



Second Session — Thirty-First Legislature
of the
Legislative Assembly of Manitoba

**DEBATES
and
PROCEEDINGS**

26 Elizabeth II

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Speaker*



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THE LEGISLATIVE ASSEMBLY OF MANITOBA

Wednesday, March 29, 1978

Time: 10:00 a.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Hon. Harry E. Graham (Birtle-Russell): Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees.

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MR. SPEAKER: The Honourable Minister responsible for Manitoba Housing.

HON. J. FRANK JOHNSTON (Sturgeon Creek): Mr. Speaker, I would like to table the Annual Report 1976-77 of the Manitoba Housing and Renewal Corporation.

MR. SPEAKER: The Honourable Minister of Labour.

HON. NORMA L. PRICE (Assiniboia): Mr. Speaker, I would like to table the report ending December 31st, 1977 for the Department of Labour, the Annual Report ending December 31st, 1977 for the Manitoba Labour Management Review Committee, and ending December 31st, 1977 for the Pension Commission of Manitoba.

MR. SPEAKER: Notices of Motion.

INTRODUCTION OF BILLS

HON. GERALD W.J. MERCIER, Attorney-General (Osborne) introduced Bill No. 2, An Act to amend The Distress Act; and Bill No. 3, An Act to amend the Provincial Judges Act.

ORAL QUESTIONS

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. EDWARD SCHREYER (Rossmere): Mr. Speaker, to the First Minister or to the House Leader. On the assumption that the Main Estimates of Supply will be tabled about 12:00 or 12:30, can it be indicated as to precisely when the government will move to take up consideration of Interim Supply and Supplementary Supply?

MR. SPEAKER: The Honourable Government House Leader.

HON. WARNER H. JORGENSON (Morris): Mr. Speaker, it is our intention to proceed with Interim Supply as soon as the Debate is concluded on the Address in Reply to the Speech from the Throne. It will probably be Thursday morning. —(Interjection)— I beg your pardon, Thursday afternoon.

MR. SPEAKER: The Honourable Member for Burrows.

MR. BEN HANUSCHAK: Mr. Speaker, I wish to direct my question to the Honourable Minister of Education, or at the present time, I believe until the 1st of April, still the Minister of Continuing Education and Manpower. To remove all uncertainty as to the future of Brandon University as expressed by its president, would the Minister announce the closing date of Brandon University?

Mr. Speaker, to the same Minister. Yesterday evening he may recall that his leader spoke of two categories of citizens in our province, taxpayers and students. Would the Honourable Minister be good enough to indicate to the students of Manitoba what provincial taxes they are exempt from paying by virtue of their being students? They would be pleased to know because they consider themselves to be double-taxed, paying the 87 percent plus the user fee.

MR. SPEAKER: The Honourable Member for Inkster.

MR. SIDNEY GREEN: Mr. Speaker, I would like to direct a question to the Minister responsible for Urban Affairs, I believe it's the Attorney-General. Mr. Speaker, in view of the fact that an increase in transit fares of 10 cents per ride will cost the average user, the person who normally uses public transit, about \$60.00 a year, in order to save him \$10.00 to \$15.00 a year on his real property tax bill

MR. SPEAKER: Order please. May I ask the member, without any preface, to direct his question.

MR. GREEN: Mr. Speaker, you may ask me to but if you rule me out of order, I will challenge your ruling. I can put a preface to the question. If you wish me to challenge your ruling, I will do so. I will ask the question as they have been normally asked in the House of Commons and in this House as long as I have been here. In view of the fact that the transit rider will be spending \$60.00 a year in order to save \$10.00 a year on his real property tax bill, would the Minister do something to see to it that the City of Winnipeg does not increase transit fares.

MR. SPEAKER: The Honourable Minister of Urban Affairs.

MR. MERCIER: Mr. Speaker, the operation of the transit in the City of Winnipeg is the responsibility of the City of Winnipeg Council.

MR. GREEN: Mr. Speaker, in view of the fact that s the people of this province, through this Legislative Assembly, heavily subsidize public transit, would the Minister prevent the City of Winnipeg from taxing its citizens \$60.00 a year in order to save them \$10.00 a year?

MR. MERCIER: Mr. Speaker, if the Member for Inkster wishes to pursue that matter he'll have to run for City Council.

MR. GREEN: Mr. Speaker, in view of the fact that while I was on Metro Council I was unable to do it, but when we got to the Legislature we were able to do it, would the Minister not agree that the appropriate place for keeping transit rates stable is in this Legislature where it was done before?

MR. MERCIER: Mr. Speaker, I know that it is the philosophy of the Member for Inkster to attempt to control everything in this province, but we are going to give the City of Winnipeg the responsibility and autonomy that they have not had in past years.

MR. SPEAKER: The Honourable Member for Seven Oaks.

MR. SAUL A. MILLER: Mr. Speaker, on the same subject to the Minister of Urban Affairs, is the province going to sit idly by and force the City Council to increase the fares which it doesn't want to increase but has no choice in view of the provincial grants being kept as low as they have this year?

MR. SPEAKER: The Honourable Minister of Urban Affairs.

MR. MERCIER: Mr. Speaker, the city is not being forced to increase transit fares.

MR. MILLER: Mr. Speaker, again to the Minister of Urban Affairs, if the city is free to do as it will, would the Minister of Urban Affairs consider increasing the grants to the City of Winnipeg so that it might do what it wants to do, which is to maintain the present urban transit fares?

MR. MERCIER: Mr. Speaker, that question should be more appropriately directed to the Minister of Highways from whose budget this appropriation comes.

MR. MILLER: Mr. Speaker, in view of the fact that the two members seem to want to play with and sort of yo-yo it around between them, I'll direct it to the First Minister, since he of course is Chairman of the Executive Council. Can the First Minister get the two Ministers together, please, and make a decision in order to make it possible for the City of Winnipeg to do what it feels responsible to do and would like to do, and that is to retain the transit fares so the people of Winnipeg can benefit, and not to simply put off on the City of Winnipeg costs which the province should be saddled with rather than the rate-payers of the City of Winnipeg or the transit users of the City of Winnipeg? Will the First Minister please undertake that?

MR. SPEAKER: The Honourable First Minister.

HON. STERLING R. LYON (Premier)(Charleswood): Mr. Speaker, we're talking this morning of yo-yos and a number of other esoteric items, and so on. I can assure my honourable friend, the Member for Seven Oaks, that the topic on which he is expounding this morning is one that has and will continue to receive consideration by the Executive Council; but also to support completely what the Minister of Urban Affairs was saying. The attitude of this government is that the City of Winnipeg should run its own affairs and that we, as the province of Manitoba, within the fiscal ability of the people of Manitoba so to do, will provide grants in accordance with that fiscal ability.

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, I would like to ask a supplementary question to the First Minister. In using the definition "running its own affairs," does that mean, Mr. Speaker, that the province will stop giving road grants, construction grants, to the City of Winnipeg, in order to permit it to run its own affairs?

MR. LYON: No, Mr. Speaker, not at all. That was a program that my honourable friends carried out that they inherited from a previous Conservative administration and which is being carried out, I think, extremely generously this year, by this government, having regard to the extreme financial stringencies in which the people of Manitoba find themselves because of the mismanagement of my honourable friends opposite.

MR. GREEN: Mr. Speaker, I am pleased to know that granting money for roads is not an infringement on municipal government. Would the Minister apply the same philosophy in increasing the subsidy to transit users as he does to automobile drivers when he is granting the city of money for roads so that they can better manage their own affairs without being inhibited by the province?

MR. SPEAKER: The Honourable Member for Elmwood.

MR. DOERN: Mr. Speaker, I want to direct a question to the First Minister concerning the large number of university students and university officials who have expressed concern about the level of education funding and the impending fee increases for students. Would the First Minister be prepared to reconsider the size of the grants to the universities in Manitoba?

MR. SPEAKER: The Honourable First Minister.

MR. LYON: Mr. Speaker, the estimates of expenditure for the fiscal year 1978-79, will be laid before all honourable members later on this morning. Some time next month, the budget of the province of Manitoba will be brought down by the Minister of Finance, and I think when those two documents are in front of all members of the House, and indeed the people of Manitoba, they will realize the situation of the province of Manitoba and the question that my honourable friend has put will be self-answering.

MR. DOERN: Then I would like to ask the First Minister, since there seems to be virtually no encouragement in terms of freezing or holding the present tuition fee level, whether he has any words of encouragement for students in terms of summer jobs or permanent job opportunities in the province of Manitoba?

MR. LYON: Mr. Speaker, that question was dealt with yesterday.

MR. SPEAKER: The Honourable Member for St. George.

MR. BILLIE URUSKI: Thank you, Mr. Speaker. I would like to direct a question to the Minister of Highways. There were reports in the press last fall that the provincial government was undertaking studies to examine the possibility of turning over the first party coverage of automobile insurance to competition to the private sector, and leaving the third party or personal injury coverage with the public sector. Could the Minister indicate whether such studies have been undertaken and whether they are complete?

MR. SPEAKER: The Honourable Minister of Highways.

HON. HARRY ENNS **Mr. Speaker, through you to the Honourable Member for St. G(Lakeside):** / eorge. If and when any policy changes will be undertaken with respect to the government insurance corporation, MPIC, they will be duly announced in this Chamber.

MR. SPEAKER: The Honourable Member for St. George.

MR. URUSKI: Thank you, Mr. Speaker. I know the Minister doesn't want to answer. Could he indicate to this House in light of his statements that he made to the press in the last couple of days with respect to the premium rates charged for young drivers and older drivers, whether his statement to the media that it would be politically not palatable to reduce or to increase the premiums for young drivers, if in fact the statement with respect to the other provinces that the insurance companies are charging the young drivers high premiums they're also charging the older drivers higher premiums than in Manitoba?

MR. SPEAKER: The Honourable Minister of Highways.

MR. ENNS: Mr. Speaker, I make it a point of never reading my own press clippings. I'm at a disadvantage as to what the honourable member is referring, and until such time that I have an opportunity of having somebody bring them to my attention I may be in a position to answer his question.

MR. URUSKI: Mr. Speaker, will the Minister of Highways in another area of insurance remove the

staff restrictions on the general insurance division of MPIC so that they could provide ample competition to the private sector in providing insurance coverage for Manitobans?

MR. SPEAKER: The Honourable Member for The Pas.

MR. RONALD McBRYDE: Mr. Speaker, I have a question for the Minister of Public Works. I believe the Minister of Public Works has received correspondence from the mayor of the Town of The Pas, and I wonder if he and his colleagues will be meeting with representatives from the Town of The Pas to consider the serious problems caused by the delay in construction of the new jail at The Pas.

MR. SPEAKER: The Honourable Minister of Public Works.

MR. ENNS: Mr. Speaker, I'm sure we will.

MR. McBRYDE: Mr. Speaker, I'd further ask the Minister if he intends to exercise some control over his colleagues in his own department by communicating with the Town of The Pas in regard to this jail site rather than allowing the Minister of Health or the Member for Swan River to make public announcements on his behalf?

MR. SPEAKER: The Honourable Member for Selkirk.

MR. HOWARD PAWLEY: To the Minister responsible for the Manitoba Housing and Renewal Corporation, could the Minister advise the House as to the intentions of his department pertaining to the Woodlands housing development in West Selkirk.

MR. SPEAKER: The Honourable Minister in charge of Manitoba Housing.

MR. JOHNSTON: Mr. Speaker, I must apologize. I was reading something else here. I wonder if the honourable member would restate the question.

MR. PAWLEY: I wonder if the Minister could announce as to the direction that he is intending to take pertaining to the Woodlands housing development proposal in West Selkirk.

MR. JOHNSTON: Mr. Speaker, the member is speaking of the Leaf Rapids Corporation development in West Selkirk, I believe. Mr. Speaker, it's still being considered as to what will be the final outcome or the final decision as to what will be done with the West Selkirk development. As a matter of fact I was just reading the Clayton report about it. It doesn't look too bright.

MR. SPEAKER: The Honourable Member for Burrows.

MR. HANUSCHAK: Mr. Speaker, I wish to direct my question to the same member. Looking at the report of the MHRC for the year ended March 31, 1977, would he take a second look at the first page. I believe there's an error there. I have no recollection of Mr. Fil Fileccia having been Chairman of the Board during the year for which this report is tabled.

MR. SPEAKER: The Honourable Minister.

MR. JOHNSTON: Mr. Speaker, the Chairman of the Board, which is the present Chairman of the Board and he's the only Chairman of the Board we have at the present time when this report was approved to be signed. Now if you can tell me another way to do it, I'd be glad to, but we don't have any other Chairman.

MR. HANUSCHAK: Mr. Speaker, I would appreciate it if the honourable member would take this matter under advisement. I believe that the letter of transmittal is quite correct, it was submitted after this government took office, but I would like him to reconsider whether the listing of the Board members is totally correct as it appears here in view of the fact that reports for a certain specific period of time. Would he take that under advisement?

MR. JOHNSTON: I'd be very happy to take it under advisement, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Burrows with a final supplementary.

MR. HANUSCHAK: Yes, Mr. Speaker. I would like to direct my question to the Honourable Minister of Tourism, Recreation and Cultural Affairs with specific reference to the March 23rd ad published by him titled "Whiteshell Review." I underline that specifically, with reference to that and not to any general reviews that he may be conducting. Is the area described as legal subdivisions 3, 4, 5, 6 of section 3, township 13, range 16 east, of the principal meridian in Manitoba and the right of way from Provincial Road 309 extending thereto contained within the area of Whiteshell Park designated for so-called public review?

MR. SPEAKER: The Honourable Minister of Tourism.

HON. ROBERT (Bob) BANMAN (La Verendrye): Yes, Mr. Speaker, I answered that question yesterday. The whole Whiteshell Park is under review including Falcon Lake and West Hawk and the whole area.

MR. SPEAKER: The Honourable Member for Rupertsland.

MR. HARVEY BOSTROM: Mr. Speaker, following a question I asked the other day to the Minister of Tourism, I would like to ask him again if he has undertaken as part of his review of the Whiteshell Lake development agreement investigation, whether he has requested the Attorney-General's Department to check out the legal and financial obligations of the government to the developer who signed an agreement with the government as per the Minister's instructions.

MR. BANMAN: Mr. Speaker, the answer is the same as it was the other day.

MR. SPEAKER: The Honourable Member for Rupertsland with a supplementary.

MR. BOSTROM: Mr. Speaker, I understand from his answer the other day that he had not asked the Attorney-General's Department. My question is then, when will he be asking the Attorney-General's Department to check on this very important matter?

MR. BANMAN: Mr. Speaker, we're reviewing the whole matter and as soon as I have a report back I will report back to the Legislature.

MR. BOSTROM: Well, Mr. Speaker, if he has not yet asked the Attorney-General's Department to undertake this kind of investigation of that development agreement, how can he be properly carrying out the review that he has promised this House?

MR. SPEAKER: The Honourable Member for The Pas.

MR. RON McBRYDE: Well, Mr. Speaker, I wonder if I could just ask the Minister of Tourism and Recreation then: Could he indicate to the House when his investigation and reflection report on the Jarmoc affair will be tabled in the House, when he would be able to present that to the House?

MR. BANMAN: Mr. Speaker, as soon as the report is done.

MR. SPEAKER: The Honourable Member for The Pas with a supplementary.

MR. McBRYDE: Mr. Speaker, maybe he could indicate when his deputy will be back from Disneyland so we could have that report tabled in the House. I wonder if the Minister could now indicate how many times he has met with Mr. Jarmoc, on what dates, and under what circumstances.

MR. BANMAN: Mr. Speaker, as I mentioned, we are reviewing the whole matter. I've mentioned before that I have met on, I believe, two occasions with Mr. Jarmoc and that's what I've stated.

MR. McBRYDE: Mr. Speaker, now that we are getting a little bit of information from the Minister, I wonder if he could indicate to us — who are the financial backers of the Whiteshell condominium development plan?

MR. BANMAN: Mr. Speaker, I'm looking at the whole matter.

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, on a related question to the Minister of Tourism and Recreation. He indicated just a few moments ago that the entire Whiteshell Park is under review which would include Falcon Lake, Dorothy Lake, Nutimik, etc., White Lake, Brereton. Will the cottage owners, whom it has been reported by some senior member of his department are not to be listened to because they have a vested interest — which includes myself, and I hereby state it, Mr. Speaker — will the vested interest cottage owners have anything to say about how the lake which they went to on the basis of a very good planned development by the Conservative administration years ago, be ignored because they are alleged to have vested interest in the maintenance of the well-planned Whiteshell Park cottage development?

MR. BANMAN: Mr. Speaker, with regard to the whole review of the Whiteshell, the Manitoba Naturalist Society has been asked for input and the Whiteshell Association which represents a large number of cottage owners in the Whiteshell has been asked for representation also.

MR. GREEN: So then I take it from the Minister, and I'm very pleased to take it from the Minister, that we cottage owners will not be ignored because we have vested interests in the area.

MR. BANMAN: Well, Mr. Speaker, I think he's not the only gentleman in this Legislature that if we want to call it being a cottage owner has a vested interest. I think there's a number here.

MR. GREEN: Mr. Speaker, then I would ask the member whether he has not read the remarks of a senior official in his department who has stated that the cottage owners have vested interests and therefore their views are somehow not germane.

MR. BANMAN: Mr. Speaker, all I can say is that I have instructed department officials and I understand they have contacted the different groups that would be interested in having an input into the Whiteshell review, they have been asked for their particular comments and proposals and we would be studying those when we are reviewing the whole situation.

MR. SPEAKER: The Honourable Member for Transcona.

MR. WILSON PARASIUK: Mr. Speaker, my question is to the Minister of Tourism. Has the policy of past New Democratic Party and Conservative governments regarding the disposal of cottage lots in provincial parks been changed? That is, disposing of these lots through a lottery system so that everyone has an equal chance of getting a cottage lot.

MR. SPEAKER: The Honourable Minister of Tourism.

MR. BANMAN: Mr. Speaker, as the member would note, that when we sold the cottages up at Blacks Point or Grindstone Point, there was a fixed price put on those cottages. It didn't go to a tender or a bid system, there was a fixed price put on and people were asked if they were interested in it, to put in a name and we had a draw system, the same way it's worked for a long time.

MR. PARASIUK: A supplementary, Mr. Speaker. Is that the same policy that will be applied for the disposal of any cottages, lots, or condominiums through a private development completely in a provincial park? Is that the same policy that will be applied?

MR. BANMAN: Mr. Speaker, that's part of the whole policy review and when we have the Whiteshell review done and policies along this line have been formulated, we will be reporting back to the Legislature.

MR. PARASIUK: A final supplementary, Mr. Speaker. Was any indication regarding disposal of condominiums given to Mr. Jarmoc when you had negotiations with him regarding this private development in a provincial park?

MR. SPEAKER: The Honourable Member for Elmwood.

MR. DOERN: Mr. Speaker, last December I directed a question to the Minister of Industry and Commerce asking him whether there had been any improvement in the financial picture of Morden Fine Foods and he said at that time that he would check it with the board of directors. Could he now provide the answer?

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

MR. BANMAN: Mr. Speaker, I think I also mentioned during that mini-session that I would be handling the Crown corporations in the same manner that the previous Minister had, and namely I will not be reporting on the day-to-day operations. I will be tabling the Manitoba Development Corporation Annual Report very shortly; and the reports as far as the different Crown Corporations that we have an equity position in will be tabled during the Economic Development meetings.

MR. RUSSELL DOERN: Mr. Speaker, can we assume that in line with the government's policy of selling unprofitable and profitable government industries, can we assume that since Morden is not showing a profit that it will be disposed of?

MR. BANMAN: Mr. Speaker, as we have mentioned before, we are looking for buyers for these companies and if there is a particular interest group or a group that wishes to take over this cannery facility and pay the province for some of the assets on that company, we will look at it, definitely.

MR. DOERN: Mr. Speaker, in line with good private enterprise policies and so on, is the Minister attempting to undertake policies to increase the share of the market of Morden so that it can be sold at a high price rather than at a low price?

MR. BANMAN: Mr. Speaker, we're again getting into the operations of that particular company. We will deal with that during the Economic Development meetings and be discussing that, I'm sure, in quite detail at that time.

MR. SPEAKER: The Honourable Member for St. George.

MR. BILLIE URUSKI: Thank you, Mr. Speaker. I'd like to direct a question to the Minister of Tourism. In light of his answer yesterday that there were a number of projects under consideration, similar in development in provincial parks, could the Minister assure this House that no other agreement such as the one that he authorized to be signed in the Jarmoc case exists in those other four or five projects?

MR. SPEAKER: The Honourable Minister of Tourism.

MR. BANMAN: Yes, Mr. Speaker, I can give the member that assurance.

MR. URUSKI: Mr. Speaker, can the Minister indicate what areas those types of developments are being contemplated?

MR. BANMAN: Mr. Speaker, I think we'll review that during the Estimates. And let me just say that a lot of the people that are interested in that type of development are scattered throughout Manitoba.

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, a question to the Minister to whom the Manitoba Development Corporation reports with regard to the subject of Morden Fine Foods. Is it Conservative policy that if the corporation is not making a profit, you cannot find a buyer, that you will close Morden Fine Foods because you don't want the government in business which is not profitable and you don't want the government in business which is profitable?

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

MR. BANMAN: Mr. Speaker, that question is hypothetical. I, like the member across the way, who was formerly reporting for the Manitoba Development Corporation, would like to see that company prosper.

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

MR. D. JAMES WALDING: Mr. Speaker, my question is to the Honourable Minister of Public Works. It refers to the recent tender for the insurance of government buildings in which MPIC was an unsuccessful bidder. Would the Honourable Minister be prepared to release details of the other unsuccessful bidders?

MR. SPEAKER: The Honourable Minister of Public Works.

MR. ENNS: Mr. Speaker, the question should be more appropriately directed to the Minister of Finance, but the Minister of Finance I believe has released some of that information.

MR. SPEAKER: . The Honourable Member for St. Vital with a supplementary.

MR. WALDING: I will redirect the question then, Mr. Speaker, to the Minister of Finance. Could he give me the answer to the question?

MR. SPEAKER: The Honourable Minister of Finance.

HON. DONALD W. CRAIK (Riel): Mr. Speaker, I'll take the question as notice. I believe that most of the detail was released, but I'll read the member's question in Hansard and take it as notice.

MR. SPEAKER: The Honourable Minister of Health.

HON. L.R. (Bud) SHERMAN (Fort Garry): Mr. Speaker, on Thursday last I, in effect, took as notice a question from the Honourable, the Leader of the Opposition with respect to one Dr. Huerto and the petition that was being developed by approximately 2,500 supporters of that individual, and the Honourable the Leader of the Opposition asked me at that time whether my office had declined to accept the said petition. I don't wish to encroach on the question time of the opposition, Sir, but I'd like to respond to that question now, if I may.

The answer to the question, Sir, is that my office advised the petitioners and it was done by telephone, that a more appropriate place to send the petition was to the College of Physicians and Surgeons, but that I would like a copy of the petition.

It was also suggested to the ad hoc committee representing the petitioners that the petition should be presented to His Honour the Lieutenant-Governor when that committee met with the Lieutenant-Governor.

Now the copy of the petition has not come as yet to my office and as I understand it, when the ad hoc committee met with His Honour, they did not present a petition to him. That's where the matter stands at this juncture.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SCHREYER: Mr. Speaker, I don't wish to pursue this at length, but I would like to pose to the Minister of Health this question, quite apart from the propriety of whether the petition ought to have been directed to the office of His Honour, the Lieutenant-Governor. My question is as follows: Did the Minister of Health or someone speaking on his behalf advise the ad hoc committee of citizens that if in the event there was a significant number in the order of 2,000 or more, that the petition would then be accepted by the Minister's office? This is the allegation that is being made and I ask the Minister to clarify that.

MR. SHERMAN: Mr. Speaker, I'm attempting to clarify it. It's difficult to do because the response of my office at my direction to the ad hoc committee representing the petitioners was as I suggested that the more appropriate place to direct the petition was the College of Physicians and Surgeons which has the authority in cases of this kind, but that I would be pleased to accept a copy of the petition. No such copy has appeared as yet and to my knowledge no such petition has been presented anywhere, but I would give the honourable gentlemen the undertaking that I am prepared to accept either a copy or the original petition, if there is one.

I am not, as I've stated earlier, necessarily prepared to act on the directions in that petition, but I will consider them.

MR. SPEAKER: The Honourable Minister responsible for Manitoba Housing.

MR. JOHNSTON: Mr. Speaker, I'd like to rise on a point of privilege, if I may, to correct something. I think the error in the paper was probably due to myself because there were two gentlemen that I was speaking to in the hall and they both reported the same thing. So I might have misled them and/or they might have got it wrong, I don't know. I don't know who's to blame, but I'd like to correct it.

Mr. Speaker, in the Free Press yesterday it said, "At Russell the Minister said only four tenants have moved into 10-unit home for the elderly." It was not a home for the elderly. It was a unit built for low income families, family housing.

MR. SPEAKER: The Honourable Member for Rupertsland.

MR. BOSTROM: Mr. Speaker, I direct my question to the First Minister, seeing that the Minister for Renewable Resources is not here. The question is with respect to the Manitoba Registered Trappers' Association and their application for funding to DREE for purposes of purchasing the Dominion-Soudack Fur Auction. Apparently the DREE Committee requires from the province at least an agreement or indication of support, in principle, to this organization before they will give their approval to their request for funding. My question is, will the Manitoba government give their support, in principle, to this application, to DREE, on behalf of the Manitoba Registered Trappers Association in order that they may collectively own and operate their own auction facility for fur in this province?

MR. SPEAKER: The Honourable First Minister.

MR. LYON: Mr. Speaker, I would be happy to take that question as notice for the appropriate Minister.

MR. SPEAKER: The Honourable Member for Lac du Bonnet.

MR. SAMUEL USKIW: Mr. Speaker, I would like to ask the Minister responsible for the Environment whether he can give us an up-to-date report on the water pollution problems at East Selkirk?

MR. SPEAKER: The Honourable Minister responsible for the Environment.

HON. BRIAN RANSOM (Souris-Killarney): Well, Mr. Speaker, I can tell the honourable member that the last report I had, which was perhaps two weeks ago, was that I believe there was contamination in only one of the wells tested at that time, that the monitoring of the various dyes that were used to try and trace the source of pollution is going on, and with the breakup period now, it is expected that the flow of underground water will commence again and that they should, hopefully, have some positive results from that testing.

MR. USKIW: Would the Minister indicate whether or not those dyes were used in the school sewage lagoon?

MR. RANSOM: Mr. Speaker, it's my understanding that there was a dye placed in the sewage lagoon. There was some difficulty in getting the proper dye, it is my understanding that there was, but

I will undertake to get an update on that and report on it.

MR. USKIW: I wonder, Mr. Speaker, whether the Minister would indicate whether or not Right Angle Farms have undertaken any changes in their particular program and facility in order to assure us that there will be no pollution from that source.

MR. RANSOM: I do not believe that any additional precautions have been undertaken by that particular farm; there is also no indication that pollution in question results from operations of that farm.

MR. SPEAKER: I want to advise the member for Lac du Bonnet that he has already had three questions.

MR. USKIW: Mr. Speaker, on that point, Sir, I asked two separate questions, one having to do with the water pollution problems, the other one having to do with the operations of the . . .

MR. SPEAKER: Order, please. With the consent of all members of the House, he can go ahead.

MR. USKIW: Mr. Speaker, it is a separate question. The Minister, last fall, indicated that Right Angle Farms are going to undertake some changes in their operations in order to assure the public that they would not be a source of pollution. I asked the Minister again whether they have carried that out, or whether it was found that it is not necessary.

MR. SPEAKER: The Honourable Member for St. George.

MR. URUSKI: Thank you, Mr. Speaker. I would like to direct a question to the Minister of Environment. Could he indicate, or possibly check out, whether a hearing will be held by the Clean Environment Commission in the Fisher Branch area, dealing with the underground pollution by leaking gasoline tanks in that community earlier in 1977, whether a hearing will be carried out in that community?

MR. SPEAKER: The Honourable Minister of Mines.

MR. RANSOM: I'll take that question as notice, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Seven Oaks.

MR. MILLER: Mr. Speaker, to the Minister responsible for Housing. Could he inform the House when the 100-odd acres that are ready for development in the Inkster area of North Winnipeg and which should be made available, I think, to the citizens at about four to six thousand dollars less per building lot, when they will go on the market for the benefit of the people living in the area?

MR. SPEAKER: The Honourable Minister responsible for Housing.

MR. JOHNSTON: Mr. Speaker, the honourable member is correct. Those lots should be going on the market soon because it's getting to the time of year when they are most marketable. There's a plan for putting those on the market very soon and we should have, as I believe I said in the House a couple of weeks ago, we should have the process in the way they will be going on the market very shortly. The member is assuming that they are that much lower. I'm afraid I'm not going to make that assumption; we will see when they go on the market.

MR. MILLER: Mr. Speaker, whether it's four thousand dollars less per building lot or six thousand, I'll defer to waiting to hear the final figure. But will that saving be made available to the potential home buyer?

MR. JOHNSTON: Mr. Speaker, we will certainly pass along every saving we can to the home buyer.

MR. SPEAKER: The Honourable Member for Lac du Bonnet.

MR. USKIW: Yes, Mr. Speaker. I wonder if the Minister of Mines would tell the House whether or not he has factual evidence that would indicate that Right Angle Farms is not the source of pollution in the Village of East Selkirk.

MR. SPEAKER: The Honourable Minister of Mines.

MR. RANSOM: Factual evidence that a particular operation is not the source is rather a difficult type of evidence to produce, Mr. Speaker. In the absence of any positive evidence of the source of the pollution, then I have to say that there is in fact no evidence that Right Angle Farms is in any way responsible for that pollution.

SPEAKER'S RULING

MR. SPEAKER: Before the Orders of the Day, the other day I took under advisement a point of privilege that was raised by the Leader of the Opposition. Having carefully perused the Hansard of Monday afternoon, I have found that, in my opinion, there was no point of privilege raised by the Leader of the Opposition.

THRONE SPEECH DEBATE

MR. SPEAKER: Orders of the Day. On the proposed motion of the Honourable Member for Crescentwood. The Honourable Member for St. Johns.

MR. SAUL CHERNIACK: Thank you, Mr. Speaker. I would like to join other speakers who have already spoken in wishing you well in the Chair, and wishing well the Deputy Speaker and the Deputy Chairman of Committees. I hope we will be able to work together. I must say that sitting in the chair formerly occupied by the Minister of Public Works makes it difficult for me to restrain myself, because there seems to be an aura about this chair that almost demands that I participate in the debate, whether I'm standing or sitting.

However, Mr. Speaker, I want to reflect for a moment, or a few moments, on the speech we heard last night from the Honourable First Minister; indeed, a grand and eloquent speech in his usual style — pretty good. Incidentally, Mr. Speaker, I listened carefully to all he had to say and one of the things that struck me was his comment about salmon swimming up-river to lay eggs, and it reminded me of — again, I picked up a report recently wherein the Premier is quoted as speaking about negotiations with the Manitoba Medical Association. This annual discussion, which is almost like the mating dance of the sharp-tailed grouse, with the reference to the laying of eggs and other references for which he has become notorious, would indicate a preoccupation with the reproduction of the species, which seems to be almost Freudian or in some way worthy of note and observance for the future. Mr. Speaker, I would say it was a pretty good speech, except for the personal insults thrown by him across the Chamber, attacks on individuals which are consistent with his style, but certainly not consistent with what his backbench would certainly expect of a leader and a premier of a province. But accepting him for what he is and the way he behaves, I would say it was all right.

I should mention that when he rejected the reference to Hoover and to R.B. Bennett, suggesting that I was living in those days, I must tell him that I was living in those days and I do remember those days and I did live through the depression that followed those days and since he was probably not born at the time, I have to tell him that I note a remarkable resemblance between his attitude and policies and those which I recall were those of President Hoover of the United States and R.B. Bennett, the prime minister of Canada of his day.

Mr. Speaker, it is sometimes good not to speak immediately as soon as one would like to speak, and the pause between last night and this morning has at least succeeded in persuading me not to react to his personal attacks and to his comments about me and others in this House. I would like to say, however, that he has several times made mention of the fact that I don't think much of the provincial auditor; I want to correct that statement, although not only would he not listen if he were here, but not being here he will not, I am sure, make anything of the fact that I reject absolutely what he said. He bases all this on one occasion when I questioned the provincial auditor rather sharply about what I thought was a change in position which he took in regard to the use of outside auditors, rather than of the provincial auditor to do audits of Crown corporations, etc. I do not back away from the fact that a person should be accountable for proposals that he makes.

Mr. Speaker, I think that the speech of the Honourable First Minister and the attitude of the government is important, and reveals a great deal of danger. I say that because I believe that the Progressive Conservative Party and its leader do indeed want acute protracted restraint. Although he tried to wiggle out of that phrase, and couldn't, yet I believe they want it and they want it for a very good reason because, Mr. Speaker, there is something in the philosophy of the First Minister and members of his party that the people of Manitoba have not yet fully comprehended.

I quote now, and I happen to have picked up a news comment, but there are many quotes one can find, where they state — and I am reading now from this report from the Tribune, whose date I don't even have — suggesting that a common thread running through task force reports is that the cost of government should be shifted wherever possible from income tax to user fees. And the statement is that those who benefit from the government service should be expected to pay the full cost of providing the services. Mr. Speaker, I recalled to you a few minutes ago the debate about transit and the Urban Minister's rejection of any concern about the cost to the transit user. I do not know how many members on the opposite side use transit rather than their own vehicles. But I don't suggest that so many members on this side would use transit, but I will say that the members on this side have a much more keen awareness of the cost of transit to those who have no choice but to use it. And for the Urban Minister to shrug it off, Mr. Speaker, is typical of the attitude that the government is going to continue to have in relation to user fees.

Mr. Speaker, to quote again that the premier has often said in his speeches that he believes government should be mainly concerned with providing roads, which is again consistent with ignoring transit problems; providing law enforcement, which again is consistent with what we know they are doing about legal aid for example, or human rights; providing water control — note the word "control"; for providing health services, and let us not forget the relation to user fees in that regard; providing education and let's not forget what the Minister said last night about the cost of education being borne more greatly by students thereof, and other basic services. It goes on to say other government activities should be minimized — and that's fair game because that is what they believe and that is what he believes. The article says "Mr. Lyon has said he opposes universal government programs which were available on an equal basis to everyone regardless of ability to pay. Mr. Lyon has said" — I continue the quote — "government should not be in business, the review team has turned around and suggested that the government advertising division which now places all government ads be cut back."

Mr. Speaker, I depart from the context just to recall to you that because of the government ad agency being established within government, there has been substantial savings in the advertising programs of government, and I continue the quote — "and that janitorial services in government buildings be contracted out to private business instead of being done by government employees."

Mr. Speaker, I should tell the Minister of Public Works, if he has not yet been approached, that I had been approached on more than one occasion when I was Minister of Finance, to turn over to private enterprisers, the operation — the caretaking of public buildings. It is obvious why. No Civil Service pay, no Civil Service standards, no fringe benefits that the Civil Service has but rather an attitude to caretakers, an attitude of non-union help, and I suppose the Minister of Labour would endorse that, and an opportunity to take advantage of the people who are least organized in providing such services. Indeed, I should tell the Minister of Public Works that I have been approached to sell to private enterprise buildings already owned by government so that private enterprise would then finance the buildings, operate them at a rental on a long term lease for government. That is a direction in which it will not surprise me to note government will be interested.

Mr. Speaker, the reason I say that they are looking for acute protracted restraints is because I believe that they don't dare to openly cut out the programs which they opposed when they were on this side and which are contrary to their philosophy. That they don't dare do because during the election campaign, and as long ago, as a year when the premier, then Leader of the Opposition said, "We will not touch Medicare premiums, we will not touch Autopac," that they misled the people of Manitoba into thinking that they would keep on all the programs which we had introduced of a social nature but they would just clean house.

Mr. Speaker, they had no intention of doing it then; they have no intention of doing it now. And it is obvious why. Because they are opposed to the programs and therefore they want to cut them out. They want user fees, they want need to be proven, and that was an expression used last night by the premier. As a matter of fact I'm glad the Minister of Finance is here so that he can confirm to us that he said that that party in government would cut out the Property Tax Credit plan, and he's here to deny that he said it if he wishes so to do. But he's not doing it because he's honourable enough to agree that he said that. I think he said not in the first year. I think he said that. This is on his time, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, on a point of privilege, this isn't the first occasion unfortunately when the Member for St. Johns has made this comment. What he's referring to were comments that I made in 1974 or 1975 during the debate of Property Taxes and the rebates thereof, and also in relation to the debate on the Foundation Program.

It does not imply, and I want at some point to table the literature that his party dishonestly distributed during the election in that connection too that also tied in the rebate for cost of living Tax Credit on municipal property and made it appear what it wasn't. But I want to raise this point of privilege because, like many of their other statements, they want to take it out of context, and I'm going to table a document that deliberately took the comments of the Member for Sr. Johns, clipped them out, pasted them back together again to give an absolute and complete distortion of what was said on that topic.

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

MR. CHERNIACK: Mr. Speaker, since that was not a point of privilege in my opinion I trust you will make sure that I am not charged with the time for the speech made by the Honourable the Minister of Finance. Mr. Speaker, it's in Hansard. He stated in relation to the Foundation Program, it's true, that they would not continue the Property Tax Credit plan. That's what he said. And he said maybe not in one year — it may take us more than one year to change over the structuring of financing of government in relation to education, but he said it will happen.

MR. CRAIK: Here again a oint of privilege. The member says that you will find it in Hansard. I ask him to find in Hansard where I said that the rebate would be removed. I expressed a difference of opinion with regard to the rebate. He will not find in Hansard to my knowledge and can not defend from Hansard the statement which he has made that it would be removed over any fixed period of

time.

MR. SPEAKER: If the Member for St. Johns has the proof of that I would have to ask the other gentleman to withdraw his point of privilege.

MR. CHERNIACK: Mr. Speaker, in the first place, I'll find it. In the second place, it not being a point of privilege he doesn't have to withdraw it. He just has to be ruled out of order and the time charged to him, not to me.

Mr. Speaker, there is not the slightest doubt that the Progressive Conservative Party in opposition were opposed to the Property Tax Credit plan. There isn't the slightest doubt that they were opposed to Medicare premiums. They voted against that measure when we brought it in. And it is a matter of record that there's a newspaper clipping wherein the Honourable the House Leader has spoken in opposition to the principle of the elimination of Medicare premiums, and it so happens that I saw these references within the last few days. I'm sure I can find them.

Mr. Speaker, I go on to say that the Cost of Living Tax Credit Plan is not an acceptable plan for the Progressive Conservative Party. I would say that they don't believe in elderly persons' housing in spite of their protestations. I would say they would like to cut down and out low rental housing, and I would say that they wish to eliminate the support to the co-ops. I would say that they have no intention of maintaining low tuition fees at the universities; they do not wish to keep transit fees at a low level; they do not intend to continue the extension programs to the under privileged, especially in the north; they do not care to work towards a Work-place Safety Act, and how many more can we think of — Human Rights, Legal Aid — there's all sorts of programs of a New Democratic nature which they reject but they don't dare say that they will eliminate it, rather they call upon the need for acute protracted restraint.

And that's why, Mr. Speaker, they are deliberately distorting facts. They are using the world situation, the general unemployment situation, the general problem of inflation, to give them an excuse to eliminate programs which they were not in support of and which are contrary to their philosophy of user fees, of government being out of things other than providing roads and health services and the list I gave. That is their effort and they have found that excuse. And to do that they're relying on the fact that we've had a downturn in the economy recently which has created problems for all countries of the world except, I suppose, the oil countries.

So he is as the Leader talking about the mess, talking about the horrible situation — Mr. Speaker, there's no doubt that any government of this magnitude has made some mistakes, but to push it in that way is a direct effort to mislead the people of Manitoba in order to accomplish their purpose. So they say the government has lost financial control. They now talk about a combined deficit, something which must make Duff Roblin, senator elect, or senator-appointed Duff Roblin, really disgusted with their efforts now to combine in their discussions the public debts in relation to self-supporting and dead weight. The debates that I heard and that we can read and are on record, where Duff Roblin made the strong point that self-supporting debts should not be considered a burden on the people, the taxpayers, and this Conservative Party throws it out — and why — only because they are building up this massive concern in order to cut the programs that they don't like.

When they talk about the deficit — we have had a record of continuous virtually balanced budgets on the current basis, something that the Conservatives could not claim, and which makes it necessary for them to combine capital and current in order for them to be able to continue to distort the picture. They now come to their projected deficit of 129 million for current, which no doubt they will contrive to do, and Mr. Speaker, they have not yet honestly stated what the basis of that is. They have not yet honestly stated in a public way, and in an honest way, that much of this deficit is a reduction in revenues of moneys collected by the Federal Government and is a reduction in revenues that the Province of Manitoba has had because of the downturn in the economy and the unemployment picture. They know that it's true, the figures are there, and the Honourable Minister of Finance admits it by saying, "Why, they're in the book."

But you know where they are not, Mr. Speaker, they are not in the mouths of the First Minister or other people who prefer to talk about myths and financial problems. They are rather hidden in a book and kept secret by those who know best, how to talk about it. And they're doing all that to scare the people of Manitoba and, indeed, Mr. Speaker, to their shame, they're doing that to fool their own backbenchers into thinking indeed that they are telling the truth.

And this is the problem because during the time they described the last horrible eight years, the eight years of mismanagement, the eight years of mess, Mr. Speaker, we have raised the level of the economic and the social and the health levels of the people of Manitoba beyond that which we inherited. The legacy we got from the Conservative government was one that did not care for the man in Manitoba, the child in Manitoba, the mother of the child in Manitoba, but had an attitude which kept Manitoba at an economic level which was close to, but yet somewhat below, the average of Canada. And we raised that, Mr. Speaker, in almost every respect. We raised the gross provincial product and we raised the employment picture in Manitoba and we raised the average annual income of the people of Manitoba above the average of others. But, of course, in those days, the Conservatives used to say, "Don't compare us with other provinces; Manitoba should stand alone." But now we are finding that they still do not want to compare us to other provinces in terms of civil service and in terms of the employment record.

Yesterday, I couldn't help but note with some amusement the way they used to say, and especially I think it was the Minister responsible for Housing used to say, "Don't tell us about Ontario; don't talk about another province," — a Conservative province albeit — and there was the First Minister talking

about Allan Blakeney — “and Allan Blakeney says . . . and Allan Blakeney does . . .” — and how quickly one forgets the protestations of the honourable members when we used to compare ourselves with Ontario. Now he's using Allan Blakeney as his guideline and he uses Jimmy Carter as the person who is the one that he relies on to justify his reactionary policies.

And to do worse, Mr. Speaker, in describing all these horrible things in order to accomplish the objective of reduction of services by government, he has created a task force and they have created a number of sub-task forces. But, Mr. Speaker, do you think we'll see the reports from those sub-task forces? No, we won't. Do you think, Mr. Speaker, that we will be able to discuss with the people who have done the actual investigation and reporting what they saw, what they learned? No, Mr. Speaker, we will not. We will be given an edited composite report prepared by the Honourable, the Minister from River Heights and by Con Riley or, as has been said behind me, by persons unknown. And that is the way they will operate. They will then come to us and they will throw at us the names of all the people, how many there are, a large number of people, who were involved in all this review and survey and they will, using their names, bring in a Conservative Party task force report to justify their decisions to reduce services that the people of Manitoba have wanted and have demanded. You will get government reports for that.

Mr. Speaker, I was reflecting about how I felt was a summation of the kind of attitudes of the Conservative Party and its leader and the word “demagogue” kept coming back to me as being an apt description, so I took the trouble of looking it up to make sure I didn't misuse it, and I find that the definition of a demagogue is a leader who makes use of popular prejudices and false claims and promises to gain power. Mr. Speaker, having confirmed what I thought was the definition of demagogue, I now have to say that the demagoguery that one sees coming out of the Conservative government is a matter of great note. Mr. Speaker, in keeping their promises to their financial supporters, they are reducing progressive taxes, they are increasing regressive taxes, they are doing everything consistent with the attitude of the wealth . . .

Mr. Speaker, I must tell you, I don't know that either our leader or I have ever reported, in general, or in public, on a meeting that we had which to me was a fascinating meeting within, I don't know, two weeks after the election in 1969, when we were invited to have lunch with, I think five or six people whom I did not know but whom I recognized to be the financial establishment of Winnipeg and indeed, to some extent, of Canadian economic affairs. And I remember vividly how they were probing and trying to find out what sort of animals we were that suddenly were given the responsibility in government, and the one thing I remember — this is not important but significant — is that they said, “Well, we know unfortunately you didn't expect to be elected so you promised to remove Medicare premiums and now you're trapped; you have to remove Medicare premiums. We know you have to so how can we tell you not to? But,” they said, “you have to replace it with other revenue. Please remember that the place to get it is in sales tax. Don't touch income tax, don't touch income tax, take it out of sales tax. People don't really feel when they pay additional sales tax and people don't really notice how much it costs them but if you take it out of income tax, why, people notice how much it costs.” And to think that eight years later, one of the first things that the Conservative government did was what — reduced income taxes. And what was the description given to the impact of that? I think two packages of radishes to the low-income earner . . . a package of radishes a week and a \$5.00 roast to the wealthy.

Mr. Speaker, it is so consistent that the Conservatives would recognize that it was income tax that hurt their supporters but the sales tax could go readily. And I suppose one could say gasoline tax too, because one of the regressive taxes that the Honourable the Minister of Public Works has already announced — and I'm not yet clear about — is the increase in gasoline taxation that has been imposed, or will be imposed, by the Conservative government by taking two cents that were allocated, by law, to the automobile insurance premium payers and taking it away from them and charging it to the credit of the general revenues of the province. Regressive taxation — consistent; progressive taxation, succession duties, gift tax — eliminated; corporation income tax — reduced.

And, Mr. Speaker, coming back to the definition, a leader who makes use of popular prejudices and false claims and promises to gain power. Reflect on what has become the general attitude of the Civil Service by the public. Mr. Speaker, there is a general prejudice that has been nurtured by many, and certainly in the last five months, that the Civil Service is fat, that the Civil Service does not work, that the Civil Service is indolent, and that they must be cleaned up and cleaned out. The very first thing the Premier did, and yesterday it almost sounded like he spoke with pride of the fact that before he was Premier, before he was appointed, he already called three men in, summoned three men into his office in order to fire them in some sort of explosion of joy on his part.

Mr. Speaker, I'm sorry the Minister of Finance is out but I am blessed with people on this side of the House who rose to my assistance so quickly, that on Page 3260 of Hansard of May 3rd, 1976, the report is that Mr. Craik is quoted — the Member for Riel at the time, the present Minister of Finance — says in relation to the property tax credit plan: “They are preoccupied whether we will wash it out or not. Let me tell you right now, it would be our prime objective to get rid of this sort of an inefficient program.” And, Mr. Speaker — I'm sure I've taken material from another member who wanted to use it but I'm glad that he gave it to me — a report by Jenny Morton in the Tribune on May 4, 1976, headline: “Craik Says Conservatives Would End Tax Rebates — A Conservative government would end the NDP's tax rebate program and plough the money into the Foundation Program to properly finance education, Opposition Leader Don Craik said Monday.”

Mr. Speaker, that is consistent because they would want — I think they would want — to take all that money that is now directed definitely on the ability-to-pay principle to assist those of low income and spread it across the general real property tax base so that industry, so that the people in River Heights — and I only use that in terms of the wealthy homes of River Heights, there are many that are not wealthy — people in various areas of the city who are wealthy and live well, will therefore be given a substantial reduction in real property tax by taking it away from the poor. And, of course, the commercial people would then be relieved of that burden as well.

Mr. Speaker, I've been carried away by some of the things I wanted to say so I will talk quickly because you've indicated I only have a few moments left.

The regressive features of what they are doing is to cancel programs. It's not to cut staff in itself. And the individuals who are hurt are hurt badly and seriously but, Mr. Speaker, they are really the instruments by which government has been able to provide services and with their removal, the services will be reduced and are being reduced. So, they are creating unemployment, they are creating larger welfare rolls which, incidentally, they would say, if they had the guts to admit it, are really passing a burden onto the people of Canada as well as Manitobans by creating welfare and unemployment. They are increasing the gasoline tax by two cents, they are reducing revenue to municipalities and school boards, they are increasing the real property mill rate, they are reducing programs designed to assist the untrained and the underprivileged to become self-sufficient and they have created tremendous fear within the Civil Service.

Mr. Speaker, I can't help but refer, since the Minister of Public Works is the only man remaining in the front bench, to call to mind that in spite of the fact that he has been accused on occasion of not telling the whole truth, or of distorting truth on occasion, that he is candid enough to admit when things like that do happen. I quote now from a Winnipeg Free Press issue of April 27th, 1977, where he is responding to the fact that some of us on this side — then on that side — talked about distortions, about income taxes which the Conservatives claimed were the highest in Canada, where he said, and I quote now, "He admitted the Conservatives could be accused of not telling the whole truth because they neglected to say that when all taxes are considered, Manitoba's taxes aren't the highest. Suggestions that the Conservatives don't have a smidgen of human kindness were unfair, Enns said, because as early as 1960, some Manitobans had received Medicare and Pharmacare benefits."

MR. GREEN: Because they had a smidgen.

MR. CHERNIACK: Mr. Speaker, exactly what I was going to say. If I am accused of having said that the Conservatives don't have a smidgen of human kindness, I back away from that, Mr. Speaker. It is true. They have a smidgen and only a smidgen of human kindness. That's why, Mr. Speaker, when the Honourable the Minister of Public Works does become candid on occasion and does make admissions, that I am rather surprised that he, of all people, would deliberately use that document which he produced a couple of days ago, and called the NDP Manifesto — because he was in this House long enough to know that that document was the first draft prepared by some person who to me is unknown, and certainly not Marc Eliesen, to whom he had tried to attribute it of a proposal which that person had in mind should be part of the government's Guidelines to the Seventies. It was found' how I don't even venture to guess, and blown up and the Minister of Public Works should know full well — and I believe he does know — that that was no way a policy statement nor even a working statement issued by the NDP Party or Government of Manitoba. He knows that. He knows that it was a draft document that was found lying in the corridors maybe or a waste paper basket; but because the Conservative Party has . . . —(Interjection)—

Mr. Speaker, the fact that there are certain elements in that document that were later carried out, is only an indication that it was a working paper. But, Mr. Speaker, that paper was not a paper and yet we find rejection of the TED report by members opposite, imagine that.

A MEMBER: Or even David Young's report.

MR. CHERNIACK: Now, I want to deal with David Young's report. I really want to but, Mr. Speaker, I don't think I'll have time. But let me tell you that David Young's report has yet to be dealt with even more fully in this House; because although there seems to be a denial by him and members opposite that David Young is an adviser to the Conservative Government, he indeed is an adviser because one has to read the report to see how cynical the attitude of the government is because they're following it out.

Do you know what he says? He says, "One of the first things you do when you get into government, fire some important people, some key people of the staff, do it quickly." He didn't say, "Do it before you are actually appointed." He didn't say, "Call them in Saturday afternoon and fire them out of hand," but he said, "Fire them." The next thing he said, "Reduce taxes right away." So they did, to their people.

Another thing he says is, "Even if you have programmed to expand in a department, cut the staff first and then hire them later." That's what the Minister for Northern Affairs said the other day, "I'm through cutting; I'm now starting to hire." Mr. Speaker, I do want to develop this but I know I won't have time on this occasion.

Mr. Speaker, the false claims, the false promises which I suggested are that of the role of a demagogue are being continued. When there was a statement made they would reduce the Civil Service by attrition, they found it wasn't cut-throat enough for them so they had to cut it another way. So what do they suddenly discover? That although they've told the people of Fort Rouge that they

have no intention of firing anybody, they are now doing it on a wholesale scale and blaming it on what? On the fact that there is unemployment; on the fact that there is a reduction in revenues; on the fact that there are other matters which they will have to attribute to the NDP in order to justify their ruthless attack on the actual principles and the actual programs enunciated and proclaimed by our government and to do it in that backward way because of their great desire to revert to the reactionary days that the First Minister cherishes so much. \$82-03 Mr. Speaker, there is much more that I want to say. I'm sure I will have further opportunity to do so. I thank you for your attention and I welcome the opportunity to hear the Minister of Finance continue the kinds of talks that have been going on from that side for the last few weeks.

MR. SPEAKER: The Honourable Member for Swan River.

MR. DOUG GOURLAY: Thank you, Mr. Speaker. I'd like to congratulate you on your continuance in office; and as I mentioned in my first opportunity to speak in the mini-Session, I'm very pleased to be able to represent the Swan Valley constituency in this House, so ably filled before me by a former Speaker, Mr. Bilton, and previous to that a man by the name of George Renouf who sat in this seat for over 30 years and represented the people very well of the constituency. I know that I am still able to benefit from his role that he played during those some 30 years in representing the people of the Swan River Valley.

I'd also like to take this opportunity in congratulating the Deputy Speaker. I think it has been a wise choice and I know that the Member for Radisson will call the shots well in this House, equal to that which he did on the gridiron.

I'd also like to recognize the contribution made in this Session by the Mover and Seconder, the Mover, NLA for Crescentwood and the Member for Portage la Prairie.

As I mentioned, I had the opportunity to speak in the Session before Christmas and I covered, in some detail, the information of my constituency; but I think one important point that I'd like to reemphasize is the fact that the Swan Valley area is probably the most isolated and yet significant economic area of the Province of Manitoba. I think it's important that all the members in this House are aware of this fact. It is a well recognized and long established farming community as well as a good tourist attraction area, and of course it's important for its lumbering industry.

I was particularly pleased to listen to the reading of the Throne Speech. I think that in view of our rather desperate economic situation, not only in Manitoba but in the world generally, that the Throne Speech dealt with the problems at hand very adequately.

I know that there are plans there to enhance the tourism, to improve our road systems, and to also make us more competitive tax-wise.

It also recognizes the importance of agriculture to the provincial economy. It also recognizes the problems being faced in agriculture today such as the declining grain prices and also the high production costs. It also goes on to recognize the importance of proper or equitable funding of education costs in the declining enrolment situation.

I am sorry it is necessary for us to take hold of the economic situation in such a way as we have to cut back on additional personal care beds and specific areas of health care and rehabilitative services at this time.

Being a former civil servant, I am pleased and I think that the actual introduction of the Task Force on government organization and economy was certainly due and I liked the comment by the Member for Sturgeon Creek and the Minister responsible for Housing when he said, "If someone wants to offer you some good advice, then perhaps why not listen." I think that's one of the main tasks of the Task Force on government reorganization.

I mentioned that the Swan Valley area is a fine tourist area and I would hope that we could have as many visits from present Cabinet Ministers of this government as we had from the previous government in the last couple of years to the Swan Valley area. I know that on many occasions they were there for probably political reasons, but they also did take an interest in the constituency and I would hope and I know that the present Cabinet Ministers will be making a special point to get into that rather isolated community of the Swan Valley area.

As I mentioned and it was covered in the Throne Speech, we want to enhance the tourist industry. We have a lot to offer in the Swan Valley area as far as the tourist business is concerned but we also need more dollars spent on roads to bring the tourist to the area and keep them in that particular part of the province.

Anyone who has travelled the area very much and has had the opportunity to go into Pelican Rapids and the Shoal River Indian Reserve which is approximately 20 miles off No. 10 Highway, on this particular road there is about, I think it's about approximately 20 miles and over 300 curves. Presently much of it is under water being this particular time of the year because of the poor drainage that is evident there, but I would like to give credit to the Member for The Pas and also the former Member for Swan River constituency, who have worked hard to try and improve the road into that community where there are over 1,000 people living. It's really a disgrace that these people have to put up with this kind of route into their community. They are some 75 miles from Swan River and with these 20 miles of particularly bad roads, they're really, you might say, severely handicapped in times of severe need.

But I know the efforts of the MLA's that I have mentioned, the support that they have requested from the Department of Indian Affairs, certainly has fallen on deaf ears.

Mr. Speaker, we have heard something about the Stay-Option Program that has been referred to

by the previous administration. I rather like that terminology. I think it is important that we try and retain as many people in the rural communities as we can. Especially in the Swan Valley area we are concerned about the decreasing population within the constituency. Some of the towns are at least holding their own or maybe increasing, but the general population has been on the decrease for a number of years.

Mr. Speaker, I'd like to quote from Hansard on March 21, 1978, when the Member for Lac du Bonnet was speaking. I quote: "There is no doubt in my mind, Mr. Speaker, that members opposite are indeed reverting to the policies of the 1960s, a policy of elimination, a policy of rural population decline. That is really what is taking place, Mr. Speaker, and no matter how they deny it, we are back to the position where this government believes that the way to solve some of the problems in rural Manitoba is to transfer the people out of there into the city. If they don't do it by intent they will do it by neglect, Mr. Speaker. I have yet to see a shred of evidence that will change my mind in that regard."

And he goes on: "Mr. Speaker, I project on the basis of the philosophy of our present government, that all of that has already changed and we are on the decline. Mr. Speaker, as long as the dollar bill will determine who has the opportunities, then there is no other way but that we will have a very severe reduction in rural population numbers and in particular with respect to the number of farm people in rural Manitoba."

I'd like to go on and quote from an article that was in the Winnipeg Free Press, dated September 14th, 1977, entitled "Facts and Figures" and it deals primarily with the TED Report. I'd like to quote here: The report said that in the 15 years between 1951 and 1966 the number of farms in Manitoba dropped by 24.1 percent. Premier Schreyer's figures covering his years in office came very close to this percentage.

In the past seven years according to the Premier, the number of farms has dropped by almost 11 percent. That is almost half the time and almost half the percentage.

The report predicted that, "The projected natural decline in farm numbers based on past trends would result in 30,000 farms by 1980." What this means is that we had 39,700 farm operators in 1966; 37,000 in 1969 and 32,000 today. It would appear that in spite of spending millions for state land, in spite of the Beef Assistance Program, in spite of expanded crop insurance benefits and the Farm Diversification Program, we will likely have about 30,000 farms in 1980. So that with all the credit that has been taken by the members opposite for their programs and the money spent during the last seven years, it really hasn't effectively reduced the decline in farm numbers as indicated by the report that I've just read to you.

Mr. Speaker, the Member for Lac du Bonnet made reference to the Veterinary Services Clinics and I'd like to quote again from the Hansard: "Mr. Speaker, I would be interested to know whether the Vet Clinics are going to be sold to private entrepreneurs." I would say that's probably not a bad idea, but I don't know who could afford to pay for them. I think the program has been a good program, it has accomplished what it set out to do in that in 1969, I believe, we had something like 26 veterinarians in large animal practice in the province of Manitoba, and that has increased to around 65 today, so that the program has really worked well. We have increased the number of veterinarians in the rural areas of Manitoba, and I know that we are very happy that we have two young veterinarians who do an excellent job in the Swan Valley area, working out of the new clinic that was just opened there not too long ago. —(Interjection)— Right. Huge public subsidy.

One of the main problems that I see was the way the buildings were installed into the various communities. I believe at the time when Swan River Valley's clinic was approved there were something like seven other clinics approved at the same time. All the building materials were bulk purchased from various parts of Manitoba; certainly none of the supplies came from the Swan Valley area, and once the building materials started arriving in Swan River it was some three years later before the actual construction started to take place. It was miraculously, by some will of God I guess, that most of the building supplies that had been shipped in in bits and pieces over three years, showed up when it was required, although I do recall that we were missing the windows and various other parts that belonged to the clinic.

I think one of the main problems, and where a lot of the taxpayers' dollars were spent, was in the actual construction detail. I realize of course that this was a training program for people that were probably unemployed otherwise and were paid to work and to learn a new trade in the building of these clinics. I think that it was grossly mismanaged in the fact that it cost us needless thousands of dollars to put up these clinics, and most of them, I think, are monuments to show that it was a training program. I know in the case of Swan River the —(Interjection)— I would prefer to finish my talk. I won't be that long and I'd be happy to have some questions at the end.

Now, to give you a little more detail on some of the problems that we ran into in the clinic construction, we had no less than about six building supervisors that came over a period of one year, the length of time that it was agreed that it would take to build these clinics. The plans that were used — there were changes of course made from time to time, and the changes on the blueprints were never recorded from one clinic to another, and of course, with the inexperienced construction supervisors, they had difficulty in reading blueprints, and I know in the case of Swan River, the building was built ten inches too narrow and so they had to put up another wall ten inches thick, ten feet high and forty feet long to make the building that was going to go on top fit. There were numerous instances where this happened in the building of these clinics, and so the actual costs, I don't think could ever be determined because most of the labour required on these buildings was

covered through a federal Manpower training program, but nevertheless it represented taxpayers' hard-earned cash, and as I say, it would be a good idea if we could sell these clinics perhaps to entrepreneurs but I am sure that we couldn't get our value out of them.

I still don't take away from the fact that the clinic program has done the job, we've got the veterinarians in place in the province, and I think that it is protecting a very successful livestock industry that we have.

Now, since the election on October 11th, I would like to say that at least to me it looks like the member from The Pas has been a self-appointed authority for Northern Manitoba. The truth of the matter is that the member for The Pas should be embarrassed on how he managed the Northern Affairs portfolio. I think that the member for The Pas certainly betrayed and misled numerous people into accepting jobs that they felt were of suspected opportunities. I have talked to lots of people in the North — I used to live in The Pas for three years — I know some of the people, I know some of the individuals that were in supervisory capacities in Civil Service jobs. They realized that these jobs couldn't last and that they shouldn't last.

Mr. Speaker, I would like to know how the former Minister of Northern Affairs explains the negligence in maintenance of various pieces of equipment owned by the Department of Northern Affairs, not only the maintenance but the accountability of various pieces of equipment. For instance, it was brought to my attention that a crawler tractor with bucket valued at probably over forty thousand dollars sat in the northern community, which is in the northern part of my constituency, of Barrows, this machine sat there for approximately two years, never turned a wheel, and as a matter of fact, the staff didn't even know that it existed. I understand that similar situations could be told many times over throughout the constituency of The Pas. —(Interjection)— I would appreciate if I had the opportunity of finishing and then I would be happy to entertain some questions. Mr. Speaker, there is no doubt in my mind that the member for The Pas has contributed greatly to the present dilemma that Northern Manitoba finds itself in today.

Mr. Speaker, I believe it was the member for Wellington had asked in his talk as to why I had not resigned from the Civil Service rather than take leave of absence. That is a good question. I don't see any particular reason why I have taken leave of absence — he had mentioned that it would be to protect my pension. I must say that I did work for 21 years for the Department of Agriculture. I understand that my pension is in place and, of course, I can have it deferred until age 55 or age 60, or age 65. The legislation was in place to do it this way and it had never been used before, at least within the Department of Agriculture. I guess I could say that there's something in being a first, but I really and personally have always worked very conscientiously as a civil servant; I have had a strong feeling that civil servants should not become actively engaged in party politics, I think that it is a detriment in doing a credible job, whatever that job might be, whether it's an ag. rep., conservation officer, credit agent. Likewise I am of the opinion that a man of the cloth or teacher also reduce their effective role in the community when they become actively involved in party politics.

It was mentioned the other day in the House, I believe by the member for Transcona, when he said that he was really appalled by the Minister responsible for Housing, that he had completely ruined the Critical Home Repair program. Well, I would say that the program was ruined by the last administration; they created it and the Minister mentioned that there was 26 employees hired between June '77 and September of '77. —(Interjection)— 39?

I know that in my particular area the Critical Home Repair program was seriously abused. They stroked out the "critical" part of it and the Home Repair Program became open pretty well to anyone that was interested in it, and it left out the people that really needed it and where the program was intended in the first place. I recall these inspectors going about the constituency passing out these application forms for Critical Home Repair, and this was about the time of the election campaign, and they said "Now, don't bother filling it out, just sign it . . . we'll look after the rest for you." I think this program had a lot of merit but it certainly got out of hand during recent years, and I think once we get it back on track again that we will be able to do the job that it was intended to do.

Mr. Speaker, in closing I would like to congratulate particularly the senior MLAs from both sides of the House. I certainly have enjoyed listening with intent to the various people in debate, certainly some of the older MLAs, older in regard to their tenure here, have also offered much to the debate and certainly it has been interesting to me as a newcomer to listen to them. I feel that being an MLA is very challenging, it is also very time-consuming to do a proper job, but it's one that also has many personal satisfactions too. And so with those few remarks at this time, I appreciate the opportunity of speaking on this debate.

MR. SPEAKER: The Honourable Member for The Pas has a question?

MR. McBRYDE: Yes, Mr. Speaker, just a question to the member. In relation to some rumours that he was repeating which apparently he didn't investigate or check on, but repeated in the House anyway, I wonder how he would explain that the civil servant responsible for that region, and if this rumour is correct responsible for that abuse of public funds, a known Conservative civil servant, how come he was promoted when the new government took office, if this rumour is correct?

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, I didn't want to rush the honourable member. Is he intending to answer the question that was put forward by the member for The Pas?

MR. GOURLAY: Mr. Speaker, I thought it was a comment, I didn't actually understand it as a question.

MR. GREEN: The question is: I understand the honourable member was the ag rep in the area that he referred to of Critical Home Repair documents being sent around and being told that they should be just signed and they would be filled out by the inspectors. Was the honourable member on staff at the time?

MR. GOURLAY: Mr. Speaker, this came to my attention when I was on the campaign trail, after September 6th.

MR. SPEAKER: The Honourable Member for Lac du Bonnet.

MR. USKIW: Yes, Mr. Speaker. The member for Swan River suggested that the construction of veterinary clinics was probably more expensive than they would have been if they had been constructed in the conventional way; that is, by way of tender or otherwise, as opposed to the way in which they were, which was under a Manpower training agreement with the Government of Canada. I would like to know from the member just how much value he attaches to education at any level, under any particular arrangement. What is the value of the educational component?

MR. GOURLAY: Well, it's pretty hard to evaluate the actual value of a training program. I think there are certainly limits and what I was trying to point out, that I think those limits had been certainly extended in the case of the veterinary clinic program.

MR. USKIW: Well, Mr. Speaker, I am sure the member appreciates that throughout our whole school system, the cost of education is largely borne by the taxpayers of Manitoba. I am wondering whether he can confirm whether, in his opinion, those costs are well warranted with respect, not only to his own education, but with all of the citizens of Manitoba that go through all the educational institutions.

MR. SPEAKER: On the proposed motion of the Honourable Member for Crescentwood, seconded by the Honourable Member for Portage, For An Address to His Honour the Lieutenant-Governor in answer to His Speech at the Opening of the Session.

QUESTION put, MOTION carried.

MR. SPEAKER: The Honourable First Minister.

MR. LYON: Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Finance, that the Address be engrossed and presented to His Honour by such members as are of the Executive-Council and the mover and seconder of the Address.

MOTION presented and carried.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CRAIK: Mr. Speaker, I have a message from His Honour the Lieutenant-Governor.

MR. SPEAKER: His Honour the Lieutenant-Governor transmits to the Legislative Assembly of Manitoba Estimates of sums required for the services of the Province for the fiscal year ending the 31st day of March, 1979 and recommends these Estimates to the Legislative Assembly.

MR. CRAIK: Mr. Speaker, while the Estimates are being distributed, I wonder if I might have leave of the House to make a statement with regards to the Estimates. (Agreed)

Mr. Speaker, members will note a number of important changes in the presentation of the main expenditure Estimates for 1978-79. The most significant change involved is the inclusion in the Main Estimates for the first time of direct or budgetary capital, formerly voted separately under Schedule B of the various loan Acts. This new accounting practice conforms with that followed at the federal level as well as in all provinces outside the Atlantic region. The Provincial Auditor has commented in recent reports on the fact that the previously used system, which involved the splitting of expenditures into current and direct capital, or revenue division and capital division categories, was arbitrary and unsatisfactory. In his 1975-76 report, for example, he stated that the previous system was "not practical and results in legislative control over program expenditures being essentially non-existent, particularly with the introduction of the substantial general purposes capital votes."

The new combined format recommended by the Auditor has already been used in the first two quarterly financial statements published by our government and it will now become the standard format for the Estimates. We regard it as an important step towards greater accountability.

In addition to this improvement in presentation, the expenditure estimates also include certain items which were netted out of the 1977-78 estimates. As a result of the new federal-provincial financing arrangements for hospital insurance, Medicare and extended health services, Manitoba Health Services Commission expenditures will be shown on a gross basis and a comparable adjustment will be made in the revenue estimates. Previously MHSC expenditures were shown net of federal revenues.

Tax credit payments are also included in the expenditure estimates as had been the practice prior to last year when they were shown last year as deductions from income tax revenues for the first time. In view of the nature and size of these payments, we believe it is more appropriate and meaningful to show tax credits as expenditures.

Mr. Speaker, I would make a note here of the fact that this tax credit system that has been used in other jurisdictions, too, has drawn the comment of such groups as the OECD who have found some difficulty in assessing the proportions and breaking down on a comparable basis the GNP proportions of different nations and different provinces and recommend the procedure that was used up until last year and which we are now going to do again.

The change in the MHSC presentation will bring our estimates more into line with those of other provinces as well as with format used by Stats Canada in its publications on provincial government finance. The tax credit presentation will also be consistent with Statistics Canada.

One other major change in presentation which is reflected in the estimates distributed today, is that relating to sinking funds. For a number of years, the Provincial Auditor has recommended that sinking funds provided annually should be netted against the liability or debt outstanding rather than being shown as a charge against a statutory appropriation and the sinking funds shown as an asset. This change has been made in our new estimates presentation.

Members will note that detailed reconciliation statements have been included with the figures for each department and in aggregate form for the estimates as a whole. These statements make it possible to compare the adjusted figures for 1977-78 including budgetary capital with the estimates as they appeared at last year's spring session.

In total, the combined estimated expenditures for the 1978-79 fiscal year are \$1,648,657,800.00. This represents an increase of approximately 2.9 percent over the comparable combined figures for 1977-78. The 1978-79 estimates include capital items totalling some 107.5 million. This is roughly 8.8 percent or 10.4 million lower than 117.9 million in Schedule B capital voted last year. Excluding capital from both sides, the rate of increase on the old current only basis would be 3.8 percent. These comparisons are stated both ways because we want to be doubly sure that comparisons from here on in will be on a sound basis, not on the transparent shifts between capital and current that were heretofore both possible and sometimes practiced.

Mr. Speaker, I want to underline that, that we are combining it but it will be possible for historical reasons to be able to a large extent to split out the capital from the current for those who wish to do so.

It is worth noting that no senior government in Canada which has presented its 1978-79 spending plans up to now, has even come close to having percentage increases as low as those presented here. It now seems very likely that the rate of increase in Manitoba's expenditure estimates will be the lowest in Canada this year and, in fact, probably the lowest any government has been able to achieve for some time.

It may also be worth noting here that soon after we came in to office we found that many of the initial departmental spending requests for 1978-79 had already been formulated. These preliminary estimates, if unchanged, could have resulted in an increase in combined current and capital expenditures of some 20 percent over the 1977-78 vote. We had to reduce these initial figures, part of the legacy left by the former government to which the premier referred last night, by close to \$300 million to achieve the total shown in the estimates here—(Interjection)—

MR. SPEAKER: Order please. Order please. May I suggest to all members that the Minister be given the courtesy of making his presentation. The Honourable Minister of Finance.

MR. CRAIK: Mr. Speaker, I am not the least bit surprised that the opposition finds those words somewhat disturbing. It goes without saying that the final 1978-79 estimates are well within the guidelines agreed to at the First Ministers' conference on the economy in February. At that time, the First Ministers reached a consensus that "the trend of government expenditure growth should be held on average to less than the trend growth in the value of the GNP or provincial gross product." Mr. Speaker, that was a joint statement by the ten provinces and the federal prime minister.

Current forecasts by the federal government suggest that the GNP growth in 1978 will be in the 11 percent range. We regard this forecast as unrealistically high and even in the event that it were true on the basis of their figures the probable real growth would be somewhere of the order of 3 percent, if in fact it were achieved which, Mr. Speaker, would agree roughly if you compare it to the position of our estimates which is roughly a 3 percent growth increase. But even so, we feel that in general we will be well under the guidelines established at that meeting.

During the Estimates review, valuable input was received from time to time from the task force on government organization and economy. However, because of the early deadline for finalizing the estimates, it was not possible to reflect in the figures now before the House a number of the savings which we anticipate will result from implementation of certain of the task force recommendations yet to come forward. I expect to present the Budget Address in the House very shortly in order that members may see more clearly the relationship between the estimates of expenditures and the

estimates of revenue and appreciate their particular importance this year. Mr. Speaker, I would hope in a matter of a few days to announce the date of the Budget presentation.

Some will argue that the restraint measures reflected in our 1978-79 estimates are severe and restrictive. Our government does not deny the fact that extremely stringent limits have been applied. In contrast to the cosmetic restraints practiced by the federal government and the previous administration in this province, our estimates for the coming fiscal year represent a timely and genuine hold-the-line policy designed to ensure that the tax dollars entrusted to us by the people of Manitoba are used responsibly and efficiently.

Two additional points, Mr. Speaker, should be emphasized as well. First, while the current restraints are essential to assist in the reintroduction of sound ongoing financial management practices, they are also absolutely necessary in view of the province's budgetary position. The deficit situation we faced when we took office was a critical one. We could not let it continue. To have done so, to have continued on the course which we inherited, Mr. Speaker, would be to endorse a policy of staged bankruptcy.

Secondly, we firmly believe that service standards can be maintained at high levels without inordinate cost increases every year. As expected, we have found plenty of evidence of fat in the previous administration's estimates and we are now taking the necessary steps to ensure the kind of efficiency Manitoba taxpayers have a right to expect from their government. These steps will not threaten the quality or availability of essential services. On the contrary, by guaranteeing a sound and flexible overall budgetary position, they will ensure that these services can continue with a secure financial base.

For the year ahead the estimates indicate that expenditure increases, although relatively modest ones, have been possible for such high priority fields as education and health and social development. In Committee of Supply, my colleagues will be providing full information on the Estimates for each of their departments.

In concluding, it is sufficient for me to repeat that one of our government's most important immediate goals is to bring government spending under control, to restore responsibility in the public sector and to ensure accountability to the taxpayers of Manitoba. These Estimates go a long way towards those objectives. In so doing, we feel they will help restore confidence in government and confidence in the economic future of Manitoba.

Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable House Leader of the Opposition.

MR. GREEN: Mr. Speaker, in light of the fact that the Honourable Member makes some remarks on the Estimates, I wonder whether it's permissible just to make some comments in response. I believe that that has been done in the past on the presentation of the Estimates. I'm certain that the Leader of the Opposition, the Member for River Heights, will recall that that was accepted, that some response was made with regard to the delivery of the Estimates.

MR. SPEAKER: The Honourable Government House Leader.

MR. JORGENSON: Mr. Speaker, we have no objection to the Honourable Member making a response. I wonder, though, if he would allow the Minister of Finance to introduce some bills before

MR. GREEN: Oh, I intend to be very brief, Mr. Speaker, I intend to be very brief.

I think, Mr. Speaker, that after all is said and done and all the attempts to suggest that the Estimates reflect a problem created by the previous administration that what my honourable friend is trying to rationalize is the fact that the Conservative government of 1978 will be spending \$40 million more — and I've taken a conservative figure so as not to be wrong — \$40 million more than was spent by the previous administration. Now, Mr. Speaker, I don't fault that. I have always indicated that it would be expected that the incoming government would have to spend more money than was spent by the previous administration for reasons of inflation alone and for other problems. What I think, Mr. Speaker, is the problem and which is the one that inspired my honourable friend's speech yesterday in preparation for these Estimates, is that it was given to be believed by all of the members on the other side that the government would be able to spend less money, and it was given to be believed, Mr. Speaker, during the Estimate process, that there was going to be \$30 million sliced off last year's operational Estimates.

Now, Mr. Speaker, I have no immediate and overriding comment on the fact that the government is spending \$40 million more. I don't fault that. The Government of Prince Edward Island has recently brought in a budget showing the biggest deficit in years. My comment, Mr. Speaker, will rest on the fact that because members on the other side, in talking to the public of the Province of Manitoba, have locked themselves in to the suggestion that they could spend less and that they needn't increase taxes and that they needn't have deficits. They are embarked on a course, Mr. Speaker, which they would not be embarked in if they were engaged in sound fiscal management of the Province of Manitoba.

Let my friend, the Member for River Heights, dismiss these remarks as my honourable friends on the other side dismiss everything that is said as being nonsense, as being rubbish, as being what-have-you. The fact is, Mr. Speaker, in accountancy, the bottom line is that this Progressive

Conservative administration is spending, after wiping out 400 jobs, after all of their acute appendicitis restraint, after all of those things, they go back to the people of the Province of Manitoba and they say, "We are spending \$40 million more on current accounts."

MR. SPEAKER: The Honourable Minister of Finance.

MR. CRAIK: Mr. Speaker, I move, seconded by the Minister of Health and Social Development, that the message, together with the Estimates accompanying the same, be referred to the Committee of Supply.

MOTION presented and carried.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CRAIK: Mr. Speaker, I move, seconded by the Minister responsible for the Task Force, that this House will, at its next sitting, resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MOTION presented and carried.

MR. SPEAKER: The Honourable Minister of Finance.

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

MOTION presented and carried.

MR. SPEAKER: The Honourable Government House Leader.

MR. JORGENSON: Mr. Speaker, I would just like to remind honourable members that the bus for Brandon will be ready to depart.

I would ask the honourable members if they would like to begin examination of Interim Supply. If not, why I would prefer that . . . Well, then I just want to remind all members that the bus will be leaving for Brandon this afternoon for those who are going.

MR. SPEAKER: The Honourable Opposition House Leader.

MR. GREEN: Mr. Speaker, I wonder whether the House Leader could tell us at this time what department will be the first department to be considered by the Committee of Supply, if he could.

MR. SPEAKER: The Honourable Government House Leader.

MR. JORGENSON: I was hoping to be able to communicate that information to the House tomorrow.

I move, seconded by the Minister of Highways, that the House do now adjourn.

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