

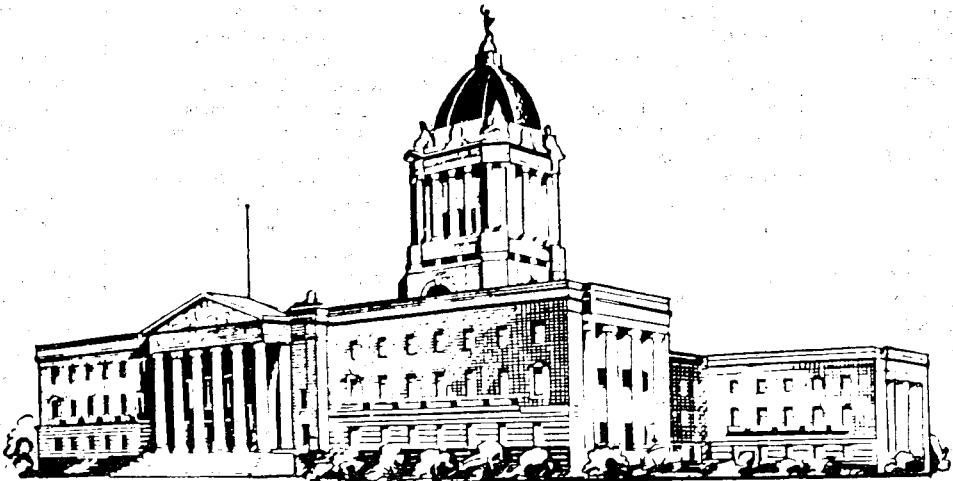


Legislative Assembly of Manitoba

**DEBATES**  
and  
**PROCEEDINGS**

Speaker

The Honourable Peter Fox



Vol. XX No. 103 2:30 p.m., Wednesday, May 16th, 1973.

Fifth Session, 29th Legislature.

Electoral Division	Name	Political Affiliation	Address	Postal Code
ARTHUR	J. Douglas Watt	P.C.	Reston, Man.	R0M 1X0
ASSINIBOIA	Steve Patrick	Lib.	10 Red Robin Pl., Winnipeg	R3J 3L8
BIRTLE-RUSSELL	Harry E. Graham	P.C.	Binscarth, Man.	R0J 0G0
BRANDON EAST	Hon. Leonard S. Evans	NDP	Legislative Bldg., Winnipeg	R3C 0VB
BRANDON WEST	Edward McGill	P.C.	2228 Princess Ave., Brandon	R7B 0H9
BURROWS	Hon. Ben Hanuschak	NDP	Legislative Bldg., Winnipeg	R3C 0VB
CHARLESWOOD	Arthur Moug	P.C.	29 Willow Ridge Rd., Winnipeg	R3R 1L5
CHURCHILL	VACANT			
CRESCENTWOOD	Cy Gonick	NDP	1140 Grosvenor Ave., Winnipeg	R3M 0N8
DAUPHIN	Hon. Peter Burtniak	NDP	Legislative Bldg., Winnipeg	R3C 0VB
ELMWOOD	Hon. Russell J. Doern	NDP	Legislative Bldg., Winnipeg	R3C 0VB
EMERSON	Gabriel Girard	P.C.	25 Lomond Blvd., Winnipeg	R2J 1Y1
FLIN FLON	Thomas Barrow	NDP	Cranberry Portage, Man.	R0B 0H0
FORT GARRY	L.R. (Bud) Sherman	P.C.	86 Niagara St., Winnipeg	R3N 0T9
FORT ROUGE	Mrs. Inez Trueman	P.C.	179 Oxford St., Winnipeg	R3M 3H8
GIMLI	John C. Gottfried	NDP	44 - 3rd Ave., Gimli, Man.	R0C 1B0
GLADSTONE	James R. Ferguson	P.C.	Gladstone, Man.	R0J 0T0
INKSTER	Hon. Sidney Green, Q.C.	NDP	Legislative Bldg., Winnipeg	R3C 0VB
KILDONAN	Hon. Peter Fox	NDP	Legislative Bldg., Winnipeg	R3C 0VB
LAC DU BONNET	Hon. Sam Uskiw	NDP	Legislative Bldg., Winnipeg	R3C 0VB
LAKESIDE	Harry J. Enns	P.C.	Woodlands, Man.	R0C 3H0
LA VERENDRYE	Leonard A. Barkman	Lib.	Box 130, Steinbach, Man.	R0A 2A0
LOGAN	William Jenkins	NDP	1294 Erin St., Winnipeg	R3E 2S6
MINNEDOSA	Davjd Blake	P.C.	Minnedosa, Man.	R0J 1E0
MORRIS	Warner H. Jorgenson	P.C.	Morris, Man.	R0G 1K0
OSBORNE	Ian Turnbull	NDP	284 Wildwood Pk., Winnipeg	R3T 0E5
PEMBINA	George Henderson	P.C.	Manitou, Man.	R0G 1G0
POINT DOUGLAS	Donald Malinowski	NDP	361 Burrows Ave., Winnipeg	R2W 1Z9
PORTAGE LA PRAIRIE	Gordon E. Johnston	Lib.	506 St. George Ave., Portage la Prairie, Man.	R1N 0T5
RADISSON	Harry Shafransky	NDP	4 Maplehurst Rd., Winnipeg	R2J 1W8
RHINELAND	Jacob M. Froese	S.C.	Box 40, Winkler, Man.	R0G 2X0
RIEL	Donald W. Craik	P.C.	2 River Lane, Winnipeg	R2M 3Y8
RIVER HEIGHTS	Sidney Spivak, Q.C.	P.C.	Legislative Bldg., Winnipeg	R3C 0VB
ROBLIN	J. Wally McKenzie	P.C.	Inglis, Man.	R0J 0X0
ROCK LAKE	Henry J. Einarson	P.C.	Glenboro, Man.	R0K 0X0
ROSSMERE	Hon. Ed. Schreyer	NDP	Legislative Bldg., Winnipeg	R3C 0VB
RUPERTSLAND	Jean Allard	Ind.	Legislative Bldg., Winnipeg	R3C 0VB
ST. BONIFACE	Hon. Laurent L. Desjardins	NDP	Legislative Bldg., Winnipeg	R3C 0VB
ST. GEORGE	Bill Uruski	NDP	Box 580, Arborg, Man.	R0C 0A0
ST. JAMES	Hon. A.H. Mackling, Q.C.	NDP	Legislative Bldg., Winnipeg	R3C 0VB
ST. JOHNS	Saul Cherniack, Q.C.	NDP	333 St. John's Ave., Winnipeg	R2W 1H2
ST. MATTHEWS	Wally Johansson	NDP	418 Home St., Winnipeg	R3G 1X4
ST. VITAL	D.J. Walding	NDP	31 Lochinvar Ave., Winnipeg	R2J 1R3
STE. ROSE	A.R. (Pete) Adam	NDP	Ste. Rose du Lac, Man.	R0L 1S0
SELKIRK	Hon. Howard Pawley	NDP	Legislative Bldg., Winnipeg	R3C 0VB
SEVEN OAKS	Hon. Saul A. Miller	NDP	Legislative Bldg., Winnipeg	R3C 0VB
SOURIS KILLARNEY	Earl McKellar	P.C.	Nesbitt, Man.	R0K 1P0
SPRINGFIELD	Hon. René E. Toupin	NDP	Legislative Bldg., Winnipeg	R3C 0VB
STURGEON CREEK	J. Frank Johnston	P.C.	310 Overdale St., Winnipeg	R3J 2G3
SWAN RIVER	James H. Bilton	P.C.	Swan River, Man.	R0L 1Z0
THE PAS	Hon. Ron McBryde	NDP	Legislative Bldg., Winnipeg	R3C 0VB
THOMPSON	Joseph P. Borowski	Ind. NDP	La Salle, Man.	R0G 1B0
TRANSCONA	Hon. Russell Paulley	NDP	Legislative Bldg., Winnipeg	R3C 0VB
VIRDEN	Morris McGregor	P.C.	Kenton, Man.	R0M 0Z0
WELLINGTON	Philip M. Petursson	NDP	681 Banning St., Winnipeg	R3G 2G3
WINNIPEG CENTRE	J.R. (Bud) Boyce	NDP	777 Winnipeg Ave., Winnipeg	R3E 0R5
WOLSELEY	I.H. Asper	Lib.	Legislative Bldg., Winnipeg	R3C 0VB

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
2:30 o'clock, Wednesday, May 16, 1973

Opening Prayer by Mr. Speaker.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed, I should like to direct the attention of the honourable members to the gallery where we have 20 students of Grade 11 standing of the St. Laurent School. These students are under the direction of Mr. Constantine Ypantides. This school is located in the constituency of the Honourable Member for Lakeside.

We also have 57 students of Grade 8 standing of the Bruns Collegiate, who are hosting the Polyvalante Ulrich Huot from Quebec. These students are under the direction of Mr. Nalarewich and Miss Novorko who are the host teachers, and Mr. Frenette and Miss Lise Guyot. This school is located in the constituency of the Honourable Member for Riel.

We also have 12 students of Grade 11 standing of the Hartney School. These students are under the direction of Mr. Gadsby. This school is located in the constituency of the Honourable Member for Arthur. On behalf of all the honourable members, I welcome you here today.

Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports. The Honourable Minister of Health.

ORDER FOR RETURN

HON. RENE E. TOUPIN (Minister of Health and Social Development)(Springfield): Mr. Speaker, I would like to table an Order for Return, tabled in this House by the Honourable Member for Thompson.

MR. SPEAKER: The Honourable Minister of Tourism and Recreation.

MINISTERIAL STATEMENT AND TABLING OF REPORT

HON. LAURENT L. DESJARDINS (Minister of Tourism Recreation and Cultural Affairs) (St. Boniface): Mr. Speaker, I would like to table the Manitoba Lottery Commission's first annual report. I might explain that there has been some misunderstanding on this that on July 5th, 1972 the Minister of Finance tabled the auditor's report but this came a little later it was sent to the Library but not officially tabled. It is just the auditor's report, and further information, but just to make sure that my honourable friends get as much information as possible. I'd like to table this.

And now I would like to make a statement also, Mr. Speaker. This is a statement re the payments due and payable to the Centre Culturel Franco-Manitobain, St. Boniface, and I think it should be tabled at this time in view of the seemingly misunderstanding that we've had.

Up to the end of March 31st, 1972 an amount of \$1 million has been committed to the work of construction of the centre. \$500,000 of this amount was an allocation of the grant received from Canada, the other \$500,000 was Manitoba's matching contribution. With respect to the matter in which the \$1 million has been paid out to Le Centre I've had accounting staff review the statements and have confirmed with the Provincial Auditor who prepared the statements, that following is the accounting treatment that was reflected in the statements that we have been discussing. First of all, on exhibit A of the Manitoba Centennial Corporation an amount of \$713,706.79 is shown as being due and payable by the Manitoba Centennial Corporation, to the trust and special division on behalf of the construction of the centre. We point out that exhibit A is in fact the closing balance sheet of the old Manitoba Centennial Corporation just prior to its winding up. The statement was prepared to reflect the manner in which its remaining cash and assets were to be distributed.

Perhaps it will be clear if I indicate the manner in which the payout has been made. First of all up until the end of March 31st, 1971 payments were made to Le Centre totaling \$264,672.99. During 1972, that is up to, until March 31, 1972, a total of \$21,630, and it reads in the report 32 cents, and I'm told it should read 22 cents, was paid on behalf of Le Centre. Just subsequent to March 31st, 1972 the amount committed in due to Le Centre was paid into trust on its behalf in the amount of \$713,706.79

These three amounts you will notice total the one million dollars which was the amount of the commitment to Le Centre as at the 31st of March 1972. To sum up the matter in which

## MINISTERIAL STATEMENT AND TABLING OF REPORT

(MR. DESJARDINS cont'd). . . . these amounts were reflected in the various statements that were submitted, I would say the following:

(a) Exhibit A. This statement sets out the balance of the commitment to Le Centre as at March 31, 1972, subsequently paid into trust and available for drawing on as required by Le Centre \$713,706.79.

Exhibit B. Shows the amount paid the fiscal year and ended March 31st, 1972 including the amount of \$713,706.79, paid in trust.

Schedule 3. Lists the total commitments made by the Manitoba Centennial Corporation during its life and lists the commitment as at March 31st, 1972 to Le Centre of \$1 million enclosed.

And I hope that this will finally straighten out the situation.

MR. SPEAKER: Any other Ministerial Statements or Tabling of Reports? Notices of Motion. Introduction of Bills. The Honourable Minister of Finance.

HON. SAUL CHERNIACK Q.C. (Minister of Finance)(St. Johns): Mr. Speaker, by oversight the Votes and Proceedings do not show notice of the introduction of a bill of the Income Tax Act. I wonder if I could have leave of the House to proceed with the first reading of that bill even though it was not in Votes and Proceedings.

MR. SPEAKER: Agreed? The Honourable Minister.

INTRODUCTION OF BILLS

MR. CHERNIACK introduced Bill No. 61, An Act to amend the Income Tax (Manitoba) (Recommended by His Honour the Lieutenant-Governor)

MR. SPEAKER: Any other Introduction of Bills? Oral Questions. The Honourable Leader of the Opposition.

ORAL QUESTION PERIOD

MR. SIDNEY SPIVAK Q.C. (Leader of the Official Opposition)(River Heights): Mr. Speaker, my question is to the Minister of Urban Affairs. I wonder if he can indicate whether the government has requested the City of Winnipeg to place a statement called a stuffer on behalf of the government dealing with the Education Tax Rebate Program in the tax bills to be forwarded by the city to its residents.

MR. SPEAKER: The Honourable Minister of Education.

HON. BEN HANUSCHAK (Minister of Education)(Burrows): Yes, Mr. Speaker.

MR. SPIVAK: I wonder if the Minister of Urban Affairs can explain the reasons for the provincial government requesting that this be done.

MR. HANUSCHAK: For information, Mr. Speaker.

MR. SPIVAK: I wonder if the Minister is in a position to give some estimate of what the cost will be to the people of Manitoba for such a stuffer to be included.

MR. HANUSCHAK: Not at the present moment, Mr. Speaker, but I would suggest that it's an appropriate matter for an Order for Return.

MR. SPIVAK: Mr. Speaker, I again put it to the Minister and ask him, has he any idea of how much this is going to cost the taxpayers for him to be able to present to them the information that they already know on behalf of the government prior to an election . . .

MR. SPEAKER: Order please. The honourable member is debating the point and not asking a question. The Honourable Minister.

MR. HANUSCHAK: The intent is not that there be any additional cost to the taxpayer but the net effect is a saving to the taxpayer and a more equitable tax shift.

MR. SPIVAK: Yes, I wonder if the Minister of Urban Affairs can indicate who is to pay for the printing of the stuffer to be included.

MR. HANUSCHAK: Mr. Speaker, the payer would be the same one as the payer for any other expenses incurred by government.

MR. SPIVAK: Was there any request made of the City of Winnipeg that it pay part of the cost of the stuffer?

MR. HANUSCHAK: Not to my knowledge, Mr. Speaker.

MR. SPIVAK: Was the form of the stuffer to be placed in the City of Winnipeg tax bills prepared by the New Democratic Party advertising agency or not?

MR. SPEAKER: Orders of the Day. The Honourable Minister of Education.

## ORAL QUESTION PERIOD

MR. HANUSCHAK: Mr. Speaker, the government assumes the responsibility for the form of that stuffer.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, to the First Minister, I ask him how long he expects the people of Manitoba to allow him to abuse the privilege of office by in fact --(Interjection)-- trying to buy them with their own money.

MR. SPEAKER: Order please. Order please. The Honourable First Minister.

HON. EDWARD SCHREYER (Premier)(Rossmere): Mr. Speaker, I have just sent the messenger to obtain from my office a copy of a stuffer sent by the former Premier and Provincial Treasurer, Duff Roblin, a stuffer sent out with respect to the School Tax Reduction Act in 1965 and 1966. And Mr. Speaker, let no one be that - let no one be that unfair as to pretend that what is being done does not have justification and does not have precedence. It has both.

MR. SPIVAK: Well I wonder if the First Minister is in a position to tell the House how much this stuffer will cost for its printing.

MR. SPEAKER: The question has already been asked and answered. The Honourable First Minister.

MR. SCHREYER: That it would cost the same as it cost in 1966 subject to the normal adjustments for - re the cost of living increases. And here I am prepared to table for the House a copy of this stuffer as my honourable friend refers to it and --(Interjection)--

MR. SPEAKER: Order please.

MR. SCHREYER: . . . this is a notice which was sent in the form of a stuffer and it goes on to explain the school tax rebate and tax reduction and it's sent over the signature of Duff Roblin --(Interjection)-- 1965. And so the precedent is there, the justification. Let it be very clear to my honourable friend that the right to communicate directly is one which we will exercise under all appropriate circumstances rather than have the information come second and third and fourth hand.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, my question to the First Minister. Does he not believe that it is inappropriate for the government to do this prior to an election?

MR. SPEAKER: The question is argumentative. The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, until the election writs are issued there is no election. My honourable friend can self-excite himself into all kinds of frenzy about an election but until the writs are issued Sir, there is no election, and we shall proceed normally. And I might add, furthermore, that we will not follow the practice that was followed in 1969 when my honourable friend the then Minister of Industry and Commerce carried out an image advertising campaign right through the election campaign.

MR. SPIVAK: Mr. Speaker, I wonder if the First Minister is in a position to . . .

MR. SPEAKER: Order please.

MR. SPIVAK: I wonder if the First Minister is in a position to indicate whether the stuffer was part of the \$600,000 budget by the government to advertise the Education Tax Rebate Program.

MR. SCHREYER: Mr. Speaker, my honourable friend uses examples that are wildly, and figures that are wildly exaggerated. He has for example implied on previous occasions, just by way of example, that the cost of Guidelines was very expensive. It is approximately one-quarter less, slightly less than one-quarter the cost of the TED Report in its totality. He also used a figure the other day of--was it 45 or 50 thousand?--relative to the information letter that went out relative to - I can advise my honourable friend that he is exactly 100 percent out in exaggeration in that figure, and there is yet a third example which slips my mind at the moment. Oh yes, yes it is perhaps, it is perhaps related in describing the inaccuracy of my honourable friend's statement when he in the question period the other day implied that there was some grievous error made in decision-making in the use of mercury arc in DC Transmission systems. We find out now Sir, that that decision was made in August of 1967 - that's yet another example of the inaccuracies of my honourable friend.

POINT OF PRIVILEGE

MR. SPIVAK: Mr. Speaker, on a point of privilege.--(Interjection)-- the inaccuracies with respect to the mercury arc I believe, Mr. Speaker, will be determined by the House, and by the Committee of Public Utilities when it meets, and when the questions, Mr. Speaker, when the questions are in fact asked of the chairman and answered in the committee. Mr. Speaker, I suggest that until then, the statement --(Interjection)-- well Mr. Speaker . . .

MR. SPEAKER: Order please. Order please. The Question Period is being abused by both questioner and the people answering. Now I would like to have some co-operation from the members in what is going on during the Question Period. It is the question period. They are allowed. The honourable gentleman did not have a matter of privilege. The Honourable Leader of the Opposition.

MR. SPIVAK: Yes, Mr. Speaker, on a matter of privilege. The First Minister said that figures and the information was inaccurate. And he represented that the information he supplied in some way made the question, or the question posed, as being inaccurate. And I suggest, Mr. Speaker, until the Chairman of Hydro for the Committee . . .

MR. SPEAKER: Order please. Again - order please - that is not a matter of privilege. The Honourable First Minister have a point of order or a matter of privilege?

MR. SCHREYER: A matter of privilege because the Leader of the Opposition has said again that the decision as to when the - as to when it was decided to use mercury arc as the technology for DC transmission was a decision made in very recent years, and we now have the public statement, Sir, of the . . .

MR. SPEAKER: Order please. Order please. I believe these two honourable gentlemen have a difference of opinion which they are entitled to, but neither one of them has a matter of privilege in the question period. The Honourable First Minister.

MR. SCHREYER: It is not a matter of opinion to me, Sir, there is a public statement now by other officials. An official of Atomic Energy of Canada Limited and the Chairman of Manitoba Hydro, both of whom have stated, not as a matter of opinion, but have stated that the decision to use mercury arc on the DC system was made in 1967. That is made as a statement. And I am not venturing it as an opinion. My honourable friend continues to speak as though, as though it is debatable as to when the decision was made, and I believe that that constitutes a point of privilege. Since those statements are on record and they continue to be challenged by the honourable the Leader of the Opposition.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, on the point of order, again I suggest that the Honourable First Minister is abusing his privilege. He has stated certain information which has not been yet stated in the committee. He has not qualified it because in effect a decision was on Page 1 and not on Page 2, and further, Mr. Speaker, the purpose of the chairman being cross-examined in the committee will be to deal with the negotiations that took place with Mr. Cass-Beggs as chairman and English Electric in connection with that project, and being in a position, Mr. Speaker, to obtain that information. And when the committee meets, if it does meet, then we'll be in a position.

And Mr. Speaker, I now would like to pose a question to the First Minister. I wonder if he can indicate . . .

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: I believe that a search of Hansard may well have to be made, but when my honourable friend asked the question about as to who made the decision to use mercury arc technology he did not qualify it with respect to phase 1 and phase 2. The question was put as to who made the decision, and it was suggested subsequently by my honourable friend that it was a decision arrived at by Mr. Cass-Beggs, and subsequent to 1969, and we now have on record the public statements of two officials, one of them from Atomic Energy of Canada, which state categorically when the decision was made.

My honourable friend seems--to be under the rules of parliamentary procedure should not be allowed to leave that kind of misimpression on the record without some request to him to at least make that correction.

MR. SPIVAK: Mr. Speaker, on the point of privilege. I suggest that the answers by the First Minister are not complete as they have been in previous situations. . . .

MR. SPEAKER: Order please. Order please. I have allowed an exchange and I'm going to indicate now that I am going to cut the exchange off. The committee that the honourable

## POINT OF PRIVILEGE

(MR. SPEAKER cont'd). . . gentlemen are referring to has not yet reported. I am sure that they can settle their differences in that committee but I do not think that they should try to do it as a debate during the question period. Questions will be allowed and they will be entertained. The Honourable Member for Morris.

ORAL QUESTION PERIOD Cont'd

MR. WARNER H. JORGENSEN (Morris): Mr. Speaker, I should like to direct my question to the House Leader and ask him in response to a question that was asked yesterday, if he's made a decision with respect to what the House will be doing on Monday.

MR. SPEAKER: The Honourable House Leader.

HON. SIDNEY GREEN, Q.C. (Minister of Mines, Resources and Environmental Management and House Leader) (Inkster): Well, Mr. Speaker, I believe that the rules as they now stand would require us to meet on Monday but there is an inclination on this side of the House to not sit Monday if that suits the convenience of honourable members on the other side of the House.

MR. SPEAKER: The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, I'd like to direct a question to the Minister of Urban Affairs. He undertook several days ago to provide the House with a copy of the form of the tax bills for the City of Winnipeg. Can he advise the House at this point on his progress?

MR. SPEAKER: The Honourable Minister of Urban Affairs.

MR. HANUSCHAK: Mr. Speaker, if it so happens that I should receive one prior to the people of the Province of Manitoba, I'll be happy to table it in the House if the need should still remain for the tabling of it.

MR. CRAIK: Mr. Speaker, I don't understand the Minister's reply. The question is whether or not he is presently undertaking to acquire from his department a copy of the tax form to provide it to members of the Legislature.

MR. HANUSCHAK: Yes, Mr. Speaker, I am in the process of undertaking same.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, my question is to the Honourable Minister of Education. Is the Minister planning any action to overcome difficulty or delays in renovating Daniel McIntyre School, or replacing King Edward School?

MR. SPEAKER: The Honourable Minister of Education.

MR. HANUSCHAK: Mr. Speaker, I am not aware of what difficulties or delays the Winnipeg School Division may be experiencing with respect to Daniel McIntyre School. I am aware of the fact that the school division is in the process of planning for replacement of it as well as some variations--I'm sorry not the replacement of it but the addition to it--and the replacement of, or providing some substitute space for General Wolfe and Sargent Park. Insofar as King Edward School is concerned, Mr. Speaker, I have a fairly distinct impression of having given approval for the rebuilding of it some time in the latter part of March of this year, approximately seven weeks ago.

MR. SPEAKER: The Honourable Member for Thompson.

MR. JOSEPH P. BOROWSKI (Thompson): Mr. Speaker, I have a question for the First Minister. I wonder if he could indicate what the government's policy is regarding hiring northerners for government departments, and particularly hiring people for hydro projects in the north. What preferential hiring policy does the government have?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, we have certainly tried to devise a policy that will in effect give right of first access to jobs in the northern region to those who are, you might say, indigenous to the northern region or who have been residing there for a period of years. What complicates the matter is that we have tried, we believe rightly, we have tried to avoid a quota system. Now we know that in other jurisdictions there's final resort to a quota system to attempt to insure that jobs are more readily available to those who have in the past lacked equal access to job opportunities but the quota system, Mr. Speaker, I say to my honourable friend is a two-edged sword, it has as many disadvantages as advantages to it to the people concerned, and accordingly we have so far refrained from its adoption. But we do have in summary a policy which makes it clear to those contracting to do work in the north

## ORAL QUESTION PERIOD

(MR. SCHREYER cont'd). . . . that the right of first access to jobs in all possible cases should be given to those resident in the region.

MR. BOROWSKI: Yes, Mr. Speaker. I have a further question regarding the same matter, with regard to the ten-year no strike agreement signed at Gillam. Could the Premier indicate what--has the government asked unions to waive the membership requirements prior to being hired as is specified in that ten-year agreement?

MR. SCHREYER: Mr. Speaker. I can answer only part of that. The other part I would really have to take as notice. But we have had a representative of the Crown in the employ of Northern Manpower Corps negotiating with the unions that are represented in northern construction in an effort to obtain an agreement from them that in the interests of social policy, and making it easier for job opportunities for people resident in the remote northern communities, that certain of the sort of union membership requirement rules be waived. But I am unable to confirm to my honourable friend whether this has met with complete success, or limited success, or no success.

MR. SPEAKER: The Honourable Member for Thompson.

MR. BOROWSKI: A question for the Minister of Health, Mr. Speaker. Could he indicate how many of the prisoners who assaulted guards last year had charges laid against them, assaults that took place at the provincial prisons?

MR. SPEAKER: The Honourable Minister of Health.

MR. TOUPIN: No, Mr. Speaker, I don't know. Maybe the Attorney-General would.

While I'm on my feet, Mr. Speaker, I would like to answer a question asked of me by the Member for - I always forget his constituency - Morris, and equally by the Member for Fort Rouge, in regards to how many people have escaped from the Manitoba Youth Centre. There has been six persons from the youth centre that have escaped. They have all been returned. They escaped through supposedly non-breakable glass windows. At the present time Public Works through my colleague the Minister of Public Works, architects and glass consultants, are checking every window of the youth centre to prevent this situation from reoccurring.

MR. SPEAKER: The Honourable Member for Rupertsland.

MR. JEAN ALLARD (Rupertsland): Mr. Speaker, I have a question for the First Minister. Could the First Minister confirm or deny that when it comes to northern employment the criteria for determining what a northerner is has been changed from five years' residence to six months' residence?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: I am not aware of that, Mr. Speaker, although I do not deny that it is possible. I will have to check that very quickly. I can only tell my honourable friend that the last information that I was aware of was that the criteria was to be related as much as possible, wherever possible, to the definitions under the Canada Immigration Act, and by that I mean only that the years in which it takes to obtain landed status and full citizen status eligibility, we adopted that as a criteria for purposes of definition of residency. It was thought to be as good a criteria as any. Now if it's been changed, I will have to check.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: I wish to pose a question to the Honourable Minister of Public Works. Can the Minister tell the House if any government construction projects are affected by the steamfitters' and the plumbers' strike?

MR. SPEAKER: The Honourable Minister of Public Works.

HON. RUSSELL DOERN (Minister of Public Works)(Elmwood): Mr. Speaker, I have checked with the two major projects across the street, the office building and the little wash-room, and my understanding is that in both cases they will not in fact be affected for at least a month or two. After that of course is another story.

Mr. Speaker, while I'm on my feet I wanted to answer a question asked by the Honourable Member for Riel yesterday, concerning provisions in the washroom structure for handicapped people. Just for clarification it would have required a lengthy ramp in order to accommodate people to a six foot drop since most of the structure is below grade. There would have to have been a ramp that extended some 40-plus feet before one came to the structure at a cost of some \$30,000.00. The present system as it exists is that the government discusses these matters with people from the various associations. On small projects there are not allowances made



## ORAL QUESTION PERIOD

(MR. DOERN cont'd) . . . for handicapped people; on larger projects there are, so an additional 33 percent cost for this provision is pretty high.

I might also point out, Mr. Speaker, that the Minister of Labour is considering new regulations concerning this general question, and that handicapped people could in fact use this building because there is a ramp on one side of the building for such purposes.

MR. SPEAKER: The Honourable Member for Arthur.

MR. J. DOUGLAS WATT (Arthur): Mr. Speaker, I direct a question to the Minister of Highways. I wonder if the Minister of Highways could tell the House if he has instructed his department to take favourable and immediate action on upgrading the road system throughout the Province of Manitoba as a result of the recent protests resulting from our discussions in the House, and as a result of the fact that it is immediately necessary that the roads be upgraded at this crucial time of the year.

MR. SPEAKER: Order please. Order please. The Honourable Minister of Highways.

HON. PETER BURTNIAK (Minister of Highways) (Dauphin): Mr. Speaker, I think that the Highways Department is aware of that any time that the road needs to be graded I think they have done a fairly good job, and will continue to do so.

MR. WATT: A supplementary question. I'd like to ask the Minister of Highways, is he still depending on the computer system to decide when roads need to be dragged and when they do not need to be?

MR. BURTNIAK: Mr. Speaker in all due respect to my predecessor, or any other predecessors, we have a policy in the Highways Department, and I would try to carry it out and, as I said before, that instruction had gone out to the district engineers that their own judgments ought to be used as well.

MR. SPEAKER: Orders of the Day. The Honourable Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, I'd like to address a question - I'm not sure now to whether it should go to the Minister of Agriculture or some other Minister. Maybe the proper Minister could answer. What allocation is made to the University of Manitoba for the purpose of construction of a pilot plant at the research station at Glenlea for the research of testing potential livestock waste as an energy source?

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet): Mr. Speaker, as I understand it the university has budgeted for that particular project for one or two, or perhaps three years now. It's part of their budget and we are involved only through the grants that we make to the University of Manitoba through my department and the University Grants Commission. I don't believe there is anything beyond that.

MR. FROESE: A supplementary. Is the Federal Government participating in this project?

MR. USKIW: I wouldn't be surprised, Mr. Speaker, but I am not certain. I could find out for my honourable friend if he wishes.

MR. SPEAKER: The Honourable Member for Thompson.

POINT OF ORDER

MR. BOROWSKI: Mr. Speaker, I rise on a point of privilege, I think it's a point of privilege, regarding an Order for Return which was handed to us, No. 4. It seems that there was a violation of a commitment given by the government when they accepted the Order. The commitment was: answers given above are in accordance with the conditions stated by the Honourable Mr. Green when accepting this Order i.e., they are subject to us supplying that information which is within government competence, information of which we are aware. Mr. Speaker, I believe they did not carry through with that commitment No. 7, that the number of abortions paid for by Medicare performed in the United States, Mr. Speaker. Clearly the government or Medicare knows how many there was because they have to send cheques to the United States. The commitment was that they would give us such information yet they have refused on No. 7, and they have refused on another number. Mr. Speaker, had the government at that time stated that they would refuse we could have transferred it for debate, at which time I could have debated it. I took the government's word that this information, that is available to them, would be given to the House. It is not given in this Order for Return, Mr. Speaker, and I ask you to rule on what action I can take to get the government

## POINT OF ORDER

(MR. BOROWSKI cont'd). . . . to give the information which they had agreed to give.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, on the point of order. I think that the honourable member can do whatever he likes as a result of the answers that he is given. That doesn't constitute a matter of privilege to the House. He says that it could have been debated. The result of a debate would be the passing of the Order; the passing of the Order would result in the information which he now has which is no change. He may use whatever arguments he wishes to make concerning the information which has been given but I don't think that he can do anything but say he's received an unsatisfactory answer to himself unless the Minister can indicate that further information is available. But that's not a matter of privilege.

MR. SPEAKER: The Honourable Minister of Health.

MR. TOUPIN: Mr. Speaker, when the Return was tabled just a few minutes ago the answer to No. 7 indicated that there was no readily available record pertaining to the abortions performed in the United States of America. I'll pursue the point and see if the information can be gotten, and if it can be gotten within a reasonable amount of time, this will be done.

MR. SPEAKER: I can appreciate the contribution by all the honourable members but I believe the point raised by the House Leader is valid, the question may or may not receive an answer. The answer may or may not be satisfactory, but it is not a point of order. The Honourable Member for Thompson.

MR. BOROWSKI: Mr. Speaker, I rise on a point of privilege or order, I'm not sure. I am not going to debate with the government but I understood the rules in this House when the government, any government accepts an Order for Return that they must comply, it becomes almost like law, and once they have accepted it surely we on this side have a right to expect that that information will be available. If they do not want to give it they of course are not under any compulsion. The rules are that they can say we refuse and then it's carried over into debate and at that time it's debated, and we don't get the information. But it has been accepted in good faith. I certainly accepted the government's word, which I believe that I have every reason to trust them, and now we get the Order for Return, it's not there, and this is the first time that I suggest is going to set a very dangerous precedent and we should clear this matter up at this time whether government is going to be allowed to do this or not.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, the Honourable the Member for Thompson has in my opinion a valid point with respect to No. 8. With respect to No. 7 it is somewhat more problematic. Certainly with respect to No. 8 the Minister of Health has already indicated that he will pursue it further to ascertain the extent to which precision figures can be obtained. And certainly my honourable friend the Member for Thompson is aware that there is one caveat, and I agree there is only one caveat, and that is that it is normal if the obtaining of any body of information requires such undue amount of records being amassed, or marshalled together, and great expense, then that is one plea that the government can make in explaining why a particular question may not readily be answered. But I am not attempting to indicate that that is an excuse, No. 8 should be pursued to obtain further elaboration and precision.

Insofar as No. 7 is concerned - I'm sorry, both Nos. 7 and 8 are similar in nature - it demands some follow-up by the Minister in an effort to get more elaboration.

MR. SPEAKER: That assurance has been granted by the Minister. Unfortunately the Chair does not have the question or the answer before it, so therefore I was just going on the basic premise of what our rules indicate and that is that an answer will be given whether it's satisfactory or not. The Honourable Member for Fort Garry.

MR. BOROWSKI: Mr. Speaker, I rise on a further point of order. I accept the Premier's commitment but that is not really important. It's not just me. We will undoubtedly now get the information because the Premier has made a commitment which I believe he will carry out. But the larger question remains: can a government say we will accept, subject to supplying the information which is within the government competence, and then turn around and at some future date say, "oh I'm sorry we're not going to give it to you," and I think that really is the important question, not whether I get the information. That is the question and I would ask the Speaker to either take it under advisement and to rule that once the government has accepted an Order for Return that they must by the rules of this House comply with it.

## POINT OF ORDER

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, if I may pursue that as a point of order. The caveat which was registered by the Honourable the House Leader at the time of accepting the Order is at all times a valid one, and as one example of the limitations that are faced from time to time in providing answers. An example of that is contained in the set of guidelines that was distributed in the House of Commons about two months ago by the Honourable House Leader there, the Honourable Allan MacEachen, one of which was that if in the providing of information pursuant to questions or Order for Return there was information that was very voluminous in nature and expensive to accumulate, that the government would attempt to seek consensus or agreement not to go through that exercise. Now I believe that my honourable friend the Member for Thompson has raised a general point of order, and I'm trying to respond to it. But we are not invoking that reason, Mr. Speaker, in this particular case. We will make another effort at it.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L.R.(Bud) SHERMAN (Fort Garry): Thank you, Mr. Speaker. My question is to the Minister of Mines, Resources and Environmental Management. I wonder if the Minister can advise whether his department has granted permission for the construction of a new automobile speedway off Highway 75, south of St. Norbert?

MR. SPEAKER: The Honourable Minister.

MR. GREEN: Mr. Speaker, I'm not sure whether application has to be made to our department but I'll take the question as notice.

MR. SPEAKER: Orders of--the Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I'd like to direct a question to the Minister of Agriculture. Does his Department confirm or agree with the statement made by Dr. MacEachen that farmers of this province are facing a 90 percent increase in farm production costs by 1980 as a result of rising oil and gas prices?

MR. SPEAKER: Order please. I do not believe it's relevant to our procedures whether the Minister agrees or disagrees with a statement from the outside. The Honourable Member for Rhineland.

MR. FROESE: I would then ask him whether this information originated from his department.

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: Mr. Speaker, Dr. MacEachen is a member of the National Research Council and therefore he expresses opinions and gives advice on things of that nature. We contribute to his research by way of a grant from the Province of Manitoba annually, as do all other provinces.

MR. SPEAKER: Orders of the Day. The Honourable House Leader.

ORDERS OF THE DAY - GOVERNMENT BILLS - BILL NO. 39

MR. GREEN: Mr. Speaker, I wonder - the Member for Arthur --(Interjection)-- Yes, I'd like to call Bill No. 39. I understand he suggested it be called whether he is here or not, or at least that is the information given to me by the Minister of Agriculture.

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSON: If I may, Mr. Speaker. The Member for Arthur had a commitment that he found unavoidable, found it unavoidable to leave the House but he did suggest that the comments that were expressed by the Member for Rock Lake covered pretty much the points that he intended to cover, and if it is agreeable to the House then we are prepared to allow the bill to --(Interjection)-- No. The member is in the House, he can speak for himself now. But we were prepared to let it go.

MR. SPEAKER: Bill 39. The Honourable Member for Arthur.

MR. WATT: Well, Mr. Speaker, I should have just stayed out and let the Member for Morris say we would let it go because that's my intention actually. I really stood the bill until I had a further look at it, and I see nothing in this bill actually that we have to argue over. It would appear to me that retroactive aspect of the bill should be acceptable now. I'm not too sure just what this means actually, how - it's retroactive, but to what date? In taking a look at it in Section 1, subsection of Section 2 of the Act (b)(1) and (b)(2), would indicate that the program and the cost of the programs would be retroactive as of July 20th and I wonder if the

## BILL NO 39 - BILL-NO. 5

(MR. WATT cont'd). . . . Minister probably will give us some answer now, or probably in Law Amendments Committee we could discuss that more fully. As far as the rest of the bill, Mr. Speaker, I'm prepared to let the bill go to Law Amendments.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I beg to move, seconded by the Honourable Member for Assiniboia, that debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, would you call Bill No. 5 and Bill No. 6, and all the names standing in the name of the Honourable Member for Sturgeon Creek.

MR. SPEAKER: Bill No. 5. The Honourable Member for Sturgeon Creek.

MR. J. FRANK JOHNSTON (Sturgeon Creek): Thank you, Mr. Speaker. Well it's not going to take all that long, Mr. Speaker. I might . . . . say that with all the legal experience I've been getting this session - I have had the opportunity to read Bill No. 5, and I must say that with all the things that I have learned I still find it a very technical and complex piece of legislation, and with the people that I have had conferences with over this bill also find that it's a very complex piece of legislation, as the Attorney-General has mentioned. It's very right that the Attorney-General has offered to have people come forward and explain this bill and I think that all of the examination that this bill has had from Bar Association, from the Canadian Bar Association, and from the many people that the Attorney-General mentioned yesterday, is an accreditable thing that the government has done receiving all this information.

I must say that I understand the bill was in draft when the Attorney-General took office. It's something that our party was very much in favour of. It's very easy to see that this type of legislation, putting it together, with the total effect that it will have on the people of Manitoba, will take a lot of time, and it's a desirable piece of legislation. It is very generally good legislation, I am told, that will handle the problems in Manitoba. It will fit in with other parts of Canada.

But, Mr. Speaker, there is one thing that our party would hope the Attorney-General will do with this legislation: we would hope that he would not be as stubborn and as dogmatic as the Minister of Labour was with the Labour bill last year; we would hope that he would not be as stubborn as the Minister of Urban Affairs at the time Bill 36 went through; we'd also hope that he would make sure that this legislation is not passed in the same way that the Farm Machinery Act was passed, which has created troubles ever since. This piece of legislation, Mr. Speaker, affects everybody, nearly everybody in business in this province that either loans, gives credit or sells things on time payments. It is a complete different concept that will have an effect on most of the people of Manitoba. And I would certainly say that the only people who are really aware of the context of this bill at the present time are the many people and I congratulate the Attorney-General again - the many people who have worked on this bill in getting it into the House.

This bill, Mr. Speaker, we will pass it in second reading but it is not a bill that can go into Law Amendments three or four days from now; it is a bill which should be advertised, or in some way inform the business community that it is there. I think the legal people of different companies should have the opportunity of scrutinizing this bill, the people who do business in Manitoba, and I certainly believe that it should go to a Committee of the Legislature for hearings on this bill. We are not saying hoist it; we are not saying it shouldn't go through because it's good legislation, but as the Attorney-General said it's going to take until next March to even get the computers ready, as I understand it, and I believe the Attorney-General mentioned that it's taken up to five years for this bill in Ontario, a similar type of legislation, to come into effect, and it's still taking a little bit of time.

So, Mr. Speaker, we believe this bill should go to second reading but we also believe that this bill should be presented to the people of Manitoba in such a way that they will--anybody that it will possibly affect will have time to read it over, go to their legal people if necessary, and I assure any business that is in the loaning business or selling cars or anything of that nature, will have to go to legal people to understand it, and they should have the opportunity within the next six months, four weeks or two months from now, to come before a committee of this Legislature and discuss any problems they may see in it, or what effect it might have on them. Certainly as I said it's a general bill but you know every province has different ways

## BILL NO. 5

(MR. JOHNSTON cont'd). . . . of doing business and there may be some things in it that might not, that might affect business people in Manitoba differently from business people elsewhere.

So, Mr. Speaker, again, Bill No. 5 is a welcome sight to this province but it has taken over four years now to get it on the desks of this Legislature; I can see no sense in rushing it through at the present time.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I rise to support Bill No. 5 to the Personal Properties Security Act. I do not profess to be an expert on consumer affairs, and for the last three sessions at least I've chastised the Minister of Consumer Affairs for not bringing in legislation to register conditional sales and now we get a bill of 40-some pages so I realize now that it wasn't something that could have been just introduced in a matter of a couple of days or on the spur of the moment, because it is a large bill with many clauses in it and does certainly require study. But I do favour the principles that are involved in this legislation.

A registry system to enable consumers to find out if goods carry any hidden encumbrances to me this is good legislation. Mr. Speaker, for, I believe, too long now there's been many people that made purchases, made purchases in say private transactions, car transactions, when they pay two or three thousand dollars for an automobile they find out later that there was 1,200 or 1,500 dollars encumbrance against that article that they've purchased. Not only cars but some other purchases they've been making as well. So I know I've had people come to see me where I've then directed to them to a solicitor because it was a serious matter. So to me a bill that will enable consumers to find out if there are encumbrances registered against articles that they're purchasing, certainly is good intended legislation. The bill would require creditors to register corporate securities, conditional sales agreements and assignments accounts which would give us an indication that it covers real wide field, and I think it also is important to the creditors too who can register their interests as priority of claims, and the ones that register their interest first, the way I understand the bill, will be able to claim similar to, I understand, the mortgage system where the first mortgage registry would have priority over a second mortgage registration and I see nothing wrong with that. So I see the people that would register their interests first would have first claim of repayment.

But the most important principle in the bill is the central registry to enable third parties seeking interest in any property an opportunity to find out if there are any outstanding encumbrances on the property and this may take some time to set up this type of machinery. I did not realize last year or the year before when I spoke on the consumers' affairs in this House, and I took the occasion at that time the Minister to task for not proceeding with this type of legislation where we would have a central registry as far as conditional sales were concerned. And perhaps now it's pointed out to me that it takes a considerable amount of legislation to perhaps implement this type of a system. I'm again not an expert on this legislation, it's a large bill and I would agree with the member that spoke before me that it would require people who it will affect and perhaps we can have some people that drafted the legislation to answer many questions who will appear at public or Law Amendments Committee.

So, Mr. Speaker, I am happy to see that the bill is before us and I'm very happy to let it go to Law Amendments Committee; while there may be some points in the bill that I may not agree, but on the general the central registry of conditional sales and agreements and assignments of accounts, to me this is good legislation and perhaps overdue.

MR. SPEAKER: The Honourable Member for Birtle-Russell.

MR. HARRY E. GRAHAM (Birtle-Russell): Thank you, Mr. Speaker. Mr. Speaker, I'll quite frankly admit that I haven't studied the bill but listening to the two previous speakers raises a few questions which I want to pose to the Attorney-General, and I may be quite a bit off base on this and I ask for his guidance.

Dealing with the question of encumbrances placed on personal property by the Crown, and the condition that exists at the present time I believe is one where the registration of encumbrances by the Crown through the Land Titles Office is a very very slow process, and I wonder if this bill applies to the Crown as well as anyone else. I'm bringing to mind a particular case which deals with a citizen of the province who may be on welfare, and the costs of welfare are, according to our legislation, are assessed against the title to the property of that person, and if that property should be sold that encumbrance is not registered at the Land Titles Office

BILL NO. 5

(MR. GRAHAM cont'd). . . . and in fact it may be considerable months, even years, before the Crown does get up to date with the Land Titles Office and the correct amount of money that is duly registered as a debt against that property really comes to the light of the person that is involved in the purchase. And I'm asking the Attorney-General if that problem would be corrected by this type of legislation?

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I beg to move, seconded by the Honourable the Member for Thompson, that debate be adjourned.

MOTION presented and carried.

MR. GREEN: Mr. Speaker, I want the Honourable Member for Rhineland to be aware that I'm calling this bill again tonight. It's been on the Order Paper for I believe five or six weeks. He should have the time to get his notes by tonight.

Bill No. 6.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: I thought, Mr. Speaker, on the point of order, I thought we had been given notice that we would be dealing with concurrences tonight.

MR. GREEN: We will be dealing with concurrences tonight but I'm calling this bill tonight as well.

BILLS NO. 6, 7, 8 and 9

MR. SPEAKER: The Honourable Member for Sturgeon Creek. Bill No. 6.

MR. F. JOHNSTON: Mr. Speaker, I could probably shorten the time of the House considerably if it was allowed but I - probably each one will have to be called separately if comments are to be made. But Bill No. 6, The Sale of Goods Act, 7, 8 and 9, all pertain directly as the Attorney-General said to the Bill No. 5, and they all are subject to the passage of The Personal Properties Act, Bill No. 5, and we have no objection to those going to second reading if Bill No. 5 is passed and when it becomes legislation, this is housekeeping basically for these bills which will have to take place. So we would have no objection to - if we can do it this way - to 6, 7, 8 and 9 going to second reading.

MR. SPEAKER: Just a minute.

QUESTION put on Bill No. 6 and carried.

QUESTION put on Bill No. 7 and carried.

QUESTION put on Bill No. 8 and carried.

QUESTION put on Bill No. 9 and carried.

MR. SPEAKER: The Honourable House Leader with me to go down the Order Paper?

MR. GREEN: Bill No. 11, Mr. Speaker.

BILL NO. 11

MR. SPEAKER: Proposed motion of the Honourable Minister of Finance. The Honourable Member for Birtle-Russell.

MR. GRAHAM: Mr. Speaker, can I ask the indulgence of the House to have this matter stand?

MR. SPEAKER: (Agreed) The Honourable House Leader.

MR. GREEN: Mr. Speaker, I wonder if one of the members of the Conservative caucus would get the Honourable Member for Gladstone. I won't call his bill now but I wish to be calling it. Bill No. 26.

BILL NO. 26

MR. SPEAKER: Proposed motion of the Attorney-General. The Honourable Member for Sturgeon Creek. Bill No. 26.

MR. F. JOHNSTON: Thank you, Mr. Speaker. And I would like to thank the Honourable Attorney-General for his co-operation that he gave me by giving me his explanatory notes that he had - copies of them. As you know, Sir, the Hansards are a couple of days behind and I was able to go over his notes, and also the bill has been gone over.

The explanations that were given in the House regarding the Real Estate Brokers Act are - well I don't want to make it sound like the Attorney-General wasn't being accurate, but they are accurate, and the bill I believe could have some comments from the real estate brokers

## BILL 26

(MR. F. JOHNSTON cont'd) . . . . when it gets into Law Amendments. I would imagine in the bill that it's not really comments about what's in the bill, there may be some things that on one or two occasions that maybe some additions to the bill might be brought to the attention of the Attorney-General, but I understand that this will be done in Law Amendments by real estate brokers or maybe the Real Estate Board of Manitoba. Mr. Speaker, this bill we have no objection going to second reading.

QUESTION put on Bill No. 26 and carried.

MR. GREEN: Thirty-five.

MR. SPEAKER: Bill No. 35. The Honourable Member for Sturgeon Creek.

BILL NO. 35

MR. F. JOHNSTON: Mr. Speaker, could I have the indulgence of the House to have this matter stand? (Agreed)

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Bill No. 22, Mr. Speaker.

BILL NO. 22

MR. SPEAKER: On the proposed motion of the Honourable Minister of Finance. The Honourable Member for Sturgeon -- ah Gladstone.

MR. JAMES R. FERGUSON (Gladstone): Mr. Speaker, I adjourned this for my Leader.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I'd like to if I may deal with this bill and with the, generally speaking, the capital borrowing of the NDP over the - its administration, because I think this bill has to be discussed in relation to the total borrowing of the Provincial Government over the past period of time. And one has to make some assessment on that borrowing.

Mr. Speaker, the New Democratic Party through 1969 to now have borrowed over a billion dollars. This would represent about \$2,500 for every Manitoba family. And, Mr. Speaker, some of the borrowing is self-liquidating in the sense that it will be paid out of user fees by consumers, who will in fact be paying for the services to be provided for by the government as a result of the capital expansions of telephones and hydro. It must be understood, Mr. Speaker, that it still will be the taxpayer who will be paying but nevertheless it's considered to be self-liquidating. A great deal of the money, Mr. Speaker, that has been borrowed of the billion dollars is not self-liquidating but in effect will have to be paid, both principal and interest, by the taxpayers spread out over a period of years. It may seem, Mr. Speaker, that this is not unusual in the sense that governments have done this before but the amount of money, the billion dollars, I think represents a very significant figure and has to be understood in the context of the rising cost of government generally.

The other important feature, Mr. Speaker, is that the borrowing for general purposes from 1970 on has been fairly significant and I refer to it as General Purposes without getting into the detail of some of the other amounts that I think also have to be identified and examined. In 1970 we borrowed \$30 million for general purposes; in 1971 we borrowed 21 million; in 1972 we borrowed 45; and this year we are borrowing 24. So, Mr. Speaker, we are going to be borrowing \$120 million, \$125 million for general purposes, much of which should have been contained as normal expenses and operating expenses of government. The government for reasons best known to itself has seen fit to capitalize part of this and essentially has put the Legislature in the impossible position of being adequately able to discern and determine how, or in what way, the government has spent these amounts other than in sort of the general umbrella of the amounts and items that are included, and they're included in not too much detail, not in the same kind of detail as the Estimates.

Mr. Speaker, in addition to this we have seen the transfer from one pocket to the other by the government of part of its costs of administration. At one point the PEP programs were included as part of general expense of the government, and were in the budget as part of the Estimates, and part of the revenues had to be in fact raised to pay off those Estimates. In another year the PEP programs were put in then capitalized, and we have borrowed money on that. And while the procedures can--well these procedures that have precedent, the fact of the matter is, Mr. Speaker, that the government itself has not determined fully, realistically, where these programs lie. If in fact the PEP programs are considered to be temporary, and

## BILL 22

(MR. SPIVAK cont'd) . . . . necessary for the unemployment situation that exists today, then they could have been determined as sort of a special kind of situation. But the fact is, Mr. Speaker, that the PEP programs have become part of a way of life in Manitoba, and my suspicion is that they will exist for some time unless there is a very dramatic change in the permanent employment creation in this province; and the fact is that the NDP's own guidelines now indicate that there should be a guaranteed employment system which would mean the greater and greater involvement by the government in the job creation, which means that the kind of borrowing that's been handled for PEP programs will have to be handled in the future, and the amounts that we're talking about are probably minimal compared to the kind of amounts that will have to be borrowed in time.

And, Mr. Speaker, I don't think that one can discuss the question of government spending, the total tax load and liability of the people unless one takes into consideration the borrowing. And just like any young couple who start off in life and have to basically set their priorities and do certain things, recognizing that they have credit that can be extended to them but they'll have to pay it off over a period of time and therefore cannot do everything at one time, just as they are in that position so is government. Because the million people in Manitoba at one time or another are going to have to pay back the moneys that have been borrowed for the variety of programs, and in effect the question that must be asked is whether we have really on the credit of the people burdened them with liabilities for the future that will be excessive in nature, that will cause increased taxation and a heavier tax load. And the government's fiscal position has to be evaluated on the basis of the borrowing that has been undertaken, and on the total program.

Mr. Speaker, we face a situation in Manitoba where there's been an attempt to correct the unemployment situation by the use of the government programming, part of which has come from borrowing. This has caused certain good results, and we see them in some of the statistical data that comes forward. It has not solved the job of permanent formation in this province, and it has had the other very serious effect, it has assisted the creation and the development of inflation in this province, and as a matter of fact the government action to a large extent has been responsible for the increased cost of living in this province, and in fact is another burden that the consumers and taxpayers are paying.

Mr. Speaker, it is generally accepted that government when it purchases goods and services pays higher than the private sector. That's a general principle. Mr. Speaker, it is accepted that if the government in the economy, and particularly in a latter state of inflation, and we are in that stage now, begins to borrow or begins to carry on activities in advance of the private sector, that it will have the effect of raising prices for the private sector who in turn then must pass those prices on to the consumer, who in turn, Mr. Speaker, must therefore pay more for his goods, who in turn therefore needs higher wages, who in turn as a result of the higher wages has his income raised and then is in a higher income tax bracket, which results in the government receiving more tax dollars as a result of that activity.

And this is the cycle that we are in now, Mr. Speaker, in Manitoba. The government is involved in the economy of this province to a greater degree in Manitoba than in any other areas. It's involved at a time when there is a serious question of the degree of inflation, and its very actions which have a certain result for some of the statistical data for unemployment are in effect, Mr. Speaker, having a direct result on the cost of living to the people of this province. And their actions, Mr. Speaker, and their action themselves, Mr. Speaker, are in fact contributing to inflation.

Now, Mr. Speaker, then the question that has to be asked realistically, is there something that can be done by governments to try and break the cycle? And, Mr. Speaker, we suggest that there is. And that is to cut government spending in those areas in which there is no cost benefit relationship. And, Mr. Speaker, that could be done but in order to do that the government would have to apply itself very strictly to the kind of action that would examine programs, be prepared to eliminate programs, be prepared - and they are not - to reduce taxation in this province substantially, reduce it in a very direct manner.

Now, Mr. Speaker, what happens in the cycle that I have indicated is that because the government becomes the profiteer of inflation when it in effect is ahead of the private sector in the economy in an advanced stage of inflation, because it becomes the profiteer of the inflation it then takes the position of the individual because it gains so much additional revenue by taxation and thus makes the decisions for individuals, and thus the government by its taxation



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(MR. SPIVAK cont'd) . . . . policies, and by the cycle that I have indicated, have been in fact been in a position to give back to the people some of the taxes that it's already taken. But the reality is in this situation, Mr. Speaker, it is better for the individual who earns the money to be able to keep it, to be able to make the decisions himself, and whose decisions, Mr. Speaker, will result either in savings or in consumer demand, and that consumer demand will be in the private sector by the individual, which will have the effect of advancing the economy. When tax rates are as high as they are, Mr. Speaker, the private sector will look for other areas and the result is the kind of formation of permanent jobs will not occur.

Now, Mr. Speaker, these are not just statements made without any basis in fact. The government continually keeps talking about gross provincial product output; it talks about capital and repair expenditures and says we're up this amount or we're up that amount, but it does not, Mr. Speaker, distinguish between what the public sector is doing, which government is doing, by its borrowing and by its own programming, and what the private sector is. So there are certain interesting statistics, Mr. Speaker.

In 1968 the manufacturing sector in Manitoba grew by 21.2 percent; in 1969 it grew by 6.7 percent; in 1970 it grew by 21.3 percent, and in 1971 it lost by 39.7 percent; and the figures for 1972 would indicate a loss of over 2 percent. The reality is that insofar as manufacturing is concerned in terms of its investment in this province it is down during the NDP years, and the job formation therefore, Mr. Speaker, is down as well. And that has been substituted by government activity in hydro, and in housing, in the multiplicity of make-work programs that have been carried out, whose social usefulness and desirability can in fact be questioned. The government who should have been more concerned that the trickle-down theory as far as the concept of--the trickle-down theory to the individual as far as an economic concept, who should have been more concerned that that theory would not work have in effect attempted through their own make-work programs to be able to apply that. And they have hoped that their activity will have that affect of trickling down so that everyone will in fact receive a benefit. Well to the extent, Mr. Speaker, that it was able to reach some of the people at the lower level, it is given in this situation of a dependency on the state and a job formation, which in effect realistically accomplishes very little.

We have used the example that the Honourable Member for Roblin has of the individual who is employed by the government through a PEP program with an axe cutting willows. And, Mr. Speaker, he's being paid this year, and what his prospects are for next year is that he will have the same axe and he's going to cut down the same willows, that in effect, Mr. Speaker, he will not appear on the unemployment rolls as a person unemployed, but the reality is that he is dependent on the state, he's trapped in poverty, because he's only receiving the minimum wage, and that's what his future will be in this province. And it will continue to be that, Mr. Speaker.

Or we'll take the other example of the school principal in Roblin who told me that he has five people working under the school under a PEP program, who are taking nails out of old boards, you know, and they've been doing that in the cross face of the school for the last few months. Now Mr. Speaker, there may be some on the other side who think that's a very socially useful and desirable result. The fact is he is being employed, but the fact is his prospects in the future, or those people's prospects in the future are exactly the same. Now the government has an obligation to stimulate the economy in those periods in which the cycle, or we are in a low period, Mr. Speaker, in those periods in which we have a low period and there is public investment and the public presence required to be able to stimulate the economy.

But, Mr. Speaker, the problem with the NDP at this period of time is that what we have now is a program that ultimately is a program to be continued if they remain in government, because, Mr. Speaker, this program was only as a temporary program, and by its very actions now, and by the guidelines proposals, I suggest will become permanent. And if they become permanent, Mr. Speaker, the \$270 million asked this year in borrowing will be accelerated and we are going to be asked to borrow, and borrow more money in the years to come to be able to continue these programs, and in the course of attempting to do that, Mr. Speaker, we are going to be mortgaging, literally mortgaging our future and we are going to be asking the next generation to pay for the obligations assumed at this period of time because we have been bad managers.

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(MR. SPIVAK cont'd)

Now, Mr. Speaker, I want to if I may deal with the question of the Manitoba Development Corporation because money is asked at this time in some \$40 million by way of borrowing. The Manitoba Development Corporation has borrowed in the period of time the present government has been in power - excuse me so that I'll have the figures accurately, Mr. Speaker, - approximately \$225 million. --(Interjection)-- No, but I am now talking from the period of time the present government took over in terms of their budgets - \$225 million, Mr. Speaker, or thereabouts, very close to that. Now one then has to say, you know, has it accomplished a result? Well up to March 31, 1969 the Manitoba Development Corporation had extended 272 loans for a total amount of \$170 million. That loan activity resulted in the direct creation of 6,174 jobs. In the next three years, the NDP years, a further 178 loans took place with \$112 million, and the additional money produced 2,850 more jobs. So therefore the Manitoba Development Corporation's performance with respect to job formation, and I am now dealing with it strictly as a loan agency, has deteriorated. Now we're all aware that the government has gone into business, or saw fit to go into business - in the past two years the Manitoba Development Corporation lost \$24 million, which is \$1 million a month. And every company in which the Manitoba Development Corporation has equity funding lost money last year, and I don't have to go over the list, we've dealt with the list, and we're going to be dealing with that in the Standing Committee again. The question, Mr. Speaker, is although the Corporation has expanded its activities into the venture capital field, it really has not expanded its standard of accountability accordingly. The question, Mr. Speaker, has always been, is that the Manitoba Development Corporation was supposed to encourage regionalization of economic activity, and if it's necessary I can repeat but all I have to do is look to the Honourable Member from Morris, to ask the members opposite how they can feel that the Manitoba Development Corporation is encouraging regionalization of economic activity by reciting the questions that have been asked, and the comments that have been made, about Flyer Coach Industries.

You know, Mr. Speaker, it's all good and well for the Chairman of the Manitoba Development Corporation to come before the committee and say that next year or the year after we're going to increase the employment. The fact of the matter is, Mr. Speaker, in the presentation to the Legislative Committee he indicated that there would be a 50 percent reduction in employment in Morris as a result of the expansion of the plant in the City of Winnipeg in Transcona.

Mr. Speaker, we have said before, and we repeat, in our opinion there should be a winding down and a winding up of the Manitoba Development Corporation. We believe that the funding or the loaning by government can in fact be altered in a way that will accomplish better results. We believe, Mr. Speaker, that the Regional Development Corporation should be given the funds to be able to make the determination by themselves of those categories of commercial and industrial activity, and tourist activity, which should be encouraged and should be funded, with proper checks and balances to protect the public interest, and with respect to the nature of the investment. We believe, Mr. Speaker, we believe as well, Mr. Speaker, that this province can develop successfully a Manitoba Growth Fund which in fact-- (Interjection)-- I'm sorry. Well you know I'm sort of prepared and ready to deal with the honourable members opposite on this. I suggest, Mr. Speaker, when I talk about a Manitoba Growth Fund, I'm not talking about Columbia Forest. What I'm essentially talking about is the ability to be able to harness the energy, the enthusiasm, the managerial skill of the private sector, who in fact would enter this venture and who would be, Mr. Speaker, responsible, and would be involved in it for a profit with no control, with no strings attached from government. --(Interjection)-- No, Mr. Speaker, I've indicated that there would be seed money that would be given to it, and aside from that seed money it would have to be matched by the private sector. Once it is matched by the private sector it would be the private sector's responsibility to raise additional money; it would be my hope that many of the people of Manitoba voluntarily would contribute to the Manitoba Growth Fund and not be forced to contribute as it is in the Manitoba Development Corporation now. And they would contribute for the purpose of earning profit. Something that the honourable members opposite know nothing about. Because, Mr. Speaker, the very important difference between the members opposite and ourselves is that they think that the government function is simply to dip in their pocket and continue to take out money to carry on program after program after program. --(Interjection)--

(MR. SPIVAK cont'd) . . . . Well, Mr. Speaker, what we are attempting to do essentially is to take the Manitoba Growth Fund into the equivalent of the Mutual Fund in which the people will profit, but which allow the private and voluntary sector to be able to use its entrepreneurial spirit and ability to be able to develop this province. Because it's pretty obvious, Mr. Speaker, in the equity ventures that have been undertaken now by the present government that they are motivated by political considerations in certain actions that they've undertaken, and no one can deny that. You know, no one can deny that. Mr. Speaker, I make certain predictions to you that with respect to the companies, and I'll let the record stand on this now, you know, regardless of who's going to win the election, the next government is going to be faced with the impossible situation of dealing with people in different areas in which the government has now commercial activity which they know at the present time is not viable, which they know will have to be altered, which they know as well will have to be withdrawn from the communities, but they are not at this point going to make those political decisions that have to be made, Mr. Speaker, to be in a position to --(Interjection)--No, I know it's to be true. Mr. Speaker, they're not going to make--(Interjection)--I'll answer the questions later at the end. Mr. Speaker, they are going to have to make those decisions; they are going to have to make those decisions after the elections because they do not want to cause embarrassment to themselves and to some of their sitting candidates, who at this point are sitting ducks.

Mr. Speaker, the winding down of the MDC, the creation of the Regional Development Corporation and give the funding to them of moneys to be able to allow them to continue and to be able to carry out part of the function, the ability to work out with the Industrial Development Bank a form of guarantee for those commercial ventures which go beyond their limits, or go beyond the instructions now given by the Federal Government, the ability, well Mr. Speaker, to development of the Manitoba Growth Fund, are all part and parcel of the kinds of programs that we believe should be undertaken in the economic field. We believe as well, Mr. Speaker, and we recognize, that there will in fact be occasions in which there will be major loans to be made by the government to corporations, there may very well be major ventures to be undertaken, either by way of a joint venture by the government, and even in some situations there may be actions that the government may have to take with respect to the private sector. And, Mr. Speaker, we are quite prepared, and recognize, that if those obligations occur on the part of government, that the way in which they should be discharged in carrying out the responsibility is by way of a private act right in the Legislature with an open discussion, with full information, with full accountability before a committee of the Legislature on an annual basis. So that there will be no question, Mr. Speaker, that the amounts to be loaned, the amounts to be spent, the amounts to be dealt with, will be dealt with in the House in a way in which there will be both an openness and accountability, and there will be an ability on the part of the people in the Legislature representing the public, to be in a position to make the value judgments based on accurate information.

And, Mr. Speaker, there are lessons in the past that we on this side have learned, and I think there are lessons in the past that the honourable members opposite have learned. And I would hope for some support for this position. I expect not on the part of the government because there would have to be admission that there is some error on their part, and they're not about to do that. But I believe, Mr. Speaker, that this is the correct manner.

So, Mr. Speaker, we deal with an amount of \$273 million, we deal with \$24 million for general purposes, and I'm not aware that those general purposes have been explained in any detail in committee, and I'm not aware that they'll be explained at this point to us.

Mr. Speaker, I don't know, and I don't know whether the First Minister, or the Minister of Finance, is in a position to stand up and say. I'd like to know what moneys, if any were, or what items, if any, were transferred to the capital account in this past year, in this past fiscal year. Mr. Speaker, I'd like to know how many projects undertaken and moneys spent for departmental activity, which were normally to be considered part of the general expense of government, were in fact capitalized as a result of a transfer by Management Committee, or by the Premier's Minister of Finance, to the capital account to go against the borrowing of this province. Because, Mr. Speaker, if we knew that we then could determine exactly how, and in what way, the so-called surplus that we have which has been used to reduce the medicare plans came about. Mr. Speaker, it either came about as a result of over-taxation, or it came about as a result of moneys that were budgeted for expense by the government being

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(MR. SPIVAK cont'd) . . . . transferred to the capital borrowing to allow that surplus to develop for this year. And it would have a great deal, Mr. Speaker, on our understanding what the implications will be for the people of Manitoba in the years to come, and the ability they're going to have to be able to discharge those obligations that have now been assumed.

But, Mr. Speaker, we're not in a position to do this. We have no information, and there's not going to be any information furnished to us, and we'll have to wait until the next election, until the next government to be able to determine it. But, Mr. Speaker, I would make a guess--it may be considered an uneducated guess at this time--that the government could not stand an audit at this particular time of the amount of moneys that have in fact been transferred from operating expenses to capital in this past fiscal year, and have been applied to the borrowing authority for general purposes which legitimately were budgeted the year before as part and parcel of operating expenses, and were transferred over only to be able to build up the surplus and to be in a position to be able to give back to the people part of the money that has been taken, and in the course of doing this be in a position to try and show that the government itself in some mysterious way has managed the economy in a proper manner.

You cannot judge the New Democratic Party years simply on the basis of their budget, which would include only the administrative expenses. The NDP have to be judged on the basis of their borrowing, the manner in which the borrowing has taken place, and on the basis of the amounts that have been used for general purposes and the breakdown of expenses that have now been capitalized, because, Mr. Speaker, the people of Manitoba are going to have to pay for it. Only a small portion of this is essentially self-liquidating. Most of the borrowing of the billion dollars will come from the million people in Manitoba, who as a result of their taxes must pay the interest and must pay the principal.

And so all I say or suggest to you, Mr. Speaker, is that the people of Manitoba have a heavy burden that they have assumed in the last four years. That burden will be paid not just in the next few years, it will be paid over a period of time. It is one which will reflect in time the question of the management of the government. It is not something that we on this side are in any position able to deal with because the facts are within the possession of the government, and we will not be able to deal with this, Mr. Speaker, until we're in a position to be government.

And I'd like to in closing just make reference to what the Honourable Member for Riel said yesterday. In the Concurrence Motion he pointed out the fact that the B. C. railway operated by the Social Credit Government had made a profit and that there had been no loss. Until there was a change of government, and the determining that the auditing procedures were incorrect, and that was the issue that he was trying to point out, but the fact of the matter is that not only was the auditing wrong, the information supplied was wrong. I have a suspicion, Mr. Speaker, that if we were to examine the borrowing of the present government, if we were in a position to examine the details, we would come to a conclusion, Mr. Speaker, that the information that is presented while not inaccurate in the sense that it's been presented as facts which are facts today, contain within them though the kinds of information which would indicate the transfer to the government of many of the administrative expenses to capital account, borrowing for many of the things that we should have been paying for on a continuing basis, on a day to day basis, and the fact of the matter is, Mr. Speaker, a debt load which will be one to be carried by the generations to come and which will be one of the hallmarks of the Schreyer administration.

MR. DEPUTY SPEAKER: The Honourable First Minister will be closing debate. The Honourable Member for Birtle-Russell.

MR. GRAHAM: Mr. Speaker, on the . . . --(Interjection)--

MR. GREEN: . . . Oh, maybe I'm incorrect. I thought the honourable member had spoken but it was the Member for Gladstone. I'm sorry.

MR. GRAHAM: Mr. Speaker, dealing with the Capital Supply Bill I have to I think relate a story to you, Mr. Speaker. Several years ago I was privileged in my part of the Province of Manitoba to have one of the first farm business groups set up in that area. Mr. Speaker, farm business group was set up under the sponsorship of the Government of Manitoba and also they employed independent people, people who had sound business experience, and the purpose of this was to advise farmers of accounting principles, business management and how to assess and evaluate their operations.

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(MR. GRAHAM cont'd)

The record, Mr. Speaker, as years went past, the record of accomplishment of the various farm business groups varied from area to area, sometimes some of the advice given is questionable, but one of the main lessons that were taught at those meetings was the principle of closely evaluating your capital investment or your capital borrowing and relating it to the potential and the output that you expected to derive from your farming operations. I know one of the basic rules that was laid down at that time, and no doubt it has changed since with the rise in price of cereal grains and the rise in cost of equipment, but at that particular time we were told that any farmer who had a capital investment in excess of \$25 per cultivated acre would have to watch his operations very carefully because he might have too much capital invested for the expected amount of return that would be possible with that capital investment.

Later on, Mr. Speaker, I was privileged to come into this Legislature, as a farmer, and now we are looking at another type of operation where maybe some of the same general principles apply, and we look at the capital investment of this government and compare it to the projected output or the total capability of the province and I think it does leave some cause for concern.

I think it was in the very first Throne Speech that the Premier of this province said that there would be certain dogmas and traditions that might in fact be done away with and many at that time took those words and asked themselves, "What does that mean?" Well the pattern is slowly unfolding and now we are finding what some of that means. I think it was on the 18th of August, I'm not too sure, that Bill No. 9 was presented to this Legislature in 1969 which was the first Capital Supply Bill, the first of seven that have been presented to this Legislature by this government. That Supply Bill, Mr. Speaker, asked for authorization for \$310,800,000.00. In 1970 the government introduced a Capital Supply Bill for \$129,920,000.00. Later on they thought maybe that wasn't enough so we had a Supplementary Capital Supply Bill in 1970 asking for an additional \$32,436,200.00. In 1971, Mr. Speaker, we had a Capital Supply Bill for \$115,080,000.00. And again the Minister of Finance thought well maybe we haven't got enough, maybe we need an additional supplementary amount, so we had a Supplementary Capital Supply Bill then of 63,200,000. In 1972, Mr. Speaker, we had a Capital Supply Bill of \$396,466,100.00. And this year Mr. Speaker, we had one for 273,479,800.00. This, Mr. Speaker, represents the authority that this present government has asked the Legislature to pass. That total, Mr. Speaker, is \$1,321,382,100.00.

A MEMBER: It's a lot of cash.

MR. GRAHAM: That is the authority that this government has asked in Capital Supply and, Mr. Speaker, you have to relate it also to the so called balanced budget. --(Interjection)-- '69? - 310,800,000.00. Mr. Speaker, I fully realize that there will be great variations in the amount of capital that is required from year to year depending on the program that is involved at that particular time, and when a province such as Manitoba is involved in an expanding, an expanding hydro program; and hydro is an expensive capital outlay. It is an expensive capital outlay so that as various phases of a capital program and hydro come into the construction stage it's quite natural to expect great variations from year to year.

But, Mr. Speaker, I want to deal with the total spending which is Capital Supply and also the current estimates of revenue and expenditure and relate them to the total provincial income --and these figures incidentally, Mr. Chairman, are all taken from the 1973 Budget Address as presented by the First Minister, the figures are right in that Budget Address. And in 1963, in the Province of Manitoba, government spending, the total of government spending which was capital plus estimates amounted to 7.07 percent of the gross provincial income. Five years later, in 1968, total government spending, that is main estimates plus capital had now risen to 12.23 percent of the gross provincial income. In a five year period, Mr. Speaker, government spending had increased five percent, which is roughly one percent per year. 1973 figures are not available but 1972 figures now indicate that total government expenditure is now 20.47 percent of the gross provincial income. That is an increase, Mr. Speaker, of eight percent in four years time. Government spending has increased at twice the rate that it increased in the previous five years before that.

Mr. Speaker, that means that out of every hundred dollars that a Manitoban has or any \$100 of income occurring in the Province of Manitoba government is going to spend \$20.47; it may be higher now, I imagine it is. That means that for every \$100 a Manitoban has

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(MR. GRAHAM cont'd) . . . . government is going to spend \$20.47 of it on his behalf. This government says that they know better how to spend his money than he does and they are attempting every year to spend more and more of it for him.

If government spending has increased eight percent in a four year period which is double what it was in the previous five years is it going to double again in the next four years?

A MEMBER: It will.

MR. GRAHAM: If that happens under this government, if they are successful in the next election, then we can look, Mr. Speaker, at a situation occurring in 1977-78 where government will be, this Provincial Government will then be spending in the neighborhood of 36-37 percent of the total income of the province, which means that for every three cents that an individual earns government is going to spend one for him. That's not all governments, that is just the Provincial Government.

We already know that the Federal Government is spending a considerable portion of your income and we know that the Municipal Government is spending a considerable portion of your income, so for any Manitoban I think he has to be concerned because we're rapidly approaching the point where government spending at various levels will leave him with practically nothing.

Mr. Speaker, cost of living is climbing, inflation is rampant and who is the benefactor from inflation? - not the individual, it's government. It's government, Mr. Speaker. Every time that the minimum wage goes up provincial revenue from income tax increases. Every time that the price of consumer goods goes up sales tax increases. But for the individual, every time his wage goes up the government takes more from him in income tax, the price of the consumer goods goes up at the same time, government takes more in sales tax, the individual is not any better off.

Mr. Speaker, I don't believe that people in Manitoba can allow this to happen much longer. I think that people in Manitoba want and deserve the right to spend their money, or as much of their money as is humanly possible the way they want to spend it. I don't think government has the right to say that they know best how to spend my dollar. There are certain services that government must of necessity provide for people and we as individuals must of necessity provide government with the funds to provide those services; but the fundamental difference in political philosophy and government lies in the decision of how much government has the right to take from the individual. Thank you very much.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I just have a few points to bring to the attention of the House and my first concern is with the Manitoba Housing and Renewal Corporation which the amount of figure stated here is \$25 million and I would like to know how this will be spent. Because in my opinion, Mr. Speaker, we cannot remake cities or rebuild bad parts of the city without curing some of the other social problems. If we can't find job opportunities, if we can't improve the wages for certain people then renewal doesn't mean much to the people in that area. And I would like to know if in this allotment there is anything for people that wish to own their own homes, will there be something allowed in that figure. Because, Mr. Speaker, we can build all the new buildings with all the money in the world, that will not solve the problems. So there are still many people who desire to own their own homes and this is something that this government has --(Interjection)-- no, I only have a few points to make. I think that certainly the government's record as far as the low rental housing is concerned, they've built a number of houses this is true, but I don't think this is the solution to our problem. --(Interjection)-- 25 percent?

Well, I can say to the First Minister that this is a start, but I feel this is the direction that this government should be moving and in the last four years I think we've made very little progress as far as the line assembly is concerned which would improve the home ownership to private individuals. There's very little in the way of grants or subsidies to people who'd like to own their own homes and--(Interjection)--well some of the other provinces seem to have made a good start, Ontario and B. C.--(Interjection)--Ontario has yes, and has made a good start in - that's right yes, by people being able to buy their own homes who are renting them. So I am very concerned, Mr. Speaker, in this area and I think that the government has not made the progress that it should have.

I believe that we should also be concerned about when we're talking about urban renewal that we develop our centre of the city in such a way that there'd be something that would draw

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(MR. PATRICK cont'd) . . . . the people not only to shop in the centre but be able to live in there. It has to be a little different, there has to be some kind of a magnet that we can get the people instead of all moving to a suburban area that they would enjoy living in the cities when we talk about urban renewal.

The other point, Mr. Speaker, I don't think it's good enough and it hasn't worked anywhere else, that today we should bulldoze and destroy any older parts. I think we should start talking about rehabilitation of many of our older homes in many parts, that many buildings that can be rehabilitated. There's many, even today there's properties or homes that you can buy for as little as \$7,500 with \$3000 investment. You can rehabilitate a house which will have a pretty long life expectancy for another 25 years with not too much cost and very little has been done in this area too. As far as low rental I think that the consideration shouldn't be where we can find land, I think it should be compatibility, it should be the school area, the park area, the transportation. There should be more consideration given where these developments will take place. I know we have one in one part of north Winnipeg which I believe there's something to be desired as far as that development was concerned. I know it's been utilized because there was a need for it, a great need, but really the answer is not government building homes for people that make \$8,000 or \$9,000 a year. Many of these people it would be their desire to own their own home and this is something that I think as far as the record of this government is not that great. Surely in a low rental housing it is, and I agree the government has done a pretty good job and there was a need, a real need. But then I don't feel that the government should go into building homes for people that can afford.

The other point I wish to bring to the attention of the First Minister, I see he's in his seat, and that's to do with MDC - or the Minister of Finance or the Minister of Mines and Natural Resources - and that's to do with Saunders Aircraft. I'm not sure, I don't know if we're kidding ourselves or not with this industry. The MDC record has not been good in this province and I still feel that the Manitoba Development Corporation has a function to perform and should perform a function, but I think that we in some areas the quicker we find out if the industry has any potential and the quicker we resolve the matter in respect of that industry I think the better it will be and the less money we'll waste, because the other day in the Committee we were told that at least 600 planes will have to be manufactured before we have any hope of ever recovering any of our money or breaking even point, and if that's the case Mr. Speaker, this is probably as many as the United States built for the war in Korea. And really I wonder if there is any viability as far as that industry is concerned. I hope there is, but surely the Minister must have reports by now. It must have studies that should be given to this House that we would have some idea how viable the industry is.

I as well cannot agree with the Leader of the Opposition who's talking about the Manitoba Growth Fund should replace the MDC. I share his concern that the MDC in the last while has not a good record as far as the losses are concerned. Many losses. But on the other hand I can't understand how a Manitoba Growth Fund would work with the Manitobans investing in this growth fund that would undertake certain risks in developing industry in this province. I'm sure none of us would want to invest money because there has to be some risk, there has to be some risk as far as the Manitoba Development Corporation is concerned. But I think at the present time the development fund doesn't see any risk. I cannot see how the Growth Fund would work because really the people would have to invest in this corporation and then the corporation would loan money to certain industry and I think the people would be concerned what their returns will be on their investment. So I as well cannot see much hope in this Manitoba Growth Fund, because again it'll be to some extent risk capital and really any Manitoba investor that will invest his money in this growth fund he would like to see a return and there's so many places that he can invest money in blue-chip stocks, there's many areas that he can invest and where he's guaranteed of a return on his money and I do not see that we can have a flood of investors running to invest in this Manitoba Growth Fund. So the idea may be fine but I don't think that you'll attract too many people that will invest in the growth fund.

But, Mr. Speaker, the other point that we can be extremely critical of the government, and I know the government has talked about regional development for so long, of moving the Flyer Coach Industries from Morris to Transcona. I really believe if we're really concerned and interested to develop rural Manitoba to have growth centres throughout the Province of Manitoba, surely it will take a decision of the government sometimes not very--the kind of

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(MR. PATRICK cont'd) . . . . decision that somebody will have to make and say, "Look we want industry to develop in Brandon or it has to be developed in Morris or Minnedosa or some other places or Dauphin instead of it coming all to here." There was a great example for the government to really do what it was telling it is going to do during the last election and subsequently in this House continually by the Minister of Industry and Commerce. And there was one example that this is what the government didn't do. It did exactly the opposite, exactly the reverse by moving an industry which I understand could have been expanded in Morris, moved it to Transcona with considerable amount of expense to have the building and the operation expanded to the type that was necessary to--(Interjection)--Well I can't see why it was moved from Morris to . . . or it was expanded, was expanded in Transcona not in Morris.

So, Mr. Speaker, I really feel that the government to a great extent has sort of given up, given up on the idea of developing growth centres throughout the Province of Manitoba or naming the growth centres, which ones have a potential of serving a large regional area and having a potential of attracting employment or creating employment for its people that live in a certain region, and this is not what's happening because I'm sure the--(Interjection)-- Well why wasn't the building expanded in Morris, enlarged instead of expanded in Transcona.

Mr. Speaker, all I'm doing is warning the government that the MDC operation really needs reviewing and I think we should stop the losses that are continuing. We had in a matter of two years over \$22 million, and that doesn't include everything; and how long can it continue. I don't believe it can continue too long. So that's all I want to do, Mr. Speaker, is warn the government.

A MEMBER: Warn them once again.

MR. PATRICK: And as far as their rural development program, I don't think it's in existence while the First Minister was preaching about it and every nomination he still talks about it, but we've seen very little evidence of that.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. HENRY J. EINARSON (Rock Lake): Mr. Speaker, I beg to move seconded by the Honourable Member for Virden that the debate be adjourned.

MOTION presented and carried.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Sir, I just want to advise the honourable member that I'm going to call this Bill again this evening and we're going to expect--it's been on the order paper for some time . . . had a lot of time to look at it, we're going to call it again.

Mr. Speaker, I'd like to go to the Resolution standing in the name of the Honourable Member for Rock Lake, the Resolution regarding Concurrence.

. . . . continued on next page



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MR. SPEAKER: The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Speaker, to continue with the comments that I have to make in the Department of Agriculture. I was discussing the political philosophy that this government has been portraying over the past number of years and my closing comments were that the Minister, and while I commended him for it, was finding markets for our surplus agricultural products in other parts of the world which is something that I am in full agreement with, and I indicated on the other side of the coin, he has brought in the kind of legislation. . .

MR. SPEAKER: Order, please.

MR. GREEN: If I could have the indulgence of the House. It appears that I--the Member for Rhineland tells me that I have . . . unable to call Bill No. 39. I thought I called it earlier this afternoon but if I'm wrong then I would ask the Member for Rock Lake to let me talk.

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSON: I think the Member for Arthur spoke on it and to the best of my knowledge it was passed.

MR. GREEN: The Member for Rhineland says that that didn't happen so I . . .

MR. FROESE: On a point of order. I adjourned it this morning.

MR. SPEAKER: Order, please. Order, please. The motion was adjourned this afternoon by the Honourable Member for Rhineland. It was spoken to this morning by the Honourable Member for Rock Lake, this afternoon by the Honourable Member for Morris and the Honourable Member for Arthur and then the Honourable Member for Rhineland adjourned it this afternoon.

MR. GREEN: This afternoon.

MR. SPEAKER: That's right. So it's been passed through this afternoon. The Honourable Member for Rock Lake proceed.

MR. EINARSON: Well, Mr. Speaker, for the third time I'm about to say, that the agricultural policies of this province--and now I'm speaking of the aspect of establishing marketing boards--the powers that the Minister of Agriculture has created for himself to bring in the kind of regulations that will have control of the production of the various agricultural commodities, the control by supply-management and indicating that this is probably in the best interests of the farmers of Manitoba.

I would like to ask the Minister of Agriculture, Mr. Speaker, how he can bring about to convince the farmers that an expanding market on the one hand of all products and then trying to control supply through regulation on the other hand is going to work. I suggest, Mr. Speaker, that it just will not. I suggest, Sir, that the world conditions that we now have it could come a day, Mr. Speaker, I only forecast this, it could come a day when we could see shortages of food in the world. And here in Manitoba where we can and have a tremendous potential to produce the foods for people of the world who have a population where they cannot provide for their own people, we here in Manitoba have that tremendous blessing whereby we can produce not only for the people of Manitoba but for many people of other parts of this world.

I would like to give an example, Mr. Speaker, of the fears that some farmers have of the way this government is going in its agricultural policies. And I refer to one example as our Coarse Grains Commission that the Minister has established in Manitoba. I want to make mention of one example of a farmer, and it's public knowledge now, Mr. Speaker, because his name was in the paper in an article that was written about him. I don't defend the individual farmer, but, Mr. Speaker, I am now talking about a principle of the policy that this Minister has brought about within his department, and the way he has set up the Coarse Grains Commission and how it's to be operated and how it's to be adhered to by farmers in this province. This particular farmer, Mr. Speaker, when he learned about the rules and regulations of the operation of the Coarse Grains Commission was in a feeder cattle operation and several thousand cattle were on feed at one time and as a result of this he didn't grow enough feed on his own farm to provide for those cattle that he was feeding out. As a result he had to buy feed from other farmers. Having to do this he was put in the position, because of the legislation or the regulations of the Coarse Grains Commission he had to have a license to buy the feed grains that he needed to feed these cattle. This farmer, Mr. Speaker, took grave exception to the dictatorial powers that he felt this government were taking upon themselves to enforce upon himself and probably other farmers and other corporations who had organized themselves to dispose of their surplus feeds when we did have surplus barley and oats in this province a few

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(MR. EINARSON cont'd) . . . . years ago. As a result, Mr. Speaker, of this particular farmer's case he did not adhere to the rules of the Coarse Grains Commission, consequently he was taken to court. As a result of the court action he was fined \$550.00. This having happened, Mr. Speaker, he then decided, and he wanted to prove to the farmers of this province, and to the people of the Province of Manitoba, how serious this sort of thing could be to the agricultural industry. Here he was fighting on a principle that his rights and his freedom were being in jeopardy. And as a result of the court case, Mr. Speaker, this farmer decided to get out of the feeder cattle operation and to go into a cow-calf operation whereby he didn't become involved with the dictatorial powers of the Feed Grains Commission--and this commission are a group of people who were appointed by the Minister of Agriculture to administer this program. And this farmer, and I want to add one comment, Mr. Speaker, in regards to this particular case, this farmer said, "You know the rule is being applied to me because I feed 305 head of cattle," but a farmer who feeds 295 head, Mr. Speaker, it does not apply. And for this reason he felt very strongly on a piece of legislation that has been brought in by this Minister of Agriculture. He felt that he was going to make a case of it and that's why he allowed it to go to court. And I suggest, Mr. Speaker, while the Minister of Agriculture may have felt that he was providing a service to farmers who are in the production of coarse grains only and are not in feeding cattle and livestock, that he was doing them a service. We have the Canadian Wheat Board, Mr. Speaker, whereby minimum prices are established for all coarse grains, in fact all cereal grains, and I can't see why that there can't be some means whereby this cannot be of some assistance, or be of assistance to the farmers who are in the production of cereal grains only.

And so, Mr. Speaker, I just wanted to make this comment in regards to our Coarse Grain Commission. There are other areas in which we could elaborate and discuss on. I have other members, colleagues in my party who have some comments they wish to make, but I want to say, Mr. Speaker, that the way we are going in our agricultural industry is not the kind of legislation that I'm happy with.

And in my concluding remarks, Sir, I am totally opposed to compulsory marketing boards. I do not feel that the Minister of Agriculture should impose wishes upon farmers who may not want them. We have had instances where farmers wanted to organize, and organize marketing boards such as broilers, turkeys, and what have you. I agree with the Minister when he says we must find markets for the surplus products that we have. I think that is the direction which we should be going, and encouraging farmers to exercise and decide what their farm will best do for them, and also to encourage the expansion of our agricultural industry and not restrict and regulate. Thank you, Sir.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY MCKENZIE (Roblin): Mr. Speaker, I have a few comments I'd like to make on this concurrence motion pertaining to the Department of Agriculture. And, Mr. Speaker, I would stand today, and part of my remarks will be related to our urban friends who are part of this great province, and the reason I think I should speak this afternoon is that the people of our urban society and especially Winnipeg, are people that should maintain a keen interest in the ups and downs of the farm economy in the grain industry in this province. And I think in the final analysis I don't think there's anybody that doesn't realize, especially this year, that the final farm effects, affects the livelihood of almost everybody in this province.

Just for a start this afternoon, Mr. Speaker, let's talk about the hundreds of men and women who are directly employed in the Winnipeg Grain Trades. Let's speak of the hundreds of others who are employed in federal organizations pertaining to the field of agriculture - the Wheat Board, the Board of Grain Commissioners, and the New Grains Institute that has recently been implemented. Less directly there's hundreds of other people in our urban society in the City of Winnipeg who enjoy full-time employment because of the grain moving facilities, the CNR, the CPR, because of the farm industry, and when the farmer has a good year the economy is buoyant for everybody. And I'm sure there are many supply houses, hundreds of them in this city, which provide goods and services to the rural communities and their farms. And when the farmer has a good year, they have a good year too. And I think the multiplier effect, Mr. Speaker, of a sound western farm economy, of a sound agricultural policy, by government in this province are almost endless in things that have to be dealt with seriously. And I'm sure if you walked down to any employee in Eaton's catalogue department, you'll find

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(MR. MCKENZIE cont'd) . . . . that they understand what I am trying to say this afternoon.

But, Mr. Speaker, government regulations and government control is in all likelihood, unless it's brought to some semblance of order and stopped, is going to end up one of the most dangerous facets that faces the farm people of Manitoba and Canada. And in the dying days of this session of the Legislature I would especially direct my remarks to the government, and to the Minister of Agriculture, and the Premier, and once again try and get across to them that we must, the members of this Legislature and government must use every tool and facility at our disposal to guard against those controls for the future or we're going to face another shift of the rural people moving into our urban community.

And I think the one that brings my memory back to me the quickest is the recent beef boycott, and the resulting public outcry of those weeks over higher food prices. And that subject brings many matters to light as I stand on my feet here this afternoon. Certainly I agree with those consumers who are complaining today about rising food costs and high food costs, complaining about food costs that have rose to new heights. And why has it rose that way? The basic reason in my mind is the old law of supply and demand. Drought in some of our major grain producing countries of the world have left serious food shortages in those jurisdictions, and certainly that's bound to cast certain lights on the problem in our society.

But in the main, I think, Mr. Speaker, that increased industrialization in many of the new countries around the world, higher and higher wages, the 5 percent annual inflation factor, and lastly the continued human demand for better diets, more pork, more beef, and other high protein foods have been a lot to blame for the higher and higher prices. And the consumer must face that fact which is inevitable. How can anybody, the consumer especially, blame the farmers, the primary producers, for the built-in costs that are related to everything that he buys today. And we're going to have to face continual annual price increases unless somebody can come up with a theory that will defy or change that age old law of supply and demand. Consumer demands and higher prices are inevitable, despite the boycott of these so-called protest groups and the efforts of government to defy, that same law of supply and demand will not work.

In the main, Mr. Speaker, I'd like to point out - I want to get across in this debate this afternoon that we as legislators must somehow get the facts across to the consumers society today that you can't blame the farmer for the cost, the high cost of beef today. Why lay the blame at the door of the primary producer? Certainly people they can turn today to the imitation meats made from soy bean, or from rapeseeds, or they can turn to the dairy substitutes which are available on the shelves in every store I'm sure in our province. But in the end consumers still have got to rely on farmers for their food. And if government is going to take a look and possibly impose price controls, or lower these prices by legislation or regulation, what's going to happen, Mr. Speaker? I say that government will thus force more and more farmers out of business and so when you force more and more farmers out of business what happens? The food prices will rise regardless; and the food prices will rise because there are less and less farmers, and I think the members of the Legislature, everyone should sympathize with our farmer friends today in this battle, and this frustration, in which they find imposed upon themselves by the meat boycott.

I wonder if these consumer groups are prepared to battle the automobile manufacturers when the price of cars rise within the next few months. Or are they going to battle with the farm machinery manufacturers? Are they going to battle with the railways? Are they going to battle with the steelworkers? Are they going to battle with the people that are on strike, or proposing to strike, in the grocery stores in the city here this past week? Are they prepared to battle with all those people, or are they going to take it all out on the farmers? I think, Mr. Speaker, the events of the last weeks are worth review.

Consumer groups in my opinion were set up for one reason only and that was to hopefully lower the food prices. And the Federal Government, Mr. Speaker, set up a special committee, as well wiped out some of the tariffs on meat products that come into Canada. The House of Commons committee in its deliberations couldn't put the finger on the culprit that was the cause of these escalating food costs, so they set up another committee to watch these food prices rising day after day. And have you, or have I, any idea that because those committees were set up, or those committees reviewed those prices, have they done anything to put the finger on the problem? Have they reduced the food prices in any way? Mr. Speaker, I suggest no, they have not solved any part of the problem. They've just sidetracked the issue temporarily. But one thing, Mr. Speaker, that did show up in this action by Ottawa, and it is very

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(MR. McKENZIE cont'd) . . . . interesting that government now will no longer stand on the side of the dwindling number of farmers in western Canada on such issues as this. They have hastily joined with the consumer groups, and it's quite evident the reason as to why they are standing side by side with consumer groups because that's where there are more votes today.

So what has been the inevitable result of this conflict over this meat boycott is the fact, Mr. Speaker, that the power of the farm vote, the western farm vote has disappeared on the federal scene. And so it's quite evident, it's quite evident, that the farm voice will hardly be heard above a whisper in the days ahead in Ottawa. And I wonder if this government are not going to follow the same trend and the patterns because the job rests on the shoulders of government in this province, and on the shoulders of our western members of parliament, and it's becoming more and more difficult every day. And if they're not going to stand up and defend the farmers then western Canada is in a very very serious position.

Certainly, Mr. Speaker, our urban friends and our urban-oriented government have taken over a new approach to the life in western Canada. And the consuming public seemed to have become very unhappy with some of our farmer friends who are finally receiving the excellent fair returns that are their due. This year has been an excellent year in the farm industry, and I think the farmer deserves every dollar that he's got and he deserves the economy to be buoyant around him.

But what about the future, Mr. Speaker? What's going to happen next year; what's going to happen with this government, with its government controls and its regulations? Well let's look at the new world food market. What's taking place on the continental prices of the world today? Are their food prices going down? Are the food prices dropping in Germany; are they dropping in France? No, they are escalating the same as they are here, and it's basically the same reasons that's causing the prices to rise in those jurisdictions. What about the population explosion, Mr. Speaker? Does that have any bearing on the shortage of food that we're facing in the world today? It certainly has, and there's going to be less and less food and the price has got to go up. What about the rising living standards on these newly developed countries around the world today? Certainly they're demanding better diets and better foods, and that's going to have an escalating cost on the--what about the vast programs of industrialization? All those forces, Mr. Speaker, in my opinion are bound to expand the world's food markets for our farmers. Another thing that appears to me that our farm economy, our farm friends, have finally reached a peak in world prices and demand that provides an excellent promise for the future of the farm - the family farm.

But, Mr. Speaker, are we going to be faced with a farm machinery problem where the Minister of Finance imposes his production machinery tax on some our farm friends today who want to expand their farm operations into some of the other viable facets of farming? Are we going to face more and more rigid controls by the Minister of Agriculture? Is he going to try and control the law of supply and demand, as he's trying now with eggs, and successfully compete with these other countries of the world when he can't even get his products into our neighbouring provinces with the type of legislation and the regulation and control that he's imposing upon our farm people today? I think, Mr. Speaker, western Canada, Manitoba, has the land; we have the climate; we have the farmers that can provide for the management and the ability to expand our production, but we cannot expand our production with the rigid controls and regulations that are being imposed by government today on our farmers. When a farm, as I said a moment ago, is producing at full capacity, his primary products are moving to the market place and everybody's happy.

Mr. Speaker, government control is the most dangerous threat that's facing Canada's farmers today, government control. And I ask the Members of this Legislature and I ask the Minister of Agriculture and I ask the First Minister again to change their direction and let's make use of every tool that's at our disposal to guard against these controls in the years ahead. In today's society with the consumers demanding cheap food, the politicians are trying to listen to their cries, they're not going to listen to the farmers' cry any more, so what likely is to happen the politicians are going to start to propose more and more controls and regulation of a kind on our farmer friends and that the end result, Mr. Speaker, will be that the farm workers who are tilling the soil and producing crops rather than fight that bureaucracy and fight those regulations they'll pack it up and quit.

So I say, Mr. Speaker, this afternoon, let's treat the farmer as a businessman, a man who has ability to use his initiative and his imagination and ingenuity to develop food for

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(MR. McKENZIE cont'd) . . . . the world market and let's stand behind him and not kill him with control and regulation.

MR. SPEAKER: The Honourable Member for Souris-Killarney

MR. McKELLAR: Mr. Speaker, I'd like to say a few words on the Concurrence motion that we're dealing with presently near the close of the session, I thought I did see the Minister of Agriculture here a while ago, I don't know where he's disappeared to now. It's too bad you know the Minister of Agriculture wouldn't sit in and listen to some of this debate. It might be necessary - he might have to take part in to defend himself. I guess he doesn't think that agriculture is important. I guess he thinks that the election is a lot more important, he's getting ready for the election out there in his constituency. --(Interjection)--

Mr. Speaker, I'll be ready for the election but in the meantime I'm looking after the people's business, I'm looking after the people's business. Mr. Speaker, I want to just say a few words on this Concurrence motion and even though the Minister of Mines and Natural Resources would like to interrupt my speech, I haven't got a written speech so he can't interrupt it, can't interrupt. It's as simple as that.

Mr. Speaker, one of the greatest problems that we've got in agriculture today is the very men over on that side of the House. They are doing more harm for the farmers of the Province of Manitoba than any other government in the Dominion of Canada - Dominion of Canada. Mr. Speaker, all the farmers want to do is to be left alone, is to be left alone to make their own decisions, when they want to make them and how they want to make them. That's all the farmers want in the Province of Manitoba, that's all they're asking for. But what does the Minister of Agriculture do? He thinks he's going to tell every farmer . . .

MR. SPEAKER: Order please.

MR. McKELLAR: . . . when to go to bed at night, when to get up in the morning, how many hours they have to work, how many hours they're going to have for recreation and everything about it. Mr. Speaker, that just won't work in the farming economy, it won't work in the occupation as a farmer in any province or in any country. The way farmers survive and have always survived and will continue to survive is if you give them the opportunity to make their decisions.

And I'll tell you what's happening, what's happening this year. One of the greatest revelations in the farm economy is happening this year. More seed is being purchased this year, more fertilizer's being purchased this year, more new machinery is being purchased this year. And why is this being purchased? Because the farmers know that they can go out and sell, that the Federal Government are going to keep their cotton-picking hands off them and the Provincial Government are going to keep their cotton-picking hands off them. And that's all they've been asking for for years.

One of the speakers mentioned the LIFT Program. The LIFT Program was the greatest disaster that ever hit western Canada. In fact you ask why a thousand farmers have left the farming industry in your great revelation book that you put out. I'll tell you why they left. Just policies like that in 1970, the LIFT Program. That's what put farmers off the farm, and they weren't all old farmers either, Mr. Speaker, a lot them were young farmers, young farmers that started up in the last ten years. That's the kind of policies we don't need and we hope we never have to live with in the future.

Mr. Speaker, one of the greatest things I think that is happening this year, and I only hope that we get finished this session so that I'll have about five days to run my tractor between the time the session finishes and the election starts, because I tell you every day that I'm sitting in here it's costing me a lot of money right now I can tell you that. It's costing a lot of money to all the farmers - and I happen to be one of the smaller farmers in our group and you can look at--(Interjection)--One of the smaller ones, I only got 700 acres, I only got 700 acres. I tell you, Mr. Speaker, that if the government of the day wanted to help the farmers they could have started the session about the first of February, that's one way they could have helped us out. And I tell you then we'd have a chance to get out and put our crops in and so some of the work that we should be doing for ourselves.

Mr. Speaker, what has happened, what has happened in this last year? What has happened? What has happened? A year ago or even eight months ago wheat was worth \$1.70 a bushel at Fort William. What's it today? Two dollars and seventy cents. Why has it got there? The very reasons that the Member for Roblin just mentioned, because of the world

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(MR. McKELLAR cont'd) . . . . shortage of grain. Some people said this would never happen, but you know the experts are never right and if you do the opposite to what the experts say you'd be right. So I tell you one of the worst mistakes many of us made that we didn't grow more wheat in 1970 and had it to sell right today because we could have made a lot of money on it.

Mr. Speaker, there never will be a surplus of grain for a long long while. And one of the reasons is because our habits have changed. We're eating a lot more than we used to. We're eating a lot more than we used to. We're eating a lot more foods, we're consuming a lot more grains through livestock and I tell you we always will from now on, because I understand that we're eating close to 100 pounds of meat per person per year. That's a lot of beef and I'm sure the Member for Lakeside here smiles every time he goes to the bank, every time he sells a steer.

A MEMBER: Don't implicate me.

MR. McKELLAR: Mr. Speaker one of the problems which we are facing - and I never heard much explanation yet - is railway transportation, railway abandonment, how it's going to affect the farmers of our province in many areas. Because the railway lines that are coming up in 1975, have been frozen to 1975, will be dealt with at that time, and I am sure that we as members of the Legislature will have to face this problem when it comes. But we should be looking at this problem now. And why should we be looking at it? Because I tell you the municipalities have got a big job to do in building roads that will have to meet the demand for larger trucks that will have to be purchased by the farmer. And I would only hope that the Minister of Transportation and the Minister of Industry and Commerce will have a continuing study going on on this particular problem because I think it's that important that we should deal with it.

Now another problem is closure of grain elevators. Many of the grain elevators that we knew of in the past I would imagine ten years from now won't be around, won't be around; simply because they can't operate on the capacity that they were operating on in the past. I understand now if they build a new elevator it will have to be built to handle a million bushels a year and this is a large elevator compared with most of the elevators that we know of in our part of the province.

Mr. Speaker, I would like to just mention a little about the egg war that was mentioned --and if there ever was a good lesson to government to stay out of the supply business in eggs, my goodness there's just no way you can get into that business of telling the farmers and telling the hens how many eggs they're going to lay in a year. There's no way. And the sooner you governments learn the lesson, the sooner you learn the lesson the better off it will be for everybody. All you're doing is putting a lot of people out of business by this very policy in eggs. Who would ever guess? It had to be a New Democratic Party elected in B. C. to really bring this point home. You can't even ship eggs. My goodness we've got a North American continent here, we got a continent here where we should be right in the middle of it, situated in the middle of it. In fact . . . centre is down in Rugby, North Dakota, just south of Boissevain. Where could we be better blessed here? We can meet the markets any part of North America situated right here in Manitoba. We got all the grain. We got the people. We got everything that's needed. But what happens? These New Democratic Party members think they know best for people in eggs so they're going to put on controls. Not only do they put on controls on the hens, they even killed the hens the other year, I understand, they did away with a bunch of hens. So what happens to price? Be shoved up from 30 cents to 60 cents. --(Interjection)-- Well maybe the Liberals. They're not much different, not much different when it comes to eggs. It's all the same, it's all the same. Same control. More control. Mr. Speaker, it won't work. It won't work. You've just got to let supply and demand look after it. Until the Minister of Agriculture learns that, and he's not old enough yet, when he gets as old as I am he'll know a lot more what makes the wheels go round. That's what you've got to do, Mr. Minister. You stay out of the farmers' lives, the farmers will be happier, everybody will be happy, the storekeeper the garagemen, the machine dealers and everybody, and everybody will have more money. And if they'd keep the Minister of Finance out of their pockets they'd be a lot better too.

Mr. Speaker, there's not much else I want to say other than saying that we're in a real predicament in farming. Who's going to farm ten years from now? The average age of the farmer is 55 years of age, and I've said this about ten times. A thousand farmers are leaving

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(MR. McKELLAR cont'd) . . . . the farm every year. There's no new farmers can start farming. None of our sons can start farming unless we tell the Minister of Finance to get rid of that \$2,000 a year gift tax. That's the only way we can start them up. We've got to turn the farm over to them. But you've got to take about ten years to turn a quarter section of land over to your son and that just won't work in this day and age. What's got to happen here is the removal of the gift tax, the removal of the succession and gift tax for farmers who want to transfer from father to son and at lower interest rates on credit to purchase land.

Now I don't care whether it's the Federal Government does that or the Provincial Government. But when we came in 1958 one of the first things we did, Mr. Speaker, was to bring in a policy of 4 percent interest rate for a young farmer. That was one of the greatest policies ever brought in. Because what did it do? It made it possible for young farmers to start farming, the people that wouldn't ever have started farming if it hadn't been for that. And this has got to be reinstated in this Legislature before we're going to get any more young farmers started. Mr. Speaker, we cannot let one of the greatest industries on this continent go down the drain for the sake of a few policies that have to be instituted. We must have those changes, we must have them. Otherwise the people of the City of Winnipeg and other cities on this continent will soon know that the price of their food is going to go up and up. Mr. Speaker, supply and demand is the only answer to the farmers' problem. So let's get on with the job and tell the Minister of Agriculture to keep off the cotton-picking farms in the Province of Manitoba so that the farmers can run their own show for awhile.

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: Mr. Speaker, I just want to ask the honourable member how it is that he can suggest to us that the reason the prices of grain went up is because we have a shortage of grain and then in turn say we should have had more production so that we can cash in on the high prices. It doesn't make sense, Mr. Speaker. The reason we have high prices is because we have no grain.

MR. SPEAKER: The Honourable Member for Souris-Killarney.

MR. McKELLAR: Mr. Speaker, if we had a hundred million bushels more in Manitoba today we could sell it. That's all I'm saying.

MR. USKIW: At lower prices.

MR. McKELLAR: At the same price today.

MR. USKIW: No, no.

MR. McKELLAR: At the same price, Mr. Speaker, I want to tell you what's actually happening. The Minister of Agriculture - he don't know how much--there's no grain left in this province. There's no grain left here. What would happen if we had a crop failure this year? There's no guaranteeing we go out and sow a crop we're going to have a crop. I'll tell you what's going to happen. You think you've got troubles now. What's going to happen to all the hog people--all the poultry people? My goodness they will never be able to pay \$5.00 a bushel for wheat. I tell you, Mr. Speaker, if we had 100 million more bushels of grain in Manitoba we could sell it today. That's how much we need the grain. And we haven't got it. We haven't got it.

MR. SPEAKER: Concurrence passed? The Honourable Member for Lakeside.

MR. HARRY J. ENNS (Lakeside): Mr. Speaker, the Honourable Minister for Agriculture is in his chair and the occasion really should not be passed to underline the seriousness of the public matter that has already been raised in the House just latterly by my colleague the Member for Souris-Killarney.

Mr. Speaker, I don't think the Honourable Minister would hold it against me if I referred to a private conversation that I had just a few days where he indicated himself that he has a great deal of reluctance about getting involved or signing any future or additional national schemes in the supply-management program that he and his colleagues in Ottawa seem to envisage for the agricultural industry in Manitoba, unless suitable assurances or the kind of guarantees or the structure that he thinks would overcome some of the difficulties that we now face in the renewed egg war. I think the Minister will concur that that is a fair paraphrasing of his thoughts as he expressed them to me.

Mr. Speaker, he also expressed these to other journalists--I'm referring specifically to his remarks as they were quoted and I don't have them before me but as they were quoted in the Manitoba Co-operator which is a very worthwhile farm journal that reaches into the

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(MR. ENNS cont'd) . . . . homes of so many of our Manitoba farmers--where he went a little further, Mr. Speaker. He said that he expected or could have predicted that this kind of difficulty that Manitoba egg producers now find themselves in could--or Canadian egg producers but we're speaking about Manitoba egg producers in terms of my concern here--that the Minister could have just about predicted this kind of a situation from developing. And he also in this article, that I don't have before me but I'm sure the Minister will correct me when I am imputing you know or suggesting things that he did not say or mean, he also indicated that the way the National Egg Marketing Board is now set up that he saw little likelihood of Manitoba in themselves being able to overcome the stronger representation that B. C. would exercise on that particular board or indeed any other province from time to time. While, Mr. Speaker, I recognize I shouldn't be talking about the Minister's remarks or a journal without having the benefit of having it before me . . . .

MR. USKIW: Mr. Speaker, since the honourable member indulged in that area I wonder if he would permit me to make a correction. That is, Sir, that I suggested to the Member for Lakeside and to the media that the present egg agreement is not airtight enough but that that is not why we have problems in the exporting of eggs to British Columbia. That would occur even without the agreement because it's a constitutional question that we're involved in.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker, for once I think that by the dire consequences of the acts that he and his Federal Liberal colleagues have engaged in recently, now bring his position and my position very close indeed, Mr. Speaker, very close indeed, Mr. Speaker. You see the position of the Progressive Conservative Party vis-a-vis marketing boards and the setting up of marketing boards has always had in it as its main concern, as its really only concern, because we've recognized, and we were responsible for setting up the provincial legislation, the umbrella legislation under which it's possible for commodity groups to organize themselves into producer groups in this province - I'm referring to the legislation, the Natural Products Marketing legislation '64 or even prior to that time I'm sure. It had received major amendments however in the year 1964 under the then stewardship of one George Hutton. However all that demonstrates, Mr. Speaker, that other administrations, be they Liberal or Conservative, have had no concern, or no problem about not recognizing the legitimate aims of the farmers groups to organize themselves into better bargaining units so that they could collectively do things somewhat better for themselves than that they can do individually. However, Mr. Speaker, we have at all times concerned ourselves with that constitutional problem that the Honourable Minister now himself recognizes. Well, Mr. Speaker, he recognizes and yet he is prepared to rush into it as he did rush into the egg marketing agreement. And Manitoba, a province that produces, and that needs to export upwards to 55 percent of our total supply of eggs - if our eggs don't reach the Toronto breakfast tables or the breakfast tables of Montreal, or in Trail, B. C., then really what this government is saying, and what this Minister is saying, he is prepared and will have to recognize a drastic cutback, a drastic reduction of over half, of over half. . . .

MR. USKIW: That is not a statement that can be attributed to myself.

MR. ENNS: No, Mr. Speaker, well I'm not attributing any further statements to the Honourable Minister. I am now merely very graphically underlining and informing the Minister of what are the consequences of it. Surely, Mr. Speaker, surely, Mr. Speaker, that the marketing board Fedco in Quebec after having, you know, been pushed around a little bit by a courageous Attorney-General who crusaded forth to the Supreme Court on behalf of the egg producers of Manitoba on one occasion a little while ago, are not going to sit back and watch B. C. do what they couldn't do a little while ago. So we can expect restrictions on our eggs in Quebec; we can expect restrictions on our eggs in Ontario, because, Mr. Speaker, unfortunately in the concept of the marketing boards, as they are now being established, is this concept of self-subsistency, self-subsistency in their jurisdictions.

Now, Mr. Speaker, I am prepared to acknowledge that if we want to leave it, speak about it in an academic way, then surely we can recognize that regional advantages should always be recognized, that if a traditional marketing patterns should be recognized, and if we in Manitoba and other portions of the prairies because of our unique situation, our grain supply, our feed supply, in this instance favourable freight position, can export east or west in a very competitive way. Now, Mr. Speaker, this is being very very, you know, somewhat



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(MR. ENNS cont'd) . . . . arbitrarily challenged; it's being stopped, and, Mr. Speaker, one can only wonder, you know, if you let your mind wander a little bit as to how ridiculous this situation can get. And, Mr. Speaker, I have always been prepared to accept the fact that as a price that we in western Canada and as a Manitoban have to pay, or have had to pay up to now, for the sake of confederation was that we would put up with certain, in my mind, unfavourable eastern tariffs on so much of the heavy equipment that we use. That we would put up with in some instances unfavourable freight rates and freight rate arrangements; that we would do without the kind of job creating industrial activity, industrial development, here in the west because of the built-in constitutional matters that favor that kind of development elsewhere in our country.

But, Mr. Speaker, while we accede to all that, surely it is not unreasonable to make that demand to the Canadian people, and let me assure that if the consumers of this country finally fully appreciate what the implications of a rigid and supply and management scheme for them then, Mr. Speaker, there will be revolt. There will be revolt. --(Interjection)--

Well Mr. Speaker, surely we in the prairie provinces should make no apologies for saying to our sister provinces that if we can produce eggs better than they can produce eggs in B. C., then there is no justification for there being any egg producer in B. C. at all, or in Quebec or Ontario. If we can provide eggs on the market at 50 cents, why should Canadians in B. C. pay 70, 80 or 90 or \$2. 50 a dozen for eggs because a relatively small handful of 40 or 50 or 60 egg producers in that province want to have a closed shop and want to keep out all other products other than to keep their industry alive? And, Mr. Speaker, that's what we'll be coming to. --(Interjection)-- Well, Mr. Speaker, surely, Mr. Speaker, we don't have to talk about the agreement, we don't have to talk about this matter theoretically or academically. We're talking about the actual practice of how the agreement is working and how the national scheme is working. The fact of the matter is that Manitoba eggs are not moving freely and the fact of the matter is that some Canadians are paying more for foodstuffs than they ought to or that they have to. And that's built into this kind of legislation throughout.

Now, Mr. Speaker, I really challenge the Honourable Minister to indicate to me, you know, how he can satisfy himself or how the government can satisfy themselves, knowing the constitutional setup of our country, how he can satisfy himself that there is any air-tight agreement that can be reached on which there will be representation of all the other provinces and on which we will have sufficient political muscle, sufficient representation, to make sure that our interest prevails as opposed to the interests as expressed by other regions of the of the province from time to time.

Mr. Speaker, you know, this country has undergone a searching, you know, a searching exercise of repatriation of our--an attempt to repatriate our Constitution No. 1 because we think some constitutional changes should be made. We have undergone conferences and conferences and we have yet to even be able to agree to the formula by which we ten provinces are going to change, make any changes in this constitution. But the Minister of Agriculture seems to think that he, along with a few other Ministers of Agriculture in this province, and along with a few chairmen of supermarketing boards are going to do that which none other than the Honourable the First Prime Minister of our country, preceding Prime Ministers, a whole raft of provincial Ministers, a whole raft of Confederation of Tomorrow Conferences and Constitutional Conferences have failed to do, the Minister of Agriculture is satisfied that he can make the necessary changes in the British North America Act that will satisfy him and his colleagues perhaps in other jurisdictions and the Minister of Agriculture, to bring about the necessary degree of security or put an airworthy certificate on the agreements of the national marketing scheme.

Well, Mr. Speaker, I suggest to you that that is not being realistic. That surely is not even being open and completely fair to the producers of this country. To, on the one hand, to encourage them that all that is required is a few more meetings, tightening up of a few regulations, and then this matter can be resolved. But it will not be resolved that way, Mr. Speaker, and I suggest to you that the reason why it's not resolved is because the concept, rightly or wrongly, in my judgment wrongly, of every marketing agency or marketing board that is being set up throughout this country is one of initially looking after those who are in the business, it's essentially an inward-looking structure. Then to build sufficient tariff barriers around that particular commodity group to prevent any undue, you know, influence that could

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(MR. ENNS cont'd) . . . in any way shake up the economics of that group, and this is all done with flowing words of providing stability in prices and security in the agricultural field, in maintaining the family farm and many other nice generally appreciated words that ring all too kindly on the ears of the recipients, the farmers.

I can recall attending a meeting with the Honourable Member for St. George. At that time he was not a member of this Chamber but we were discussing, we were in the process of creating the Turkey Marketing Board. --(Interjection)-- And I think that we had every reason to be very reluctant. The fact of the matter that that board happens to be one of the better operating boards would probably indicate to us that the moderation and the caution with which we approached that board indicates just how careful one ought to be. But I want to refer to a particular - you know, the gist of some of the conversations that took place during that particular meeting that I refer to. I remember particularly the Member for St. George saying, "Well, with this board," and turkey prices were under some pressure at that time, "we can keep out American turkeys, or we can keep out these turkeys and we can keep out those turkeys." Essentially he . . . again the protective grouping element that was there. I think, Mr. Speaker, I'm not being unfair to the Honourable Minister, that was precisely what the then private farmer, turkey raiser, the Member for St. George had in mind. Well, Mr. Speaker, and of course that is false and that is nonsense, and it's wrong to encourage our producers to think in those terms. Because, Mr. Speaker, in general Canada enjoys its status, we enjoy our status and this government can bring in the social legislation that they think is such a burning issue and that has to be brought in for the benefit of our people largely and solely on account of our tremendous capacity to produce and to export.

Mr. Speaker, if we were to accept for one moment the concept that we'll look after ourselves and we'll make sure the pie is evenly divided among ourselves so that there will be a degree of equity there; there'll be no rich cats or fat cats in the business. But we'll essentially not worry about seeing to it that the innovator farmer is always on the scene to take that first step forward that keeps western agriculture at the pinnacle that it is at. No, there is hardly room for him, there is hardly room for him in this kind of a closed shop arrangement. Anyway, Mr. Speaker, I suggest that the Honourable Minister of Agriculture, who now has before him demonstrable proof of an utter failure, of an utter failure of one aspect of supply and management, should be man enough and should be straightforward enough to tell the producers of Manitoba that this government, and in particular that Minister, will not entertain any thought of committing Manitoba producers to national marketing schemes, to national marketing schemes that can only increase the possibility of further aspects of our production as being curtailed in the manner and the way in which our eggs are now being curtailed.

Mr. Speaker, I would assume that, I think that he will indicate his degree of agreement with me by saying that that is precisely what he is saying privately, if not all that loudly yet, because it is embarrassing for the Minister and for the government to recognize that here we have the first serious attempt at setting up a total supply-management program as far as eggs are concerned in this country. You know, we've always been told, Mr. Speaker, that when a marketing board was established in a province that that was only the first step. It would never work satisfactorily until you had the same kind of organizations in all the provinces or at least in the provinces involved in the production of that kind of a product, and that you then had a national super board that could manage the supply, manage the supply not only in one province but throughout this whole country, could manage the export, could manage the export out of the country. In other words, could fulfill every tenet of what the authors of the supply and management scheme for agriculture had ever envisaged. Well, Mr. Speaker, we have that --we have progressed to that stage where we now have a fully integrated provincial to federal supply-management scheme relative to the production and distribution sale of our eggs. Mr. Speaker, what is the result of that experiment?--(Interjection)-- Well, the Honourable Member from Brandon West put it so succinctly I won't repeat it. Egg in the face is probably the best way of describing it.

The tragedy, Mr. Speaker, is, if I can be selfish for a moment and speak only as a Manitoban and not worry about the fact that maybe my Canadian cousin in the east or in the west should be entitled to having his food on the table at a reasonable price, at the best price that we as farmers can produce the food for and can get our reasonable share of reward and return for producing that food, then why should mere bureaucracy, red tape, government interference, arbitrarily increase the price of that foodstuff to some people, some certain

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(MR. ENNS cont'd) . . . . portions of our Canadian people? That's what's happening right now. We're very happy, Mr. Speaker, in selling our eggs obviously, through our provincial board at 50 or 60 cents a dozen - 50 or 60 cents a dozen, Mr. Speaker, and we're prepared, the Manitoba producer as he has traditionally done, as he has traditionally done, produces upwards to 55 to 60 percent more eggs than we can ever eat in this province. More than we can ever eat in this province, Mr. Speaker, and we're prepared to send some of those eggs to B. C. But the B. C. board says no. No. No. Our people are going to pay 85 cents for a dozen of eggs and I don't give a damn whether Manitoba has eggs coming out of their ears, but we decide that the people of British Columbia should be charged an extra 15 to 20 percent for that most favored breakfast dish if they want to enjoy eating it - if they want to enjoy eating it.

Well, Mr. Speaker, how ridiculous is it? How ridiculous can that be? Now, Mr. Speaker, this is only, you know, fortunately, it's not fortunate for that person, and it hasn't been established yet who's to pay for those 55,000 eggs, 55,000 dozen, I believe, eggs that were seized. I suppose that's just another one of the casualties to bureaucracy that some individual, whether he has a business or a producer and it doesn't really matter, but that's just one of these little casualties through red tape that somebody's got 55,000 dozen eggs, of rotting eggs, on his hands that he has to probably crate all the way back to Manitoba because the Clean Environment Commission, I'm sure, in B. C. would not permit him to dump them nor would I want him to. So it had to bring them back to Manitoba and bury them somewhere.

But what I want to say, Mr. Speaker, fortunately, as important as the poultry industry is, of course it is completely important to those directly involved in it, but it is a minor aspect of our total farm economy. It isn't hogs, it isn't beef, and it isn't grain. Well, Mr. Speaker, I can't for the moment, you know, fathom why the Minister is that confident that he can do what others - and I think he'll not take this as a rebuke - but others in more influential position, to begin with the First Ministers of this country and Prime Ministers have failed to do, to bring about the necessary changes in our Constitution, before even his kind of a scheme will operate.

Now, Mr. Speaker, let's at least get that straight. I don't agree with supply-management for many reasons, as I think supply-management is essentially an inward-looking mechanism, a tariff-building mechanism, a self-protection mechanism. Mr. Speaker, I think that there is abounding evidence when you compare the two halves of the world, where you have in one instance total supply-management being practiced every day; total supply-management being practiced every day in the USSR as compared to the food production, the agricultural production in the free world. I think that speaks for itself. I don't have to repeat that argument, Mr. Speaker. But let's even, let's even go along with the government, with this Minister, at least for a little while. Now let's say that we on this side are prepared to acknowledge, as he has indicated in the few statement that he's made, that the problems aren't constitutional. And when he's got those solved and he can make those agreements air-tight or cut out the loopholes, then his supply-management schemes will work. Okay then, let's get a deal right now, that we'll stay away from these foolish arrangements, we'll stay away from these self-defeating, for Manitoba and western agricultural arrangements, until he has those constitutional changes. And then let's look at the situation from Day One; from Day One.

Well, Mr. Speaker, I suggest to you that the proponents of supply-management can't be very happy with their pet scheme today. The difficulty with supply-management of course, Mr. Speaker, is that while undoubtedly a fair number of correct decisions can be made, but the biggest single drawback about putting your industry, any industry for that matter, into a total management position, is that if you make a mistake, it's a massive mistake. The Liberal government made one of those massive mistakes supported by none other than the present Minister of Agriculture, when we took \$55 million of Canadian taxpayers' money to encourage the farmers not to grow grain just two short years ago. \$55 million that we asked the people in Winnipeg, in Montreal, in Toronto and Vancouver, Morris, Woodlands, in Beausejour and in Libau, to cough up out of their tax dollars, to cough up from their pockets, because the mandarins of supply-management had it all figured out that we were not going to see a buoyant grain situation in the coming decade. And so there had to be millions of acres permanently put out of grain production and put into grass production. And I was bribed,

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(MR. ENNS cont'd) . . . . Mr. Speaker, as was every other farmer. Not simply not to grow grain. If I just didn't grow any grain and just summerfallowed my fields, I got five bucks an acre, but if I put grass into it, legumes into it, I got another five dollars an acre. In other words, the decision-making process, all the prophets from on high said that grain was going to be an unsaleable commodity for some time, at least in the amounts that we had hoped and we had been geared up to produce.

That, Mr. Speaker, was a decision made by the proponents of supply-management only two short years ago at the cost of some \$55 million, Mr. Speaker, and on that cost, Mr. Speaker, you have to add onto the cost, that the Member from Souris-Killarney had just indicated, what we could be contributing to our economy and to our own economy, if we had the grain now and if we were in a position to meet the already announced schedule of requests from the hungry world at prices that are adequate and that would mean so much to our whole economy.

Mr. Speaker, I would suggest to you that that only underlines the statement that I was making. The biggest difficulty was supply-management, even if once in awhile if to a certain extent even for the right decisions that they make, when they make a mistake it's a big one, and I'm suggesting that in the last two years in the Canadian agricultural scene generally we have seen one of these mistakes made. A mistake that has cost hundreds of millions of dollars to the economy of this country and to the farmers of this country.

Mr. Speaker, in a lesser scale the mistake is about to be made with the production of eggs in this province, where if this position and this tactic persists--and I really can't understand the reluctance of the Attorney-General. He had no reluctance to charge down to Quebec and the Supreme Court and tell the Quebec Marketing Board where to get off, but I suppose maybe he's too busy electioneering this year and he hasn't got the same keen desire or interest. Or maybe, Mr. Speaker, he's read his own legislation that the Minister of Agriculture has been putting forward a little harder. Maybe he recognizes that the honourable ministers and the NDP First Minister of B.C. has in fact a case in point because nobody seems to be challenging it. But I can assure you, Mr. Speaker, that it is only a matter of time before another jurisdiction decides in a similar manner, and as sure as I'm standing in my place this afternoon, Mr. Speaker, I can assure you that the eventual outcome is a drastic reduction by over half of our capacity to produce eggs in this province. And of course, even more serious, even more serious than that, because it is a relatively small handful of farmers that we're talking about that are involved in the production of eggs, but even more serious than that is that we all will be the losers by paying unnecessarily higher prices for one of our major food items.

And this is a government that expresses a concern for those who live on fixed incomes, for the lower income people, who pride themselves every time they reduce a certain charge for a service of maybe \$5.00 a month or something like that. Mr. Speaker, this actual loan can wipe out the reduction of the Medicare premium, if as a result we permanently and fixedly have to pay 15 percent more for our eggs. --(Interjection)--

Well, no, in my usual style, Mr. Speaker, perhaps I'm overstating that particular point, but I'll tell you one thing, Mr. Speaker, the fact that we, the fact that we are subsidizing the sales of our pork to Japan or to Los Angeles, California at prices which we are yet to be told, but I am led to believe at prices of some five or six cents a pound below what the prices here in Manitoba bring.

Mr. Speaker, if you start adding up the items and the higher costs of food in this manner, then, Mr. Speaker, it's not very long before you come to the conclusion that while it was a very worthwhile exercise that they had and undoubtedly will get into again in Ottawa, with respect to the inquiry into the high costs of food, the biggest problem of course is the wrong persons are making the inquiry of the wrong people. It is we and the industry itself and the farmer that should be making the inquiry of the government to recognize to what extent by their action, to what extent by their legislation do they continuously add, add, add to the cost of food in this country. And, Mr. Speaker, I am sure, I'm sure that the people in Trail, B.C. are aware that their government is adding 10 or 15 cents to the price of a dozen eggs because of the notoriety that this particular situation has aroused and has achieved, to that extent a service is being done. Unfortunately, all too often it's an insidious kind of an increase that takes place.

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(MR. ENNS cont'd)

Mr. Speaker, I would hope that the Minister of Agriculture would take the occasion at one point in the concurrence motion before us to indicate to us and to the producers of Manitoba, very clearly, that he and his ministry has no intention of making any further arrangements, any further arrangements - and I use that term because he seems to, himself has expressed, he himself has expressed a dissatisfaction and a complete disappointment as to how the National Egg Marketing scheme has operated, and he says that it--in fact he says that it can't operate properly. Now he says certain things have to be done to tighten it up. Well, Mr. Speaker, I suggest to you that all that that happens is that it will be tightened up until the next person finds, or the next jurisdiction finds a way of untightening it or loosening it up again for their advantage. He is, of course, correct when he says that the basic problem is a constitutional problem and that unless--well, Mr. Speaker, let me, just before I sit down, make it very--I don't see any problem at all. I think the product should move freely. I think the product that those of us who are in the best position to produce it should be producing it, just as we accepted the fact that by and large Oshawa is in a better position to produce cars for us than we are here in Winnipeg so we buy our cars from Oshawa. Well, surely we should be putting the foodstuffs, or the major portion of the foodstuffs on the table plates of most of our Canadian citizens at a fair price.

Mr. Speaker, the direction that the Honourable Minister of Agriculture and this government, and obviously the government, their colleagues in B. C. are quite prepared to take, is one of Balkanizing this country, is one of saying that we have our responsibility comes to our own first. Which is, I suppose, acceptable to a New Democratic Party Government. That surely comes out very clearly in the statements made by the B. C. authorities where openly challenging this government to do anything about it. And while, Mr. Speaker, heroically a truckload of eggs may slip through the pass, you might say, the Khyber Pass, or the Rogers Pass, and I suspect that the authorities in B. C. are just smart enough not to worry about that truckload of eggs because they would only make a martyr out of that particular shipper or that particular occasion. So they'll let him unload his eggs at Trail and they may not go rotten this time. But, Mr. Speaker, the position that the B. C. government has taken is firm, it's clear. They will exercise what they believe their full authority to exclude agricultural products from the Province of Manitoba whenever they see fit. And that is the kind of mess, that is the kind of result that supply-management has heretofore, or up to this point got us into, has got us into under the ministry and the direction of this government and this Minister.

MR. USKIW: I want to make a statement . . .

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: If the member wants to ask a question I will yield the floor for him.

MR. SPEAKER: The Honourable Member for Ste. Rose.

MR. A. R. (Pete) ADAM (Ste. Rose): Will you permit a question? I was wondering since the Member from Lakeside is so opposed to marketing boards, why a Conservative Government under Duff Roblin railroaded a vegetable marketing board through by eliminating several producers from voting?

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: I recognize that the honourable member wasn't here but perhaps his friend the Minister of Agriculture will indicate to him that I had something to do about un-railroading that particular commission and board, at least to some extent, during my term of office. But more important, the member asked me a question and it deserves an answer. I did not in any instances when I was speaking say that I was against marketing boards. I'm not opposed to the organization of farmers of commodities into marketing groups or marketing boards. I have used repeatedly, repeatedly, the phrase "supply-management". And the application of supply-management to the total agricultural scene or to the total movement of a product has been one that I have grave reservations about, grave reservations about. I am only pointing out its failures right now. At one point I just about agreed to the Honourable Minister that we could agree to agree, if we would at least wait before he rushed into these things until he had the necessary things set up the way he wants them set up, but he obviously hasn't got them yet.

MR. SPEAKER: The Honourable Minister of Agriculture.

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MR. USKIW: Mr. Speaker, I simply want to point out to members of the House that the Honourable Member for Lakeside as well as the Member from Morris, have an unusual capacity to talk a very long time about a complete falsehood, a base, a complete speech on very erroneous information. And for the benefit of my friend the Member for Lakeside, Mr. Speaker, I have the floor.

MR. SPEAKER: Order, please. Would the honourable member state his matter of privilege.

MR. ENNS: Yes, I think it's a matter of privilege when one is accused of uttering falsehoods in this House and insofar as that my, insofar as that the whole nub of my speech had to do with the situation of eggs and the particular situation in Trail, B. C., I now ask the Minister, is there not a situation essentially as I described . . . ?

MR. SPEAKER: Order, please. Order, please. Let us all get our area of debate correct. First of all, the honourable member did not have a matter of privilege. He thought he had one. Secondly when—I wonder if I could have the attention of the honourable members while I'm trying to indicate what is going on. That while the honourable member rises to a matter of privilege which he is entitled to when he thinks he has one, it will be adjudicated accordingly if there is a case, but he does not have the opportunity to open up a new area of debate. The Honourable Minister of Agriculture.

MR. USKIW: Mr. Speaker, I wanted to point out to my honourable . . .

MR. SPEAKER: Order, please. Order, please. A point of order has been raised. The Honourable Member for Thompson.

MR. BOROWSKI: Yes, Mr. Speaker. My point of order is that the Minister did say that the member who spoke based his whole argument on falsehood. Mr. Speaker, whether that is correct or not is unimportant. The rules prohibit it and I would ask you to ask the Minister to withdraw that statement.

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: Mr. Speaker, I suggested that the honourable member based his argument on facts which were erroneous; that he did not have the facts before him. That in fact his argument, Mr. Speaker, was that the reason, that the reason that we have problems in inter-provincial trade is because we have a national marketing plan that is responsible for the marketing of eggs interprovincially. That, Mr. Speaker, is a complete falsehood because at this point in our history the national plan is not yet in operation and has not been. And we have the problems of interprovincial trade, as we had two years ago, Mr. Speaker, based on a violation of the Canadian Constitution to which I object, Mr. Speaker. There is no difference—no, I'm objecting to the violation of the Constitution, Mr. Speaker. There is no difference in our position as between the position we took with respect to Quebec, the position we are taking with respect to British Columbia, and the whole question of a national marketing agency is irrelevant to what is now going on in British Columbia and the inference of trade that is taking place. It has no basis, no relevance whatsoever. It would occur with or without a plan presumably, depending on what the wishes of the British Columbia authorities are at the time.

A MEMBER: Quiet Lakeside. Quiet Lakeside.

MR. USKIW: Now for the benefit of the Member for Lakeside let me point out that British Columbia has still not completely entered into the national agreement either, and therefore they are neither in violation of the agreement but they are in violation of the Constitution.

MR. SPEAKER: Order please.

A MEMBER: Quiet Lakeside.

MR. SPEAKER: Order please.

MR. USKIW: So the Honourable Member for Lakeside, Mr. Speaker. . .

MR. SPEAKER: Order please. I would like to indicate there is five minutes to the adjournment hour. The interruptions, interjections make it almost impossible to hear, from both sides. I would ask that the honourable members do co-operate and let the honourable member who has the floor make his debate. The Honourable Minister. The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Speaker, is it not correct to say that the Minister of Agriculture of Manitoba signed an agreement with the National Council providing 11.4 percent of the share

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(MR. EINARSON cont'd) . . . . of the market across the country?

MR. SPEAKER: The Honourable Minister of Agriculture.

MR. USKIW: Mr. Speaker, all ten provinces, all ten provinces entered into an agreement pursuant to which certain things were supposed to happen, including the passing of Orders-in-Council in each province backing up that particular agreement. The Province of British Columbia has not yet done so, therefore they have not completely entered the agreement, they have not fulfilled their obligation to date, and therefore should be considered as not part of the agreement as of this point in time. But we have and every other province in Canada has, and it was based, Mr. Speaker, on the premise that we wanted to avoid what took place in the question of interprovincial trade two years ago. The agreement was designed hopefully to prevent that kind of thing from happening again. We have a situation of interference in trade without that agreement now in operation, which proves that there is some need for some sort of arrangement to try and prevent that situation from happening. So the opposite is true, Mr. Speaker, of what the Member for Lakeside alleges. Our problems are not because we have an agreement, but because we have yet not finalized the agreement.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, after listening to the various members . . .

MR. GREEN: Mr. Speaker, maybe the honourable member would prefer to be able to make his remarks in some sort of units. Therefore if he takes the adjournment we can call it 6:00 o'clock.

MR. SPEAKER: Well there is no adjournment on concurrences but I'll accept that he'll be the first speaker when we go back into concurrences.

The hour of adjournment having arrived, the House is now adjourned and stands adjourned until 9:00 p. m. tonight.