

LEGISLATIVE ASSEMBLY OF MANITOBA
Friday, 29 February 1980

Time: 10:00 a.m.

OPENING PRAYER by Mr. Speaker.

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

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. JAMES E. DOWNEY (Arthur): Mr. Speaker, I wish to table the following annual reports: The annual report of The Milk Control Board for the period October 1, 1978, to September 30, 1979; the annual report of The Manitoba Crop Insurance Corporation for the year ended March 1979; the annual report of The Manitoba Agricultural Credit Corporation for the year ended March 31, 1979.

In addition, Mr. Speaker, I have a further statement to make in regard to The Manitoba Agricultural Credit Corporation. I have copies here.

Mr. Speaker, the statement I wish to make is to provide some additional information to that in the annual report of The Manitoba Agricultural Corporation. In the first eight months of the current fiscal year, Manitoba Agricultural Credit Corporation has provided a total of \$25,401,914 in the loans to farmers. Of this total, over \$20 million was approved for land purchase, of which \$12,607,000 was provided in the form of direct loans, and over \$7 million in lease conversions to purchase agreements.

In the latter case, Mr. Speaker, farmers used the loans to change 195 land lease agreements to land purchase agreements; in addition, 52 leased properties were purchased by lessee farmers with financing from other sources other than MACC. The heavy use made by the Manitoba Credit Corporation loans by farmers to purchase land contracts contrasts with previous years for two reasons, first the re-instatement of loans to farmers to purchase their own land, and second, provision of the MACC financing to change MACC lease agreements to land purchase agreements. These figures indicate that Manitoba Agricultural Credit Corporation is effectively allowing farmers the opportunity to own the land they farm.

MR. SPEAKER: The Honourable Minister of Municipal Affairs. Pardon me, I apologize. The Honourable Member for St. George.

MR. BILLIE URUSKI: Thank you, Mr. Speaker. I am pleased that you recognized that there is an opportunity for members on this side to respond to statements made by the Ministry of the Executive Council. Mr. Speaker, I welcome the statement of the Minister of Agriculture, and would like to indicate that members on this side, and I believe the people of Manitoba, at this time in our economy, with the interest rates the way they are, would be very concerned with the amount of capital infusion in terms of outright purchasing of land.

One thing that the Minister did not say was that the program that the previous government had with respect to the Land Lease Program was that farmers had an opportunity to purchase that land. Now what we are finding today, Mr. Speaker, is, with the escalation of interest rates, there are many farmers who are in grave difficulty with respect to the repayment procedures that they have who have borrowed right up to here, Mr. Speaker. And now, there is no program, Mr. Speaker, to at least give them the option of staying on their land. What we will see in the next several years, Mr. Speaker, is repossessions, farmers being displaced off their land because of high interest rates, and we will have no program for having farmers . . .

MR. SPEAKER: Order please. May I point out to the honourable member that the opportunity afforded is to seek and to reply to the statement. It is not an opportunity for a major speech.

The Honourable Member for St. George.

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MR. PAWLEY: Mr. Speaker, on a point of order, the honourable member is dealing with the statement precisely by way of comment in regard to the very points that were raised in the statement, and I do believe that critics must have a degree of latitude in responding to important Ministerial positions that are presented to this House.

MR. SPEAKER: The Honourable Minister of Agriculture on a point of order.

MR. DOWNEY: Mr. Speaker, on that same point of order, the accusations that the Member for St. George made that the fact that the people were being forced to buy their land - they are not, in fact, forced to buy their land; they can continue leasing it if they so desire.

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

MR. URUSKI: Thank you, Mr. Speaker. I know that the Minister of Agriculture is very uncomfortable in his position. Because what we will be finding, Mr. Speaker, in the next period of time, is that we will have the Manitoba Agricultural Credit Corporation, or the financial lending institutions of this province, going after those farmers who have moved into the purchasing position with the interest rates the way they are in this province - the interest rates that the Premier of this province talked about when he spoke about the Budget which wasn't being tough enough; the interest rates which will force many of the farmers of this province into the position of having to go into bankruptcy.

MR. SPEAKER: Order please. Again I suggest to the honourable member that his reply should be brief and to the point. The Honourable Member for St. George may continue, but if he strays from the report I will have to cut him off.

MR. URUSKI: Mr. Speaker, in the press release, and I will quote right from the press release that the Minister of Agriculture gave us, he indicates that 105 land lease agreements to land purchase agreements, farmers used loans from MACC, and an additional 52 land lease properties were purchased by lessee farmers with financing from sources other than MACC. Which means that financial sources from all over the province, whether they be from banks, from credit unions, or from MACC, have been used.

And, Mr. Speaker, that's the tone of my remarks, that while many of the farmers have made arrangements to purchase these lands, there is no program that this government has to assist farmers who are in financial difficulty today, in terms of farmers who have extended their credit beyond the point of repayment, and that this government will allow those farmers not only to flounder, but to go belly up, and to do what? So that the land is picked up by fewer and fewer farmers, and the land concentration will be taken and put into the hands of less and less people in this province.

MR. SPEAKER: May I remind all members of the Chamber that Ministerial Statements should be brief and to the point, and the replies to those statements should be brief and to the point.

The Honourable Minister of Municipal Affairs.

HON. DOUG GOURLAY (Swan River): Mr. Speaker, I beg to table the 21st Annual Report of the Municipal Board for the year ending December 31, 1979.

MR. SPEAKER: The Honourable Minister of Labour.

HON. KEN MacMASTER (Thompson): Mr. Speaker, I beg leave to table the 62nd Annual Report of the Civil Service Commission for the year ending December 31, 1979.

MR. SPEAKER: The Honourable Minister of Consumer Affairs.

HON. WARNER H. JORGENSON (Morris): Mr. Speaker, I wish to table the Report of the Queen's Printer for the year ending March 31, 1979.

MR. SPEAKER: Notices of Motion . . . Introduction of Bills.

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INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed with the Question Period I would like to bring to the honourable members' attention that we have 30 students of Grade VI standing from Ryerson School, under the direction of Mr. Dennis Gautron. This school is in the constituency of the Honourable Minister of Health. On behalf of all the honourable members, we welcome you here this morning.

ORAL QUESTIONS

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. PAWLEY: Mr. Speaker, a question to the Minister responsible for Physical Fitness, reporting to this House on behalf of Western Canada Lottery Foundation. Can the Minister confirm that, in fact, the branch office of the Western Canadian Lottery located at Selkirk is being closed down as of June 1st?

MR. SPEAKER: The Honourable Minister of Fitness and Amateur Sport.

HON. ROBERT (Bob) BANMAN (La Verendrye): Mr. Speaker, when the Manitoba Government joined with the three other western provinces in forming the Western Canada Lottery Foundation, there was an agreement made that the head office of that particular facility would be in Manitoba. At the time, the Minister in charge of that particular responsibility here in Manitoba also managed to get the mail order group to locate in Selkirk. It was decided at that time that should economies be such that it was no longer a viable operation, that that would then be closed down. That does not affect the operation here in Winnipeg, and it is my understanding that after the board of directors did get together from the four different provinces, it was decided to close down the Selkirk office and try to accommodate as many of the people that are working out there in this facility here in Winnipeg.

MR. PAWLEY: Would the Minister indicate what method has been utilized in order to ensure the relocation of the approximately 20 employees that are presently working in the branch plant in Selkirk in employment elsewhere?

MR. BANMAN: Mr. Speaker, as the Honourable Leader of the Opposition probably realizes, the composition of the Western Lotteries Corporation is two directors from each province across Canada. In talking to the Manager from the Western Lotteries Foundation, he informs me that every effort will be made to try and accommodate and reemploy the people that are there at present.

MR. PAWLEY: Mr. Speaker, would the Minister confirm that the press release which was issued yesterday by the Western Canada Lottery Foundation, which indicates that the Winnipeg staff has been working closely with one Anne Klassen, of the Service Employees International Union, in aiding the Selkirk employees in finding alternative employment, either in the community, or possibly in the integrated prize payout in administration operation in Winnipeg, is totally untrue; that there has been no contact, no effort, to bring about some relocation through the efforts of working with one Anne Klassen of the Service Employees International Union.

MR. BANMAN: Mr. Speaker, as I mentioned before, we are concerned about the people that are employed out there, but the member has to realize that we are one-quarter of the overall group that is running this particular lottery, and that the decisions are made by the Board of Directors. I can check into that particular question that the member raises. However, I'm not aware that that has happened.

MR. PAWLEY: Mr. Speaker, further to the Minister, if in checking, and if he disagrees with the assertion which I made only a few moments ago, if at the same time then, he would explain or report back to the House by what manner, by what efforts, the Winnipeg staff, the Manager of Western Canada Lottery, has indeed been working "closely with Anne Klassen of the Service Employees International Union in aiding the employees in relocating."

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Would the Minister be prepared to detail the efforts, the methods, which have been used in working "closely" in his report to the House?

MR. BANMAN: Mr. Speaker, I have no hesitation in checking with the General Manager and the Board of Directors to see what approach they are using with regard to redeployment of some of these people.

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

MR. SAUL CHERNIACK: Thank you, Mr. Speaker. I'd like address a question to the Minister of Health and ask him who has replaced Dr. Leake on the --(Interjection)-- Leake has gone, yes - on the review group which is studying the Denticare program for the government and for the Dental Association?

MR. SPEAKER: The Honourable Minister of Health.

HON. L. R. (Bud) SHERMAN (Fort Garry): Dr. Leake, has left the province to take a position at the University of Toronto and has been replaced on that committee by Dr. Cliff McCormick. --(Interjection)-- Dr. Cliff McCormick, Mr. Speaker.

MR. CHERNIACK: A further question, Mr. Speaker. Dr. Leake, who is considered by the Chairman of that committee to be a person most difficult to replace because he was one of the most knowledgeable people on the committee, having now been replaced by a dentist who I think has been with the department for many years, can the Minister inform us how long it is that he has now had the interim report, and has he yet received the final report of the committee?

MR. SHERMAN: I've had the interim report since December, Mr. Speaker, but it's only an interim report and I'm not prepared to act on it. I expect the final report during the month of March, barring unforeseen delays, hopefully during March.

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

MR. CHERNIACK: Mr. Speaker, I'd ask the Minister, in view of the fact that the Dental Association has had the interim report for some period of time, whether there is any reason at all that the government is not prepared to make us all familiar with the contents of the interim reports so we would know the direction in which the committee is going.

MR. SHERMAN: Well, Mr. Speaker, there is no reason other than one of practicality. The interim report is precisely that. It's based on a half to three-quarters of a school year's experience, and we wanted to have a full report that was based on a full year's experience because of some questions that still remain to be answered. I can tell the Honourable Member for St. Johns that the interim report shows a very high utilization rate under the MDA. A very impressive utilization rate that compares very favourably with the government plan's utilization rate. But there are other questions that still remain to be answered, and I'd like to have a year's experience before drawing any conclusions.

MR. CHERNIACK: Thank you, Mr. Speaker. I'd like to ask the Honourable Minister, in relation to the interim report which he has received and which has already been reported - and I informed the Minister that it has been commented on publicly by the Manitoba Dental Association at its convention in Brandon early this month, in the month of February - whether he does not feel that the comments he has already made have been a summarized report of what appears to be the interim report dealing with a comparison between the Dental Association and the government plan? Would it not be better, I ask him again, for the report interim, as it is, to be released now rather than piecemeal as was done at the convention and by the Minister . . .

MR. SPEAKER: Order please. The question is repetitive. The Honourable Member for Inkster.

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MR. SIDNEY GREEN: Mr. Speaker, I would like to direct a question to the Minister to whom the Manitoba Forestry Resources reports. Is it the Minister of Mines? Just as well. I wonder if the Minister can advise me, with respect to negotiations with any persons interested in Manitoba Forestry Resources, whether the Minister intends to value that complex at zero dollars and turn it over on the basis that it is a complete waste of money?

MR. SPEAKER: The Honourable Minister of Finance.

HON. DONALD W. CRAIK (Riel): Mr. Speaker, the brief answer to the member's question is no.

MR. GREEN: Mr. Speaker, can the Minister assure us that in any transaction involving that asset, he will try to obtain for it, - and I'm not suggesting that he sell it, but if he does, which the government has indicated it wishes to do - would he assure the House that he will obtain for it market value at its optimum operating position, that is, on the basis of it possibly producing \$20 million a year?

MR. CRAIK: Mr. Speaker, I can advise the member that we have been looking at methods by which we might look at enhancing and expanding, and perhaps making some major changes to the operation at ManFor because of the problems that appear to be developing with regards to unbleached kraft. We have also been looking at various options in doing that, whether it's some form of vertical integration or otherwise, with those operating in the field at the present time. A number of options have been looked at.

With regards to the evaluation of the company itself, we have engaged the Woods Gordon Firm to provide us with some consulting advice in that regard. I think that there is a pretty good possibility that there is opportunity for enhancement and expansion of that plant in the future. We will be able to answer that question, know more specifically perhaps some time in the next few months, some time during 1980. In the meantime, Mr. Speaker, I can advise you, or advise the House, that the ManFor report for the last fiscal year has just been received this week. I'll be tabling it in the House next week, and any further information may be gleaned from it that will be helpful for the member.

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

MR. GREEN: Yes, Mr. Speaker, with regard to, again, possible evaluations of ManFor, may I then be assured that if ManFor, as an asset of the province, is capable of producing \$20 million in revenue per year on the amount that has been invested, that it will not be considered by the province to be worth zero dollars?

MR. SPEAKER: The question is hypothetical. The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, I am merely asking the Honourable Minister, on the basis of its present generation, which is merely maintaining its cash flow, will the Minister assure us that it will not be valued at zero dollars?

MR. CRAIK: Well, Mr. Speaker, as I answered the earlier question, we have been seeking some advice on the options that are available, and that, of course, includes the member's question. The question that has to be addressed is the value in the market place, primarily, of the capabilities of the corporation. And we have, as I have indicated to the member, engaged some outside consultants to advise us in that regard.

MR. SPEAKER: The Honourable Member for Elmwood.

MR. RUSSELL DOERN: Mr. Speaker, I'd like to direct a question to the Minister of Transportation. Since today is the deadline for motor vehicle insurance and registration, can the Minister indicate whether there have been any computer problems in the Motor Vehicle Branch?

MR. SPEAKER: The Honourable Minister of Transportation.

HON. DON ORCHARD (Pembina): Not that I am aware of, Mr. Speaker.

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MR. DOERN: Mr. Speaker, could the Minister then explain how at least one citizen of Manitoba received ten notices to renew his insurance, of which I have proof?

MR. ORCHARD: Mr. Speaker, in the world of electronic automation, upon occasion a button may be pressed which kicks out ten notices instead of one, and it's entirely beyond the control of myself because the machine misfunctions.

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

MR. DOERN: Mr. Speaker, I'd like to ask the Minister whether the rash of resignations in MPIC has adversely affected the operations of the Motor Vehicle Branch?

MR. ORCHARD: No, Mr. Speaker.

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

MR. URUSKI: Thank you, Mr. Speaker. I'd like to direct this question to the Minister of Health. Yesterday, the Minister, in his remarks on the Throne Speech, gave this Legislature a list of projects dealing with personal care home construction in the province. I'd like to ask the Minister if he has given a government commitment to the effect that there will be an additional 40 beds of personal care on the west side of the Interlake if the Interlake Board accepts the present government proposal.

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: Mr. Speaker, I'm not sure that the Lakeshore District Health System Board accepts the proposal. I hope that they do. I've discussed it with the principals of that board and we will be meeting in March to finalize the whole health system upgrading program for the Interlake.

MR. URUSKI: Mr. Speaker, the Minister has side-stepped my question. I want to know whether he has given a commitment that this government will build 40 more personal care beds, 20 in Eriksdale and 20 in the LDG of Grahamdale, in addition to the 40 that he has committed his government to do so, if they accept the ludicrous position of the government in building a 20-bed unit in an area where there is no hospital.

MR. SPEAKER: The question is repetitive.
The Honourable Member for Ste. Rose.

MR. A.R. (Pete) ADAM: Mr. Speaker, I would like to ask the Minister responsible for ManFor relating from a question raised by the Member for Inkster, I would ask the Minister to confirm if equipment belonging to ManFor valued at a million or so dollars has been sold for a small fraction of that cost already.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CRAIK: Mr. Speaker, not that I'm aware of, but if the member could perhaps be more specific, I could make an enquiry.

MR. ADAM: Mr. Speaker, it's my understanding that some equipment has been sold; equipment that is quite costly and valuable has been sold for a pittance in comparison to the cost. I would ask the Minister to perhaps make enquiries, because this is the information that I have received from The Pas.

MR. CRAIK: Mr. Speaker, I'm advised that the only known transfer of equipment was equipment that was transferred to Saunders Aircraft. What may have become of it subsequent to the Saunders Aircraft fiasco, I can't tell you. I presume it went into receivership with the rest of the moth balls there. But again, if the member could advise me specifically of what he is referring to, perhaps even in writing, I'll make a specific enquiry for him.

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MR. SPEAKER: The Honourable Member for Rupertsland.

MR. HARVEY BOSTROM: Thank you, Mr. Speaker. My question is to the Minister responsible for the Fisheries. I'd like to ask the Minister if he can clear up the confusion that's obvious in the minds of the fishermen regarding his proposed fishing policy, and specifically I would ask him to advise the fishermen, through this House, if he intends to implement the proposed new policy which he had indicated to them in a letter last Fall, as originally scheduled for June 1st, I believe; or will he accept the advice and request of the fishermen that any changes in the fishing regulations be suspended for at least one year while they have the opportunity to review them and make their recommendations to the department and to the Minister.

MR. SPEAKER: The Honourable Minister of Natural Resources.

HON. BRIAN RANSOM (Souris-Killarney): Mr. Speaker, that's essentially the same question that was placed by the Honourable Member for The Pas last week, and I think we dealt with it quite adequately. There seems to be more confusion on the Opposition benches than there is in the minds of the fishermen. I think we have made it quite clear to the fishermen what the position of the government is and that we are undertaking discussions, consultations with the fishermen; having said that we would not attempt any implementation on the 1st of June, then that automatically means that it's impossible to make any changes in the system until the summer season has at least expired. In the meantime, we expect to have further meaningful consultation with the fishermen.

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

MR. BOSTROM: Mr. Speaker, I'd like to ask the Minister if he could give some guarantee, or at least some indication to the fishermen, that he will not make changes in the fishing regulations and in the fishing policies which are contrary to their wishes and contrary to the views of fishermen that are being expressed to him in the meetings that his officials are holding with the fishermen, and also by way of representations that fishermen make to him. Will he accept their views and take their advice into consideration when changing any fishing regulations?

MR. RANSOM: Mr. Speaker, the Honourable Member for Rupertsland has essentially outlined the course of events which we have been pursuing. He may or may not be aware that last October when we undertook the initial discussion of proposed policy changes that I brought in representatives from all the fishermen's groups in the province and paid their expenses to come to Winnipeg, in order that I could meet with them to explain the basic principles of the proposed policies to them, get their reaction at that time, assure them that we would be consulting with them. We subsequently organized some 40 meetings throughout the communities where fishing takes place. We made it clear to them that although it was our preference that we would be able to make changes by the 1st of June, that we would have been able to take care of the concerns of the fishermen prior to that time.

As it happened, of course, the discussion of the policies with the fishermen became somewhat clouded on the basis of the intervention of members opposite and others during the federal election campaign, so that many of the fishermen had great difficulty in appreciating the principles and the proposal that we were putting forward, Mr. Speaker. And so in view of that difficulty, then we have said that we will have to take much longer to talk with the fishermen and consult with them. But I think the Honourable Member for Rupertsland must recognize that the responsibility for the management of a resource, whether it's fish, forestry, minerals, or whatever, lies with the government and that responsibility can not or should not be transferred to any other group.

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

MR. BOSTROM: Mr. Speaker, just as an aside, I would like to ask the Minister, if he really believes the last statement he made, why he transferred the responsibility of managing the forestry resources on the east side of Lake Winnipeg to the Abitibi Paper Company?

Mr. Speaker, to follow my question on the Fisheries, can the Minister now confirm, in view of his statements to the House today, that given that the fishermen have completely,

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absolutely and unequivocally rejected proposed policies that he has put forward on the fishing regulations and new fishing policies regarding leasing and selling of licences, can he now confirm that these at least will be rejected and will not form any part of any new fishing policy that he will be bringing in?

MR. RANSOM: No, Mr. Speaker; I am certain of where the confusion exists. First of all, I must point out to the honourable member that the responsibilities for management of the forests, any responsibility that was transferred to Abitibi Pulp and Paper, were stipulated by this government as to what those responsibilities were. The decisions are not left to the pulp and paper company. It does not constitute transferring the responsibility for the management of the resource. It is simply one further example of the misleading statements the honourable members want to make.

When he says, Mr. Speaker, that the fishermen have totally rejected the proposals, I must tell the honourable member that he is wrong and that if he will refer, for example, to perhaps the most celebrated case, is that of Moose Lake where the band said that they would not allow the federal Conservative member to campaign in their community because of the fishing policies. Unfortunately the community had not had the policies explained to them, Mr. Speaker, at that time, but when my staff went in and explained the policies to them, then the administrator, one Victor Martin, is quoted in the Winnipeg Free Press as saying, "once we had these things explained to us we saw that there were some good points in it, and if the Minister was prepared to delay implementation we could work something out."

The Chief, Jim Tobacco, from Moose Lake responded similarly and said, "we think that if the Minister shows some flexibility, we'll be able to work out a satisfactory policy."

Mr. Speaker, that to me does not represent total rejection.

MR. SPEAKER: The Honourable Member for Churchill.

MR. JAY COWAN: Thank you, Mr. Speaker. My question is a follow-up to the questions asked by the Member for Rupertsland. Can the Minister responsible for the fishing industry in the province confirm that the community of South Indian Lake, totally and unequivocally rejected the Minister's policy, saying that it would result very quickly in fishing being taken out of the hands of local residents and put into the hands of outsiders and fishing companies? Can he confirm that they, in a vote in that community, 100 percent of the fishermen present at that meeting rejected the Minister's policies?

MR. SPEAKER: The Honourable Minister of Natural Resources.

MR. RANSOM: Certainly, Mr. Speaker, I have no hesitation in reporting what took place at a community meeting, but what the honourable member must also acknowledge is, that given the concern that a community has if there are ten different proposals and they are dissatisfied with one of those proposals, then they have rejected the whole package. Of course the intention of the meeting was not one of holding votes on whether or not the provincial government's management policies are good, bad, or indifferent. The object of holding the meeting was to explain those policies to the community, find out what their concerns were and when we met here in October with the fishermen it was made clear to them that we wanted to know what their concerns were and that we would attempt to accommodate those concerns. And in some cases we fully recognized that perhaps the fishery that exists in one community must be treated differently than a fishery that exists in another. When we get into the estimates, Mr. Speaker, we will be able to outline this policy in more detail and we will find out just what parts of it that the honourable members opposite seem to object to. Unfortunately there is not time in the Question Period to get into that sort of detail.

MR. COWAN: Thank you, Mr. Speaker. I must point out to the Minister that it is not the members opposite that are objecting to the policies so much as it is the members of the community. Can the Minister also confirm that the community of Pukatawagan and also numerous other communities in northern Manitoba totally rejected the Minister's proposals and policies and asked that the Minister not implement those policies in any form whatsoever, as they are fearful of what it would do to the local fishing community and industry in northern Manitoba. Can he confirm that? Or perhaps an easier way of raising the question,

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Mr. Speaker, to shorten the Minister's answer, can he tell us which communities in northern Manitoba accepted the policy?

MR. RANSOM: Mr. Speaker, again the confusion seems to exist in the minds of the members opposite as to the proposals that were being made. First of all, last week we heard from the Member for The Pas that regulations were being imposed or whether regulations would be withdrawn, there has been nothing to do with regulations. There have been proposals outlined to the fishermen, and within those proposals there are several different points, which I propose to debate in detail when we get into the estimates. The intention in going to communities was simply to get a reaction, and in many cases the reaction from the community was that they didn't like the package as it was presented. The intention was never that the package, as such, would go forward without modifications that were brought about as a result of concerns expressed by the community. There are many things about the policy which when individuals are asked, obviously, I am certain they will agree to. When you talk about the viability of the fishing industry and the opportunity for individual people to earn a satisfactory level of return, those surely are not things that people object to, or having long-term access as opposed to the sort of permit which can be cancelled on a few months notice.

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

MR. COWAN: Thank you, Mr. Speaker. Well, as there is confusion, not only among this side of the House because of the inadequate and contradictory statements by the Minister, but also in the fishing communities and in northern Manitoba, can the Minister indicate for the benefit of this side of the House, for the benefit of northern fishermen, and for the benefit of his compatriots on his side of the house, if the province is contemplating any change in the provincial role in participation in the FFMC?

MR. RANSOM: Yes, Mr. Speaker, we had a meeting with the federal Minister in December and with the Ministers from the other jurisdictions involved in the Freshwater Corporation, at which we discussed the possible ways of making the corporation more functional; that would serve the interests of the fishermen better, or to make changes in the marketing system that would serve the fishermen better. At that meeting the different governments involved put forward some suggestions that they wanted a technical committee to investigate, to assess the impact of, and that subsequently it was the intention that those participating governments would meet again in March to make some final decision as to what if any changes could be recommended in the structure of the corporation. Given the intervening circumstances now, I'm not sure whether that meeting will be able to go forward in March or not.

MR. SPEAKER: The Honourable Member for Minnedosa.

MR. THOMAS BLAKE (Minnedosa): Mr. Speaker, my question is to the Attorney-General. I wonder if the Attorney-General could inform the House the status of extradition proceedings of Messers Engle and Friedman from Israel to Canada.

MR. SPEAKER: The Honourable Attorney-General.

HON. GERALD W. J. MERCIER (Osborne): Mr. Speaker, with respect to that matter, I am informed that on Monday of this week the Supreme Court of Israel handed down its decision on an appeal by Mr. Engle and Mr. Friedman from the extradition order from the district court in Tel Aviv in April of 1979, and that the Supreme Court unanimously dismissed the appeal of both the appellates. The state prosecutor for Israel apparently asked for the arrest of both Mr. Engle and Mr. Friedman on the spot. However the court granted an adjournment of their arrest to this coming Monday, when they are to place themselves in the hands of the authorities. I have been informed through the state prosecutor for Israel that both have filed a petition in the Supreme Court for an order of habeas corpus to demand of the Minister of Citizenship of Israel that he state the grounds upon which he refused to grant them Citizenship when they first applied. After that matter is dealt with, the extradition order will be subject to an executive order from the government in Israel, Mr. Speaker, and that matter hopefully will be completed within approximately 60 days.

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MR. SPEAKER: The Honourable Minister of Finance.

MR. CRAIK: Mr. Speaker, subsequent to a question yesterday regarding the gas line explosion, I think it's relevant to report that the problem has not yet been rectified. There has been some holdup and some problems in the repair. The flows in the Trans-Canada Pipeline are at about two-thirds their normal flow. There is no problems with regards, again, to the firm load customers. There still is a problem that is expected to be rectified shortly with the interruptible supply.

MR. SPEAKER: The Honourable Member for Brandon East.

MR. LEONARD S. EVANS: Mr. Speaker, I'd like to address a question to the Minister of Economic Development, and ask the Honourable Minister whether he can advise whether he has received the market and performance feasibility study on helicopters from the aircraft consulting firm of McConachie and Associates, which was commissioned by him, I believe, to conduct this study.

MR. SPEAKER: The Honourable Minister of Economic Development.

HON. J. FRANK JOHNSTON (Sturgeon Creek): Mr. Speaker, it was commissioned by us, being partly paid for by the federal government and ourselves, and to answer the question, no, we haven't received it.

MR. EVANS: I wonder if the Minister could advise the House when he anticipates the receipt of this report, and also, could he advise whether, in the meantime, Mr. Speaker, members of his department or himself are continuing contact and liaison with Mr. Hans Christian Heydecke, President of the Manitoba Aircraft Corporation, which I believe is promoting this particular helicopter manufacturing facility for Gimli?

MR. JOHNSTON: Mr. Speaker, we are hoping to receive that consultants' report in the middle of March. We haven't got any definite date and we want it as soon as possible. As far as the member's question as to whether we are working with the people he mentions, our department is working with them and many others, to assist them, the same as we would anybody else. No more or no less.

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

MR. EVANS: Thank you, Mr. Speaker. I wonder if the Minister can advise whether this particular company, the Manitoba Aircraft Corporation, I believe it is called, has yet raised any private venture capital, or whether it is still, what it refers to itself as, a paper company?

MR. JOHNSTON: Mr. Speaker, I'm not aware of the company's position or efforts to raise money, or how much they have raised. The province of Manitoba will not be interested unless they have got enough money to do the project on their own. We are there to assist, not put money into businesses; we will have discussions with them, and we won't waste \$40 million of the people's money in a helicopter business.

MR. SPEAKER: The Honourable Member for Wellington.

MR. BRIAN CORRIN: Mr. Speaker, thank you for recognizing me, but my colleague from Transcona has been standing a much longer time than I and I'll cede the floor in his favour.

MR. SPEAKER: The Honourable Member for Transcona.

MR. WILSON PARASIUK: Thank you, Mr. Speaker. And I'll thank my colleague for his eyesight. Mr. Speaker, my question is directed to the Minister of Health. Yesterday the Minister of Health put forward the Conservative government's position that private profit-making personal care homes or nursing homes are important to the health care system of Manitoba, at least in the Conservative government's eyes. In view of this position, is it the

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Conservative government's intention to introduce private profit-making hospitals in the health care system of Manitoba?

MR. SPEAKER: The Honourable Minister of Health.

MR. SHERMAN: No, Mr. Speaker, but I would ask the Honourable Member for Transcona, who does he think subsidizes CMHC, for example? At the base of his question is the implication that the taxpayers are being asked to carry this . . .

MR. SPEAKER: Order please. May I suggest to the Honourable Minister that Question Period is the time for members to ask questions of the Ministry, not the reverse. The Honourable Member for Transcona.

MR. PARASIUK: Thank you, Mr. Speaker. Since the Minister believes that hospitals must be public, while nursing homes may be private and profit-oriented, does this mean that the Minister believes that there is such a difference in the care provided to people in nursing homes, and these are primarily elderly people, chronically ill or disabled people, that would allow these somewhat powerless people in society to be exploited for profit purposes?

MR. SHERMAN: Mr. Speaker, as long as the Honourable Member for Transcona persists in this vein, I ask him, does he think doctors should be salaried, therefore that there should be no profit motive whatever in the health care system?

MR. PARASIUK: Mr. Speaker, in a year and a half I'll be on that side of the House and then he can ask me the questions. Right now I'd ask him to answer mine.

Mr. Speaker, my question is to the Minister of Health. I would remind the members that we have seven of the 14 federal seats.

MR. SPEAKER: Order please.

MR. PARASIUK: I'd like to get in my final supplementary, Sir.

MR. SPEAKER: Order please. The honourable member will have time for one supplementary before the Question Period is over.

MR. PARASIUK: Mr. Speaker, I would ask the Minister of Health, are people in nursing homes second-class citizens in the eyes of the Conservative government, or will they be provided with the same type of health care delivery as those people in hospitals right now?

MR. SHERMAN: Mr. Speaker, no personal care home, no nursing home in this province, whether proprietary or non-proprietary, will be permitted to operate or licensed to operate without meeting the minimum standards laid down by the Manitoba Health Services Commission.

THRONE SPEECH DEBATE

MR. SPEAKER: Orders of the day. On the proposed motion of the Honourable Member for River Heights and the amendment of the Honourable Leader of the Opposition, the Member for Point Douglas has five minutes.

MR. DONALD MALINOWSKI: Thank you, Mr. Speaker. I wish I could have 50 minutes. Mr. Speaker, I would like to apologize to the two honourable members of the Chamber; when I spoke yesterday, by mistake I omitted them, so today I would like to congratulate the Honourable Minister of Municipal Affairs, the Honourable Member for Swan River, and wish him well in his department, and also best wishes to the Honourable Member for Virden, who will be responsible, as a Deputy Chairman of the House Committees up to 12:00 midnight, like he said yesterday.

Mr. Speaker, my colleague, the Honourable Leader of the Official Opposition, in his dynamic debate, illustrated very clearly the differences between our economies and other provinces in the west and east, and he especially emphasizes the exporting department. Mr. Speaker, for example, British Columbia is exporting timber. Alberta is exporting oil. Saskatchewan is exporting potash. Ontario is exporting manufactured goods. What has Manitoba to export? Mr. Speaker, Manitoba has been exporting for the last two years a

young, well-educated people. Those people were born and educated here in Manitoba, Mr. Speaker. They would have loved to stay here. Here is their home, their families, their friends. But because of such poor leadership, they were, and still are, forced to leave this province. And, as a result, Mr. Speaker, we lost over 25,000 young, well-educated Manitobans.

The Progressive Conservative Party has a fear of Crown corporations. Their fear is reflected by their numerous give-away of viable corporations. Many of my constituents are constantly asking me why they are doing so. The only answer, Mr. Speaker, I have for them is that the Tories are incapable of handling corporations by themselves. This is the only answer I have.

As a good example of this, Mr. Speaker, you will remember what kind of deal former Premier of Manitoba Duff Roblin did for Churchill Forest Industries. He couldn't find, among a million Manitobans, or millions of Canadians - anyone - to run the business. "Why?" you might ask, Mr. Speaker. Because he didn't trust the capabilities of his own people. He found an expert and guardian for Manitoban taxpayers' money - you know where, Mr. Speaker? - in Switzerland.

The present Premier of Manitoba is desperately looking for another saviour and guardian for McKenzie Seeds, for Flyer Industry, for Autopac, for ManFor in The Pas, for Medicare, and many many other companies.

Mr. Speaker, the history repeats itself. Our Prime Minister, Mr. Joe Clark, before he became Prime Minister of Canada, also looked desperately in different parts of the world for a guardian to run Petro Canada because he didn't know how. Mr. Speaker, I can assure our Premier, and his colleagues, that after the next provincial election, at least half of them will disappear from this Chamber.

Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, I thank the honourable members for giving me the occasion to rise during the Throne Speech Debate. I had expected that another member would be speaking earlier, but I'm just as happy to have the floor earlier rather than later.

I do, Mr. Speaker, wish to congratulate firstly - and I think that is a responsibility of all of us - the new members who have entered the Chamber: The Member for Fort Rouge, the Member for River Heights and the Member for Rossmere. I think that one of the things about getting into the Chamber is that partisan politics outside of it always leads one to believe that everybody on the other side is somehow wearing a black hat, and everybody on your side is wearing a white hat.

And I can tell the honourable members - and I say this without exception - that I believe every person that has entered this Chamber has been entered on the basis that he sincerely wishes to improve - he or she - conditions for the people in the Province of Manitoba; that they all have attributes which have commended themselves to their electorate; they have something which has deserved that support; and, Mr. Speaker, that the only differences we have, both with respect to the personal qualities that resulted in us getting elected, or the positions that we are taking, are one of how to do it, not whether or not we want to do it. And I accept the fact, Mr. Speaker, that all of the new members who have entered have entered on that basis. That's certainly been my experience in the House from the moment that I entered the Chamber.

Mr. Speaker, I am sorry to see that my friend, the Member for St. Matthews, is not here, because I did intend to twit him. Perhaps some of his fellow members can give him the message with regard to the fact that somehow, capital punishment is desired by the majority of people, and that if only a Conservative government would be elected, immediately we would start lopping heads or conducting executions in a way which would satisfy the populace.

And I wanted to twit him about the fact that Margaret Thatcher's Conservative MPs voted against capital punishment. It could not pass the British House of Parliament, which had a majority of Conservative MPs, which is why I say, Mr. Speaker, that you can't sell a person short merely because he's Conservative; that the fact is that even Conservatives will do that kind of thing; and the fact is - and I've been partisan on this - that New Democrats can vote the other way. Both are still doing what they think is right. But my learned friend, the Member for St. Matthews, was of the opinion that the people want this, and that, given the correct representatives, they will vote for it. It certainly didn't happen in that area.

And I would think, Mr. Speaker, that after listening to what the Member for Wolseley said yesterday about the administration of justice - how it can work, what can happen - and I'm not talking with respect to any particular case - that one should be very wary about saying

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that you are going to permit the State to execute somebody. Because, Mr. Speaker, they did it with Sakko and Vanzetti, and they committed legal murder with regard to those two people. And if every other argument was tossed aside, let us remember that putting power into the hands of an administration to kill somebody is like putting a power into the hands of any administration; it is a dangerous thing and it is better to err on the side of being careful rather than on the side of making that type of administration. I didn't think that I'd have to say that to Conservatives, but apparently with capital punishment it's an exception.

Mr. Speaker, I'm standing in the House in a somewhat different position than I have stood in many of the previous years, and I've also heard, Mr. Speaker, from time to time, with some surprise myself, that I have been somehow misinterpreted, that my real positions are not what they have been led to believe. Whether the consistency is the product of a small mind or not, Mr. Speaker - and if it is then I am going to have to plead guilty - that I cannot taking a different position on any substantial issue that has ever been before the House between entering the House in 1969 and coming here in 1980, nor can I remember taking a different position before I got into the House in 1966, nor can I remember, Mr. Speaker, taking a different position outside of the House. So the people who say that consistency is the product of a small mind, and use that phrase as being in some way debilitating of a person, they've got a good example in me because, Mr. Speaker - I say this and I say it without fear of great contradiction - my position has been consistent throughout and, Mr. Speaker, I have not changed my position one iota.

And, Mr. Speaker, that was my particular problem because with any difficulty that I had - and I don't intend to go into all of them - I knew that the positions that I were taking were positions which were embraced, endorsed, lauded - nay not lauded but extolled - by the New Democratic Party, and those positions I have not changed one iota and I do not think that I see myself changing. And that was my difficulty, Mr. Speaker, when I knew and came to the conclusion, and that has to be my judgment, that I could not continue within the New Democratic Party because of the fact that . . . Not that I did not want to be there but that the activists did not want me there, that I felt, Mr. Speaker, that I had no place to go, that I was a New Democrat, and that's, Mr. Speaker, why I present myself to this Chamber. --(Interjection)-- Before you say "come", you will have to hear me out. I present myself to this Chamber, Mr. Speaker, and will present myself to the electorate of the province of Manitoba as an Independent New Democrat. And so that there is no difficulty in people understanding what that means or what I stand for, I will repeat it, Mr. Speaker, and I don't want you to accuse me of repetition because there seems to be some misunderstanding. But I will repeat it and then I ask the people of this House and of this Chamber to go back through the years and see the quotations. I've not really been known as silent Syd, but I've put the positions on many occasions and they are there, and I am still here and my positions remain the same, Mr. Speaker.

First of all, Mr. Speaker, I take the position that there should be a continued development of basic social, educational and recreational services, available to all citizens irrespective of individual needs, a continual development as society grows.

Secondly, Mr. Speaker, that public ownership is a useful and necessary tool in economic development and that it is particularly relevant in the resource industry, in which all future developments should have a public component.

Thirdly, Mr. Speaker, that society should aim at the objective of reducing disparity of income and that the objective of removing poverty should not be based on sex, creed, colour, religion or ancestry.

Now, Mr. Speaker, those are my basic positions in society's objectives. On the fiscal side, Mr. Speaker, I have taken the position - and I believe it is correct - that you will find many people in government who will tell you how to spend money, that you will find very few who will tell you how to raise money or how to save money; and that fiscal responsibility depends ultimately on having as much income as you spend revenue and that you cannot reduce taxes if you need public revenue, and any reduction in tax should be based on eliminating a tax which is not based upon ability to pay and replacing it by a tax which is based on ability to pay. And any government which reduces taxes merely so that have less revenue is acting irresponsibly and will not be able, Mr. Speaker, to accomplish its objective.

And I have heard the Keynesian economics, Mr. Speaker, and really Keynes was not wrong; Keynes was right. Keynes didn't say anything that Joseph didn't say. Joseph said that you put away a surplus in good years and you distribute it in bad years, and Keynes said seven good years and seven bad years. And Keynes said that in periods of prosperity you reduce spending

and put money away and in periods of lower economic activity you spend money, and that the spending then takes place in order to stimulate the economy. But, Mr. Speaker, whatever Keynes said, the only people who I have heard expound Keynes have said spend in good years and spend in bad years. They have never yet found the good years in which you don't spend. That's the difficulty with Keynesian economics; you can't find a person, you have not found a government who will say "no" and, Mr. Speaker, the trick of good government is to look at your objectives and be able to say "no" far more often than you say "yes". That has always been my position, Mr. Speaker, on fiscal matters; that remains my position.

With respect, Mr. Speaker, to my position on employer/employee relations, the members were in this House between 1966 and 1969; they said I was proposing radical labour-oriented conclusions. I said at the time, Mr. Speaker, and I repeat, I want nothing for the working man that I do not want for myself. I do not want anything for the employee, any restrictions on the employee, that I am not prepared to have apply to myself, and on that basis, Mr. Speaker, that the difficulty with employer/employee relations in our society was not that there wasn't laws favouring employees but that there were restrictive laws putting employees in positions that nobody else in society was subject to, notably two things, Mr. Speaker: (1) that employees should have the right to walk down the street with a sign like anybody else, that if that employee walks down the street with a sign and says, "Don't buy from this store because my employer is unfair", he should no more be restricted than that we should have been prevented from walking in front of a store that sells Russian goods and say, "Don't buy from this store because the Russians have invaded Afghanistan."

But I tell the Member for River Heights, all the Tories voted against that motion, all of them. On the other hand, Mr. Speaker, I said no citizen in society except employees has ever been told by a Judge to go to work or go to jail, nobody. And I pride myself, Mr. Speaker, that the New Democratic Party government made that not a proposition of Manitoba, we passed legislation whereby it can't happen, at least it shouldn't happen, both with regard to walking down the streets, Mr. Speaker, and with regard to back-to-work injunctions. And the greatest pride that I have in being in government is that for eight years the province of Manitoba governed under conditions where citizens of society were free, and it did not result in chaos. It did not result in violence. It resulted in comparative industrial stability rather than nonstability and the Conservatives, to their credit - and I credit the Minister of Labour - have not changed those things. The pressure will be brought upon him by both sides to pass laws favouring the one or the laws favouring the other. He hasn't done it. As long, Mr. Speaker, as he maintains a non-interventionist position, provided he removes further restrictions which apply to employees, I am going to support that kind of labour position because it's the position, Mr. Speaker, that I took when I was on opposition, when I was in government and which I will take in the future.

But, Mr. Speaker, I've been told that my particular position puts me in a difficult position, it makes me ineffective. Well that's a judgment, Mr. Speaker, that we all have to take. But there has been, Mr. Speaker, some effectiveness. For two years, for two years more and nay more than two years, even when we were in government, there were pressures brought to the extent that we argued about it continually that our government should bring in a law that says yes we believe in policemen's strikes, we believe in nurses' strikes - and when I say strikes I mean the right to stop work, which I believe that everybody has, and you cannot take away from anybody. We believe that hydro people can go on strike, that they can say they don't want to work if they don't like their terms and conditions of employment. We say that farmers can say that they won't plant because they don't believe what the price is going to be. We say that bankers, presently constituted, have a right to not loan money if they don't like the interest rate. But that was good for everybody except employees.

Now the New Democratic Party, in the past 2 1/2 years, has said they are going to pursue a policy that yes, nurses have the right to quit work, but I do not have the right, and the government has not the right to hire people to do the work that they are doing, to look after the aged people in the hospital while they are bargaining about their conditions. Policemen have the right to strike, but the government cannot hire people to do that while they are on strike.

And I go further, Mr. Speaker. They say that you could have a crackpot - and don't tell me that there are no crackpots - they believe in public ownership, but they say that you can have somebody veto the operation of a public plant because he says, no matter how many people on the picket line, they are still on strike and they have gone on strike eight months ago. And I

am not talking hypothetically. It has happened. And anybody who believes in public ownership, cannot believe that an employer is veto from operation on the basis of a collective bargaining dispute.

Mr. Speaker, a lot of this is ideological. I have been as strong a supporter as people who have been out of work as anybody in our group. I say that they have the right to; I say that in almost every case I will condemn an employer, although I'm willing to look and see what his problem is. And the Griffin Steel problem is a perfect example of when the union, and not the employer, caused the problem. I will condemn an employer who does not engage in that type of bargaining, but I will not pass a law saying that he is prohibited from doing it.

Mr. Speaker, how effective is the Member for Inkster now that he has left his group? Effective to some extent. There are numerous resolutions that have been put forward by members of this side. Numerous resolutions. There is no resolution saying that this House adopt the position that a . . . --(Interjection)-- Mr. Speaker, I tell you that this has been pursued and pursued and pursued --(Interjection)-- of course not. Mr. Speaker, my learned friend says, "not in the Chamber". If he is going to say that, he knows that what he is saying does not represent what happened. It has been argued for two years. There's no such resolution. Where's the resolution that was promised to the labour movement that we are going to try to get the government to pass a law, or we will pursue a law saying that nobody will be able to hire somebody while there is a lawful strike. Effective to some extent, and Mr. Speaker, it goes further than that.

I intend to try to be very effective. I believe that what I did was effective, and I intend to try to be very effective, Mr. Speaker, in making the New Democratic Party a party which, when it is elected into government, will govern in accordance to those principles that lured me, Mr. Speaker, into the New Democratic Party. Never in the House, never in the party, did I ever tell the labour movement that I would do something which I didn't do. Never did I - you look at every resolution that I have put on the basis of employees which were supported by the party and supported by the labour movement, every single one of them was enacted into law and presented as a resolution in the House. What duplicity, Mr. Speaker. One thing that I have never done, I have never exercised any duplicity, or misrepresentation to anyone, let alone to my friends in the labour movement, and they know it, Mr. Speaker. And I have many friends in the labour movement, despite what people will somehow try to lead you to believe.

Mr. Speaker, that's my position. I intend to try to be an effective public representative in the areas which lured me, Mr. Speaker, to the New Democratic Party, and which I am going to try to see that the New Democratic Party, as I did when I was in government, pursue when they are in government, because Mr. Speaker, one thing that has been said in this House, which my learned friends are going to have to swallow, is that they almost certainly are going to lose the next election, and the next government of the province of Manitoba will be a New Democratic Party government. That is almost certainly, Mr. Speaker, to be the case.

The only way that that will not happen that I can presently perceive, and of course you can't perceive everything, is that if the New Democratic Party goes to the public and says to the people of Manitoba, when we come into government, we are going to pass a law that says that no employer has the right to hire anybody during the existence of a collective bargaining dispute. That's the only basis, Mr. Speaker, upon which the New Democratic Party could lose the next election.

But Mr. Speaker, that is not enough, and if we New Democrats will look to our own rhetoric, we will see that that is not enough. Mr. Speaker, we've seen what happens; it is a tragedy, or at least it's a misfortune. Tragedy is too strong a word. But it's a misfortune to the advocates of the new democracy that they do not get elected to govern. Every time we lose, we don't like it. It is as big a misfortune or worse if they are elected to govern and govern badly. Well, not in government if they are pursuing a position, they are at least gaining support for a particular political philosophy. If they go into government and govern badly, then they irreparably damage the support for that position. And the New Democrats know better than anybody else that bad governments can be elected.

Mr. Speaker, the rhetoric that we have understood, ever since we were in politics, led us to say that. We said, the Conservatives get defeated, the Liberals get elected. Not because the Liberals are good, but because the Conservatives are bad. And when the Liberals are defeated, the Conservatives get elected. Not because the Conservatives are good, but because the Liberals are bad.

When did it ever more dramatically show itself - and I warn my honourable friends who take great stock in it, than in the last 12 months the Liberals were in government, bad government, Mr. Speaker. They were defeated, and Mr. Crosbie put it well, not so much because the Tories were elected, but because the Liberals were bad. And they went in, Mr. Speaker, and in six months, they showed that they were far worse than the Liberals. And

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what happened, Mr. Speaker? The Liberals got elected. Are my friends saying that the Liberals got elected because they were a good government? They were elected, Mr. Speaker, because the Tories were a bad government. And the New Democrats, in Manitoba, I suggest to you, will be elected because the Tories are a bad government, Mr. Speaker.

What my learned friend, the Member for Elmwood said, what happened to Clark can happen to Lyon. What happened in Ottawa could happen in Manitoba. Are the New Democrats suggesting that Trudeau was elected because he's better than the Tories. He's worse than the Tories. He's worse than the Tories, Mr. Speaker. And the New Democrats have to carry that problem in themselves. They will be elected because the Tories are giving bad government. There's almost no doubt about that, Mr. Speaker. I've indicated what the doubt could be, but that won't make them, Mr. Speaker, that won't make them a good government.

And I say, Mr. Speaker, that I want to look to my own particular position as trying, Mr. Speaker, to make that New Democratic Party government, when it is elected, as it most certainly will be - because I believe, Mr. Speaker, that they will turn their backs on that resolution, that they will not go to the public and say that the New Democratic Party will enact a law that says that when policemen don't work, we can't hire anybody to do so the job - and to that extent, Mr. Speaker, I will have made them a better government. And I will say, Mr. Speaker, that I will take that credit, because I know that it is due. No matter what they say, Mr. Speaker, they will know that it is due. --(Interjection)-- oh, certainly I'm not alone, my friend, the Member for St. Boniface, I know that I'm not alone. I know that a majority of this group would not pass such legislation, but they went to the labour movement and promised it.

Mr. Speaker, it was passed at a convention, and the people who knew that they were going to be put in this situation, did not get up, and do the things that they had to do. And Mr. Speaker, there was a reason for it. You know, Mr. Martin says that I am paranoid. Mr. Dennis McDermot came to Manitoba two years ago and said that they are going to rid the New Democratic Party policymakers and labour questions of its eggheads. And the purpose of that resolution was not to have a platform to go to the people of Manitoba and say that we are going to make it impossible to treat people in the hospital when nurses stop work, it was to accomplish what it has accomplished.

And it's no longer a great issue with the New Democratic Party. It was an issue for 2 1/2 years. It is no longer an issue, and I ask honourable members to say what has changed.

Mr. Speaker, I want to go to my friends, the Tories. The Tories have brought in a Throne Speech, which Mr. Speaker, is pathetic. It demonstrates, Mr. Speaker, that they are running scared, that they are grasping for straws. And the reason that they do it, Mr. Speaker, is they started off as a bad government. They had good rhetoric, too, and I've told my friends that I have some sympathy with Conservatism properly expressed. But when they came into government, they decided that they have to take the easy way out, that rather than say that they're going to govern in accordance with Conservative policy, they're going to blame it on a non-existent \$225 million deficit which they are going to reduce.

Mr. Speaker, the mathematics of the Minister of Finance would do envy to what used to be called the Stalin school of falsification. He said they're going to reduce the debt, going reduce the deficit. Well, let's me see if my friend, Mr. Orchard, is going to adopt that mathematics. You cannot - excuse me, the Member for Pembina. You cannot reduce a debt by adding up deficits. And the Conservatives have produced a deficit every year and the debt has gone up, it has not gone down. So what they now say, Mr. Speaker, is not that we were going to reduce the debt, but we were going to reduce the amount by which the government ran a deficit in its last year of operation. What a different situation. How do you accommodate yourself, Mr. Speaker, to that situation?

Now they say that instead of having a budget where the expenditures over revenues was \$120 million, ours was \$90 million, and that shows that we have kept our promise. Mr. Speaker, that shows the lack of conviction that the Conservatives have had ever since they have come into government. They have not governed in accordance with any conviction. They are running scared, Mr. Speaker, and they are going to run themselves right out of the government of the province of Manitoba, which is where they belong, which is where they belong, Mr. Speaker. And where they will go - just as, Mr. Speaker, the Conservatives in Ottawa were defeated because they gave bad government, this government will be defeated because it gave bad government.

Whoever, Mr. Speaker --(Interjection)-- why were we defeated? Because we gave bad government. There is absolutely no doubt about that, Mr. Speaker. Absolutely no doubt that the New Democratic Party, had it continued to give sound government, would not have been defeated, so if you want that concession, sure, we have to do better. I said that, --(Interjection)-- well, we weren't quite as bad as that. We weren't quite as bad as them, I will retain that much partisanship. But Mr. Speaker, that's no different than what happened in Ottawa. The Trudeau government was defeated because they gave bad government, but they were elected because the Conservatives gave government that was bad and the people couldn't take it and elected the only alternative. And in Manitoba, Mr. Speaker, we happen to be in that fortunate position in which we criticized the Liberals and the Conservatives over all of the years when I entered politics, that they vote for them because they are the alternative, not because they are proposing something different. And therefore I say to the New Democrats, Mr. Speaker, something different has to be proposed.

And I want to deal with that Throne Speech, Mr. Speaker. Never before - and if we did it - I asked the Minister to remind me, and point it out to me - and I will admit that it was the wrong thing to do, never before have I heard Her Majesty's representative conduct an argument for the government's policy rather than outlining it. My friends, the Minister of Finance and the First Minister must think they have awfully poor credibility with the people of Manitoba, and they're right. And therefore, they thought, well if we can have some guy sitting on the Throne, speaking as Her Majesty, and saying the same things as the people won't believe us for saying, maybe they'll believe the Queen. Maybe they'll believe the Queen.

Now, Mr. Speaker, what they've done is not make themselves more credible, they've made the Queen less credible. They have made the Queen less credible, and they've put all that junk into the Throne Speech. All that argument about how this had to be done to save the province, and things of that nature - tripe that we've listened to coming from members of the other side, and which they've chosen to put through Her Majesty.

Never before, Mr. Speaker, have we seen a more consistent rejection; it's a rejectionist government. This government has a problem. It lacks conviction in its own credibility. So it says, the way in which we accomplish this, is we appoint a task force, and the task force will come and make it easier to do something that we don't have the courage to say we want to do by ourselves. That's been their position, and each time, Mr. Speaker. It's not me who have defeated these task forces, it's been the Tories. The first task force, Mr. Speaker, was the former Member for River Heights' task force. Look at that task force and see that it has almost been totally rejected, and I said it would be. I said that the heavy artillery against the Spivak Task Force would not be the front bench of this party, the front bench of that party. So they threw it out.

And it's almost, Mr. Speaker, like the story that I was once personally involved in, about a people who were having a meeting, and they were quite agitated, arguing about something. Somebody said, "Throw him out", and the other fellows looked at him and continued the discussion. A few minutes later, the same guy said, "Throw him out", and people looked at him, and a few minutes later the discussion continued. Finally, again, he said, "Throw him out", and the fellow sitting next to him said, "What's the matter with you, he's not here." He said, "Bring him in and throw him out!"

So what did they say. They said, "Bring in this task force, and then throw it out." And then they appointed, Mr. Speaker, Mr. Burns. And he was going to be a task force on automobile insurance. And what did they do, Mr. Speaker? They got it in, and they threw it out. And then, Mr. Speaker, they got the Minister who used to be in charge of the Development Corporation, asked the Development Corporation, tell him what he should do about Tantalum. And they said, "Sell our share." Well, Mr. Speaker, they took that recommendation, and they threw it out.

But Mr. Speaker, the biggest repudiation of all, the most momentous repudiation - and on which I will reserve a speech in this Legislature, one speech is all I think it deserves - is that total repudiation of the Tritschler Report, because that report constituted a real problem for the Conservative administration. A real problem. Mr. Speaker, the Minister of Finance has suggested to the people of Manitoba that we members on this side cost the people of Manitoba \$600 million; six to eight, he said, these are conservative estimates. Indeed, they are Progressive Conservative estimates, and calculations, and mathematics, all belonging to the textbooks of the Craik school of falsification, Mr. Speaker. And all of which, Mr. Speaker, the Minister said he tried to base on the Tritschler Report.

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I asked the Minister an innocent question today; it had nothing to do with ManFor, I tell you now. The Minister says, no, we're not going to value ManFor at zero, it cost \$180 million, it might produce some day \$20 million a year, why would any sane person value it at zero? No, sir, we're going to see what it's worth to the system. Mr. Speaker, to get to \$8 million, the Minister has valued Jenpeg, which produces \$20 million of electricity, which is sold every year, comes off our hydro bills, as zero. That's what he's done, he has valued it at zero. Nothing that anybody else would do, Mr. Speaker.

Mr. Speaker, I see your warning, your admonition, and thank you very much.

Mr. Speaker, the members on that other side of the House said that by producing Lake Winnipeg regulation before the Churchill River Diversion, there was a loss of \$600 million. That gave rise to the task force. That was the whole position, Mr. Speaker. Mr. Speaker, I have read the Tritschler Report. And for the First Minister, who says that I didn't read it, I can tell him that although he may get A for reading, he gets zero for comprehension. It is nowhere in the report, nowhere. As a matter of fact, Mr. Justice Tritschler says that there is very little difference demonstrated by the fact, financially, of proceeding one way, or proceeding the other way.

And Mr. Speaker, do you know what the learned Judge says that we should have done? I wish the former Minister of Mines, the Honourable for Lakeside, was here. He said that when we came into government in 1969, we should have postponed all hydro development, built a thermal plant, and studied what we should have done. Mr. Speaker, if we would have done that, we would have been defeated in 1973, and deservedly so, Mr. Speaker. And everybody knows it.

Mr. Speaker, I am one of the people who is alleged to have been part of the hydro position. I was with regard to Lake Winnipeg regulation. But I walk down the streets, nobody says to me, you cost me \$600 million. They don't believe it. We've sat through this Throne Speech, Mr. Speaker. They don't understand it, Mr. Speaker. The fact is that we've sat through the Throne Speech and barely a ripple from that side about the Tritschler Report. They don't, Mr. Speaker, accept what is in that report, and for good reason.

So Mr. Speaker, the last repudiation is the Tritschler Report, and they say now, that we have to proceed with hydro-electric development, not only for the electricity, but for the stimulation to the economy, not on the basis of producing the least cost of hydro, which is the act, they put in the mouth of the Queen, a violation of the Hydro Act.

Mr. Speaker, twisting the facts for nine years I listened to those guys on that side say that we weren't performing hydro in accordance with the Act. Then they say that they're going to do it for the purpose of stimulating economic activity, Mr. Speaker, and they have to. They have to because the Conservatives have destroyed economic activity within our province. And Mr. Speaker, that has been the nature of the Conservative administration.

Well, Mr. Speaker, my honourable friends think that they are going to get some solace out of my position. I can tell you, Mr. Speaker, that my position is intended, and I hope it will, and I believe it can, to discredit the government in power, to make for the election of a New Democratic Party government.

But I say, Mr. Speaker, that that's not the end. The election of a New Democratic Party government which governs badly will do harm to the new democracy, Mr. Speaker, to the principles that I was attracted to on the basis of the word "socialism", and the meaning of socialism, which has never been a problem to me, but now when I hear what is spouted in the name of socialism I shudder, Mr. Speaker. Are those the ideas that are attached to this word which have nothing to do with socialism? --(Interjection)-- Pardon me? No, Mr. Speaker. As a matter of fact it is closer to Liberalism and the Liberals will ruin your party; it's the Liberals in your party which will cause you to govern badly and the Liberals and the New Democrats that will cause them to govern badly, because that is not the position upon which you have gained support for Conservatism nor is it the position upon which the new democracy has gained in support for pursuing that position.

Mr. Speaker, I wish to make a motion.

MR. SPEAKER: The honourable member's time is up.

MR. GREEN: I just wish to put the motion, Mr. Speaker. So I move, Mr. Speaker, seconded by the Honourable Member for Winnipeg Centre, that the amendment be further amended by adding thereto the following:

And this House declares its want of confidence in the present government for the following reasons:

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(1) The government has made no progress in the direction of providing socially financed and universally accessible post-secondary education and child care;

(2) The government is embarking on a program of using public funds to support private business;

(3) The government has and intends to continue the privateering of viable publicly-owned commercial enterprises such as Tantalum Mines, Cybershare and Dormond Industry, which had failed in the private sector and had been made viable through public effort and initiative;

(4) The government is failing to take advantage of opportunities available for public investment and ownership in the resource-based industries and has instead demonstrated its abject dependence on private companies for mining exploration and development.

MOTION presented on the amendment.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CRAIK: Mr. Speaker, let me join the others in the House who have stood, Mr. Speaker, and congratulated you on your resumption of responsibilities in this sitting of the Legislature and again, Mr. Speaker, I would join many who have said that over the period of time which you have occupied this responsibility that you have brought a high degree of respect for your office and you've delivered your decisions with impartiality and, Mr. Speaker, have contributed greatly to the operation of the House; a House, Mr. Speaker, which I don't think it's easy to adjudicate over at times and is perhaps more difficult than it may have been at some other times in history.

Let me also, at this time, first of all wish well and congratulations to the three new members of the House. On our own side, of course, the Member for River Heights, who I have the distinct pleasure of having as a legislative assistant at the present time and who is helping me greatly, in that role.

Also, of course, to the Member for Rossmere, who has joined us on the opposition benches of the New Democratic Party, and the Member for Fort Rouge, who now occupies her position representing that constituency in place of the recently departed member to the federal scene. I gather that she is probably in no danger, sitting amongst the group where she is. I notice that the predecessor in her position has referred to her associates over there as eunuchs and, Mr. Speaker, if you take that literally, I expect that she is fairly safe over there. However, if she gets into any difficulty there may be more dangerous places to be occupying in this House so perhaps you will have to stay in your present seat.

Mr. Speaker, also to the people who have moved on to take other responsibilities in the operation of the Chamber, colleagues who have joined the Cabinet as well, I offer well wishes and I know from experience, as many across the way know, that the assumption of these responsibilities does place demands on the individuals that isn't probably generally appreciated.

It is interesting to look at the ranks across the way. There has been a substantial change since a year ago. The new Leader of the Opposition has had his position ratified by his Party at open convention and is now the fully qualified, ratified Leader of the Opposition, and I wish him a very long tenure in that position. I think he'll have no trouble occupying it for a great many years.

I notice with some interest that with the abdication of the Member for Inkster from his usual position on the right hand side of the Leader of the Opposition that he has now moved over to another occupying spot in this House and the Member for Brandon East, who has now moved over to sit beside the Leader of the Opposition on his right. Perhaps it's more accurate to say, Mr. Speaker, that the Leader of the Opposition is sitting on the left of the Member for Brandon East and, Mr. Speaker, that puts the Leader of the Opposition in an extremely precarious position because, if he adheres and listens to the economic admonitions of the Member for Brandon East, I fear that he will be getting into more troubles than he is already in at the present time.

The members of the Opposition have made some other changes. I think it is interesting to see the Member for Inkster sitting next to the Member for St. Boniface. They haven't in the past been known . . . --(Interjection)-- Well, the Member for St. Johns, Mr. Speaker, says that we put him there and of course the Member for St. Johns is absolutely right in that case. The New Democratic Party did its utmost to keep the Member for Inkster off the front bench

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and it was with the support of the House Leader on the government side that one of the senior ranking people in this Legislature was placed in a position where he should be, with his stature in this House, Mr. Speaker. So with the invitation of the Member for St. Johns to comment on that, I want to put it on the record that we felt that the Member for Inkster had the right to sit on the front benches and the House Leader on the government side upon his recommendation said that he felt in the House layout that is the way it ought to be, and received unanimous support in that.

And again let me say that I found it very surprising that the New Democratic Party would try and deny the Member for Inkster a position on the front bench of this House. I don't agree with the Member for Inkster on many many things. We've had many many battles, many good battles and --(Interjection)-- That's right --(Interjection)-- Well, the Member for Inkster is now with us, Mr. Speaker; we've just been remarking. From the seat across the way, I was reminded that the government had been responsible for you occupying that seat and I said that's true, I want it to go on the record that the member's former party did its utmost to see that he did not get a front seat in the Legislature. And we're quite happy to recognize his competence, not his beliefs, Mr. Speaker, but his right as a senior member of this House and a contributor to an opposition to a government and to an opposition to occupy the position in this House that he deserves. Mind you, we may be sorry we did place him there, Mr. Speaker, but that's the way it goes. Of course the Opposition's side may also be sorry to have the Member for Inkster sitting where he is. However, he is sitting juxtaposed next to the Member for St. Boniface and I think that certainly brings about an interesting admixture of philosophies.

And the longer we are in this House the more you tend to remember and should forget, I suppose, but the Member for St. Boniface, when I first came into this House, I think I sat where the Member for River Heights is now sitting, watched the Member for St. Boniface across the second row deliver his orations. He was the most right-wing member that, in my knowledge sat in the House at the time, 1966, when I first sat in this Legislature along with a number of other members. That was my impression of the Member for St. Boniface. He was probably, in economic philosophy terms, the most hard right-wing person in this Legislature. There may have been a few others, Mr. Speaker, but at least they didn't show their colours quite as vociferously as he did.

So then he moved over, of course, with the New Democratic Party and after a stormy marriage he is still with them back on the opposite side of the House but sitting, I think, probably uncomfortably there. At some time I think he probably has to be honest enough to ask himself whether or not by his actions he brought about the sort of goals that he originally advocated - aid to separate schools, the other battles that were brought forth, the introduction on a more equitable basis of the French language into the operations of government. Mr. Speaker, I shouldn't say government but general recognition, in a routine way, of the position of the French language in our province, whether in fact that his machinations and manoeuvres around have in fact brought about that to any large extent.

If he does feel he has, I would have to say that I think that under the various Conservative governments that have occupied the government benches, that perhaps there has been a shift, a recognition that would have taken place more equitably and at a degree of pace that the people of Manitoba are prepared, willing and anxious to adopt, Mr. Speaker, and the frontal attack of the Member for St. Boniface has had very little to do with that happening. There has been more happen under Conservative governments in this province in that regard than any government of which he was ever a part of.

Mr. Speaker, some of the things that I want to talk about deal with the figures that have been placed before this House and it's not without a degree of concern that we see the distortions take place on the facts regarding the operation of the government and on the functions that are really outside of government, the performance of the Manitoba economy. And there seems to be a very determined effort across the way, by the Opposition, to say almost anything, whether it's true or untrue, and in many cases the statements are untrue with regard to the performance of the economy.

A lot of this, Mr. Speaker, I have to say I think is aided and abetted by some in the media who seem to feel that the doom and gloom syndrome that is typified by the position of many in the opposition ought also to be promulgated as a public mood, through the pages of the newspaper or whatever. And it is alarming because governments don't do everything and no government, I don't think, has ever said that the federal government - this government certainly hasn't said the federal government - the provincial government or any other government is solely responsible for the operation and functioning of an economy.

Mr. Speaker, I want to deal with a number of the things that were raised in the Throne Speech and which have been said from time to time inside and outside of this House.

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The Leader of the Opposition spoke at some length about the economy and about some of the real problems. About real growth he made this kind of a comment: He tried to make a totally specious argument about pointing out that there is a big difference between our gross provincial product in current dollars and the gross provincial product in deflated 1971 dollars. Now, I want to go back. He got pretty exercised about the fact he wanted to show that there was a distortion when the government said that a milestone had been reached and the gross provincial product had exceeded \$10 billion. He was terribly worried and excited about that and wanted to get across to the public that there was something quite dishonest about saying that.

So, I want to quote to you from the 1973 Throne Speech in which it says, "During 1972 the provincial economy maintained the strong and buoyant growth pattern that has characterized our development in recent years. My Ministers have estimated that the total value of the goods and services produced in Manitoba and the total income derived from this output increased to \$4.4 billion in the year just past. They have informed me that their forecasts indicate total provincial output in 1973 may grow even faster than it did in the past year, and should approach \$5 billion by year-end."

Now, Mr. Speaker, if \$5 billion was a milestone which was worth mentioning, is not \$10 billion also a milestone? Mr. Speaker, it's the same basis, it's the same statistics, they're available to everybody. But he, Sir, wants to point out that there is something wrong by doing it. I dare say that the output has been going up practically every year. If it wasn't, then there would be something seriously wrong. But he seemed to feel that there was something very wrong, that this ought to be pointed out.

Now let me go on just a bit. Despite his concern about these dollar figures, there was no reference in the '73 speech about the real increase involved. That's what was missing in the '73 speech. It was high that year because there were agricultural conditions and the general strengthening of the Canadian economy, but from '74 to '77, the real growth rate ranged from under one percent to just over two percent.

Now, in the 1978 rate, the growth rate on a comparable basis here was about three percent. He very conveniently ignored that. Mr. Speaker, these are the same sorts of figures that the Minister of Natural Resources was pointing out the other night, on the population figures, on outmigration, on immigration. We are bombarded with these. I thought the Minister of Natural Resources laid out a series of facts that would have been very appetizing for anybody that wanted to portray a factual picture, based on the information that he provided, out of fairly reliable sources, as reliable, I guess as you can get, Stats Canada, and other sources. But there was not a word mentioned at any point by any of the media that were reporting these figures.

Now, certainly they don't lay credence to the type of Gilman report that the Free Press had done, the mail-in report that was done by Dr. Gilman in his horseback survey, or mail-in survey, that the Free Press had commissioned.

Mr. Speaker, I want to take the opportunity to say that in that report, which I read with interest, there was one paragraph in there that said that anyone wishing to get information on how the information had been collected could do so by contacting the Free Press. Well, we did contact the Free Press. I know more than one person that contacted the Free Press. Not one person ever got back the statistical basis for the assertions that were made in that report. We were denied them. It was a false statement, Mr. Speaker, and that's the kind of nonsense that seems to be going on.

Now, Mr. Gilman is also a good friend of the member opposite, and is one of his consultants in these matters, too. And Mr. Speaker, you get pretty cynical in this business when you see all of this evolving. But what is wrong when the government puts out what they think is factual information, Mr. Speaker? Why does it go absolutely zero quiet? Mr. Speaker, look at these statistics. We're being jumped on as if somehow the Manitoba government is responsible for the entire operation of the Manitoba economy. The facts are that the Manitoba economy, in 1978, performed at a better rate than all of those years from 1974 through 1977. It's not our statistics, they're after the fact statistics. And they're as accurate as statistics are. They're not projections into the future, which I always take with a grain of salt. I don't really place much credence in any of the forecasts that come out of the economists. But I think that after the fact, statistics are valuable and can be relied upon, and that those are the facts. Not our created facts, they're the facts created by others.

The Leader of the Opposition conceded that the real growth in our province this year is likely to exceed the national average. Now, it's also worth pointing out that contrary to what he said, also, the Conference Board says that in 1979 the real growth rate in Manitoba was

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higher than Saskatchewan. Well, nobody has said that, Mr. Speaker, but that's in the statistics. We didn't put those out; they're put out by others. But this sort of jumping for joy across the way - you can see the expression on their faces as soon as there's a bit of bad news comes out, it doesn't matter whether the bad news is correct or incorrect - you can see the smiles on the faces across the way. It's the whole syndrome, Mr. Speaker, that they're caught up in. They're caught up in the doom and gloom syndrome, and it's being echoed, not only by the opposition, it is being echoed in other places too. And the mood and the atmosphere and the general impression about the performance of the economy is not satisfactory. It's not as good, Mr. Speaker, as it should be, because the economy, in fact, is functioning in Manitoba pretty well.

He carefully avoided, also, mention of the large increase in total employment in Manitoba, last year and the year before. Total increase from 1977 to 1979 was 24,000, and that's exactly double the increase of the previous two years, when he was in government. Now furthermore, out of that increase, 24,000, nearly all of it was in the private sector. And if you look at the 12,000 that was the increase during the last two years of their government, 11,000 of it, there's only 1,000 of it shown as being in the private sector.

So these are the facts and figures that come out. But this sort of selective reduction of economic facts that is being promulgated by the Member for Brandon East - I think, that's the main source of it. He and some of his more academic friends churn this stuff out a mile a minute. They've got their blinkers on, but they just keep going and keep cranking it out. And they find, eventually, somebody naive enough to believe it and print it and to impart the false information to the community. That's what's been going on.

Mr. Speaker, the Member for Inkster, in his comments today, was referring to the fact . . . I have never heard a position taken by him quite as strongly. He finds us at fault because we didn't balance the budget. Mr. Speaker, we didn't say we were going to balance the budget. We wanted to reduce the deficit. We have reduced the deficit. We've reduced the deficit so that the entire amount of the deficit, consistently, if you look at the traditional method of keeping the books, has been on the capital side alone.

Mr. Speaker, again, to give you an idea what's going on in the community, one of the former heads of the Economics Department at the University of Manitoba was on a radio program about two weeks ago, advocating higher and higher deficits. And he made the point, Mr. Speaker - and got away with it - by saying that deficits, and the big deficits, are good. And he used as his example, Germany and Japan. Two of the most successful industrial countries in the world, he said, are married to large deficits, and look how successful they are. Mr. Speaker, that's not my understanding, but he got away with it.

I know that Japan has done, like the Member for Inkster says, they have provided more purely the Keynesian philosophy. In the good years they don't deficit, in the bad years they go deficit, but it's on capital. They go into capital public works programs when they have a slow economy. They did it last year. They poured massive amounts into capital; but they don't do it every year. That's Japan.

Germany - my understanding is that in Germany, ever since the 1920s when they had their massive crash, and then following World War II, it's part of the German Constitution that they can't run a deficit. It's built right into the constitution of their country, Mr. Speaker. They are very aware of their condition vis-a-vis deficits. But the economists that seem to be prevailing in getting the message across in this province keep advocating the higher and higher deficits, and they don't differentiate between capital account and current account. They just say more and more and more, because as long as you borrow in the country in which you're spending, then you only owe it to yourself. Well, what they, Mr. Speaker, don't seem to want to address themselves to, is that when they go into massive deficits, consistently, that the federal government has gone into, when you have a built-up accumulation of deficits of some \$50 billion in a matter of a very few years and are going in at the rate of another \$10 or \$12 billion a year, a great deal of that being on the operating account, that you have no alternative but to mortgage the opportunities that you have for further flexibility into the future.

And that is basically and fundamentally the position that we have taken all along. We haven't said that it's a golden rule that the Budget must be balanced. What we've tried to do is reduce deficit and get it to the position where it was entirely capital. We were successful in doing that; we did it in the first year; and we have consistently done it. But we're prepared to use the public credit where necessary, as has been announced by the Minister of Health yesterday, for the purposes of improving the social services - which we will do this year by

spending multi million dollars on the upgrading of the different facilities that come under his responsibility: Nursing homes, personal care homes, and hospitals, Mr. Speaker, and schools as well. All of that is going to proceed.

But Mr. Speaker, I am complaining somewhat about the fact that the Manitoba economy is, in fact, performing at a much better rate than the general perception is, and I don't think the opposition is going to be able to get away with this for year-in and year-out. I think the opportunities in this province are far, far greater, Mr. Speaker, than the opposition would like to admit, and I think the public generally is aware of that as well.

As far as the population shifts are concerned, the figures that were given by the Minister of Natural Resources are well worth reading. And for anybody that wants to repeat them, if the only way we can get them out is to put out our own production, I guess we'll have to do it, Mr. Speaker, but it seems to be the only way that you can get across the picture. It seems to me we're in a trough of doom and gloom with the Leader of the Opposition particularly, and his cohorts, leading the pack and trying to paint this kind of a picture.

Mr. Speaker, I wanted to also make some further comments about the Throne Speech and the replies that have come forth. I noticed a number of things that the members opposite are going to try and upgrade their services and their appeal to small business. That's most interesting, Mr. Speaker. I also noticed that the Manitoba Federation of Labour, which is very closely tied to the New Democratic Party now - and of course, if we believe everything we hear, it was what triggered the Member for Inkster to leave the New Democratic Party, because of their undue influence on that party. But I think that it's worth pointing out that the Manitoba Federation of Labour, in their annual brief this year, took the position exactly opposite to the Leader of the Opposition. They were very critical of the government for reducing the corporation tax reduction. Mr. Speaker, the corporation tax in this province is reduced for small business. There is a differential tax. The corporation tax for small business is 11 percent, for large business it's 15 percent. A very critical position taken by the Federation of Labour for doing that.

Mr. Speaker, I think there are a number of questions then, that have to be directed to the Leader of the Opposition. In his ramblings, he has made the general reference, taken a bow towards small business. Is he going to maintain the tax rate lower for small business which was initiated by the Conservative government, or is he going to put it back up again? Is, Mr. Speaker, the New Democratic Party, going to reinstitute the Succession Duties, the death taxes that were invoked in Manitoba prior to October 11, 1977? I think every small businessman would be interested in knowing an answer to that.

Is the New Democratic Party going to put back up the personal income tax rates? I think the Leader of the Opposition directly said that we shouldn't have reduced personal income tax. We reduced it from 56 percent to 54 percent. Is the Leader of the Opposition and the New Democratic Party going to put the personal income tax rate back up again to 56? It's not a massive difference, Mr. Speaker, but they seem to be hidebound by dogma and philosophy, and maybe they have to at least put it up a token amount to indicate that they are going to tax the people a little more on income.

Is that going to be the trigger to bow and help the small business people of this province? --(Interjection)-- We want answers, Mr. Speaker. When I bump into people in the small business sector, I want to be able to say to them that the New Democratic Party has now said that they will keep the income tax lower. Mind you, the province of Saskatchewan put their's down; they're now one percent lower than Manitoba on income tax, they're 53. Is the NDP here advocating that it should go back up to 56?

I want to ask them whether or not the New Democratic Party is going to bring back in death taxes, being the only one of what? - one or two provinces remaining in Canada who have that death tax. Because, Mr. Speaker, there is a schizophrenia across the way on this question. The former leader of the New Democratic Party in Gimli, Manitoba in 1977, implied to the people of Manitoba that they were going to remove the death taxes but he had a lot of problems across the way when it came time for the move in late 1977 when the bill was put to this House and he had great difficulty wrestling with it. I suspect they are going to reapply those taxes. I expect they are probably going to again, Mr. Speaker, have to answer the question as to whether the corporation capital tax is going to apply to those with assets below \$500,000 in small business because the limit has been raised to the \$500,000 by this government. Are they going to put that and make it apply again to the lower limit?

All of those, Mr. Speaker, are pretty basic interesting facts for the people that want to avail themselves of this new spirit of interest across the way, the small business people and the farmers, Mr. Speaker, and others in this province who would want to know that before they buy. --(Interjection)-- When I am finished, Mr. Speaker I would be happy to.

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Mr. Speaker, briefly on the issue of energy. I don't know who the energy critic is across the way. I thought it was the Member for Lac du Bonnet, but the Member for The Pas yesterday announced on the radio that he was the energy and mines' critic. So at any rate I noticed in the paper, I didn't hear his speech, but the Member for Lac du Bonnet is reported in the paper as calling the government's energy policy a con game. Mr. Speaker, I don't think he was referring to conservation when he used the word con. He is trying to, of course, discredit the government because the opposition is absolutely bankrupt as they always were with regards to an energy philosophy and this government has brought forth a fairly solid move towards setting up the kinds of structures that the government feels are in the best interests of serving the people of Manitoba.

One is the regulatory authority which looks into the interest with regards to import-export for the province, particularly on the electrical side, but also looks after the aspects dealing with The Allocation Act that was passed by the government of Canada in the last 12 months. There are other aspects that come into the regulatory side that will be developed as they are required for the best interests of the province.

On the other side, Mr. Speaker, the public side, the interest there of course is to develop the public participation. There are a large and growing segment of the public who want more information, are interested in conservation, are interested in new systems, new ideas and want to get on with it. There are some good groups that have been attempting to help them. The Consumers Association has been active. The Solar Energy Society has been helpful and active. The Biomass Group - all of these have been doing a very commendable job. The intent here on that side is to assist them further in doing that job in some more formal way, and that will become a citizens' involvement and advisory group that will assist the government in providing whatever help they can by way of the new federal-provincial agreement which we expect will be entered into very soon and has cleared all the hurdles at this end and awaits only some fairly, I think, final minor signatures, Mr. Speaker, at the other end of the line.

So, Mr. Speaker, with that I think that we are going to see a move into that age where the energy picture will be adequately and completely served. There have been a large number of studies that have already been initiated. There are of course legions in number who are interested out there and want to avail themselves of it.

With regards to the other topic, the one that seems to have only been now raised in any sort of formal way by the Member for Inkster, the matter of Manitoba Hydro. He seems to be sort of trying to suggest, and I admit that he is probably the only one across the way that has any even elementary understanding of what's happening or has happened with regards with this natural resource. The suggestion is there that there is some difficulty in the government living with the various reports it has received. The Tritschler report in particular he mentioned.

Mr. Speaker, let me say at the outset that the Tritschler Report is one of the most valuable documents that has ever been produced. Mr. Speaker, the members opposite have every right to be sensitive. They have every right to be sensitive and they don't seem to get past those areas that are of particular sensitivity to them. And I don't really blame them. But in the total picture, the Tritschler report with its recommendations, the Lambert report on Crown corporations to a much lesser degree, the report that was even done by Eric Kierans during the period of the former government, which was kept under wraps and never allowed out of wraps, Mr. Speaker, was kept under wraps by the former government when Kierans did it in the early 1970's and came out only several years after.

Mr. Speaker, the fact of the matter is that they may want to attack the Tritschler report, which I found not surprising, Mr. Speaker, but just another indication of the shallowness of their abilities across the way. They could find no other way to do it but to attack it as being a political document. Well, Mr. Speaker, if the Tritschler report were a political document, what was the Kierans Report? A lot of the things that were said in the Kierans Report were contained in the Tritschler report. The Kierans Report was a warning to them across the way but it was a warning that was not heeded. They did nothing. They did nothing with it and the problem went on and the problem went on. Mr. Speaker, the report speaks for itself and I am sure that we haven't heard the end of it. But let's not have the suggestion lay that somehow the Tritschler report was not considered by this government to be a valuable report. It was worth every cent, Mr. Speaker, that was spent on it.

Mr. Speaker, the Leader of the Opposition in one of his characteristic thrusts, if you can call it that, couldn't be satisfied by saying that the Tritschler report cost 1.3 million dollars. He said the costs to Hydro were \$4 million, something like that, \$3 million, \$4 million.

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MR. SPEAKER: The Honourable Minister has five minutes.

MR. CRAIK: Mr. Speaker, they are so prone to exaggerate. They are so prone to exaggerate, Mr. Speaker, that they can't avoid every opportunity to do it. They do it on every occasion. Well let me say simply the costs of the Tritschler Commission report were worth every cent. It's probably one of the most valuable reports that any government at any time has ever commissioned. And there are those in the utility who will advise you of the same thing. They don't take it as critically as the members opposite may like to think that they do. They're valued from every point of view in that report and it is going to continue to be of value. I want to repeat, they never referred to the Kierans Report as being a political report. Mr. Speaker, I will remind you again that the admonitions of the Kierans Report were on mark with the observations of the Tritschler Commission.

Mr. Speaker, I know that this topic is going to come back and I welcome the opportunity to discuss it again. In the meantime the Hydro operation is moving along satisfactorily. We have had some problems with the rate stabilization guarantee that was undertaken by the government last year. The costs to the Crown are going to end up at somewhere for this year in the order of \$38 million dollars. I said in the House last year it was an insurance program, that if the rates on foreign currency fluctuations stayed for the period of five years at the rate they were at, it would probably cost around \$115 million over the five years. If we are fortunate enough for the currency exchange rates to come back, it may not cost that. I suppose in theory it doesn't have to cost a cent, but I can tell you that after the fact that you can tell more than you can ahead of time.

I do want to indicate though to members of the House that it has been a significant stabilizer to the operations of Hydro and it took out the fluctuations they would have otherwise had to account for in the same manner to a lesser degree that the Telephone System has had to account for. And it would have made a significant difference to the method of the operation of the utility. It has improved the position from a point of view of dealing also in the bond market, if and when we have to back, particularly to the American market.

I do want to say also that if you think that the foreign currency exchange thing is something that is not real, then you'd be seriously mistaken. The condition has remained reasonably stable over the past 12 months, but it's still not a very good scene. I don't know who the Minister of Finance will be in 1983-84, Mr. Speaker, but I can forewarn you that in that year there's going to be over \$400 million of refunding to be done that was not bargained on when those foreign issues were entered into. The Member for St. Johns may well have some familiarity since he was in government when those issues were taken out. But if you want to face the prospect of borrowing another \$400 million in 1983-84 for just refunding, Mr. Speaker, quite apart from any capital program Hydro may be into by that time, I think that anybody here can sense that there is going to be a major and significant challenge to do that at that time. You are also going to have to face on the books probably a 100 million-dollar cash loss in that year because of the payout of the bond issues, that is, unless the foreign currencies come back into line again.

Now, Mr. Speaker, that is one year outside of the five-year Hydro rate freeze that is in the sixth year, so it wasn't included in the 115-million dollar projection that was given last year. Maybe it will never happen. Mr. Speaker, we've gone almost one year now since the move was first made and the storm clouds have not cleared up yet, and I don't find anybody indicating that our exchange position is going to improve or that of the American currency is going to improve in relation to the off-shore currencies to bring us back.

So, Mr. Speaker, I know my time is out. Simply let me say that in terms of the total picture, Manitoba still has one of the healthiest economies in Canada. In spite of the fact that we've had to take it slow on some of the Hydro development, it's going to perform at a rate that is going to stand Manitoba in good stead in the statistics and in fact in the quality of life in this province.

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

MR. CHERNIACK: Mr. Speaker, thank you. The Honourable Minister indicated that he would accept a question. I have a couple of questions I would like to direct to him if I may.

MR. SPEAKER: Order please. The time of the Honourable Minister has expired. Any questions would have to be with unanimous consent of the House. The Honourable Member for St. Johns.

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MR. CHERNIACK: The Honourable Minister indicated that the Tritschler report was worth every cent of the cost. Can he indicate to us what was the cost both to government and to Hydro?

MR. SPEAKER: The Honourable Minister of Finance.

MR. CRAIK: Mr. Speaker, the figures given by the Leader of the Opposition were somewhere in the order of \$400 million. --(Interjection)-- He did. Well look up the record. He's got the Hydro figures costs up at 3 or 4 million, 1.3 here, whatever it is. The costs to the utility are less than the costs of the report itself. --(Interjection)-- Well, Mr. Speaker, it's not a particularly easy job for the utility of course to attribute the internal costs. Let me tell you this, that the legal costs for the utility were higher than the legal costs for the commission of inquiry, Mr. Speaker. If you want a bit of information, as far as the internal costs, there is no reliable prediction of the internal costs. The costs of the legal costs to the utility, the external cost to the utility are less than \$1 million. The external costs to the utility are less than one-half million dollars.

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

MR. CHERNIACK: Mr. Speaker, now that the Minister has given us a arithmetic puzzle to try to work out, and is unable and unwilling to give us facts, would he deal with another question I have in mind and that is, is his government going to remove the Property Tax Credit Plan as he himself undertook would be done in 1976?

MR. SPEAKER: Order please. Order please. May I point out to honourable members that questions can only be relevant to the debate that is taking place, and I suggest to the honourable member that his question was not in order.

The Honourable Government House Leader.

MR. MERCIER: Mr. Speaker, on a point of order. The last question from the Member for St. Johns was given with the unanimous consent of the House. Mr. Speaker, I'm concerned as Government House Leader, we have a long list of speakers on this side who wish to speak and I decline to grant consent to any further questions.

MR. SPEAKER: The question before the House is the Honourable Member for Kildonan.

MR. PETER FOX (Kildonan): Thank you, Mr. Speaker. I would first of all like to start my reply to the Throne Speech Debate by congratulating the Mover and the Seconder in this regard. I must admit that I was unable to be in the Chamber at the time that they spoke but I have read what they have said, and I realize that they have done their homework. Although I have some empathy with them because to me the Throne Speech had very little substance and so they must have worked very hard to be able to make it sound laudable. Nevertheless, I congratulate them for their efforts.

As is customary, Mr. Speaker, I wish to indicate my appreciation for your efforts to maintain the customs, usages and decorum of this House and I must indicate that I shall continue to try to assist you and to co-operate with you in maintaining the high standards of our parliamentary system and its evolving methods to improve our society.

I should also like to indicate my appreciation of the Deputy Speaker who has conducted himself very well and has maintained a good decorum while he's been in the Chair in your absence, and also when he was chairman of committees.

Let me also, Mr. Speaker, welcome the new members to the Assembly, the Member for River Heights; my own member and colleague, the Member for Rossmere; and also a new feminine member of our Chamber, the Member for Fort Rouge. I should like to say, in this regard, that I have always indicated that we should have a greater proportion of women in this Chamber and it always puzzles me why we cannot seem to elect them. I have spoken to the Women's Model Parliament while I was in the office of the Speaker and suggested this, and they have, indeed, conducted a very wonderful forum in respect to women's participation and action in the political arena. Unfortunately, not very many of them get elected. We have some at the council level, municipal level and we have two, at the present time, in this

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Chamber here. I do recall when I was first elected to this Chamber there were two lady members and after some 13, almost 14 years, we still had only two and I certainly would like to know why our social order doesn't seem to —(Interjection)— we have elected them at various times in various places, including the House of Commons. So if that bothers you, you know, I'm telling you that we have done it, but it's not the New Democratic Party that's involved, it's something in our social order that doesn't allow women to come to the forefront, and I would like to know what it is and I think that we should make a greater effort to find that out.

Mr. Speaker, there was one other person I'd like to mention in my opening remarks and that is the Member for Virden. I want to congratulate him on becoming the chairman of committees. He now has earned his place in the sun and I'm delighted because he is a nice fellow. I've known him for very very many years. I do recall that on occasions he was designated as the black sheep of his caucus. I don't know why, maybe because he had different views than the majority. I do also recall when there was, at one time, an effort to have him prevented from running in his own constituency of Virden, but I see he survived —(Interjection)— not by the constituency he informs me but I guess by the hierarchy of his party and I'm delighted to see that he's still here and that now he's going to have a prominence in the affairs of our Chamber.

Mr. Speaker, the Throne Speech Debate is usually one that has a wide-ranging forum but as I was listening to it I couldn't help but think, and I've said this before, that an old time carny at the country fair using a fast shell game to confuse the public is taking place. I have said this before and in case some of the honourable members aren't aware of what that is, the shell game, if I describe it you, is one where the carney stands in front of the public, he holds up a pea, he's got three shells and he says, "Watch closely," while he puts the pea under one of the three shells and he entices the public to bet. Then after the shells have been moved around a few times they will be able to find the hidden pea. But his slight of hand, the scam is so great that generally the public doesn't find the pea. And you know, Mr. Speaker, this Conservative government is running the biggest shell game this province has ever known. I would suggest that you listen to all their policies, to all their rhetoric and really find if there's a single human benefit under any one of the policy shells. They describe a lot of things they will do in respect to the economy, in respect to services, but they are only shells. There is no pea there. The pea has been missing, the pea has been placed under the thumb or someplace else, but the general public is not getting the benefits, there's only a shell game going on.

The Education Minister is in a unique position. He's got it coming and going. The enrolment is declining but costs and salaries are rising to meet inflation, and he says he is doing something about it. But when you look at what is really actually happening you realize the taxpayer is paying higher school taxes. What has happened is that he has shifted the burden on to the local area by denying them the proper amount that is due because of the inflationary and the rising costs and so, therefore, the local school boards have to raise their taxes. And again, the shell is there but the pea is missing.

Staff are being cut in a number of areas; the expanding needs of special programs have been stopped. For example, mentally and physically handicapped students are not getting the support they should be getting, especially with rising transportation costs and many other areas where the costs have gone up, they cannot afford to participate as they rightfully should.

University fees, tuition fees have gone up. I have that particular experience from my own children who still are attending. The community colleges, the same thing is taking place. The fees have risen, but it's not only that that has happened, the other costs have gone up as well. The costs of books, the costs of transportation, all of these areas affect those who have a desire to further their education and who have not the wherewithal with which to meet that rising cost.

Mr. Speaker, I have much more to say. I wonder if you would call it 12:30 before I get too deeply into my subject.

MR. SPEAKER: Is there a disposition to call it 12:30?
The hour being 12:30, I'm leaving the Chair to return at 2:30.