

TIME: 8:00 p.m.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. BROWN: Thank you, Mr. Speaker. I would like to make some comments on the Budget presented to the Legislature by the Minister of Finance. I share the Minister's concern in the rising rate of unemployment. I share the Minister's concern that the Federal Government is opting out of some of the responsibilities it had shared in and I appreciate the fact that in a small way he has reduced taxes by increasing the Property Tax Credit. I appreciate the fact that he has removed the provincial sales tax from insulation.

Much more, however, remains to be done, Mr. Speaker. More positive action must be taken by this government if they hope to achieve higher employment in Manitoba. More positive action must be taken if we want to achieve a larger tax base, attract industry and business to Manitoba so that unemployed people can find jobs. The ever-increasing cost of health and social development and education will force this government to curtail many of the programs already implemented unless they will increase taxes to an already over-taxed populace. The only other alternative is to achieve a larger tax base, create more employment and have more people, industry and business sharing in the cost of government.

First of all, of course, we must assure ourselves that we do not have more government than is required and that waste, duplication of services — especially between the different levels of government — are brought under control.

Secondly, if we are to attract business and industry to Manitoba, we must be competitive with other provinces. The two largest factors that keep business and industry away from Manitoba at the present time are succession duties and high taxation of our business and industrial base. It is difficult to attract industry or business to Manitoba when they pay 44 percent less taxes in Ontario. Our major competitor, of course, is the province of Alberta where lower taxes, plus no succession duties are the big attraction in spite of the fact that we have some advantages as far as freight rates to major centres are concerned. We cannot hope to attract business and industry if we treat businessmen and industrialists as second class citizens, blaming these people for rip-offs and, in general, all the ills that the working man is faced with. Business and industry, after all, outside of government are the major employers. We need a government in Manitoba that will recognize this fact and will attempt to create harmony between business and labour, rather than confrontation. Only after we have done some of these things mentioned, lower taxes, eliminate succession duties, recognize the contribution of business and industry to the province, only then will we be in a position to say to business, "Come to Manitoba. We need you and we'll help you." Only then will you be able to say to the unemployed person that you're doing all that is possible to provide him or her with employment.

Business that is already established in other provinces and would like to establish in Manitoba, find it difficult because personnel are reluctant to be transferred to Manitoba because of our higher taxes. A firm that is established in both Alberta and British Columbia brought this to my attention and I would just like to make some comparisons, Mr. Speaker. A person with an income of \$15,000, a single person with an income of \$15,000 — (Interjection) — \$15,000 after income tax in Manitoba would have \$11,535 — (Interjection) — after income tax, after income tax. Same person in Alberta would have \$11,960. This is an increase of \$425 and we must remember, Mr. Speaker, that there is no sales tax in Alberta, that there is no sales tax, which would amount to about another \$300 and this would bring that total to \$725 on an income of \$15,000.00. Now, Alberta has lower property taxes — (Interjection) — Alberta has lower property taxes and taking into account the Manitoba Tax Credit Plan and no sales tax, they have a health premium of \$69.00 per single person, \$238.00 per family. All this has been taken into account. So you come up on a salary of \$15,000 you come up with a difference of \$725.00.

MR. SPEAKER: Order please.

MR. BROWN: For a married family, with two children, having an income of \$15,000 in Manitoba you would retain \$12,350; in Alberta you would retain \$12,680 — an increase of \$330.00 plus your sales tax; taking all the other things into consideration, would be a difference of \$660.00.

For a person with an income of \$20,000 — a single person in Manitoba, you would retain \$14,570; in Alberta you would retain \$15,236, or an increase of \$666.00, and again taking sales tax into consideration you would have an increase of \$1,166.00. A married person, with two children, earning \$20,000 . . .

MR. SPEAKER: Order please.

MR. BROWN: . . . in Manitoba, would retain \$15,519 and in Alberta he would retain \$16,069, an increase of \$550 plus — let's say it's a minimum of \$300 that he will be gaining on sales tax would be a difference of \$1,050.00.

You can continue on, Mr. Speaker. I would just like to say that a person in the income bracket of \$30,000, married, with two children, in Manitoba, would retain \$20,813.00. In Alberta he would retain

\$22,063.00. An increase of \$1,250 plus taking \$500 sales tax, would be an increase of \$1,750.00.

Now this, Mr. Speaker, is one of the reasons why personnel are reluctant to be transferred to Manitoba.

A MEMBER: Would the member permit a question, Mr. Speaker?

MR. BROWN: After I'm finished, Mr. Speaker. Businesses transferring employees to Manitoba are forced to give these employees substantial raises in pay to keep them at the same standard of living that they have enjoyed up to that time.

Another area of concern, Mr. Speaker, is the Student Employment Program announced by the Minister, where we have the same types of programs we have witnessed previously, where students stopped every car on the road and asked them where they were going and when they came back, stopped them again and asked where they had been. These students were a real nuisance on the road and served no meaningful purpose whatsoever. Or will they again, Mr. Speaker, try to find the largest tree along the Red River? I hope that the program that will be created will be meaningful.

I believe that the Home Care Program should be able to absorb many students. They could mow lawns, paint houses and fences, help clean homes, cook meals, and in general be of real assistance to our senior citizens. They could also be of assistance to invalids and incapacitated people.

Mr. Speaker, there are many ways in which this program could be beneficial but it will take some common sense on behalf of the person in charge of this program to implement and organize a meaningful and beneficial program.

Another area of concern, Mr. Speaker, is the high cost of housing and the availability of housing especially to young people and to senior citizens. Mobile homes, RTM homes, and the double-wide mobile homes represent low-cost portable housing to many people in this category. I confess, Mr. Speaker, that I have a vested interest in this type of housing because I am a partner in a mobile home plant employing some 40 persons. We welcome the elimination of the five percent sales tax on insulation but at the same time, Mr. Speaker, we are concerned that the person purchasing a mobile home or an RTM home will not receive the benefit of the elimination of the sales tax. Most mobile home manufacturers and some RTM manufacturers sell through dealerships only. These dealers have no idea of the amount of insulation in the unit and therefore charge the full sales tax on the wholesale price. Indeed, in Manitoba sales tax is even charged on the dealer's commission on mobile homes and on RTM homes. The young couple purchasing a mobile home or an RTM home pays sales tax on the material, labour, and the dealer's commission. A person purchasing an on-site built home pays five percent sales on material only in Manitoba. There seems to be a discrepancy here that needs to be adjusted.

B.C. has reduced their sales tax by 50 percent on the wholesale price of mobile and RTM homes. Alberta has no tax. Saskatchewan has a full tax on the dealer's price, not the wholesale price. Manitoba has the same thing; they have a full tax. Ontario charges 3 ½ percent instead of 7. Quebec reduced their sales tax by 50 percent on the wholesale price. New Brunswick charges 3 percent instead of 8 percent. Nova Scotia, again, has a full tax.

I believe that people buying mobile homes and RTM homes are discriminated against and the government should rectify this situation especially since in many cases this would be the first home a young couple was purchasing.

The Minister of Health, the other day, was asking for ways in which to reduce the spending of his department without curtailing programs. He seems to feel that he has done everything possible to eliminate waste and duplication of services especially between different levels of government and Mr. Speaker, I urge the Minister to take another look at his department. Take a look at the structure of the Department of Health and Social Development. There are many changes that could be made that would save money without curtailing any of the health programs already implemented.

He should determine which level of government is best able to look after problems where duplication of services is occurring. His department is bogged down in bureaucratic control and red tape. Those are the areas, Mr. Speaker, that the Minister should be concentrating on. He will be surprised, Mr. Speaker, if he is going to take a look at those particular areas, as to how much fat he can trim.

These are my comments on the Budget debate, Mr. Speaker. —(Interjection)— The Member for Pembina says that there is much more to be said and there is much more to be said but I'll relinquish the floor to some other comments from the other side.

MR. SPEAKER: The Honourable Minister for Public Works. Order please.

MR. DOERN: Well, Mr. Speaker, anyone who doesn't applaud my remarks at the end will not get any solar punch tomorrow morning.

MR. SPEAKER: Order please. The Honourable Minister.

MR. DOERN: Mr. Speaker, I want to primarily address my remarks to the Leader of the Opposition because I listened with considerable interest and with some disbelief to his speech on the Budget.

I found it quite remarkable that he rejects the mixed economy and rejects the political and economical evolution of the last fifty years. And he rejects a positive role for government. Instead,

what he did was to entertain us with a mixture of Tory dogma and what John Diefenbaker always used to call "doom and gloom."

His message to us was quite clear and straightforward. It was that only the private sector creates jobs. His second message was that he wants to free enterprise. Well, you know, Mr. Speaker, I found it extremely interesting when he made the statement and his colleagues in the backbench have continued to pick it up and develop the notion that only the private sector creates jobs. And specifically, he said at another point in time that — or I guess it would be reminiscent of what has been said in this House, and I guess said historically — he also indicated that farmers create wealth or the implication being that only the farmers create wealth in addition to businessmen. I have to tell them that that doctrine really came about several hundred years ago. There was a school of thought called the "physiocrats." The "physiocrats" argued that, in effect, only farmers created wealth and everybody else in society was superfluous. —(Interjection)— Well, you would also starve to death if the people who make the farm machinery didn't make the machinery or didn't make the means of transport to transport the products to the market. Or if the Minister of Highways didn't build highways.

So this kind of an attitude, Mr. Speaker, the notion that only the businessman and only the farmer create wealth and that everybody else is sort of a parasite' that the lawyers and the doctors and the accountants, engineers, teachers, politicians, everybody else is sort of superfluous, because they are not. at the centre of society. —(Interjections)—

MR. SPEAKER: Order please.

MR. DOERN: The media would be among the most useless because they only push pencils and I would immediately spring to their defense, the defense of the other people, in the sense that my argument would be that they too perform a useful function.

The Leader of the Opposition also says that he wants to free enterprise' but I would listen very interestingly to see whether in so doing, he would take the extreme position and whether he would be for the abolition of tariffs, whether he would be against transfer payments, whether he would be against pensions, whether he would be against counter-cyclical measures. And that is one of the things, Mr. Speaker, that I would like to deal with because he certainly seems to indicate that he was, in fact, against counter-cyclical measures on behalf of the government.

Mr. Speaker, I want to argue the opposite position and I would contend that the government creates wealth or value, that governments create jobs that are useful and beneficial, that governments have a positive role to play in society, contrary to the view of minimal government or non-government or gentle government put forward by the Leader of the Opposition. I want to argue that government action benefits the private sector. The opposition wants to argue only that the government takes money away from people and takes money out of the pockets of the general public through taxation. But I think it's quite clear that when pensions are given to individuals by the government, the people then purchase products with their pensions, this results in profits, those profits result in jobs and taxes. Similarly with the Civil Service, people who work for the Civil Service earn incomes, buy goods resulting in profits, jobs, and taxes and a continual round throughout society. So that government funding, whether it's direct or indirect, is beneficial, very much so to the private sector.

If I could paraphrase a famous poet, when it comes to business, purchasing power, consumer demand and private profit taking, I would say a dollar is a dollar is a dollar is a dollar. And if the businessman does not distinguish between the dollar of the civil servant or the pensioner or the wealthy businessman, to him they're one and the same.

You know the Member for Roblin was a storekeeper and the Member for Portage la Prairie, his desk-mate, was a storekeeper. And I doubt very much when they were selling across the counter whether they looked at the dollar and if it was put down by somebody who was working in a government job, or was on pension, whether or not they rejected that purchase. I doubt that. I suspect that whatever dollar that was put down, they took it.

The Leader of the Opposition, Mr. Speaker, went on to repeat the age-old Tory message to us. What were his two areas of concern? He wanted to remove succession duties and he wanted to express his concern for the businessman and the farmer. Well, you know Mr. Speaker, that had to be a classic position because, you know, where is the Tory base in Manitoba? Anyone who doesn't know Manitoba politics only has to know one or two things about the Conservative Party. It's based in southwestern Manitoba and based in a few individual seats in Metropolitan Winnipeg, based in the better, more prosperous farming areas of the province, the southwest, and based in the more prosperous regions of the City of Winnipeg. And that is their base and that is their concern, and that is still their concern, Southwestern Manitoba, and the bankers and the businessmen in the board rooms of Portage and

A classic exposition by the Leader of the Opposition on Tory thought and Tory concerns; never a word about labour, Mr. Speaker, hardly ever a word about the teacher, never a word about the white-

Monday, May 2, 1977

collar worker, or the civil servants, the elderly, the young — never a word about them. Always the same message: farmers and businessmen — business as usual, business ahead of government. Remember the president of General Motors, Charlie somebody or other, — (Interjection)— General Bullmoose, what's good for General Motors is good for the United States or as the Leader of the Opposition would say good for the Tory known and unknown, ' "What's what's good for the Tory voters and campaign contributors is good for Manitoba. What rubbish!

The most outrageous statement, I think, in my eleven years in this House, Mr. Speaker — I believe that this may be the worst statement ever made, the most inaccurate statement, one of the most ludicrous statements of all time on the part of the Leader of the Opposition — was as follows. He said, "Unemployment has always been part and parcel of this socialist strategy." You know, Mr. Speaker, that was pathetic. That was a completely untrue, erroneous statement without a shred of truth in it. You know often in a statement there is a shred of truth. There is some truth in a statement. But in that statement, Mr. speaker, it was absolutely false. — (Interjection)— Well, why did he say it? Why did he make this statement? Well, I think primarily because he is like the Member for Fort Rouge, and the two of them, I think, really do not understand or grasp any basic principles of economics. The only economist that I can see that the Leader of the Opposition follows is Ayn Rand. That is the only one that I can see any similarity to.

The Leader of the Opposition wants us to give grants and tax concessions to the private sector to create jobs. That is his message, although I would have to point out to him that some of that is what can only be described as filthy government lucre, and there must be a contradiction there in accepting this kind of money.

Mr. Speaker, we live in a difficult period and I say that the challenge facing this government, this Legislature, and our province and our nation, etc., is now unemployment. I think the shift has come from unemployment from inflation. We have gone from a serious problem in inflation to what I would regard as a more serious problem of unemployment. And all of us are aware of the staggering statistics that are about in the nation, the worst since the 1930s.

I say that the way in which to counter this is through a classic policy, a fiscal policy, a counter-cyclical policy to a downturn in the economy. And I am amazed that the members of the Conservative opposition seem to be either opposed to this or unaware of the value of this kind of a policy. The two classic discretionary measures that can be adopted by a government in a time of a downturn are public works and tax cuts. And I would argue, Mr. Speaker, that this government has in effect adopted measures that are in line with that traditional policy that will benefit the entire economy.

A policy of public works at a time of a downturn would be supported by a diverse number of individuals, and I would name for you three of them, or I would name at least two individuals and one general category. First of all a great economist, John Maynard Keynes; secondly a conservative Republican named Herbert Hoover; and third I think something that all of us, I hope, are long on, and that is simply common sense. Keynes is one who would argue that at this time when the economy is down, a combination of public works and tax cuts is the best way of countering a downturn in the business cycle.

But you know, Mr. Speaker, the other day I picked out my old economics textbook and read the section on Herbert Hoover under fiscal policy, and I was astonished that what Hoover argued for in 1931 is in effect rejected by the Conservative Party today, that they are not yet up to Hoover, that they are pre-Hooverians. They are still behind.

I want you to hear this, Mr. Speaker, as to what Hoover said. He didn't do this, unfortunately, but I want you to listen to what he said because I have heard these statements in this Legislature, and I have heard statements like this in Cabinet and in caucus. He put forward a very moderate proposal which is just rejected out of hand by the members of the opposition. He was the Secretary of Commerce to Calvin Coolidge, President of the United States, and he said that the government should develop in 1931 — let me just read you a sentence — "In 1931, Hoover and a Democratic Congress passed a law requiring the federal government to set up a permanent shelf of public works projects with long-range plans and blueprints always at hand, drawn up in such a way as to permit the anticyclical timing of public works."

Well, you know, Mr. Speaker, that's what Hoover said. He said that when times are good, the government should not get too involved in the construction sector, that the government should withhold projects, should defer projects. It should not tender projects. It should simply draw the plans, shelve the projects. Now all of us who are ministers we have heard that. We didn't know it came from Hoover, but we accept that as a generally acceptable policy and strategy. But when times are bad, that those same projects which are shelved should be brought forward and tendered. Now there are problems with this, and that is that it is very difficult to time public works exactly as you want them. And again, if I could read a couple of sentences from this textbook, and then I will conclude my readings for the day until my story that I have to read at the end of my speech. . . . I have a story that will delight at least half of the members of this Legislature. It says this about problems with public works, and I want to say to the Member for Morris that this is my counter, five years later, to his story

of the little red rooster. Here is the problem, Mr. Speaker. "We cannot simply throw a switch when we want more purchasing power and reverse the dial when we want less. Time is required to get a project under way, especially if it is a big one. Once under way it would be difficult and expensive to abandon it. Because of these technical difficulties of starting and stopping public works, and because we need time to discover whether we are really in a boom or a depression, our ambition must be less pretentious than that of creating 100 stability of national income." So those are the problems.

But you know, Mr. Speaker, if you have the land which is crucial to building, and if you have the plans designed, and if there are men available who are unemployed, then you can in fact proceed. And I believe we have in fact all these conditions. We have land throughout the city and throughout the province on which we can build. We have shelved projects. And we have high unemployment in the construction industry, estimated by some people as 28 percent unemployment in Manitoba's construction trades, according to an article in the Free Press, April 1st, "the worst in several decades, and possibly as severe as that suffered during the Depression." That must be our concern. That must be the concern of the members of the Official Opposition as well.

Well, Mr. Speaker, I say that if you look at the Budget, first of all there are no tax increases; and secondly there are income tax adjustments, cuts of \$28 million, which is a tax cut. There is an increase of property tax rebates and cost of living equivalent to \$15 million. I would submit, Mr. Speaker, that these are in effect tax cuts and that these are a part of the fiscal policy to get the economy going again.

Now, we have talked about a job creation plan and the opposition knows and they will be enlightened further on the fact that we are going to aim a lot of our effort at the high levels of unemployment this summer. But, in addition to that, there will be Public Works' projects and those projects will extend beyond that four month period and possibly into the next couple of years.

I would just like to say, briefly, in regard to Public Works which is slated at about \$21.5 million in the present Budget and another \$4 million at Red River College which will be overseen by our department, that I have the following figures obtained from the construction industry and the trade union people that a million dollars of construction, a million dollars of construction will be the equivalent of about 30 construction jobs, 30 staff man years of construction, skilled tradesmen, per year, or let's say 360 months of employment, and that's calculating the wages of those people at about \$18,000 a year because they are highly paid and highly skilled. In addition to that there is employment by architects, engineers and draughtsmen who are also involved in that million dollar expenditure, plus people who are producing in the private sector the materials that are required for those buildings.

But you know the Member for Sturgeon Creek, a 100 percent enthusiast for free enterprise, he worried the other day about where will the workers go? Sure, you're going to build these buildings then these guys are going to disappear. Well, you know, Mr. Speaker, that's what happens to constructions workers. They spend two or three years on a project or they spend so many months on a project, and when the project is finished they go on. That is the nature of the construction industry. They move from job to job. They don't go to a job and spend 40 years working on that job. They move around. That is the very nature of that industry. The people who stay are usually people who are maintenance people and operations people who run the buildings and clean the buildings and so on. Those are the people who stay there.

So jobs don't disappear. The jobs don't disappear, Mr. Speaker, no more than they disappear in private industry. I would like to hear my honourable friend to make his case about construction in the private sector, because these men don't disappear into thin air. If they worked in private industry they would go from job to job, and when they go from the private sector to the government sector and back, what's the difference? The contractors who build our buildings are private firms, free enterprisers every one. They own their firms, they have their staffs and they make money on the government.

You know, Mr. Speaker, I tried to ask a question of the Member for Fort Garry but I couldn't get it in at the time. Everybody on the other side is down on Public Works. They're all worried about free enterprise. Well, what is the biggest free enterprise nation in the world? The United States, the good old U.S.A., where they have a lower rate of unemployment, and their President Carter, a Democrat, has obtained approval from the House of Representatives —(Interjection)— very much like a socialist. He obtained approval from the House of Representatives and probably the Senate by now since my clipping is February 25th, they are going to pass a \$4 billion Public Works package to get people back to work. Well, what is this? Is this socialism? I mean, what's happening south of the border? Isn't it safe for democracy any more? I mean, why is the President with the full support of the Congress, putting through a \$4 billion package on Public Works? Because it's necessary, because it's needed, because the House of Representatives, Congressmen and the Senators want this policy at this particular time. The bill was approved 295 to 85. Well, they must have carried a lot of Republicans in that, because that certainly isn't just a split along Democratic and Republican lines.

Mr. Speaker, the problems that we face I think will be around for the next couple of years. We can

read all sorts of projections but I give you as an illustration the projections and predictions of the Conference Board of Canada, Prospects for the Future. They say that as a result of the restraints throughout the country and our attempts to combat inflation, part of the result is higher unemployment, and part of that interestingly enough, the negative effects of unemployment is offset by higher Unemployment Insurance payment. So that's what's happening. We have people unemployed and we modify that by paying them Unemployment Insurance. Now, Mr. Speaker, I think it's far better to get those people to work instead of paying them Unemployment Insurance. Those are the options. Pay them Unemployment Insurance, pay them welfare or provide jobs, and I think it only makes good sense to provide the jobs, to do things that are socially useful. That makes a great deal of sense, Mr. Speaker.

This particular agency, the Conference Board of Canada, predicts that unemployment in Canada will rise several percentage points by 1978, or putting it shortly, that high employment will likely continue at least for the next two years. So we turn to Ottawa. We look East for help. We look to our government in the nation's capital for assistance, and what do they give us? It's the old Biblical saying: "We asked for a loaf of bread, and they gave us a stone." They give us the worst unemployment since the Depression and they provide for the private sector a \$1 billion tax cut. But that's not good enough for the members of the opposition. They don't want the \$1 billion tax cut, they want a \$1 trillion tax cut. They want the government to give billions of dollars to the private sector. You know, even Joe Clark said at one point, that unemployment is a real time bomb.

So I say, Mr. Speaker, concluding on the economic portion that the government is taking the correct position. The Government of Manitoba is going to provide jobs for students, for young people, for women, for all kinds of skilled tradesmen. We are going to, in effect, provide opportunities for people to find useful employment and that money will circulate through the economy. We will build certain projects that will last, if not forever, for a very long time. We will do things that will benefit the population in the short run and the spin-off from that will be improvement in the business economy. The people who are in industry will be direct beneficiaries of that because they will sell the goods and the services to the people who earn those incomes and then there will be a greater and greater effect referred to by economists as the "multiplier", and I think that we will find our employment rate will rise and our unemployment rate will fall.

Well, Mr. Speaker, I wanted to conclude by commenting on another comment of the Leader of the Official Opposition, who has made some disparaging remarks about the Premier and has questioned his delay, assuming it is a delay, assuming we don't call the election tomorrow, but he was very upset, very upset by the delay of the election. He was ready to go and he was most distressed when he found out that the election wouldn't be called by him. He was hoping that he could set the date for the election and that the Premier would then second the motion. But unfortunately he didn't get it straight.

So, Mr. Speaker, he questioned the courage of the Premier. Mr. Speaker, I want to put before this impartial Assembly a statement concerning the courage of the Leader of the Opposition. I ask you, whether a man who has the following characteristics has or doesn't have courage? If I may make a reference, Mr. Speaker, I would say this: First of all what about a person who requires and demands a salary of \$3,000 a month, or an annuity, in order to contest the leadership of his party? Does that sound like a man who has a lot of guts? Or secondly, how about a person . . .

MR. SPEAKER: Order please.

MR. DOERN: . . . How about a man who will only run in a safe seat? Does that show guts or courage? Or thirdly, how about a person who refuses to make speeches because he's afraid of making a mistake? Does that sound like a man with courage?

Mr. Speaker, I submit that the Leader of the Opposition parallels the famous character in the Wizard of Oz, the Cowardly Lion. I'm going to read to you — this is not original material, Mr. Speaker — I'm simply going to read to you a section from the Wizard of Oz which I think perfectly describes the Leader of the Opposition. This section here: "At the moment when Dorothy and her little dog with the Tinman and the Scarecrow are walking down the road. Just as he spoke there came from the forest a terrible roar and the next moment a great lion bounded into the road. With one blow of his paw . . ." —(Interjection)—

MR. SPEAKER: Order please.

MR. DOERN: Mr. Speaker, this is serious business, could we have some order?

"With one blow of his paw he sent the scarecrow spinning over and over to the edge of the road and then he struck at the Tin Woodman with his sharp claws. But to the lion's surprise he could make no impression on the tin, although the woodman fell over in the road and lay still. Little Toto, now that he had an enemy to face, ran barking toward the lion and the great beast had opened his mouth to bite the dog when Dorothy, fearing Toto would be killed and heedless of danger, rushed forward and slapped the lion upon his nose as hard as she could while she cried out, "Don't you dare to bite Toto. You ought to be ashamed of yourself. A big beast like you to bite a poor little dog." "I didn't bite him,"

said the Lion, as he rubbed his nose with his paw where Dorothy had hit him. "No, but you tried to," she retorted. "You are nothing but a big coward." "I know it," said the Lion, hanging his head in shame, "I've always known it but how can I help it?"

Now here's the climax which just pins the Leader of the Opposition perfectly. "What makes you a coward?" asked Dorothy, looking at the great beast in wonder, for he was as big as a small horse, at least a small pony. "It's a mystery," replied the Lion. "I suppose I was born that way. All the other animals in the forest naturally expect me to be brave for the Lion is everywhere thought to be the King of Beasts. I learned that if I roared very loudly" — that sounds familiar — "if I roared very loudly, every living thing was frightened and got out of my way," — including the Member for River Heights. "Whenever I've met a man I've been awfully scared, but I just roared at him and he has always run away as fast as he could go. If the elephants and the tigers and the bears had ever tried to fight me I should have run myself. I'm such a coward. But just as soon as they hear me roar they all try to get away from me and of course I let them go."

Well, Mr. Speaker, I say, "Let's consider the facts." A man who needs a guaranteed salary before he'll put his toe or throw his hat into the political arena, needs a guarantee. A man who will only run in a safe seat; Souris-Killarney, easy pickings; Charleswood, a lead-pipe cinch. And third, a man who makes safe speeches; a man who is afraid to speak or open his mouth for the fear of making a mistake. Mr. Speaker, I think it's quite clear as to who the Cowardly Lion is.

MR. SPEAKER: The Honourable Member for Crescentwood.

MR. WARREN STEEN: Thank you, Mr. Speaker. That's a tough act to follow, I must say. But, Mr. Speaker, one thing, the Minister for Public Works is tuning himself up for his days back in the teaching profession. I can see that he's in a good position to be back as a Literature teacher when he's no longer a member of the House.

Mr. Speaker, it's unfortunate that the Minister of Finance is not in his chair at this time. I know that he's in the building, but I'd like to go on record as congratulating him on bringing forth his first Budget, the ninth one presented by this particular government. I call his Budget a conservative type Budget. I don't say a Progressive Conservative, I say a conservative type Budget.

The Minister of Public Works has just told us for the past number of minutes that there were no new increases in taxes, that it's a hold-the-line Budget and so on, very similar to what you would expect from a Conservative government. Perhaps after eight budgets that this particular Finance Minister can get the books in order.

During the Minister of Public Works Estimates I constantly asked him about the numbers of new employees in each position within his department, and he proudly stated regularly that there have been no new increases from last year in that particular section that we were discussing and he constantly gave me that answer. He was very proud of that fact. Although the Provincial Government has had a 50 percent increase in numbers of employees over their first seven years in office, this particular Minister on the eve of an election proudly says that we have held the line. Therefore, I can understand why the Minister of Finance has come in with the Budget that he has, because he can hold the line based on last year, and with the new moneys generated through inflation, it's obvious that he can pay any slight new increases in the Budget in the way of salary demands. So with no new programming it's very easy for the Minister to come in with last year's Budget and last year's figures almost to the letter and come in with an almost balanced Budget.

But he did have one hooker in that Budget. He talked about unemployment and the fact that his government was going to do something about unemployment. The only thing is that the day the good Minister presented his Budget he wasn't quite sure what he was going to do in the field of unemployment, therefore, he didn't put any moneys into his Budget to look after it, but he would have what is known as Special Warrants. Cabinet would, at a later date, issue Special Warrants. And those Special Warrants would be picked up in next year's Budget. But, of course, next year's Budget, hopefully, will be after the election — (Interjection) — And as my good friend, the Member for Roblin says, that we'll be the government and we'll be responsible for those expenditures.

But today, Mr. Speaker, the three greatest problems facing Manitobans, Canadians and North Americans in general are, as the Minister of Public Works said, unemployment, inflation and high taxes. The Minister of Public Works talks about unemployment and having a Public Works program initiated. And he talks as if it would be a first if he created a Public Works program to ease unemployment. Perhaps his history books don't take him back to the depression days, when governments of those days created many work projects to assist the unemployment.

The Minister of Public Works has had a fantastic record in the last five years as Minister of Public Works. Not only has he had a running feud going with the Mayor of the City of Winnipeg, he takes great pride in being the person that installed the public toilet in Memorial Park; the park that was set aside by a previous government in honour of our returned soldiers and our soldiers that we lost overseas, which the Member for Swan River claims is sacred ground. I think that's a good public park and that it should be open to all kinds of persons, but I find it — and I did find at the time — a little hard to believe that it really needed a public toilet in it, especially one that is locked most of the time and

not open to the public. — (Interjection) — As the Minister says, "It's only open on limited time during the summer months and so on."

Another thing that the Minister is very proud of is that he's opposed to downtown parking having any governmental financing at all. He doesn't think that the government whether it be Municipal Government or Provincial Government should have any input into downtown off-street parking. Yet, each and every day the cities, as they get larger are taking more and more on-street parking away, and if private industry can't, in conjunction with government, have off-street parking there'll be no places for persons to park their cars when they go downtown. If we're going to keep the commerce of our downtown areas in business and making a living so that they can provide jobs to help the Minister of Public Works with this vast unemployment problem that he speaks of, we're going to have to have some parking so that customers can go down and buy their goods and services, regardless of whether we believe in providing parking for employees of the various firms. — (Interjection) — Anytime, Sir.

MR. SPEAKER: The Honourable Minister of Public Works.

MR. DOERN: Mr. Speaker, I'm glad the member would agree to that, because otherwise I'd have to raise a point of privilege. I just wonder if he could indicate where he got that impression from. He indicates that I spoke against that. I wonder if he would clarify that comment.

MR. STEEN: Mr. Speaker, the Minister, as far as I'm concerned, is on record as being opposed to the Portage and Main parkade which has government moneys in it and has private moneys in it. So I just said that the Minister was opposed to joint ventures between government and the private sector, particularly for off-street parking.

MR. DOERN: Mr. Speaker, on a point of privilege, I think the honourable member is putting words in my mouth. I'm opposed to bad deals for the public. I am not opposed to joint ventures in parking.

MR. STEEN: Well, I'm very pleased to hear the Minister has perhaps changed his ways of thinking, and that perhaps government and the private sector can work together.

This is the same Minister, Mr. Speaker, that is opposed to the City entering into a joint arrangement with the private developers on a possible new arena for the City of Winnipeg. This is the same Minister, Mr. Speaker, that takes great pride in announcing that he was able to keep the expenditures under \$10,000 for the Exit signs for this great beautiful building.

MR. DOERN: That's a big lie.

MR. STEEN: He's also the Minister, Mr. Speaker, that bragged in this Legislature and in a press conference prior to the beginning of this current session about \$50 million worth of public buildings and structures, yet his own leader, the First Minister, speaks in Thompson and has an altogether different figure. It's unfortunate that the Minister of Public Works and the First Minister don't get together a little more often and perhaps get their figures at least within \$25 million of one another.

MR. DOERN: That's all a big lie.

MR. STEEN: The Minister of Public Works is also the man that's going to help us with our energy crisis. He has the electric cars. He has the \$100,000 invested in electric cars, of which there are three that sit in the public garage, one with 1,600 miles on it after 2 years, another one with about 1,300 miles on it after almost 2 years and the third one is still less than 2,000 miles. So it's obvious that even the Minister himself doesn't want to drive these electric cars which belong to this \$100,000 investment that he has into the future inventions of energy-saving means.

Of course, the Minister and his energy program has always been one that wants to take on big corporations and bigness, so he feels that we in Manitoba, with one million people with a hydro that has its own difficulties, that we should go out and spend a \$100,000 of taxpayer moneys to fight off General Motors, Ford and Chrysler with his great inventions of electric cars. — (Interjection) — Mr. Speaker, I will submit to one more question. I didn't interrupt the Minister of Public Works when he spoke, but I'm always pleased to let him have it back.

MR. DOERN: Well, Mr. Speaker, the member is more fortunate than I. When I spoke the Leader of the Opposition was absent. I am attending his speech. Is the member aware of the following points: that the American government has allocated \$160 million for electric vehicle development in the United States, \$160 million?

MR. STEEN: Mr. Speaker, on three points there. One is that the American Government has per capita, far more money than we in Manitoba have. In the United States, much of their country is in much warmer climates than we are, therefore, they don't have to have 14 batteries in the back of their electric vehicles that are constantly needing recharging, plus for the heating of the car under our cold winter climate. So, the Minister in his experiment, in my opinion, of the electric cars is badly wasted moneys from the people of Manitoba.

The Minister was talking about the big lie that the Leader of the Conservative Party, the Leader of the Opposition is talking about. Almost every member on the government side, as they have risen to their feet to speak on the Budget Debate talk about this big lie. I have followed the debates of the

Legislature for years and although I've only been a member of the Legislature for two years, I have never, ever in the past seen a government that constantly gets up, spends so few moments in bragging about their eight years of accomplishments and spends most of their speaking time talking about how the Leader of the Opposition is campaigning with something that they consider a big lie. The Minister of Municipal Affairs was one of the few persons that talked about the accomplishments of the government, but of course, Mr. Speaker, he did have one advantage. He has been trouping around the province with the film. So perhaps he has seen the slides and so on and he really knows what they've accomplished over the last eight years. Perhaps in time, Mr. Speaker, some of the rest of the Ministers and backbenchers will get an opportunity to see the slides and really find out what their accomplishments have been.

A MEMBER: 1978 is not in their book.

MR. STEEN: Yes, 1978 is not in their book so says the Member from Roblin.

The Minister of Public Works talks about we must go out and create Public Works projects, some new projects to help with unemployment. We've got 32,000 Manitobans unemployed today. Many of them are young people. Many of them people that we want to keep in Manitoba and not lose them to other territories. Whether his Public Works projects would employ very many of the young people, only time would tell. But he talked about and bragged about during his Estimates of the accomplishments of the government with the Woodsworth building, and that the government does lease a lot of private space, but if he had his way, Mr. Speaker, the government would in time build four or five more buildings similar to the Woodsworth building, therefore, they could house all civil servants within government-owned buildings. I say to the Minister that it costs the government and the people of Manitoba more to pay the capital charges of the Woodsworth building and the operating costs than it does the five other leading buildings in downtown Winnipeg. The true cost of the Woodsworth building is more than \$9.00 per square foot. That's what I say to the Minister, Mr. Speaker.

Also, Mr. Speaker, if we're going to develop the City of Winnipeg and any of the smaller communities within Manitoba, I'm glad to hear that the Minister has corrected me tonight when he says that he's not opposed to a mix of private and government working together. Because I believe that if we can get private people whether it be financed through mortgages from insurance companies or big trust companies or small insurance companies or small trust companies, or the credit unions or the co-operatives, that if we get a highrise type building for the city and we get a proper mix of people utilizing that building, for example, about 25 percent of the office space rented to government and 75 to the private sector, I think that that is a good proper mix for those types of buildings. Also I think that the civil servant is far better off if he at his lunch hour, his coffee break, and so on rubbed shoulders with persons in the private sector, and not always with just people from other departments. —(Interjection)— Well the only way that the private sector gets into the Woodsworth Building, Mr. Speaker, is the excellent cafeteria they have. In my opinion, the subsidized cafeteria that the general public is coming in and using, and I say to those persons that have the privilege of using that cafeteria, all the more power to them. If they can get a good square lunch there for a reasonable price, all the more power to them. Perhaps the Minister can extend those privileges to other government buildings. Perhaps he can even extend them within this building, and then perhaps some of us would stay around at the lunch hour a little longer.

The Minister of Public Works, Mr. Speaker, bragged about the tax adjustments that we citizens of Manitoba are going to receive from this government — the fact that we haven't got any tax increases, and I have said that inflation is going to look after the need of this government for this particular year on the hold-the-line particular year.

I wanted to say something at the start of my remarks, Mr. Speaker, about some of the members of the Legislature that are volunteering to retire at the end of this current sitting, and I'm sure that there will be others that will leave us that didn't take the privilege of retirement. But on the government's side, I can't help but say that I've always enjoyed the Minister of Labour, and the speeches he's made in the House. I do want to say, Mr. Speaker, that his most recent speech, in reading Hansard, I believed he said it would perhaps be his last major speech in this Legislature. —(Interjection)— He's more than welcome to come and run against me. I'm sure Mrs. Smith, Muriel Smith would more than be pleased to step aside for a great war veteran of politics like the Minister of Labour, the Member for Transcona. —(Interjection)— No I'm not quoting her, I'm just perhaps suggesting that perhaps the Minister of Labour might be a little easier to defeat than the good lady.

But the speech the other afternoon by the Minister of Labour, Mr. Speaker, was the quietest speech I have ever heard him make. I have heard the Minister of Labour when he was Leader of the Opposition on this side of the House bellow away at the Conservative Government, and give them all that they could possibly take. In the seven and a half years that he has gone to the Treasury Bench of the Government, he has bored right in and given the opposition you-know-what for their criticism, and for the things they didn't do when they were the government, and he was in the opposition. But the other day, I couldn't believe my ears, how quiet he was. I think that perhaps the Minister of Labour

has finally realized that the "lion" is on our side, and he is now playing the role of the "lamb". But I've always enjoyed the Minister of Labour whether I've shared his friendship in the House or outside the House, and outside the House I've always found him to act like a lamb and a real gentleman.

Two other persons on the government side of the House that are leaving are the Member for Wellington and the Member for Gimli, and I wish them good health in their days of retirement.

On our side of the House, we have four that have chosen voluntary retirement. The Member for Arthur, who I had the privilege when I served as an executive assistant to the Minister of Agriculture back in the early Sixties, of being a guest in his home, and attending affairs and various other public functions down in Arthur, and he has been a man that has served this House well, and I hope that he has some good health with him in years to come.

The Member for Charleswood who I knew as a Mayor of the R.M. of Charleswood when I was a Member of the Winnipeg City Council, and he was Mayor for a year or two after entering this House, is choosing to retire, and our great arch conservative Member for Pembina, the man who really speaks of Conservatism as it perhaps should be, and of course my dear friend, the Member for Swan River.

You know, Mr. Speaker, one of the members from the government side was asking me the other day, in fact it was the Minister of Education, who said to me, how come the Conservatives are getting the large crowds to nomination meetings? I'd like to mention that back in 1962 when the Honourable Member from Swan River chose to run for a Conservative nomination, there were four persons running in that particular nomination, they had 25 persons come out and ballot and it took three ballots to declare the winner, but my good friend from Swan River was the winner. The other evening in Swan River, and this shows you the growth that the Conservatives have had in Swan River, they had over 800 persons out balloting for two excellent candidates. So under the leadership of the Honourable Member for Swan River, the valley has made great progress.

Mr. Speaker, in mentioning members retiring, one should never overlook members from the Liberal Party although at times they could perhaps caucus in a phone booth, but I must make mention of their House Leader, Gordon Johnston, the Member from Portage, and I wish Gordon Johnston, as I did the other members, good health in his days of retirement from this political arena.

The other day, Mr. Speaker, the Minister of Health was speaking and he was mentioning in his many remarks to the Conservatives, he made reference to the Member for Rhineland as the possible next Minister of Health. I am glad to see that the Minister of Health is recognizing that a possible change in government is very probable. He gave us quite a lecture as the Minister of Health to those of us on this side of the House, telling us that being Minister of that large department which controls one third of the provincial budget, is not an easy department to run. It's a very big department, and health care is something that is very difficult to administer, and he wanted us to know that he was doing his very best, and that whoever succeeds him wasn't going to find that particular job easy. The Minister of Health during his comments, was somewhat critical of the Leader of the Opposition, and he referred to him as an arrogant person, in saying that an arrogant person will never be Premier of this Province. Well all I can say is an arrogant person became Health Minister in this Province.

Mr. Speaker, to say that it's not too difficult to criticize the eight years of expenditures of this particular government, this government has recorded record spendings that are up 300 percent since 1969. They've recorded a record debt which has increased by 400 percent since 1969, and when we have unemployment in Manitoba, and as I said earlier we have 32,000 Manitobans unemployed today, of which many of them are our young people, and much has to be done to create job activities for our young people, so that we don't lose them to other jurisdictions. We've got to have some control put on our taxing and our spending. What we're doing with our high taxation here in Manitoba, is driving business from this province, stopping business from seeing a reasonable amount of growth within Manitoba, and if business were able to generate and grow in Manitoba, we could increase employment in the public sector, and we wouldn't have to have the Minister of Public Works creating public new buildings to create job opportunities for our young people and perhaps the private sector could do some of the job of looking after the unemployed.

Mr. Speaker, I would hope that after the next election that we would have a government that encourages individual initiative and hard work — a government that believes that a person should be rewarded for their initiative and hard work, a government that will consult with the people of Manitoba, and treat them in a courteous manner.

For example, the Minister of Health, and the way he has, over the past four or five years, fulfilled that role and has constantly tried to take on the doctors, the nurses, and start public fights with various sectors within our communities. Now his last fight is with the volunteer groups from the field of recreation, the Manitoba Sports Federation. —(Interjection)— The input of volunteers, whether it be in the recreation field or in the health field, should never be underestimated, but here we have that Minister who is opposed to having an arrogant Premier, or what he thinks would be an arrogant Premier, who has handled himself in this House and outside of the House, as the Health Minister and the Minister responsible for sport, handles himself constantly in an arrogant fashion.

We want a government that understands that the government's share of the total wealth of

Manitoba mustn't always be continually increasing, that we should leave some moneys behind for the private sector.

In 1969, Mr. Speaker, the government spent 10 percent of our provincial total productivity. Today, they're spending 18 percent. It's almost doubled since 1969. —(Interjection)— Is that the kind of growth that we want, with a sprawling bureaucracy that feeds during inflation days and robs the people of incomes that they've worked hard to earn?

Inflation, Mr. Speaker, I believe is still one of our great problems, and on that note, I'd like to say a few words regarding the Unicity that this government created, although in a matter of days or weeks, this government will be bringing a bill forward that will make some changes to Unicity. Perhaps — (Interjection)— yes, they're going to fix their own bill. Perhaps these changes are only going to be to the administration and the political aspects of the Unicity.

Since 1972 to 1976, during the first four years of Unicity, we've seen a 51 percent growth in expenditures, as a result of inflation. Labour costs in the City of Winnipeg, during the first four years of Unicity, have increased from \$47 million to \$102 million. It's more than doubled during that four-year period. And speaking of those labour costs, Mr. Speaker, 44 percent of it is as a result of inflation. Thirteen percent of it is due to the growth in the labour force, and 42 percent of it is due to normal salary increases during that four-year period.

Services and materials that the municipal government supplies their taxpayers have increased by 58 percent during that period of inflation, the four years from '72 to '76. During these times of inflation, the figures are often distorted as to how municipal governments raise their money. Property tax base in Winnipeg has grown by 4 percent, that's all the tax base has grown by during that four-year period I'm speaking of, yet the mill rate constantly is increasing to meet these great increases in both salaries, labour costs and services and materials which the City of Winnipeg and any other municipality is faced with, yet the cities don't share in the growth tax areas.

The cities have two real forms of taxation, and that is, licence fees on various services provided by their form of government, and on the property tax base. The third area that cities receive moneys is in the way of grants from provincial governments, who are the persons who that created them. The City of Winnipeg is going to need continued financing from this provincial government. The Unicity Bill, not only did it create a monster within the City of Winnipeg, but it created a very, very expensive form of municipal government, and unfortunately, this government brought it in at the time that they did, when inflation was extremely high and running rapid and therefore the costs, not only perhaps doubled, but tripled as a result.

The municipal governments are constantly being asked to provide new services for their people, particularly in the area of recreation. As the work week becomes shorter all the time, as we do away with overtime, whether it be compulsory or voluntary overtime, our taxpayers are wanting to spend time in the fields of recreation. The Minister of Health, both at the federal level and the provincial government, are constantly advertising and spending many dollars on promoting such forms of recreation like Participation, and therefore Winnipeg, from just a few years ago of having about half a dozen indoor hockey rinks with artificial ice plants, today have over twenty such buildings, which are costing the taxpayers of Winnipeg a lot of money, but they're buildings that are needed. What is going to be needed for the City of Winnipeg in the years to come, is an even greater share of the provincial pie, in the way of financial assistance.

We've got golf courses in the City of Winnipeg, owned by the City, that are over-used during the summer months. There's one in the riding of the Member for St. Vital, the Windsor Golf Course. If we have a very dry summer, such as it would appear that we're into, Mr. Speaker, I can see that golf course being taxed better than 100 percent in usage. The Blumberg Golf Course, and perhaps the City, at some future date, will be buying the Tuxedo Golf Course. The only reason that the Tuxedo Golf Course is in a problem area today, is that the owners of the golf course can't generate enough revenue from that golf course to pay the taxes and the operating costs. Therefore, they're in financial trouble, and either it will turn into a development of some kind, or hopefully, remain as a golf course and it will likely have to be government funded, or taken over by the City as a city golf course.

The problem that is going to face this government, or whoever succeeds them, is, what are we going to do with the other sixteen privately owned golf courses around Winnipeg, as they constantly get taxed at a higher rate. One drops one year and another one a couple of years later has to go by the wayside because they can't operate as a private facility any longer because of the high taxation and the high assessments that these golf courses are paying.

A MEMBER: Doern doesn't play golf.

MR. STEEN: And as the Member for Roblin says, Mr. Speaker, the Minister of Public Works doesn't play golf. Perhaps many members in this Legislature don't play golf, but I think if government is going to spend money on encouraging people to get involved in areas of recreation, if the Manitoba Liquor Commission is going to spend their revenues on promoting advertising, saying to our young people that it is advisable for them not to drink alcoholic beverages but to get out and participate in sport and recreation, that they'll be far further ahead, then we're going to have to, as government,

whether it be the present government or the government that's going to succeed them, we're going to have to provide some of these facilities.

Getting back to the City of Winnipeg, Mr. Speaker, through the amalgamation of our fire and police departments, the budget, over the four-year period that I was speaking of, from 1972 to 1976, has gone up by two and one-half times during that time. The increase in that budget is not only due to inflation and the increased wages, but also to the standard of services that have been provided by the Unicity Bill, which means that all areas of the city will receive identical police services, whether it be a residential area that is not fully developed, or a fully developed residential area, or our downtown core.

Prior to the Unicity days, we were permitted to have various levels of police and fire and recreational services within the City of Winnipeg, but today, because it's all one city — and it's only right that the persons in area (a) have the same services as the persons in area (b) — but it is a very, very expensive operation.

One thing that either this government or the City of Winnipeg government, or both governments in conjunction are going to face within the next few years — and this being a drought year — is a new aqueduct from Shoal Lake to the City of Winnipeg. By 1980, the City of Winnipeg will not get a sufficient supply of water from its present aqueduct, and the expenditure that is estimated for 1977 for building this, without using, I am sure, inflation, is \$250 million, a capital estimate of \$250 million. I know that the City of Winnipeg is in no way in a position to afford such a capital expenditure, so this government, or its successor, is going to be looking at some major capital projects for the City of Winnipeg.

During the last eight years that this government has been in operation, the City of Winnipeg has had assistance in replacing two bridges, the Maryland and the Osborne Street Bridges with new structures, excellent structures, but we have not had a new river crossing built during those eight years. Somebody is going to have to do a lot of catching up in the next few years, with some more river crossings, because even though Manitoba's population is only growing at a rate of three percent, the City of Winnipeg is growing at a far faster rate than the provincial average. Somebody is going to have to come along and spend a lot of money in the way of capital works for this new City of Winnipeg.

During the first four years, much of the effort and time has been spent on getting rid of the wrinkles within the administration, getting the degree of services standardized, and from here on, Mr. Speaker, the City of Winnipeg is going to need a lot of assistance, particularly in the area of capital structures and capital financing.

I will pose on that note, Mr. Speaker, and say to the Minister of Finance, who is also the Minister of Urban Affairs, that although this year he was able to bring in what I considered a conservative Budget, with minor tax increases — and the Minister of Public Works stood up a few moments back and bragged about that — one of these days, the Minister, as Urban Affairs Minister, is in for a rude awakening when he gets all the bills from the City of Winnipeg.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Would the honourable member permit a question with respect to one of his comments?

MR. STEEN: Yes, Sir.

MR. SCHREYER: Accordingly, Mr. Speaker, I'd like to ask the Honourable Member for Crescentwood if he is aware of the engineering report, which indicates that as an option or alternative to the expenditure of \$230 million, — which I agree is the present estimate of any aqueduct twinning — that for approximately \$12 million per water cell reservoir, construction of two or three such at \$12 million each would provide an alternative for the next 12 to 15 years

MR. SPEAKER: The Honourable Member for Crescentwood.

MR. STEEN: Mr. Speaker, I was aware that an engineering report has been provided to the city suggesting increased aqueducts but as we build these aqueducts that the First Minister speaks of, one of these days, sooner or later, we're going to have to find another means of getting sufficient supplies of water from Shoal Lake or wherever we're going to draw the water from, to keep these aqueducts or reservoirs constantly at a proper level and see that we have the proper flow of waters into the residential and the commercial buildings within the City of Winnipeg at peak periods. So perhaps what we can do, we can delay the building of the aqueduct by additional reservoirs, but sooner or later we're going to have to have the second aqueduct.

MR. SPEAKER: The Honourable Minister for Corrections and Rehabilitation.

HONOURABLE J.R. (Bud) BOYCE (Winnipeg Centre): Mr. Speaker, I suppose we're all guilty of using figures that support our case as was the case with the Member for Rhineland when he mentions Alberta. If we had the \$2 billion that they have in their Heritage Fund here in Manitoba, I suppose you could wipe out all taxes for awhile. But I understand that the intention in Alberta is to put the \$2 billion aside so that they can subsidize free enterprise in the future.

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The Member for Crescentwood refers to one meeting; he forgets that there was another meeting subsequent to that at which, in Charleswood, I understand there were 300 people and over in Transcona in the same evening there were 500 people, so you can get into the numbers game.

But the Member for Rhineland with his speech, I wish he would give a copy of that speech to Mr. Lee who I was glad to see got the nomination to run in the next election because it sets the tone for the election. He is a man of integrity and I have a great deal of respect for him. But I wish he would give him a copy of the speech that he made because when he talks about people earning \$15,000, 90 percent of my constituency people earn less than \$10,000 and they have very little interest in estates of a quarter of 8 or 8 million dollars plus and the rest of it.

We have always admitted on this side of the House that the programs that we put in place, basing my position on 1975 dollars, that we have said that those people who earn less than \$15,000 will in net effect be paying less taxes; those making over 000 will be paying more taxes. \$15'

Mr. Speaker, back to the Member for Crescentwood, when he says that the free enterprise system perhaps should be allowed to operate more freely . . . It was interesting last night on the news that they said 35 percent of the construction workers in the city of Toronto are out of work because what the private sector is doing is withholding their capital until they can see whether the city of Toronto, which is by and large controlled by the Tories, will increase in density from six to one, to eight to one. This is people per square foot, I assume. But nevertheless you can understand that there is a difference in the net return on their invested dollar. It is also interesting to note that the money has backed up in the private banking sector to the point where they are considering putting \$150 million into Chile where recently the free elected government, the head of which was convinced by the army he should commit suicide by shooting himself in the back of the head 14 times, but yet they can't find money to put into public housing or any other kind of housing in Manitoba.

Mr. Speaker, the arguments of private-public sector, you know, they are *ad nauseum*, they go on and on and on. No one would deny that people should have a fair return for their investment in this day and age but it is a matter of determining what is a fair return for investment. We always seem to get into this box, primarily created by governments, I suppose, that they get into — You give me; how much are you going to give me to go here, there, with DREE, FRED, ARDA, all the rest of them, LIP, NIP, STEP, all the rest of the programs that the governments are forced to put into place because the economy really hasn't solved the employment situation. It's a fundamental problem in my opinion.

The Honourable Mr. Whelan, the Minister of Agriculture was on the other night and he says one farmer can produce enough food for 52 people. When you stop and think of what this means in the economy, that means that those other 52 people have to do something else because they don't need to feed themselves but yet we haven't accommodated that. I agree with the Member for Morris quite often on some of these things about King Wheat and the rest of it. But nevertheless we seem to fail to take care or work into our total economy the problems that we create through efficiencies. Automation of the Post Office — what is the government working into the system? We all went through that debate about the redundancy of firemen and everybody would admit that the job of a fireman on a diesel engine was redundant but nevertheless how do these people adjust? We all have lived — practically all of us in this House — have lived through the boiler makers in Transcona becoming redundant and some very regrettable, that as these people worked through the system . . . I know a couple of them personally that went from boiler making to barbers and it was in that long hair era that they even had difficulty making a living there.

Where the answer lies I don't know, but I do know that many of my constituents get sick and tired of the argument because they want free enterprise and a dove flying off. They ask me, well, "What you have done," they admit, "this is good, and this is good, I looked and I saw that is was good. What is the position of the Conservative Party relative to what they would do if they were in office?" And of course the Leader of the Opposition has said publicly that they don't want to come out with a platform because we'll punch holes in it, but they are still waiting to see what the Opposition would do, except to try and demonstrate that perhaps we made some bad decisions relative to Hydro which I will leave to the engineers and all the rest of it because we hear too much of this during the day.

Mr. Speaker, this is a provincial government and we are part of a federal system and I guess it comes from my background where for 300 years, the part of the world which we came from, they have managed to keep the Boyne River boiling and really, when it comes down to the final analysis, I would suspect that it too is based in unemployment. It is a case of the "ins" being in and the "outs" out, and the ins don't want to change it and the outs want to change it. I would suspect that the argument between the different groups in Northern Ireland is fundamentally an unemployment situation, an economic problem, that we haven't learned how to have people actively participating in society and reaping the rewards for their participation. I would hazard a guess that there's not much difference between the situation in Lebanon with the Muslims on the one side and the Maronite Christians on the other, the "ins" are in and the "outs" are out and they don't want to change it.

Mr. Speaker, when we get close to home I would suggest that that is a fundamental problem with us too because I have found in my 53 years of experience and having travelled somewhat that if you

are in an area where people are participating and they are leading a reasonable life, that really what language they speak or what political system they have, they really don't care that much. I don't know how it is in other constituencies, I suppose, I don't go to other constituencies talking about politics, but by and large the people in Winnipeg Centre, I would hazard a guess that 80 percent of them don't give a tinker's damn about politics or political parties. They want to elect people who accept the responsibility of making decisions on their behalf and they are either right or wrong and if they're right, they will keep them; if they're wrong, they'll throw them out.

Mr. Speaker, when people phone me, I don't know what to say to them. They say, "Of whom should I ask the question?" "What about Ungava?", somebody phoned me. Ungava? I don't know how many people in the room know what Ungava is, the district of Ungava. You know, the question of perhaps one part of Canada separating from another, they say, "What's going to happen to Ungava? Does that go too?" When people ask me the question, "What about Air Canada, is that going to come back to Winnipeg?" — I don't know. When people ask me about the St. Lawrence River, "Are we going to have a Panama Canal zone situation in Canada?" — I honestly can't answer them because I don't know. And I don't know myself of whom to ask these questions. It appears to me, Mr. Speaker, someone has to ask the questions and I give this rather long preface to my question because in any situation, you get the dings and the donges and it doesn't take too much to get a Bernadette Devlin on the one side and an Ian Paisley on the other and it all seems to erupt into emotions. You know, why it gets into this emotional milieu, I honestly can't understand. But why the Tibetans are Tibetans and they cling to their rocks, I don't know. Why people cling to their particular ethnicity, I don't know, except that it is important to me. But who is going to ask these questions on behalf of the people of the province of Manitoba and the other provinces in Canada?

I have more questions than perhaps answers' Mr. Speaker, but nevertheless I will come back to what I had said earlier, that in my judgment it is a matter of economics; it's a matter of meaningful employment, that the unemployment rate in the province of Quebec for years has been high. Who is going to solve these problems? I don't know. I do know that the answers that we have tried in the past federally have not worked.

I don't know how many people are aware of Morden Fine Foods. What has this got to do with what I'm talking about at the moment? Morden Fine Foods was part of Canadian Cannery. The Federal Government, I am advised, made an offer to Canadian Cannery that they would give them in their free enterprise system enough money to open a new plant in the Province of Quebec, which, if I was a member of the Board of Directors of Canadian Cannery and somebody came along and said to me, "I will give you this money on behalf of my stockholders to whom I'm responsible, I have to give them a return on the investment," I would have made the same decision that they did. I will take your money and put it into a new plant. What's the effect? We closed the plant out here at Morden. We in Manitoba can't afford to have that plant closed. Why? Because the farmers out there are growing peas and carrots and corn, so there's a market out there. But where do we make an end?

I remember years ago seeing a movie. Michelangelo was painting the ceiling of the Cistine Chapel and the Pope kept screaming at him, where do we make an end? Where do we make an end? I don't know how it is in the rest of the province. But I know in my constituency these people are sick and tired of the argument, free enterprise, public enterprise. There is no such thing as free enterprise. This dove flying off into the air.

I made a speech here last year and I got heck from some of my constituents. The Minister of Agriculture, because there was difficulty in that part of the economy, said he came to Cabinet and asked us to allocate money to help the farmers in a and difficult situation, he said, we are going to put this amount of money to stabilize beef production in the Province of Manitoba. Somebody in the opposition was taking off on the Minister during his Estimates — not this year but last year — and I expressed the opinion that if we in the City of Winnipeg and all the Province of Manitoba can be of assistance to help the farmers stabilize production so that they get a fair return on their investment, it would be worth \$100 million.

But, Mr. Speaker, what happened? Did they want to put their house in order through a marketing board? No way. No, they want free enterprise. My constituents came back to me this session and they said, "What are you going to do now? Put more money in there as a subsidy?" They don't call it welfare. If one of my workers or one of the people that's in my constituency, by chain of circumstance, hasn't got enough Unemployment Insurance benefits to keep him two years after his job disappears, he has to go on welfare, and he's a bum. He wants to sell his production just as much as anybody else, but he's a welfare bum. But people come in here and they want subsidy after subsidy after subsidy as if it was their due.

A MEMBER: That's not welfare.

MR. BOYCE: That's not welfare?

A MEMBER: What about Canadian Cannery?

MR. BOYCE: Well, Mr. Speaker, my constituents wish that they would stop this. They say, "How do you propose it? There has been rational suggestions made. The people should admit that there

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should be a reasonable return on investment, and you want 12 percent on your investment, 14 percent on your investment. Fine, there's some areas perhaps where we should guarantee that kind of return on your investment. If you exceed it it goes back into the public purse. If you don't meet it, it comes out of the public purse. But, Mr. Speaker, people in the private sector do not want that. They want to keep changing the rules so they can win, so that they can make more than that, because they know that they'll come running back to the public purse again and say, "If you don't give us this money we're going to shut down and we're going to throw 100,000 people across Canada out of work."

It reminds me, Mr. Speaker, of a number of years ago in Cuba. What caused Cuba? There was a chap there but it's a simple thing, a chap there by the name of Batista, and he was supported there by 76 companies. The biggest one of course was the United Fruit. And many of the people who, rabid red or socialist — I'm getting so you know that in a free enterpriser, these labels kind of bother me more every day.

But the United Fruit was the worst culprit. Some people said, what the American Government has got to do is — on the American companies — put pressure on these companies to try and take care of some of the social ills of the area because if they didn't they were going to listen to that ding-dong up in the hills. But of course United Fruit said no, all the rest of them said no, and of course the result was inevitable. Because it seemed such a simple choice to me. If somebody came to me and they said, "Bud, you know you've got an operation going that you're making \$10.00 per unit on this operation, but you have to change that and you have to put back two of them." So I only make \$8.00. So the alternative to me was ten and nothing, or ten and eight. No, sir, boy, we'll go for the ten, ten or nothing. We'll send the gun boats and everything else in if we don't get our ten. It doesn't work any more. It doesn't work any more. The two and a half times — (Interjection) — Well mister, I'll show you where I put my \$35,000 a year, in taxes, charitable donations and everything else — I'll put it on the table — and all I can take out of this world is what I brought in and I personally don't think I should make more than two and a half times. If you think that you're worth more you go out and tell people up and down the streets that you're worth more than two and a half times, everybody else that walks up beside you, you'd tell them that. Come down here to my constituency and tell them that. — (Interjection) — You come down here to my constituency where the average income is \$8,000.00. I'm sorry, Mr. Speaker, not the average, the top income is \$8,000.00. You come down there and tell them that.

You know, this just epitomizes that of which I speak. — (Interjection) — Well, the member got me a little excited. He got me a little excited. What I meant to mention, is I make too much money. I do. I make too much money. \$15,600 as a member of Cabinet, and I understand that it's pretty close to \$20,000 as a member of the Legislature. And my wife agrees with me and so does my family. I wish the Member for Radisson was here because he usually says, "Don't get so excited." But this is exactly that of which I speak.

Before I came back to Canada in 1956 from Los Angeles, I watched a situation arise — you could see it coming — people were flooding into Watts in California. It had happened that during the Second World War — perhaps this goes back too far in history for some — California was a staging area for the Pacific Theatre of Operation for the Americans, and they had several large Army camps down the coast, and literally thousands of people went through this. There were 52,000 people stationed outside the town that my parents lived in. After the war these people came back to California — California really never had any real problems with overt discrimination because of the Spanish background in the State — and people came into the State and they liked it. But they went back down to some of the other southern areas where discrimination still was rampant, and they got their discharges, they got their education, and they started to flock into California, and we watched this Watts grow, and it just festered and festered and festered, and blew up. It was predictable.

It used to be that people would get an idea, and they'd go and they'd wave a flag and a bunch of people that couldn't get anything else to do, they couldn't even feed themselves, they'd go to work for the Baron and they'd fight his wars. The last war that was fought on behalf of such efforts by some to impose more than two and a half times for the majority of the people was the Vietnam situation. People are not going to be able to muster the resources in western civilization to impress people like that again, in my personal opinion.

But, Mr. Speaker, I got off the point that I really did want to make. We have some difficult decisions to make in this country. All across the land, the attention of people is being diverted once again, and this appears to have been the tactic throughout history, that when the system cannot solve some of the difficult economic problems, they create straw men, and they get people all squabbling about it, and fighting among themselves, and those people who are more proficient in getting more than the two and a half times, you know slip through. In my judgment, Mr. Speaker, much of what is taking place is but a diversionary tactic within our country. When we talk about having a system where you have more than two and a half times, you know when. . . I digress once again which is nothing new.

The Minister of Public Works went back to Hoover. Even Eaton, old Timothy Eaton was a rabid red in comparison to some of the members opposite. If old Timothy Eaton was around, we wouldn't even

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have to have this one day a week closing by-law, because albeit he was paternalistic in some aspects, you know he thought there was more to the commercial world than just making money, selling merchandise. He pulled the blinds on his store down here at Portage and Donald. Every Sunday the blinds used to be closed. He said there was more to think about than just what you need in life. He had retirement on half pay for people after they had been working for him for more than five years or so. He built houses for his employees, but yet when the present Member for St. James, — I was so used to the former Attorney-General being from St. James — was on City Council, public housing was a dirty word, that you would build houses for people that can't afford houses, you couldn't get City Council to accept that concept. They put every kind of roadblock into the way of government that they possibly could so that when. — (Interjection) —

MR. SPEAKER: Order please. Order please

MR. BOYCE: That was a cheap shot. By and large the City of Winnipeg City Council was given a lot of difficult problems to resolve, and they did resolve a lot of them, the amalgamation of Police force, the amalgamation of the Fire Department' and some of these things they did rather well on.

Now you threw me off again by that look of chagrin there. Mr. Speaker, I know I'm going to get it from the Member from St. James, but nevertheless, I just couldn't help but get into this debate, not to refute some of the arguments of the people that have spoken on the other side but perhaps as just one voice of concern in Manitoba, that in making the case, that in solving the questions that confront all Canadians, that they have to give the people the answers to the questions which some people are rather reticent to ask, because it could in their judgment provoke you know, more than a quiet question.

In listening to the Premier last night, on one of the programs — I forget what it was, on Channel 12 I believe — one of the interviewers asked the Premier the question, "What about the possibility of civil war?" and this is a most frightening thing to contemplate. But nevertheless if these questions aren't raised, aren't asked, and if the information isn't given to people in Quebec and in Manitoba, what will happen to us? Are we just going to be led down a garden path, that things become inevitable, that we have no other alternative but to accept this or that, separation or some kind of a special deal for the Province of Quebec that is to the detriment of the other provinces?

As far as the question of people learning to speak languages other than English, I personally regret that the only one that I do speak is English. As far as French is concerned, and my colleagues all know that of my five children, one is completely bilingual, that she went through the A program in Sacre-Coeur and it hasn't affected her English at all. The people who get A's and B's and all the rest of it, hopefully, Mr. Speaker, in the difficult days ahead, that reason will prevail.

MR. SPEAKER: The Honourable Member for St. James, but I'll call it 10.00 p.m.

MR. GEORGE MINAKER: I move, seconded by the Honourable Member for Birtle-Russell, that debate be adjourned.

MOTION presented and carried and the House adjourned until 2:30 p.m. (Tuesday).