

THE LEGISLATIVE ASSEMBLY OF MANITOBA
Friday, April 14, 1978

Time: 2:30 p.m.

MR. SPEAKER: I should like to draw the attention of the members to the Speaker's gallery, where we have 25 members of the Young Church Day Centre Senior Citizens' Group accompanied by Mr. Wilson. This group is located in the constituency of the Honourable Member for Wolseley.
On behalf of the members we welcome you here today. D1BUDGET DEBATE

MR. SPEAKER: On the proposed motion of the Honourable Minister of Finance — the Honourable Member for Rupertsland.

MR. BOSTROM: Thank you, Mr. Speaker. I take note of our audience in the gallery today and some of the comments that I have to make about the performance of this government I think they may be interested in hearing.

Mr. Speaker, I intend to confine my comments as much as possible to the Manitoba Budget Address which was brought down in the House by the Honourable Minister of Finance. I think there is plenty in here to mull over and to use in a very good analysis and evaluation of this government's performance to date.

Mr. Speaker, on page 4 of the Budget Address the Honourable Minister of Finance in his statement to the House, in his opening statements said that his idea of a Budget Speech to the people of Manitoba through the Legislature should be defined as an honest report to the taxpayers of Manitoba. Now I couldn't agree with the Honourable Minister more in that kind of a statement, that a Budget Address given by the Minister of Finance to this Legislature should indeed be that. It should be an honest report to the taxpayers of Manitoba. But, Mr. Speaker, immediately following that statement he outlines how ironic this statement is coming from himself as Minister of Finance, as the present Minister of Finance.

He says that it should not be a political manifesto. It should not be filled with worn-out theories, misleading statistics, and meaningless comparisons. And, Mr. Speaker, if you look through this Budget you see how ironic the statement is that this should be an honest report to the taxpayers of Manitoba because there has never been, I would think, a more obvious political manifesto than this document that was presented to us by way of a speech from the Minister of Finance. There was never a Budget Speech brought down in this Legislature that had more worn-out theories than the ones presented in this Budget. There has never been a Budget presented in this House that had more misleading statistics and meaningless comparisons as this Budget that was brought down by this present Minister of Finance.

Mr. Speaker, it is also ironic in the second paragraph that the Minister of Finance should say that one of the principle reasons why so many people have lost confidence in public leaders is that they haven't been told the plain facts. Well, Mr. Speaker, this Minister of Finance is a living embodiment of that statement, that they are not telling the plain facts, and, Mr. Speaker, my leader got up in this House the other day in response to the Budget Speech from the Minister of Finance, and I think he made a very significant statement. In the political career of Ed Schreyer, which has been some 20 years in politics, and he has had good experience in those years with political people of all stripes, he's had a number of election campaigns, and he can look back on a period of political life that, I believe, is unequalled by any political person anywhere in Canada. Our leader, the Leader of the present New Democratic Party in Manitoba, is a very well respected man in all circles and by all political people. Mr. Speaker, for him to get up in this House and be able to say what he said about the present Minister of Finance is very serious indeed, very serious indeed, when the Leader of our party, none other than Ed Schreyer, who has the respect of all Manitobans, I believe, not only those who voted for the New Democratic Party, but those who voted for the Progressive Conservative Party and for the Liberal Party. They did not necessarily not vote for Ed Schreyer because they did not respect him and admire his honesty and his personal convictions, and his dedication to political life. The reputation of the man in Canadian politics, Mr. Speaker, is a well-known legend in his own time.

And for him to be able to bring out so clearly in his speech the other night the kind of misleading statements that the present Minister of Finance and the Premier of Manitoba have been going around the province making up the myth about the budgetary deficit in this province, when there is good reason to believe, Mr. Speaker, that they had facts to the contrary. They continue to spread the myth about this budget deficit, and use that as an excuse to carry out a purge on the Civil Service; to carry out reductions in the budgets of the municipalities, the hospitals, the educational institutions; they use this myth which they have built up as the excuse for those things, Mr. Speaker. They said this was a reason. It was not a reason, it was an excuse, and it was clear from the statements of my leader the other night, when he exposed the kind of misleading information that the present Minister of Finance and the present Premier of our Province has been supplying to this Legislature, and to the people of Manitoba.

Mr. Speaker, I'd like to go through this document in detail, if I have the time, and compare it and contrast it according to the objectives that this document sets out for the government of Manitoba — the present Progressive Conservative government.

If you look on Page 6, Mr. Speaker, they begin to outline some specific policy objectives. I'd like to

look at these objectives, and contrast these objectives with the present performance and the indicated performance in the future of this government.

First, Mr. Speaker, they say that one of their objectives is continuing restraints on government spending. Well, Mr. Speaker, if their evidence that they provide later on in this report is an indication of their success in providing restraint to Manitoba, their restraint program has been a dismal failure — a failure.

Because, Mr. Speaker, they admit, they have to admit in this Budget Address that with all of their ballyhoo and their boasting and their Task Forces and their cutting and their firing, and their callous treatment of people, individuals in this province, they have only reduced the deficit by \$10 million, \$10 million. Whereas a year earlier, Mr. Speaker, without any excuses, without any boasting or ballyhooing which we heard from these members opposite, the New Democratic government of the day in the fiscal year 1976-77, cut the Budget of Manitoba \$23 million from the spending Estimates, from the Expenditures of the Government of Manitoba. Just a year earlier, Mr. Speaker, when we were facing a similar kind of situation where the Federal Government indicated to us that there was going to be a reduction in the revenues coming to the Province of Manitoba, we sat down with our departments and went through a rigorous restraint exercise, and we cut \$23 million off the Budget, off the Expenditures. We never fired anybody, we never went through with a broadaxe and hit this person and that person, and chopped that person off at the knees. We cut \$23 million off the Budget, Mr. Speaker. We didn't need a Task Force — Task Farce, as some of us on this side call it — we didn't need the champions of industry and Great-West Life to tell us how to cut \$23 million off the Budget; we did it through a co-operative exercise with the senior personnel in our departments, carefully going through the Budget and cutting wherever we could. And, Mr. Speaker, we never cut to the municipalities, we never cut to the hospitals, we never cut to the educational institutions — you can see right there where the difference in priorities are between a New Democratic Party government and a Conservative government.

Mr. Speaker, the attitude, the way in which the Conservative government cut \$10 million off the Budget was just incredible when you consider the demoralizing effect that they've had on the Civil Service of this province, the callous way in which they treated people in the process of doing those cuts. Mr. Speaker, they have discredited themselves as leaders of a public service in Manitoba, they have discredited themselves in the eyes of compassionate Manitobans in all walks of life. And their second objective, Mr. Speaker, which they claim to have for themselves, specific policy objective, greater efficiency in government spending. Well, Mr. Speaker, I happen to know some of the things that are happening in some of the departments since these people have taken over the government. Mr. Speaker, it is a mess — it's a horror story. Because, Mr. Speaker, there are people sitting around that lack direction, that don't know which way this government wants to go, that are practically carrying their chairs around because they're not sure who is going to be sitting in them the next day if they're not carrying them around.

Mr. Speaker, the actions of this government have had a demoralizing effect on the public service and rather than getting greater efficiency, they have promoted greater inefficiency because the people do not know, the people who are willing to work, who are prepared to serve in the public interests of the people of Manitoba are not able to do it. These people are not providing the direction.

Mr. Speaker, a third policy objective which they have set for themselves is rationalization of taxation measures. Well here, Mr. Speaker, you can clearly see the difference. There is a clear dividing line between the policy of a New Democratic Party government and a Conservative government when we talk about rationalizing taxation measures. If you look at their record so far, Mr. Speaker, in this time of what they call economic restraint when they're asking everybody to pull in their belts and take their licks and be careful about their spending, what do they do? Right on Page 2 of their document they say, "We have reduced income taxes." Well who is the greatest beneficiary of the reduction of those income taxes, Mr. Speaker? It was clearly demonstrated that the average family of four that has an income of \$10,000 or \$12,000 a year gets a package of radishes a week. Mr. Speaker, the average family of four, on the other hand, who is in the \$60,000 income bracket gets a nice big fat roast every week. Well, Mr. Speaker, who needs that big fat roast more? The family of four that's on \$10,000 a year or the family of four that's making \$60,000 a year? Mr. Speaker, they've got their priorities completely screwed up. It should have been the other way around. Give the package of radish a week to the family of four making \$60,000; give the roast a week to the family of four only earning \$12,000 a year. That would have been the fair thing to do. If we had been able to cut income taxes or cut taxes as a New Democratic government, that's the way we would have done it. We would have turned your priorities around.

Mr. Speaker, they say they've abolished the succession duty and gift tax. Well clearly, Mr. Speaker, from any kind of statistics that you can draw, look up, you can see that this is a tax cut for the rich, a tax cut for the rich. It has to be.

They've repealed the Mineral Acreage Tax. That's not a tax cut for the farmers, for the active family farmer. No farmer pays it. It was for the speculators, the speculators, Mr. Speaker, and who are the people who are able to speculate? Is it the packinghouse worker at Canada Packers? Is it the guy that's working at the Transcona shops? Mr. Speaker, certainly not. It's the big-shots, the rich people that are able to speculate on land. Mr. Speaker, here's another example of a tax cut for the rich. I'll come back to that later, Mr. Speaker, when I talk about the other kinds of charges that they're putting on people, the tax increases that they've announced recently.

Their fourth objective, Mr. Speaker, is probably the biggest laugh of all when they say that they have, as an objective, improved financial reporting. Well, Mr. Chairman, we have seen the results of the Finance Minister's carrying out of that objective, improved financial reporting. Is this the kind of inconsistent statements that we get from the Minister of Finance and the First Minister when they talk about budget deficits?

Mr. Speaker, if you look at Pages 17 and 18 of this Budget document you will see that this government has tried to maintain this myth of a \$50 million extra part of the deficit for some time now and, in fact, they tried to maintain this myth right up to the Budget night and right up to Page 17 as he was reading his Address. Because, Mr. Speaker, if you look at the wording of Page 17, he said when they took office in late October they requested an immediate report on actual expenditures and revenues, projected revenues, and he says here, "We found that the deficit on current account was more than five times larger than the amount estimated last spring." Mr. Speaker, he doesn't say that we estimated or we projected, he says "we found" even though when he was making this statement in his Budget Address he knew that as he turned to the next page he would have to admit that this was a myth, that in fact there was \$50 million improvement in the budgetary position of the government as a result of improved revenue-sharing with the Federal Government. Mr. Speaker, only \$10 million at the most of that can be attributed to their cuts.

Mr. Speaker, a thing that's very significant, as I said before, that my leader said the other night that he is going to frame Page 18 as the embodiment of the most deceptive kind of statements made by a practicing politician in all the years that he has been a politician himself in Canadian political life. Mr. Speaker, I think above all else, our leader is respected for his integrity and, Mr. Speaker, it takes a lot for him to be able to make that kind of statement about another politician, and the fact that he made that statement, Mr. Speaker, is a very serious charge against this present Progressive Conservative administration. I think all members opposite realize that, that it's a very grave and serious charge that he made and it's a truthful charge.

Not only that, Mr. Speaker, but on the top of Page 18 he was continuing with his misleading statements about the deficit position of this province. When the Minister of Finance — and I checked with him just again this afternoon before I came in here — when the former Minister of Finance was making his statements about the budgetary positions just before the government changed over, he said that the budgetary deficit would be higher than it was estimated in the budget statements that came to the House the year before, or earlier in that year. I believe the Budgetary Estimate of Revenues projected a deficit of \$25 million on current account. Because of forest fire problems and other unexpected expenditures by the government that original estimate had been boosted up to \$40 million, so, Mr. Speaker, when this government took office they knew that there would be at least a \$40 million deficit, and, because of the reduction in revenues on the income tax side from the Federal Government, that deficit was increased to \$80 million, Mr. Speaker. And the Minister of Finance, in his statements, knowing full well that that is the case, says that the budgetary deficit was five times more. Well, Mr. Speaker, \$80 million is not five times \$40 million. It's two times \$40 million. It's a misleading statement right up to the last breath before he has to present the actual facts to this Legislature in the Budget Address, where he has to table the information and provide at last, and, finally at last, an accurate account of the actual position of the province.

And, Mr. Speaker, they used this imaginary myth of a terrible deficit of \$129 million as an excuse to carry out all of the cuts and social disruptions that they are causing in this province and I'll go into those further as I go along, Mr. Speaker.

Mr. Speaker, if we look at the financial reporting of this government further we consider the statements of their Premier and Finance Minister on Page 40, I believe it is, of this document. He makes the statement, "Even with the stringent restraint programs in place, and a marginal increase in total expenditures we have announced, there remains a significant but manageable budgetary deficit." Well, Mr. Speaker, he calls his Budgetary deficit of \$114 million, which will probably be higher than that before the end of the year is out when there's unforeseen expenditures — there's a flood going on now in southern Manitoba that will probably cost some moneys. There are other things. There may be forest fire conditions that are not budgeted for, Mr. Speaker. There are a lot of things that can happen during the year that can increase that budgetary deficit from \$114 million. He calls that a manageable deficit, but they went around this province knocking the \$181 million as if it was the most terrible thing in the world, that the province was in a crisis — there was a crisis on — they had to do something about it. Now they have \$114 million deficit and suddenly it's a manageable, significant but manageable budgetary deficit. You can't have it both ways, Mr. Speaker. It's your deficit. And to top it all off, Mr. Speaker, they have admitted that this year they started from zero Budget financing, zero budgeting, zero-based budgeting as they called it. So they started at zero, and they built themselves up to \$114 million deficit.

He also goes on on Page 19 of his Budgetary Speech, Mr. Speaker. He says it's not an acceptable defence to assert that most provinces experienced difficulties last year because of unexpected and unusually large down turn provisions in Federal Estimates. While such revisions did occur, and compounded the problem, the increased Manitoba deficit was the result of factors, including expenditure overruns which were entirely the responsibility of the government of the day. Well, Mr. Speaker, they still have yet to find those expenditure overruns because, Mr. Speaker, when they went through their so called rigorous budgetary cuts right now they've only been able to cut \$10 million off the Budget. Last year we were able to cut \$23 million off of it. So where are these large, imaginary

overruns that they're talking about?

And after these recent revisions Manitoba's deficit is still \$141 million, and this is given the fact, Mr. Speaker, that they've made cuts in all of the areas that most seriously affect the people that are least able to defend themselves and that need services the most. And if you look at the areas where they have cut back, universities are going to have to pay higher tuition fees, at the same time that students are probably going to be facing — and these are students from out of town — my honourable friend for Pembina is shaking his head. When students from his area come to Winnipeg they have to pay higher tuition fees because of the rent control being taken off this year, which the Conservative Government seems to be promoting, they're also going to have to pay higher rents. And students, Mr. Speaker, by and large are one of the lower income groups in our society. Where are they going to get this extra money? And the ones who are least going to be able to pay it that come from the lower income families are going to have to drop out of the system. So what you're doing with this kind of measure is going back to the system of making universities the pasture of the privileged. Only those that are rich will be able to attend our higher educational institutions.

The cutback in support to the schools, Mr. Speaker, will either reduce service, or some cuts have to be made somewhere. They still haven't been able to answer the questions that have been put to them regarding where these cuts are going to be made in the educational area. The municipalities are going to have to either reduce services. In most cases they will not be able to reduce services, they will have to increase taxes, Mr. Speaker. So they are financing their deficit, they're financing their restraint program, rather, on the backs of other taxpayers, namely the property taxpayers in the Province of Manitoba.

And we know, Mr. Speaker, that the property tax is one of the most regressive forms of taxation. It's one of the kinds of taxation that the New Democratic government tried to alleviate by putting on a Property Tax Rebate system so that the people who were least able to afford to pay property taxes would at least get some of that rebate to help them to pay that tax.

Now, Mr. Speaker, we have cutbacks in hospital services. We either have cutbacks in hospital services or, Mr. Speaker, they're going to slip in hospital deterrent fees, and we have seen the thin edge of the wedge the other day when we heard the Minister of Health get up and say they're going to increase the fees on the personal care homes and beds that the people who require personal care in hospitals are occupying. It's a thin edge of the wedge for a full scale deterrent fee on the hospital service in Manitoba and, Mr. Speaker, that is going to hurt the low income person the most. It's going to make a low income person think twice before they're even going to go in and take advantage of hospital services.

The Day Care have to pay higher fees because of the policies of this government. The Dental Care program has been chopped — the one where we were assisting through the school system to have a program of preventive dental care. From all indications this has been chopped.

The personal care home cut, or the personal care home charges, Mr. Speaker, is an example of the most flagrant kind of Conservatism that I have yet to see from this government. When you consider the facts that you're increasing the charge to a pensioner who is in a personal care home by \$1.25. It may not sound very much to the fat cats, Mr. Speaker, but it certainly means a lot to an old age pensioner. And let me just outline some of the facts.

This means an increase, Mr. Speaker, an increase in the total charge to a pensioner who is in a personal care home of \$38.75 per month, an increase over what he is paying now. Before the tax, an old age pensioner would pay his charge to the personal care home, the \$6.25, and he would have \$60.48 left over for his or her own use to buy their own personal things — toilet articles, a comb, a brush, a gift for a grandchild, or whatever it may be — clothing, whatever, the little things that are considered necessities to everybody else. They're considered to be the things that you take for granted — you pull a few dollars out of your pocket, you buy these things. But Mr. Speaker, a pensioner, who only has \$60.48 left over for a whole month, for a whole month, guards every dollar jealously and carefully budgets that \$60.00. But what does this government do, Mr. Speaker? \$60 is too much, they say, for an old age pensioner to have left over in their pocket. They put a tax on the old age pensioner — Let's take some of that \$60 away from him, he doesn't need it. So they slap on \$1.25 tax, and it is a tax, it's not just a user fee, it's a tax. And what happens? The old age pensioner will have an additional charge of \$38.75, a 65 percent increase. It's a 65 percent tax on that \$60 they have in their pocket — it's a 65 percent tax, is what you put on. Now, his or her only personal income that they'll have left, and I've checked this this morning with the old age pension people to get the facts on how much a pensioner receives under the present scheme, that is the old age pension plus the supplement, if you take them both into consideration and you deduct this new charge of \$38.75, an old age pensioner will only have \$21.73 left for a whole month. Now Mr. Speaker, is that fair? Is that fair? When you take an old age pensioner who only has \$60 a month to spend on their necessities, other than their board and room and the personal care home — you take a 65 percent lop, chopped right off that \$60.48 and you leave them with \$21.73. Seventy-five — is it 75 cents a day?

Mr. Speaker, if any of you people in here smoke, and I think some of you do, if you were in this situation you wouldn't even be able to buy a package of cigarettes. You wouldn't even be able to finance your smoking. Not to say that these people — (Interjection) — Better for their health. Ah, yes. That's a typical Conservative kind of philosophy. Better for their health, we know best, we know best for the old age pensioners, they say — they shouldn't have \$60 a month because some of them smoke. We better chop them off and cut them down to \$21 a month so that they have to redefine their

and cut out cigarettes. Well, Mr. Speaker, this is a callous, cruel treatment of our old age pensioners that are in personal care institutions. And it's the most classic example of the difference between a Progressive Conservative government policy on taxation and a New Democratic government policy. Here is a Conservative government that takes \$60 from an old age pensioner that's in a personal care home — I'm sorry, takes \$38.75 from an old age pensioner who is in a personal care home — and on the other hand they say, "Oh, there's this poor family, only making \$60,000 a year — we'll have to give them a break. We'll give them \$60 a month decrease in the tax they have to pay." So while they take \$38 away from the old age pensioner, they're giving \$60 away per month to the family of four on \$60,000 a year. Mr. Speaker, I find no more classic example of the Conservative philosophy at work. Classic example.

MR. WILSON: What would you do.

MR. BOSTROM: What would we do? That's easy to answer, Mr. Speaker. The Honourable Member for Wolseley says, "What would we do?" Mr. Speaker, instead of taking the \$38.75 away from the old age pensioner we would let him keep his \$38.75 but we wouldn't give \$60 a month to the person that's making \$60,000 a year because they don't need it. They don't need it. If you have to do this kind of thing, if you have to take money away from the old age pensioner in order to finance your tax cuts for the rich, then you don't need that money, Mr. Speaker, and they certainly do not deserve to govern on that basis. And I believe the people of Manitoba have more compassion, on the whole the people of Manitoba have much more compassion than this government, and they will demonstrate their feelings on this kind of policy in the next election. Because, Mr. Speaker, this government got elected on false pretenses, on false pretenses.

During the election the former Leader of the Opposition, the present Premier of this province — and it was repeated the other day by the Member for St. Matthews when he was speaking on this Debate — said that the promise the Conservatives made to the people of Manitoba is that the social services, the present level of social services to people in Manitoba would not be impaired. Well, Mr. Speaker, where are they being impaired? They are taking money away from the old age pensioner that's in a personal care home, they're taking money away from the hospitals that need it to provide services to people, they're taking money away from the educational institutions, they're cutting in all the areas where the poor people can't fight back. They are — the Honourable Member for Portage la Prairie shakes his head. Well, Mr. Speaker, I know that if he looks at this case carefully, he will see that the services are being impaired. They're cutting back on the poor people and they're giving the tax breaks to the rich. Clearly, they're clearly doing that, Mr. Speaker, and they're breaking the election platform that they got elected on, because they told everybody during election, "Everybody, don't worry about a Conservative government, everything will be rosy, everything will be fine. We'll keep all the social services that the New Democratic government brought in." And they will reduce taxes, Mr. Speaker, but they're doing exactly the opposite. They're impairing all the services to people and they're increasing taxes to the lower income people, and they're only reducing taxes for the rich.

MR. CHERNIACK: Mr. Speaker, I wonder if the honourable member would permit a question? I wonder, Mr. Speaker, in view of the fact that he is making such an excellent presentation, whether he wouldn't care to move adjournment of the House so that he could make sure that the balance of his speech would be heard by the Cabinet, of whom only one person happens to be present in the Chamber.

MR. SPEAKER: Order please. The member's time has expired.

On the proposed motion of the honourable . . . The Member for Rock Lake.

Order please. Before the member starts, may I draw the attention of the honourable members to the gallery on the left, where we have 30 students from the Lunder School, under the direction of Mr. Klassen. This school is located in the constituency of the Honourable Member for Lakeside. On behalf of all the members, we welcome you here.

The Honourable Member for Rock Lake.

MR. HENRY J. EINARSON: Mr. Speaker, this is rather significant, when you announce the welcome to those in the gallery, may I associate myself, by voicing, for the record, a welcome to those in the gallery today.

Well, Mr. Speaker, we have just heard from the Member for Rupertsland, and I have been pondering . . .

MR. SPEAKER: Order please. The Honourable Member for St. Johns.

MR. SAUL CHERNIACK: Thank you, Mr. Speaker, and I thank the Honourable Member for permitting a question. I wonder if the honourable member would not rather defer his speaking until he could speak to the members of the Treasury Branch, none of whom are present — I'm sorry, except one — whether he doesn't feel it would be advantageous to him and his presentation, to make

that there are members of the Treasury Branch present to hear his address?

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. EINARSON: Well, Mr. Speaker, I didn't realize I was going to find such interest from the members opposite to what I have to say, this afternoon. —(Interjections)—

MR. SPEAKER: Order please, order please. Will the honourable members please allow the member to make his contribution.

The Honourable Member for Rock Lake.

MR. EINARSON: Well, I'd like to tell the honourable gentlemen opposite, Mr. Speaker, that I don't think I'm going to say anything this afternoon that would put them into fright and want to disappear from this Chamber. But I do want to say, Mr. Speaker, that the Member for Rupertsland, when he began his talk this afternoon, rather gave me the impression that I think he's entering the leadership race over there. And he was promoting his present leader, at this time, and I just want to say, briefly, Mr. Speaker, that his leader, I think, had two surprises in his political career in Manitoba since 1969.

The first one was when he became the Premier of Manitoba. That was most evident on the television screen. He was very much surprised that he was going to have take the reigns of office to run this province. The second one was on October 11th last, when he suddenly realized that his whole election campaign had come to an end insofar as the Premiership of this province was concerned. That, again, was something that many people made comments about.

Well, Mr. Speaker, this being my first opportunity to rise and speak in the House in this session I should like to, in the usual manner, convey my words of congratulations to you on aspiring to the Throne of which you hold. I also want to say that I, for one, recognize the important task that you have accepted in this Chamber, one that very very often is not easy; one that requires contemporary words and also actions, on your part, to be able to contend with all of us in this Chamber.

I would also like to convey my best wishes to the Deputy Speaker, who is a newcomer to this House, and I know that he is going to fulfill his responsibilities in a very admirable and a responsible way. And having spent some 12 years in this Chamber, Mr. Speaker, I have been very interested to listen to some of my colleagues, who are in this Chamber for the first time. Some of the very, I think, beneficial contributions that they have made to the debate in this House. And I think the kind of debate that they have given is thoughts of being responsible in the things they have to say.

You know, Mr. Speaker, the Member for St. Johns is concerned about the attendance in the House. I think that he could probably point to his own colleagues, when they were government. I think, when they were government, on many occasions I, for one, Mr. Speaker, did not feel it was worthy of the time of the House to be bothered holding up the business of the House for such matters, because I can fully understand the responsibilities that the Treasury bench have. Sure, they could all be sitting on the front bench in their chairs at all times when the deliberations are going on in this Chamber, but they also have the responsibilities in their respective offices. They also have the responsibility to respond to the problems and the complaints that people have in this province. Particularly, Mr. Speaker, and I want to say this, it hasn't been said in this Chamber before, but I want to tell the people of Manitoba that this is the first time in the history of Manitoba that any party has had to take over from a socialistic group such as we've just experienced in the past eight years. That is unique, Mr. Speaker, in the Province of Manitoba.

Well, Mr. Speaker, I think that speaks for itself, when some of our treasury benches are absent. And you know, I've heard so many comments from those opposite in regard to the last election, and talk about the Budget that my colleague, the Minister of Finance, was presented to this House. One, by the way, which I feel that he has done a most admirable job, in view of the circumstances and the situations that we have had to accept from the previous administration.

Well, Mr. Speaker, I know the Member for Winnipeg Centre, I believe it was, was asking some of my colleagues on this side, "What are we going to do?" I should like to probably just go back a few months, and discuss briefly some of the things that happened in the last Session in this House. Some of the legislation that the previous government brought into this Chamber.

One of them, Mr. Speaker, was the Children's Maintenance Act. There was a lot of debate about that particular piece of legislation, and those of us, when we were on that side, we didn't go along with it and for various reasons. I'm not going to get into details and debate on it, but I want to say, Mr. Speaker, that we are going to bring in a revised bill and when you see the bill, we will be able to debate it.

A second measure, Mr. Speaker, that the previous administration brought in to make law, was the Marriage Act, and there's been some controversy about it. You know, Mr. Speaker, I have never received one request about this legislation from any of my constituents. Mr. Speaker, all I'll say is this, that when it was brought before a vote when we were on the opposition side of the House, yes, Mr. Speaker, for a number of reasons, I voted against that legislation, and here again, we hope to bring in a revised bill that I think will be more responsible, and that the people, both men and women, can accept in the Province of Manitoba. To me, Mr. Speaker, this becomes very important.

Mr. Speaker, I am not opposed to legislation that is good. But when I find that there is some iniquities that I just cannot possibly live with, and I speak on behalf of my constituents as well as the

of Manitoba, I vote against it.

Mr. Speaker, a third matter that was brought before this House, and it goes back a few years because the Member for Rupertsland was talking about it and he was talking about the heartless attitude that we on this side of the House are taking towards our senior citizens when it comes to having to charge them for being in a hospital rather than in a personal care Home. I think that's the gist of the comments that he was making, but Mr. Speaker, the third matter is the Mineral Acreage Tax Act and that's that famous piece of legislation that the Honourable Member from St. Johns will go down in history as being the champion of when he was the Minister of Finance. But, you know, surprisingly, he got so much flak from it — I don't know whether it was that reason or other reasons, as why he resigned as Minister of Finance. But he saw fit to say . . . Mr. Speaker, I want to tell the Member for St. Johns that I did not agree with that legislation.

Mr. Speaker, when that legislation was brought in on second reading there was an amendment to the bill and I go by memory, I think my memory is correct and the Member from St. Johns knows probably better than I because he was the one who piloted that bill. There was an amendment I believe that a word was changed from 'corporations' to 'persons'. And I believe the member who was then the Minister of Finance indicated that farmers would be exempt.

MR. CHERNIACK: Farmers occupying their land on the land that they were working on.

MR. EINARSON: Mr. Speaker, that is not the understanding that I had.

MR. CHERNIACK: Oh, you don't understand English.

MR. EINARSON: Mr. Speaker, the Member for St. Johns as a lawyer, is capable of turning this place like his colleague from Inkster, . . . turning this place into a courtroom, and one who is a layman, you know. . . .

MR. CHERNIACK: You don't understand what you are doing then.

MR. EINARSON: I think that most of us do, I think we understand but these two gentlemen are in the habit and have done it so often — tried to cause confusion, tried to. . . .

MR. CHERNIACK: Do you know what happens in the courtroom? Have you experience in the courtroom?

MR. EINARSON: Well, if they're defending a case sometimes they may have to if they're going to defend their client no matter if it's right or wrong.

MR. CHERNIACK: Is that what you believe takes place in a courtroom?

MR. EINARSON: Mr. Speaker, getting on to the Mineral Acreage Tax bill. We had second reading. We had third reading, and as I was given to understand all farmers were exempt but the member now says, only those farmers who were actively farming their land. But, Mr. Speaker, there were many farmers who were senior citizens who still owned their land and were not actually working their land.

MR. CHERNIACK: They were renting it.

MR. EINARSON: They leased it out.

MR. CHERNIACK: They were renting it.

MR. GREEN: So they weren't paying any tax.

MR. EINARSON: Right. But they were assessed on that property.

MR. CHERNIACK: Of course, they weren't farmers.

MR. EINARSON: The point I want to make, Mr. Speaker, is that the Member for Rupertsland was talking about how cruel we are to our senior citizens; those very same senior citizens that he's been talking about this afternoon were treated in the same fashion by the ex-Minister of Finance about four years ago.

MR. CHERNIACK: They're not farmers.

MR. EINARSON: It makes no difference, I'm talking about a principle here, Mr. Speaker. I'm talking about a principle insofar as tax money is concerned, taking from those people which I felt he had no right to because those farmers who were no longer farming had been leasing their land out and are not getting any revenue from that mineral property that they owned. But I could understand, Mr.

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when he was talking about Hudson Bay Company or the Hudson Bay Mining and Smelting, CPR, or an oil company, if they wanted to gamble, speculate on those rights, that's a different matter.

MR. CHERNIACK: Weren't these ex-farmers speculating?

MR. EINARSON: I suggest, Mr. Speaker, those ex-farmers were not speculating.

MR. CHERNIACK: What were they doing?

MR. EINARSON: The fact that they owned the mineral rights to their property is a penalty that the Member for St. Johns was putting on those very people.

MR. CHERNIACK: Why were they holding it?

MR. EINARSON: The member asked me why they were holding it. Why don't those people have a right to hold the mineral rights? If they bought the land 30 years ago, say, and had the mineral rights, if it went as a package deal with the title of the property, why would those people not have a right to . . .

MR. CHERNIACK: Would you permit a question?

MR. EINARSON: Pardon?

MR. CHERNIACK: Would you permit a question?

MR. EINARSON: Okay.

MR. CHERNIACK: Mr. Speaker, I do appreciate the honourable member's courtesy in permitting a question, he usually does. Would he not agree that there were many people who were farmers who retired, sold their land and retained the mineral rights for themselves, were they nothing but speculators by retaining those mineral rights?

MR. EINARSON: Mr. Speaker, there may have been some farmers who sold their land and wished to retain the mineral rights, but an awful lot of them owned the land. . . in a sense the member probably hears a difference of interpretation in his attitude towards that very thought. I would say, Mr. Speaker, they were not speculators, because as I said earlier there was no money involved. They weren't making any money. If supposing, and I use myself as an example, if I had retired from farming at that time and leased my land out and all of a sudden there was an oil well struck on my property, then there would be a different situation. Then I think you'd be entitled for taxes. But when there is no money involved, there is no income accruing to those people who owned those mineral rights. . . The point I want to make is that you honourable gentlemen opposite are talking about what we're doing when we charge \$1.25 to some of the senior citizens; I think you did exactly the same thing and it is even worse with those who own their mineral rights — the senior citizens I am referring to.

Mr. Speaker, another one we talked about that was legislation, time and three-quarters; one and three-quarters overtime. Mr. Speaker, I wonder what was going on in the mind of the Minister of Labour at that time when he thought this was going to be a tremendous boon to the economy of this province when he increased the overtime from one and one-half to one and three-quarters. Really all he was doing, Mr. Speaker, was putting people out of work.⁸ Because you know the fallacy of the Socialists, and this has been with them ever since they took power, that when that minimum wage was increased, it not only increased to the lowest paid earner, it automatically followed all the way up the ladder and this, Mr. Speaker, created an inflationary situation. A number of people, say, in the highest income, probably didn't need that extra one-quarter percent.

Mr. Speaker, I also want to say to honourable gentlemen, they have given the impression to the people of this province that they believe in cooperatives; they believe in the philosophy of cooperatism, and I thought that they were their friends. I thought that if a cooperative movement had some suggestions to make to them in regard to new legislation they were bringing in, they would listen to them. Mr. Speaker, I have an example here I want to bring to the attention of this House on this time and three-quarters legislation. I want to read into the record a letter from the cooperative union in St. Leon. This is a letter to The Honourable Norma Price: "Attached hereto you will please find a Resolution that was passed at our Retail Managers' Conference held June 6th and 7th, 1977. We might also mention that if the present government actually through your department wants to help us, the business organization to be more efficient and productive, you could do so by reinstating the forty-four regular hours per week. We are positive this measure would be welcomed by business establishments and also by most employees. We thought the above information could be of use to you. Yours sincerely."

Another letter to the Honourable Ed Schreyer on June 16, 1977: "Dear Sir: On June 6th and 7th, 1977, our Spring Retail Managers' Conference was held here in Winnipeg. Attending the meeting were 48 general managers of retail cooperatives here in Manitoba. Please find attached a resolution

was passed unanimously by this group. Yours truly, Mr. E.J. Wiebe, Winnipeg Region Manager." A copy was sent to the Honourable Russell Paulley and to the Honourable Mr. Desjardins, Minister of Health.

Mr. Speaker, I would like to read the resolution: "Whereas the proposed legislation regarding overtime as proposed by the Manitoba Government has not been requested by employees," and get that again, "has not been requested by employees and is definitely harmful to business and opportunity in Manitoba. In many instances extra employees are not available in rural areas making overtime essential, and in farm-related businesses compuy overtime is necessary in order to adequately serve its needs. Therefore, be it resolved that this group strongly urge the government to reconsider this negative piece of legislation."

Mr. Speaker, here is a document that was received by the Minister of Labour back in June when they were government and also by the Minister of Health and who professes to be the champions of our little people and I explained that one in the Mineral Acreage Tax Act and of the ordinary people who are members of the co-operative movement and they believe so strongly in it. And here's some evidence, Mr. Speaker, that goes to show you who's being sincere when we're addressing ourselves in this Chamber. I ask you, Mr. Speaker. —(Interjection)—

Mr. Speaker, on the employees where this resolution is attached, I don't think that 48 organizations would submit a resolution to the Minister of Labour if it was not factual. The Member for St. Johns asked me if I really believe that the employees agreed on that resolution that I just read to the record in this House. I think, Mr. Speaker, that they do. I want to suggest to you, Mr. Speaker, it shows how much that the honourable gentleman opposite, when they were government, listened to the people of the Province of Manitoba. That is one good example, Mr. Speaker, why they are over there today and we are over on this side of the House.

Mr. Speaker, another piece of legislation that was brought in by the previous administration was the Land Protection Act. Now, you know, Mr. Speaker, this was an important piece of legislation and I heard from many farmers and their sons and those who were young farmers, about the foreign people investing in farmland in Manitoba but not taking up residence and that was an issue that I thought was important. But, you know, Mr. Speaker, they didn't stop there, they didn't stop there. They included all Manitobans and all Canadians and the ex-Minister of Agriculture in his usual manner as he's done so many times in his department, I think used deception — and the word of my colleague over here was deception and I believe here's an example how he used deception — to incorporate something that he knew we were not in agreement with but in order to get his bill through the House because of the foreign purchase of land non-resident, he forced us, you might say, to vote for a package deal. —(Interjection)— Mr. Speaker, we in committee suggested to the Minister of Agriculture at that time that we did not agree with Manitobans being subjected to this kind of legislation.

MR. CHERNIACK: So you knew. How did he deceive you?

MR. EINARSON: When he first brought the bill in, before the bill was brought in, the way people talked, the message that we were getting from people throughout the Province of Manitoba, and I think that the Minister of Agriculture was getting the same message but he had other ideas for the people of Manitoba.

MR. CHERNIACK: How did he deceive you?

MR. EINARSON: By the fact of the message we were getting, he was getting the same message but he was adding some more to it.

MR. CHERNIACK: Couldn't you read the bill?

MR. EINARSON: Oh yes. Mr. Speaker, I'm talking about before the bill was brought in.

MR. CHERNIACK: Then how did he deceive you?

MR. EINARSON: Well, he didn't deceive me; it's the people of Manitoba.

MR. CHERNIACK: You said he did.

MR. EINARSON: I'm sorry, I should have said the people of Manitoba. . .

MR. CHERNIACK: Oh..

MR. EINARSON: . . . or the farmers of Manitoba, yes.

That was a piece of legislation, Mr. Speaker, and that's why we had to vote for it because one of the things in that bill we agreed with but we hope now, Mr. Speaker, to make some changes in that legislation and when that comes before the House, it will be discussed. Hopefully, we will have a piece of legislation that will be more acceptable to the farm people and to all people in general in this

While I'm on agricultural matters, Mr. Speaker, we were dealing with the Agricultural Estimates the other day and the Member for Ste. Rose was concerned about the problems that farmers were having with an illness in their calves, that is scours that calves were having, and while we didn't get into the discussion of one subject matter, namely a checkoff on our beef program, I think that because the Member for Ste. Rose was so concerned about this matter, I would suggest possibly if that legislation goes into effect, the moneys that are raised could assist the farmers themselves in finding a way of curing that disease. I gave the Honourable Member for Ste. Rose a suggestion and I think maybe I suggested that he could inform his farmers in his constituency, and anywhere else he so chose, that a remedy that I found very successful is to use pig-iron and you inject the cows when they are six-months pregnant with 10 c8cs of pig-iron, followed when the calves are born or very shortly after, you inject them with 5 ccs of pig-iron. I'm sorry, the Member for Ste. Rose says that I suggested 5 cc's. I must say that if I did, I will correct myself and indicate to him that it's 10 cc's.

Well, Mr. Speaker, we have had in recent days, a few people who are concerned about this particular bill and I want to say, Mr. Speaker, that, for the record, there are a few in this province in the farming business that think that the checkoff legislation is compulsory. I should like to inform them that I don't agree with that concept. While you are asked to pay into the program, you can, at the end of the year if you feel that you don't want to contribute to promoting your own industry, your own business, then you have the right to make application for a refund for all the moneys that you have paid into it in that year. Therefore, Mr. Speaker, I don't think it's a compulsory aspect to it. I might add, Mr. Speaker, I'm given to understand that other provinces have it and it is compulsory. I don't believe they get a refund on it. So I don't understand how these few people are coming to us and saying that that legislation is going to be compulsory.

There's another matter that has been discussed in debate here in the field of health. My colleague, the Minister of Health, has been getting a good deal of flak from honourable members opposite and I just wanted to mention it. Going is the hospital at Snow Lake, I believe it is, and I think that hospital rests in the constituency of the Member for Flin Flon. You know, Mr. Speaker, they are now peppering questions to the Minister of Health on this particular subject and it amazes me to no end. They have been in government for eight years and they are now asking us, expecting us to do something, and we've only been in office for five months. You know, Mr. Speaker, where were they for eight years? Where were they for eight years? What were they doing? —(Interjection)— Mr. Speaker, the members are saying it was cut off.

Well, whether it was cut off or whether it wasn't, the point I want to make, Mr. Speaker, is they've been in government for eight years, what were they doing? What were they doing? So I suggest, Mr. Speaker, that the kind of questioning and the criticisms they are giving to us on this side of the House and particularly the Minister of Health and Social Development, I don't believe is founded.

Mr. Speaker, to make a few comments in regard to the Budget I want to just say, talk for a few moments in regard to the recent announcement of the Federal Government and the tax proposal offered to the provinces of Canada. You know, Mr. Speaker, I noted when my Leader, the Premier rose to respond to a question on the other side the Member for Inkster agreed with my Leader insofar as the attitude of the Prime Minister of Canada, and insofar as the infringement of the rights of taxation of the provinces was concerned, but you know, Mr. Speaker, after hearing that announcement it reminded me of when the Federal Government brought in Medicare to this country. I think the principle was pretty well the same insofar — the Member for Inkster shakes his head and says "No it wasn't"

MR. GREEN: No, it wasn't.

MR. EINARSON: Well, Mr. Speaker, as I understand it, with this 3 percent tax that the Federal Government is offering to the provinces, it means in Manitoba somewhere in the neighbourhood of \$66 million — they will turn over about \$44 million to us and we have to account for the other, some \$22 million. I don't know whether the front bench were made aware of this in sufficient time for drawing up our Budget or not. But Mr. Speaker, I want to go on record as saying to the Prime Minister of Canada that that is typical of the Federal Government — what they are doing now insofar as the tax rights of the province are concerned and what they've done in many other things. And I want to say that the principle is the same on Medicare. When it was first introduced they said it was voluntary, and if you didn't go into the program, you left — the Member for Inkster has got a memory better than mine when it comes to remembering figures — but I believe the amount of money at that time was somewhere in the neighbourhood of \$25 million, and if we didn't go into that program we left \$25 million on the table and the Federal Government had the right to use it in Saskatchewan or any other province they so chose.

MR. GREEN: That's right.

MR. EINARSON: Well, I think the same principle applies here too, Mr. Speaker.

MR. GREEN: It depends on whether you agree with the program.

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MR. EINARSON: But this time we have \$22 million that we have to find that we are not aware of as far as I am concerned. I am only speaking personally now. But Mr. Speaker, this is for six months. I want to ask the honourable members opposite, after the six months are up, if the sales tax has to go up to 9 percent would they be prepared to support it? This is only good for six months, Mr. Speaker.

MR. GREEN: It will automatically go back to where it was, 5 percent.

MR. EINARSON: Oh, yes. The Member for Inkster says it will go back to 5 percent.

MR. GREEN: That's right.

MR. EINARSON: Yes. The whole thing is this, Mr. Speaker. We're heading into a federal election and while the political significance of this whole exercise — people are, sure, they're pleased to have a 3 percent reduction in the cost of goods that they have to buy.

MR. GREEN: That's exactly what they're doing.

MR. EINARSON: You don't blame them for that?

MR. GREEN: I blame them.

MR. EINARSON: I don't blame the people for taking that attitude. But I say that I don't think it is politically cricket insofar as the Federal Government is concerned to put us in that kind of a position.

Well, Mr. Speaker, the Member for Rupertsland spoke about the increased fees that university students were going to have to pay. I don't take the same view as the Honourable Member for Rupertsland. I feel that those young people who are going to university, if they've been there for a year and they now want to — they've got two more years to go, say — I believe they're prepared to accept their responsibility, if it means having to go out and work a little harder, to make up \$90.00, to see to it that they can get for another year to university. That's the difference, Mr. Speaker. — (Interjection)— Well, the member says there's no jobs. This saying and I've heard it many times, that if a person wants to work there's a job to be had but you know, it's been going on for so many years that people are saying, "Why work when the government is prepared to look after us?" That's the kind of apathy that has been created in this province, Mr. Speaker, and I can tell you that this is the job that we have, and this is the job that we inherited, or the task that we inherited, and we're going to have to overcome this. And Mr. Speaker, it's not going to be easy, to instill in the minds of our people in this province that it's something to work and to bring back the work ethic and to take pride in what we are doing. This, Mr. Speaker, has been lost because of the socialists we've had in this province for the past eight years. And I think, Mr. Speaker, that our university students are going to prove to the members opposite particularly, as well as the people in Manitoba, that they are going to assist in the restraint program to help overcome the problems they have right now.

MR. GREEN: Mr. Speaker, I wonder if the member would permit a question. I wonder if the member would agree that the only people who should be permitted to go to university are those who work for and therefore pay for their tuition, to restore the work ethic.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. EINARSON: You know, Mr. Speaker, the member is asking a question, I think that the work ethic is something we haven't had. Yes, I think that — you know, I'm not saying, and the way it is right now the taxpayers are paying a portion, and because of our restraint program they have to find \$90.00, and I think that that should be something that we could put that responsibility on them to do that. I don't think there's anything wrong with that. But they're already getting assistance from the taxpayers of the Province of Manitoba.

MR. GREEN: That wasn't my question. I'm talking about the \$90.00, I'm talking about the entire tuition.

MR. EINARSON: Well, Mr. Speaker, he's talking about going back the way it used to be many years ago. Is that his question?

MR. GREEN: Mr. Speaker. I have never known a time when higher education was paid for by the student. And all of the students that I went to school with, a very small portion of them worked. I'm asking you whether you would agree that the only people who should be able to get a higher education are those that work, and if people lived in families where they didn't have to work they should not be able to use their family income to get that education, they should have to go out and work, so that we can restore the work ethic.

MR. EINARSON: Well, Mr. Speaker, I am glad the Member for Inkster added a little bit to his

to me. I am inclined to agree with the Member for Inkster that it would be a big help to restore the work ethic, that's right — but you know, Mr. Speaker, you don't do that overnight.

MR. GREEN: I draw a resolution and let you vote it. I will draw a resolution right now.

MR. EINARSON: You don't do that overnight, Mr. Speaker. As far as the whole program is concerned, you don't do that overnight. You have to do it in stages. As far as I am concerned, Mr. Speaker, I am talking about the problem that we have at the present time. If the Member for Inkster wants to bring in a resolution to say that all those who want to attend university are going to have to pay their tuition 100 percent.

MR. GREEN: Mr. Speaker, all those who get a higher education will have to produce a certificate that they have worked for the money which they are using to pay for that education.

MR. EINARSON: Mr. Speaker, the Member for Inkster doesn't have an agreement because he is now talking about a certificate that they have to have. As far as I am concerned, Mr. Speaker, the member can have his own views on that and I am now talking about the problem that we are faced with at the present time. —(Interjection)— yes, Mr. Speaker, I am talking about the work ethic and this is one example that we can restore the work ethic by saying to them, "You have to just go out and work for maybe 20 hours during the summer months, maybe 20 hours extra on what you are doing and you can make up that \$90.00."

Well, Mr. Speaker, I think that I have covered a number of points here, in this Budget debate, answering some of the questions that have been thrown from the other side of the House, and I look forward to the challenge for the next four years of trying to up-grade and create an incentive that I have just been talking about with the people of the province of Manitoba and to restore their faith that it is a privilege to be Manitobans. Thank you.

MR. SPEAKER: The Honourable Member for Ste. Rose.

MR. ADAM: Thank you very much, Mr. Speaker. I am very pleased to enter into this debate on the Budget speech. I believe the last speaker, the Member for Rock Lake was mentioning about the work ethic and I think what my colleague, the Member for Inkster, was trying to point out was that while the member is asking that students find another \$90 to pay for their tuition fees I think the Member for Inkster was saying, well, what about the person who has the \$90.00? I think that is the point he was trying to make. The people who have rich parents and have all kinds of ninety dollars, do they go out and work, or do they just turn around: "Dad, give me \$90" that's the point the Member for Inkster was trying to make and I don't think that the Member for Rock Lake understood that point he was trying to make.

MR. SPEAKER: Order please. Now that the member has a chance to proceed, let him proceed. The Honourable Member for Ste. Rose.

MR. ADAM: Thank you very much, Mr. Speaker, I am glad that we can perhaps hold the interruptions down somewhat from the opposite side so we can continue.

I wanted to speak about the work ethic because that very subject was raised by the Member for Minnedosa and his theme was that yes, we have to get back into the work ethic and everything is going to be fine, we have to knuckle down and start to work — that is how we are going to get out of this problem. But what he doesn't mention is that under a capitalistic system, under the profit motive, you try to get others to work and profit from someone else's labour. That is the whole idea behind the profit motive in the capitalistic system. It is not new. It is not new, Mr. Speaker, the capitalistic system has been with us I suppose since the dawn of history. Probably socialism was there before but you can go back, way back. I presume in the cave man days when everybody had to go out and grub for food, that was probably the way it was in the very early days. That was socialism. Everybody had to go out and grub for food.

But capitalism came in later on. One day when they were probably living in caves, one day it was very very hot, very warm and everybody got ready to go out and grub for food. One big guy said: "It is too hot today, I don't think I will bother going out," and he tells the other fellows, "Bring back my share, it is too hot to go out today, bring back my share." So at night when they came home they had his share, that was the capitalist system, that is when it started. Mr. Speaker, the next day it was nice and warm. It was a nice day to go out, wasn't too hot, it was just nice, but this big fellow thought it was a pretty good idea, he didn't go out yesterday, and he had just as much to eat as the other fellows. Since he happened to be a little bigger, a little huskier, he said, "Well, fellows, I think you fellows will bring back my share again tonight." That is the capitalistic system.

So when you start talking about the work ethic, the very basic principle of the free enterprise system and profit motive is to profit by the work of others, and that means do the least possible and have someone else do more. That is the philosophy of the capitalistic system, and I think the Member for Minnedosa made it very clear — he spoke about the farmers and I think he was correct — "Farmers don't punch a clock, they don't work eight hours and go home. They work long hours." That's just

I'm saying about the caveman. The farmer works long hours, his wife works for nothing, his children work for nothing, that's all slave labour. It's free. It's all thrown into the pot, it's all thrown into the production. It's all thrown into the pie, as a gratis, only one salary for the farmer. But he has his wife working, milking cows or behind the baler or on the baler, his children helping after school, all thrown in for free. That's the work ethic, while the other fellow punches a clock, 8 hours, 7 1/2 hours; Victoria Hospital now wants to cut it to 7 or whatever. That is the capitalistic system. So when you talk about the work ethic, don't talk about the capitalistic system. Because it doesn't work. It just doesn't wash.

Mr. Speaker, I believe that my name has been mentioned more often in the first few weeks that we have been in this Session by members opposite than I believe has been mentioned in the last eight years. I don't know why, Mr. Speaker, I think there can only be one or two reasons. Either I'm getting under their skin, or my remarks are touching a nerve. Some of my remarks are touching to the quick. I want honourable members to know that I've only spoken on the Throne Speech, and I know that maybe my comments may have hurt the feelings of some people. Maybe my comments are distasteful to some, maybe even to myself, for having to have to say them.

Mr. Speaker, I have received more compliments on my comments on the Throne Speech than I have on anything I have said in the last eight years. My statements were vindicated and substantiated by none other than a member from the Conservative caucus. I referred to this government as a dictatorial government, a dictatorship, a one-man show, and we have none less than a member from the Conservative caucus, I believe two, who have said the very same thing. I believe my comments were not that far out, and from the compliments that I have received out in the rural areas, not only in the rural areas but in the city; and in listening to some of the open-line shows, particularly this morning, I happened to be listening and there were two or three calls making the same statements that I had made and statements made by the members of the Conservative caucus.

I make no apologies for my comments. If a member feels that something should be said, even if he thinks it might be distasteful to some or even to himself to have to say it, I think he would be irresponsible to remain silent if he feels that those statements should be made. It's the duty of the MLAs to try and bring to the attention of this Assembly and try and forewarn the people what is taking place in his view.

MR. ENNS: You're all wet, Peter, and you know it.

MR. ADAM: I had a feeling, Mr. Speaker that there was the mood . . .

A MEMBER: You're hitting a nerve over there.

MR. ADAM: . . . that mood was starting to be prevalent throughout the constituencies, and I wanted to get some reaction. I got some reaction, I'll tell you, and mostly favourable. Yes, I got two complaints.

Mr. Speaker, we've listened to the Conservative-Liberal combo about our economic affairs. I say the Conservative-Liberal combo because I'm referring to the Federal Government. We have been governed in the last 110 years by about 65 years of Liberal Government and about 45 years of Conservative Government. To me that's a combo. That's a real good combo. It's a Liberal-Conservative combo, and all we have heard in this last 110 years is, you know, "everything's going to be fine, everything's going to be okay. Just take it easy, tighten your belt, restraint, prosperity is just around the corner". This is what we have to do. That is what we have been listening to for 110 years. My parents, my grandparents, your grandparents have listened to that same story for 110 years, the same story that we're listening to today from this government, the same old story.

Let's create a climate that would create prosperity. Let's create a climate in this province that would create jobs. That is what we have to do. Well, I say to you, Sir, that we did have such a climate, a climate that this government would like to see prevail in this province, where there would be very minimal government interference, no services, low taxes — we had such a period after World War I. It was beautiful. It was a free enterprise paradise. There were no roads, there were no schools, no education; there was no Medi-care, there were no pensions, no senior pensions; there was no electricity, there were no telephones; there were no waterworks in the towns, everybody had an outhouse; there were no services; there was no taxes. It was a free paradise for free enterprise. They had a wide open field. That's what you want to try to bring back. You would like to have that kind of an environment.

Well, what happened after the First World War with the free enterprise system? It walked right in to the biggest depression that we had ever known. And we would have never got out of it, we would still be saddled with that depression if it hadn't been for World War II. Because of the massive millions and billions of dollars that went into a war effort and the manufacturing, all the — well, C. D. Howe was responsible for getting rid of the depression, because he built all those beautiful plants in eastern central Canada with public money to build up armed forces to win the war effort, and that created employment. It created employment and all the spin-offs and then we had so much public involvement in development of hydro and telephones, schools; it wasn't private that developed all that, it was the public that did it.

But I say that the private sector has to put its house in order. I firmly believe that. As a rural member, I have a lot of small businesses in my community, and those are the free enterprisers. Those

the ones that we appreciate, those small businesses form a very important fundamental part in the rural areas. We need those people. They work hard, they get no handouts from the government, they get very little assistance in any way, shape or form, but it's the big fellows, it's the national and multi-national corporations that have to put their house in order. Because the small businessman does not have to fear a New Democratic government, he has to fear the big multi-nationals that will put him out of business. They'll only allow him to continue as long as they don't want to move in. We've seen that all over Canada, we've seen it all over Manitoba, we've seen it in Winnipeg, we've seen it in the rural areas, in the larger rural towns. In Winnipeg it's certainly more prevalent because we used to have a little store on every corner. Well, they've all vanished. We have those great multi-national corporations now that are spread from coast to coast. The cost of advertising is just getting to a point of being obscene, the amount of advertising that has to be done.

I was most upset the day before yesterday in looking at the press — opening up the Free Press and the Tribune, the ads were just horrible, in my opinion. There was one chain store that had a four page ad, I believe, but only about half a dozen or so articles advertised. The print is getting bolder and bolder and bolder, larger, as if we're stupid or something. Can't you see, look, you guys are not stupid; we're going to sell you a chuck roast for \$1.68 a pound — and they've got the letters three or four inches across.

If you look further down in the paper, you'll find a small entrepreneur with about 25 articles on his little ad, and you can get chuck roast for \$1.38, not \$1.68. That is waste. That is waste, Mr. Speaker. That is adding to the cost of production.

A MEMBER: But you got the meat for \$1.38.

MR. ADAM: That is adding to the cost to the consumer. I don't know how much they charge for this ad.

A MEMBER: Well don't buy.

MR. ADAM: It's got to go into the cost of the food; it's got to go into the cost. I wonder what's going to happen. There's something new that's happened recently. A large chain decided that they were going to have no-brand products and it was an instant success. Instant success.

Now they say, well, that's good, coffee, milk. I wonder what Kraft is going to do when they have to put just "cheese" and I wonder what the press is going to do when they don't have all these ads to put in their paper.

Mr. Speaker, you know, we are going to have to pay a dollar or two for a copy of the Free Press when they don't have all these ads in there and we will just be reading real hard-nosed news and that is what we like to read. But I say to you that that is adding to the cost of our consumer goods. To some extent our society has created a lot of freeloaders, a lot of parasites along the way.

So I welcome this new trend that will bring down the cost of consumer goods. I brought to the attention of the members here the other day something that nobody wants to talk about. I don't know whether it is taboo or whether it is too hot of a potato but at least the chartered accountants talked about it and that is — well, I tabled an article that I took out of the Chartered Accountants magazine. I thought it was very relevant. It had to do with corporate fraud and according to this article, they claim that of the companies they had investigated, they had found \$100 million in corporate fraud and that this was costing the consumer 15 cents on the dollar. That is quite a statement — 15 cents on a dollar — on corporate fraud, on the higher executives in big industry. This was prevalent throughout the system. Well, you take 15 cents off your consumer price for corporate fraud, take another 10 or 15 cents on the dollar for too much advertising, too much over-expanded industry, take your 85-cent dollar which is heading for 75 cents — we should be very competitive if we can put all those things together. But private industry has got to put their house in order; they have got to clean their own mess. We don't have to clean it, they should do it. I have tabled an article there. If anybody wants to read it, it is there, it's available.

You know, listening to Conservatives over the last few months, what a terrible mismanagement that was taking place by the previous administration, how they were going to cut out the fat and the waste, well, I think what happened, Mr. Speaker, is that they boxed themselves in. When they got elected, they had given the impression to the people of this province that there was going to be a big slash in the budget. And when they got elected, they found out, well, where are we going to find all this fat?

MR. ENNS: We found some of it though, Peter, didn't we, eh?

MR. ADAM: Where are we going to get all this fat? You know, even one of the pundits there, one of the writers, right after the election predicted that the most that could be pared off the budget would be \$20 million. Well, she was being very generous because you were only able to get half way with all your cutbacks, with all the things that you have cut back, all the programs that you have cut back. So even the press corps knew long before we saw this budget that you would not be able to accomplish that. That was, by the way, Alice Krueger who made that statement.

MR. ENNS: I always had trouble getting along with her, Peter. That Frances Krueger is a woman that I always said ought to be watched.

MR. ADAM: Mr. Speaker, there are some analysts who claim that retail business is going to look up, it is going to improve. But the only reason why it is going to improve is because there is going to be a slowdown in expansion because they already have too much plants and the only way that this analyst claims that things are going to be improved for the retail sector is because they are not going to expand any further. They are going to hold the line and they are going to try to keep what they have and not spend any more money on plants and stores and whatever, shopping facilities.

One article that I picked up was interesting, by Don McGillivray, and he claims here that "business slice of income pie rising, that business is getting a bigger slice of the national income pie these days. Labour's helping has ceased to grow, however, and the share of farmer's have sunk drastically. Labour income has been growing at about 15 percent a year in 1975 and 1976 but dropped to a gross rate of less than 10 percent last year. Corporate profits by contrast fell in 1975 and failed to grow in 1976 but last year they increased by 11.4, a higher rate of growth than that of labour income for the first time since 1974. So labour's share of the economic pie, the net national income, was 74.2 last year, a slight drop from 74.3 recorded in 1976. But the share taken by corporation's profit has grown to 13.8 from 13 percent in 1976 but it still has a good way to go to reach the 16.9 percent level of 1974, the largest business share in a quarter century.

"Those screams of pain coming from Canada's rural regions have a real cause. Net farm income last year was the lowest it has been as a proportion of the total economy in history. Farm income, after deducting costs of farm operation was only 1.7 of the net national income last year. The last time it was anywhere near that small a proportion was in 1970 when it was 1.9. Rapid increases in farm prices outpacing inflation and the rise in farm costs raised the farmers' share of the national income to 3.4 in 1974. In that year, net farm income was 3.8 billion, a historic high. But while inflation in farm costs continue to rise, net farm income dropped to 3.7 billion in 1975 to \$3 billion in 1976, and \$2.7 billion last year."

So, Mr. Speaker, the farmers are faced with a very very difficult situation. They are faced with these rising costs and while the gross has grown, it has not kept pace with their costs of inputs. You know, I find it, to listen to members on the government side, to claim that the province is going bankrupt, we are going broke because one million people now have a deficit — at that time it was \$130 million on capital — one million people are going broke. They owe \$129 million — which was only \$80 million, by the way, as we found out later. You know, it just happens that there are about one million farm people in Canada today. There are about one million farm people. Mr. Speaker, I don't know how these fellows call themselves farmers who want to run the government. They are afraid of \$129 million that is only \$80 million in Conservative arithmetic. What is the debt of the farmers; what is their deficit? What do these million people have to carry? Is it a million, is it two million? Does anybody know? Do you know what the debt is? I bet you don't know.

Listen to this. The one million farmers who are on the farms today, and we have one million people approximately in Manitoba who have a deficit of \$80 million — the farm debt is not \$100 million or \$200 million or \$500 million or \$1 billion or \$2 billion or \$3 billion or \$4 billion or \$5 billion or \$6 billion — do you know?

MR. ENNS: Come on now, what is it?

MR. ADAM: There is one figure here that says that the farm debt outstanding, up to \$8.5 billion in 1976, from \$4.3 billion in 1970. What would you call those people? You are saying that this government is broke, that the people of Manitoba are broke, they are bankrupt. The Minister responsible for the Manitoba Housing made that statement. What a deficit, Mr. Speaker, \$8.5 million. What do you call that? Are they broke? They are looking ahead. They are doing their best. They are having a heck of a time; they are fighting it. But we are broke. One million here with \$80 million deficit.

MR. SPEAKER: Order please. The honourable member has five minutes.

MR. ADAM: Mr. Speaker, another interesting statistic that comes from Statistics Canada — and by the way, I would advise some of you fellows to get your statistics because some of the farmers who were in the building here two or three weeks ago lobbying all the members on your side and our side say that they were not only lobbying us, they were lobbying you, I hope, probably more than they were lobbying us because we don't have any power. You know, I heard some comments in speaking to some of them after. They said, you know, we were just amazed at the lack of knowledge of some of the members, even the farm members, from the government side. We are amazed at some of the lack of knowledge on many important points. So I suggest that you get up on your facts.

But here is another interesting statistic, Mr. Speaker. The average income for farms across Canada today is \$10,018.00. That is the average income. But here is the crunch, here is the clincher, Mr. Speaker: Of that income, that \$10,000 income, nearly 60 percent is from non-farm income; of all the tax filers, according to Statistics Canada, all the farm tax filers that were sent in show 60 percent income from off farm. And I say to you that this is a very very dangerous situation we have now in Canada of what we call "part-time" farmers. That's all we have.

Friday April 14, 1978

Well, I'm glad the Minister is back. He is not out in the Cabinet. The Minister of Agriculture is back.

You know, there was a comment made a while ago; I think my colleague from St. Johns was complaining that there was no Cabinet Ministers here. They were all gone except the Minister of Labour. You know, I suppose they were out somewhere plotting some evil plot to see who was going to be next on the sacrificial block of this province, or were they across the road? Did they get a call to go over?

Well, Mr. Speaker, I am alarmed at what this government is doing. The Minister of Agriculture, I believe, has just walked in, and he is going to give us something very very good. He is going to give us a beef check-off that I challenge him to have a referendum on. I see where in Alberta last year, the budget for 1977-78, the check-off is \$132,000, that is going to the Canadian Cattleman's Association. Saskatchewan is somewhat less; they don't collect as much.

This is just going to add another \$200,000 burden to the producers of livestock and it is also going to probably end up in increased costs to the consumer.

Mr. Speaker, I see my time has run out so I thank you for listening to me.

MR. SPEAKER: The Honourable Minister of Mines.

MR. RANSOM: Mr. Speaker, I understand that there is agreement to adjourn at 4:30, and I wonder if we could also agree that it is 4:30, in which case I would move, seconded by the Honourable Member for Rhineland that debate be adjourned.

MR. SPEAKER: The Honourable House Leader.

MR. JORGENSEN: Mr. Speaker, I move, seconded by the Honourable Minister of Highways, that the House do now adjourn.

MOTION presented and carried and the House adjourned until 2:30 Monday afternoon.