

Office of the Queen's Printer for the Province of Manitoba

67

LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, February 26, 1979

Time: 8:00 p.m.

MR. SPEAKER: Before we proceed, I should like to direct the honourable members' attention to the loge on my right, where we have a former member of the Chamber, Mrs. Inez Trueman. On behalf of all members, we welcome you.

THRONE SPEECH DEBATE

MR. SPEAKER: The Honourable First Minister.

MR. LYON: Mr. Speaker, I believe at 5:30 we had reached the point where we were discussing the bill of fare that had been served up by the opposition last year and this year, in their rebuilding attempt to try to convince the people of Manitoba that they are fit and proper people to form the government of this province after the election when it next comes, 1980, 1981, 1982, or whatever the date may be. And I believe that I was commenting upon the fact that they had served up thus far pretty weak gruel upon which to sustain the body politic of Manitoba, and to convince the people of Manitoba that they again might deserve that confidence that had been reposed in them, albeit sparingly by the electorate of Manitoba from 1969 to 1977.

I suggest, Mr. Speaker, that what we have seen thus far is not too optimistic for my honourable friends opposite, because what we are hearing is no alternatives, nothing at all except the same old litany, spend more money, intrude more into the lives of private citizers of Manitoba, embark upon more state businesses in a vain attempt to create employment in the province, continued — albeit hushed and slightly covered — antipathy to private property in any way, shape or form. Unlike the member who spoke the other day, the Member for St. Johns, I will not use extravagant language to describe my honourable friendds' attitudes in the description of their basic socialist philosophy. I will not use the word deceit, because I don't think that that word properly should be used in this Chamber. That's a word that is peculiar to the character of the Honourable Member for St. Johns. And he, of course has to answer to his own conscience with respect to that kind of language.

I won't even say that my honourable friends across the way are hypocritical in not coming out four square and saying, "Look, let's face it, we don't believe in private property. That's why we have the state farm system in Manitoba, because we don't believe in private property. We don't believe in private ownership. That's why we had Saunders Aircraft because we think we could do it better than others." The Member for Inkster, he is one among the number over there, the 23, or the 22, who has the forthrightness to come forward and say, "You're right, I don't believe in private property." And I commend him for that stand because he is forthright and he is frank and he has candor. But I only wish that . . .

MR. SPEAKER: Order please. The Honourable Member for Inkster on a point of order.

MR. GREEN: On a point of order, Mr. Speaker. Lest the honourable member thinks that I will be carried away by his compliments, I have never said, "I don't believe in private property."

MR. SPEAKER: The Honourable First Minister.

MR. LYON: Well, now, Mr. Speaker, my honourable friend is losing the cape of forthrightness that I was throwing over his shoulders.

MR. GREEN: You know better.

MR. LYON: My honourable friend stands in the House tonight and says that he has never said that he doesn't believe in private property, but every action that he took as a Minister, when he was a member of the NDP government, was pointed 100 percent in that direction. He believed that government should be a partner in mineral exploration, yes. He believed that government should

become involved in making airplanes; he believed that government should be making buses, 100 percent. He certainly doesn't agree that some of the phoney-baloney corporations that were established in the name of make-work — Pakwagan and some of the other funny names that they had up north — and we'll talk about them later, just so that you won't become restive, we'll talk about them a little bit later. He believed in all of those state socialist collectivist nonsense ideas. But he stands here tonight and says that he never said he was against private property, but every fibre of his being is against private property, Mr. Speaker. Regardless of what he says, I was merely trying . . .

MR. SPEAKER: The Honourable Member for Inkster on a point of order.

MR. GREEN: Yes, Mr. Speaker, I regret that I have to correct the honourable member. I said I never said I don't believe in private property. I never said that I'm not against private property in certain areas, but I never said I don't believe in private property.

MR. SPEAKER: The Honourable First Minister.

MR. LYON: Well, Mr. Speaker, if we are facing, as I think we may well be tonight, Sir, a death bed repentance, may I be the first, Mr. Speaker, to offer my honourable friend a membership in this party because he would be better sitting over here if he believes in private property than sitting among his friends over there.

Mr. Speaker, my honourable friends sit opposite in the mire of eight years of their own government, from which they have been attempting like the cow in the bog, to extract themselves for the last year and a half. You know, as fast as they pull one foot out, then the rear flank gets in. They're still in the bog trying to extricate themselves from that muck of their own making, that they were pleased to call government for eight years. You know, Mr. Speaker, lest they feel that I'm picking on them, let me say that their experience as socialists trying to run a government operation in what is essentially a free market, capitalist economy system in a parliamentary democracy, is not unique' because every other socialist party that has tried it with the rather funny beliefs that my honourable friends hold, have fallen into exactly the same muck, some a little bit worse than others, some a little bit better than others, but essentially, Mr. Speaker, essentially they all get into the same kind of trouble because of their wrong-headed ideas. They believe, Mr. Speaker, you see, that the individual doesn't count for a heck of a lot.

They believe, Mr. Speaker, that the individual is just some body who needs to be told and ordered and told that he must do this and he must do that, and must be militated against by government action, by this kind of collectivist action, that they believe in. They believe in collectivism. Let my honourable friend stand up at the end of my remarks and say that he doesn't believe in collectivism. Let him stand up at the end of my remarks and say that he doesn't believe in stateism. Of course he does, because otherwise he would not have subscribed, as I take it he does, to the views of his deskmate, the temporary Leader of the Opposition, that what the government of Manitoba, the present government has done in divesting itself of these losing businessess that my honouiable friends got themselves into, was wrong. That was pure collectivism; that was pure stateism, and it doesn't work here. It doesn't work anywhere on the face of the earth.

But you know, there was an English writer recently who said, that the socialists have the most amazing power. They are something like a ball in a squash game, they keep bouncing around, and sometimes even bouncing back, because they have the greatest power to try to convince the public that what they did the first time around wasn't really so bad after all. In other words, they can come back nothwithstanding the abject failure of their own doctrine.

Mr. Speaker, I can assure you that one of the tasks facing this government is to make sure that the people of Manitoba don't ever forget — don't ever forget — eight years of socialism; don't ever forget what eight years of this kind of predatory nonsense on individual rights cost the people of this province. Mr. Speaker, as my colleague, the Minister of Mines and Resources said so eloquently the other day: "The Leader of the Opposition was brave enough to try to speak about a government facing reality in this day and age, in the year 1979, in the Province of Manitoba." Well, that comment by the Leader of the Opposition of course, permitted my honourable friend, my colleague' to make one of the better speeches that has been made in this House in a number of years, about reality. And at the risk of repeating some of the remarks that he made, I am going to dwell for a few moments tonight about reality. And about the reality that faces not only the people of Manitoba, but the people of Canada, and the people in all of the countries of the free western world.

The reality that we all face in this day and age, is one that I know is not one that the Leader of the Opposition or his colleagues like to hear too much about. What did he say? I believe it was

240

on Page 32 of Hansard. "I ask the people of Manitoba," and I am quoting, Mr. Speaker, "to consider our present situation, Mr. Speaker. I ask them to consider the reality of our times and the opportunity that this reality presents for Manitoba's future. For it is only in viewing the Throne Speech in this manner that the real meaning of this government will become clear." Continuing with the quote, Mr. Speaker, "This government has one, but one simple four-line message for Manitobans. We don't like government, we don't like governing, we will destroy all that is true about government and we will do this under a facade, a facade in order to allow the real government to govern namely the social and economic elite of Manitoba."

Mr. Speaker, those were his words. An unkind commentator might say, spoken better than he delivered them. But I say to you tonight, Sir, that what we are hearing from my honourable friends opposite, is not reality at all, it's the same old shopworn 19th century phrases about economic elite. It's the kind of talk that his predecessor, now gone to higher places, his predecessor who used to talk about when he first came into office. Do you remember those funny statements he used to make at that time, talking about the so-called 400 in Winnipeg and how the economic elite were doing this, that and the other thing? And do you remember, Mr. Speaker, the other comment that was made by the former Leader of the Opposition about how embarrassed he would feel, how it would really string his heart if he had any members elected from South Winnipeg? You remember? He made that in one of his open musings one day to the press.

And the former Minister of Education in that government, the former Member for Osborne, sat quaking in his boots, as well he might have, because you saw what happened to him. The Attorney-General looked after him.

But that kind of — and I'm trying to choose the word carefully, Mr. Speaker — that kind of wrong-headed idiocy — and I can't think of anything more polite for it than that — wrong-headed idiocy, to parade that kind of shopworn, central European talk before the people of Manitoba in 1979 and say that that is the reality, that is the reality that faces the people of Manitoba today. Well, Mr. Speaker, there's no reality there. The only reality is that my honourable friend is still a captive of what he learned at somebody's knee — God knows whose — when he was a young, impressionable man, about this so-called socialist Utopia that he was going to build for the people of Manitoba, or God knows where else — Tanzania, Zaire, or wherever. And he's still afflicted, you know, he's still afflicted, Mr. Speaker, by the same kind of expression I've often used in this House before, looking at the world through the wrong end of the sewer pipe. Mr. Speaker, it can be truly said about the socialists in Manitoba, as it was said about the Bourbons, that they learned nothing and they forgot nothing. And there they sit, the socialist Bourbons, the socialist Bourbons of Manitoba, learning nothing, forgetting nothing, picking up old slogans and catch phrases from the past and parading them out in 1979, Mr. Speaker, parading them out in 1979 and saying, "Look, we can deliver you from the clutches of the economic elite of Manitoba."

Well, I sit among some 33 of the so-called economic elite, I guess, of Manitoba. My friend, the Leader of the Opposition said the other day in his remarks something to the effect about people getting in and dirtying their hands. I'll make him a bet right on the spot here tonight that there are more people on this side of the House who know what real true, down-to-earth sweaty labour, dirtying the hand is than there are on that side of the House.

Mr. Speaker, all I say to my honourable friends opposite is don't offerd the intelligence, not of the government, but don't offend the intelligence of the people of Manitoba by trotting out that kind of shopworn sloganeering nonsense. It doesn't wash any more; it really doesn't wash...

You know one of the great determinations that is going on in political and intellectual circles today — I'll be talking about it in a few moments — one of the great determinations today is the new elite that has grown up, and nd it is not the elite of the aristocracy, it is not the elite of the economic aristocracy, it is not the elite of the Lairds or of the land ed class at all, it's the elite of bureaucracy. It's the elite that my honorable friends fed during their eight years in office. That's the elite we have to be worried about realistically in Canada and the Western World today. But I'll talk about that a little bit later, but I just wanted to tickle my friends' curiosity for a bit so that they will know what we will be talking about a little bit later on.

Mr. Speaker, my honourable friends across the way, economic elite and so on, the same old class warfare nonsense that we've heard right from the time of Marx and Engels on forward, they don't learn. But I read this summer a speech that was given by a lady whom I fondly hope is going to be the next Prime Minister of Great Britian, Mrs. Margaret Thatcher. She oflered some free advise to the Socialists in Britian which I offer just as freely to my honourable friends sitting opposite.

She said, "You know, in most civilized countries in the Western World we have managed to enact laws against setting one group against another with respect to race, with respect to creed, and with respect to a number of other items and all civilized people salute these altempts to regulate affairs among mankind so that one group is not set against another. But why," she said, "when we have laws against setting race against race, or creed against creed and so on, do the Socialists still persist in trying to set one against the other, men and women, people in this jurisdiction, or in any jurisdiction in which they are represented at all?"

Setting people against one another on the basis of their economic status. Is one any worse than the other? How can you continue to feed in a party such as you had, I say to the Leader of the Opposition, of two of the most fundamental and yet, two of the most undesirable qualities of human nature: (1) envy and, (2) hatred? Now is that really what the Socialist movement in the Western World has boiled itself down to? Is it all envy and is it all hatred? Is that all there is to your doctrine now? Because if it isn't, then let's hear an end to this talk about setting class against class. In Manitoba it doesn't mean anything, in Canada it doesn't mean anything, and trying to feed and nuture yourself on that kind of a weak gruel, as I said before, is going to put you on to a starvation diet , not only intellectually but I suggest politically as well.

So Mr. Speaker, what we should be engaged in as part of our effort, all 57 or 56 members of us in this House, is trying to maintain the sense of community that we have as a province' and maintain the sense of community that we have as a nation. I suggest to you that those two ideals, and they are worthy ideals to be served, are ill served by parties who try to set one group against the other, labour against management, workers against the unemployed, teachers against the school trustees. Surely, I say, Mr. Speaker, to my honourable friends opposite, their doctrine means something more than that, but that really is all we have been hearing in the last year and a half from my honourable friends opposite. In government they muted this kind of perversity in their philosophy. In Opposition, it tends to come forward because they, of course, do not have the responsibilities of office to keep them otherwise occupied and they can't tinker around with the taxpayers' dollar the way they did for eight unlimbered years in office and put into effect some of those rather odd and nonsensical ideas which are based on envy and based on hatred.

So, I suggest, Mr. Speaker, if we're talking about reality, the first reality that must come home to my honourable friends opposite is the reality of living in Canada, in Manitoba, on the North American continent, in 1979, not in Central Europe in 1850 and preaching the doctrine that was perhaps appropriate, probably not even appropriate then, that they feed upon intellectually at the present time.\$

Well, Mr. Speaker, my honourable friends are not in touch with reality. They are totally out of step with public opinion in this province just as they were out of step with public opinion, by and large, when they were in office. One finds it ironic to hear the Member for Brokenhead stand up today and presume, presume to talk about the agricultural community in Manitoba when, as Minister of Agriculture, he was resented more than any other Minister of Agriculture of this century. Why was he resented? Because he didn't understand the farmers of Manitoba, that's why. He didn't understand what it was all about.

So, my honourable friend, the Leader of the Opposition, will pardon me if I pay but little attention to the mouthings that come from the Member for Brokenhead when he presumes to talk about agriculture in Manitoba in 1979. He didn't know what it was all about in 1969 and he certainly hasn't become much enlightened since. The man who, along with his infamous deputy minister, embarked upon the state farm program in Manitoba, he will be remembered well by the farmers of Manitoba. The man who tried to force upon the beef growers of Manitoba that beautiful marketing scheme which was going to cause the socialist government of Manitoba to control the beef industry in Manitoba, he will be remembered by them in Manitoba. And the man who was going to build that much needed plant up at Selkirk, remember that marvelous formulation that my honourable friends had when they were in office whereby they were going to control the whole dairy industry in Manitoba. Crocus Foods, I think it was called, the pyramid design that was built up. Another one of these marvelous government operated enterprises that probably would have been as great a success as, shall I say Saunders Aircraft. If you want another example, there are a dozen more that I'll mention a little bit later just to remind you of them.

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Well, Mr. Speaker, the kind of reality that we need in Manitoba and in Canada today, the kind of reality was referred to in a recent article which I hope some of my honourable friends opposite had the opportunity to read because it appeared in The Economist which I think most people will agree is not necessarily a red-neck, hard-core, reactionary, right-wing magazine. From time to time, it's even been able to say the odd good thing about Mr. Callahan as Prime Minister of Britain, and believe me, that was straining at the truth.

One quote, which is not germane, however, to the main thesis that was brought down by The Economist in its year end review, and it appears for the edification of my honourable friends, Mr. Speaker, in the December 23rd, 1978, edition of that weekly magazine. It's called the Brusque Recession. And it gives an overview of one of their reporters, indeed probably more, but one who wrote the main piece after visiting United States, Canada, Great Britain, Australia, a number of other countries around the world, in trying to form an impression of what was going on in those

countries, and what the realities of 1979 and what the realities of the 1980s were going to be.

As I say, one of the comments which is not necessarily germane, but one that I give to my honourable friends just for their edification, was a beautiful quote, a gem, that he had unearthed from G.K. Chesterton, when he was talking about one of the afflictions that faces all modern societies today, namely the affliction of public sector imperialism, a term that we are going to hear a little bit more about tonight and probably later in this Session. Public sector imperialism. I hope these words bring home to my honourable friends opposite. They're great people, in talking about imperialism, you know, colonial imperialism, economic imperialism; we're going to be talking a little bit tonight and later on about public sector imperialism, because it represents in many more ways than they would like to admit, the real heart of their philosophy and their ideas, if they, God forbid, were ever allowed to have the control of government in this or any other province again.

Well, in the course of talking about replacement of aristocracy and plutocracy by public sector imperialism, Chesterton used a phrase that sums up welfare mismanaging states. Haven't we had a taste of that disease in Manitoba? I think perhaps we did. And he referred to it in these beautiful words that I commend to my honourable friends: "The load of their loveless pity is worse than the ancient wrongs." The load of their loveless pity is worse than the ancient wrongs. I suggest that my honourable friends ponder those words a bit before they embark upon some of their loveless pity that we have seen in this province, their lack of concern for the individual we have seen in this province, and we know, Mr. Speaker, that the kind of pity that was inspired by their collectivist ideas is not the kind of pity that the ordinary needing citizen in this province wants.

But, Mr. Speaker, to get back to public sector imperialism. Doesn't that have a nice ring to it? Isn't there something in it that really conjures up a vision of my honourable friends rushing around with growing hordes of civil servants, and so on, to do what? To do good. Always in the name of good, Mr. Speaker. Public sector imperialism. "The advance to voting democracy," and I am quoting, Mr. Speaker, from this article, "The advance to voting democracy was advertised as bringing to culmination the process by which power has passed from kings to nobles to capitalists, to finally us, the voting people. That's what we thought was happening, instead, power has passed even in the English speaking world to what Solzhenitsyn," and, Mr. Speaker, I interrupt to say that I know that Solzhenitsyn has called, "political bureaucrats" and "official bureaucrats". "These two groups," says this article, "now spend a higher proportion of the GNP, than did the priests, kings, nobles, and capitalists during their own peak periods of power. Awkwardly, they are spending it with a smaller sense of noblesse oblige, than did the old power groups in their tamed later years." Mr. Speaker, I am sure my honourable friends opposite will like this and I throw it in for their benefit, because it's in the article: "Read the Watergate tapes if you do not understand this."

Well, Mr. Speaker, public sector imperialism. What does it mean? It means that that's the kind of word or euphemism, I suppose, that is used in another descriptive way to describe what Britain is undergoing under the yoke of the same kind of mentality we see in the opposition here. It's called over there, the English disease, and the writer for the Economist preferred to call it public sector imperialism. I rather prefer 'the English disease' however, because even if the adjective isn't right, the noun is. If I can believe everything I have been hearing and reading in Hansard in the last ten days, and that hasn't been much. My friends want to inflict the English disease. To re-inflict it, I guess, would be the proper verb. To re-inflict the English disease upon the people of Manitoba. Well, Mr. Speaker, I don't think the people of Manitoba are about to buy that bit of baggage again.

And in summary, talking about reality, the article points out really what the realities of public life are in the western world today and they have very little to do with what my honourable friends have been talking about. Very little to do with taxing more, and spending more, and intruding more, and accreting more power unto the state, in fact very little to do with that, nothing to do with it at all. They're way back in the Dark Ages, if that's the only philosopy philosophy they can spout today, and that is apparently all we can hear. Because an interim summary, and this is only one man's opinion, and I don't necessarily agree with all of the propositions that he puts forward, but I suggest that he is at least speaking on an intellectual plane that is in much closer touch with reality than anything my honourable friends have said in the last ten days. He says, "To summarize," and this is after visiting all of the Democratic countries that I've mentioned before. "To summarize," and I quote, "the arguments of this survey so far, the power of governments is going to be diminished for five reasons. The first is that a reaction is now in train against against public sector imperialism. The second is that the productivity of public spending has disappeared. The third is that the system of follow our chosen leader has now become a system for being led by dissembling television actors whom the system itself can then drive neurotic. The fourth and the biggest reason is that the

revolution is going to make all of the information industry, including bureaucracy a field for small-scale experimental entrepreneurship."

I interrupt to say a word again that I know is offensive to honourable friends opposite, but it's used in the article, so I can't help but offend them, Mr. Speaker. "Small-scale experimental entrepreneurship instead of from the top down managerial hierarchies. The fifth is that the rather small revolt against price inflation is now accidentally setting the larger revolt against public sector imperialism in train."

Now, Mr. Speaker, as I said, I don't suggest that everything this writer or this magazine says is true, but I suggest it's in much closer touch with the realities of what's going on with the public, with the people who vote. I wonder if my honourable friend ever takes time away from the Regina Manifesto to go out and talk to people. I wonder . . . you know, I am giving some free advice. I suggest that he might try that some time. Just go out and talk to people. Encourage them to tell you what they think. And I'm not suggesting the 39 percent of the people who, for one reason or another — and the one reason may be not in this House now, and the other is a pretty diminishing one — the 39 percent of the people who voted for his party in the last election. I don't suggest he talk just to them, but go out and talk to all the people. Because I try to make it a point to talk to everyone, regardless of what their political stripe is, and find out what they're thinking is about government financing, the attitude of government, what we're doing that's right and what we're doing that's wrong, and so on, because, God knows, Mr. Speaker, this government makes mistakes. This government has made mistakes; this government will make mistakes, because it is made up of human beings who are not perfect. So, lest my honourable friend needed that notch to be put on the wall, I put it back in for him tonight. We don't pretend to be anything other than human beings, fallible human beings, with the full understanding of what that word means. We do not operate under some predetermined, collectivist idea that everything, as long as we hue in that direction, no matter how many mistakes we make, we don't hue like my honourable friends and say that state ownership is right no matter how much money it's losing. We have to learn along the way because we're just ordinary people of common sense.

Well, Mr. Speaker, I suggest he go out and talk to the people and he'll find that what this writer and the economist is saying is true, that there is a great concern here, in the United States, in Western Europe, indeed in all of the free countries, about where too much government has been taking all of us, and it's not just a situation that we found in Manitoba in October of 1977; you find it elsewhere, you find it throughout the country, in some places worse than others. Manitoba, I think, unfortunately, had to fall into that former category.

Well, Mr. Speaker, reality. My honourable friend, in his watered-down version of what was wrong with the government in the weak gruel that he gave us, said, "You know, you're not spending enough on hospitals; you're not spending enough on care institutions; you're not spending enough on social welfare; you're cutting out the services in the north; you're not paying attention to the core area in Winnipeg." And what did it all boil down to, Mr. Speaker? It all boiled down to spending more money, that's all. That's his one panacea for all the ills. In fact, that's the only panacea my honourable friends have. Good management isn't known. They don't know anything about good management. That's not in their lexicon, or in their dictionary at all. Just throw a bit more money at the problem. Build a \$6 million jail at The Pas. It doesn't matter how extravagantly engineered or designed it was. Go ahead and build it; it's only \$6 million; it's only somebody else's money — probably money from the economic elite, say they — to make themselves feel a little bit better about it. Well, you can't do that, Mr. Speaker, because 49 percent of the people in Manitoba — I repeat the figure — 49 percent of the people in Manitoba elected these 33 men and women to stop that kind of nonsense in Manitoba.

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I daresay that a fair majority of the 39 percent who, for whatever reason, voted for my honourable friends, a fair majority of them would subscribe to the same theory that those are their tax dollars and they want them spent a bit more prudently than they were from 1969 to 1977. That's the reality in Manitoba today. It's not spend more; it's get along with the scarce tax resources that you have, leave more money in the pockets of the people. Let them make the economic decisions about how their own money should be spent. Those are the decisions. And my honourable friend right away is going to say, "Aha, well, that's succession duty." No, my honourable friend, Mr. Speaker, doesn't like to talk too much about the fact that the biggest tax decrease last year occurred in what he would call the most regressive tax of all, namely the sales tax. And the sales tax reduction last year put money into the pockets of every Manitoban, without fear or favour at all, but you wouldn't hear him talking about that. He still tries to dredge up the succession duty and say, "The Conservatives were looking after their millionaire friends when they abolished the succession duty," but my honourable friend, Mr. Speaker, still hasn't had the intestinal fortitude to stand up in this House and answer the question that I put to him and to his predecessor a number of times: If we, by abolishing the succession duty in Manitoba, were looking after our millionaire friends, what

244

in God's name was Allan Blakeney doing when he abolished it in Saskatchewan?

You won't hear them answer that question, Mr. Speaker, because you know what? They're still toying with the idea of reimposing it, only they haven't got the intestinal fortitude to stand up and say so. I'll sit down right now if my honourable friend wants to answer yes or no. Do you intend, if you were elected government of Manitoba — God forbid — in 1980 or 1981, to reimpose The Succession Duty Act in Manitoba? Yes or No. Yes or No.

MR. SPEAKER: Order please.

MR. GREEN: Mr. Speaker, since my honourable friend has sat down, since my honourable friend has sat down, put the question, and then I will get up and speak and answer my honourable friend. Since my honourable friend has sat down, put the question, Mr. Speaker, put the question.

MR. LYON: Yes or no.

MR. PAWLEY: Mr. Speaker, the question should be put. My honourable friend sat down; the question should now be put.

MR. SPEAKER: Order please, order please.

MR. LYON: Mr. Speaker, I yielded the floor momentarily to the man I thought was leader. I yielded the floor momentarily to the man we thought was Leader of the party.

MR. SPEAKER: Order please. The Honourable Leader of the Opposition wish to answer a question or raise a point of order?

MR. LYON: Mr. Speaker, he can do it at the end of . . . Mr. Speaker . . .

A MEMBER: . . . the floor? We have members that are prepared to speak.

MR. LYON: Mr. Speaker, let the record show that the honourable member's actions spoke louder than any words.

MR. SPEAKER: Order please. The Honourable Member for Inkster on a point of order?

MR. LYON: I merely want to say that they can't keep on trying to get away with it.

MR. SPEAKER: The Honourable Member for Inkster on a point of order.

MR. GREEN: Yes, Mr. Speaker, I rise on a point of order. My honourable friend wishes to play a parliamentary trick. If he wishes to play a parliamentary trick, he must carry that trick through. The honourable member says that he can get up, sit down and ask a question of a member of the other side. I would like to see Beauschene's rule which permits a member speaking to get up and put a question to the other member without yielding the floor. The honourable member has sat down; he has yielded the floor, put the question and then we will answer my honourable friend. There will be speakers on this side.

MR. SPEAKER: Order please, order please. Order please. The point of order that the Member for Inkster has raised is something that I have witnessed occurring in this Chamber on many occasions. I have, on numerous occasions, witnessed members doing exactly the same as has occurred here and if members want to challenge my ruling, they know... The Honourable Leader of the Opposition.

MR. PAWLEY: Mr. Speaker, we challenge your ruling.

MR. SPEAKER: Shall the ruling of the Chair be sustained?

MR. JORGENSON: I wonder if my honourable friend will identify the ruling that he is challenging.

MR. GREEN: Mr. Speaker, there is no difficulty in identifying. The Speaker has ruled that it is in parliamentary order for a member making a speech to direct a question to another member

of the House and sit down without yielding the floor, and I challenge that ruling definitely.

MR. SPEAKER: The Honourable Leader of the Opposition on a point of order.\$

MR. JORGENSON: The Member for St. Johns does that repeatedly in this House and nobody has ever suggested he yield to the floor.

MR. SPEAKER: The First Minister on a point of order?

MR. LYON: No, Mr. Speaker, I wonder if I may be allowed to continue, as obviously there is no point of order. —(Interjections)—

5

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MR. SPEAKER: Order please, order please. May I point out to all members that if they wish to challenge the Chair, there is a way that they can do it and if you are wishing to challenge the Chair, make it be known now.

MR. PAWLEY: Mr. Speaker, we challenge your ruling.

MR. JORGENSON: Mr. Speaker, I'd like to know the ruling that you made that he's challenging.

MR. SPEAKER: Order please, order please. I have pointed out to members of the Chamber that on numerous occasions, I have witnessed members sitting down and inviting other members to answer their questions. That has never been challenged in this House before, however, if you wish to challenge it now, my ruling is that it has occurred on many occasions . . . The Honourable First Minister on a point of order.

MR. LYON: Mr. Speaker, on what is alleged to be the point of order?

MR. PAWLEY: Mr. Speaker, we challenge your ruling on the basis of the yielding for a question, the honourable member forsook his position when he yielded to a question.

MR. LYON: Mr. Speaker, on the point of order, I can settle the whole matter without my honourable friends having to go through the charade, the charade of presuming to question a ruling which you have not made. Sir, and the only reason they want to do it is looking at the clock, they want to exhaust the time of the speaker, that's the only reason they're doing it. So, Mr. Speaker, I'll open the door for my honourable friend. I'll finish five minutes sooner and let him answer the question I put to him. In the meantime, Sir, I suggest I be allowed to carry on without . . .

MR. SPEAKER: Order please. The First Minister, in my opinion, has not yielded the floor. He is still entitled to speak. The Honourable First Minister.

MR. PAWLEY: Mr. Speaker, we challenge your ruling.

MR. SPEAKER: Order please. The Honourable Leader of the Opposition on the point of order..

MR. PAWLEY: Mr. Speaker, the point of order is that we challenge your ruling. The honourable member has yielded the floor by taking his seat.

MR. SPEAKER: The ruling of the Chair has been challenged. Shall the ruling of the Chair be sustained? Those opposed please say Nay. In my opinion the Ayes have it.

The Honourable First Minister.

MR. LYON: Mr. Speaker, I can assure my honourable friends that I still have three-quarters of an hour more and they'll be just as uncomfortable as they were before the question. Notwithstanding their attempts to use up the time of the House on little procedural stratagems that are best left to the mouth of people like the Member for St. Johns.

Mr. Speaker, we know where my honourable friends now stand on the succession duty. They want to reimpose it but they haven't got the guts to tell the people of Manitoba that they will. And, Mr. Speaker. . .

MR. SPEAKER: Order please, order please. MR. GREEN: Mr. Speaker, if the honourable member persists in this I can be just . . . I rise on a point of privilege.

MR. SPEAKER: The Honourable Member for Inkster on a point of privilege.

MR. GREEN: Yes, Mr. Speaker. My honourable friend, after the ruling had been established that he did not yield the floor, now has used that ruling to suggest that we have not been willing to answer. We were willing to answer. Mr. Speaker, if my learned friend persists, then I am going to persist just as strong if we have to challenge rulings all night. The only way we could answer that question is if he yielded the floor. First of all he yielded it; he changed his mind; now he says we refuse to answer. I would ask you, Mr. Speaker, to tell my honourable friend that he is to proceed with debate without making improper inferences as to our conduct because his conduct was wrong.

MR. SPEAKER: Order please. In my opinion, the Honourable Member for Inkster did not have a point of privilege. —(Interjections)— Order please.

MR. LYON: Mr. Speaker, I believe that you have just said, Sir, — and I'm speaking on a point of order — I believe you have just said that the honourable member did not have a point of privilege and that disposes of it.

MR. GREEN: No, I would like to challenge the ruling of the Speaker . . .

MR. LYON: Use up more time.

MR. GREEN: . . . with respect to his ruling. And I do so, Mr. Speaker, and I'm willing to do this all night, as long as that kind of conduct persists. I challenge your ruling that I did not have a point of privilege.

MR. SPEAKER: Order please, order please. May I read out to the honourable member what constitutes a point of privilege. "Members sometimes raise so-called questions of privilege on matters which should be dealt with as a personal explanation or a correction, either in the debates or the proceedings of the House. A question of privilege ought rarely to come up in the Legislature. It should be dealt with by a motion, giving the House power to impose a reformation or apply a remedy." Because the member did not bring forward a motion, I rule the matter of privilege out of order.

The Honourable First Minister.

MR. LYON: Well, Mr. Speaker, I can put my honourable friend at ease because he hasn't answered the question nor his party for a year and a half and they've had the time to do that on succession duty. If he wants to spend his time listening to something less uncomfortable than my speech, let him go into the Legislative library, look at the vote when The Succession Duty' Act was repealed, and find out whether or not he and his stalwart friends called for a vote to show where they stood on the question. The record will show, Mr. Speaker, my recollection, subject to correction, my recollection is that they didn't even stand to vote. They talk against it but they won't vote.

So, Mr. Speaker, I come back to The Economist which makes them equally uncomfortable along with The Succession Duty Act, and I say that in its review of Canada, what did it say? Did it talk about spending more money on handholding efforts in northern Manitoba? Did it talk about spending more money for the myriad of things that the Leader of the Opposition said should be done? No. What is the prescription that was laid out in the year-end review for Canada? I quote: "Two prescriptions for Canada: One, is to cut government expenditure and taxes, especially tariffs," — and we're doing both, I interject, Mr. Speaker, in Manitoba. "On the OECD's account, Canada's government expenditure was 25.1 percent of GDP in 1955 to 1957, and ther \$3.0 percent in 1967 to 1969, and then 39.4 percent in 1974 to 1976. This is the sort of accelerating grab that people must not allow to the sorts of government that then proceed to tell them to speak languages they do not want to speak." And that is the quotation from The Economist. Well, Mr. Speaker, that's the reality in Canada today. It's a reality that's spoken by his

Well, Mr. Speaker, that's the reality in Canada today. It's a reality that's spoken by his kissing-cousin, the Prime Minister of Canada. His kissing-cousin, philosophically, there's no question about that, and if my honourable friend wants to deny that he and the Prime Minister share some philosphical ideals, let him go back and read what the Prime Minister used to write, before he became a Liberal, when he was still a card-carrying member of the CCF.

Well, Mr. Speaker, even the Prime Minister of Canada today is saying, you've got to cut

expenditures, you've got to reduce deficits as much as possible, you've got to reduce the size of the bureaucracy, and also you have got to make sure that you keep government spending well under control. All of these things are being said, not just by what my honourable friends would describe as the simplistic economics of red-neck Tories in Manitoba — I know that that's their favourite term, and those of their sycophants in the press who support them — but that really doesn't bother us, because we happen to know Mr. Speaker, that the vast majority of the people of Manitoba want this, and we happen to be a government that feels that it owes a responsibility to to be responsive to the majority of the people of Manitoba.

Mr. Speaker, I read to my honourable friends last year a quotation, you know, if Canada's not good enough, let's go abroad. And if the eleven First Ministers of Canada are not good enough, who said cut expenditures, cut taxes, cut the size of the bureaucracy, cut the deficit; all eleven First Ministers in Canada said that, including the Socialist Premier of Saskatchewan, including the Prime Minister of Canada, but not my friends opposite, still hewing wood and hauling water in the Socialist forest — not them, they're not going to be dragged, kicking and screaming into the 20th century, not that bunch, not that bunch.

Well, Mr. Speaker, let's go abroad because my honourable friends like to feel that they are somehow or other philosophically allied with the Democratic Party in the United States. And I remember that the Leader of the Opposition's predecessor built up a personai relationship with one of the Democratic governors in the United States, and they thought alike on a number of guestions, so I was told by people whose judgment in that regard I respected.

Mr. Speaker, if they listened to the current President of the United States, the great Democrat, Jimmy Carter, what are they hearing? Are they hearing that the Government of the United States has got to spend more money? That the Government of the United States has got to increase its deficit? That the Government of the United States has got to go out and borrow more money? That the Government of the United States is going to increase the bureaucracy? No, they're hearing from the President of the United States that inflation, the same inflation that besets the national economy in this country and affects particularly the poor in Manitoba, particularly the poor in Manitoba, the ones on whom my friends wish to always pour their great amounts of loveless pity, that's the greatest enemy the poor in Manitoba have is inflation. And, in order to fight inflation, governments got one important job to do and that's to keep expenditures under control. And, if it's a national government it's got another thing to do and that's to stop printing money to cover up the deficits. Now we aren't a national government in Manitoba, but we have said, since coming to office that we think the provinces should have something to say about the rate at which the money supply is increased in Canada, and I think my honourable friend should be talking about topics like that, rather than worrying about bed sheets, and some of the other matters that have engaged his intelligent attention over the last eighteen months. What does he think about the provinces having something to say about the rate of money supply in Canada, because that's contributing to inflation; and inflation, unless my honourable friend is unaware of it, inflation is the greatest enemy that the poor, the weak, the unorganized have in Manitoba. Let there never be any mistake about that, and we're engaged in the battle against inflation.

I ask my honourable friend, Mr. Speaker, what battle is he engaged against when he says to do the opposite, the things that will feed inflation in Manitoba? That's the kind of debate we want to see come to grips with the real problems in Manitoba. Inflation is one of the real problems. Improving employment is one of the real problems. What have my honourable friends to say about that? Spend some more money on make-work government projects, that's all they had. That's all they had to say. They couldn't come to grips, Mr. Speaker, they couldn't come to grips with a wet paper bag economically.

The greatest collection of mismanaging incompetence whoever graced the government benches in the history of this province, and they are presuming today to tell the people of Manitoba how they would get them out of the mess in which they left them. Well, well, let them listen to what President Carter says, and let's see if this is some of the reality that they would like to subscribe to.

He said last year, "We need patience, and goodwill, and we need to realize that there is a limit to the role and function of government. Government cannot solve all of our problems, set all of our goals, or define our vision. Government cannot eliminate poverty, provide a bountiful economy, reduce inflation, save our cities, cure illiteracy, provide energy, or man-made goodness. Only a true partnership between government and the people can hope to reach those goals. And, those who govern can sometimes inspire, sometimes, and we can identify needs and marshal resources, but we cannot be the managers of everything and everybody." President Jimmy Carter. Do my honourable friends with that or not? Let them come to grips with that kind of quotation.

Now, Mr. Speaker, Mr. Carter came out in October of this year and said and I quote again, from the State of the Union address, I quote again, "We cannot resort to simplistic or extreme

solutions which substitute myths for common sense." Jimmy Carter can't, but my honourable friends across the way can, andthink they can get away with it.

Mr. Speaker, President Carter in his January, 1979 State of the Union address, talking about the need to control inflation, and to protect the well-being of the nation's citizens. What did he say just a month ago, "To be successful we must change our attitudes as well as our policies. We cannot afford to live beyond our means, to create programs we can neither manage nor finance, or to waste our national resources, and we cannot tolerate mismanagement and fraud. Above all, we must meet the challenge of inflation as a united people." Were these statements made by some primitive economist? By some red-neck Tory from the prairies of Canada? No, they were made by the President of the greatest nation in the world in terms of economic and military strength. And that's the course that's being followed in the United States, the course that is being attempted to be followed. And that's the course that reasonable thinking people everywhere are trying to follow, not the myopic kind of wandering off into the marsh, that my honourable friends opposite would have fiscal and economic policy in this province followed.

But, you know, Mr. Speaker, it does depend to some extent on when you're talking to them because if you read in the Tribune, I believe it was an interview with my friend, the Leader of the Opposition, not long after he attained that office, he said, "You know, if we had been re-elected, we would have been on a program of restraint too, but you know," he said, " we'd have been doing it a little bit different, there wouldn't have been those tax reductions." That was the implication. There wouldn't have been any of the tax reductions, there just would have been the zooming deficit that he left us with, as though the one that they left us with wasn't bad enough at \$214 million, \$125 million of which was on current account. You never hear them talk too much about that fact of life, do you?

No, it was going to be a \$25 million deficit in the spring of 1977, and before they left office, Mr. Speaker, and let the Member for St. John, wherever he may be, and let him mark this well when he talks about deceit, a subject in which he is better trained perhaps than most of us. Let him mark well that before his government left office, the financial officers of the government of Manitoba gave to me, as the Leader of the Opposition in the interim period before the government change, the financial statement of that government, when they were still working for that government and it showed the state of the deficit, as did the Quarterly Report later on.

Don't let my honourable friends try to talk about people manipulating figures. There was no one there to manipulate the figures except them — except them — and the reports that were given to us before the 24th of October, between the 11th and the 24th of October, showed us the dastardly state of affairs that they had allowed the finances of the Government of Manitoba to get into when they were still occupying the Ministerial offices. So let not the Member for St. Johns or any other person, try to say that the books were cooked by the civil servants because the civil servants were answering to and reporting to them — them — and they were the ones who carried the bad news to us in the interim period and told us just how bad things were. They were the ones who told us about the \$125 million at that time, so, Mr. Speaker, let's put that one to rest once and for all, although I know the truth. I know the truth, Mr. Speaker, is something that does not often deter the Member for St. Johns from carrying on with his verbal shilly-shally. Well, Mr. Speaker, one could go on, but I think it's something like throwing pearls before a swine. To talk about economic common sense in this day and age after listening to what we've listened to for the last 10 days in this House, where have they been — where have they been ?

MR. ENNS: Where are they now?

MR. LYON: Are they occupying this part of the world? Manitoba, Canada, North America with us in 1979? Isn't every reasonable government in Canada doing exactly what we're trying to do? Of course they are. Where are my honourable friends? They're away out in left field — and that's not just a pun — they're away out in left field somewhere, feeding on their nineteenth century doctrine and saying that that's good enough to meet the challenges and the realities of today — well, it isn't. It isn't, Mr. Speaker, but I go back to the Leader of the Opposition's text.

On Page 32 of that text he said: "What is our present reality and what does it mean for the actions of government? Manitoba's situation is a little different from that compared to other governments in the western world." He acknowledged that there was a little bit of difference, but that's as far as he got and then what did he talk about. What was the great spear that he then threw into the corpus of the government? He said let us begin and I quote: "Let us begin with migration." Well, Mr. Speaker, let's begin with migration because I can't think of a more trumped-up topic than migration to talk about. If that's all my honourable friend can say in this great economic review of reality that he was going to give us and then say: "Let's begin with migration". What sort of research work is going on over there? What sort of reality are they in touch with over

mr. Speaker, the migration figures that my honourable friends seem to be almost "happy" about, have changed very very little over the course of the years, regardless of what government has been in office. Mr. Speaker, the migration figures that my honourable friend spoke of and the previous administration's first year in office — from mid 1969 to mid 1970 — the number of out-migrants to other provinces increased by 4,294, from 32,930 to 37,224. Funny we didn't hear that figure from them when they were in office. Did they think it was such an important thing then? No. It's just become something that they've tried to clutch at.

From the fourth quarter of 1977 to the third quarter of 1978 — the first year that this government has been in office, the number of persons leaving Manitoba for other provinces actually declined by 207 — from 33,036 to 32,829, but, Mr. Speaker, having said all of that, what have you said? What you've said is, that in about 7 out of 10 provinces, the traditional pattern of in and out migration leaves the province in the 7 out of the 10 in a negative position. That's all you're saying and it's been going on for lo, these many years and while we can't and don't deny that there was an increase in net out-migration — which seemed so much to excite my honourable friend and his left-wing leader from Ottawa, who came in purring and snorting about something in that regard as he jumps in occasionally to this province, where he stands all of the chance electorally, of a snowball in hell, but he still keeps coming here — well, Mr. Speaker, we can't deny that there was an increase in the net outmigration in the statistics for the latest year to the extent that that is meaningful about anything.

To look behind the net migration figures to get a full understanding of what's going on, you have to look at all of the figures in Canada. The reason that the net figures have increased for Manitoba is not because there has been a significant jump in the number of people leaving the province, in fact, the latest 12 months figures from the fourth quarter of '77 through third quarter of 1978, show that fewer people left than during the preceding 12 months under the previous administration and that fewer left than the average for all eight years under the previous administration and fewer left than the long-term average for the past 16 years. But, Mr. Speaker, having said all of that and having shown and having demonstrated that the figures are not such as should inflate the concern of the people of Manitoba, what have we said? That is the major point that my honourable friend makes in his so-called economic review of the Province of Manitoba. This is the big thrust that they made in their criticism of the government. Some thrust — some thrust!

Well, Mr. Speaker, I'm not going to take the time of the House to waste any more time on it. My honourable friend can have the Member for Brandon East dredge up all of these figures about the price of eggs and Timbuktu or whatever he wants, but until they become meaningful to the people of Manitoba, I suggest he keep them to themselves or just have a little cell meeting some night with some of his group and carry on with the things that seem to please them so much.

Well, Mr. Speaker, there are a number of items that my honourable friend wanted to talk about in statistics. He said that Manitoba, in effect, to use his language, or to the implication of it, at least, was going to hell in a hand basket, economically. It isn't true. He conveniently forgot to point out when he was talking about the real growth in the provincial product of the province, that it represents something like four times the real growth, in 1978 2.6 percent increase; 1977, .6 percent increase. Now, that's not as big as we would like to see it. The private sector isn't back working as fast as we would like to see it, but Mr. Speaker, it's a devil of a sight better than it was under the last year of their administration and I think we can all take some hope from that.

Mr. Speaker, the important thing is that we're moving in the right direction. We're not falling back the way we were with my honourable friends and we're not, in this day and age, now anymore having hundreds of millions of dollars of investment capital being driven out by succession duties and some of the other toys that my honourable friends used to play with to the economic disadvantage of all of the people of Manitoba. So, Mr. Speaker, one could go on and talk about all the statistics that my honourable friend mentioned which are really, trying to paint a picture that doesn't exist in Manitoba.

The employment picture in Manitoba is better today than it was a year ago, but you don't see us standing from the rooftops and saying that, Mr. Speaker — no. My honourable friends still try to dredge up statistics — I don't know where they get them from — to try to point this doom-and-gloom picture and what does it boil down to? It boils down to this very simple proposition.

We, the all-knowing NDP are not in office, therefore, times must be bad or such brilliant intellectual statements as one hears from them from time to time, Tory times are hard times, you know. Well, Mr. Speaker, that kind of pamphleteering and sloganeering may cause some of his arch supporters to rise from their seats at some of their little local meetings, but it really doesn't do anything for the people of Manitoba, because it just isn't true, and my honourable friend knows it isn't true. This argument, this business of getting into statistical arguments with the Honourable

Member for Brandon East really is not serving the people of Manitoba well, because his statistics – God knows where he gets them from — but his statistics really don't prove the case he is trying to make. If he wants to talk about the resurgence in employment and manufacturing, where there was an average increase of 5000 jobs, recorded for 1978, following a decline in manufacturing employment in 1977, we'll be happy to talk to him about it. We regard that as a mark of forward progress by the private sector, and we're happy that it's taking place. That's not a sign that the economy is turning down.

And, Mr. Speaker, we're interested in this government, and I think all the people in Manitoba are interested in employment. We want to get more jobs for our young people in Manitoba. That's what we're interested in. Taking a random letter to the editor from a paper doesn't prove my honourable friend's case at all, but the statistics that we have from Stats Canada to the extent that those statistics are reliable, and I guess we both use them, and they 're subject to the same indicator of reliability or lack of reliability that the Globe and Mail pointed out in a recent editorial, but they're the best we have to work with. All of the statistical indicators we have indicate that the number of jobs in Manitoba has received a great upsurge this year. In fact, more than the equivalent of what was created in the last three years in which my honourable friends were in government. Those are the statistics that are of importance to the people of Manitoba, I suggest, 22,000 more Manitobans employed in January, 1979 than a year earlier. I think that that's worth talking about, but, Mr. Speaker, that doesn't mean that the economy is going to hell in a handbasket, not a bit. It means that signs are looking up.

My honourable friends, you know, like to quote from all of the doom and gloom statistics. One that I didn't hear them quote from, though, when they're quoting ahead for 1979, you didn't hear this quote come from the Member from Brandon East or the Leader of the Opposition and this is a quote from the most recent quarterly forecast from the Conference Board. They quoted the Conference Board's forecast that Manitoba wasn't going to do as well in terms of its gross provincial production this year, but they didn't give you the background from it.

The Conference Board said, and I think it might be illuminating if my honourable friend from Inkster would listen to this, because he would realize where he had been. We all know that he doesn't know where he's going, but we'd like to tell him what the Conference Board says where he was. "For Manitoba, 1978-79 can be characterized as years of modest recovery in the non-agricultural sector at least. From the sluggish economic condition prevalent since 1975, the period between 1975 and 1977 was one of general recession in the province, since constant dollar non-farm production —which captured business cycle swings in production more closely than does total provincial output — did not register any groh at all. By contrast, non-agricultural production posted a gain of 2.2 percent last year, 1978,, and is projected to expand by a further 1.7 percent in 1979."

But I wonder if my honourable friend from Inkster noticed the period between '75 and '77 was one of general recession in the province. That's where he was, and that's the Conference Board, and they're not always right. They're not always right, but why aren't my honourable friends at least evenhanded, and give both sides of the picture? We try to do that in government. We have said very, very clearly, Mr. Speaker, that one of the greatest dangers afflicting the economy in Manitoba today, as well as the national economy, is the untoward rise in interest rates over which none of us in this Chamber have any control. And I can see that the possibility of that untoward rise in interest rates in Canada having a dampening effect on the resurgence that is starting in the private sector. And I think that that's a realistic fact of life that we should be debating in this House, and what we as a province should be doing, as we have suggested to Ottawa, in sharing information with respect to provincial borrowing and having some input and a cain into the monetary side of things through the Bank of Canada, because we all know that interest rates have an uneven effect on the regions of the country. An interest rate structure that is as high as the one we have now will impact more severely in an economy such as we have in western Canada, particularly in Manitoba, because we are so dependent on small business, and Ottawa should be aware of that before it goes around raising the interest rate, albeit for the good reason of protecting the low value of the Canadian dollar, which in turn is costing us money on the debt that we have to repay.

But these are the topics I suggest with respect, Mr. Speaker, that are of prime concern to the economic future of the province. Not these hyped-up figures on migration, which are the weak kind of gruel that my honourable friend tries to make a speech out of when he stands up for his maiden speech as Leader of the Opposition. I suggested to him earlier, I hope with kind ness, that I know he can do better. And I suggest to him that we have been giving him a few topics tonight that are real and are of concern and do face the realities facing the people of Manitoba, and I'd like to hear him debate these topics and tell us what his views are on them. Give us some ideas. We

don't, as I have said before, have any monopoly on wisdom on this side of the House. We can use ideas. We would like to hear something other than whining, carping, socialist criticism from across the way. We'd like to hear some progressive, productive ideas for the people of Manitoba.

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You'll never get a better invitation, Mr. Speaker. I say to my honourable friend, he'll never get a better invitation. I hope that he'll respond to it. — (Interjection) —

Well, let's come back to reality for a few minutes after talking about the Leader of the Opposition's speech, let's come back to reality, Mr. Speaker. The reality in Manitoba today is this, that we have demonstrated in the last year, along with leaders in other provinces in this country, along with the present Prime Minister who is coming to that kind of deathbed repentance about the need for control in government expenditure, along with President Carter, along even with the labour socialist Prime Minister of Great Britain, who, it must be said in defence of his socialist principles, has really not been conducting the financial affairs of Britain for the last three years in any case. They've had to borrow so much money from the International Monetary Fund to bail them out of all of their socialist programming and so on over there, that it's the IMF who have been writing the budget for the people of the United Kingdom for the last two to three years. So we all know that to be a fact. But at least the Prime Minister and Mr. Healey, the Chancellor of the Exchequer are mouthing the words. They are saying, Mr. Speaker, that you must reduce deficits, you must reduce government expenditure, wherever possible you must reduce taxation and you must cut the size of the growing bureaucracy.

Does my honourable friend opposite realize, Mr. Speaker, that 50 percent of the unionized workers in the United Kingdom today are — and this came as a surprise to me when I read the figure — are in public service unions? I found that amazing, and one reason that you find economist commentators, that you find commentators around the world saying that the size of government has to be reduced, is that some of these unions, some of the public service unions, particularly in Great Britain, are getting into the way of the normal responsible and decent functioning of a civilized country. We have seen that happen before in Britain and you can see the problem flowering there.

When I talked tonight, earlier, quoting from the Economist, the fact that in Canada today something like 42 percent of our GNP is spent by governments, do my honourable friends realize, or do they recall two years ago when I told them that in 1962, 42 percent of the GNP in Britain was spent by government. In 1977, 62 percent of the GNP was spent by government. Mr. Speaker, I can't let this pristine moment pass without reporting it.

The Honourable Member for Brandon East has just stumbled into his seat, and he has just said, he has just said that spending 62 percent of the GNP in Britain, he said and I quote him,"That is good." Well, Mr. Speaker, if that's good, so is smallpox. Because, the Chancellor of the Exchequer in Great Britain, two years ago said, "We've got to reduce the proportion of government's taking out of the pockets of the people in Britain, and get it back down into the '50s because we're spending much more money than we can produce as a country." My honourable friend says he's an economist — please.

MR. LYON: What we are trying to do in Manitoba, I've tried to indicate this earlier tonight, is in total harmony with what we see happening, enlightened and even some countries that don't have enlightened government such as Great Britain. But at least they're trying to do what every person of reasonable common sense admits has to be done. I am sorry that the Honourable Member from Brandon East doesn't agree, but I guess we'll just have to put him over in the other camp. But Mr. Speaker, we've only made a start in Manitoba, heaven knows we got a long way to go. But I think we've made a pretty good start in the last year. Our taxes were lowered by \$83 million last year, no matter what kind of permutations and combinations the Member for St. Johns wants to go through. Eighty three million dollars reduction on taxation, that was good for the people of Manitoba. I hope that we can . . . pardon?

MR. LYON: My honourable friend is mumbling as usual from behind his desk because he can't take it. He loves to dish it out, but he can't take it, so he puts his desk top up; he customarily puts his desk top up and . . . Mr. Speaker, we're please to see him after 8 o'clock in any case. So the taxes have been lowered, no matter what permutations or combinations my honourable friend's fertile mind can go through. The taxpayer's money, it's the taxpayer's money, that's the only money that government has. The personal income tax has been reduced, Mr. Speaker, notwithstanding the concern of the Member for St. Vital. If he will tow it up what happened to his sales tax and his personal income tax, he 'll find that he was better off this year than he was last year.

The corporate income tax on the small end was reduced to help small business. Succession duty was abolished, Mr. Speaker, and I trust for all time. The nuisance taxes, such as mineral acreage

and so on were taken off, and that is important, that's a step in the right direction. That's what all other governments of any enlightenment are trying to do in this world today.

The deficit of the province of Manitoba is reduced about 40 percent and most of the deficit that we are in, that we have this year, 1978-79 is on capital account. No more \$125 million deficits that my honourable friends left us in October of 1977, as they were leaving office. And, we're going to continue working at bringing down the deficit, not just because Jimmy Carter says so, not just because the federal government is trying to do the same thing, but because it happens to be the right thing to do if you really are bent on fighting inflation, and helping the poor. Not flowered, to use the term again of Chesterton, Not trying to cover them with a kind of loveless pity that Socialists everywhere try to demonstrate when they say they are so concerned with the poor.

The expenditures of this government, Mr. Speaker, increased by just over 3 percent this year and I think that that is worth noting again, because it was the only government in Canada that was able to do that, and it was tough to do. It isn't easy, and it isn't easy to get school boards, and it isn't easy to get boards of hospitals and other institutions to embark upon this program of fiscal responsibility, but by and large we have had excellent co-operation. By and large we have had excellent co-operation, and the universities as well. Because what is the alternative? The alternative, Mr. Speaker, is just to spend more, and if you spend more, you've got to keep the taxes up, and you've got to keep the deficit up and you're feeding inflation which is hurting more of the poor people. It's a pretty simple formulation. It's a pretty simple formulation, one that obviously hasn't pierced the granite of my honourable friend's head from Brandon East, but it is a simple formulation that most other people do understand.

MR. EVANS: You don't know what you're talking about.

MR. LYON: And so, we have as well, Mr. Speaker, we do find that we have a reduction in the payroll, not the figures that my honourable friend from wherever, across the way, was talking about the other day, this is an actual reduction in payroll of 13 percent, some 1,800 fewer people on the payroll and being paid by the taxpayers of Manitoba today than there were a year ago.

And, Mr. Speaker, that is happening with the federal government as well, it is happening with the bureaucracy in the United States. Pray God it should happen in Great Britain as well, in order to help get government under control, because if it doesn't, they are going to be in a worse pickle than they are already under their Socialist masters. So, I suggest again that everything we have been doing, everything we have been doing in this first 15 months, Mr. Speaker, is in accordance with the best economic wisdom and judgment that is available to meet the current realities of the time as we see them at the present time.

We don't say that this is all, we don't say that there are not other things that might be done. We don't say, Mr. Speaker, that we have been perfect in doing what we have done. Not at all. We think there are areas where we have made mistakes, I am the first to admit it. But we say that the direction in which we are going is the best direction for the people of Manitoba, the best direction, Mr. Speaker, in order to ensure that inflation and unemployment are handled as best as any government can handle. And those are the things we are doing in Manitoba.

I say without fear of contradiction that what we have faced from across the way, Mr. Speaker, in the last10 days has been a total bankruptcy of ideas. A clinging to a hoary, old philosophy that doesn't work in office, and that would never work again if it were tried in Manitoba and God forbid that it ever will be. I say to my honourable friends opposite that they better get with it, they better get in touch with the reality of the people of Manitoba today, with reality of the people of Canada.

They're going to be facing a test electorally, as all of us will be in the national sense, probably within a matter of a few months. We'll see what will happen, I'm sure, because my honourable friends opposite who have been a sliver party all of their lives will remain a sliver party in the national

sense. It varies, Mr. Speaker, they represent either 16 or is it 18 percent at their apex of the people of Canada? They're an aberration. They're an aberration on the national scene. They always have

been, and they always will be as long as they subscribe to the rather nonsensical 19th century
ideas that they do, but be that as it may. All I can say is that whatever government gets into office,
be it Liberal or Conservative, and it sure won't be NDP, be whatever government is going to have

to continue on the same path, the financial responsibility, deficit reduction, tax reduction, control and reduction on the size of the bureaucracy, control of the money supply in this country if we are going to beat inflation, and unemployment.

Mr. Speaker, I said earlier in my remarks that what we are concerned about, one of the major concerns that we have as a government in the economic field, heaven knows there are concerns in all of the other fields, in education, social welfare, in agriculture, in health delivery services, and in all of the departments in government but in the economic field, we must be concerned about

the generation of jobs in this province for young people. And the only we can generate jobs in this province is if we have an economic atmosphere that is compatible, and competitive with other provinces who are vying for those same industries or for those same expansions.

Mr. Speaker, that's what we're trying to do, to bring our tax system back down from the unenviable reputation it had of being the highest in Canada — that's what it gained under my honourable friends opposite — back down into reasonable competition with other provinces. And we're also, at the same time, Mr. Speaker, trying to ensure that in Manitoba, those who look at the province from within, the small business people, men and women who go to the bank, pledge their credit, to put an expansion on their flower shop, put an expansion on their small business that may employ one, two, three or fifteen people; they are the people who cause employment by and large to take place in this province. They are the people that my honourable friends across the way forgot, when they imposed the highest taxes in Canada on the people of Manitoba, for trying to make them understand again that Manitoba is a good place to live in, a good place for them to raise their families, and keep them here in productive jobs. If government can do that, if government can encourage the private sector to create those jobs, then this government will have earned the mandate that it received from the people of Manitoba in 1977 in that important particular.

I close, Mr. Speaker, by saying that I have reviewed the amendments that have made by the Leader of the Opposition. He will not find it surprising when I tell him there is not one that I can support, because there is not one in which there is really any substance. But I say to him in closing as well, that he would do well to look beyond the doctrine and the dogma of which he is so complete a captive to the realities of this decade, and of this century, and of this world that we live in at the present time, and that we look forward to hearing from him and his colleagues, constructive ideas about the major problems that are afflicting our economy. Not about the myriad of picayune, whining subjects that he and his colleagues have seen fit to unburden upon the people of Manitoba during the last several days.

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I close with a little injunction for him from one of the great nation builders of this country, Sir Wilfred Laurier. "Faith is better than doubt, and love is better than hate."

MR. SPEAKER: Order. Order please. According to our Rule No. 35 (3), on the 7th of the 8 days at 30 minutes before closing, the Speaker shall interrupt the proceedings and forthwith put the question on any amendment or amendments then before the House. Do you want the amendment read out in totality?

QUESTION put on the amendment, MOTION declared lost. MR. GREEN: Yeas and Nays, Mr. Speaker.

MR. SPEAKER: Call in the members.

A STANDING VOTE was taken, the result being as follows:

YEAS: Messrs. Adam, Axworthy, Barrow, Bostrom, Boyce, Cherniack, Cowan, Desjardins, Doern, Evans, Fox, Green, Hanuschak, Jenkins, McBryde, Malinowski, Miller, Parasiuk, Pawley, Uskiw, Walding.

NAYS: Messrs. Anderson, Banman, Blake, Brown, Cosens, Craik, Domino, Downey, Driedger, Einarson, Enns, Ferguson, Galbraith, Gourlay, Hyde, Johnston, Jorgenson, Kovnats, Lyon, MacMaster, McGill, McGregor, McKenzie, Mercier, Mrs. Price, Messrs. Ransom, Sherman, Spivak, Steen.

MR. CLERK: Yeas 21, Nays 29.

MR. SPEAKER: I declare the amendment lost. Are you ready for the question? The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, it's a rare luxury to be able to follow my honourable friend, because there are so many opportunities to debate in the House when I know understanding his responsibility that he is not here. And I say that with no sense of criticism at all, but it does give us the problem, Mr. Speaker, of sometimes being able to deal with some of the points that he raises, and I may say, Mr. Speaker, that the one thing that I admire most about my honourable friend is his complete conviction in the rightness of his position. He is absolutely without question the . . . he proceeds

absolutely without question on the basis not only that everything that his party stands for is right, but with the corollary too, Mr. Speaker, and the corollary comes out more that everything that the Opposition stands for is absolutely wrong.

And he, Mr. Speaker, he proceeds to almost make the compartmentalizing of ideology and, Mr. Speaker, he speaks about ideology more than any other member in the House. He will use ideological language, and the word socialism must have been mentioned about eighty times in his speech. And socialism, Mr. Speaker, has with my honourable friend a simple definition. Anything that's wrong is socialism. Anything. It doesn't matter what it is, if it turns out wrong it's socialism. And he identifies, Mr. Speaker, socialism is incompetence and the corollary is capitalism is competence.

Now, my honourable friend essentially told us that during the last hour and a half. But he did pose a question to my leader, who cannot answer now, as the honourable member knows, because he has already spoken on this motion, with regard to succession duties and he pretended, Mr. Speaker, that there is some fear or lack of conviction on this side of the House with respect to that particular form of tax. Which, Mr. Speaker, he identifies as socialism. Now, let me say, Mr. Speaker, that the inheritance tax, or a succession duty, or a tax on inherited wealth, whichever way you want to call it — death taxes if you wish, Mr. Speaker — was enacted almost universally by capitalist governments and Mr. Speaker, stems from the work ethic, stems from the work ethic, that this was an unearned wealth, that it passed on from generation to generation and therefore it was a just tax. And it, Mr. Speaker, was a tax in every province in this country without a single one of them having become socialist before it was put in; was a tax by the Federal Government, which has never seen a socialist government, is a tax in the United Bolshevik States of America with the exception of one state, and not only in the States, Mr. Speaker, but at the Federal level.

So when my honourable friend says, and everybody has to look for revenues, even that capitalist government has to look for revenues, and when he says that we are searching for revenue, and I have the choice, Mr. Speaker, of saying that I'm going to tax every citizen of the Province of Manitoba two cents more every time he goes to put gas in his tanks or have a tax on unearned inherited wealth, I say, Mr. Speaker, without any doubt whatsoever, without a moment's hesitation, that I will opt for an unearned inherited wealth tax, as against an automobile gas tax which was used by that government to substitute for the fact that they released to everybody who happened to be in the very difficult position of having just inherited a million dollars that they needed that terrible break so my honourable friend went to and collected from everybody who goes up to the gas tanks two cents more per gallon so that those people would be in the position of not having to pay taxes.

So my honourable friend wants to know — let me say this, Mr. Speaker, that I would use that tax instead of the gas tax, which he used to substitute for it. Mr. Speaker, I would use it instead of **imposing** — on my honourable friend's own definition, he says he saved the people of Manitoba **\$83 million** dollars last year in taxes. My honourable friend, by that definition, on October 1st, raised the taxes of the people of the Province of Manitoba by \$120 million per year. \$120 million per year. How so, Mr. Speaker? How so? I would never have made this charge. My honourable friend forces me to make it. He says that when you went from 5 percent to 2 percent, you saved the people \$83 million. — (Interjection) — The other is the death taxes, but if you will use that definition, that when you went from 5 to 2, you saved them \$61 million, when you went from 2 to 5, you cost them \$120 million. Each point of sales tax, Mr. Speaker, each point of sales tax, \$40 million. Three points, \$120 million.

Now, Mr. Speaker, my honourable friend uses for his prime example of the fact that, how does he put it? That socialism can't work, never has worked, will never work. Mr. Speaker, capitalism can't work, never has worked, never will work. And who is my authority for that, for that last proposition? Who do I use as an authority for demonstrating that capitalism didn't work, can't work, never will work? My honourable friend, the Prime Minister of the Province of Manitoba.

Because, Mr. Speaker, he was a part of a government which in — I believe it was 1960, said that this notion that the private sector is going to be able to do these things, is running the province into the ground, it can't work, it won't work, it has never worked, it is not working now, we have to do something.

Mr. Speaker, they enacted a bill called the Manitoba Development Corporation — or fund. Mr. Speaker, we didn't have to change one word of that Bill — and I'll tell you what the change was in a moment — to do those things which my honourable friend uses as his examples, and he's got the blinkers on; he just ignores entirely that it was not a socialist experiment, it was a capitalist experiment. Mr. Speaker, not only was it a capitalist experiment, but it was used in such a way that any thinking capitalist would have described the procedure as insane, because every thinking businessman, Mr. Speaker, when he advances money, if there is no security, sees to it that he takes equity. If he's going to lose it, if there is no security, they will all take equity. Go to any

bank, go to any investor, go to any investment company. They will ask for security. But if there is no security, and they are going to continue to make the investment, they ask for equity.

What did that government do? Those who he calls competent people, and he ignores it. You know, they have one phrase now. Saunders Aircraft. Saunders Aircraft, Mr. Speaker, was a program which followed to the letter — I'll give you some more. I'll give you one that lost more money than all the socialist experiments put together, which he signed and which was Churchill Forest Industries. More money than all of the others put together.\$ — — —

Mr. Speaker, there are less heralded — (Interjections) — Mr. Speaker, I'm glad I have deflected — I'm glad I've deflected my honourable friend from the commerical investments because there are a few whose names he would not like to hear, who he has psychologic driven from his mind, induced amnesia.

Mr. Speaker, Columbia Forest Products was not a socialist experiment, it was a capitalist experiment. Investing, yes, Selkirk Navigation Limited was not a socialist experiment, it was a capitalist experiment. Mr. Speaker, Simplot Chemical, let me tell the businessmen on that side of the House. With Simplot Chemical we took public money; we took public money, all of us, \$28 million and built a plant that probably cost somewhat less to build, and yet, Mr. Speaker, the records of that company kept coming into the House as were the public companies. As for the public companies, in its first years of administration, Mr. Speaker, we are dealing with business competence. We are dealing with business competence and the fact is, Mr. Speaker, if that company had been harangued in the Legislature in its first years when it lost money, it would have gone broke such as some of the public companies went broke. Mr. Speaker, I am asking my honourable friend whether a business judgment which is made on the basis of lending \$28 million for a \$27 million plant in which you get no equity, if my honourable friend will get me one business counsellor with a certificate of sanity or at least not a certificate of insanity, who will say that that is good business, I will apologize to my honourable friend and the question of whether it is paid back or not paid back, is not the guestion. No, Mr. Speaker, no, no, no, no.

Mr. Speaker, and I tell you that these were not socialist experiments. Bricklin was not a socialist experiment. The Heavy Water Plant was not a socialist experiment. Come By Chance was not a socialist experiment. Mr. Speaker, these investments . . . honourable friend doesn't want to hear this. My honourable friends, all of these investments please me, of public money, for the purpose of placing crutches under a bankrupt, capitalist system which never worked, never has worked and never will work, were capitalist experiments, Mr. Speaker. And our problem in our first 4 years, and I will admit this as a problem, is that we said we are going to continue to do this, which we shouldn't have, but we will do it in a businesslike way. If there is no security, we will take equity and I challenge anybody to get an investment counsellor who will say that is wrong.

But Mr. Speaker, in the last 4 years, when we went to what my learned friend calls socialism, when we said that we will only invest on the basis of commercial viability, then I want you to know, Mr. Speaker, that in those last 4 years, of \$I30 million, most of which was for projects started by the Tories by capitalist experiments, that was lost by the people in The Manitoba Development Corporation, roughly \$300,000 can be attributed to projects started in the last 4 years of the MDC, and in the last year, that corporation made a profit of \$4,800,000, so that the Conservative Minister could lay on the table a statement showing that that corporation was in the black. Now, Mr. Speaker, my honourable friend chooses to think that anything that doesn't work is socialism, anything that works is capitalism and anything that doesn't work under capitalism you erase, ignore and pretend that it does not exist.

Now, my friend knows it's not correct. My friend knows that in every province in this country, including Mr. Speaker, the Province of Manitoba, has found that capitalism doesn't work, my learned friends, my honourable friends — I want to get his phrases, I'm searching for them — wrong-headed, hoary, outdated, antiquated capitalism. Nineteenth century does him too much justice . . . eighteenth century; that's right — eighteenth. But Mr. Speaker, the most wondrous part of my friend's speech, the most wondrous part, and I really think he believes this and I'm going to ask him to hear how it sounds on him, that we are the ones who cause hatred in society, that you know, if there is confrontation between employer and employee, that that's socialism, that the school trustees and the school trustees would get along fine; that the nurses and the hospital board — if only this side of the House disappear, all of a sudden, the nurses and the hospital boards would be dancing in the streets together and there would be no arguments between them.

And Mr. Speaker, my friend gets the impression — he can't understand it. He said, "You know, you are the people who create unrest and we are the people of tranquillity". I mean, if you will go to The Manitoba Club or you'll go to the Carlton Club or you'll go to the St. Charles Club and if you'll go to the Glendale Club, and Mr. Speaker, I have no envy, I have been at all those clubs and I like those people and I have nothing against them personally, but my honourable friend says,

that those people, those people, Mr. Speaker, they believe in tranquillity. And how is it, how is it that the people who live on Alexander Avenue and the people who live on Jarvis and the people who are unemployed and who are seeking for work and cannot get it, why aren't they just as tranquil as those people who are sitting in the easychairs in The Manitoba Club? You know, he says that we created class war, Mr. Speaker. He creates class war.

How many times have I heard from that side of the House, the people about the labour unions, the people who are going on strike, the people who are on welfare, Mr. Speaker. How many times does it come from them? Now, Mr. Speaker, I'm not nearly as sanguine as my learned friend. The fact is, that there are conflicting interests in society and my honourable friend is not going to make them disappear, and the fact is, Mr. Speaker, that there are people in society who have a great deal of material things and a great deal of power and there are people who have less material things and less power and if everyone of the members in these seats disappear from the face of the earth and if you burnt every book that contains socialism and then you woke up the next day, it would have no effect, Mr. Speaker, on the vested interests that are fighting with one another in society. I accept that and I do not regard, Mr. Speaker, the others to be evil and these to be good, but my honourable friend comes pretty . . . Well, Mr. Speaker, it seems to me that this notion that they are good and we are evil is the kind of rhetoric that we have been getting from my honourable friend throughout his speech and I tell him this, Mr. Speaker, that passing a law, saying that there shall be no hatred in society, passing a law saying that there will be no vested interest, passing a law saying that there will be no animosity or argument between those who sell and those who buy — whether it be labour, whether it be coal, whether it be any other commodity, whether it be hogs - is like passing a law that my beard will not grow.

You can put it on the Statute, Mr. Speaker, my honourable friend can say it, my honourable friend can spout the rhetoric, but all he will be doing is satisfying his own vanity and his own desire to make catch-phrases, because none of the things, Mr. Speaker, none of the things will disappear. And if my honourable friend will read a little bit, if he will read a little bit outside of what has obviously become a Bible of his, The Economist, if he will go through history, he will see that there has never been a period under any system of government, under any system — and I include in that, the so-called Communist System — where there hasn't been the same conflict of interest . . . We'll come back tomorrow.

My honourable friend thinks that there is communism practised in the world, I will say that it is practised probably more in the Province of Manitoba on some Hutterite Colonies than it is in the Soviet Union and therefore, I say so-called Communist states, Mr. Speaker, because, the fact is that in the Communist states there are people with lots of power and lots of material things and there are other people with less power and less material things, and the perpetual struggle of mankind, which my honourable friend is not able to stop, is that there will always be a fight between these two groups and that fight happens to be, that happens to be, Mr. Speaker, a fight which is very, very well resolved under our system of government. It's a fight which we can argue with one . another about — sometimes almost to the point of people thinking that there is rancor between us. There is no rancor.

The interests which are clashing with one another are clashing in this Chamber and so they should, but for my honourable friend to really believe and Mr. Speaker, I say this without — my friend has an expression "blowing smoke up your something or other" — I say this that I think that my honourable friend is completely sincere in thinking that he is on the side of right and competence; we are on the side of wrong and incompetence. And, Mr. Speaker, that may be his greatest asset, but it's also his greatest weakness. It's the weakness upon which we are going to drive them out of their seats and I will demonstrate, Mr. Speaker, how he fell prey to that weakness in '69 when he identified everything good with Socialism and as a result made more Socialists in the Province of Manitoba than I ever made, even more than J. S. Woodsworth made, because we never got so many votes as when the present Premier, whenever he couldn't answer an argument, sai, "doctrinaire socialism. And all of a sudden, people found, people who never knew that they were socialists, found that they were voting . . .

MR. SPEAKER: Order please. The Honourable Member will have 20 minutes when next this subject is raised in the Chamber.

The hour being 10 o'clock I'll entertain a motion for adjournment.

MR. JORGENSON: 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 tomorrow afternoon. (Tuesday)