the honourable member, the Honourable Leader of the Opposition, of some of the benefits derived from the land-lease program in my own constituency. I'm not saying that the land-lease program itself is perfect. Modifications should be considered and hopefully that they will be. But generally it's an additional option for farmers, and mainly young farmers, to get back on the land. To my knowledge, and not one member on the other side of the House has indicated the contrary to me, where a farmer was forced to sell his land to government. Not one. I asked this question at the last session, Mr. Speaker, and not one of them could indicate that the government forced a given farmer to sell their land to them. And the land-lease program, itself, has never forced any farmer to lease from the corporation, to my knowledge. If there are, please get up now, don't wait till the provincial election. Get up now and tell us, publicly, if you've heard of anyone being forced to lease.

I know of cases where the land-lease program has helped young farmers to get started, in my constituency. But they don't say that the land-lease program was started when they were in government. Do they say that? Oh no, they haven't said that when they knocked on doors in Springfield. I haven't heard my opposition in Springfield in 1969 or 1973 come out with that type of statement. That program was launched and started by the Conservative government. We thought it was pretty good. It had to be modified. It had to be an option for farmers. That's all we're saying.

The Leader of the Opposition, Mr. Speaker, has the gall to talk about agriculture. Well, I guess I shouldn't call it that because he is a member for a rural constituency. But he seems to forget a few things. Again, going back, and I know he wants to forget the past, he seems to forget that the previous administration commissioned what is now known to be the TED Commission Report. And what did that say pertaining to the farmers in this province? Did it talk about a stay option? Did it talk about an increasing of smaller or ever larger farmers? No way, Mr. Speaker. That Commission recommended that by 1980 that the numbers of farmers in this province would be reduced by about half. Did you ever hear a Conservative get up in this house and contradict that report? I haven't.

The Leader of the Opposition, Mr. Speaker, criticizes the Minister of Public Works for projecting construction of office buildings. Does the Leader of the Opposition know how many square feet of office building is being leased, had been leased when he was in government? He should know if he doesn't. And at what price? Obviously, Mr. Speaker, the Leader of the Opposition would prefer to continue leasing a quarter or half a million square feet at X number of dollars per month instead of a reduced amount for constructing publicly owned office space. This is what he told us, Mr. Speaker. I happen to believe that there should be a half-decent mix pertaining to publicly owned and leased premises in this city and elsewhere in the province. We don't have that mix right now.

The Honourable Leader of the Opposition talks about core languages, French language as a core subject. Again, I can't forget the ten or eleven years that we had in this province by the Roblin and Weir administration. I can't forget it first of all as a Canadian — I can't forget as a Franco-Manitoban — and I can't forget because of the lack of inequity as we had it here for ten or eleven years under the Conservative administration. I can recall, Mr. Speaker, as certain moves were taken in 1969, early in 1969 prior to the election of 1969, pertaining to language rights in this province, and what type of measures were allowed under the Roblin administration pertaining to the teaching of languages in school. I can't forget what happened from 1959 to 1969, Mr. Speaker. Manitobans will not forget — I won't let them.

The Honourable Leader of the Opposition seems to criticize MHRC for the construction of what seems to be a hefty percentage of construction of public housing. Well, obviously if he compares that with his ten or eleven years in office, there is a bit more than we saw from 1959 to 1969. A quarter of a billion dollars in about eight years is a bit more than what we saw under the Conservative administration. There were more public housing, including elderly persons' housing, constructed in one year in this province than was constructed in the ten years by the previous administration. We don't ask forgiveness for that. We say that that type of housing was needed. Look at anywhere in my own constituency, from Ste. Agathe to West Hawk Lake, and all the senior citizens' homes that we have — private and public — and we have both, and both in cases are subsidized by the provincial and federal governments. Don't try to tell these people that that type of accommodation is not needed and not desired in this province. It is as needed as the insured nursing home care service that we have today as compared to what we had prior to 1969.

MR. ENNS: Don't stop now Rene.

MR. TOUPIN: Mr. Speaker, I'm not intending to stop. Mr. Speaker, the Leader of the Opposition and obviously his Party, are indicating their very clear preference of capitalism versus socialism. I want to come back to that. They forgot something that falls in between there that I want to talk about, that the Leader of the Opposition, willingly or not, avoided to talk about. But first of all, I would like to talk briefly of a comment made, Mr. Speaker, by the Leader of the Opposition pertaining to the Manitoba Telephone System indicating that it seems a bit strange that we have an overload of parties on certain lines in the Province of Manitoba especially in the rural areas. Does the Honourable Leader of the Opposition, Mr. Speaker, remember I know he wants to forget the past but does the Leader of the Opposition remember what we had prior to 1969 in the rural areas? Does the Leader of the Opposition remember what we had in the North prior to 1969? Does he remember that in my own part of the country that we had thirteen members on one line and that was in 1969? Does he realize how many we are on that rural line now? Does he recall that, Mr. Speaker? No! He wants to forget the past, Mr. Speaker, and launch himself and his party into the future, a blind future for the people of Manitoba. It is not blind in my own eyes, Mr. Speaker. I can recall what the leader Leader of the Conservative Party did for ten years or did not do in this Province. I base my decision on whether I can support that Conservative member and others in the Province of Manitoba on those ten or eleven years.

Can I indicate, Mr. Speaker, that the record of the Manitoba Telephone System, according to figures published by Bell Canada, is considered to be the best in the world, not the best in North America, the best in the world. Does the honourable member want to see these figures? Has he caused research from his staff in the Conservative Party to dig up these statistics? No way! You lay on this record, Mr. Speaker, that he considers it a bit much to have four people on the one line in the rural areas. I'll give you two examples here. Winnipeg and here comparison costs of telephone services, and this is based on January 1975 so it's not picked out by the Globe and Mail or Bell Canada at the last minute. The average number of hours work required to pay for one month's individual line resident's telephone service on the basis of 100 local calls — Winnipeg, it takes 1 hour .01 minutes. Paris, which is most expensive here according to this chart, takes 8 hours .21 minutes. Everything else falls in between those figures, anywhere in Canada, anywhere in North America. Now, if the Honourable Leader of the Opposition wants to challenge these statistics, let him challenge or bring forth other figures.

In the meantime, Mr. Speaker and Gentlemen, the Manitoba Telephone System will forge ahead pertaining to programs in the urban areas, in the rural areas and in the North to give a better service by means of a public utility owned and operated by the people of Manitoba.

Before I get back to some of the comments or lack of comments made by the Leader of the Opposition, I would like to say a few things in regards to what has been said by the Member for Portage, the Acting Leader of the Liberal Party. It seems, Mr. Speaker, that the Member for Portage La Prairie, seized the Speech from the Throne as the platform for the next provincial election. Well, in case he hasn't realized, it isn't. It isn't the platform for the next provincial election. That will come. That will come and you won't feel bad or worse by waiting a few months. We're not in an election yet. We don't have to be for a little while. And obviously the Conservatives and/or Liberals will not decide when the next provincial election is to be held. Who decided in 1969, Mr. Speaker? Who was going to call the election prematurely and leaving on the table of the House, here, approximately 60 bills, including money bills, Mr. Speaker. Who decided that? Was it the New Democratic Party? Was it the Liberal Party? No. It was the Conservative Party, Mr. Speaker. Based on advice, obviously, calling a premature election. —(Interjection)— Wait. I can tell the Honourable Member for Portage la Prairie to wait. The platform for the next provincial election by the NDP is coming. It's coming. But the people of Manitoba know. They realize two things, Mr. Speaker. That it's worthwhile re-electing a New Democratic government for two main reasons in case the honourable members don't realize.

We've done certain things, in case you don't realize, in the last eight years, and we've spelled them out. And that's worth preserving, in our humble opinion. And, we feel that the people of Manitoba will realize that. Being a newly elected party in government — eight years is not very much if you consider that Canada started in 1867, that Manitoba started in 1970 — we realize, Mr. Speaker, that it takes us more than eight years to rectify the sort of things that were accomplished, or lack of accomplishment of previous administrations. We've done certain things but we consider that we've only scratched the surface, Mr. Speaker. We've only scratched the surface and there is much more to be done that will be spelled out to the members of the opposition and to many others that are interested in the intentions of the New Democratic Party.

Mr. Speaker, I'm told that I only have five minutes and I haven't used my notes. I have at least another thirty minutes. I'd like to at least find out whether I get leave or not.

That the Leader of the Opposition forgot or premeditated an intent of not mentioning the co-operative movement. I didn't hear him. Not a word of the co-operative movement. That to me, Mr. Speaker, falls in between excesses in the capitalist . and/or socialistic systems. But did he mention anything about the co-operative movement? Not a word. I wish he'd stay in the House. I'll tell you what he said on the hot things and I'll quote him on the hot things pertaining to the co-operative movement. I've got a long speech here and obviously I won't have time to refer to my cue notes.

I can tell you, Mr. Speaker, that all political leaders of this country, including the Prime Minister of Canada who I hope will be defeated at the next federal election, had a position on the co-operative movement. Real Caouette, the deceased Leader of the Social Credit Party, had a position. Robert Stanfield, the then Leader of the Conservative Party, had a position. Mr. Speaker, our leader, the New Democratic Party in Ottawa, had a position. What was the position of the leader of this province? It was a non-position, Mr. Speaker. It was a non-position.

I will read the text of the member's remarks so that they are recorded for everyone to scrutinize in the records of this assembly, and I quote "I think the main priority in Manitoba today in terms of the administration of public affairs is to restore a sane, sensible, common sense government to the province.

we haven't had that for the last six or seven years. We've been off on a sort of an emotional NDP binge for spending the taxpayers money, as I've mentioned before' government-operated enterprise such as planes, buses. I now understand that they've got, what, \$50,000.00 invested in the Co-op form of grocery store in St. Boniface to try out something that the British experience and all other socialistic experience has taught us just don't work."

What does this mean, Mr. Speaker? This statement, Mr. Speaker, is not only an insult to the many thousands of co-operative members and organizations in this province, it is also erroneous and misleading. The member says that we have \$50,000.00 invested in Boni Co-op which is false. Doesn't he know, doesn't the Honourable Leader of the Conservative Party know, or taken the pains to find out, the exact amount of investment into this type of organization, owned and operated by the people of Manitoba. It's not \$50,000.00. It's \$15,000.00 As compared to what? What type of a commitment did he make as a Minister of the Crown from 1959 to 1969 in CFI? Which is another form which I have here in detail. It wasn't \$15,000.00, Mr. Speaker, for a group of individuals. It was in \$100 million. excess of And we have the gall to criticize the Minister responsible for the MDC pertaining to amounts laid down before the people of Manitoba, of approximately 15, 20 million dollars. Do you know, Mr. Speaker, that the interest alone, on this hundred million and excess is what per year? How much is the interest alone on this 120, 130 million dollars? Mr. Speaker, I would like to be able to spend much more time referring to some of my notes.

MR. SPEAKER: The Honourable Member's time is up.

Before we proceed I should like to direct the attention of the honourable members to the gallery where we have 21 students, Grade 5 standing, of the Jack River School from Norway HOuse. These students are under the direction of Mr. Kanon, Mr. & Mrs. Appibigan, and Mrs. Keene. This school is located in the constituency of the Honourable Member for Rupertsland, the Minister of Renewable Resources. On behalf of the members, I welcome you.

The Honourable Member for Gladstone.

MR. JAMES R. FERGUSON: Thank you, Mr. Speaker. It's always a pleasure to listen to the election speeches. I am quite sure by the tone of the speeches up to this point that there is no doubt that an election is in the offing. I think that some of the boys that are getting fired up could possibly do better if they would contain themselves and possibly use them on the hustings.

Getting back to the glowing reports that we have had so far from the mover and the seconder, who I congratulate, and the Honourable Member for Logan, and the Honourable Member for Emerson' the glowing reports of what has happened in eight years of socialist mismanagement, there is a few figures that I think should be brought forth at this time, the nine budgets that the NDP have produced. They have spent a total of six billion. one hundred and one million dollars. Nine budgets prior to that of the Conservative 1.517. Now, I think, that with figures like this that certainly the people of Manitoba deserve a statement from this government. Mind you, a lot of it has had to be swept under the carpet. We have some glowing examples of their management of Hydro. We've had glowing examples of just about every business enterprise that they've attempted, and so consequently with six billion dollars to spend with a million people I believe that they should have something, really, to show for their efforts.

Apparently, the agricultural community is supposedly in good shape. The Throne Speech dwells at great length on what has been happening in agriculture. I guess you'd have to say that this is probably one of the industries, along with many others, that probably have dug in and have made an effort, have worked and produced for the province and for the people of Manitoba. But, here again, I think that we're in a position that we think the honeymoon is over as far as agriculture goes. I don't think that we can look forward to the same amount of capital flowing as there has been. I think that drought conditions are going to be a challenge to us; falling prices are going to be another challenge. Also the fact that our input costs are escalating at such an alarming rate.

I don't think that the general public and my honourable friends across the way, I don't really believe that there is anybody over there that's purchasing machinery at the moment, I think they've pretty well all gone out of the business of agriculture, but the amount of capital required in the past two years, alone, for any major piece of equipment has doubled. When you start looking at what, two years ago, was a twenty or thirty thousand dollar tractor, you're now looking at a fifty thousand dollar one. You start looking at a seed drill purchased in, well, as an example in 1950, for eight hundred and fifty dollars, today it's fifteen thousand dollars. I think you've got to accept the fact that input costs are pretty rough.

I also see, by The Throne Speech that the Minister of Agriculture, who is not in his seat, is in the process of meeting with the Federal Minister of Agriculture, and my far-left friends here, the Liberal Party, and the Federal counterpart Mr. Whelan, and Mr. Uskiw, I think they'll get along very well. It's all supply management and the speaker of the Liberal Party took a great deal of time during his speech at this particular session to criticize the Conservative Party. You would almost think that we were the government, and possibly he's looking forward with expectation possibly following the election in June. And he again expounds the principles of Liberalism. And it kind of reminds you of the T.V. program Everything for Everybody. — (Interjection) — It's on CKX T.V. You probably can't get it. You're too far away.

But getting back to the beef stabilization and the beef marketing board vote or whatever you want to call it. You can call it beef marketing vote or you can call it a beef marketing commission. But, here again, the Minister of Agriculture is the minister responsible. He has the option of doing what he feels is right and he's not minister for nothing. His prerogative is to make his moves. But, here again, we find that the Minister of Agriculture, and there was a statement in the press and it hits the nail right on the head, by one of the writers, and it says you could shovel the distrust between Uskiw and the cattlemen. Well, the Minister of Agriculture, seems to believe that he has to govern by confrontation and this he does. And he seems to always have something on the backburner that is contentious. Last year he was highly sold on bringing in Crocus Foods at a cost of nine million dollars to the people of Manitoba. This year, he's brought this particular issue out, and next year, there's no doubt in the world. that the beef stabilization will be tying in, between he and the federal minister. If he should so happen to lose his vote and not be able to control the livestock industry in Manitoba, he will move over and have something else.

providing he's around next year.

Now, why is there so much confrontation between the minister and the cowmen? I'd like to read, for the record Mr. Speaker, the people who Mr. Uskiw is quarreling with: they are The Manitoba Angus Association, The Manitoba Beef Growers Association, The Manitoba Blonde A'Quataine Association, The Manitoba Charolais, The Manitoba Cow-Calf, The Manitoba Hereford, The Manitoba Limousin, Main Anjou, Manitoba Simmental The Manitoba and the The Manitoba Shorthorn.

To me, that sounds like it just about represents the livestock producers in Manitoba. The minister, at the first of this confrontation was out to convince everyone that he was going to be a neutral. The Ag Reps throughout the province of Manitoba had their instructions, that they were not to participate. Consequently, the people that were involved, this particular group of people, Charlie Mayor is the chairman of the cattle breeders and Terry Eylofson, plus all the rest of the fellows that were involved moved in to explain, basically, what was going to happen to the beef industry in Manitoba. Now, the minister was in such a rush to have this vote go through, it followed very closely after the Christmas season, the time limit on it was very limited, everyone involved asked for a furtherance to discussion to give an opportunity so the people could arrive at what decision they want to make without being rushed into it. But this wasn't good enough. There was no voter's list supplied. There were a great deal of inequities in who could vote, and here again, just who could vote? Now, anyone that wasn't involved with the Milk Producers Board could vote and anybody that was involved with the Manitoba Beef Producers could vote. Now you can take an example, Mr. Speaker, whereby three in one family possibly belonged to the Manitoba Beef Producers Board and they automatically had a vote but a family farm was considered as one unit, there could be four people involved and there would only be one vote because that was considered a single unit.

I had occasion to have one of my constituents call me on Sunday, a war veteran, he started farming in 1946 with his father, they have been in the livestock business ever since. This gentleman is not entitled to a vote. Now, a person that has been in the dairy business and markets one calf is entitled to a vote but a man that has been in this business all his life is not entitled to. A person who has two cattle out on shares and sells one of them is entitled to a vote. Two people can be involved in a 1500 head feed lot; only one is entitled to a vote. And this is supposed to be fair. It even goes so far, Mr. Speaker, and we farm as a family farm - some of our cattle are split up but one of my boys lives at home, consequently he has his own cattle - he sells them, he is not eligible to get a vote. And here is why. The co-mingling of cattle owned by two or more persons into one herd means that they are operating one production unit and are entitled to one vote only. For the past two seasons, the joint use of wintering facilities that are separated into herds on the basis of ownership and cared for independently for the major part of the year they may be independent units. In such border-line cases, the production facilities must be completely separated and not just different pens from the same feed lot.

Okay. So, here we have the cattle. They can go out to pasture in the spring, they can stay out all summer, they come back in, they've got to have a fence between them and they've got to be separated. Or they can be in a feed-lot in the winter time and they go out to pasture and they've got to be separated. Now what a bunch of crap, Mr. Speaker. I humbly submit that the person who drew up these regulations should be in the cattle industry, he should have been in it for 25 or 30 years, and if he would take this laying down — and then the Minister — unfortunately he isn't here — has the unmitigated gall to go through this province and say, "We're out for free and competitive marketing." My God, there's nothing further from the Minister's mind than that. It's just impossible. The Minister has had only one thing on his mind since he came into this House, or since 1969 when I came in anyway, Mr. Speaker, that has been complete control of everything.

What have we arrived at? And I always like the word that goes along with an NDP Socialist government — the first is compulsion. Compulsory automobile insurance, compulsory hog marketing, compulsory egg marketing compulsory milk marketing board. And let's just take a little look at what happened to the milkmen last summer. The fellows that were milking cows. Many of my constituents phoned me in June and said, "Look-it! Our quota's full — so what are we gonna do?" They phoned up the Board and what was the reply? Churn it! Well, that's very interesting, Mr. Speaker. You keep cows all winter, you feed them high-priced hay, you feed them grain, etc. etc. you put them out for four months of the summer season when they should be at grass for heavy, full milk, and this is when you get your cheap gain — consequently at that time, your quota is full, churn the butter! Now this particular fellow had three-quarters of a deep freeze full of butter and nobody would eat it nobody eats dairy butter anymore, so what was he going to do with it? He couldn't sell it. But he was still — and he didn't have a big family, if he'd had a big family I suppose over four or five years he could eat it. Consequently — (Interjection) — you wouldn't know the difference!

Then the fellows that were delivering the fluid milk, they were told that if they delivered over the quota — and a year before this, Mr. Speaker, the dairy farmers of Manitoba were encouraged by the province to expand their herds, which they did. Then, along came the Federal boys and said, "Well, you know we're cutting back on

quotas." So what do you do? If you deliver the / milk to the Milk Marketing Board, you are penalized for it and pay a fine. If you dump it out on the ground, you lose it. Fair ball! The people who have dumped it out on the ground lost; the people who delivered it to the Board, all of a sudden this Fall, along came a payment saying, "Well, you know we've seen fit now to pay you back the money that we took from you in fines."

Now this has really got to be something! And this is your controlled marketing supply management theories that the Minister of Agriculture is promoting and this is why there is no trust between the livestock producers of this province and the Minister of Agriculture, because every move that he's made — and you don't start watching his moves now, you start watching him two years ago, go back to when he was putting in the Beef Stabilization Program, go back to when he was giving the advances to calves. It was done with one purpose in mind. The first thing was that he got those people into business through promotions, and this again was done by experts who said that by 1980 you couldn't feed the population of North America. There wouldn't be enough red meat. Well, my God, it was two years later when the place was so flooded with meat that the price just basically collapsed. And it'll eat it's way back out of it, there's no doubt about that.

But here again, we have a problem with meat coming in, off-shore meat, and there's Australian-New Zealand beef — we can't compete against it here. However, we will still, if we are going to develop an industry in this province, will have to do it under some Maybe as I say, basis. We are in the wrong business. We have to feed cattle here seven months of the year, consequently our expenses are very high, and I can tell you that during the course of the operation this year, Mr. Speaker, on our farm we will \$50,000 sell possibly worth of cattle — maybe between 50 - 55 — and we will feed \$75,000 worth of hay. By now, the market in the United States is such that we could pick up \$2.00 a bale and we have over 50,000 bales, so it goes to show that we're maybe being in a business that we shouldn't be in. However, enough for the beef stabilization.

We'll move along to a little statement that says that there will be legislation brought in to limit the owning of land by speculative land purchasers by foreign and — what else is it — non farm-owned corporations. Well, this is fine, Mr. Speaker. But, here again, we take a look at what this government has done — 170,000 acres, my leader said yesterday, was the current figure. Now, this includes only farm arable land, there is much more land being purchased besides this — there is game management areas, this sort of thing. What the figure is, we don't know and we won't year.

But, know probably until we see the report this Mr. Speaker, here again, the person involved here is government. In many cases the foreign owners who are coming over here and buying the land are coming here with the intention that they will be living here and I don't think that this legislation probably is going to affect them. But the prime suspect of the inflationary product, or the end result of the high price of the land has got to be government purchases. Immediately a piece of land comes up, the government is ready to make their move to purchase it along and with whoever else is buying but I defy this government, Mr. Speaker, to play ball when a young farmer is trying to purchase a piece of land and he is bidding against foreign capital plus his own tax dollar to the government.

I see that there are going to be some adjustments to the succession duty. These, of course, I feel are long overdue. —(Interjection)— That's good! It wouldn't make much difference, Sid. But here again, we have two groups of people in this province who are locked in — one are farmers; one are small businessmen. These people are not in the position to form companies, possibly move to Alberta. The bigger companies, it doesn't take much of an operation to change your head office from say, Winnipeg to Calgary or Edmonton or wherever the case may be, but there is absolutely, or it's not very practical, let's put it that way, for a farmer or a small business man to start forming a company and moving out of the province, but in many cases, this will have to come. A lot of these people who are involved in agriculture today, Mr. Speaker, are not aware of the fact through the escalating price of land. that they have the type of estates that they do have. Now you can talk about estate planning as much as you like but here again, estate planning is very expensive, the options are not that great and the savings basically are not that great. Consequently, I feel that we have, through the inflationary cost of land, we have added greatly to its value' the productivity is not there. You can't make the dollars that you have to pay for the land. Now, that's kind of a mixed-up statement but in any event, I think you get the message. It is not a true picture of what can be produced and what can be gained off this land.

As I said earlier in my speech, Mr. Speaker, the indications are that the income from land may be just not quite as good as what it has been. We here also have the highest income tax — 42.5 rate — and if this is the kind of income tax that is required to run the province, okay. We'll go along with it. But, I do feel that this money, taxes have been paid on it. A \$250,000 exemption when you're paying \$50,000 for a tractor and \$300 and \$400 an acre for land, is absolutely no good, Mr. Speaker. The Minister of Agriculture I know would have the answer: that if you have to sell some of your land, it's okay, we will buy it and lease it back to you. There is only one little thing wrong with that of course, that, you know, as the lease says, through improper farming practices you can lose it. So consequently if this was to happen, why, there would be nothing to say that two years hence after this deal was over, that through improper farming practices or some other excuse, the land could be taken away from you. I don't think that you are going to find the interest in the rural community to carry on under this sort of an arrangement.

Here again we still here so much (or I'm sure we will be when we get into the farm end over there, whatever there is) of the stay option. Well, you know really, just what has the stay option been to Manitoba? The first thing was supposedly this buy-and-lease-back thing that the government came in with and it was supposed to be a real barn-burner but unfortunately for the government it didn't catch on, it just more or less got the people's backs up. But we're approaching the period now, the end of five years, when much of this land is supposedly going to be up for sale. These young farmers are going to be in a position or not maybe in a position, not financially, but they'll be in a position that if they have the funds, they are supposedly able to buy this land back. The lease says that the evaluations shall be arrived at by the lessor. I would expect that this government in their inclination to keep the family farm together and promote this stay option, will not be including capital gains in their adjustments when the time comes.

I can tell you, Mr. Speaker, that the backbone of this agricultural industry still is the family farm. And after taxes have been paid on every dollar, and then a severe succession duty, and if you choose to sell your land and move out of the area, you are then nailed by our federal friends through capital gains . . .

The government have come up with many good programmes. One of them, of course, would be the pensions . . . your home repair programme. I see there is \$5 million allocated to that and I think it is a good programme.

Hydro. Last year when I spoke, the First Minister said, "Well, you know, you don't know what you're talking about." But here we have a report written by a fellow by the name of Wally Dennison. It's a Winnipeg Free Press report. Consequently, this isn't all a Conservative document. I can see that Premier Campbell is involved; Kris Kristjanson the Hydro executive is involved; Eric Kierans, the economist, is involved. — (Interjection) —

: Yes, well Cass-Beggs is also involved. But it seems to me, Mr. Speaker, that the people of Manitoba . . .

A MEMBER: They're involved in it, too.

MR. FERGUSON: Unfortunately, yes, to the tune of \$600 million.

But, Mr. Speaker, with all of the desk-pounding and the shouting we have heard from the other side about what this government has done, I haven't heard one of them yet — probably they will — stand up and say, "Well, yeah we've made a real good job of running Hydro."

Now here is a report which says \$600 million has been wasted by this province, by the management, the First Minister and Mr. Cass-Beggs, and do we here anything from our honourable friends across the way? No. Not a thing.

Here we have a utility that has \$1.6 billion borrowed, (that is close to the present value of the utility) we are paying 41 cents of each dollar interest on the debt, Hydro rates have increased by 60 percent . . .

A MEMBER: 49 cents on each dollar.

MR. FERGUSON: . . . and still . . . Harry when your turn comes, you get up and say what a good job you've done in Hydro. We'll be looking forward to it.

Manitoba Public Insurance supposedly had a good year. I guess it did. Probably they have been building up funds. They have been putting on some pretty hefty rate increases. — (Interjection) — Yes, there still is a \$10 million deficit, but you know we are trying to get rid of that. We have tacked on 2 cents per gallon for gas and we're sneaking up the registration on every vehicle. This year there is no increase in Autopac, not a bit, but take a look at your registration. Just have a look at that.

A MEMBER: One dollar.

MR. FERGUSON: One dollar. Yes. I would just like to have a poll taken of the Province of Manitoba and ask how many people's registration and insurance has gone down. I bet you would find it is a pretty low percentage.

MR. SPEAKER: Order, please.

MR. FERGUSON: Here again, Mr. Speaker, we are talking about highways. The Minister is not in his place either, but . . . What highways? Mr. Speaker, would you mind telling the honourable Member for Radisson to shut up? I would have the courtesy when he is speaking to not be talking all the time.

But let's get back to highways, Mr. Speaker, and the highway program. I could tell you in my area, Mr. Speaker it is something to behold. In the eight years that I have been involved in politics, I have had eight miles of not blacktop, but treated road: That to me boils down to one mile per year. We go to great lengths to say what is happening in the Highways Department but it would really be something to see, Mr. Speaker, if the money that has been wasted by this government, to Saunders Aircraft, to Flier Industries, McKenzie Seed, etc, probably to a tune of about \$60 million, had gone into our road system, it still would have supplied employment and we would have something of lasting benefit to the people of Manitoba, not a bunch of businesses that are closed up and not operating.

This particular area that I'm talking about, the only area that basically has any road, is No. 1 Highway, four lanes. This is quite a stretch, but by the same token it has been in the process of being built for five, six, seven years and it is really not that much of an advantage to the people of my area.

We are back into parks and recreational facilities. I see that there is a great to do made about what is going to happen to parks and recreational facilities. Gull Harbour Lodge . . . I see the figures here of 4.2 million that we are building a lodge. This is the present estimate. By the time it is completed, it will probably be in the figure of 6 to 7 million.

I see by the Minister of Renewable Resources that we are going to have seven new management areas in the province. The purpose of these areas, I understand, is to provide habitats for white-tailed deer. Something I would like to ask the Minister if he was here, Mr. Speaker: will these areas be classed as unoccupied Crown land or will they be classed as occupied, or as non-hunting area, or what will they be?

My information has been that over the last two years, I guess, the figure rates anywhere from 8,000 to 10,000 deer that have been taken illegally in this province on private land by our Indian population. Last June, Mr. Speaker, I went to considerable lengths to have a form drawn up to give to the . . . it was requested by the local owners. It's a very simple form. It's an authorization or prohibition. All it says is, "I authorize or agree or do not agree to persons hunting white-tailed deer on my land."

After a great deal of controversy with the Attorney-General (I think I sent him three sets of these forms; I believe most of them found their way into the wastepaper basket) on August 10th I received a reply stating, "I am writing to advise that the Department of the Attorney-General is unable to make a ruling in regards to the legality of this form. I have forwarded a copy of the form to the Department of Renewable Resources, which is responsible for wildlife in Manitoba. This department is in a better position to assess this form and its usefulness. I have yet to hear from the Department of Renewable Resources. I would like to know why (there is no reason given) this is not a legal form.

The purpose of this was that the form would be filed with the conservation officers and with the RCMP. This would take the onus off the individual to formally lay charges. One of my constituents had occasion this year to have a carload of hunters go through his wheat field. They shot some deer. They were apprehended coming out at 1 o'clock in the morning with the deer. He spent two days in court and it was thrown out; no charges were laid. This particular form, Mr. Speaker, was drawn up to try and combat this sort of thing. — (Interjection) — Well, you've got to put credit where credit is due. There are laws to control the whites. — (Interjection) — Thanks, Harry. Thanks, Harry.

This particular form, Mr. Speaker, is interfering in no way with existing treaty rights, with unoccupied Crown land to which our Indian people have been granted access; but the present setup is causing a lot of ill feeling, is depleting the deer herds. There is no loss of revenue coming to the province. I feel that this is something that the Attorney-General should have looked into. I feel that we have two laws in this country governing this thing. As an example two of my neighbours had occasion last fall to have a little altercation with a moose — periodically one is caught moving between the Spruce Woods and the Riding Mountain — and these young fellows chased the

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moose and they shot it and there was no problem with the Attorney-General's office making a decision. The place was swamped with conservation officers and RCMP. The meat was never found. Fortunately or unfortunately, where the animal was shot and dressed this was found and consequently charges were laid. But I feel that when we have a flagrant disregard of the laws by our Indian population — as I said before, I could care less what they do on the reserves or on unoccupied Crown land, that isn't interfering into it at all, or the treaty rights. Private land is a different matter.

Well, Mr. Speaker, we've had a great deal of comment on my leader's speech yesterday. I think it was a very straightforward speech, a hit from the shoulder. It said what we believe in, basically what our platform is going to be. It has given the people of Manitoba an alternative now; we know where we stand. We are not a wishy-washy . . . with half-free enterprise outfit.

A MEMBER: Ohhhhh!

MR. FERGUSON: We are saying where we're going to go, what we're going to do. We're a party that has a social conscience, and let that be understood. We had a social conscience long before our honourable friends came into power and had \$6 billion to spend.

He also said that there would be a reward for initiative and hard work; there would be taxation, not confiscation; and whether our honourable friends believe it or not, if we don't get some incentive back into this . . . back into the working people, a little pride in doing the job well, a little bit of action and satisfaction to the individual, we certainly are not going to move ahead, we are not going to be in a position to take advantage of the things that this province is able to offer and which we should be able to.

The records will show that practically every country in the world that has a socialist government is turfing them out. There are some that aren't. Russia is one. Uganda is another. Cuba is another; Poland, Czechoslovakia, you can go through it pretty quickly. But there is one that still has a little bit of a tender spot in our hearts and that is Great Britain. And what are they saying in Britain? This is what the Tories are saying; all they are saying is that the socialism is ruining Britain. It has. You had nationalization. Then you had free enterprise, then nationalization, then free enterprise. Where is Britain today? They are a bankrupt nation. Two world wars couldn't do it but a socialist government could. Even a fellow by the name of Callahan is saying that "socialist measures will have to be curbed in order to promote economic recovery." I wonder why. Do you suppose that socialist measures are non-productive?

MR. SPEAKER: Order, please.

MR. FERGUSON: Well, Mr. Speaker, I guess my time is just about up.

MR. SPEAKER: Order, please.

MR. FERGUSON: Go up and chase Baluga whales, my friend.

So I guess, Mr. Speaker, that is all I have to say at this time. Thank you.

MR. SPEAKER: The honourable member for Ste. Rose.

MR. A. R. ADAM Mr. Speaker, I would like to speak on the Throne Speech at this time, but being as how it is a quarter after five and I know the Leader of the Opposition is very anxious to hear me, but I hope that perhaps I could allow him to be patient and hear me at 8 o'clock.

MR. SPEAKER: If it is the pleasure of the House, I will call it 5:30.