

TIME: 8:00 p.m.

### THRONE SPEECH DEBATE (Cont'd)

**MR. SPEAKER:** The Honourable First Minister. **MR. SCHREYER:** Mr. Speaker, when we rose at 5:30, I had just time to develop and not by any means to a full extent, the facts with respect to the question of Manitoba's economy and how those facts relate to the attempt of Conservatives, particularly Conservatives, to paint a picture that Manitoba's economy is somehow in circumstances or condition worse than in the past and worse than the period of time in which they were in office. I was able to demonstrate that in fact and in relative terms which is the only true and meaningful way of making comparisons of this kind, that Manitoba's economy has in relation to that of Canada as a whole and subject to exactly the same factors that buffet any modern-day economy, had, in fact, performed better — repeat, better — than the Conservative stewardship, than the economy under their period in office. But not only better in that sense, Sir, but better in relation to comparison with Canada as a whole, as was the case during their time in office.

Now I suppose it gives honourable members opposite some kind of comfort or glee when they are able to read in the paper such excerpts as the following: "that Manitoba's economy is not only stagnant, it is the only province whose relative position has been steadily though slowly worsening;" "that Manitoba ranks sixth among provinces in average weekly wages and salaries;" or "that Winnipeg has the smallest growth rate in the what is his suggestion to that — that somehow our fault? The Honourable Member for Wolseley is shaking his head. — (Interjection) — Well I'm trying to evoke some comment from them and none is forthcoming. — (Interjection) —

**MR. SPEAKER:** Order please.

**MR. SCHREYER:** Mr. Speaker, the Member for Wolseley should well shake his head because I was just quoting from March 8th, 1968. — (Interjection) — That was the description at that point in history and, Mr. Speaker, just to put a nice cap on this, I would suggest further to my honourable friends opposite that if they analyse closely, they will find that if this statement could be made that Manitoba's income position with per capita income eight percent lower than the national average makes it unattractive to investors, well, Mr. Speaker, no miracles are possible, but with time, things can change for the better. If in 1968 the per capita income in Manitoba was eight percent below the national average in Canada of per capita income, today it is only two percent below the national average in Canada. So let them not mouth their absolutely ridiculous twiddle or twaddle about Manitoba's economy deteriorating in a relative sense, because in a relative sense, it has improved to when they were in office and there can be no question of that fact.

Now what has become a trade-mark of Conservative propaganda in recent months, I suppose really over the past several years, is that Manitoba's public expenditure has gone completely wild, and I know this is a recurring theme in their literature because I saw it last year and I saw it again this year in a pamphlet put out by the Member for Charleswood, but I believe that it was really a pamphlet for wider distribution than that. They show on a graft that's about as big as a postage stamp the percentage increase in public spending.

Of course, if they want to measure in percentage terms frankly, I'm not advocating it, Sir, because it can be utterly misleading, but since that is their intent anyway, I might as well persist on that point for a moment and say that, if they were to plot in percentage terms, the increase in government spending, and I believe my colleague the Minister of Mines has made this point well on two or three occasions, then the percentage increase in 1958, 1959, 1960, 1961 in relation to the mid Fifties would have been equally dramatic in percentage terms but, of course, Mr. Speaker, we live in a fast changing world, fast changing industrial economy and my honourable friends had better get out of the habit of acting like Rip Van Winkle. The world has moved on and they forgot to move with it. Because I would have to put this question, Sir, if, Mr. Speaker, if Mr. Speaker, . . .

**MR. SPEAKER:** Order please.

**MR. SCHREYER:** . . . expenditure in Manitoba per capita has increased by about \$1,000 I have to admit the increase in per capita public spending in Manitoba has increased by approximately \$1,000 per capita since when they were in office, I have to admit it, but I ask the question, Sir, what is the weighted national average of increase in per capita expenditure in all of the other provinces in Canada and that includes the Tory provinces, every one of them, the increase shows — (Interjection) — no it's not terrible it's merely realistic, the increase in per capita spending is in the order of \$1,000 per capita so that, therefore, to suggest that this is somehow undue is to either miss the point of what has been going on in all the rest of the country, or it is to be deliberately deceitful and false, one or the other. Well, Mr. Speaker, I repeat, I repeat . . .

**MR. SPEAKER:** Order please.

**MR. SCHREYER:** Well, Mr. Speaker, I listened to the Honourable the Leader of the Opposition and I think the record will show that I listened and I did not interrupt once, Sir.

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**MR. SPEAKER:** Order please. I am going to suggest to those people . . . Order please. I am going to suggest to all the members, if they cannot contain their emotions they should leave and hear it on the outside. There are many ways of listening to what's going on in here or reading it tomorrow, but the member who is on the floor should be allowed the courtesy of giving his debate. The Honourable First . . . Order please. I'm going to have to name the Leader of the Opposition if he persists. That applies to all the members who persist. Order please. The Member for Radisson as well. The Honourable First Minister.

**MR. SCHREYER:** Fine, Sir, I repeat that I certainly did not interrupt my honourable friend once, I think the record will show I did not and I then pose the question, perhaps in a way that he will not like any better, but will have no basis whatsoever for objecting to. In what way is it a significant point to attempt to make, as he and others have been attempting to make, that an increase of a \$1,000 per capita in provincial public expenditure is undue and shows, as they contend, some kind of fiscal irresponsibility, when the increase in all of the sister provinces in Canada has been at least as great. Now, I would like to know what the answer to that question is, because clearly it cannot be argued with even a slightest bit of common sense that somehow it could increase by that much in nine provinces, but here in Manitoba, for reasons that they couldn't even begin to give or articulate, that it should only have increased by half as much. I pose that question, Sir, and I leave it hanging there because it really cannot be answered by my honourable friends opposite. In the same way that my honourable friends opposite would like to engage in some distortions with respect to the extent to which taxation in this province is undue, they'd like to leave the impression that it is somehow particularly heavy, when in fact there have been articles in eastern Canadian, as well as local newspapers to indicate that up \$15,000 as an individual, indeed up to taxpayer \$20,000 if a married with two children, the net effect of total provincial taxes all sources in Manitoba is lower, not higher, lower than, for example, in the Tory administered province of Ontario. So again there is a frontal point blank reputation of the very point that my honourable friends are trying so desperately and perhaps with some success, to disseminate and to spread.

My honourable friends talk about debt and there is, perhaps, the biggest and most misleading statement of all, because my honourable friends opposite, the Conservatives, should realize that the per capita debt, the data with respect to that is available in the public accounts and in the budget papers of last year. My honourable friend does not have a reputation for accuracy. Certainly it is inaccurate to a factor of 10. In other words one zero has been added. When he talks about a provincial net debt of \$3,400 per capita, it is more in the order I would suggest of \$340 per capita, a factor of error of a magnitude of ten. That certainly cannot be allowed to go unchallenged.

If one wants to maintain a sense of perspective on this, Mr. Speaker, then one should also run some calculations to see the extent to which the debt service charge that we have to appropriate — I'm sorry that's statutory, we have to provide for it each year — what relationship does that debt service charge in relation to our GNP or GPP, Gross Provincial Product in Manitoba, what relationship does that bear today with ten years ago, twenty years ago? ago, fifty years — (Interjection) — or indeed a hundred years ago. My honourable friend would do well to run a more comprehensive calculation rather than merely ejaculating some figures for one year only.

My honourable friend should know that with respect to the proportion, the size to which the public debt and the public debt service charge bears in relationship to our total provincial economy and our provincial budget is no different today than it was ten or twenty — indeed, Sir, just as a matter of historical interest, the amount that had to go for servicing of the provincial debt was a far far higher proportion back in the days a long time ago, the days when I was just a child, than it is today. So let my honourable friends not try to create some kind of fear climate by insinuating that our public debt is somehow increased drastically in relation to our overall economy. — (Interjection) — I would say to my honourable friend. . . — (Interjection) —

**MR. SPEAKER:** The Honourable Leader of the Opposition state his matter of privilege?

**MR. LYON:** Yes, Mr. Speaker. My honourable friend the First Minister is alleging that I used figures with respect to debt that were out 90 percent in terms of per capita.

**A MEMBER:** He said you were lying.

**MR. SPEAKER:** Order please.

**MR. SCHREYER:** Would my honourable friend care to elucidate that statement?

**MR. SPEAKER:** The Honourable First Minister.

**MR. SCHREYER:** No, I just want to get it straight for the record, Mr. Speaker.

**MR. SPEAKER:** The Honourable First Minister.

**MR. SCHREYER:** I said, and I will repeat that any reference to the provincial debts of the Province of Manitoba would be a figure in the order of 340 not 3,400 and I am making that statement. The public accounts and the budget documents will demonstrate that fact. If one wants to include the gross guaranteed liabilities then, in that case, my honourable friend is out by only one billion two hundred million which, for him isn't a bad batting average. — (Interjection) —

**MR. SPEAKER:** The Honourable Leader of the Opposition state his point of privilege again.

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**MR. LYON:** Yes. The Honourable the First Minister, Mr. Speaker, is alleging that the per capita personal debt; total direct public debt in the Province of Manitoba is \$340 per capita —(Interjection)

**MR. SPEAKER:** Order please. That is not a matter of privilege. That is a matter of debate. — (Interjection) — Order please. It is not a matter of privilege. That is a debate. Would the honourable member take his seat? Order please.

The Honourable First Minister. Order please. Order please. Order please. Order please. Order please. Order please. I'm going to ask the honourable gentleman to sit down for the last time. I'll ask the House Leader to name him. I'm going to indicate to the Honourable Leader of the Opposition this is the last time he does that on this Chairman. It shall not occur again. Order please. I have the floor. —(Interjection)— Well, if he doesn't wish me to have the moment I am prepared to leave and this meeting will cease. Either the Speaker runs this meeting or else the Leader of the Opposition. If he wishes that let him get voted into this office. In the meantime we'll abide by the rules that were agreed to by all fifty-seven members of this House.

The Honourable First Minister.

**MR. SCHREYER:** I am willing to elaborate for my honourable friend. He has asked for elaboration. I would refer him to pages of the Manitoba Budget Address Document for 1976. Mr. Speaker, our Hydro Prospectus is published, and the figure which is on the page entitled Summarized Statement of Direct Public Debt shows a figure net direct public debt of \$185 million to which you would add the guaranteed liabilities on behalf of Hydro, Telephone, and other Crown corporations.

Mr. Speaker, when you add those two figures together, even to do it the way my honourable friend would insist it be done, — I invite him to do just the way he is wanting, and he will come to a figure that is substantially below the figure of \$3,400.00.

But, Mr. Speaker, in the net direct . . .

**MR. SPEAKER:** Order please.

**MR. SCHREYER:** My honourable friend should know, that despite whatever interpretation he may want to put on the public debt of the province, that the credit rating formally and officially of the Province of Manitoba and its agencies is at least as good, to understate, and in fact better than it was when my honourable friend was in office. —(Interjection)— There is no denying that fact.

**MR. SPEAKER:** Order please.

**MR. SCHREYER:** Mr. Speaker, if the debt is three times as big, what about the assets? Yes, indeed, I intend to come to that, Mr. Speaker. I intend to come to that in full measure. My honourable friends would like to increase the liabilities and decrease the assets and in fact, if anything, under public accounting, assets for example of Manitoba Housing and Renewal Corporation are substantially understated. So my honourable friends really can't play games of that kind. —(Interjection)—

**MR. SPEAKER:** Order please.

**MR. SCHREYER:** My honourable friends, when they were in office, were really guilty of a whole host of omissions with respect to public services for the good and welfare of the people of this province. You have had, of course, in recent days the spectacle of the Leader of the Opposition preaching a position which would seem to make them somehow indistinguishable from those others in Canada who are Social Democrat or Liberal in the true sense of the word, because now all of a sudden he finds himself in a position of support for programs such as patient air transportation, elderly persons housing, personal nursing home care, "uome care", day care, and so on. And pharmacare.

And my honourable friend, the Leader of the Opposition, of course, has been around in politics. He is on the record to some extent. I know that those who have been in this House a little longer are able to recall only too well his attitude to many of these programs, but let us assume that one can change his mind, of course. But even as late as 1971, when he was already in retirement and in some position to meditate, perhaps, he was interviewed by Francis Russell and as reported on the 18th of December, 1971, philosophizing about government generally, he goes on to say that our foreign policy is no good, that our whole Canadian governmental policies are turning us into the wrong direction, and then he goes on to say, and I quote (because this is a quotation), "If anyone redistributes my income, it had better be me. I and everybody else in Canada is better able to look after himself than any government." And I know that that thinking epitomizes many of the honourable gentlemen opposite and I am wondering on that basis, if he is so opposed to redistribution, how he finds it consistent to support public programs which have the effect of redistribution, if not in dollars then in kind, through services for medical, uospital care, or pharmaceutical drug costs, for nursing home costs. All of which by the way, were a matter of "you're on your own Jack" during the years when my honourable friends were in office. —(Interjections)— No. The former Leader of the National Conservatives, used to have a favourite expression about somebody or other, having experienced a conversion so dramatic that it could be likened only to Saul's conversion on his wilderness road to Damascus.

Mr. Speaker, I can't think of a better application of that description than my honourable friend, the Leader of the Opposition. The very programs that they were either opposed to or insensitive to — and I have to qualify that because I suppose they didn't oppose all these — they were insensitive to them. Obviously they were insensitive because they didn't do them. If they were sensitive to the problem, they would have conceptualized the program. So they were either opposed or insensitive to all of these things which he now presumes to have the public believe that he holds close to heart. That indeed is a conversion, the likes of which will have to go quite some way.

My honourable friend, the Member for Swan River, is in this respect, I think, a bird of a feather because in recent days in this Throne Speech Debate, one of the strategy positions of the Conservatives has been to start creating the argument which they didn't — I must say to their credit, a year or two or three ago, try to make so much — that somehow the services that are being provided, the whole conglomeration of services, health and social services to pensioners, people in retirement, is inadequate. And if every single one of them didn't say that, some of them certainly were trying to create that impression, and then just to demonstrate that some would like to take an opposite position so that they can go at the parish pump and peddle a 180-degree different philosophy, I have here the Member for Swan River, on Page 4224 of Hansard of last spring saying, and I quote, "We're politics apart, but I have old age pensioners coming to me and saying what am I going to do with all this money? Supplementary cheque, the old age pension, and everything to do with all this, and everything else, they don't know what to do about it. The Minister of Health and Welfare has a letter, an important one, a well-written letter, explaining the whole situation as to how these old timers, they're not asking this government for anything and they don't know what to do with their money that they're getting from several sources." He goes on to say, "But I hear on every hand, what's going on, where is this money coming from, why is this government giving this up, where are they getting it from? You know as well as I do where you are getting it from, but never in the history of the Valley, Mr. Chairman, did we ever need the charity that this government is handing out. The people aren't asking for it, but it's being forced upon them and they don't want it."

Then we have other Conservatives who say in debate that this government is becoming callous to the needs and the level of needs for services on housing, on the part of senior citizens. — (Interjection) —

Yes, of course, but I should say to the Honourable Member for Portage la Prairie that I don't know why that should come as a revelation to him. It's certainly been part of the pattern of Conservative politics during my entire lifetime and it hasn't changed. They talked about housing and they suggested this government has not done enough with respect to housing. My colleague, the Minister of Industry and Commerce, spoke to that the other day, but may I be allowed two minutes, Sir, not even two minutes to simply put on the record the fact that there has been admittedly some change in the population of senior citizens, in fact, an increase of 19 percent during the past seven years. Now, take that 19 percent as your base, that gives you the dynamics of the population group, and put alongside it the fact that while the population has increased by 19 percent, the housing stop for this group has been increased by 500 percent. That should give you a fair comparison and basis of comparability.

Our honourable friends talked about family housing. They don't like the public housing approach and there I am not going to quarrel with them particularly. — (Interjection) — Well at least one or two speakers opposite have talked about public housing as being second best, a poor substitute. We acknowledge that there is need for bringing serviced land at more acceptable costs to the men and women of our province who are in household formation circumstances. But there is need for supplementation of both that approach plus the public housing approach. In any case, it is not possible, sir, to use the instrumentality of government to service land, to make it available on the market as serviced land if in fact the government hasn't taken the preliminary steps to acquire some land in the first place, and of course, one step has to await the other, but that is precisely what was being done by this government. The acquisition of a significant enough amount of land in the earlier Seventies so that by the latter part of the Seventies there would be a basis for proceeding with servicing of land.

Now, if I recall correctly, and I hope I'm not in any way misquoting him, the Honourable Member for Portage la Prairie in his debate contribution, suggested that government should not assume — I think his words were, "Government shouldn't assume that there wasn't a means for co-operation or joint effort as between private and public sectors." In that specific regard, I tell him that indeed there is, on a scale of, oh, approximately in the order of 2,000 lots for servicing and development, there is precisely that going on now between two levels of government and one land developer. I am not for the moment prejudging whether it will be fruitful or not. Certainly discussions have been down to specifics and hopefully it will be productive. But there are peculiar problems in that kind of approach which are not necessarily insurmountable, but difficult.

I think, too, that some honourable members opposite were trying to make criticism, but in this case, well-intentioned criticism — because they couldn't have been aware — that something should

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be done to try and do something not only to build a new stock of housing but to get a meaningful program under way with respect to repair of existing older structures. Of course, it is always so easy to say that whatever you are doing isn't on a big enough scale, but Mr. Speaker, when you have to start from scratch or zero, then literally anything you do is worthwhile. But I can say that in the last two years, in the order of 6,800 approximately, old or older homes have had repairs completed at a total average assistance of about \$880.00, which \$880.00 would supplement whatever was available to the home owner, be it pensioner or lower income home owner, to carry out a meaningful repair project on an individual house, and houses. So this program of 6,800 units having been repaired, privately-owned homes, is I think a meaningful move in that direction and we have not been insensitive to the value of it.

Now, the other day, my friend, the Leader of the Opposition, talks about the fact that some resignations took place on the part of the Arts Council, and I guess the inference, or what was being implied, was that the government has been insensitive to and inadequate in its response to the needed support for the arts in the province. If that wasn't the implication, then I'm not sure that anyone knows what the point of that comment or statement was at all. Well that's fine, Mr. Speaker, occasionally that can happen and I'm sure that my honourable friends—(Interjection)—Yes, well as I recall he wasn't such a keen supporter of your Red River Floodway either, just as a matter of historical fact. Well, at least, Mr. Speaker, we appointed him to the Board which is more than my honourable friends ever saw fit to do. When they were in office I'm not aware of them appointing anyone other than Conservatives of important profile but that, Mr. Speaker, is not what is at issue here. What is at issue here is the innuendo or suggestion that we have been callous and inadequate in our response to the support for the Arts and I want to say that there has been — I will not use statistics — I will just say that there has been a substantial increase in support and those who want to make something of that issue, I invite them to look at the facts, at the numbers, at the record.

I want to say, too, that with respect to any suggestion from my honourable friends opposite that somehow this government is not taking sufficient concern and not undertaking sufficient activity of a helpful nature in Northern Manitoba relative to remote communities, the very communities that have a long history of disadvantage and neglect, that there has been a whole host of programs, many of them with federal government financial support and many of these programs are indeed proving to be useful. Some of them will take years to really know in an evaluative way whether they are really highly positive or marginal or really non-productive but many of them have to do with job creation, with manpower skills training, with counselling with respect to family services, youth corps, relocation of families into towns or communities in which there is industrial employment such as mining and all of these things really, Sir, have unfolded as a matter of systematic deliberate effort on the part of this government to bring opportunity, at least some degree of opportunity to people who hitherto have lived in geographic and economic and social conditions — and there's only one word for it — neglect. I expect no particular objectivity from my honourable friends opposite but I sort of do expect some from the honourable members of the Liberal Party and I would invite them to take a careful look to see how much has been attempted on the part of the government of Canada, on the part of the government of Manitoba in co-operation. A lot of it is of a nature which really requires some forward-looking nerve because there is no immediate payoff. There is no immediate result that one can proudly point to. It is in the nature of attempt, effort and that's something perhaps that caused my honourable friends when they were in office, to turn their back because it didn't have any immediate payoff unless they pretend that somehow they have a great solicitude and concern for the fellow Manitobans that live in these remote and more isolated northern communities. I would invite anyone who cares to do a bit of systematic research to simply compare what programs were in force, what activity was being attempted, in what community and this obviously can be done and I invite whoever is interested to do just that.

Well, my honourable friends, they like to talk about increase in the public service, increases in the civil service, of course, realizing, I assume they do at one and the same time, that much of the increase in the civil service has to do with those very programs which now they are bringing themselves to an eleventh hour acceptance and endorsement of. They said, "Oh, many of these things are good." Do they not realize that those things that are good cannot be done in a vacuum; it requires public service manpower to carry out. Indeed many of the programs in the North, I have to say, but I say it unapologetically, there is a relatively high ratio of public service manpower to program delivery in the North because you are dealing with small and fragmented, geographically fragmented communities. There are problems in other words.

My honourable friends are converts to home care. Do they realize how intensive home care is in terms of hired people to actually work, to provide the daily care service for people living under handicaps or temporary injury in their own home? It's a great program but it has a high ratio of staffing to it. Well, they would like to have it both ways. They're in favour of the program but they would like to be able to pound the government for increase in public service numbers and I wonder how many of them have taken the time, how many of them have bothered to — again I don't apologize

for this — run a comparison in terms of public servants per thousand population here compared to other provinces in Canada. What's wrong with that? What could possibly be unfair about it? Well, nothing and therefore it will not produce the kind of result that they can use in some dramatic fashion so they studiously avoid doing just that and they talk about it in isolation and that, Sir, is really something almost beneath contempt. —(Interjection)— That's exactly it, Sir, that's the words. That's right. My honourable friend is great at that. Well, I have an answer, Sir. I've just finished saying that it seems to me that any valid and fair comparison of public service numbers would take into account what public service numbers are anywhere else in our country. But they want to do it, not on a 1976 or 1977 comparison one province to another, they want to compare 1976 with 1968 and then they wonder why we look at them as Rip Van Winkles. They want to crawl back to yesteryear, meantime, events have moved on.

Mr. Speaker, the same is true with respect to Health Care services; they talk in alarm about how much is being spent under the general heading of health care and health care delivery and day care. They are now the proponents if I understand them — and this would have to be a force — they are now the proponents of increased provincial government spending for day care. —(Interjection)— No, no you are. Well, see they don't even know themselves, Mr. Speaker, that's the point. They would ignore the fact that the allocation of funds for day care in Manitoba has been increased substantially each year for the last three or four years, the last three years for certain and that we have nothing to be ashamed of in any respect in terms again, Sir, of comparing day care support in this province with any other province in Canada in 1976 or 1977. But they would like to somehow compare it to 1968 but they can't in this case because in 1968 they didn't support a single blessed day care place in this province. Not a penny, Sir.

**MR. SPEAKER:** Order please.

**MR. SCHREYER:** All provinces get federal money. I will check the record again, Sir, but I could swear that I heard some honourable member opposite, the Conservative group, talk in terms that there wasn't enough support for Day Care, and then when I look at the record I see that Day Care has been increased. I'm talking now about public support for Day Care having been increased from \$500,000 to a million, to \$3 million, to \$4 million, and that, Sir, is to take care of not only increase in numbers of places but also in the amount of support per child Day Care place. There's absolutely no basis, in common sense or in accuracy, to pretend that somehow there has been a falling off in public support for Day Care.

Then in the field of agriculture —(Interjection)— the figures that I have given you here — those figures I have given you have to do with provincial input. Wherever there is federal input, Mr. Speaker, we are certainly quite prepared to give recognition for that fact.

My honourable friends were talking the other day about our farm sector. They were talking about the agricultural sector in Manitoba and trying to create a position that if they were in office they would somehow be actively at work improving the net income position of Manitoba farmers, and that there would be less presumably of a depopulation of rural residents and farmers from rural Manitoba.

Mr. Speaker, I would like now to demonstrate that when they were in office they caused to be published a report known as the TED Report which talked in terms of wanting to see as an optimum number, 20,000 farms in Manitoba by 1980. Well, Mr. Speaker, I think that all of what has happened in the 1970s to date since this thing was published will result in us doing much better than that. There will be more than 20,000 farmers in Manitoba by 1980 but no thanks to the TED Report which calls for that as an objective. Indeed when they worry out loud about net farm income I wonder — oh, yes and the Leader of the Opposition was trying to make a case that as a result of policies of this government the property tax at the local government level was weighing too heavily on farm operators — and I want now to put on the record data which indicates that in 1969 the farm net income which stood at a grand total of \$114 million — that was such a grand level, Sir — that municipal taxes per \$100 of net income was 16 percent as a result of increases in farm net income over the years culminating in a peak in 1974 but still at \$342 million, triple what it was in 1969. Property tax per \$100 of net income is in the order, not of 16 percent today, but in the order of nine and a quarter percent. So, no one can say that property tax is, in relative terms, a heavier burden today to a farm operator than it was in 1969. —(Interjection)— 1976. Well, I'm quite pleased to use '74, Sir, because in fact for 1975 the tax per \$100 of net income was even less than nine percent, it was six percent. But in 1969 it was 16 percent.

Now of course, Mr. Speaker, we've had in very recent weeks a rather interesting smoking-out of the Conservatives with respect to the issue of livestock marketing, because they would have the public believe that somehow the Minister of Agriculture has been behaving in a non-democratic high-handed way.

I hear emphasis of that allegation from across the way, and then I have to relate the following, Mr. Speaker, just so that we have some recollection of the historical record; that the Minister of Agriculture could have, but I wonder what they would have said then, he could have proceeded, he had precedent from years gone by, to have established a marketing board without any vote of the

producers and without any of the Directors of the Board being elected but rather appointed by the government. As I said, there is historical precedent and one need only go back to 1965 for that precedent.

**A MEMBER:** Who was in power then?

**MR. SCHREYER:** Mr. Speaker, if what the Minister of Agriculture is doing is undemocratic then I wonder what adjective one would use to describe what was done in that particular instance which had to do with hog-marketing. But that, Sir, is just a bit of background. But more important, today the Minister of Agriculture is responding in the only democratic way that is open and that is to say this, which he has said, that if there is to be a marketing board then the producer should have a vote first whether there will or will not be a board; and only if the vote is "yes" and if it is yes then there will be procedures initiated culminating within sixty days approximately for the election again by the producers of the Board of Directors. Now what can possibly be deemed to be undemocratic about that procedure? Well, I'd like to know what it would be from your point of view, because Mr. Speaker, I want to say this, that some — it may not be accurate to say all — so I say that some of those very people who are complaining about having a vote on the proposed marketing board are the same people who wanted the government to impose a compulsory check-off on cattle sales and the Minister said "No", this is about three years ago if I'm not mistaken. But he said, "I'll tell you what, we can have a vo on that", and a vote was held three years ago and 57 percent voted against any compulsory check-off. Three years later some of those same people are contending that there should be the imposition, not of a full marketing board, but a board with limited powers and among other things to do what — to again try to get a compulsory check-off on cattle sales.

Mr. Speaker, the democratic point of view on this is that given the fact that there is some difference of opinion that the only logical and democratic thing to do is to have a vote, and if the vote carries there can be a producer-elected board. If the vote doesn't carry then there is no point in trying to establish commissions, check-offs and the like. —(Interjection)— My honourable friends now are going to quibble whether those who have the right to vote should be limited at 20 cows, 10 cows, 5 cows. One thing is —(Interjection)— My honourable friend, the Member for Sturgeon Creek, must have some peculiar experience with respect to livestock. I don't know how many pastures there are in Sturgeon Creek but I would suggest that he should talk to those on both sides of this issue, not just on the one side.

There is the group who call themselves the Freedom group and then there is the Independent Cattlemen's Association. /ndependent Catt May I say in that latter I regard, that despite —(Interjection)— Oh, now we've heard it. Now they're questioning whether these people are independent producers but I haven't heard any of them asking whether any of those under the heading of Freedom Association indeed want to have a compulsory or a non-compulsory check-off. I ask them that and then let them decide for themselves whether the word freedom in that context is completely accurate or only partly accurate or Independent Cattle Producers Association, Mr. somewhat misleading, etc. But the Speaker, I say simply this: they would love the Conservatives. They would love to be able to say that this campaign of the Independent Cattle Producers is somehow being carried out at the behest of or at the request of the government of the province. Some of the people active in that campaign certainly have been known as Liberal candidates in previous elections, and the only other comment I make on that is that I believe that there are people of fairness and objectivity involved. And insofar as all of the arguments are concerned on the other side, there are of course arguments in opposition to a marketing board. Of course there are. But so are there arguments for it. All that is at issue here, and no one can twist it, . . .

**A MEMBER:** They can.

**MR. SCHREYER:** . . . is a ballot: Shall there or shall there not be? Only after that would it be valid to get involved with questions having to do with whether there should be a compulsory check-off, as indeed we have been advocating.

Mr. Speaker, it is passing strange, it is incredible how this whole episode of the past 60 days has been somehow confused, deliberately confused, and it is inexcusable. Honourable friends, the proposition, as far as we are concerned, is a simple one: to the Shall there — shall there be a marketing board or shall there not?

All my honourable friends, they have concentrated much of their criticism and attack, some of it venomous, on allegations having to do with mining exploration. Mining exploration activity has fallen off. There is no sustaining of the dramatic level of mining activity that was the case when they were in office.

They've also talked about hydro development and I want now to come to that. —(Interjection)— Well, Mr. Speaker, I don't know that it will take all that long. There is a lot of material, but in terms of the length of time that it will take, I am serenely confident of the passage of time, and not very much time at that, should begin to make that far more clear than my honourable friends will be able to counteract.

Be that as it may, with respect to mining activity, just in a couple of minutes, may I say this, that it is

really ironic they that in the very same week that tried to create a psychological climate suggesting that we have had a dramatic falling off of mining exploration, that there has been in fact mining exploration activity, a marshalling of equipment and manpower to go into different parts of the province on a scale that would compare favourably with many of the years in the past history of our province. Indeed, the total level of exploration activity measured in terms of productive value is holding up very well, my honourable friends. Whatever the level of mining activity that was the case when they were in office, they should remind themselves of the fact that, as I recall, in 1968 the last full year they were in office, the amount of revenues for the public of this province for the programmed services of the public of this province from all mining exploitation, mining extraction, mining activity, was in the order of about, if I am not mistaken, two-and-a-half, two-and-three-quarter million dollars; and that in the same year, the gross value of mining production was in the order of \$345 million or \$350 million. So that gives you some perspective. Prices have gone up, yes. Yes, I am glad my honourable friend is aware of that.

Mr. Speaker, I now want to deal with some of the allegations with respect to Hydro, and I suppose it would be well to start with some quotations of recent years from the Chief Engineer and Chief Executive Officer of Manitoba Hydro. —(Interjection)— No, I am referring to Mr. Bateman. —(Interjection)— Well, I think that it may prove unnecessary because my honourable friend, and this is what I really take note about him, is trying to foster the impression that the present sequence and course of development of Manitoba Hydro on the Nelson River is something that is being carried out at the behest of David Cass-Beggs, and in opposition to those who have over the years, and even even at the present time, the continuing responsibility for Manitoba Hydro.

Page Two —(Interjection)— Let there be no equivocation about it, Mr. Speaker. Mr. Bateman, who is a career engineer, always was and remains a firm advocate, remains at this point in time, today, a firm advocate of the development of the Nelson River regulation of Lake Winnipeg. He went on to say, for example, at a meeting on the 8th of November back in 1973 —(Interjections)—

Yes, yes, of course. Yes, indeed. Mr. Speaker, just so there can be no question about that. . . —(Interjections)—

**MR. SPEAKER:** Order please.

**MR. SCHREYER:** . . . on the 15th of March, the 29th of March, the 31st of March, and days thereafter to my honourable friend's heart's content, the Standing Committee of this House can meet in order to go into the most excruciating detail, as far as I am concerned, in order to plumb the depths of the full facts and engineering considerations involved in the sequences of development of the Nelson River. e.

Mr. Bateman, in an address to the Service League on the 8th of November, 1973 and then it goes on through the years, says that:

Despite the opposition to the Nelson development, make no mistake about who is responsible for a continuance in the supply of power. It is we who are entrusted to manage the utility that have accepted that responsibility. Despite all the opposition to the development in one or other of these areas, we have been consistently progressing with what must be obvious to everyone now, was an ideal course of action to be following, that is, to develop the Nelson River and all the associated facilities which will provide us with a renewable source of energy.

Then, going on to page 19, he says:

We are embarked on a northern development program to utilise the flow of the Nelson River for the supply of our future electrical energy requirements. Canada entered into an agreement with Manitoba in February, 1966, whereby Canada would loan funds for a DC transmission line to Manitoba Hydro, and in return Manitoba Hydro would 1) develop Kettle Rapids on the Nelson, 2) divert the Churchill River into the Nelson, 3) control the outflow of Lake Winnipeg to regulate it for Nelson River power requirements.

1966, and he in February, is speaking about this in 1973 in retrospect and reconfirming that that was so. Then he went on to say to the Electrical Service League —(Interjections)—

I'd be quite happy to at the end of my remarks. He goes on to say, "What is the equivalent energy in one foot of storage on Lake Winnipeg?" In terms of water it is equal to 100,000 cubic feet per second months and used over the 670 foot head on the Nelson River. When fully developed it will be equivalent to 3.6 billion kilowatt hours or roughly 41 percent of the 1972 Manitoba oil production of 5.2 million barrels, if converted directly into heat. Or if we were to upgrade that into the electrical equivalent it would be equivalent to roughly 6.5 million barrels of oil.

Now as I say, as an aside, Sir, that this amount of water, one foot — we are talking about one foot in the context of four feet of storage — that if it is equivalent to 3.6 billion kilowatt hours on a 670 foot head, that if there is a 280 foot head already in service — and that happens to be the sum total of the heads of Long Spruce when it comes into production in the next twelve to eighteen months — the Kettle Rapids plant, the Kelsey plant, and Jenpeg, a 280 foot head would make this approximately 1.5



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billion kilowatt hours and it is a case of prorating what the value of that is in the very next twelve months alone. But my honourable friend would like to ignore that I suppose.

I want now to quote further from an address by Mr. Bateman to the Manitoba Association of Urban Municipalities, and this a year later in 1974. He went on to say, among other things, on page 32 and I quote, "All studies for the development of the Nelson River stress the fact that to assure adequate supply of water over a twelve-month period and especially in a low-water year, Lake Winnipeg would have to be regulated and a supply of water diverted from the Churchill River." —(Interjections)— Well, my honourable friends say that isn't so and I am quoting merely from the Chief Engineer and Chairman, Chief Executive Officer of Manitoba Hydro, Mr. Len Bateman. —(Interjection)— Certainly my honourable friend will be able to ask questions to his heart's content on the 15th of March. In fact if he doesn't I will insist that he ask questions rather than ruminate over matters that he knows to be demonstrably not so.

I now go on, Mr. Speaker, to quote further. "We who have the trust to manage your utility are proud of the dedicated people who make up our most important asset. They in all parts of our operation, they design the system and in many cases build it and operate it et cetera. Despite all the controversy that surrounds the operation and our development program I can assure you that the total program has not changed. The studies of the 1960's which culminated with the Programming Board Report produced jointly by the provincial and federal governments resulted in the agreement with Canada to finance on a 50-year repayment basis. The transmission line to bring power 550 miles from the north, Manitoba undertook as its part of the agreement to regulate Lake Winnipeg for power purposes and to divert the Churchill River. It was only the rate of load growth which would change the time when Lake Winnipeg and the Churchill River Diversion were needed."

Now I should go on to say or perhaps I should add this paragraph. "It is sometimes difficult", Mr. Bateman says and I quote, "to appreciate the reasons for the controversy but despite the continuation of it we shall continue to develop the renewable resource of this province for the benefit of all Manitobans. I am sure we shall all look back on these days from some future vantage point and wonder why we spent so much time in senseless controversy."

In case my honourable friend is still trying to pretend that Mr. Bateman and other senior people of Manitoba Hydro were not advocates of Lake Winnipeg regulation, I will then quote further. Now from the very last year, just a few months ago, 1976, October 27th to The Pas Chamber of Commerce and he says on page 6 of his text, comments at that time and I quote: "All studies for the development of the Nelson called for the diversion of the Churchill River and control of the level of Lake Winnipeg." —(Interjection)— My honourable friend now wants to argue sequence and I am quite prepared to argue that because indeed, Sir, it is told me without equivocation, without obfuscation that it was always deemed to be the optimum in the opinion of the engineers directly involved, that Lake Winnipeg regulation would be needed by the time when the total power consumption of the Province was in the order of 8.8 billion kilowatt hours. Mr. Speaker, those are the words of the senior engineering people and Mr. Bateman in particular consistently over the years and now that our total hydro system has gone well beyond 8.8 billion kilowatt hours to the order of magnitude, I believe in the order of 13 billion kilowatt hours per annum, now all of a sudden the figure of 8.8 billion they refuse to acknowledge. But that was always understood, Mr. Speaker. —(Interjection)— Ah, my honourable friend has a point there. Jenpeg as a power generating station was no where specifically recommended. He is right, but I will argue with all the conviction and sincerity that with respect to the regulation of Lake Winnipeg that that according to the most senior people of whom I have no reason other than to regard as men of complete experience and integrity, it was always recommended that there be Lake Winnipeg regulation. So now at least we have isolated the issue, it is not Lake Winnipeg regulation but rather specifically the Jenpeg power generating station.

Mr. Speaker, my honourable friend the other day would have us believe that the Jenpeg power generating station was ill-conceived. I will ask him, indeed I will invite him, indeed I will urge that he ask Mr. Bateman at the Standing Committee whether or not the cost for installed kilowatt of Jenpeg is as atrocious as the Leader of the Opposition would have us believe, and whether in fact it would be somehow better or cheaper to simply have Lake Winnipeg regulation with regulating gates and no turbines capturing the water energy as it spilled through the gates, and whether it would be cheaper in fact to have gone for the building of 350 megawatts of coal capacity, and it is being suggested by some that this would have been a preferred alternative. Well I have to say to my honourable friends that those questions too they can deal with and question detail to their heart's content, because there is every reason to be satisfied, Mr. Speaker, that the escalation already to date — let alone into the future — of the cost of coal layed down at Brandon and especially further east in Manitoba, East Selkirk, the Winnipeg area, is in the order of the equivalent of 12, 13 and 14 mills per kilowatt hour. So when somebody writes a one-page letter saying that this was all a mistake and that instead they should have gone to an alternative sequence, including the construction of a 350 megawatt coal plant, and he refers there to the fuel cost as five mills. Mr. Speaker, that five-mill figure today, in the

case of Brandon is 11 mills and in the case of East Selkirk is 13 ½ mills. So he's out by a factor or magnitude of two to two-and-a-half times. —(Interjection)— Now the Leader of the Opposition says that's Liberals talking. Well, I don't know, my honourable friend. Actually, I'm looking here at a letter written by Gordon Spafford where he says "350 megawatts of new thermal electric capacity."

Let me, Sir, just deal with this letter which, I might add, has been brought to the attention of Mr. Bateman and he is, I might say, at the risk of understatement, quite prepared to deal with it in every detail whatsoever. But in any case, I want honourable friends, before they put too much emphasis on this document here, this one-page letter on which the whole course and direction of development should be altered — that the writer says himself, "Please understand that the resources to make a detailed analysis are not available to me, so that figures stated are, at best, approximate." Then he goes on to say that "A wild guess," and I am quoting now, "A wild guess at the amount of this energy reduction is an average of one billion kilowatt hours annually from Kelsey and Kettle Rapids." —(Interjection)—

**MR. SPEAKER:** Order please.

**A MEMBER:** We don't go on wild guesses.

**MR. SPEAKER:** Order please.

**MR. SCHREYER:** The wild guess here ... Mr. Speaker, personally I go by what the consulting engineers ... —(Interjection)— Oh, oh, is that right? Well, now, we'll deal with that in a moment or two. We will deal with the Crippen Report in a few minutes. —(Interjection)— The Task Force report? Even that, Sir, the Task Force report, which is a document running to about 300 pages, as I recall, was a task force headed by Mr. Bateman which took into account ... —(Interjection)—

**MR. SPEAKER:** Order please.

**MR. SCHREYER:** Which took into account the study data of Crippen and Associates who are indeed ... —(Interjection)— Yes, including Cass-Beggs. But Cass-Beggs, I want you to understand, Sir, was one among many and here we have a letter by one person saying a wild guess at the amount of energy reduction is an average of one billion kilowatts. That's the wild guess. Now here's what is not the wild guess. At a fuel cost of five mills per kilowatt, as I stand here today, Mr. Speaker, the five mills per kilowatt is in the order of 11 to 13 mills per kilowatt, so even if that wasn't a wild guess, events have shown it to be somewhat out. Indeed that has been the whole story of the past five-year period. The wild escalation of so many of the projects has been in part due to general inflation and in part due, I say quite frankly, to estimates being based on conceptual estimates being assumed to be hard estimates and then the actual construction experience was something else again.

But lest my honourable friends want to make too much of that, I have here —(Interjection)— It's amazing how the Member for Pembina can speak with such conviction on this issue when I believe that he said that he hadn't been able to see the engineering reports. I think he said that this afternoon, so therefore he was basing it presumably on what? —(Interjection)— On a wild guess? Perhaps on a wild guess, I don't know. But I want my honourable friends, and I think the members of the Liberal opposition will find this particularly revealing because they were in opposition then at the time as well.

**A MEMBER:** Those were the good old days.

**MR. SCHREYER:** ... that Kettle Rapids, which was the first component of the Nelson River Development, that Kettle Rapids was built ultimately at a cost of \$333 million, and the major part of Kettle Rapids was completed by 1973. Construction started but main contracts were let all in 1967-68. But let's see if there was something novel about engineering estimates because, according to the Engineering Institute of Canada publication called "The Canadian Journal of Civil Engineering", the first estimates that were made on Kettle Rapids in 1963, so that's six years earlier, were for an amount of \$107 million in direct costs, and \$35 million in indirect costs for a total project estimate of \$142 million. Now, mark that figure, \$142 million — that's a 1963 estimate. By the time the Kettle Rapids plant was built, it came in not at \$142 but \$333 million, a difference of almost \$200 million, a deviation from the 1963 estimates certainly in excess of 100 percent.

The problem here is that conceptual estimates made as conceptual estimates, people use them sometimes as being estimates that, if deviated from, prove or show that somehow there was great sloppiness involved. Well, if my honourable friends want to think that way, then they have 180 percent deviation from estimates with respect to Kettle Rapids, which was a plant built ...

**A MEMBER:** Gull Harbour?

**MR. SCHREYER:** Gull Harbour, yes, I would be happy to, if time will permit. Suffice it to say that Gull Harbour has the input of about 50 percent by the Government of Canada and attempts to scale it down for distribution of some of the available grant funds at one or two other provincial parks were resisted and so, rather than bog it down indefinitely, or forgo the funds, it was proceeded with. Again, it's a matter of judgement. I'm not sure in this case whether the technical people will be proven to be right or wrong — I don't know — but in this case, far more major consequence of hydro-electric renewable energy development. There can be no doubt but that the most responsible of engineering opinion recommended that as part of the development of the Nelson River, that Lake Winnipeg be

regulated.

My honourable friends at various times say either one of two things — sometimes they say, “Oh, no, it should have been, it would have been if we were in office — it would have been deferred forever.” And others say, “Well, it would have been deferred until later.” Just when that later would be, I don’t know, but I have been able to find out, Sir, the internal assumption among the senior engineering and management people of Manitoba Hydro always was as follows — either 1978, and I’m talking now in the context of the Sixties — either 1978 or when the total system consumption of energy in this province exceeded eight and three-quarter, or eight point eight billion kilowatt hours. Well, we’re one year ahead of ’78, but we’re about 30 to 40 percent beyond eight point eight billion kilowatt hours. —(Interjection)— So, well, according to the calculations of my honourable friend, he could make that statement, and I now say that according to the actual final cost of Kettle Rapids which they awarded the contract on, and what the 1963 estimate is, there’s a difference of \$182 million, so I could equally stupidly say, “\$182 million up the flue.” Could I not? It would be equally logical. —(Interjection)— What indeed, Mr. Chairman, if one person can say that, then it is possible to establish that the difference between a 1963 estimate —(Interjections)—

**MR. SPEAKER:** Order please.

**MR. SCHREYER:** . . . and a 1973 result . . . I should add this, that in March of 1969, the estimate was revised \$300-and-some million. The 1963 estimate was \$180 million less. —(Interjection)— Absolutely. I hope that my honourable friend is doing just that. On March 15th, we can check that again.

Now here I want, Mr. Speaker, in the time remaining, to quote from the Crippen and Associates Consulting Engineers’ report on Lake Winnipeg Regulation, Volume I, January 31, 1970, Chapter 10, Conclusions and Recommendations. This is not a one-page letter. This engineering study, and this is only a small part of it, the engineering firm is known to be reputable. I’ve never heard anyone suggest that they were not. No one ever suggested that they were engaging in wild guesses. They, and I quote, said as follows —(Interjections)— As professional engineers, I take it they mean it when they say as follows and I quote, “The study results indicate that regulation of Lake Winnipeg would produce major power benefits and possibly also minor resource benefits.” It goes on in great detail with accompanying graphs and charts and computer-run calculations to demonstrate that in their contention, in their view, regulation of Lake Winnipeg is a valid and necessary, indeed, major power benefit. —(Interjection)—

**MR. SPEAKER:** Order please. Order please.

**MR. SCHREYER:** Mr. Speaker, here is another interesting aspect of where my honourable friends have been shifting from one foot to the other on this issue over the years. They now presumably take the position that Lake Winnipeg regulation wouldn’t have been needed if they had gone with — they are not saying now, if you notice that South Indian Lake and the Churchill River should have been raised by 30 feet. They are saying 854. They are saying 854 but, Mr. Speaker, that recommendation of 854 did not come in to anyone’s attention certainly until two years after they left office —(Interjection)— All right, all right, after they left office. In the meantime, Mr. Speaker, in May of 1969, the Conservatives, who were then the government of this province, brought a bill into the House to provide for an engineering determination of what South Indian Lake should be raised to. My recollection was 869. **MEMBER:** 870.

**MR. SCHREYER:** 869. Initially 872, but they changed it by three feet. 869 or an amount of approximately 32 feet. Now all of a sudden they somehow pose as being acceptors of the proposition of only 854, or 854 from 869. In other words, they finally did have some second thoughts and were prepared to admit that their bill was out by fifteen feet. —(Interjections)— My honourable friends may be prepared to accept argumentation that they find somehow so reliable when it comes from one person, but which in the case of a whole host of exhaustive engineering studies melded together by computer analysis they don’t want to accept it. —(Interjections)—

**MR. SPEAKER:** Order please.

**MR. SCHREYER:** They don’t want to accept the Crippen Report which runs to volumes. They somehow put all their faith, not into the Crippen Report or into the Task Force Report which was also a comprehensive study and document, but they wonder to what extent we were influenced by - what did the Member for Riel say? a three-page report? A three-page and three-week report? My honourable friends, if they want to make so much of this one-page report, need not assume by simplistic extrapolation that we were prepared to make basic decisions on the basis of a three-page or a three-week report. All it demonstrated to us was that it was a reasonable proposition. That is what was told us in that short report, a reasonable proposition to have further engineering analysis, and that is precisely what was done. It was superficial in no way. And the outcome of the two consulting firms’ reports were melded together by the Manitoba Hydro task force, put through additional computer calculations, and out of it came the decision to proceed with the regulation of Lake

Winnipeg. —(Interjections)—

**MR. SPEAKER:** Order please.

**MR. SCHREYER:** My honourable friends wanted to talk about a disaster. My honourable friends have —(Interjections)—

**MR. SPEAKER:** Order please.

**MR. SCHREYER:** It is incredible, Mr. Speaker, that my honourable friends should be using terms like "disaster" because they took a decision to engage on a major development of a power river and they even signed agreements on the basis of that and then, halfway through, they began to equivocate, to back off, change their minds, and it was necessary to come forward with additional engineering studies, recommendations and result of which have always been clear in the minds of the senior engineering people and the board of directors of Manitoba Hydro. May I say with respect to the board of directors of Manitoba Hydro, both the board that existed in 1970, '71, '72, and the board that exists today are as fine a collection of Manitobans as one could hope to find and to bring together.

But here is the peculiar reasoning of my honourable friends opposite. They would have a government take a decision based as follows: a board of directors, five are of one view and the chief engineering staff, and one person is of a contrary view, so they would drop everything and follow the views of the one person with the contrary view. In the event that we had done that, Mr. Speaker, they would have said that we are not following sound technical engineering advice, but rather the vague impressions and judgment of one person.

Mr. Speaker, I can say this in conclusion, that no matter how much my honourable friends opposite ignore the historical record, no matter how much my honourable friends try to make immediate gain out of the fact that we have had rate adjustments, in not only the long run, but even in the intermediate run and in the near future, it will be possible to demonstrate to Manitobans that the cost of renewable energy here will not be out of line with any other part of Canada whatsoever. What kind of other assurance do they want?

I say to —(Interjections)— Ah, my honourable friends are in great glee because they don't give a damn about logic or facts. They are saying, "Oh, tell the people; the people are annoyed because of this or that."

In conclusion, Sir, let me repeat because it is really at the nub of this that whether in completely objective analysis and comparison across the country our energy rates in Manitoba will continue in the short, intermediate and long run to compare favourably with the rest of Canada, on that account I give you an assurance that the answer is an unequivocal "yes". On that basis alone I ask all in this House on this side to vote against the Motion of Non-Confidence, for reasons I have gone into but particularly for the almost incredible way in which they have tried to twist and distort where honest men have stood on this issue.

**MR. SPEAKER:** At this time subject to our Rule 35(3), I must put the Amendment to the main Motion.

**QUESTION on the Amendment put and lost.**

**MR. LYON:** Ayes and Nays, Mr. Speaker.

**MR. SPEAKER:** Call in the members.

The Motion before the House is the Amendment to the main Motion.

**A STANDING VOTE WAS TAKEN the result being as follows:**

**YEAS:** Messrs. Axworthy, Banman, Bilton, Blake, Brown, Craik, Einarson, Enns, Ferguson, Graham, Henderson, Johnston (Stur Cr), Jorgenson, Lyon, McGill, McGregor, McKenzie, Minaker, Moug, Patrick, Sherman, Wilson.

**NAYS:** Messrs. Adam, Barrow, Bostrom, Boyce, Burtiak, Cherniack, Derewianchuk, Desjardins, Dillen, Doern, Evans, Gottfried, Green, Hanuschak, Jenkins, Johannson, McBryde, Malinowski, Miller, Osland, Pawley, Petursson, Schreyer, Shafrensky, Toupin, Turnbull, Uruski, Uskiw, Walding.

**MR. CLERK:** Yeas 22, Nays 29.

**MR. SPEAKER:** In my opinion the Nays have it and I declare the motion lost.

The Honourable Member for Portage la Prairie.

**MR. GORDON E. JOHNSTON:** Mr. Speaker, I was paired with the Honourable, the Minister of Labour. Had I voted I would have voted for the motion.

**MR. SPEAKER:** Thank you. The Honourable Member for Morris.

**MR. WARNER H. JORGENSON:** Mr. Speaker, we have been entertained this evening by the First Minister who gave us some indication of his prodigious capacity for memory. The First Minister is the same person that can't even remember the name of the fellow that fixed his house. He regaled the House this afternoon with the well-worn custom of setting up strawmen and then knocking them down with regularity and with precision. There was nothing more particularly true of that than when he dealt with Agriculture, when he attributed to the Leader of the Opposition statements that in fact were not made. What the Leader of the Opposition was saying in regards to farm income and I am going to repeat them for the benefit of the First Minister, because I think that they are important in

case he and his advisors have not grasped the significance of those figures.

What the Leader of the Opposition was saying that last year total farm expenses amounted to \$649 million as opposed to \$571 million the year before. That total of \$649 million is more than total gross income in 1972, and what the Leader of the Opposition was saying, that if there was a drop in farm income this year in gross income, that because the expenses never drop, if the First Minister was following a chart which indicates what farm income has been in the past number of years, he would realize that expenses are the one item in this total set of figures detailing farm net incomes that very rarely if ever drop, they continue to rise. What he was pointing out is that if there was a drop in gross income that farmers in this country could be in very serious straits, and that could indeed happen, it could indeed happen because of the possibility of a drought. I am sure that even the First Minister in his unwillingness to even acknowledge anything that is said from this side of the House, would admit that unless there is some fairly heavy precipitation early next year there could be some serious problems. Now, perhaps that problem will not hit our grain farmers as soon as it will hit the livestock industry. The First Minister should know that unless there is water and unless there is grass for livestock next spring, there will be a serious depletion of our basic herds in this province — there will have to be, unless some steps are taken to ensure that that does not happen. And all that the Leader of the Opposition was suggesting to the government was that if they haven't started making plans and thinking about doing something, that the time has come when they should be thinking about those things.

He developed a new twist with respect to farm taxes. Again, what we were pointing out is that farm taxes have risen higher in the last two years than any other period in history — 50 percent. Then the First Minister, by some strange kind of magic, hopes that he can get those farm figures and those taxes to disappear by relating them to net income. Net income has got nothing to do with it. Farm taxes continue to rise and they are a component of total farm expenses and that's what we were pointing out, and I don't know how the First Minister feels that he can relieve himself of the responsibility of increasing farm taxes by relating them to net farm income.

I can't see the reasoning behind that kind of an argument. But the First Minister, of course, that wasn't the only mysterious kind of shenanigans that the First Minister was engaging in this evening. There are others and we'll come around to them perhaps a little later on in debate.

What I would like to first of all do, Sir, is to congratulate you again for taking on and assuming the onerous responsibility of attempting to maintain order in this Chamber and to preside over the debates and to attempt to adjudicate on those questions that from time to time arise that require some judgement, some tact, and some knowledge of the rules of the Chamber.

I would like also to extend to the Mover and the Seconder of the Address and Reply, the traditional congratulations that are forthcoming during the course of this debate. They started out on a note that has been pretty well followed all the way through.

As has been pointed out on other occasions on this side of the House, the government back benches and the front benches as well — one would think that it was the Leader of the Opposition who wrote the Speech from the Throne. Their attacks were levelled at the Leader of the Opposition all the way and it seems to me that that is a somewhat phrenetic, desperate, irrational, and vindictive kind of a debate to carry on for a group that one would have thought would have been interested in supporting and congratulating themselves for, but one can't help but feel that because of the irrational attacks that are taking place from the other side, that there is a great fear that has been struck in the hearts of honourable gentlemen opposite — (Interjection) — because of the presence of the Leader of the Opposition. And well they might. The Winnipeg Tribune — (Interjection) —

**MR. SPEAKER:** Order please.

**MR. JORGENSEN:** The Winnipeg Tribune last Friday gave some inside information to honourable gentlemen opposite that perhaps a lot of them weren't aware of and that spurred on the attack. Now they are even going to be more phrenetic because what the polls show is what the honourable gentlemen fear most, that from now on they are fighting for their lives and they are going to continue to have to do that because they know that the Leader of the Opposition is one that is going to carry on in the role of an opposition leader that will do credit to this party and certainly to himself.

We look forward to the debates that will be taking place during the remainder of this session, and we hope that honourable gentlemen opposite will be able, during the course of the debates that are going to be provided on the Estimates, to give us an opportunity to know how well they understand their departments and how much they know of what is going on within their departments.

I wonder, Mr. Speaker, if I may call it ten o'clock?

**MR. SPEAKER:** Very well, in that case I shall take one moment and ask for the cooperation of the House Leaders to discuss with their members the conduct of this Assembly. I do not think, if we are going to proceed in an orderly fashion, we should be unparliamentary. I do believe we should raise the level of debate and we should cooperate with each other and allow each other to speak to this Assembly without interruption, catcalls or heckling, except of a minor nature.

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Now, if that's the fashion we wish to proceed on, I'm prepared to cooperate with the meers and to carry out my duties, but I do not feel it's incumbent upon me to act like a policeman here in front, to have to shout, and to have a discourteous display perpetrated upon my body, or my person. It is very unfair, if we believe in a parliamentary system, to do that to a chairman, no matter who it is and I'm again requesting the cooperation of all the members and specifically the House Leaders to speak to theii groups.

The hour being ten o'clock, the House is now adjourned and stands adjourned until 2:30 tomorrow afternoon.