

THE LEGISLATIVE ASSEMBLY OF MANITOBA
2:30 p.m., Monday, April 19, 1976

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; the Honourable Member for Logan.

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

MR. WILLIAM JENKINS (Logan): Mr. Speaker, I beg to present the first report of the Committee on Law Amendments.

MR. CLERK: Your committee met on Monday, March 22nd, 1976 for organization and appointed Mr. Jenkins as Chairman. Your Committee agreed that the quorum for the Committee shall consist of sixteen members. Your Committee also met on the following dates and heard representation with respect to Bill (No. 19) - The Rent Stabilization Act, from individuals and organizations as shown:

March 22, 1976 - Mr. Martin Bergen - Edison Rental Agency (1969), Mr. Harry Blair - Private Citizen, Mr. C. N. Kushner - on behalf of Owners or Building Managers in Winnipeg.

March 25, 1976 - Mr. C. N. Kushner, Mr. T. H. Smith - The Smith Agency Limited, Mr. Henry Carroll - on behalf of a group of Brandon landlords.

March 29, 1976 - Mr. Lazar - Inter-Struct Ltd., Richard Gruss Ltd., Mr. J.R. Gugin - Aronovitch and Leipsic Ltd., Mr. John Prall - Dakota Agency.

April 1, 1976 - Mr. Thomas Kolba - Landlord, Mrs. K. C. Martinson - Landlord, Mr. Rubin Spletzer - President, Crystal Builders Ltd., Mr. Albert Sekundiak - Landlord, Mr. H. A. Springman.

April 5, 1976 - Mr. Allan D. Poapst - Winnipeg Real Estate Board, Mr. John Slobodian - Landlord, Mr. Alex Shapkin - Landlord, Mr. F. W. J. Davis - Landlord, Mrs. John Solima - Landlord, Mr. Joe Yurkiw - Landlord, Miss Marianne Bossen - Consulting Economist, Mr. Barry Morris - St. Matthews - Maryland Community Ministry, Mr. John Leonard - Tenant, Mr. Pat O'Donovan - Kraft Construction Company Limited, Mrs. Tina Syrota - Landlord, Mr. Jim Hitching - Landlord, Mrs. Joan Pawlikewich - Tenant, Mr. Don Walrod - Landlord, Mr. Stanley P. Millan - S. P. Millan Enterprises, Ltd., Mr. Peter Warkentin - Dart Holdings Ltd., Mrs. Anne Katz - Landlord.

April 6, 1976 - Mr. R. Sures - R. Sures and Associates Ltd., Mr. Michael N. Brousseau - Landlord, Mr. Herbert A. Foster - Oldfield, Kirby and Gardner Real Estate Ltd., Mr. Ben Mandell - Landlord, Mr. Sam Linhart - President, Lakeview Properties Limited, Mr. Sidney Silverman - Landlord, Mr. George Clark - Argue Brothers Real Estate, Mr. Graeme Haig, Q. C. - Manitoba Landlords Association.

April 8, 1976 - Mr. Raymond Massey - Raymond Massey Construction Ltd., Mrs. Anne Ross - Mount Carmel Clinic, Mr. R. Dubbin - Landlord, Mr. P. Hamilton - Landlord, Paulette Murphy - Winnipeg Council of Self Help, Mr. H. A. Friesen - Landlord, Winkler, Manitoba, Mr. L. B. Alsop - Ryan Agency Limited, Mr. Jerry Madden - Landlord.

Briefs were also submitted on behalf of the following: Church and Society Committee of the Winnipeg Presbytery, United Church, Edgewood Developments Ltd., Allison Campbell 1611-72 Donald St., Bayview Homes Ltd., Mortgage Loans Association of Manitoba, Kelsey Apartments Ltd., Thompson, Manitoba, Marjorie M. Muir, 915 - 110 Adamar Road, Marsha Laub, Banff, Alberta, Miss K. M. Boucher, 9 - 287 Provencher Blvd.

Your Committee has considered: Bill (No. 19) - The Rent Stabilization Act, And has agreed to report the same with certain amendments.

MR. SPEAKER: The Honourable Member for Logan.

MR. JENKINS: Mr. Speaker, I move, seconded by the Honourable Member for Ste. Rose that the report of the Committee be received.

MOTION presented and Carried.

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MR. SPEAKER: Ministerial Statements and Tabling of Reports; the Honourable Minister of Mines.

HON. SIDNEY GREEN, Q.C. (Minister of Mines, Resources and Environmental Management)(Inkster): Mr. Speaker, I was given a flood report this morning and I appear not to have it with me but I will be distributing it later this afternoon. I would like to indicate that the House will not be sitting on Wednesday afternoon to allow honourable members to attend the funeral of our late colleague. The length of the Throne Speech debate will be extended by one afternoon.

MR. SPEAKER: Budget debate.

MR. GREEN: The Budget debate, yes.

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

MR. DONALD W. CRAIK (Leader of the Official Opposition)(Riel): Mr. Speaker, we had intended to forego the question period today as we understand the First Minister has a Motion of Condolence he wishes to bring in.

MR. SPEAKER: The Honourable First Minister.

MOTIONS OF CONDOLENCES

HON. EDWARD SCHREYER (Premier)(Rossmere): Yes, Mr. Speaker, if I may, I would propose with the concurrence of honourable members to speak to two Condolence Motions having to do with the late Earl McKellar, MLA, and also the former Minister of the Crown, George Hutton; and accordingly if I may then, in the case of our colleague until his death just this last weekend, speak to the memory of Earl McKellar.

I might say, Mr. Speaker, he was a member of this House, who was elected in 1958, and as such I certainly can say was a contemporary of mine in every sense of the word, both of us having been elected to this Assembly in the same election in the same year, 1958,

Earl McKellar was a man who represented the mood and the current interests of the majority of his constituents in a way that I'm sure with their concurrence, as was made obvious by the fact that he was re-elected through quite a number of general elections in this 18-year period. And indeed he also managed to maintain - I was going to say a career - but certainly he managed to maintain his life's work of farming in an active way over all these many years. I know that many of us on this side recognized him not only as a farmer but also as an insurance agent, which was made evident by his contribution, persistent contributions I might add, in the debates on automobile insurance, not just in 1970 and '71 but subsequently to the present time. He was active in his community, having been a member of the Masons and the local Lions Club.

There is, I understand, a genuine desire on the part of many members here to make arrangements for Wednesday for the attendance at the funeral, the precise details of which we do not yet have but presumably which will be made available in the course of the next day or so.

Speaking very personally, Sir, I could say of Earl McKellar that I remember him, the first few years, as one who certainly was genuine in the point of view that he expressed, and one who took some deal of good natured ribbing for his status as a bachelor for a number of years, even while a member of this House. Those who knew him best I think would no doubt agree with the description of him as being a salt of the earth type, and I'm sure that those he represented, those who knew him here in his capacity as MLA, feel very sad at his passing and wish to express condolence to his family.

Accordingly I would move, seconded by the Honourable the Leader of the Opposition that this House convey to the family of the late Malcolm Earl McKellar, a Member of the Legislative Assembly of Manitoba, its sincere sympathy in their bereavement and its appreciation of his devotion to duty in a life of active community and public service to the people of Manitoba, and that you, Sir, be requested to forward a copy of this resolution to the family.

MOTION presented.

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MR. SPEAKER: The Honourable Leader of the Opposition.

MR. CRAIK: Mr. Speaker, I thank the First Minister for hastening to bring in the motion of condolence with relation to our good friend and colleague, Earl McKellar's passing. I appreciate the opportunity to speak to it as I know many of my colleagues will wish to do so as well.

Earl McKellar held a rather special place with the Conservative group, Mr. Speaker, He was Chairman of our caucus, and in many ways was sort of the heart and soul of our caucus because of his very nature, very ebullient nature with which he approached all the topics of the day, all those things that were near to him, some of which, in the way of issues, that the First Minister has mentioned. It's not until something actually happens that you really become aware of how much contribution a person has made.

One of the annual affairs, Mr. Speaker, was Earl McKellar's birthday, and each year the Conservative caucus paid tribute to Earl on his birthday - not that he was any older than some members of our caucus or anything of that nature, it just happened to be that this particular person's birthday was of importance to our group - and his 58th birthday was to have been tomorrow, Mr. Speaker, so it brings with a very special sort of a note of sadness that we will not be able to celebrate Earl's 58th birthday.

As the First Minister has indicated, Earl was for many years chided a bit of his bachelorhood, and married his wife Lois during the tenure of his being a member of this Legislature. Lois McKellar was the former secretary of the Lieutenant-Governor of Manitoba of this Province at the time she and Earl became married, and she and their son Malcolm will receive our condolences at this time in a very special way, because Lois was very much a part of Earl's whole involvement in politics, including the fact that she was involved in the position I mentioned at the time they were married and it's become very important in her life as well, and we wish them well as they have to adjust to at this fairly young age, adjust to the problems of losing Father.

My Leader, Mr. Lyons, was a very special friend of Earl McKellar's, and I know that he wanted me to speak especially on his behalf at this time too, Mr. Speaker, and has been in close touch with the family along the way.

Earl had a particular involvement in addition to his farming as the First Minister has mentioned, his interest in the insurance business. He was an insurance agent for many years, pursued that very actively, voiced himself very effectively in the House during the debates on that issue and finally achieved to probably what was as important, next in line, to him as being a member of the Legislature, achieved a membership on the Board of Directors of the Portage Mutual Insurance Company, which he had served most of his life and then became a member when he ceased to be an agent, which is a requirement of the operation of a mutual insurance company. And that, as I say, in addition to being a member of this House was very important to Earl and he achieved that only a matter of two or three years ago, and had really just started into that phase of his work. I know from people's comments in the industry that Earl brought a great deal of knowledge to the direction of that company, because he had such a long intimate relationship with the industry, and I know that he would feel that it was important on this occasion, Mr. Speaker, to have mentioned that aspect of his life. So, Mr. Speaker, I appreciate the opportunity of associating by seconding this motion at this time. Thanks very much.

MR. SPEAKER: The Honourable Member for Portage la Prairie.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, I would like to join the First Minister and the Leader of the Official Opposition and colleagues on all sides of the House in paying tribute to the late Earl McKellar. I got to know Earl slightly in 1962, and then in the past 13 or 14 years I think a friendship has ripened and I'm very proud to have been a seatmate of Earl's for 5 or 6 years now. I would say that with Earl McKellar, when he entered in a debate and when he finished and sat down - he could make his point in a very forceful manner, and when he sat down I'm sure he never held a grudge or had an enemy in the House.

I think he was one of the most popular members we've ever had. He was forceful and good humoured, he could speak with wit and honesty, and I think his wife and son and any other relatives and his friends can take great pride in having had Earl in their family

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(MR. G. JOHNSTON cont'd). . . .and their circle of friendship, and I'm sure that those who aspire to sit in this House could do much worse than to take a man like Earl McKellar as a model.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SIDNEY SPIVAK (River Heights): Mr. Speaker, I rise to express condolences to the family and to the wife of our colleague Earl McKellar. I rise in a time-honoured tradition in the Legislature to express condolences, but one recognizes that in this Legislature the norm has been for one who has left the Legislature and is passed on having fulfilled in his lifetime a normal period of time of living - Earl died as a young man, even though reference was made to the fact that he was 58.

I was honoured, Mr. Speaker, to appoint Earl as our Cœucus Chairman, a position that he handled very well, one in which he took exceptional pride in, and one in which he demonstrated qualities and characteristics that may not have been exhibited in the Legislature because of the very nature of the forum of the Legislature.

Earl relished life, he demonstrated a zest and an interest in all matters that concerned our province and our country. His general optimism and his enthusiasm were certainly his strong characteristics, and they were demonstrated in the debating style that he presented in this Legislature, one that was uniquely his and one which reflected the quality of enthusiasm and optimism in all issues. He is a colleague of ours, he will be missed, he was a good parliamentarian, and I join with all our colleagues in expressing our condolences to his wife and family.

MR. SPEAKER: The Honourable Member for Arthur.

MR. J. DOUGLAS WATT (Arthur): Mr. Speaker, there isn't much left to be said that has not been said already in the House today by the First Minister and our House Leader and the Member for River Heights, but because of the fact that I came in here just about the same - or the following year that Earl came into the Legislature along with the First Minister, and I believe that there are only about four of us left in the House now that were in here at that time, and I feel that I would like to say briefly a few words.

I was interested in the First Minister's remarks that Earl had taken a lot of ribbing, and this was mentioned by the House Leader, Earl had taken a lot of ribbing. This is true, he did, but he did quite a bit of ribbing himself with those on that side of the House, and I'm sure that members of the government will always remember, not unkindly, but as has been mentioned by the Leader of the Liberal Party, very forcefully. Earl, as the Member for Riel has mentioned, eventually married one of the secretaries in this Legislative Building, namely Lois, who was secretary to the Lieutenant-Governor. But he in fact was interested in all of the secretaries, and I'm sure that Earl would not mind me saying this in the House because it was an annual event for Earl to take all of the secretaries out at one time, and he used to casually mention to some of the rest of us, at least on this side of the House, that we could come along if we wish, but he was putting the party on and that he'll have all of the secretaries. And we used to kid Earl that eventually he'd end up with a harem - or would he end up with a harem, or would he eventually marry one. Well he did marry Lois, they have done a great deal to contribute, Earl not only to this Legislature, but both Lois and Earl to the community that they live in and indeed I should say to the people of the Province of Manitoba.

It's a pleasure - I shouldn't say it's a pleasure at this moment, but I wish to be associated with the motion of the First Minister and also to have spoken on behalf of this side of the House. Thank you.

MR. SPEAKER: The Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, I first met Earl McKellar when he used to call on my father when he was an insurance agent and my father was in the same business, and this was long before I had any association with this Legislature. But I began to know him as a man of great enthusiasms, and then in 1969 when it was my privilege to sit in the House I found Earl to be of great help to me in advising me how a new member of the Legislature should act and he went out of his way to be very helpful at that time.

I would say his contribution in the House in the short time that I've been here

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(MR. MCGILL cont'd). . . would have to be described as unique. He was one of the colourful personalities sitting in this Legislature and I think in everything he did his enthusiasms came through very strongly. He had certainly a great enthusiasm for life itself, for people. He enjoyed talking and meeting and being with people, and he had a great enthusiasm for his own community, a great pride in his community and, of course, in his province. He will be greatly missed by all of us I know. It's already been pointed out that he had the ability to be energetic and forceful in debate and yet do it in an impersonal way that the moment the debate was over there was no animosity involved. So I would join with and support the remarks that have been made by other colleagues in expressing my sympathy to his wife Lois, his son Malcolm, and his mother who survives and resides in Brandon, and to his brothers and his sisters.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. HENRY J. EINARSON (Rock Lake): Mr. Speaker, I would like to also join colleagues of this Chamber in saying just a few words in regards to our colleague who has passed on. I have known Earl for quite a number of years and I suppose, Mr. Speaker, that I've come to know Earl very very well, in that he and I drove from our homes to this Legislature on many many occasions over the past number of years, and having our constituencies joined together there were times when he had problems and vice versa, that we would share in looking after them, times when one of us were not able to.

The comments that have been made this afternoon have sort of been stated on things that I wanted to say but, Mr. Speaker, I'm reminded of one particular day when I sat on that side of the Chamber - and I think some of my colleagues over there will probably remember, was Earl's great way of delivering a speech. He was a great humanitarian, he took great great pride and interest in looking after the interests of not only of the people of Manitoba but of his constituents. And I recall on this particular day he had some concern and problems about the widows in the province - or in his constituency I should say. And probably some of my colleagues over on that side of the House will recall on that particular day where there was a bit of heckling done and it seemed as though that the heckling that was done sort of promoted the speech that my friend Earl McKellar was making and it seemed to get him into a little deeper trouble as he progressed, only to my interesting amusement was that when he went home to his wife Lois and she read about what he had said in the House and she said: "Oh no Earl, surely you did not say that". But that was one particular time when I remember Earl when we were on the government side. And you know, Mr. Speaker, it's moments like this, that while we all have our day, it's something that I think that is wonderful to be able to remember moments like that.

And I too want to join with my friends here in saying to the members of Earl's family that they can be very very proud, that is to his wife and to his son and to all members of his family, for the contribution that he has made to his community and to his country. It's something that I know all of us in this Chamber who have known Earl so well will always remember. So Mr. Speaker, with those few words I would like to join my colleagues in extending condolences to his wife, his son, and all the members of his family.

MR. SPEAKER: The Honourable Member for Minnedosa.

MR. DAVID BLAKE (Minnedosa): Mr. Speaker, I don't want to prolong the condolence unduly, but I do want to be associated with the messages of sympathy going to Lois McKellar and her son Malcolm and other members of the family.

I got to know Earl some 18 years ago. The First Minister mentioned his selection to this House was in 1958, and that was the year of my first appointment as a bank manager. It was in Earl's constituency and he was a newly elected MLA, and he was my MLA, and I think it was maybe at that time that I took some greater interest in politics than I had up to that time because I got to know many of the constituents in the Souris-Killarney constituency very well. I know how hard Earl worked to serve them as an MLA and how hard he wanted to do his job well and to do the things that they required of him as their elected representative, and I think he did a fine job and set a fine example for those that are to follow him.

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(MR. BLAKE cont'd)

So with those few words, Mr. Speaker, I just wanted to be associated in some official way with the Motion of Condolence because I think, as has been mentioned before, the service to one's community that has been rendered by a person like our late colleague is worthy of as much comment as possible at this time.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY McKENZIE (Roblin): Mr. Speaker, I just would like to address a couple of remarks in the honour of our colleague. He would have been my desk-mate this session. He, in some of the visits to the hospital, sort of reminisced how jointly him and I would defeat this government that's sitting over here. So we did have some pleasant moments in the hospital even discussing that subject matter.

Mr. Speaker, I don't think in my lifetime I'll see a more genial, down-to-earth, sincere, honest Manitoban than McKellar. It's possibly because of the close association we had riding back and forth from the St. Regis where we were known as the "St. Regis Racing and Chowder Club" and we had a softball team. We played anybody that would play. He was the author behind it and the coach. He was always instigating ways and means to do something for his fellowman. He practised charity, there was no bounds. I don't think in my lifetime I'll see anybody that understood the needs of people and used freely of his resources whenever he could.

There's one other point, his interest in the Peace Gardens, that I hope will go in the record. I daresay that of all those who have served on that board and have gave of their time and their talents to make the Peace Gardens what it is today, I'm sure his name would be one of those at the top of that list.

I met him 30 years ago as an agent in the Portage Mutual - I became an agent 30 years ago and met Earl there. His geniality rubbed off on me in a matter of five minutes. He was just one of those kind of guys. I also met him at the Chamber of Commerce, sat in Lodge with him, and last year he became a Shriner. He has contributed a great deal to this province and his memory is one that I will treasure - and my people in my constituency - so I do extend the condolences of the Roblin Constituency to his wife and to his family and his mother and we hope that their sorrow will be joined by most of the people in this province, as I'm sure it will.

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

MR. SAUL CHERNIACK Q.C. (St. Johns): Mr. Speaker, when I spoke in the debate on the Throne Speech, I mentioned the fact that the absence of Earl McKellar was noted and could be readily recognized on this side of the House and I expressed then my regrets that he was not present. I suppose by then we all had a premonition - if not, I suppose some had a knowledge that he might not come back. And I must say that sitting on this side of the House and looking across, that empty seat was always noticeable, because when it was occupied by Earl McKellar it was always occupied by a person who was paying attention to debate, ready to participate with honesty and integrity, and as has been described, with a great deal of enthusiasm and support for the point he wished to make.

I don't know how often it was that he spoke or I spoke, or we were in agreement with each other, but the one thing I always, and all of us recognized was firstly, his sincerity, and secondly, his forcefulness in presenting his point of view. And it's perfectly true, we have some and have had some pretty good orators in this House, but there are few who are able to get their point across as clearly as did Earl McKellar in his own style, as has been expressed. I was just realizing, Mr. Speaker, that I used to sit in the chair that was last occupied by Earl McKellar, because I was visualizing when I used to sit in that seat and would look across to the government side, I knew that when Earl rose to speak there was a good chance on occasion when he would chastise the government, maybe better than some of us in opposition would on certain measures. And that's where I refer to his integrity.

I do have another memory of him, and that is the way he carried his office in his briefcase, and it seemed to me that he had more mail coming in and being opened up, and around him was always strewn the envelopes which he had discarded which showed that he was attending to his business - and he certainly did attend to the affairs of his constituents.

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(MR. CHERNIACK cont'd)

I want only to record my sense of loss and my sense of knowing that I knew and worked with, and I suppose one might say worked against, but that's not true, we are all of us working in what we feel is the best way on behalf of the people of Manitoba and Earl McKellar was indeed a Manitoban, a person who did what he thought was right and bent all his efforts to work for Manitobans. That kind of sincerity and that kind of feeling, divorced completely from any feeling of bitterness or antagonism other than on principle, but never in a personal way, never ever in a personal way do I think did he speak, and the tribute that has already been paid to him by so many members of the House, is a clear indication of the great affection and respect that we had for Earl McKellar.

MR. SPEAKER: In acceptance and agreeing to the Motion of Condolence, would the honourable members please rise for a moment of silence.

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MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, death has been variously described as being the grim reaper and that its coming is never timely to any mortal, unless perhaps those who have lived on this earth for four score years and more. It's perhaps hard to say whether or not it is timely, but certainly if the expression that death is untimely ever had meaning, it certainly would have meaning with respect to the passing away at the age of 54 of the late George Hutton.

George Hutton served in this House perhaps by some comparisons not all that great a length of time, seven years I believe, but it was a very eventful and hectic seven years, certainly for him. He served in the capacity of Minister of Agriculture and Minister responsible for Water Control for the period roughly from 1960 to '66. And in that period of time, I could say again in this case, Sir, that he was a contemporary with a number who sit here now, and that includes myself. In those seven years there was a great deal of preoccupation with measures having to do with water control and flood control, flood avoidance, and as might be expected, measures that are unlikely to have profound future benefits by no means escape controversy at the time when they are proposed, and that certainly was the case with respect to the tenure in this House of the late George Hutton.

I think I would say without reservation, Sir, that at that time, sitting as a member of that side of the House, that I admired very much the clear thinking of a layman as a Minister of the Crown in perusing certain public works' proposals. No doubt when teams of experts are brought together there is always room for argumentation as to whether something should be done one way or another, but suffice is to say that in the case of George Hutton and his carrying out of his duties as he saw them, that, for example, the construction of the Shellmouth Dam will, in my opinion, no doubt of his as well, obviously and hopefully in the minds of most if not all Manitobans who are knowledgeable of the matter, that that particular public work will be regarded as one of the best and most justified public works that this province has ever undertaken. And that is merely one example. There are other examples such as the Stephenfield Reservoir, although on a much smaller scale, it too fits into the sequence of common sense that I think preoccupied the late George Hutton with respect to the whole overall question of flood control and water control.

I remember as a young member of this House listening quite avidly several years running to the argumentation going on back and forth as to whether it was a better use of public funds to attempt to build channels or to try and build reservoirs, and I must say that, party notwithstanding, almost on no occasion did I find myself in any kind of basic disagreement with respect to what the preferences and priorities should be in that regard. I believe it is certainly worthy of his memory to mention the fact that for some period of time and ultimately much to his personal disappointment for reasons which no doubt are quite technical in nature, that the late George Hutton was very much wanting to see the construction of a dam near Holland, Manitoba, and ultimately was persuaded for reasons

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(MR. SCHREYER cont'd)I'm sure as I said are quite technical, was dissuaded from that measure by certain alternatives.

Be that as it may, Sir, I'm merely pointing these examples out as being only illustrative of the kind of major considerations and decision-making that this particular individual as a member of the Cabinet of his day was involved with. It's perhaps in a sense appropriate, ironic and yet appropriate, that we should be speaking to his memory at a time of year when we are again faced with exactly the same kind of phenomenon as was plaguing governments of his time and of course prior to his time. I can hope and trust that those Manitobans who are directly beneficially affected by some of the works that were put in place in the period of the 1960s will have occasion to regard this man as one who certainly contributed positively and concretely to, as the prayer says, the welfare and prosperity, and I would add parenthetically, the public safety and protection of some numbers of people of this province.

After having left this House in 1966 or thereabouts, the late Mr. Hutton joined the Food and Agricultural Organization of the United Nations, and there too I could only find myself in secret admiration and sympathy for his proposed new work. It is sometimes said, Sir, that through our foreign aid we donate a pound of wheat or flour to someone we keep them alive for a day; and that the corollary of it is, that if we teach someone, or help someone to learn to grow a bushel of grain or a pound of flour, that we help them to feed themselves for life. In the ultimate sense that must have been the thinking of George Hutton. He left here, joined the FAO and did some good works of which I am personally aware of in Turkey with the FAO, in the Anatolia Plateau, peninsula of Turkey. I just offhand cannot recall for certain whether he did also serve the FAO in India, but certainly if he had I'm sure that there will be results to be seen there. I might add again parenthetically that that is a sub-continent which if anything will help mankind there it is the presence there of men and women that would teach the people how to go about better the task of growing foodstuffs in a more systematic and efficient way. Well this is what Mr. Hutton dedicated some part of his life, his public life to, and his death last week in every sense of the word would have to be regarded as untimely, and that of course with respect to his family and surviving next of kin.

Therefore I move, Mr. Speaker, seconded by the Honourable the Member for Lakeside, that this House convey to the family of the late George Hutton who served as a member of this Assembly, its sincere sympathy in their bereavement and its appreciation of his devotion to duty in a life of active community and public service to the people of Manitoba, and that Mr. Speaker, be requested to forward a copy of this resolution to the family.

MOTION presented.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. HARRY J. ENNS (Lakeside): Mr. Speaker, on so many of these occasions we address our comments of condolences about members of some distant past with whom we often, and particularly those of us who haven't served all that great deal length of time in this Chamber, we express condolences to the members of whom we know naught in a personal way. This afternoon the expression of condolences brings with it of course a great deal of personal sadness on the part of many of us, and while contrary to the situation of our late friend and colleague, Earl McKellar, the suddenness of the death of George Hutton the former Member for Rockwood-Iberville as the seat was then known when he occupied the seat in this Chamber, came as a shock and brought a great deal of sadness, Mr. Speaker, I can say to a great number of people throughout Manitoba. I would like to say personally on behalf of a large number of his constituents in the former constituency of Rockwood-Iberville, that we wish to convey to Beth and the family an expression of our deepest sympathy and concern for the future.

Mr. Hutton had a tremendous capacity of evoking a great deal of loyalty indeed, Mr. Speaker, a great deal of love from a great number of people. He did not escape the cross that any person in public life bears of also attracting his detractors. But it should be said for the record that people who supported him, people who worked with him in so many different areas of activity throughout this province, had a great deal of genuine

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(MR. ENNS cont'd)attraction and love for the late George Hutton. It was my privilege, Mr. Speaker, to succeed him in occupying or in gaining this seat to this Chamber, that is the seat of Rockwood-Iberville, in 1966, and my double privilege to succeed him in his portfolio as Minister of Agriculture at that time. The First Minister has appropriately pointed out some aspects of his activities in this Chamber as certainly one of the more aggressive and forceful members of the Roblin team.

The late George Hutton as Minister of Agriculture did a great many things for the broader community of agriculture in this province, a pioneer in every sense of the word in such programs as crop insurance, the Manitoba Agricultural Credit Corporation and, of course, as already mentioned, the major flood protection measures that were undertaken during that period of time. And having personally toured the river between here and Portage just this past Saturday, I can attest to the fact that thousands of farmsteads and farmers are keeping George Hutton very much in their memory at this particular time of the year, as appropriately said by the Minister, at this particular time when in days gone by, their farmsteads, their lands, were covered by acres and acres of water.

Mr. Hutton was a strong proponent of orderly marketing and moved significantly in that direction during the period of his stewardship of the Department of Agriculture. I suppose the greatest thing that Mr. Hutton contributed to agriculture was that he brought to the Department of Agriculture a tremendous amount of stature and respect, from not only the agricultural community from which one might expect, but from the broader community, from the academic community and from the business community. Mr. Hutton built the Department of Agriculture into one of the finest in this country.

Mr. Speaker, to Beth and to the family, on behalf of the present Member from Lakeside and our group, we with sadness associate ourselves to the motion put by the First Minister. I believe in the case of George Hutton he was at peace with himself in the work that he was doing at the time death caught up with him. He was at some point of indecision at the time of leaving public life as to whether or not accept the work with the World Food Organization under the United Nations auspices, or indeed to devote his time in a similar manner to the Lutheran Synod of which he was a strong believer and strong supporter of that church. He opted to serve the broader and international community through FAO. I'm satisfied that those who have had the opportunity of maintaining touch with him, of having visited him in some of his assignments, that he was to be envied in this sense, that he knew that the work he was doing was worthwhile and it had provided a tremendous amount of inner peace for him in knowing that.

MR. SPEAKER: The Honourable Member for Portage la Prairie.

MR. G. JOHNSTON: Mr. Speaker, on behalf of the Liberal group I would like to associate ourselves with the motion presented by the First Minister and the Member for Lakeside. I had the honour of sitting with Mr. Hutton from 1962 until 1966, and on several occasions was in rather hot debate with him, taking the opposite side of certain issues, but I think anyone who sat with George Hutton had great respect for his integrity and the way he held to his beliefs no matter what the pressure or what the political considerations were. I think one of the greatest tributes I have heard with respect to the late George Hutton was from a long-time civil servant who was in the Department of Agriculture. He told me one day after a committee meeting that he had served under many previous Ministers of Agriculture - and he put it in so many words, such as the Member for Lakeside did just a few minutes ago, that George Hutton had been a great Minister of Agriculture and had performed a great service to the province in that capacity, and I would like to be associated with the motion.

MR. SPEAKER: The Honourable Member for Arthur.

MR. WATT: Mr. Speaker, I would just like to say a few words in respect to the Motion of Condolence to the family and the First Minister; Motion of Condolence to his wife Beth and his mother-in-law, Beth's mother, and his own mother, who are still living in Winnipeg; and to his son Joe who is married and lives in Saskatchewan, his son David who was with him and with his wife now in Rome, and to his daughters Lynne and Pat who are both in the United States.

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(MR. WATT cont'd)

Mr. Speaker, I too was associated with George Hutton in this Legislature from 1959 on through the years that he was Minister here, and there isn't much more that I can say, to add, any more than to agree with what has been said already, as to his character and his determination and his accomplishment actually in building a department that is known not only in Manitoba but indeed throughout Canada and into the United States. His determination was tested very often in this House by the opposition, and particularly by that well-known and respected gentleman who was Leader of the Liberal Party at that time, D. L. Campbell, and I think those that were in the House at that time can recall the debates that occurred from time to time between Mr. Campbell and George Hutton.

Mr. Campbell's speeches were generally fairly brief, and George Hutton's were generally not more than an hour or so. If you recall at that time, when he'd get up to speak, it was always going to be a short speech but generally lasted about an hour. Actually his physical stability was tested here one time in the House when he was making one of these speeches while the House was in Committee, and he was smoking a cigarette that had been handed to him by somebody from the backbench behind him, and the cigarette was one of these trick affairs that exploded in the middle of his speech and it exploded while he had it in his mouth. He never stopped speaking, he never budged. All the rest of the House sat with their mouths open because the explosion was terrific at that time, but George Hutton didn't budge. That was the way he was built, that's the way that he lived and that's the way that he operated.

The First Minister has mentioned his work, the Member for Lakeside in Manitoba, the First Minister has mentioned his work in Turkey. My wife and I have been very closely associated with him, not only through the years when he was a member of the Legislature, but our association has carried on through the years. He was in Turkey as a director of a project under a senior director, and I recall him telling us with pride how his first contribution - or not necessarily his first contribution, but the first time he had an opportunity to help out in a disaster area was the earthquake, I believe, in 1953, when he had the honour of having delivered the first shipment of wheat to a disaster area, wheat that came from Manitoba. His work there, I understand, was outstanding. He was then promoted to Senior Director in India where my wife and I spent a month with George and Beth, and I would like to tell the House that wherever we went in India, where we visited with business people, with farmers, with the Minister of Agriculture, Mr. Shindee, wherever we went, they expressed their gratitude and their esteem for George Hutton. We were told from time to time that George Hutton was the best Senior Director of Food and Agriculture that they had ever had in India. At the time that we were there he had received his promotion to move to Rome as Assistant Director of World Food Organization. At that time they were petitioning in several places, in Madras, in Delhi and in Bangalore; places that we visited, they were petitioning to try to have Hutton kept there as a Senior Director. And it seemed to me that what we had found in George Hutton in Manitoba went a lot further, when you went to the other side of the world, found a country of six or seven hundred million people where his name seemed to be known all over India.

I just want to say here, Mr. Speaker, that George Hutton's wife, although not quite as active in Manitoba at that time in public life, possibly more in community life in her own district, but in India she was recognized all over for her work there - which I feel I would like to mention here, her work in organizing schools for a few of the millions of children that have no schools to go to in India. And I found it remarkable when Beth took my wife and I to visit some of her projects in Delhi, of how much she was appreciated there. I thought this was something that I would like to mention here today, Mr. Speaker, in joining with the First Minister and those who have spoken or who may speak further in offering our condolences to Beth and her family.

MR. SPEAKER: The Honourable Member for Crescentwood.

MR. WARREN STEEN (Crescentwood): Mr. Speaker, I would like to join the First Minister and the Member for Lakeside and others in offering my condolences to the Hutton family.

I have the distinct privilege of having served as an Executive Assistance to

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(MR. STEEN cont'd) Mr. Hutton when he was Minister of Agriculture and Conservation and I gained I believe a great education and a great experience from my almost two years of association with the man. It was mentioned by the Member from Arthur that Mr. Hutton was famous for his lengthy answers. I can recall that he used to rise and say, I will just say a few words, and an hour and ten minutes later he would sit down having answered one or two questions. I recall in 1963 Mr. Hutton having taken eight sitting days to get his Estimates through this House, and that was at the time when we had 80 or 90 hours as the maximum, so you can see that he got his share of time.

It's also been mentioned by the First Minister and others about his work with the World Food Bank and the great humanitarian that Mr. Hutton was. I can recall back in the early sixties when there was much debate in and outside of this House as to whether Canada at that time should be selling wheat to the Chinese, and Mr. Hutton's answer to one member of the opposition - at that particular time was he was very favourable in being in agreement with the then Federal Government in selling the wheat to the Chinese people - when he said at that time in answer to a member of the opposition that we'd better sell the Chinese the wheat or else they'll make a human bridge and come and take it from us, that the Chinese people would be a lot easier to get along with if their stomachs were full than if they were hungry and aggressive.

I had the experience of travelling throughout Manitoba with my Minister at that time and, as I have mentioned, I gained a great deal of education and experience. One of our favourite stops on the Fair Circuit was down in the constituency of Arthur where we used to visit the present member at his fair on most occasions.

So I would like to join other members of this Chamber in adding my words of expression of condolences to the Hutton family.

MR. SPEAKER: In accepting and agreeing to the Motion of Condolence, would the honourable members please rise for a moment of silence.

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ORDERS OF THE DAYBUDGET DEBATE

MR. SPEAKER: Adjourned debate, fourth sitting day, on the Motion proposed by the Honourable First Minister, amended thereto by the Honourable Leader of the Opposition. The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY (Fort Rouge): Thank you, Mr. Speaker. Before beginning my remarks on the matter of the Budget, I'd simply like to say that as one of the newer members of the House I didn't feel it my place to offer the condolences in the same way that senior members and long-time members of the House had done for Mr. McKellar, the Member from Souris-Killarney. But I just simply want to say at the outset of my speech, I suppose by force of accident, his accident probably more than mine, he has been forced to sit beside us the last two or three years, and during that time I've come to like him and enjoyed his enjoyment of the House; and I think his ability to share that enjoyment made it so much easier and more interesting for the rest of us, and I will regret his passing very much. I simply wanted to use this opportunity, Mr. Speaker, to say those words.

Mr. Speaker, on the matter of the Budget, I suppose every Budget document itself is considered to be important. It's one of the seminal moments in the life of any Legislature or any Parliament when we begin to look at our economic state of the province and begin to examine some of the options that we have. But I think it's also fair to say, Mr. Speaker, that the times we live in now are not ordinary times and put even a much greater significance on the Budget that we're presenting. Because we have experienced in this past year a number of economic activities that have dislocated many of the traditional assumptions upon which we have built our economic and social order, and many of the connectional answers that have governed our management of the economy for the past three

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(MR. AXWORTHY cont'd) or four decades are now being really discredited and a degree of uncertainty presides, not just in the corridors of government but in the corridors of academic economists and perhaps most disturbingly in the minds of the public, that what was once a fairly clear and encyclical course where we seem to have in our western society a sense of we knew what we were doing, no longer prevails.

I think in such circumstances the responsibility of government at all levels, federal, provincial and local, is exceptionally demanding. At one and the same time there is a call for prudent management and cautious programming, but these must also be balanced against the need for innovative solutions and bold leadership. If government itself becomes too restrictive and too restrained, then the end result would be stagnation and we'll not be able to find cures for the problems that we face. If on the other hand government becomes too adventuresome and perhaps erratic, then the already weakened sense of public confidence will be undermined.

Mr. Speaker, I think particularly dangerous at this time is the temptation of some political leaders and people in public life to resort to the simple answer as really a technique less of trying to solve our economic problems than more of the way of garnering public support. One of the lessons of history is that times of uncertainty breed a public susceptibility to orthodoxies. People are looking for what seem to be easy, simple solutions, and too often in much of our society we have followed the call of the pied piper who seems to be able to whistle a tune that seems reasonable and simple because it's understandable but in fact may lead people down totally the wrong course of action.

It's the feeling of our own party, Mr. Speaker, that people in this province at this time expect more from their elected representatives than ordinary pedestrian solutions or simply the rote repetition of conventional wisdom. And it's my belief and our belief, Mr. Speaker, that the public of this province is looking to this Budget debate in this Legislature as a time in which all Manitoba political parties would attempt to outline an economic blueprint upon which a stable equitable society could be built. They want to know the real strength and weaknesses of the provincial economy; the particular ways of the national system of wage and price guidelines that affect this province; the kinds of measures that can be initiated in this jurisdiction to complement Federal Government activity in combating inflation; the kinds of demands the government will impose both by itself and upon the private sector; and the changes that must occur to adjust our economy that is now really in a period of very obvious and strict control - wages, prices, food, dividends and rents. A number of areas are no longer susceptible to the market as they once were, and that changes many of our economic equations and many of our traditional answers.

But I think perhaps even more important than these specific answers on the wage and price program, the public is looking for some leadership from its elected officials on the issue of, where do we go from here in redesigning our institutions and our programs and our policies to fit the relevance of today's economic realities? They look at the frequent weakness in the way we conduct our industrial relations and say, how can that be changed? They look at the escalating costs in the public service fields of health and education and ask really when does it stop. We look at the fall-off on productivity of our whole labour force, placing the whole country in an inferior competitive position with other countries and say, how can we change that particular problem?

And we say, what is really a phenomena I guess, has been coined the new poor in society, the people who are no longer poor simply by matter of income, but by simply a matter of not being able to satisfy needs. Many older women in the work force who don't have training and skills and oftentimes are thrust out of their occupations, and I think of the number of people in my own constituency who work for the T. Eaton Catalogue Company, hundreds of them, who are all of a sudden forced with nowhere else to go; no ability to be retrained, no place to get jobs, they become the new poor in our society, Mr. Speaker, a different classification, not the normal kind of welfare bums that are often banning development in this House, but a different sector of the community which finds it very difficult to satisfy basic needs in light of today's escalating costs.

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(MR. AXWORTHY cont'd)

We begin to ask the question, as I suppose has been asked in this House before, that if we are going to move from a consumption society to a conserving society, the question is, how do we move there? What's the ways that we gain that change? And if we can no longer afford to play the politics of plenty where everybody asks for more and is given more, then we have to decide how we set our priorities and what those priorities should be.

Now, Mr. Speaker, many who are against those kinds of concerns, a sense of uncertainty and that kind of question, the 1976 Manitoba Budget can only be described charitably as a disappointment. It is partial in its diagnosis, plotting in its prescriptions and placid in its tones. It is not a blueprint for the seventies, but rather really the tired recitation of a government that has lost both its soul and its imagination.

As a result, Mr. Speaker, I think that we have to present and look at the Budget from a different perspective, from a different way. And to get the right answers perhaps of what a budget or an economic blueprint should be, we should have to first ask the right question; which in this case is, what is the state of the Manitoba economy and what are the kind of indicators that should be used to instruct and provide guardians in our economic action? Mr. Speaker, we have looked at the different reports that have come in, one in particular seems to have some merit and others, the latest report from the Department of Regional Expansion looking at development prospects in western Canada, and if you take that against the document that's the Canada Tax Foundation Report of 1975 and other indicatives, there are signs that can only be described as disturbing. That retail sales in Manitoba in 1975 slowed substantially, with only a 6.7 increase over 1974, which when you take into account the rate of inflation is almost no growth at all. And in Winnipeg, Mr. Speaker, the growth was only 4.6, almost virtually a negative sum.

Housing starts, perhaps the most telling indicator in terms of a weakness in our economy, was down 10 percent over 1974, while the housing starts nationally were up 4 percent. If there was ever an indication of a failure on a provincial policy, it was the inability to be able to ride upon a national trend of increasing housing starts, and in fact fall behind, which simply showed that the application of our housing policies were not tuned to our needs, and the forecast for the present year is about the same, that there seems to be no sign of any improvement in the private housing market in the province at a time when we are also imposing rent control which would provide even more of a restriction and a restraint.

We look at the growth of the labour force last year and find it to be only 3,000, and you must compare that 3,000 figure in the labour force against the literally tens of thousands of people who are graduating out of our schools, and the question we ask is, where do they go? Well the regional development report says that last year the out-migration from Manitoba far exceed the in-migration, which simply again comes back to the fact that we are beginning to experience again the drain away because economic opportunities are better elsewhere and the people who are leaving are the people we've invested thousands of dollars of capital and training and education and they're simply leaving the province because the opportunity isn't here.

We're looking, Mr. Speaker, at a predicted loss in cash receipts of down over a \$100 million in the forthcoming year, which will have a very significant effect upon our economy. We look at new capital expenditures in 1975 increasing by only 4.9 percent, and again considering the rate of inflation, that is a drop in the actual level of capital investment in the Province of Manitoba. And frankly, Mr. Speaker, when you go beyond that and look at investment, public and private investment in basic infrastructure and services, it's down even further. And you also have to look at the increasing number of days lost in industrial disputes, where the figures nationally were, in 1975, twice the number of days were lost than in 1974 and the record seems to be no better. And finally when we look at the exorbitant rises in utility rates, 20 percent on average to hydro, 50 percent on water, and similar kinds that face us right across the board in the City of Winnipeg.

Now in addition to these provincial indicators which should give this government

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(MR. AXWORTHY cont'd) some cause for concern, and as a result, action, there are particular economic difficulties being faced by the City of Winnipeg, which in fact is one of the major economic generators of this province. A far large percentage of the economic activity comes out of the City of Winnipeg, and here again there are a number of signs that must be looked at. A very serious shortage of building lots, an estimated shortage and supply of close to 1,500 to 2,000 over the next year; an extreme shortage of industrial land, no place to put the new businesses; a shortage of low income, moderate income rental accommodation, again a problem that will be compounded as we move into position of rent control and the restraint it imposes or the lack of incentive that it has for increasing the private supply of rental accommodation. An over-supply of office construction, I believe the figure is estimated and the provincial government's own support is several hundred thousands of square feet of office space that is coming onstream and can't be used. The reliance upon the property tax, higher than almost any other city in western Canada in terms of the transfers that come from senior levels of government, the city relies more upon the property tax than any other major city. The highest Consumer Price Index of 1.4 compared to the national 9.3. A downtown core area that was just described in the weekend series of newspaper articles, not by one commentator but a series of commentators and the architectural faculties from the universities, from the real estate boards, from the industrial development offices, saying the downtown core is certain to become a economic wasteland and in danger of experiencing that widespread malaise that's becoming a North American disease. An increasingly large number of unemployed native people both in the city and out of it, again using the estimate by the Regional Development Report, close to 35 percent of native people are unemployed, and many of them again gravitate to the city, settle in the core, and become oftentimes for reasons not of their own helping the occupants of our jails and our welfare offices and our social assistance lineups.

Mr. Speaker, take those two sets of indicators, the provincial and the urban regional one, signs are not promising or don't look that good. In particular, those indicators must be again measured against the indicators of a backdrop of the economy in western Canada, again of which we are integral part. Again we see that there are signs that should provide a serious response. First, there is a mass of development in most of the resource fields, but an extreme shortage on labour and capital; the increasing cost of transportation and the lack of real development in the transportation field to serve the movement of grain and people and other goods and services; mining expansion in all three western provinces slowed again desperately by labour shortages; the development of economic diversification, a major priority of the Western Premiers Conference and everything else has slowed down noticeably over the past year. There is still a major lack in the western region of manufacturing industries producing such essential items as rubber and plastics and electrical machinery, and even the more extreme shortage of high level skills in special services such as consultants, management software computer skills, and a major constraint in the absence of financial institutions capable of supplying venture capital.

So, Mr. Speaker, going from a Winnipeg region to the provincial to the larger western region, again we see that the economic scenario is one that calls for a number of important, insightful and direct steps, both to respond to the problems and in many cases to capitalize upon the opportunities. The economic outlook of both our own region and the prairies call for a budget of skill and initiative. There is a need to stimulate new fiscal means, lagging parts of the economy, particularly housing. There is a need for a clearer strategy of industrial and public investment in needed services and infrastructure to overcome the basic supply and shortages in basic goods and services. There is need to develop new areas of economic activity to respond to the growing work force, such as the encouragement of specialized commercial marketing and financial institutions in the Province of Manitoba to again take advantage of the resource development that's taking place in the prairies. There is no reason why the management of those major resource developments should come from head offices in Toronto or Montreal or Ottawa. The management of those resources should be here and could be here if we had the skills

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(MR. AXWORTHY cont'd) and the services to provide an office, but we don't.

There is a need for an overall manpower employment strategy for this province to overcome labour shortages in such critical areas as mining, to offset the migration of Manitobans and to meet the economic disadvantages of the native people, women and young people who are part of that structural employment which is in some cases two or three times the normal unemployment rate. There is need for a critical response to the economic and social investment in our own major city, capital city, and should have sufficient land for housing and industry in the provision of an effective transportation system. There is need, Mr. Speaker, to outline alternative ways of funding hospitals and universities in preparation for the forthcoming federal-provincial conferences. Decisions are going to have to be made in those areas right away, it should be a subject of debate and discourse in this province, but we've heard nothing about it.

Mr. Speaker, none of these requirements, none of the answers to these kinds of questions we raised, were contained in the Budget that we received. As a result, there is lacking any kind of strategy to meet issues facing this province. No planning, no initiatives, no priorities, no leadership. In the heroic phrase used in the First Minister's Budget Speech calling for a special kind of co-operative social planning throughout the nation rings hollow in this province where there is his own failure produce any semblance of a plan of action for the Province of Manitoba.

So, Mr. Speaker, my general and basic concern is that the province is being allowed to economically drift with no clear course being charted and this lack of clear navigation comes at a time when the province could run afoul with some very dangerous obstacles and handicaps. That, Mr. Speaker, I think must underline our basic comment on the budget, is that it really is not an economic blueprint, it's not an economic design, it's a series of catch-all measures strung together with some interesting phraseology in a way of simply having to produce a budget because it seems that you have to produce a budget these days. Mr. Speaker, we also have some very specific criticisms of the measures themselves and comments upon them.

First on the income tax measures. The increases in taxation while seeming to be relatively shallow in impact are added on to a tax base that already draws more federal-provincial taxes per capita than any other province in the country. Instead of adding on to that tax base, we should have been aiming at selective tax cuts to provide more disposable income, particularly on the lower edges of the income scale. It is through such disposable tax cuts that we could have promoted and increased and stimulated areas in the retail sales trade, housing trade, disposable hardware goods.

It's worth noting, Mr. Speaker, in a recent article by G. A. Wilson from the Institute of Policy Analysis in Toronto, writing in The Canadian Tax Foundation, commenting on provincial budgets last year where three or four provinces undertook counter cyclical measures, mainly tax cutting in certain selected areas. He says that those fiscal stimulants undertaken by provinces such as Ontario and Alberta played a role that show that such counter cyclical provincial fiscal policies are now playing a constructive role under the present circumstances. The analysis that Dr. Wilson provides in that article shows that a provincial economy designed that way can have an important impact in stimulating its own local economic production in helping to improve and strengthen its own local economic activity. I think he said that in the provincial gross national products, if they were measured, that such small tax cuts as they applied at that time added close to .7 or .8 percent increase in stimulation in economic activity, particularly in the retail trade in the consumer durable field. So that would be one area of criticism that we would have, is that at a time when we needed some stimulation that could have been obtained through a tax cut on the lower level, in fact we received the opposite.

On the corporate tax measures, well they themselves again are not onerous. They will certainly not be seen as adding any incentive for the establishment of new business in the Province of Manitoba. The opportunity that is available to Manitobans now to begin building a foundation of private sector consulting work, management work, resource development work and fiscal and financial institutions is being lost simply because there is neither a conducive climate nor any incentive for the plantation and development

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(MR. AXWORTHY cont'd)of those kinds of economic opportunities. It was suggested again in the Western Regional Economic Development Report, the opportunity, particularly relevant to Winnipeg, to become a centre of finance and management is really being lost in many cases because of the lack of those incentives.

On the fuel tax, Mr. Speaker. Again we have a comment, that Manitoba is already only one of two provinces that imposes a fuel tax. In Manitoba you don't have much discussion, you need heat in the wintertime and therefore this additional tax is simply inflationary. If there was a desire for conservation, as the Minister said, then where the tax incentive should have been placed was probably on improving insulation in homes, not adding extra tax burdens to the fuel tax.

The same kind of really reverse thinking should have taken place when we came to the question of automobile registration. This is simply a cute gimmick that will weigh most heavily upon owners of older heavier cars who perhaps don't have the income to replace them and get a newer but more expensive smaller model. Again if there was a real desire on the part of the government to reduce automobile fuel consumption, then the government with a little courage could have simply reduced the speed limit to 55 and thereby achieved a 30 percent saving in fuel consumption in the Province of Manitoba as it has been proven in the United States and now in Ontario. So if we are out to conserve fuel, there was an awful lot of better ways of doing it which weren't grabbed upon and as a result we can only say that this, Mr. Speaker, was a gimmick.

In the area of local government and educational financing, Mr. Speaker, we are in basic agreement with the revenue sharing proposal and the concept of enabling legislation to allow municipalities the option of levelling their own taxes in areas of hotels, land transfers and sales tax. We believe that the option must be available to those municipalities to apply their own tax. But let's analyze that for a moment before we run away from it. The fact of the matter is that even with the 1976 change, where we now have a two percent and one percent transfer to the municipalities, it still is not that much of a percentage increase over and above what we were giving before through the unconditional and conditional grant program. So in fact again, the municipalities of Manitoba - if you look at the figures and I'm just recalling them . . . - I think that some 40 percent of the municipalities in Manitoba get 40 percent of their revenues derived from the province. In Saskatchewan it's 47 percent; in Alberta it's 57 percent. In other words expenditures made on the local level, far less is still being given from senior levels of government and more is being given through the property tax than any other western Canadian city. So even on that basis we must, while agreeing with the concept of allowing or enabling municipalities to share their taxes, we say that we still feel that the provincial involvement in the area of revenue sharing can go even further and particularly in the area of education.

But there are a number of matters that could have been cleared up far more substantially than simply providing enabling legislation for this revenue sharing. We think that the continued imposition of the Greater Winnipeg School Tax levy, whereby taxpayers in the old City of Winnipeg must pay the other school divisions close to \$6 million is discriminatory. It's happening at a time when the City of Winnipeg itself is being forced to heavily increase its own tax base to pay for special needs in education. A measure was brought in, presumably as a transition measure, to help overcome the unevenness of the Unicity Act and is now perpetuating itself to a point where some fairly rich and substantial municipalities are receiving subsidies from the old City of Winnipeg, the taxpayers within School Division 1, at a time when School Division 1 is being forced to educate many of the people of the province who need special educational programs.

We also see, Mr. Speaker, when you talk about how to cut down waste, kind of the continued existence of the situation where school divisions must pay interest on operating capital amounting again to \$6 or \$7 million a year, is really pretty useless. Again, the action should have been taken back in the times of Unicity to set up a Reserve Fund, a Revolving Fund, whereby school divisions wouldn't have to rely upon private banks to finance their operations and therefore pay millions of dollars. Because I'll tell you \$6 or \$7 million will buy a lot of textbooks and pay the salaries of a lot of teachers. To

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(MR. AXWORTHY cont'd) allow that to continue continually year after year without taking some measures to change it is simply being blind-minded about a very important aspect of local finance.

We also see, Mr. Speaker, the need for a substantial change in the Foundation grant. Whatever the Minister of Education may say - and he doesn't say very much these days in fact he doesn't say anything at all these days - the Foundation proportion of provincial support education declines year by year where it is now down to about 50 percent, and that breaks the commitment of this government to supply at least 80 percent of the funding in school grants. Even when you take in the property tax credit, it still does not come anywhere close to that 80 percent factor at all.

And we also see the need, Mr. Speaker, when you're talking about educational finance to build into those formulas some ways again of responding to special educational requirements, perhaps based upon income. And the kind of formulas that are being built in in two other provinces - Quebec and Nova Scotia, I think, are important to look at as ways of responding to specific targets and needs in the field of education, which can't be undertaken through a universal-type program. So we simply say that while we're bringing in changes and renovations in the way that we provide revenue to local municipalities, there was room and option and many other changes that could have been done at the same time to rationalize the system, to improve it.

And perhaps, just as important in that area was the long overdue requirement to change the assessment procedures throughout the whole province. Many other provinces have now developed modern up-to-date assessment procedures which enable the province and municipalities to maintain annual updating of their assessment rolls and therefore to derive a more accurate reflection of income. We do not have such a procedure in this province. We lose income as a result of it. And it would seem to me, that if we are interested in an era and time of cost-saving, of rationalizing our economic formulas to avoid that area of assessment reform, again is avoiding and evading a major area of change in the local financial field.

So, Mr. Speaker, while we again provide our support for initiatives that were taken we feel that the opportunity to go further to make more constructive changes was lost. We feel that perhaps the most serious absence and weakness in the whole Budget, and perhaps the most glowing and foolhardy mistake of the government is the complete lack of any initiatives in the housing field provided for in this budget. This is the fatal flaw in the economic picture. We know what the figures are. They're in front of us. There's no way that they can be hidden. We know that we're producing far less housing than we need; we know that we're behind the national average in housing starts, in a time when in fact the stimulation coming from the federal level could have been easily ridden upon to develop a proper housing program.

This flaw and lack of any kind of incentive or initiative to spur upon housing will provide perhaps the most major failure of this government in its present budget year. And it will become a failure to be compounded by the addition of a rent control procedure, which will take away the incentive and offer nothing in return. And while many of the predictions and warnings of landlords may have been somewhat exaggerated, there is no question that the immediate impact of rent control or rent review measure is to slow down the investment in the rental accommodation field at the time when we already have a shortage, and to provide no compensation, to provide no answer, to provide no complementary policy to try and provide some stimulant, simply shows that the government has either been locked into an ideological position or is not prepared to face up to the reality that it must face.

In the past, Mr. Speaker, we have advanced various components of what we've called the Housing Action Program. We talked about the inclusion of programs, of second mortgage financing using moneys provided through things like the CPP; we talked about the revolving funds for municipal services to complement the new federal one thousand dollar grant program; we've talked about leasing of government land for rental accommodation, technical help to third sector housing programs, and expanded rent supplement programs in the major rent repair and renovation programs - and we've detailed and

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(MR. AXWORTHY cont'd) outlined these in different speeches on different occasions - any one of which would have been more than what is being offered in the present time.

So whatever the measures, Mr. Speaker, the lack of an overall housing policy and the infusion of capital in the housing market will lead surely as we can make any prediction in this day and age to a sadly depleted housing market, with the only answer being the provision of government housing, public housing. And that, Mr. Speaker, will not be a sufficient answer. As we pointed in the Estimates of the Minister of Housing, that public housing is an expensive alternative, a highly expensive alternative, both in terms of capital subsidy and operating subsidy. We simply say there are ways of getting better use out of government capital, there are ways of multiplying its use, and expanding its use, and we simply say they are not available to us at the present time.

So, Mr. Speaker, we see tragically misplaced priorities of this government when we see the obvious needs in the housing field and yet we continue to go ahead and spend large amounts of capital, tens of millions of dollars in things like the construction of new office buildings for the Provincial Government, the Autopac courthouse complex in the central city, at a time when there is already an over-surplus of office space and the market itself is forcing prices down, where we're putting many, many millions into long-term land banking, in a circumstance where there's an extreme short-term shortage of land. While I do not oppose the notion of land banking, I'm saying that you've got to look at where the problems are.

If you start looking at the population cycle in the Province of Manitoba, the heavy demand for housing is now, the post-war baby boom is coming into the housing market at the present moment. If you look five years down the track, the housing demand will decline. The population growth is going down and it will slow. And so we're piling up large amounts of land - the Government of Manitoba is now the largest landowner in the environs of the City of Winnipeg, it now competes with BACM as the title of the largest landowner. We are stockpiling large amounts of land for a time when it will be less needed. Now that is a good thing to do in terms of a planning purpose and trying to ensure that there is an orderly development in the outskirts and fringes of Winnipeg, but when you take that against the kind of highly inflationary demand that short-term housing shortages will create, then it is simply not a proper or effective application of your capital. And that's what we're saying is where the priorities are wrong, and while we're not saying get rid of your land making program, saying transfer your capital into a more useful, immediate effort, to deal with the inflationary pressures that we face, that we could forego for a certain period of time, a new courthouse. I am sure that the judges in Manitoba and the legal fraternity of Manitoba would be prepared to cramp their elbows slightly for the sake of providing some answer to our housing shortage. So, Mr. Speaker, it is those kinds of values where we think the lacks really are.

Now almost as regrettable as the myopian housing is the lack of efforts to improve our industrial output and to ameliorate the problem of labour strife. Particularly in the public service area. Again in the past we've called for measures that would provide answers, such as the Manpower and Productivity Board that would provide constructive guidelines in these areas, implementation of the findings of the Woods Committee, which has now been sitting dormant for two to three years, more financing for research and development of smaller business where they can't afford it themselves, block financings for universities and hospitals. We must break the kind of annual line by line budget approach, go into block financing where you say to public service institutions you got a three year commitment of capital, that's it, anything more you either kind of cut back on faculty or cut back on facility, but that's the funding you're going to get. And it's those kind of proposals that should have been discussed and looked upon as part of the debate of this Budget coming forth from the government.

But finally, Mr. Speaker, there's been much said about the exorbitant area of public spending and there are clamorous cries for cost saving. I think some comment in this debate is worth talking about. First, I think it's important to notice that the proportion of government spending in this country amounts to about 40 percent of the GNP as compared to the 50 or 60 percent that we're talking about in some of the European

(MR. AXWORTHY cont'd) countries that have been looked upon as bad examples. However, what is not often said by those who point to that problem of public spending, is that a large part of that expenditure is transfer payments. In fact, 40 percent of all government expenditure is really transfers for purposes of redistribution or subsidies or grants. So it is not government civil servants that are chewing up the money, it's money going from one set of individuals to another set of individuals. And those are not oftentimes just transfers from high income to low income, in many cases the subsidies and transfers are for the middle income. So I think that it's important to get those particular facts straight. So the real issue from our point of view, is not simply whether it is the public spending too much versus the private spending too much, I see no more morality in excessive public spending for flying first class to an Ottawa conference than having more disposal income to send people down to Hawaii for a second time in the wintertime. Those particular sort of choices are not necessarily any more a sort of point of conserving society, so that what we're really talking about is the overall area of consumption, the conspicuous consumption in both the public and private area. The problem is not as it is often stated, one where the individual and the government's propensity to spend is collectively and privately consuming far more resources than a system can make available. --(Interjection)-- Mr. Speaker, could the Minister wait until I am finished, because I think I only have a few minutes left . . .

MR. SPEAKER: Two minutes left.

MR. AXWORTHY: All right. So, Mr. Speaker, that is the kind of problem we see, and we see that there are many areas where that problem has not been addressed. So I think our real waste is our inability to fix priorities in our society and to allocate resources with some sense of how the expenses will conform to the ethics of a moderate conserving society.

There are many other comments we would like to be able to make in this Budget Debate, Mr. Speaker, and I'm sure my colleagues will be making them and that's our initial comment. But it is our belief that people are looking in this debate for leadership of a kind that has not been forthcoming, and that this government should probably be changed to a political group that is prepared to govern with an eye to the future. Budget speeches must be about more than taxes and expenditures, they must have underlying purpose, some sense of direction and not simply take a neutral stance with some gesture at the mitigation of small problems. In this sense, Mr. Speaker, and for this reason we feel this Budget fails and for this reason I would like to move the following motion, seconded by the Member from Assiniboia, that the motion be further amended by adding the following:

This government has failed to initiate action to improve economic and industrial development; No. 7, and after seven years this government has failed to develop effective means of helping those who suffer from economic disadvantages; 8. And after seven years this government has failed to encourage and increase in the private housing supply of the province; and 9. Finally after seven years in the office, this government has failed to adequately respond to the increasing problems in the labour-management relations field.

MR. SPEAKER: The Honourable First Minister. Before I read the question.

MR. SCHREYER: Yes, apart from the generality of what the honourable member has spoken of, I would like to ask him specifically, whether he meant to imply that the policy of the Ministers was to fly first class somewhere, I've forgotten, to Ottawa conferences. Did he mean to imply that?

MR. SPEAKER: The Honourable Member for Fort Rouge. The Honourable Member for Morris.

MR. WARNER H. JORGENSEN (Morris): I rise on a point of order. I'm not going to object to what has just transpired. I just simply want to remind you, Sir, that when the member has exhausted his time to speak, in order to take time to answer questions, he must get the unanimous consent of the House. I did not hear that unanimous consent forthcoming. I can tell you right now that as far as this side of the House is concerned, he can have it. But I don't think that we should slip into a system that we very valiantly strove to get out of for . . .

MR. SPEAKER: I was well aware of the member's point of order in respect to procedure. The Honourable Member for Fort Rouge started at 3:31, it is now 4:10, 4:11. If we hadn't had the point of order, we'd have had the answer in. The Honourable Member for Fort Rouge, because of the point of order, I'll allow a short answer.

MR. AXWORTHY: As short as I can make it, Mr. Speaker, is that we did not refer to ministers, we simply said that in our scale for choice of someone flying to a conference in Ottawa first class is no more preferable than sending someone to Hawaii for a second trip and winter vacation.

MOTION presented.

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MR. SPEAKER: The Honourable Member for Fort Churchill. Sorry the Honourable Member for Churchill no Fort, sorry.

MR. LES OSLAND (Churchill): Thank you, Mr. Speaker. It's close, but now that the time is past and the whole of the Churchill area has been redeveloped into one single unit in Churchill now, there is to all intents and purposes no longer a Fort Churchill, and what is left is being demolished quite quickly.

Mr. Speaker, I'd just like to rise on the Throne Speech Debate to add a few points for the north. During my speech, in which I seconded the Speech from the Throne, I spoke of the fact that I was the Legislative Assistant to the Minister of Municipal Affairs, and I spoke at length on the development of local government, and the responsibilities and the development of the people at the local level to take control and to run their own affairs, take charge of their own destiny.

On the Throne Speech, I would like to dwell for a few minutes on my second responsibility, which is to the Minister of Industry and Commerce, which is in my view economic development, and I have on the same sort of theme in my travels in the north, spoke to all our people about the twin-objective, one of local government to run our own affairs; and secondly, to form committees, to develop and to go after the idea of economic development pertaining to their own communities.

Quite often I get quite discouraged in this House because so often I find that we end up in sort of a standard position coming from one side, with an alternative coming from the other side. Almost as if we're just unwilling to bend for the good of the overall Manitoba. In the north I have tried to, and I have endeavoured to honestly, to not promote any particular party. I have tried to erase any idea of talking about Indians, Metis, and whites. I have endeavoured to talk, rather than labour versus management, I have tried to take the whole of the north and talk as a northerner to northerners. In the north we are in a different position I'm afraid than in the south here because of our being so far behind in the development. I realize, and I'm sure that most of the House appreciate that in '69 there was a definite thrust into the north. As a matter of fact, in my first speech in the House in '73 - '74, pardon me - I asked that the government not go too fast, and I was admonished by a few people who felt that I should not try and stop any spending that we should just try and get all we could get and get on down the road. I feel that I am still right and the majority of the people when I talk to them realize that if things do go too fast the people themselves will be left behind. The homework is being done through Northern Affairs and its local government development within the remote communities. The Department of Municipal Affairs has definitely had a real strong thrust towards either an incorporated LGD or at least a structure whereby they speak for themselves and they plan for themselves. I believe that as we do our homework and we are better trained, educated towards this, we will be able to take on any thrust once it is started.

Now the Member from Fort Rouge in his speech just preceding mine mentioned that there is no planning and that there is no real course to sail. I would suggest to the member that we have got plans and that we have got a course; it is a matter of timing with everything now.

The Member from River Heights spoke earlier and asked for massive funds, massive funds to be interjected into the north in order to expedite, to get things going, to get things on the road, and to really put a push on, and we really appreciated that. I really appreciated his point. It's strange that it should come out now at this point in the history of politics because I feel that we could have used this one or two years ago when I was very concerned about his criticism of the Communities Economic Development Fund, so much so negative that we stopped the damn thing. We literally put the brakes on so tight the wheels wouldn't even turn.

Everyone got so frightened - and you know it's a strange thing, I have two sons and those two boys are very cautious, they're not like their old man at all, and they continually always looked and looked and looked and tried to stop from stepping in case they made a mistake. And in the final analysis with both of them I had to tell them for God's sake the biggest mistake that you make is doing nothing.

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(MR. OSLAND cont'd)

Now I know, and I realize that we have received a lot of criticism in the north, and I'd like to do a little mathematics here. The strange part about his House that gets me and it's from all sides, is that every time we talk, we talk dollars and cents - that's the only yardstick we've got. But when a baby dies in a hospital for no damn reason at all basically, and according to medical science and our ability to cure that disease, when that baby dies how do you measure it? How do you say whether that was so many million dollars on the black side or the red side of the ledger? And we have got a track record in the north that is second to none in Manitoba.

I've often heard about the Third World and its striving to develop, to catch up, and you know I've heard also, particularly from the other side of the House, of sort of a doomsday outlook with regard to where we stand today and what's happened to our world. How is it that things have gone so bad, why is there so much violence, and so on and so forth? Well I'd like to suggest this that in the case of the Third World countries there is definitely a lot of violence, and there's going to be more I'm sorry. We have developed communications, people know what others are getting in this world and they want a piece of the action, and they're going to get it.

The same thing is happening in the north and I'm not by any means making any threats or anything like that, I am merely cautioning all of Manitoba to be aware of the fact that north is coming and we must be listened to. You can't leave a country 50, 75 years behind and all of a sudden say, you know, put the brakes on, that you must be patient. You give them TV and all of a sudden they see the multitude of cars, all the good living of the south, if you want to call it, and they have a yen to get some of it. All they have to do is come down to Winnipeg for about five days and I'll tell you right now they want a little bit but they don't want the whole thing.

I'm sure that goes for the rural areas, from out in the farmlands too. We would like some of the basic amenities of life. We'd like to have flushing toilets. We'd like to have taps that run water within a mile of where we live. --(Interjection)-- Well I'll just deal with the water for a moment. When you have people in this day and age right in our province walking down a hill half a mile, women, with two buckets, chopping a hole in the ice and filling it and taking it back up to their home to carry on for a day and to run their whole household for a day, it becomes pretty pitiful. And yet there's something very positive about these communities; there's something beautiful about them. There's a way of life that they have got that we could use a little bit of ourselves.

I'd like to just draw some statistics, their medical statistics. But it's been proven now through statistics, if you can read into them what you like, I understand you can do both sides of the fence with statistics. But an Indian who can live - and this is particularly to do with the Reserves but the remote communities and the Metis people are second - the Indian people on what is called the remote communities, if they can live through from the birth to the age of 45, their chances of living a long long life are excellent. It's getting to that 45 that counts. In the case of the white he's a cinch getting to the age of 45; it's after the age of 45 that he has trouble and he starts dying, and his statistics absolutely tilt the opposite way and we start losing them from such things as heart attacks, ulcerated stomachs, the whole bit to do with our nervous systems and our high speed, our high generated way of life.

The Indian and the Metis person in the beginning of the years from 1 to 45 die from such absolutely simple diseases as pneumonia, which is - what is it? 1944 or '45 when penicillin first came in that this was cured, respiratory diseases, gastro-intestinal diseases.

But the heartbreaking point of it all it gets to is when we come down to the babies. From the day of birth to one year, post-natal, the death rate in the unorganized territories is eight to ten times the rate of anywhere else here in Manitoba. Gastro-intestinal rates, 12 times; respiratory diseases, four times; pneumonia, six times; this is just up until the first year of birth. Up until two and a half to three years of age it is still high. Out of a number of 20 admissions to a hospital on the day that I

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(MR. OSIAND cont'd) checked in Thompson, out of 20 admissions of babies, 16 of them were suffering from advanced gastro-intestinal sickness, which is to do with the ingestion of polluted water. Good God, we've had chlorination in, how long? Thirty-five, forty years. And here we are, we still have people living inside Manitoba that are still drinking contaminated water. And it is such a simple thing. Most of our farms have got them. I know my own little farm area, we all have a line on it with a chlorinator and it's all automatically done. There's nothing tremendously expensive about it but still we have the system; we still have this against us as far as the babies are concerned.

I would suggest to you that the Third World countries are similar to what the position of the north is today. We have high mortality and morbidity rates; we have welfare, one - oh, it's just too great to put up with. Whenever we have a discussion about the viability of such and such community as against another community, inevitably it is the dollar and cent yardstick, and you get places like Flin Flon, Thompson, Leaf Rapids, Lynn Lake, these all seem to have a sort of viable structure. But I would suggest to you that the places like Shamattawa, Granville Lake, Split Lake, all these small unorganized areas, communities, are viable too, and their most viable resource is the people that live there.

Somehow or another we are going to have to stop picking out certain areas and developing them because they are viable and leaving the rest behind, because sooner or later we must pay the debt. I would suggest that if you drew a line across Manitoba and said all of the north is viable because - and we have got the mines up there and we have got hydro - this, if all goes right, will develop an awful lot for the good of all Manitoba. But everything we seem to develop, we seem to take on . . . we've developed Winnipeg into a beautiful city. I've been critical of it and I was raised in this town. I don't particularly ever want to live in it again except when I come down here to represent the people from the north, but I feel that as a half million people town, this is a good one. And if you look down the road and see what's coming when you look at places like Frisco, L.A., Chicago, etc., etc., you know the City of Winnipeg should just draw a line at about the three-quarter million mark and say, that's it, no more, out. We've got to stop it somewhere because we're going to ruin it. I think you've got a good city but I find that if you measure this city and then you find a place like the core centres of the city, then the total good of the whole of the city is brought down. And inevitably in our development we always end up with a backlash, we always end up with a backwash of people that did not . . . somehow or another we didn't get them on the bandwagon. And one of the easiest things to say is: Oh, they drink too much, they're socialists, they're social outcasts; they don't go along with us in our way of thinking. This is the easiest way. In the long run that is the stupidest attitude you can take because you've got to pay and you pay through your high taxes.

And right now in the north we're doing the same damn thing. We go into Gillam, this is a beautiful town now. In '64 I went through there, there was one 100-watt lightbulb hanging out of an old house that was then called a store. But we went in and we redeveloped the whole town, about 95 percent. But inevitably it's that five percent, they're the native people. Somehow or another we didn't wait, we didn't talk to them, understand them, look for ways and means, so in other words you end up paying a high welfare bill and it's sort of an accepted measure.

Churchill, we did it just a little differently. We spent a little more money in the beginning; we're going to spend a little less in the end. We started up the housing factory, and I know there's been criticism - I have been one of the most vociferous of the critics. But on point we were right, we asked for five years, we said if we could just take people that have never worked before and get them there in the beginning half a day and develop them until we got them there five days. We're now knocking off between 85 and 90 percent work weeks. It's beautiful. Christmas is a beautiful time in that town now because people go into the stores and they've got money in their pocket, not welfare cheques. And I believe I brought this before the House before that as the Indian Agent in Churchill I went from about a 96.4 percent welfare and on the

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(MR. OSILAND cont'd) Monday morning we opened up L-5 Housing Plant under the Provincial Government, I went down to a little above five.

We have had signs and symptoms in our world, not only in the north but in the south, that there's something sick, something's out of whack. We've got violence, we've got greed now I would say - I suppose we've always had greed but we've now got greed and we don't seem to be able to even appreciate that which we've got. Every time we get something else, we want one more step up the road, and we've developed into a point of greed and we've been sold a bill of goods. You know, we really have. We've been sold that we must buy, buy, and consequently we're eating up the world's wealth and resources faster than any other generation on earth in the past.

In 1954, Dr. Brock Chisholm spoke in Canada here and he spoke on the population explosion, and the CBC also at that time put on a ten-part program, ten one hour part programs, on a Sunday night and it was on the population explosion and it was showing the amount of the world's wealth that the North American continent was gobbling up. Well, they had Dr. Brock Chisholm come on and they did a few articles and guess what the Toronto Star - I believe it was the Toronto Star, it's a few years back - they came out with Dr. Brock Chisholm's favourite complaint was that the parents should not tell their children that there was a Santa Claus, and that was the major part of that whole article in the Toronto Star, was that Dr. Brock Chisholm was saying that, you know, we shouldn't tell them that first lie, that was what he was telling us in effect.

We seemed to miss the point of what he was really saying. He had just completed four years with the World Health Organization as Director-General, he knew the world health situation, he knew what we're up against on the world level and that we are just eating up our resources left, right and centre. Well, look what we've done with radio and TV. The Prime Minister of this country said that the government will not go into the bedrooms of the people. Well I wish he had told all the salesmen to stay out because I'm telling you between the living room and the bedroom, wherever you happen to have a TV set, that's where the salesmen are every so many minutes, there they are selling you all the strangest things, and I really am concerned about taking this TV up north. I really am. I can remember the first time when I was an orderly in the hospital up in Fort Churchill and there were two or three Eskimo children admitted that night at seven and they had just come in on the plane from Rankin and they had no TV prior to this and there was the TV set on the ward. Well you know at first they were just astounded then as they got the drift of what it was all about, they did nothing but giggle and laugh. And I wish I could honestly say that I could giggle and laugh at it but I'm afraid what's happened our TV has become a pretty sad sick situation and it's about time we did something about it --(Interjection)-- even hockey with the slaughter on the ice. Although I will say this about . . . the Member from Morris is mentioning about hockey on TV - with that slow motion camera I think we could catch a lot of these boys that are doing all the damage that you don't see see on-point with camera because the photographers seem to have a technique of coming right off whenever there's a ruckus begins.

I believe that we have been, this government and we the northern MLAs, have been promoting and developing towards one stage, and that is a declaration of war on property. We have got to change the way we have been doing things in the past. It is not good enough that we go up north and take what we have learned as mistakes in the past, we turn around and take the total package up north. Surely we can in this case, in instance, we can do a better job and we can really produce something that history will give us credit for as being the right way of doing something.

We don't want to go too fast. We want to get our troops readied. We want our civil servants in tune with where we're going and how we're getting there. The new thrust of the Department of Renewable Resources was outlined by the Minister during his Estimates, and it's right on target. We hope and we pray that this will develop and produce the desired needs, fulfillment of the needs of the mayors and councils and their Economic Development Committees at the local levels. The very fact

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(MR. OSLAND cont'd) that he has come out with a flat statement saying that the renewable resources surrounding a remote community, in effect, belong to that community and they're there to help them develop their own community and help their people to earn a living, this is a step in the right direction.

Northern Affairs: I have long been a critic of the Minister, but I can tell you this and be very honest about it --(Interjection)-- I'll tell you this, I have never heard such - oh, I won't get dirty about it - but you know, honest to goodness, would somebody please do their homework on the other side of this House and quit reading the newspapers to find out what's wrong or what's going on in the north. Go on up there for awhile. The Member for St. James spoke that he'd been up there. I know exactly the hotel he was in. I know exactly the one. He should have slept with me over - pardon me --(Interjection)-- he should have come with me over to Brochet and then you find out what it's all about, not in these wall to wall carpeted hotels in Thompson. You know, you were so close so often during the Estimates I almost felt as if I should slip over and slip you a few notes because you were asking questions but you weren't quite on target.

But the Minister has come a long way, I'll tell you right now. We are winning. We are winning. The whole government policy as a whole is I feel on target with my own objective which is, don't go too fast, wait for the people and we'll get there.

There has been a real concern expressed by the Manitoba Metis Federation and the Manitoba Indian Brotherhood, all about the northern planning that was going on and that they weren't involved and I agree, I think they should lobby like mad because they are the political arm of those groups and they should keep on us, keep agitating, because if they keep a check on us and we move with the right time and motion we can't help but win. Communities such as Granville Lake, Brochet, right now, well I could go down the list, I believe there's over 40 that are ready, willing and able out of 72 that have come a long way up the ladder, and that are well on their way to being ready for a thrust that I hope will not be too much longer in coming, and as it comes I hope it comes onstream with a gentleness that is not going to be too upsetting anywhere, but it'll be positive in every step of the way.

I listened the other night on Channel 12 in between commercials, to Wally Firth, the Member from the NWT --(Interjection)-- I think he belongs to the NDP, I believe - a very very well spoken chap. He is Metis and he has had quite a few years now in the Senior House, and he was speaking about the development in the north, pertaining to the Northwest Territories. He explained it this way: At the moment - and I'm not going to try and paraphrase him, or I'm not going to try and quote him, but paraphrase him I will try - that what we are doing is exploiting. We are not developing. And that there's an inherent danger in this, that the people's expectations have been raised. And if we do not somehow or other bring everything back to square one, we are going to do something with the people up there, not do something to them.

And I can tell you now that the millions upon millions of dollars that have been spent by the Federal Government in the NWT is the wrong way to carry on on behalf of the people of Canada in the NWT. Because right now the native people have asked that their land settlements be settled, that their voices be listened to, and somehow or another while the talking is going on, big major steps are being taken. And this is going to create more and more problems for the people of Canada.

I would like to just mention a few things here that I feel are, and I've tried to sum up into a few words, some of the objectives that I hold for the north. I would like to suggest that we ask for opportunity, not charity, because charity is only good for the giver and not for the receiver. I'd like to suggest that we give welfare to projects and never to people, economic development, not exploitation; tax, federal and provincial, in support of local government, but stop this charity business.

I'd like to also suggest that we start as a whole of Manitoba, start paying for what we take out of the north. A fair price, a fair price for our ore; a fair price for the water that's going to be used and utilized. When this government took over in 1969

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(MR. OSLAND cont'd) I believe we were receiving from all the mines of Northern Manitoba approximately 2 to 2½ million dollars. We doubled it, I believe within the first year, up to \$5 million. Under the new system, under this new tax form that the Minister of Mines has established, we are now receiving somewhere in the neighborhood of about 15 percent. And this is, I would suggest, the beginning of a fair negotiated price for our ore, 15 percent for the people that own it and 85 percent for the company that's wheeling it out of here. And I say it's fair to start at this level. I will not accept that that's the final. After we've done it, you know, pardon me, after the Minister of Mines put this formula in process there was very little complaint from the mining industry per se, and then after they realized that all of a sudden that it was awfully quiet and maybe they'd better start making a little more noise, so we started getting letters from the local president in the local papers up there, and the kind of statement that, you know, the government was picking on us, and I started getting brochures and letters from these people - they'd never spoken to me before in my life, all of a sudden I was one of them. They wanted to know if we'd put their case across.

I don't believe in going so fast and so stupidly into negotiations with these mining companies that we'll drive them out. I believe that through negotiations we can get a fair price for our ore, and my God we've never had it from 1935 right through until 1969, we certainly didn't get a fair price for it.

I would like to suggest that the Provincial and the Federal Government representatives deal in as direct a manner with the local government representatives as possible, to slow down the bureaucracy that is built at the provincial or the federal level on its way through to the local level.

I'd like to also suggest that things are expendable and not people. And that old methods of developing areas are tried and tested but good for who? Why not try new 1976 methods? What is basically the difference between the north and the Third World Underdeveloped Nations - I don't think there's really that great a difference, and that we can certainly lead the way on how we proceed with things in this next year or two.

In closing, I would like to just make one point, Mr. Speaker, and that is this: In the north our people up there really don't want any charity, we don't want anything given to us, we want to earn what we can get; we want an opportunity to try our hand at things. I feel that this government is on the verge of making another step forward; we've made some good ones in the past. Sometimes we've gone too fast and we've made a lot of mistakes, but we've all been the first to admit it. I heard the Minister of Northern Affairs stand in this House on his Estimates and admit it. I heard the Minister of Renewable Resources state the same thing. But we are not making one mistake and that is of standing still, that we're still trying our hand at it. We want work for our people and we want the opportunity to produce that work for our people.

I would like to make just one final statement and that is to reiterate the one point: Let's get welfare to projects and let's get it away from our people before it ruins the whole - it's contaminating our whole society now. Thank you very much.

MR. SPEAKER: The Honourable Member for Sturgeon Creek.

MR. J. FRANK JOHNSTON (Sturgeon Creek): Thank you, Mr. Speaker. Mr. Speaker, I rise to speak on this Budget Debate. It has been said by a lot of people that it's a sort of an insignificant sort of thing, it doesn't do an awful lot. But to the contrary, Mr. Speaker, this is the largest amount of money that this government has ever collected in new taxes since they've been in office. \$44 million in new revenue is what is being asked for from the people of Manitoba this year. --(Interjection)-- Piling it right on the back of the people of Manitoba - as somebody just said, \$44.00 a head - and I think there's about 381,000 taxpayers, or thereabouts, so you can almost say it's about \$90.00 or better on everybody in Manitoba. And they say that's an insignificant Budget. It's a disgrace. It really is a disgrace when there's absolutely no reason for an increase in taxes. Eighteen percent higher spending over last year and \$44 million dragged from the people's pockets in Manitoba. And don't get any idea that you're taking the money from the guy that's earning a lot of money. For some reason

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(MR. F. JOHNSTON cont'd) or other the honourable members on the other side of the House still haven't come to realize there's only one taxpayer, and that's the guy in the street. And the largest number of taxpayers in the Province of Manitoba is the working guy, the working stiff that earns \$15,000 a year or less. Mr. Speaker, if they don't believe it all they have to do is pick up the statistics of 1973 - the latest ones - and you will find that 61 percent of the people earn between \$5,000 and \$15,000 a year and pay \$314 million in taxes, between \$1,500 and \$5,000 it was 6.2 at \$31 million; and over \$15,000, over \$15,000 it's \$164 million. So, you know, the working guy is the guy that pays the taxes in this province. He pays them because - even more so now because the man under \$5,000 doesn't pay that much tax and believe me the different ways that there are for the fellow earning in the high income areas of buying different things for tax protection are all there, too. He does have some money left over to take advantage of those things where the middle stiff doesn't. Yet you fellows keep jumping all over this guy's back.

I sincerely hope that the Ministers of this government have the conscience to pay the difference on the cars they drive if they weigh more than a 1968 Chrysler product that the Minister mentioned. I hope they have the conscience to pay the difference, because they're the high income guys around this government, but no the taxpayers will pay the difference on the Minister of Public Works' Chrysler --(Interjection)-- Well, you won't have to pay the difference. You know, I drive a Marquis, I'm going to pay the difference, and those Meteors that I see parked out there, they're all as heavy as mine, will they pay the difference? Let's see if they pay it or will the taxpayers pay it? The taxpayer will pay the difference.

And is the First Minister or the Minister of Finance going to walk out and joyfully say to the family man who needs a station wagon or a bigger car, that we'll help you pay it. Oh, it's nice to say the guy that owns a Lincoln - I can remember once the Premier stood up, he said, "I couldn't care less about the guys who owns Lincolns, sports cars, or anything else." He obviously doesn't care anything about the man who needs a station wagon to take care of his large family. Not one bit. Yet the Ministers haven't come forward yet to say that they're going to pay the difference. Maybe we should put a resolution in the House and say that the Ministers should pay the difference, and maybe we'll see how many would vote for it. --(Interjection)-- I assure you - I assure you --(Interjection)-- Well, I'd love it on the record. I'd love it on the record. In fact, that just came to me, a resolution to that effect might be very appropriate. --(Interjection)-- Yep, I'm sure I could get a seconder on that side of the House.

Mr. Speaker, for some reason or other this government believes that by putting taxes on tobacco and liquor that you don't hit the working stiff. Do you really think it makes any difference to the guy who makes a lot of money to go out and pay a little bit more for a crock? Do you really think it makes any difference to him when you put some extra money on a beer? No, it doesn't. But it sure is going to make a difference to the biggest beer drinking group and biggest liquor drinking group in this province and that's the middle income group again, the working man. Stick it to him. It's as simple as that. Every time you stand up you say - oh, you make a big thing about we'll hit the guy that makes a lot of money. But what do you do? You push it right smack at the little man again. Do you really believe that the increase in the price of liquor will take liquor off the tables of this province? It has never done historically but it might take some milk off and it might take some food off the table, the extra costs. But no, no. Historically you have never seen the increase in dollars and cents placed on tobacco and liquor make people stop but it takes away from other . . . people in that house. But no, put it on them. That's the way that you fellows handle the situation all the time and you have for years. You come walking into the House and you say: well, we're going to tax, we're going to tax the big guys. We're going to hit the companies too. Does one person here ever believe that a company, that a company when they're investigating as to where they should open up their offices, really cares whether it's just the cost of land or anything? They care about the atmosphere of the people that work for that company. As a matter of fact the guy

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(MR. F. JOHNSTON cont'd) that makes the choice isn't going to make the decision to come here if it's going to cost him more. No he won't. Do you really think that if they've got to pay more taxes in Manitoba than they do in Saskatchewan or Alberta that they're going to come here? Does anybody who has lived in this province all their life think our winters is God's country? Come on now, come on now. --(Interjections)-- Yes, asked a guy who's lived in zero most of his life to come and live in 20 below. --(Interjections)-- Gentlemen, gentlemen this is the simple pie in the eye stuff that you get from socialists.

It's all very well to ask this side of the House to compare, compare Manitoba with Ontario, Quebec, New Brunswick, Nova Scotia and as the Minister of St. Johns so stupidly said the other day, talk to the marines. That's who he said to talk to, talk to the marines. You know, really, do you really believe that there's any necessity for Manitoba to have to . . . - because we've got the best hydro power in the North American continent that we can compare it with anybody else. No, but we're told to look at Ontario rates. We're told to look at New Brunswick taxes. We're told to look at everybody else's taxes. Good heavens, gentlemen, if you ever want to see a business go broke just find a bunch of executives that stand around saying all day, well we're doing it because the other guy did it. A guy that sits around and says that he hasn't got any ideas of his own is bound for disaster and that's what we get from here. Yet when we compare you to Great Britain - oh, that's not nice. That's unfair. It's something that shouldn't be done in this House, we compare them to Great Britain. You know, gentlemen, I'll compare you to any socialist government because that's what they are and I don't know of one that hasn't been a failure. I don't know of a social government that hasn't been a failure. So let's make the comparison. Pick any one you like.

A MEMBER: The Province of Ontario.

MR. F. JOHNSTON: That's quite right and if anybody thinks in the House that they're going to get me mad, you're going to get me mad by saying Ontario has done something socialistic, I say they're a bunch of jackasses for doing it too. Conservative or not.

So it all still boils down to that it hurts. The little guy is always the guy that gets trampled on by a socialist NDP government. And it has happened for years. Now, as I said, liquor - it won't work. Cars - it's a big joke because you're going to hit the little guy. Tobacco - nothing, nothing at all. Campers - this was all brought out in the speech of my Leader but it's just so damned annoying. Campers - you just finished telling a guy he's got to buy a licence to sell one, now he's got to get a bigger licence to own one. Those are the regulations that you just put through. That's right. That's right, and the covered wagon too.

A MEMBER: Go back to the covered wagon days.

MR. F. JOHNSTON: A licence for a covered wagon.

Mr. Speaker, then we come along with the rebate system. I'm holding here a piece of literature that the Minister of Consumer Affairs should go to jail for. Everybody that had their face on the front of this should be ashamed of themselves. Mr. Speaker, this is our friendly little piece of literature that's gone out by the NDP government and on the back we have our great tax rebate system. Now gentlemen I'm going to refer to your budget for this little ditty is in here too. It's been in here for years. Mr. Speaker, --(Interjection)-- I will, I'll get to it. No, I'd rather read from this. This is just the most disgusting thing. In fact I think I read out to the Minister of Consumer Affairs what the charge is for a guy in private business for putting out misleading advertising. It says here that \$12,000 a year in 1969, the man paid in taxes, \$851. Not I'm going to add to that, in 1951 that tax rate that we just talked about, I'm going to add to it his municipal taxes in 1951 which were 49 mills, I'm going to add \$299 and I'm going to tell you that he paid in taxes \$1,150 in 1969, real taxes and provincial taxes. Now in 1976 - I'm reading from your book - you say he paid \$216 in taxes. There's no health insurance and you've taken off the property tax credit plan and I'm going to add his taxes for 1976 which are right here in the book,

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(MR. F. JOHNSTON cont'd) . . . right in the paper: 1976, a mill rate of 128. I'm going to add to his \$216, I'm going to add \$770 and come up with \$986 and the difference is \$164 and in this book it says it's \$635. It's the most misleading, most misrepresenting piece of junk I have ever read in my life. You cannot take off the real property taxes unless you add them in. And it was sent through the whole of Winnipeg and it's the most . . . - well, it's absolutely disgusting.

A MEMBER: It's deceitful.

MR. F. JOHNSTON: Right, it's deceitful. And if the Minister of Consumer Affairs has his face on the front of one of these he should be damned well ashamed of himself. --(Interjections)-- Would be glad to. Table it? I'd be glad to, here. I've got a million of them I show people every day.

Mr. Speaker, now we have a situation also where we come back to what the government has said regarding the city should collect more taxes. You know just after the bus strike there was a film taken by one of the TV stations of a lady riding along on a bus and they said to her: "Are you glad the buses are back?" And she said "Yes." He said, "What if they hadn't come back when they did?" She said, "Well if it means I have to pay more taxes, I never want them back." The people of Manitoba don't want any more taxes. They don't need to be taxed any more by the Provincial Government because of the inflation rate. Then the Provincial Government turns around and says to the city, "Collect more taxes because you're not taking care of your responsibilities with the urban areas of this province".

The taxes that the First Minister repeated in his Budget Address, he mentioned liquor, he mentioned the hotel, and he says those are examples. Well, Mr. Speaker, does the First Minister expect the city to now put another tax on liquor after he's just put it on? Does he expect our Convention Centre to flourish when we start rapping hotel taxes on? Does he really expect our cities to operate efficiently when they haven't got co-operation with the Provincial Government, one that says go ahead add more taxes. Now the Member from Fort Rouge seems to think that that's all right. I assure you that it's not at the present time. You're not trying to help keep inflation down. I have said that the First Minister's Budget should have included more money by at least \$10 million to the cities and municipalities and it could have been found in that Budget this year without raising taxes. You'd have helped the city over their inflationary period but you can't even get sort of a formula other than say to them: "Collect new taxes". And then you say that your taxes are down on a man earning \$12,000, his taxes are down \$615 in your brochure and they're only down \$164.00. That's the difference. That's the only difference. It's \$164 difference in taxes a man pays today with a \$6,000 assessment and earning \$12,000 a year. Why don't you say that in the book? It's misleading and it's wrong.

Mr. Speaker, the City of Winnipeg is in a state of financial problems put there because of this government. Anybody that lives in this city that read the Free Press last Thursday and saw the position that this city is in because of the Unicity Bill, they ought to be very sorrowful and this government should be ashamed because they were told it would happen and nobody ever listened. You were told that the city would end up in this kind of a condition when you put that bill through. You put them in a position where their costs have skyrocketed beyond any dream of what might have happened. Skyrocketed more than what you were told. They said it would be \$17 million in four years; it was \$17½ million increase in two and nothing was ever said about it, except that, well, we put you there fellows, we stuck it to you, now go collect your own taxes. You're the bad guys. You make yourselves the miserable people with the people. We'll give it back in our rebate system but you put on all the new taxes.

You haven't kept up with the education costs. The Education Department is a mess. Their policy, their way of working is absolutely something that is disgusting and at the same time you haven't kept up with the education costs for the people of Manitoba.

So you burden the people all the time and it **always** comes back to that guy that

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(MR. F. JOHNSTON cont'd) pays two-thirds of the taxes in this province, the guy earning less than \$15,000 a year. He's the guy picking it up. He's the guy paying for all this nonsense of wild spending that should be put down to newer priorities.

The Member from Fort Rouge mentions housing. I must say that I know that we have a problem with housing. I must say that I think your plan in the core area is good. It's not going to happen as fast as we would like but the foundations of it is good. I would assure you that on those kind of things we will never whack the day-lights out of you. But to kid the people that this is an insignificant Budget, when you're taking more money than you've ever taken from them before in new taxes, is a little bit disgusting. Look it up. It's \$44 million this year. Look it up. This is the largest amount of taxes you've ever collected in one year, new taxes you've ever taken from the people since you've been in government, \$44 million. --(Interjection)-- Well, if the First Minister continues to want to live in the past, let him live there. I really don't care. The First Minister wants to live in Ontario, B. C., New Brunswick or anywhere else, let him live there. But this happens to be Manitoba.

Mr. Speaker, we now have a situation in Manitoba which is almost another sickening situation where it would seem that Manitobans who have the richest power resource in the world are now selling power to the Americans for so much less than we pay for it here and it's firm power. Don't get the idea that that power is the type that is surplus because that new contract is firm power, it's excess power that you know you can't use because you built too fast. So the people have to stand around in Manitoba and watch their curling clubs and their community centres and their legions and all of those places pay more money for power than they do in the United States because of the complete mismanagement of one of the greatest resources in the North American continent. --(Interjection)-- Oh no. Oh no. If you had of gone on with the plans properly and developed it as it was required instead of putting yourself in a position of surplus . . . In any business - you know when you're a businessman and you've got 50,000 one-coloured toothbrushes, as the Member from St. Johns would have, I assure you that if you want to get rid of them you're going to get taken because the guy that wants them is going to get you for a price. That's what this government has done with hydro. That's what this government has done with hydro without any question at all. It's not a technical thing, it's a simple business equation that you're going to have to give it away because you mucked it up. It's as simple as that. It's as simple as that. We are now subsidizing people in the United States. Just ask the guy that has a community club or a curling club or a legion if he likes the Americans paying less for power in the United States that we pay in Manitoba.

Well we do it with buses too. We do it all the time in this province. We muck it up with airplanes as well. With all of those three I've just mentioned you could have had your \$44 million and you wouldn't have had any trouble at all. But no. This is called the most insignificant Budget we've ever seen: \$44 million worth of new taxes, 18 percent increase in spending and this is an insignificant Budget in an inflationary period.

Well this is restraint, I'll tell you. Mr. Speaker, I say this - I'm going to repeat it while the First Minister is here, there is a couple more Ministers here now - that I would hope that all of these Ministers would be ashamed, absolutely ashamed not to pay the difference in their license fee if the car weighs more than a 1968 Chrysler product that the First Minister mentioned. I will tell you the Meteors, the Chryslers and many of the cars out front and the station wagons and everything else all weigh a lot and if you're going to put that charge on the taxpayers' back, I say the Ministers should be ashamed not to carry it themselves. Because the guy that owns the station wagon, the guy with a big family will certainly be carrying it himself. So next year I will hope to see all Chevys out there or small cars, instead of the big ones that are running around or I want to see the Ministers pay the difference. I don't have to talk to anybody. I'll talk to the man who drives the Chrysler out there or the big cars. It's as simple as that. Are you going to pay the difference or aren't you? Well if you're going to make a guy that earns \$15,000 a year, has four kids and a dog, owns

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(MR. F. JOHNSTON cont'd) a station wagon, pay more, why can't those fat cats over there? It's as simple as that, just as simple as that.

So, Mr. Speaker, this Budget is one that boils down again to the continued misled misconception that this government has that it isn't the little guy who pays. The only guy that ever pays the taxes is the guy on the street. There's only one taxpayer and the biggest taxpayer in this province and any other province is the working stiff. That's where you derive two-thirds of your money from or better and yet you walk out and you do everything in your power to nail him. Then you kid him with a brochure to say his taxes are less when they're not. It's \$164 difference, which I have proved to you, and then you add your Hydro bill on top of that, you new Hydro bill. Then you add your new water bill; then you add your new fees to get into provincial parks; then you add your licences to sell a trailer; then you add those new taxes that continually get put on by this government.

Well, Mr. Speaker, the people in this province haven't got any break from this government yet the men on the other side feel they have. I would just like to remind the Minister of Consumer Affairs, I would like to ask him to read the statements about the incomes in this book regarding the taxes being paid and take into consideration that the real taxes aren't there and they should be. See if you - I bet you'd put a guy in jail that put that kind of junk out. Without any question at all. --(Interjection)-- Yet he laughs about the government being able to do it. He thinks it's great sport that his party can put out a piece of literature that's misleading and he is the Minister of Consumer and Corporate Affairs. Well if that's the kind of sport that the government and Minister wants to work with that's fine with them. And it's allowed. He encourages it.

MR. SPEAKER: Order please.

MR. F. JOHNSTON: Well, Mr. Speaker, I've just found out that he didn't deliver it in his constituency which is all the more reason to believe that he knows it was bad, but he let the other guys do it.

Mr. Speaker, I haven't really got too much more to say on the Budget. The basic points are just as simple as I have told you. The little guy who pays, he's over two-thirds of your taxpayer. You don't stop people from drinking by putting on taxes. The middle income earner is the guy that will buy the most alcohol and he won't stop, he'll take milk off the table first. Historically increases in tobacco has never stopped smoking. You won't hurt the rich guy because he can still afford to buy the crock. You'll only hurt the working man, the guy that likes a beer after work which is basically a way of life. You'll nail him. Companies will pass over this province and not come because, simple as that, why would you? If I was the executive that said whether we went here or not and I was going to get the devil charged out of me, I wouldn't come here. If I had the decision to make I wouldn't put the company here.

Then you turn around and you lay on silly things, silly things in the way of taxes and licences. I don't mind. If you want me to get it out of my desk again, I'll get out Douglas in Saskatchewan for you. I'll get out what the Member from St. Johns calls my library. I'll get it out and I'll repeat it again that in Saskatchewan there was over 600 new taxes and charges and increases in licences, etc., that were put on and you're well on your way to doing it. And you're laughing about it. This government actually thinks it's a joke to stomp the daylight out of the working man because that's the guy that's paying the tune. You are taking the money out of his pocket; you're kidding him that you're not and he's the guy that's paying. Oh yes, I keep it with me. Don't ever kid yourself. So, Mr. Speaker, I will tell you that the government has tried to make it an insignificant budget but rapidly beat the hell out of the wage earner of this province because he just reached into his pocket again, as they have always done, because he's the biggest taxpayer in the province and they laugh about it.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Fort Garry.

MR. L.R. (Bud) SHERMAN (Fort Garry): Mr. Speaker, would there be any disposition on the part of the House Leader to call it 5:30?

MR. SPEAKER: Very well, I'll call it 5:30. The honourable member will have an opportunity to start at 8:00 p.m.

I am now leaving the Chair to return at 8 p.m.