

THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Monday, September 29, 1969

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions; Reading and Receiving Petitions.

REPORTS BY STANDING AND SPECIAL COMMITTEES

HON. AL. MACKLING (Attorney-General)(St. James): Mr. Speaker, I beg to present the Sixth Report of the Standing Committee on Law Amendments.

MR. CLERK: Your Standing Committee on Law Amendments beg leave to present the following as their Sixth Report. Your Committee has considered Bill No. 42, An Act to amend The Winnipeg Charter, 1956, and has agreed to report the same without amendment. All of which is respectfully submitted.

MR. MACKLING: Mr. Speaker, I move, seconded by the Honourable the Minister of Youth and Education, that the report be now received.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried.

MR. SPEAKER: The adjourned debate on the proposed motion of the Honourable Attorney-General. The Honourable Member for Rhineland.

HON. RUSSELL PAULLEY (Minister of Labour)(Transcona): Mr. Speaker, I must confess that I'm not fully aware of the situation we find ourselves in at the present time. The adjourned debate on the Fifth Report of the Standing Committee on Law Amendments is held in the name of the Honourable Member for Rhineland, who is not in his seat at the present time. Now we're in the routine proceedings of the House and I don't know whether or not that we might have permission to by-pass this particular adjourned debate at this time and possibly come back to it later on today because, as I'm sure you are aware, Mr. Speaker, that contained within the Fifth Report of the Standing Committee on Law Amendments are certain bills which I'm sure all members of the Assembly are anxious to proceed with. I confess - and confession is good for the soul, they tell me, from time to time - that I haven't had this situation arise before, and I seek your guidance whether or not, and possibly you could seek that of the Clerk, as to whether or not it may be possible to come back to this routine proceeding later today in order, if it is the desire of the Member for Rhineland to speak, so we may be able to process on the adoption, if we do adopt the Fifth Report, may be able to process legislation which is almost suspended at the present time.

MR. WALTER WEIR (Leader of the Opposition)(Minnedosa): Mr. Speaker, if it's a matter of leave, I would have no difficulty in granting leave for that to happen later in the day as long as it was after the conclusion of the budget debate. We're in budget today, and if everybody has their opportunity to speak and uses it, we're not through with that until after 9:30 tonight, so that there would be consideration there. In any event, it takes it into third reading and my guess is that there won't be any third readings prior to tomorrow evening in any event.

MR. PAULLEY: Mr. Speaker, if I may, I want to assure my honourable friend and all honourable members of the House, it would not be the intention of the government to prohibit anyone who is desirous of speaking on the budget debate from so doing. I'm sure my honourable friend the Leader of the Opposition, as indeed we all are, is aware of the fact that under the rules of the House the vote on the main motion to go into Ways and Means and any amendment thereto comes half an hour prior to the adjournment of the House, Sir, unless the debate is previously concluded. There will be no inclination on the part of the government to interfere with that rule. -- (Interjection) -- Yes. You said that; I agree with you.

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, we are agreeable to this form of action. Do I have it clear, that the Honourable Member for Rhineland would have his chance after 9:30 or -- well, after 9:30; he'll have to wait till then?

MR. PAULLEY: . . . agreement of the House. The only thing, Mr. Speaker, that I am anxious to have, is the report received, or at least something done, in order that we may proceed with the business of the House in respect of legislation after the conclusion of the budget debate.

MR. WEIR: Mr. Speaker, on the point of order, I would just like to point out I don't think the business of the House is being held up.

MR. SPEAKER: It's agreed, then, that I'll call this after 9:30. Notices of Motion.

INTRODUCTION OF BILLS

HON. SAMUEL USKIW (Minister of Agriculture)(Lac du Bonnet) introduced Bill No. 46, The Agricultural Credit Corporation Act.

INTRODUCTION OF GUESTS

MR. SPEAKER: At this point I should like to direct the attention of the honourable members to the gallery where we have 25 students of Grade 10 standing of the Joseph Wolinsky Collegiate. These students are under the direction of Mrs. Koerte. This school is located in the constituency of the Honourable Minister of Health and Social Services.

On my right we have 50 students of Grade 5 standing of the Crane School. These students are under the direction of Mrs. Parent and Miss Lennox. This school is located in the constituency of the Honourable Member for Fort Garry.

On behalf of all the honourable members of the Legislative Assembly, I welcome you here today.

ORAL QUESTION PERIOD

MR. SPEAKER: The Honourable Leader of the Official Opposition.

MR. WEIR: Mr. Speaker, I wonder if I might enquire from the House Leader how many more bills we might receive. It's getting on to the close of the session, I would think, within-- not far away, and I'm just wondering how many more. The last time I recall him replying to this it was four and I think we've had seven or eight since then. I'm just wondering how many more there might be.

MR. PAULLEY: Hopefully four, Mr. Speaker.

MR. SPEAKER: Orders of the Day.

MR. JAMES H. BILTON (Swan River): Mr. Speaker, before the Orders of the Day, I'd like to direct a question to the Minister of Cultural Affairs. Mr. Speaker, it came to my attention this morning that an announcement was made on Saturday which pleases me very very much. I wonder if the Minister could confirm or otherwise as to whether or not Her Majesty will visit Swan River and stay with us for awhile next year.

HON. PHILIP PETURSSON (Minister of Cultural Affairs)(Wellington): Mr. Speaker, I regret I have no information about whether she would visit Swan River or not, if she comes.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, I wish to direct my question to the Honourable Minister of Labour. Has he got any progress on a question I asked him the other day about the strike from the teamsters and the Society for Crippled Children and Adults, and if not, I wonder if he has any consideration or given any consideration to using his offices in having the strike settled as soon as possible for the sake of the children?

MR. PAULLEY: Mr. Speaker, may I inform my honourable friend that it was my understanding that a meeting was held yesterday by representatives of the Teamsters Union and the parents, some of the parents concerned. I have not had an opportunity of contacting either group to see whether any progress has been made. As I indicated in the House the other day, we are prepared, as far as the Department of Labour is concerned, to use our good offices, and we have made our good offices available to both sides in this dispute.

It has also been indicated to me that there is the possibility that the Industrial Relations Department of the Ministry of Labour and the Union and the other party, the Society, may meet on Thursday.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SIDNEY SPIVAK, Q. C. (River Heights): Mr. Speaker, my question is addressed to either the Attorney-General or to the Minister of Labour. There was an incident over this weekend in connection with -- well, suggested in connection with the strike, the bombing incident in St. James, and I wonder whether either one of them have a report that they can give to the House at this time.

MR. PAULLEY: Mr. Speaker, if I may, this is a matter that is in the hands of the law enforcing agency of the -- as I understand it -- the City of St. James. I might say that I have made informal enquiries of responsible persons insofar as the labour aspect is concerned. There apparently, to our knowledge, is no relationship between the two incidents, or between the strikers and the City of St. James as such.

MR. SPEAKER: The Honourable Member for Morris.

MR. WARNER H. JORGENSON (Morris): Mr. Speaker, I should like to direct my .

(MR. JORGENSEN cont'd) question to the Minister of Cultural Affairs in his capacity as titular head for the Manitoba Centennial Corporation. I should like to ask him if it is the intention of the government to change the slogan, "Growing to Beat '70".

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

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. BUD SHERMAN (Fort Garry): Mr. Speaker, I'd like to direct a question to the Honourable Minister of Mines and Resources and ask him whether he has any information on reports concerning the forthcoming federal government cutback in the Canadian Forestry Service where the Canadian Forestry Service laboratory in Fort Garry is concerned.

HON. LEONARD S. EVANS (Minister of Mines and Natural Resources)(Brandon East): I have made an enquiry and I have some preliminary information on this. My understanding is that the federal government's Prairie Forestry Research unit is to be moved to Edmonton - This is the plans of the federal government - and that only a liaison services group of less than a dozen people will remain here. It's expected that the research unit that will exist at Edmonton will continue to serve all the three prairie provinces. While this is true, probably there may be some change in the type of service we can expect to receive. I expect that the officials in my department -- in fact they will be discussing the matter further, the effects of the move, and we will attempt to clarify federal policy in this question.

MR. SHERMAN: A supplementary to the Minister of Mines and Resources. Will the Minister and his department undertake to make representations to federal authorities advising them of the serious impact that economic commentators say such a move will have on the economy of one municipality, namely the Municipality of Fort Garry?

MR. EVANS: Mr. Speaker, I'll undertake to do whatever I can to nullify the plans of the Federal Government. I indeed will look into this personally as soon as possible.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY McKENZIE (Roblin): Thank you, Mr. Speaker. I'd like to direct a question to the Minister of Transportation. It was announced in Roblin on Saturday that royalty will be passing over Road #366 south into Grandview providing the road was in excellent condition. Can the Minister provide me with assurance that the road will be in excellent condition?

HON. JOSEPH P. BOROWSKI (Minister of Transportation)(Thompson): Mr. Speaker, I'm sorry I cannot.

MR. McKENZIE: Am I to understand that the plans will have to be changed?

MR. BOROWSKI: Mr. Speaker, I'm not aware that this is going to happen, what the member suggests. The road is bad; it's been that way for a good number of years. I can't change the road overnight, as he well knows.

MR. HARRY ENNS (Lakeside): Mr. Speaker, I direct the question to the Minister of Health and Social Services. I ask it for my own interest's sake but also for several members of his own government back bench. I, too, am interested in the progress of the construction plans of Concordia Hospital. I wonder if the Minister would be in a position to give us some idea of what's happening as to that hospital.

HON. SIDNEY GREEN (Minister of Health & Social Services)(Inkster): Mr. Speaker, I took the question as notice. As soon as I get something back on it the honourable member, as well as the members of this back bench, will have the answer.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, I wish to direct my question to -- I see the First Minister's not here so I would like to direct it to the acting Minister of Industry and Commerce, and that's the Minister of Mines and Natural Resources and he can -- (Interjection) -- Oh, is it the Minister of Labour? Okay, I'll direct my question to the House Leader. Can he confirm or deny that the major development company which was planned to proceed with the fifty million dollar downtown development may not be doing so because of the two percent corporation tax? If he has any information, I wish him to give it to the House, but if he hasn't could he undertake to look into the matter and report?

MR. PAULLEY: Mr. Speaker, I'll take the question as notice.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Well, Mr. Speaker, my question is really a supplementary to the question that was asked the Minister of Labour and the Attorney-General. The Attorney-General sort of indicated that he was going to be replying in connection with this. If he is, I'll gladly relinquish my seat at this time and ask it in the form of a supplementary question afterwards.

MR. MACKLING: Well, the question in connection with the bombings - there's been no application made to my department for intervention or enquiry. I will be hearing further on this, though, and I'd be prepared to answer any questions subsequently on it after I've looked into it.

MR. SPIVAK: A supplementary question. I wonder if either the Attorney-General or the Minister of Labour will undertake that once the investigation has been either completed or in the process of being completed, and there is information which would verify the allegations that have been made, that at least this House will have an opportunity for discussion of this and they will bring it forward immediately.

MR. PAULLEY: Well, Mr. Speaker, may I say in reply to my honourable friend, he uses the word "allegations". Certainly he does not expect a Minister of the Crown to reply on allegations that have been made in respect of disputes of this nature.

MR. SPIVAK: Well, Mr. Speaker, I think that the circumstances warrant the attention of this House. I think this is an unusual situation for Manitoba and one which we as members representing the people of Manitoba have a right to be concerned about, and I simply suggest to him that there has been a link-up made in the paper, whether it's correct or not . . .

MR. SPEAKER: Has the honourable member a question?

MR. SPIVAK: Yes. I'm simply asking him that during the period of investigation if there is information that this House should be considering, that he would bring it forward for our consideration.

MR. PAULLEY: Mr. Speaker, I deny to my honourable friend that there has been a link-up between the fact of a legal strike at Bell Foundry and the fact that somebody threw a Molotov bomb on somebody's house, and I do not think that it's necessary for me or any member of this bench, this side of the House, to reply to my honourable friend.

MR. SPIVAK: Well, I have a supplementary question for the Minister of Labour. Is he happy that bombings such as this take place in Manitoba?

MR. PAULLEY: Mr. Speaker, I say to my honourable friend I'm not happy with bombings whether they take place in the Province of Manitoba or any other part of the globe.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: Mr. Speaker, the Honourable House Leader took my question as notice. I want to clarify my question in case he's not aware which development I meant. I meant the Centre Point \$50 million development which was announced in June, to construct a 300-room hotel and some apartments and office space. It's the Centre Point development that I'm referring to.

MR. PAULLEY: It'll still be taken as notice and I'll read very closely the question raised by my honourable friend.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker, I direct a question to the Minister of Mines and Natural Resources. Can he indicate to the House whether or not the Fairford Dam structure has been closed to prevent the water from Lake Manitoba, or to restrict the flow of water from Lake Manitoba into Lake Winnipeg?

MR. EVANS: Mr. Speaker, I'll take this question as notice.

MR. SPEAKER: The Honourable Member from Lakeside.

MR. ENNS: A further question to the Minister of Mines and Natural Resources. He took a question the other day as notice - or I believe the First Minister took it as notice - the advisability of tabling in the House the Manitoba Water Commission report on the hearings, on the interim hearings to date on the Lake Winnipeg. Can the Minister indicate to the House now, has he any intention of tabling these reports?

MR. EVANS: I believe, as you've pointed out, the First Minister took this as notice, and it will be indicated in due course.

MR. ENNS: A supplementary question, Mr. Speaker. I wonder if the Honourable Minister could indicate: is the Manitoba Water Commission under his jurisdiction as Minister of Mines and Natural Resources, or under the jurisdiction of the First Minister?

MR. EVANS: The honourable member knows the answer to that. It is under my jurisdiction but the First Minister, in his capacity as First Minister, is interested in all departments.

MR. SPEAKER: The Honourable Member for Arthur.

MR. J. DOUGLAS WATT (Arthur): Mr. Speaker, on two occasions now I have asked the

(MR. WATT cont'd) Minister of Mines and Natural Resources for a progress report on the construction of the Patterson Dam in southwest Manitoba. My question today is: is it the intention of the government to proceed this fall with the Patterson Dam?

MR. EVANS: Well, I believe I gave the honourable member some information on this matter, but he seems to think that progress hadn't proceeded as far as it should have, and I undertook at that time to look into the matter further. I've asked for a report on this but I'm sorry to say I haven't yet received it, but I will give you further information as soon as I can.

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

MR. HARRY E. GRAHAM (Birtle-Russell): Mr. Speaker, I would like to direct this question to the Honourable Minister of Agriculture. In light of the announcement of the Secretary of the National Grains Council that they will be hiring three experts for research, is it the intention of this government to offer the facilities of the Department of Agriculture to the National Grains Council for such research projects?

MR. USKIW: Is my honourable friend, Mr. Speaker, trying to give me a suggestion?

MR. GRAHAM: Yes, Mr. Minister.

MR. USKIW: I'll take that suggestion, Mr. Speaker, and give it some consideration.

MR. SPEAKER: The Honourable the House Leader of the Liberal Party.

MR. G. JOHNSTON: Mr. Speaker, I wish to direct my question to the Attorney-General. Is it not a fact that the Attorney-General's office can call for an investigation? I'm speaking about the bombing incident. And if he answers yes to that, well will he institute such an investigation?

MR. MACKLING: The answer to the first part of your question is yes. And the second part is that it's in the hands of the local police. I indicated to the Honourable Member for River Heights that I would be making an enquiry and, subject to what I'm advised, the department may wish to secure further information or not.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Well Mr. Speaker, my question is addressed to the Honourable Minister of Mines and Natural Resources. I wonder if he could indicate whether the government has had any discussion with any uranium company in connection with the uranium enrichment development proposed for northern Manitoba?

MR. EVANS: I believe this is a question that may be very well directed to the Minister of Industry and Commerce. I can't give you an immediate answer on this. I will take it as notice.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. HENRY J. EINARSON (Rock Lake): Mr. Speaker, I'd like to direct my question to the Minister of Mines and Natural Resources. When I was commenting on his estimates I mentioned the state of Rock Lake. He said plans were forthcoming and I'm just wondering now if he can make any report as to what progress they're in, and if we can look forward to a dam at Rock Lake in the near future.

MR. EVANS: Mr. Speaker, I'm sorry I can't give you any further information at this time, but we will look into it immediately and I will give you as much information as I can on the progress.

MR. SPEAKER: May I remind the honourable members, and I've heard this on three occasions this afternoon, that all debate is to be directed to the Chair in the interests of maintaining proper decorum within the House, rather than cross-firing on a second person basis across the floor.

Orders of the Day. The Honourable House Leader of the Liberal Party.

MR. G. JOHNSTON: Mr. Speaker, I believe the question period is nearly to an end, and I thought that perhaps someone in this House should recognize the good work that was done by the people who organized the 50-block walk on Saturday, namely the Lions Club of Winnipeg. I think they did a tremendous job and they have raised quite an amount of money for a very good cause.

MR. PAULLEY: Mr. Speaker, I thank the Honourable the House Leader of the Liberal Party for drawing this matter to our attention. I don't know whether there's but three of us on this side of the House who happen to be in that age group for which permission had to be obtained from their physicians to take part in the journey; unfortunately, physically I was out of town. Financially, however, I had decided to make a contribution to a representative who was over 50. I also understand that my colleague the Honourable Minister of Cultural Affairs

(MR. PAULLEY cont'd) took part in this journey and it may be to the amazement of members of the Assembly that, as far as I understand, that he completed the 50 blocks, and incidentally, may I say, at considerable cost to the members of the New Democratic caucus. But may I join with my honourable friend the House Leader of the Liberal Party in paying a tribute to the organizers of this walk and a tribute to the Lions Club for their past, present and hopeful future endeavours on behalf of the senior citizens of this great province of Manitoba. We recognize the works that they are doing. We wish them well. So I say, Mr. Speaker, thanks to my honourable friend.

I also understand another event took place yesterday that I've had the privilege of attending over a number of years - namely, the annual tea of the Auxilliary for the Portage Home, and I trust, as I am sure it was, a very successful venture. I offer my apologies for not being there personally. My heart was with them and I'm sure my honourable friend the Member for Portage la Prairie can report that it was another successful venture. And here again, Mr. Speaker, may I be permitted to say how much we appreciate as government, as indeed past governments have, of the association of volunteer organizations in their contribution to the well-being of the citizens of Manitoba.

MR. SPEAKER: The Honourable Member for Arthur.

MR. WATT: Mr. Speaker, I'd just like to ask the House Leader if he was the tall twister that wrenched the money out of the members from that side of the House?

MR. PAULLEY: I didn't quite catch the question.

MR. WATT: Well a supplementary question. Does the honourable member know what a tall twister is?

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Well Mr. Speaker, I'll address this question to the House Leader. It could possibly be addressed to the Minister of Transportation or to the Member from Osborne. The question has been taken by notice by the Premier on several occasions but I gather he will not be in the House this week, and for that reason I direct the question and would ask that some determination at least be given of the House: Will the province be represented before the Interstate Commerce Commission in connection with the hearing of the discontinuance of the passenger service between Winnipeg and St. Paul and Minneapolis?

MR. PAULLEY: I think that the Honourable the First Minister did indicate that they were aware of the hearings and that we're holding a watching brief, and there is the possibility of representation being made.

MR. SPIVAK: A supplementary question. On at least four occasions the Premier has indicated that he'd take the question as notice. I'm simply asking whether there will be, in fact, representation, and I think a decision on it will have to be reached immediately if there is going to be any action, and I'd like to know what the government's position is on this.

MR. PAULLEY: I'm sure my honourable friend knows that the Minister did, as he indicates, give some undertaking, did take the question under advisement and notice, and I'm sure that my honourable friend would agree with me it would be presumptuous on my part, as the Acting Premier, to indicate anything else, and we will be watching the situation very very closely.

MR. SPEAKER: The Honourable Minister of Health and Social Services.

MR. GREEN: Mr. Speaker, before the Orders of the Day I would like to lay on the table the annual report of the Clean Environment Commission. And, Mr. Speaker, this is one of those reports that was not tabled at the last session, which by resolution doesn't have to be tabled, but which we indicated we would if it doesn't amount to duplication.

ORDERS OF THE DAY - BUDGET DEBATE

MR. SPEAKER: The adjourned debate on the proposed motion of the Honourable Minister of Finance, and the proposed motion of the Honourable Leader of the Official Opposition in amendment thereto, and the proposed motion which I have taken under advisement.

The Order Paper for Friday, September 26th, showed the adjourned debate on the proposed motion of the Honourable Minister of Finance that Mr. Speaker do now leave the Chair for the House in Committee of Ways and Means, and the proposed motion of the Honourable Leader of the Official Opposition in amendment thereto. The debate arose when the Honourable House Leader of the Liberal Party proposed a motion in further amendment thereto, which I took under advisement.

(MR. SPEAKER cont'd).

I thank the honourable members for their opinions on the admissibility of this motion. In dealing with this matter I must make reference to the amendment of the Honourable Leader of the Official Opposition. In my opinion, it is a motion of no confidence, and it complies with the provisions of Citation 172 as contained in Beauchesne's Parliamentary Rules and Forms, Fourth Edition 1958, and I quote: An amendment to the address in reply to the Speech from the Throne is a motion of no confidence. So is an amendment not accepted by the government on the motion for the House to resolve itself into a Committee of Supply or Ways and Means.

The same citation continues as follows: "But a sub-amendment, as the amendment to the amendment is usually called, is not a new motion of no confidence, it is intended to strengthen or weaken the amendment to which it must be relevant and upon which it is dependent." In my humble opinion, any honourable member proposing a sub-amendment must be mindful of all the aforementioned requisites, which I repeat: 1. The sub-amendment must strengthen or weaken the amendment. 2. It must be relevant to the amendment; and 3. It must be dependent on the amendment.

As I indicated earlier, the amendment is one of no confidence. Not only does it express no confidence but it states the reasons for same. Under our rules and for the purposes of dealing with this motion, can there be varying degrees of no confidence? I think not. I believe that on the question of confidence one can take only one of two positions, either one of confidence or one of non-confidence. To allow a variation in the degree of confidence, or lack thereof, would lead to an absurd situation because it could result in a negative of the amendment which could be the equivalent to the original motion. That type of sub-amendment would certainly not be allowed because the same result could be achieved by defeating the amendment and adopting the main motion.

I therefore feel that in order that a sub-amendment be in order in the present instance, it must be one of no confidence. Honourable members may feel that within such a rigid framework it would be impossible to introduce a sub-amendment on a motion to go into Committee of Ways and Means, particularly where there is a motion of no confidence in the way. May I remind the honourable members that the first requirement is that it is intended to strengthen or weaken the amendment, which members may be quite at liberty to do, by varying the effectiveness of the reasons for no confidence.

The sub-amendment speaks of, I quote: "concern about the effects of taxation changes." "Concern" could have a meaning bordering on regret, as used by the Honourable Leader of the Official Opposition, but, on the other hand, one could be concerned but not necessarily opposed. In fact, one could be concerned and in sympathy with, or in support of, a certain position. In this case "concern" could be the position, could be the position of the government. It may well be that in the mind of the mover of the sub-amendment, there is an unequivocal definition of "concern", but the amendment in itself as presented must be intelligible and void of expressions bearing practically diametrically opposed usages, or which could be interpreted as supporting the main motion.

If an amendment is a motion of no confidence, so must the sub-amendment be. I find that the proposed sub-amendment is not a motion of no confidence and therefore rule it out of order.

Are you ready for the question? The question has been called. The Honourable Member for Birtle-Russell.

MR. GRAHAM: Mr. Speaker, in rising at this time there's one concern which I am naturally very actively involved with, and this is the concern of the farmer. Now in this past week we have had reports from the Dominion Bureau of Statistics indicating that agricultural income this year will decline 14 percent - 14 percent, Mr. Speaker. Now this is in direct opposition to the forecast of the Finance Minister when he tells this House that the economic conditions in Manitoba are excellent; that we will have economic growth; that the income is rising; and here we have federal figures telling us the exact opposite. This could have serious bearing on his budget forecast, and by the same token it can have serious bearing on your pocketbook and mine, because in this day and age a buck is a buck is a buck, and whether we're in a deficit position or an affluent position, it's still money; and whether we have to pay \$10.00 and we only have \$6.00 or whether we only have to pay \$6.00 and we have 10.00, is a very different picture.

Not only does this completely balanced budget of the Finance Minister concern me, he has no leeway in his budgeting. He is using very optimistic figures on the one hand on his

(MR. GRAHAM cont'd) income side, and he is using very minimal figures in many of his estimates on spending. We also hear the other day that effective the first of December that the welfare situation, or welfare payments could increase by almost 20 percent in this city. This could affect the budget, this could affect the wage earner, and this could affect this province and this government.

We have debates or we have had hearings this past week on the minimum wage. We had submissions presented from across Manitoba dealing with the minimum wage and we heard representations anywhere from \$1.25 as the minimum wage right up to \$2.60 per hour. Personally, I believe that either end of that scale is unrealistic. The person who advocates \$2.60 an hour is equally as irresponsible as the person who advocates \$1.25, but somewhere in between we have to establish a scale which provides not what we consider to be an average wage, but a bare, essential minimum wage on which a person can subsist, and in doing so, we sincerely hope that no person in this province would ever be paying such a wage. We sincerely hope that the employer and the employee can get together and arrive at a figure which is mutually beneficial to both, but when we start running into the problem of different opinions and varying degrees or varying spreads between what is desirable on one side and what is offered by the other, we arrive at a stage of conflict which can, in my mind, possibly result in something which we saw happen in this city in the last 24 hours. Now, I am not too sure what happened - only the results of an investigation will prove what happened - but when threats, possible violence and, indeed, even possible bombings arise, it concerns me and I'm sure it concerns many others in this province. All these things usually start with little things and become enlarged; they become embroiled in bitter discussion and the temper and heat rise accordingly.

These things do not lead to producing a society in which harmony can prevail, in which all people can live, and in which society derives the maximum benefit from the efforts employed by its people.

Now, Mr. Speaker, we have seen our government bring about legislation which reduces Medicare costs in this province. I congratulate them for it. The people of this province, based on ability to pay, will be paying for this; corporations will be paying an increased cost; the person on a salary above \$11,000 will be paying an increased cost; but the little fellow will not be paying an increased cost. At the same time, however, it was interesting to note that the legislation only covers the Medicare portion. The government has been remarkably silent on the hospital portion of health costs. I would love to see the Minister be able to reduce the hospital costs . . .

MR. GREEN: I would too.

MR. GRAHAM: But it concerns me when the chairman of the Hospital Commission warns this province of tremendous increased costs in hospitalization. If my memory serves me correctly, he stated that it's between \$250.00 and \$275.00 for every man, woman and child in this province. Now these figures may not be correct - I am quoting from memory; I have no notes in front of me. But if this is the case, and we have roughly one million people, slightly less than a million people in Manitoba, this is running into \$250 million for a health program. Advances in technology, new equipment, new methods of application of this equipment, greater specialization by the nursing profession, and greater specialization in the already specialized field of medical practitioners and technicians has increased the cost of hospitalization. Where is it going to stop?

Mr. Speaker, I am a member of a hospital board. I am also a member of a building committee of that particular hospital board, and we are proposing to build a new hospital, a hospital which 30 years ago would have cost us just a very minimal fraction of what it costs today. But it's not just the cost of building a hospital that really concerns us today; it's the operational cost, and I have from reliable sources had information that even today in Canada there are hospitals where the cost of hospitalizing a patient exceeds \$100.00 per day. One hundred dollars per day to keep a patient in a bed in a hospital. As medical technology advances, I am sure these costs are going to spiral even higher. Let us hope that we have a healthier population in the future.

At the present time, hospitals are crowded, they are utilized to capacity, and in many cases patients have to wait considerable periods of time before they can take advantage of the special privileges offered in those buildings. If we are to live in a socialistic state, as advocated by this government, if we are to have the advantages that they suggest, then I suggest,

(MR. GRAHAM cont'd) Mr. Speaker, that these privileges cannot be denied to anyone. Now, how are we going to pay for it?

Mr. Speaker, this morning I sat in a session of Law Amendments Committee, and we dealt with the Consumer Protection Act and we talked for hours, today and on other occasions, on providing the various pieces of legislation that are necessary to prevent the unsuspecting public from unscrupulous dealings of merchants. Mr. Speaker, I, in my humble opinion, would suggest that this should be broadened to protect the people from the unscrupulous dealings of governments. I am glad that you have an opinion on this, Mr. . .

Mr. Speaker, in closing, I would urge this government to be very careful in how they handle their financial affairs. Under the socialistic tendencies of providing services for people, the demands that will be made on this government for the public dollar will be such that I shudder to think of what the next budget will be. We will have teachers demanding higher and higher wages. We will have municipal governments demanding their share - and justifiably so - of the public dollar. We will have Health and Welfare demanding their share. We will have Northern Transportation demanding its share, and Lord help the Minister of Agriculture because the farmer is going to be demanding his share. Mr. Speaker, we even have MLAs demanding their share.

Now Mr. Speaker, I haven't too much more to offer but I would once more urge this government to look carefully in the future, because if the money is allocated you can rest assured that it will be spent, but I would like to rest assured that it will be collected.

MR. SPEAKER: The Honourable Member for Crescentwood.

MR. CY GONICK (Crescentwood): Thank you, the Member from Lakeside. Mr. Speaker, I really had no intention originally of entering this budget debate but I notice that reference was once again made to the Member from Crescentwood and his role, his peculiar role in this government, and therefore I feel called upon to make a few comments. Mr. Speaker, I have been much amused as to the number of queries as to my role in this government. The fact that I do participate in the Planning on Priority committee in particular seems to trouble many opposition members. Until the recent speech of the Member from Ste. Rose, it wasn't at all clear just what was particularly troubling the members opposite but he made it quite clear what was troubling him, and I suppose that in many respects this might be what's troubling other members in the opposition. The member noted that my ideas do not always accord with those of the First Minister and he's worried that my participation in planning on priorities may mean that my ideas will prevail in this government, and I am sorry that the member is not present here but I would certainly like to thank him for the confidence he places in my powers of persuasion. I only wish I was as influential as he seems to think I am.

All members of this House realize, I am sure, that many ideas, some of them conflicting, co-exist in every political party. I note that the Member from River Heights, who is also absent this afternoon, advocates a different and much more expansive role for government than does the Member from Morris or the Leader of the Conservative Party. I note that there seems to be some confusion in the Liberal Party as to whether it's Mr. Molgat or Mr. Bend or Mr. Axworthy that reflects the position of the party. I have associated myself with this party, not because it accepts all of my ideas - I am certain that there is no member in this House that feels that all of his ideas are acceptable to the party that he belongs to - but I have found that this party, more than any other, embodies my philosophy of government, and until another vehicle appears which even more closely embodies my philosophy of government, I certainly will participate to the full in this party.

Now Mr. Speaker, many people have voiced a concern as to what advice I might give this government as a member of Planning on Priority, and although I'm not at liberty to reveal in detail just what that advice may be, I feel that I can comment in general, and I want to do that at this time.

I believe that as a government we have to ask ourselves one question, and that is whether "Growing to beat '70" is an appropriate strategy for the economic development of Manitoba. "Growing to beat '70" is a new slogan conjured up, I'm sure, by some public relations firm, but it really is a very old strategy for economic development. In fact, I'm certain that this is a strategy that has been adopted in North America ever since the white man landed on this continent. Certainly, the free enterprise system has been a remarkable engine for economic growth; but growth at what cost, Mr. Speaker? And growth for whose benefit? Certainly, economic growth benefits free enterprise; economic growth brings profit. That is why the former

(MR. GONICK cont'd) government beat the drums so enthusiastically on behalf of economic growth. But that government and the business community that it is the spokesman for, has also tried to persuade us that "Growing to beat '70" is also of general benefit to the population at large, and here I want to make a distinction, Mr. Speaker.

I am not one who would oppose economic growth; that would be absurd. I'd be the first to agree that economic growth is a prerequisite to human freedom; that economic growth and the modern technology that produces it frees men from much of the backbreaking toll of the past and produces the wealth that could free all men for the leisure activities that only a narrow aristocracy once enjoyed. Economic growth surely is a necessary condition to the good life but it is not a sufficient condition. There is a difference, I would suggest, between crude economic growth, the kind of economic growth that is represented by the slogan "Growing to beat '70", and what I would call planned economic growth. "Growing to beat '70" implies an economic policy in which all economic growth is beneficial, in which every new kind of industry is to be welcomed, and if again we are thinking of the profits to private enterprise, then it's true. All economic growth is profitable. All new industry is to be welcomed.

But surely we must be aware of the fact that industry not only adds profits to the economy, it also adds cost. All industry increases cost, cost to the public; cost in the form of possible new roads; cost in the form of new public utilities that may be required; costs in the form of pollution; costs in the form of traffic congestion; cost in the form of noise, because, as we well know, much new industry simply adds new population to Manitoba, and if a new industry increases the total products of Manitoba by five percent, if it also increases Manitoba's population by five percent, there's no economic gain for the Province of Manitoba. The well-being of the province remains constant. I think that much new industry that's come into the province simply adds to our population rather than to our economic well-being.

There are some industries that not only would add costs, but whose benefits would be marginal: industries that employ very few workers; industries whose profits leave the province or even leave the country; industries who purchase their equipment outside the province or outside the country; industries who avoid paying their fair share of taxes because they are perhaps able to transfer their profits abroad to their parent companies. In short, whether new industry or enterprise really makes a contribution to the well-being of the people of Manitoba, depends not only on whether they can make a profit to themselves, but whether the social benefits they are bringing to the people of Manitoba exceed the social cost which they impose upon the people of Manitoba, that must be paid for in the form of taxation or must be paid for in the form of inconvenience.

A government that is properly concerned for a balanced, orderly growth would not grab at any new industry. It would not be satisfied with the calculus that contained only one criteria, whether that enterprise or industry makes a profit. It would instead establish a new calculus, a calculus that included not only profits to private enterprise but a calculus that included: What are the social benefits that that industry contributes to Manitoba? And what are the social costs? And I would suggest that a government that is properly concerned with orderly growth would then promote and encourage and support those new industries that not only provide a profit, but whose social benefits clearly exceed the social costs.

Now, Mr. Speaker, this government is committed to introducing a program that will ultimately eliminate poverty from the face of Manitoba, and we must ask ourselves very directly: is growing to beat '70 the answer to poverty in Manitoba? The Finance Minister quoted a statistic that he said was shocking to him, and that indeed was shocking to many of us, and that is that 43 percent of Manitobans earn an income of \$3,000 or less. Now what I find shocking about that statistic is not that Manitoba is unique in this regard, because that isn't true. Ontario, the wealthiest province in Canada, has roughly the same proportion of its population that is earning an income of \$3,000 or less. Ontario has been a much more successful province economically than Manitoba, yet it is a province that has achieved very little more progress with regard to eliminating poverty than the province of Manitoba. And we may turn to other areas—New York, Michigan, Pennsylvania. These areas have also achieved a great deal of economic growth, even more than Ontario, and they have not abolished poverty in their midst or even made a dent in the problem of poverty. These provinces and these states have beat '70, and in the 1950s they beat '60, and in the 1970s they will beat '80. They have done this consistently in the past but they have not beat poverty; they have not beat congestion; they have never beat squalor; they have never beat the crowdedness of their cities; they have never beat pollution or ugliness of their cities. The more they grow, the dirtier they become; the

(MR. GONICK cont'd) more they grow, the more crowded they become; the more they grow the more unlivable they have become - and the poverty remains. In fact it seems to get worse because the poor are always comparing themselves to the opulent who are getting more and more opulent over time. So I suggest that growing to beat '70 will not beat poverty.

But I want to make clear that in my opinion poverty will also not be abolished by welfare, and I want to eliminate that as another alternative strategy. Welfare only perpetuates poverty; it makes poverty more bearable. But I believe that this government has defined for itself the goal of eliminating poverty, not alleviating it, so that we must strike at its roots. We must develop and support industry that will employ those who are employable among the poor. We must break down their apathy through vigorous programs of community development. We must create special educational programs for both the children of the poor and the parents. We must provide the poor with housing to allow them the dignity and the privacy that the middle class enjoys. Our strategy for economic development, in short, should be directly geared to improving the lot of the lower two-fifths among us, not through welfare but through human development supported by economic development. If we manage to beat '70, if we manage to accomplish all the targets that are contained in the TED Report, what would we look like? I suggest that Winnipeg would now look like what perhaps Toronto looked like in 1950. We would have hardly made a dent in poverty, as they have not. But our cities would be larger; they would be more crowded; they would be noisier; and we would be building freeways upon freeways in order to increase the speed of the traffic from two miles an hour to five miles an hour.

I think that this question of the automobile, and public policy for the automobile, allows us to get a glimpse at how one could distinguish between growing to beat '70 and orderly planned and balanced economic growth. Governments have been doing a lot of yelping about the automobile and its many side effects, but they nevertheless go on to allow and even encourage resources to be used to install more plants to produce more cars and garages, providing they show a profit to their makers, while they ignore the mounting costs of traffic control, intolerable pressures of noise, stench, dirt, exasperation, to say nothing of fatalities. These are not the inevitable cost of so-called progress; they are the inevitable cost of government policy that does not distinguish between balanced economic growth and distorted economic growth.

However, once we give in to the automobile, people are driven to the suburbs to get away from it all, so travel becomes even more time-consuming and exasperating and we become even more dependent upon our automobiles. For a fraction of the money that is spent on maintaining private cars and the vast range of government expenditures required to keep traffic moving, we could provide a comfortable, frequent and highly efficient public transit system which would also cut down the fatality rate, gradually reverse the spread of population, and restore more quiet and dignity to our streets. In other words, Mr. Speaker, a government has alternative ways of allocating resources. I believe that it is time that it should at all times follow the investment policy which maximizes the difference between social benefits and social costs, and which would most directly bear upon the problems that we hope to solve: the "trickle down" theory of economic growth, that which is embodied in the slogan "Growing to beat '70", should long ago have been discarded. The benefits from that kind of economic growth trickle down too late and too little to make a significant impact on poverty, and I remind the members that poverty is not a marginal problem in our society; it's a problem that absorbs two-fifths of our population.

Finally, Mr. Speaker, members opposite may ask, as they always do, "Where will the capital come from? Won't such programs, such socialistic programs, won't such a philosophy deter private investment?" I don't know whether it will. Members opposite are certain of it, and there may be local businessmen who are also certain of it, but I suggest that this may be due to the fact that they are, by definition, parochial, that large corporations who have dealt with many governments around the world and who do business with many governments around the world, many of them with very great restrictions and regulations, seem to be able to adjust to many governments. We may be an exception but I don't see why we should assume this. In any case we do have an alternative. If a profitable investment opportunity appears, it occurs to me that the people of Manitoba, through Crown corporations, could seize upon it, and in my view, as is well-known among many members, a Crown corporation has many advantages over private enterprise. In the first place, there are no federal taxes to be paid on a Crown corporation. Secondly, and much more important, the profits are retained by all the people of Manitoba rather than by the few. Thirdly, economic power that is now concentrated in a local

(MR. GONICK cont'd) business elite will be more diffused. Profits that are earned in the Crown corporations are thus now available to government, which would allow it to allocate those funds to areas of high priority. Crown corporations can experiment in more democratic decision-making in these enterprises than is now available to private enterprise.

MR. JORGENSEN: I wonder if the honourable member would permit a question at this point? I wonder if he could tell the House how many Crown corporations today are making profits for the federal government.

MR. GONICK: Air Canada, Polymer, Manitoba Telephone System, Hydro, -- (Interjection) -- The CBC is not intended to make a profit, Mr. member.

I would certainly hope, in conclusion, that this government would not refrain from making use of Crown corporations and industrial cooperatives. Judging from past experience, the people of Manitoba cannot rely upon private enterprise to provide all of the entrepreneurship, all the innovation that is necessary to provide good-paying jobs to those tens of thousands of members of the population who are outside the labour force but who could be part of the labour force, who are under-employed who could be fully employed, or who are now employed in very low-paying jobs, but I suggest that not only that we can't rely upon private enterprise, I suggest we can't afford to wait, because the cost is too great and we have an indication of those costs. The Finance Minister has made very clear what they are, that two-fifths of our population are living in what is accepted by everyone as poverty conditions, and I suggest that the price is too high to wait until private enterprise provides us with the kind of industry and jobs which are going to make it possible for us to abolish poverty from our midst. It's because private enterprise failed to provide the kind of economic growth and the kind of jobs and industries which could absorb the unemployed and the under-employed and those members of the population that are outside the labour force but who could be part of it; because it's failed to do that which it applauds itself for, namely providing new industry, new economic growth, that this government, this party was elected to govern, and I would suggest that a strategy that aims, not at a favourable environment for business, but a strategy that aims directly at a favourable environment for people, for all people, be the strategy that this government adopt. Growing to beat '70 reflects a mania for growth for the sake of growth. Growing to beat poverty, growing to beat injustice and degradation, growing to beat pollution, growing to beat low wages, growing to beat long hours, growing to beat congestion, growing to beat privilege for the few, growing to beat inequality - these, in my opinion, should be our slogans and our strategy.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Well Mr. Speaker, I wasn't sure necessarily that I would enter the debate but I think this would be as good a time as any, in connection with the last speaker, to express my remarks. I may say that I am happy that he had an opportunity of presenting to the House, because it really appears to be a repeat of the speech that was presented over the weekend and reported in the papers, and it gives us an opportunity to discuss it and debate it and because, during the period of time that I was involved on the government side, I was involved with the Department of Industry and Commerce where the theme "Growing to Beat '70" was developed, it is probably appropriate that I at least respond and in some way make a contribution. Now I may say that the problem in dealing with what the honourable member has expressed, becomes difficult for the simple reason that I think we have to recognize that in our society today there are substantial numbers of people who live in poverty, and that the objective of government has to be to try and develop a situation and a climate in which their situation will be met, in which they will be given the opportunity, as others are given opportunity, to be able to enjoy the good life.

Now I must express here and now that this feeling, this desire to try and achieve the objectives I have set forth - and really the objectives that have been set forth by the Honourable Member for Crescentwood have always been in front of and been an aim of the government, the government while I was involved and certainly the government of Duff Roblin as well in previous years when I was not involved in government. Now the problem, of course, if you say that this is our objective, is how do we achieve it? And this, then, becomes the real critical issue between us as to whether in fact it can be achieved in a manner in which we have attempted to carry on our programs or it can be achieved in some very vague way, because that's all we really have in front of us. We have a vague presentation of some obscure way in which we are going to try and eliminate the problems of our society by some new catch

(MR. SPIVAK cont'd) phrases, and in turn by the possible use of Crown Corporations. Now then, all we have to say on that is look at Saskatchewan where Crown Corporations were used, and instead of making profits which then could be used by the provincial government to try and correct the situation, when the Liberal Party did take over, what did they find? They found year after year after year there was money taken out of the provincial treasury and socked into those corporations to keep them alive, not that they were producing for the people, but in effect they were being kept alive because of the theoretical and doctrinaire philosophy that Crown Corporations were of a necessity and were necessary in trying to develop that society. Now that's actually the fact of the matter.

Now I'm not suggesting that we do not think in terms of Crown Corporations per se if we have a specific area, but to suggest that this is going to be the solution I think would be rather ridiculous. But all I'm suggesting is that in listening to the honourable member, I think we have forgotten one of the purposes of the basic design of the theme and what we are attempting to achieve through all the efforts of the department, and while it may be very difficult because some of you on the other side may not be prepared to accept the premise on which we started, I think it is necessary to try and clarify this once and for all because I suspect that we are going to have a discussion, because growing to beat whatever you are going to beat is obviously going to be growing to try and get votes, and growing to try and get votes means that this theme is going to be a theme that we are going to be hearing for some time and I'm prepared to accept it. I am also very interested, and I hope the time will come when other members, particularly those in the front bench, are going to be prepared to stand up and say that the views of the Honourable Member for Crescentwood are really their views, because so far by the action and by the statements that have been made by the First Minister, and others, there is absolutely no evidence at all that the views the Member from Crescentwood holds are really their views.

Now we may have a few generalities and we may have a few catch phrases that would even be brought in from the Speech from the Throne, but I want to know who is standing up and saying the same thing that he is. And this is fine, but I don't want a situation where there is going to be an appearance on the part of the government that they are trying to do something which they in fact are not trying to do. Tomorrow the Honourable First Minister is going to be in Toronto and he is going to be in Montreal and he is going to be in New York, and I suggest to you that he is going to be standing up and he is going to be saying the same thing that the Department of Industry and Commerce has said for the last three years over and over and over again, because he himself is committed to try and follow a program that was outlined before and which is really an extension of the effort of the department in the past three years and which is tied down to one thing and one thing only, to try and make Manitoba "Grow to Beat 70."

Now let's talk about "Growing to Beat 70." What was our purpose in trying to get a catch slogan for industrial development? 1970 was our centennial year. We know that, and the object was to try and focus attention on the part of everyone within Manitoba that industrial development was going to be the real way in which we are going to be able to try and correct the problems we have in the province and be able to push in an economic manner, push the economy of this province, so that the people themselves would enjoy it. Because it was a recognition that what had to happen in our province had to happen through our own entrepreneurship, that the big changes that were going to occur in our society - and the Honourable Member for Crescentwood is going to laugh at this but this is a fact - that the big change that is going to occur is when the individual entrepreneur recognizes the decisions that have to be made and makes them, and in the course of making them causes an effect which will create new job opportunities which will create new capital investment and which will give rise to income. That's what's going to happen to our society and that's the only way it's going to happen and it's not going to happen in a sort of academic way. Manitoba is not a laboratory for professors to try and mix things around to try and produce a result because you are dealing with people and you are dealing with job opportunities and you are dealing with living, and there is no way in which the kind of suggestions that you make are going to come about, at least until you come with a specific plan, and all we have here is the obscure declaration that in some way we are going to try and accomplish the objective and we are going to try and achieve some balanced economic growth instead of some distorted economic growth.

But our problem in this province, and the great problem was the individual entrepreneur looked at this province as not one which had a future, not one which really had tremendous new market opportunities, not one which really gave them the opportunity for their dimension and

(MR. SPIVAK cont'd) for the horizon to be raised so that they could look beyond the province, beyond Canada for opportunities to be able to grow and at the same time create and develop the opportunities that I have suggested. And the purpose — and by the way I might suggest, Mr. Speaker, my purpose is not to defend "Growing to Beat 70," because I want to tell the Honourable Member from Crescentwood I'm not afraid nor am I concerned about defending "Growing to Beat 70", because the people of Manitoba know what this purpose is and you are not going to fool them by in any way suggesting that it should be something else. But I am saying to you that the purpose and the effort were done for one purpose. We had to sell Manitobans on Manitoba themselves if we were going to be able to sell anybody else on coming here, because if Manitobans themselves did not understand the realities of their own situation and their opportunities and were prepared to take the initiative, how can we expect others to come in this province and try and work with whoever we had in our commercial and industrial field in attempting to try and spur on the economy of this province.

So therefore the theme was developed and the programs were developed and it has produced some results, there's no doubt about that, and the funny thing is that the government on this side have been doing nothing but declaring how happy they have been and have put themselves on front line and centre with all the economic developments that have come as a result of those efforts and they are going to continue to do that for a very good reason, because what is happening is in the best interest of Manitoba. But I'm not going to suggest that by doing that alone we are going to correct all the problems.

Now one thing disturbs me at this time. We have had the representation made of 43 percent living in poverty, and I listen to that figure and I say to me, well it's coming from the government side and they are New Democratic Party leaders and they are people who are just people and they are people who are honest people, but when representations are made like that which are essentially dishonest, then I suggest to you that the matter has to be corrected, because in those records which were taken from the 1967 green book of the Dominion Bureau of Statistics, what it does point out is that although 43 percent of all those who declared taxable returns, it is only 29 percent to begin with of those who in fact declared taxable returns. And then when you do some further analysis you will find if you look "Under 25," that you have approximately 27,000 people under 25 who did not declare income tax but are included in that 43 percent. And then "Over 70" you have another 5,000, so you have 32,000 approximately 80,000 — and I haven't the exact figures on me but they are close enough — which in fact represent university students and older senior citizens, who we know have problems, and university students who have taken part-time jobs, either part-time jobs or have earned not enough income to pay tax on it.

Now I'm not suggesting that the area of poverty isn't reasonably large and I'm not suggesting that there should not be an opportunity to try in fact to correct it. I'm not suggesting that, but to represent 43 as the figure which we now are going to have as the political figure that will be haranged in this province, I think is a dishonest figure and I think it is wrong. I'm not suggesting . . .

MR. GREEN: Mr. Speaker, on a point of privilege, the Honourable the Minister of Finance is not here, but would not the honourable member agree that what the Minister of Finance said was 43 percent of the people who filed income tax returns were earning less than \$3,000 and that's all he said.

MR. SPIVAK: Well Mr. Speaker, that includes husbands and wives, students, etc.

MR. GREEN: The Minister of Finance said I believe what I said he said. The Member for River Heights is charging that this is a dishonest statement. Does he really mean that?

MR. SPIVAK: I'm suggesting that the statement — and I think maybe I should clarify it both for the record and for the Honourable Minister of Health and Welfare — I'm suggesting that when the Honourable Member from Crescentwood said that 43 percent of the people are in poverty that that is an incorrect figure, and his 43 percent is based entirely on the Honourable Minister of Finance's statement that 43 percent are under \$3,000, and included in that figure are students, older people and wives and part-time workers, and that in effect if you took the figure and related it to those who declared income tax the figure is 29 point something, which is about 14 percent less. And then I assure him these figures unfortunately are not available in the green book. If we really examined the part-time workers we would narrow that even more — and that still doesn't mean that it isn't a significant number — but I think it is not 43 percent and I think it is wrong for a representation to be made that 43 percent of the province

(MR. SPIVAK cont'd) here are in the poverty level because that just doesn't wash; it's not so. But it does mean — I'm suggesting that the number and the figure is significant and the objective of government has got to be to correct it in a variety of ways, but the essential difference between the Honourable Member for Crescentwood and the members on this side, and I really suggest the present government — by that I mean the present members of the Cabinet; I don't know about the backbenchers, I don't know what their views are. We hear interesting reports of what their views are in caucus but we don't know whether that's the case, and I wonder how many of them are going to have the courage to stand up as the Honourable Member for Crescentwood had and declare themselves. But nevertheless — and for that by the way I think the Honourable Member for Crescentwood deserves some credit, and I think it takes some courage because he is inconsistent in this House with what he said outside this House, and I'm not sure that others have been consistent but I don't know that.

But I can say this, that insofar as the members of this side are concerned and so far as the Cabinet is concerned, they disagree with the Honourable Member for Crescentwood in everything and every bit of action that was undertaken here, in the statements that were made by the Liberal Party and the Opposition and by the Leader of the Social Credit Party and the Independent who is here from Churchill and certainly by the members of the government now, we disagree with you and you have got some convincing to do in your own party.

Now having said this, let me now deal just for a few moments with the budget. You know it is an interesting thing — and I have a document here and I am going to read it because a very wise man said this and he said this in connection with a budget debate of a few years ago. This appears in Hansard in 1967 on Page 1021 and I would like to read it to you. "The fact is that Manitoba having been one of the two provinces without a sales tax up to now has not actually attracted people or industry into the province. Does the government now think that imposition of such taxes would not drive people and industry away? How much and how thoroughly has the government actually considered some of the other forms of taxation with which it has not dealt?"

Now let me repeat this again. "The fact is that Manitoba having been one of the two provinces without a sales tax up to now has not actually attracted people or industry into the province. Does the government" — now let's translate this to 1969 — "Does the Government now think that the imposition of such taxes would not drive people and industry away? How much and how thoroughly has the government actually considered some of the other forms of taxation with which it has not dealt?"

Now the Honourable Member for Morris says it sounds like the Honourable Minister of Health and Welfare and it's not. It's the Honourable Minister of Finance in his statement on Page 1021 of Hansard. And let me quote one other quotation. This is on Page 1024. "The New Democratic Party has spelled out its ideas for increased revenues and indeed expressed the thought, which may be considered revolutionary by some, of borrowing for the programs on a temporary basis until a new tax structure can be created on a national basis." Now what do we know? We know that within a month the White Paper on Taxation will be forthcoming. We know as well that a new tax structure is going to be formed as a result of that White Paper, and probably by 1970. Now does the Minister of Finance who when in opposition said this, is he prepared to act like this? No, he has imposed taxes. And the question that has to be put is how consistent is he in the statements that were made in this House in '67 on the budget and on the sales tax issue with the problems that we have today? Could we not have borrowed, and instead of raising taxes waited until we know the new tax structure? Yes, I think that could have been done. Does he still believe, as he did then, that industry and people are going to be driven out of the province by the sales tax? Does he believe that they will be driven out by the surcharge on income tax and by the rise in corporation taxes?

I'm sorry that the Honourable Minister is not here, and unfortunately it has worked out this way, because I would be very interested and we will have probably an opportunity of hearing his answer in the near future.

MR. SPEAKER: Are you ready for the question? The Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, I would like to join this debate with a few very brief comments and I would like to, in the absence of the Minister of Finance, put it on the record that I would compliment him on the manner in which he has presented his budget proposal. He impresses me firstly with the great simplicity of his proposal. It is a very simple thing and I would think would require very little administrative machinery, a

(MR. McGILL cont'd) simple increase in the Manitoba personal income tax and a simple increase in the Manitoba corporation income tax, so that of all the other taxes that he might have considered this one, this method, certainly lends itself to the present machinery; no trouble at all here.

I think the reaction to the budget firstly, as they were expressed by our Leader, were rather quick and they were to the point, that the Minister of Finance in proposing an increase of personal income tax in Manitoba and in proposing an increase of corporation tax, is going to put us in a position where we are no longer competitive, and that if this is to be the budget which this government succeeds in having accepted by the House, that the future results are likely to be disastrous -- or a few said that "disaster" was a pretty strong term. I happened to be in the Lakehead the day on which the Leader of the Opposition presented his remarks and a business leader from the Winnipeg community, who happened to be there at the time and who couldn't possibly have heard the remarks of the Leader of the Opposition, used the same key word in his comments on the budget proposal, that he thought it would be, for Manitoba's future, a disaster.

The Member from Ste. Rose also impressed me with his comments on the budget. He has a very excellent delivery and always attracts my attention because he presents his points very clearly. He said at the outset that he concurred entirely with this method of making up for the reduction of medicare premiums and that he, and presumably his group, would support this method. But he immediately cautioned the government that there was a danger if they pursued this trend that they were favouring a course which would lead them to more and more taxation on what they euphemistically called ability-to-pay concept. There are other more direct and blunt ways of describing that principle, and since in society today four letter words are being more and more accepted, perhaps I could presume on the House to use a couple to describe this philosophy. I would call it "soak the rich." This is the "tax the rich" concept that is being presented to us by the government.

The concept of ability to pay, as we have accepted the term, is one in which the small portion of our society - I think the Honourable Member from Ste. Rose said about 4.9 percent of those people who filed income taxes in Manitoba were in the category of more than \$10,000.00 - so we have one-twentieth of the people who pay taxes in the category that we would like to assess some further taxes, and they are unfortunately those people who comprise a goodly and important part of our human resource in the Province of Manitoba, because income can be used I think as a rough measure of your contribution to the productivity of the province. If you are productive you usually receive more of this world's benefits, and when you declare them for income tax purposes you expect to pay more than those who contribute less. But there is a real danger I think in pursuing this concept and to place us in a position which makes us non-competitive with provinces on either side of us, and with most of the places in Canada.

First of all, these people are highly skilled. They're professional people perhaps in business and in many of the trades; they're the people who are contributing a great deal; and they are people who are very mobile. They are possessed of instant communication. They're able to assess the economic climate for their skills in Manitoba and to compare them with other parts of Canada. Unless we're able to offer them at least equal benefits, I think they're likely to say: "Well, sentimentally we like Manitoba but there are other parts of Canada would receive our skills and compensate us to a greater degree and they perhaps have many advantages over the present situation here in Manitoba." And all we can really say to them, having advised them of what we intend to do to their position in the way of taxes, is to say: "Well, we're really nice people in Manitoba. We're very friendly out here. I think you'll like living here and really you should accept some penalty in an economic sense and stay with us." There's no way really we can expect to hold the people who are here now if they choose to go to other parts of Canada. And with instant communication and transportation, it's a well-known fact that in two hours you can be a resident of another province.

The Member from Ste. Rose said he would accept this kind of taxation but he cautioned against pursuing the trend of the ability-to-pay concept. I think that's a little bit like saying to the government: Well, we'll have one drink out of the Socialist's bottle, we'd like to try it out but one only because we think if we had two drinks of that that it might seriously impair our ability to compete, to drive. But this they may find a rather difficult position to sustain, because I understand this Socialist brew is pretty heavy stuff.

A MEMBER: Have you tried any?

MR. MCGILL: Well, having heard what it can do and having seen what it can do in Saskatchewan, I'm not really very keen to try out the concoction. But if . . .

MR. IAN TURNBULL (Osborne): I was wondering, seeing Saskatchewan is mentioned so often, if anyone on the opposition benches could cite right now a Crown Corporation which was engaged in an industrial sector, which had some promise of profit, which lost money. Now could you, Sir, give me one such example. It seems you're talking around these generalities of Crown corporations in Saskatchewan.

MR. MCGILL: Yes, there are quite a number, I think, and I would suggest one as being the brick factory that they had at Estevan that was in business for a few years and then packed it up. I would suggest that this is probably one that did not become a prosperous corporation.

But to continue with the discussion as to the Member from Ste. Rose again, he has said that he will go along for this time but he will object to any further applications of the same kind of medicine. Well next April he'll be probably offered the second drink, and it will be a much stronger one I would think than the one that he is being asked to partake of at this moment. And in this respect I would like to read what the Honourable Minister of Finance said in his budget presentation, and in the copies that were distributed, it's on Page 6, and he says in the second paragraph -- I think we should read this pretty carefully because it's a key paragraph. This is Page 6 of the presentation that was distributed and it's Page 855 in Hansard if you're using that. It said: "We are satisfied that the measures we propose will meet the immediate financial needs of the province and establish a more satisfactory base for future program development. Beyond this point" -- and here's where we get down to the statement -- "we propose to explore a wider use of this ability-to-pay principle, along with a correspondingly lesser use of flat rate or other less desirable forms of levy. This we will do with full realization of the constitutional and economic restrictions on this province." Now if you had any doubts about whether there's going to be another drink offered in April, the answer I think is clearly there, that there will be a further exploitation of the ability-to-pay concept, and the Member for Ste. Rose and his group will have to be cautious of this eventuality because their warning, I would say, is not going to be regarded too seriously.

The two things that concern me most as they are affected by the budget are the human resources of our province, and its economic resources or its industry.

Now human resources are important at all levels and perhaps particularly so amongst the leaders of business and industry, those people who make the decisions as to whether their business will continue to function in Manitoba or will seek some more favourable climate. They're the people we really have to talk to, and if we're going to talk to them in terms of ability-to-pay concept and more and more taxes on the higher levels of income, then we're going to have a little problem here. I think these people deserve some serious consideration, if we agree that there is some truth in the TED Commission Report that states quite clearly that the only way our province can develop and increase sources of revenue is for broadening the economic base of the province, and that means industry, that means energy, and that means all of the things that go with development in our economy in agriculture, in agribusiness, in heavy industry.

So that we have, I think a very serious problem here to retain the people we have. I don't see at the moment, having given them this budget proposal and having said here that the government proposes to extend its ability-to-pay concept as soon as it has a reasonable opportunity, I don't see how we can go to people outside the province and expect them to listen to our sweet talk about Manitoba. There just isn't enough sweet talk in the world -- and I realize the abilities of the Honourable the First Minister in this respect, he's done a marvelous job -- but he's even now on his way to the money markets and the market place in the east and he's going to talk to a lot of people who might be interested in coming to Manitoba, and I presume they read the budget presentation and I presume they know what is now being proposed in the way of additional taxation, and I presume they can take from this statement that I have read what is coming next April. So I think we've got a pretty serious problem in front of us. We need this money. How far can we go without destroying the very base on which the revenues of this province depend.

There have been accounts, even at this early date, of estate money and people who are living on investments who are on their way to other places. This money is important, the money that they have invested in Manitoba. The trouble is it's portable, there's no way of

(MR. MCGILL cont'd.) keeping it here, and there's certainly no way of attracting money from other parts of Canada to our province if we're not prepared to offer them advantages.

We have all the disadvantages to offer. We did have a reasonably good and competitive tax position up to this point but now we have a climate physically that isn't the best. We have to admit that, and even the Chamber of Commerce will agree with me on that. We have a distance from the big markets for manufactured goods. For the high density markets of the east, our distance is great, so we're at a disadvantage here and in climate, and now we're losing our tax advantage. So what are we going to tell them? Just that we're nice people, that we'd like to have them and we need them. Please come and help us out. Sentimentally you used to like Manitoba so won't you come back and help us? This doesn't go very well with the people who are making the decisions and I'm afraid they're going to make them on purely financial grounds.

Well I, along with everybody else in this Assembly, sincerely hope that the First Minister will have good results in his missions to the east, whatever they may be. I suspect that they are in the nature of trade missions. I hope that he is able to attract industry to Manitoba because I firmly believe that the TED Commission was right in saying that we need more industry to collect more taxes. And perhaps when the First Minister visits Japan one of his principal objects will be to talk to Japanese industrialists, and I presume this has been translated into many languages and that they'll be able to get the message. I'm afraid they're going to get the message and that if the trip is only one of salesmanship for Manitoba it may not have the results that are hoped for. Perhaps it would be better for the First Minister to take along the Honourable Member from Crescentwood as tour conductor and make it a purely social visit - or should I say Socialist visit to Japan.

And one final remark, and I seem to be quoting the Honourable Member from Ste. Rose at great length here, but he did make another statement in his remarks that he was not here to champion the cause of big business. I wonder if there is anybody here that is championing the cause of big business, or even defending it, because we need business and industry like we never needed it before and we need the jobs that go with industry and business. These are important. These are the jobs that provide the money for the people to pay income taxes and we need them at this stage in our development in a very serious way.

I'm sure you're all aware of the undertone of uneasiness, in spite of the reassuring words from the First Minister, that goes all through Winnipeg and in other areas of Manitoba. People are disturbed and they are worried about the tax direction that the government is now proposing to take and its effect on their position and their business. They are meditating about decisions that have to be made, big decisions that might be made when their business has reached a certain stage. Will they continue to occupy premises in Manitoba, will they build bigger and larger premises, or will they at this stage move to some other point where the tax climate is more useful?

I think that these are the points that I would comment to the members of this Legislature as being of vital importance in this debate. We have been offered a small but important increase in taxes which is destroying our competitive position in industry and for those human resources that are so vital to our expansion. I think we should all regard very seriously this proposal and do what we can to maintain our position in Manitoba in the expansion of our industry. Thank you.

. . . . continued on next page

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

MR. LAURENT L. DESJARDINS (St. Boniface): Mr. Speaker, after listening to the last speaker I'm quite surprised and quite disappointed. There is no doubt that when you're talking about taxes it's not a popular subject, it's nothing easy and it's always something that's painful. I don't think that the Member from Brandon can say that any member - I don't think he can point the finger at any one in this House and say this person or this party or this group is trying or are trying to push business away from Manitoba. I think that he should understand that. -- (Interjection) -- Pardon? No, I don't think that anybody is trying to push business from Manitoba.

But there are some people that are concerned about what should be the greatest riches of our province, the people of Manitoba, and the last speaker did not say one word about the people of Manitoba. He just two or three times mentioned the fact that somebody was looking after the ability-to-pay principle. He quoted the Member from Ste. Rose and to him this was disgraceful. He did not once try to explain that this had to be done. He said himself that the climate of Manitoba wasn't the best, that even the Chamber of Commerce would agree with him on this, and it is quite clear after listening to him that there's not too much here in Manitoba that we can't rival with other provinces that are richer than us such as B. C. and maybe Ontario and Quebec and so on. So what does he propose? If he feels that his speech is positive, I say it is a negative speech. All he has said, is he's asked the people here to bribe businesses to come here. This is all he has said.

Now he is talking about what you're going to do, you're going to push people away. There is no such thing as an easy solution, but why doesn't he tell us then, if he's against the principle of ability-to-pay, why doesn't he tell us how he expects the people that are making less than \$11,000 a year, how he expects them to live. If he's so concerned about what is being done to drive other people and the businesses out, what is the point of having all these businesses in if they're going to be subsidized by the people, by our people? What are we gaining? So we can say somewhere that we have bigger businesses here in Manitoba than anywhere else?

I certainly don't subscribe to radical socialism no more than he does. I have no sympathy for the freeloaders in society, but I think we have got to make it possible for the people to enjoy a living here. And if it's right to do like what this government did - and it isn't right because the people of Manitoba told you so - and if it's right to finance a plan such as you did, the Medicare plan, where the people that were getting, what was it, a little over \$15,000, not only were paying for themselves but paying for other people - and this is the kind of financing you had on this and this doesn't count. If you would sooner say, All right, let's give in to industry and so on because you're interested in having industry in, what is the reason? What is the reason that people are not going to enjoy any kind of a life? You want them here and you say to the people of Manitoba, but you subsidize them, you take lower wages and you pay the taxes. If Manitoba is this poor -- after listening to you, you would think that - this is the most pessimistic speech that I've ever heard - this is the end of the world in Manitoba. If you feel that the only way we can attract people is to take money from a certain group and give it back to the businesses and so on, if you feel this is what we can do, we might as well get together, close shop here and just leave the industries in Manitoba and then cross across the line to go and live because these people have to stay here.

I'm not suggesting that it's an easy solution. I'm not saying that there's not a lot of problems, and I feel that probably this will be done if we really want to remain a Canada. If this is Canada and we're Canadians before being Manitobans, or Quebeckers or what have you, I think that we have to get together and see what can be done about this. I think this is the solution. Let's not kid yourself that you can compete with some of the other provinces.

-- (Interjection) -- I don't crawl. I'm not the type that crawls, I'm sorry to disappoint you. I'm not going to crawl at all and I'm going to tell you what's in my mind if you like it or not. Did you want to say something now? -- (Interjection) -- I'm here because I think it was the proper thing to do. -- (Interjection) -- That's right; it's a good place for me when you have people like this that are afraid to talk and to have a look at the people. They're looking at themselves.

Tell me - I was going to say "smartaleck" but this is not the time to call him that, but this is what I think of him - tell me how many people in Manitoba make over \$11,000 a year? Tell me how many of them? -- (Interjection) -- No, nobody wants to make \$11,000 a year - 4.9. They're the people that might pay a little more. They're the people might pay a little

(MR. DESJARDINS cont'd.)... more. What is the Honourable Member from Fort Rouge is it, or Fort Garry saying? Fort Rouge? I'll challenge the member. Are you saying that the way you financed the Medicare, or this previous government financed the Medicare program, is that fair, and was it adequate and fair for the people of Manitoba?

MRS. INEZ TRUEMAN (Fort Rouge): I didn't say that.

MR. DESJARDINS: You didn't say that? Well, this was the first promise of this government and this is what they're trying to change. I'm not saying it's easy and I'm not saying we shouldn't try and find out and get together and see what we can do to attract or to keep businesses here and we will need help from our fellow Canadians on this because we can't rival, we can't compete. We are asking now to have more fields, and I think the former First Minister went to Ottawa and he said we want more - what was it? - we want more fields that we want to keep to tax ourselves. Then you get the estate tax and you say, no, we won't tax on the estate tax. It's not the question of hurting the rich, I think you have a point you're concerned with other provinces. If this is what we're going to guide ourselves on, if we're just going to say we're going to lose it to the other provinces, and if we don't look and say all right, let's see what we can do, we want to keep them. But we've got to draw the line somewhere. Our people have to live. Surely everybody, even the members on the other side will agree to this, and this is what is being done when you're talking about the ability-to-pay principle.

This is why I was so disappointed by the Minister - the former member I should say - the last speaker that talked about competitive, all these things, and made a big thing, a crime of doing anything that might not be 100 percent in favour of big business. I want to keep this big business here too but I'm going to draw the line somewhere. What is the point? You can destroy all the homes and put a big business on each one of them, all over the place, who's going to live here? Who's going to live here if they've got to subsidize? All right. We've got to say -- if we could work together on a thing like this and present a common front to Ottawa. Let's face it. If we're not a rich province we must admit it. But we can't just say all right, they're doing this in B.C., they're doing this somewhere else. They have certain things that we haven't got here. If this is impossible, if we have to compete with them, we will never compete with them. When we give them the estate tax back, they will have something else they will do because they want to keep the money there. So therefore we have to draw the line somewhere and our people, the people of Manitoba have to live like human beings or there's no point in having all the businesses here.

And I repeat, I'm not suggesting any radical socialist reforms. I at no time - and many of you have heard me say this many times - I don't believe in the free-loading society, but surely to God we're going to have a look at the people of Manitoba and the last speaker, if at least once or twice he would have said that I understand that you've got to think about ability-to-pay, and maybe even agree with what was said by the Member from Ste. Rose, but I think this is what he was trying to say, that this is what he was trying to recognize, and I don't think you should mock him or ridicule him because he's saying that he is concerned about ability-to-pay. What in fact the Member for Brandon said today is either you're for or you're against. He's trying to divide the people of this House that there's no middle road, that either you give it all to big business and you don't care about the people at all. . . .

MR. MCGILL: Mr. Speaker, on a point of privilege. There was certainly no ridicule in any of my remarks about the Honourable Member for Ste. Rose. He's not a member that I think anyone in this House would ridicule.

MR. DESJARDINS: Well, if you don't call it ridicule call it what you want, but you were talking about having a drink and he'll have to take another drink come April and so on and that he should make up his mind. If you don't call it ridicule, you were trying to make a fool out of him or something else, but you certainly didn't like what he had to say. And I'm trying to say is that he was concerned at least - he was concerned. You can talk all you want, you don't just necessarily fall into two categories that either you're for big business or you're for the people and therefore you're a socialist. I don't agree with that at all. I don't agree. There's certainly room in the middle there somewhere to be concerned with our people.

And let's relate this to your own family. Let's relate this to your own family. You might want to do a lot of things but I'm sure - excuse me, I shouldn't say to the member - but let's say to our own family. We'll draw the line somewhere. We'll say, well this is what we want; we'll do all those other things after but this is what we must have for our children, for the education of our children or for their food and clothing and so on. Why would it be so difficult?

(MR. DESJARDINS cont'd.)... We don't have to in this House always have to be at each other's throats. We don't have to be for or against 100 percent of everything. I don't think that we have to -- some of the members out there think this is really funny. I don't think that it is. I don't think that it is. I think -- All right, we all want the same thing. We want to profit, we want business to come and establish in Manitoba -- (Interjection) -- Pardon?

MR. EINARSON: Is that what you call being an opportunist?

MR. DESJARDINS: Well, what is an opportunist? Maybe you'd like to tell me. What is an opportunist? Well come on.

MR. EINARSON: Mr. Speaker, the honourable member made a statement a week or so ago that he was an opportunist. Maybe he could give us a definition.

MR. DESJARDINS: All right. I'll tell you the kind of opportunist I am, if this is what you want. I saw a chance of doing something for the people of Manitoba; I saw a chance of pushing out a government that had asked for a mandate of the people which was refused, this mandate, and then said: Well, we know better than you in spite of yourselves and this democratic country, we will keep you down because you don't know what the hell you're saying or doing. I saw a chance to change that, an opportunity, and I was an opportunist. And now I see a chance of maybe saying a few words for the ordinary common citizen of Manitoba. That's an opportunity. I'm an opportunist, Mr. Speaker. Now you know. And I hope that we would all be opportunists. I hope that we would all try to seek the opportunity that we have and the responsibility that we have to look after all our people of Manitoba. It's wonderful to have big roads, beautiful roads, skyscrapers and so on, but what about our people? What about the people of Manitoba? I think that they should count. This is what we're trying to say. There are no short-cuts; there is no easy way. There is no easy way. We can not compare, and I don't care if the Chamber of Commerce are listening in, you can not compare Manitoba to B. C. or Ontario and so on, so let's not kid ourselves. If they've got the upper hand on some things and we try to compete with them, they'll find something else the next day. So this is the time where we have to realize, is it a joke, is being Canadian a joke or do we want to be Canadians, and if so, we have to help each other. Or, as I say, put a border around Manitoba and say "For Business Only", and we'll go and live in Ontario and Saskatchewan and we can commute. That's about the only thing.

But there's no short-cut and you don't divide the people. Everything has to be looked at in the same way and it's not easy. I'm ready to discuss with the Member from Brandon, but not if he excludes the people. If he wants to look and see what we can do, but still keeping our head up and to be responsible and reasonable with the people of Manitoba, I'll go along with him and we'll fight it together. We'll fight it together here and with other provinces and so on.

I got up and said that I was disappointed. I was disappointed because not once did I hear the last speaker say one word, one word of concern for the people of Manitoba. Not once did he say how many, what the percentage was of people making less than \$11,000 a year, but it was always his great fear, a great fear of businesses leaving Manitoba. We are not strong enough to compete with the others and we can not bribe them; we will never be. There must be something they can do. I don't think Manitoba's that bad and I think there's some firms are here, some businesses are here. We haven't too many of the head offices of any firms that I know of, they're all down east and so on. Maybe it's time that they started paying a little bit more for the people. Maybe we're subsidizing too. This is all I'm asking of the member and the rest of the members of this House, let's get together and let's be a little reasonable.

I haven't heard once -- you see it in the newspaper, it says the great fear -- we were told just a few months ago we should be careful; what kind of a name were we giving to Manitoba? What kind of a name are we giving to Manitoba now? I say, Mr. Speaker, we can not start that game of competing against other provinces. There's only one way, to try to get together with those other provinces and to work as Canadians to make it possible for people of all the provinces to enjoy at least some minimum, some minimum of the life, and if they don't count any more, well count me out, I'm not interested in staying in Manitoba even if there's no taxes at all.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Mr. Speaker, I'd like to compliment the Minister of Finance on his budget and on the conduct of his portfolio up to this point in the life of the new government. I'm sorry he's not here so that I can compliment him in person. Having said that though, Mr. Speaker, I would like to contribute what I can to a critical analysis which I hope will be constructive and helpful from this side of the House where the budget is concerned and where the

(MR. SHERMAN cont'd.) . . . fiscal and economic situation of our province is concerned at the present time.

The member who has just spoken, the Member for St. Boniface, was concerned because he felt my colleague the Member for Brandon West had not been concerned with people and the problem of people in his remarks. I think perhaps, unless I misinterpreted the member's comments, he felt that this might even be true of the remarks and the attitudes of many members from this side of the House in this debate, that there was no concern and no feeling for people. Well I suggest, Mr. Speaker, that the honourable member has misinterpreted the attitudes of members of this party on this side of the House because it is precisely because of our concern with people and the ability to provide jobs and the ability to provide livelihoods, the ability to provide as much as is possible of the good life for people, for the one million people in this province and the hundreds of thousands and millions whom we hope are yet to come, that we take the position in this Party that we do where the economics of Manitoba and where the enterprise system in Manitoba is concerned; and it's precisely the future of people that's at stake in the budgetary policies being employed by, and enacted by the government in office at the present time.

MR. DESJARDINS: Would the honourable gentleman permit a question?

MR. SHERMAN: Yes, certainly, Mr. Speaker.

MR. DESJARDINS: Would you say then that this is what you had in mind, or the government had in mind when they decided to finance the medicare program as they did, concern for people?

MR. SHERMAN: I say unequivocally, Mr. Speaker, to the Honourable Member for St. Boniface, although I was not a member of the government that was in office at the time the medicare legislation became law, I say unequivocally that in my view it was legislation aimed at providing the greatest good and the greatest incentive and the greatest help for the greatest number. In my view, in my philosophy, Mr. Speaker, I say to the Honourable Member for St. Boniface that I have unequivocal faith in that statement, because the red herring of the ability-to-pay principle has been dragged into this medicare debate now for something close to two years, for something close to two years -- and I'm ahead of myself here in my remarks, I didn't want to get into the question of the ability-to-pay principle at this stage in my remarks, but since the honourable member raised the question I'll deal with it at this point. -- (Interjection) -- Well, my honourable friend says the herring has become a smelt, but I suggest to him that the ability-to-pay principle always, from the outset, was incorporated in the philosophy of the medicare program and in the mechanics of the medicare program, because it was supported to the extent of 50 percent out of income tax revenues, and if that doesn't constitute ability-to-pay, I'd like to ask my honourable friend what does? I see the Minister for Health and Social Services would like to ask a question and I'll submit to one, but I would like to get on with the main body of my remarks.

MR. GREEN: Well, Mr. Speaker, just on the point that he raised, does he not agree that the two percent social development tax that was imposed by the Federal Government as certainly part of its program to finance medicare, had a ceiling which cut it off at \$120.00 a year?

MR. SHERMAN: I agree with that statement and I voted against that particular taxation imposition, and I think that the enforcement of it, the application of it today is a hypocritical one, because it isn't going to offset the medicare costs which was the direction in which it was intended to move. But I still insist, Mr. Speaker, that the concept of ability to pay is incorporated in the concept of the mechanics of supporting a program to the tune of 50 percent out of income tax revenues, and I believe that that statement stands by itself. Therefore my argument, my reply to my honourable friend from St. Boniface, is that the ability-to-pay principle has been incorporated in the thinking about medicare. Now he would like, and his colleagues on the government side of the House would like the ability-to-pay principle to be imposed, to be applied 100 percent across-the-board on the medicare program. -- (Interjection) -- Well it's obvious from his. . . .

MR. DESJARDINS: No, it's not obvious. You read Hansard and see what I've said. Don't say it's obvious because you think so.

MR. SHERMAN: Well, I'll re-read Hansard but I must say that this is . . .

MR. DESJARDINS: All right, but don't make no statement that it's. . . .

MR. SHERMAN: . . . these are the inferences that I have received from the comments of the honourable member, and I suggest to him that when he talks about our concern for people

(MR. SHERMAN cont'd.)... on this side of the House....

MR. DESJARDINS: Lack of concern.

MR. SHERMAN: Or lack of concern for people as he put it, that he is deliberately ignoring the fact that there are aspects of the medicare program as it was originally constituted that accommodated the ability-to-pay principle while at the same time preserving what we feel in this Party, what we felt and what I still feel is an admirable philosophical point of view, and that is the responsibility - except in the case of my brother who cannot for reasons beyond his control take care of himself - the responsibility of the individual to take care of himself as best he can, where he can and when he can, without asking for a free ride on the backs of those who really put the input in terms of energy and initiative and effort into our economy. What I am afraid of, Mr. Speaker, is that the trend and tendency in much of our legislation is having effects and ramifications on our people, on our society, and particularly on our young people, that I think that many of us, and particularly those on the government side of the House, are not yet even aware of. It's having effects, it's having an impact that is going to be extremely dangerous to the welfare of this province, to the welfare of this community at large.

Mr. Speaker, I am not particularly disturbed by the remarks that were made by the Honourable Member for Crescentwood because I give him credit for having laid it on the line, and I would go further and say that as long as I've known him he always has philosophically laid it on the line.

I was concerned, however, with the statement made in this House on August 20th by my friend the Honourable Member for St. Matthews. In an otherwise good speech the honourable member said - if I heard him correctly - that it is the job of government to redistribute wealth. Well, Mr. Speaker, in my view, Sir, it is of course nothing of the sort, and if the honourable member really believes this, that it's the job of government to redistribute wealth, then I suggest he has a great deal to learn about freedom and the traditions of the system under which we live and operate. It is the job of government to provide the means of maintaining law and order; it is the job of government to protect the few from the excesses of the many and the many from the excesses of the few; it is the job of government to maximize opportunity for the individual and to equalize it as between one individual and another; but it is not the job of government I submit, Mr. Speaker, in a free society to redistribute wealth, and that any overt function in that direction can only lead in the end to the penalizing of initiative and the stifling of ambition.

Mr. Speaker, I subscribe, as I'm sure my friends on the government side of the House would expect me to, to the position taken by the Leader of my Party on the amendment now under consideration to the main motion, in which he has sounded the warning of a disaster for the development of our province - an economic disaster for the development of our province implicit in the changes in Manitoba's taxation policy which are proposed in the address of the Honourable Minister of Finance. I do so because I have already had some contact and some communication, Sir, with entrepreneurs in this province who are concerned to the point of considering a drastic shift in their form of operation and a drastic shift in their form of accounting in such a way as to make it worth their while to carry on the majority of their selling functions outside the Province of Manitoba so as to be able to reap some reward, some return for the business activities, the legitimate manufacturing activities in which they're engaged, and to escape an onerous increase in corporation taxes which they feel will mediate very severely against their financial survival.

I hope at an early opportunity to go into this particular question much more fully, Sir. I do not at this point have the specifics in black and white which would enable me to make the case definitively on this particular subject in this Chamber at this time. But I can assure you, Sir, that the evidence and the testimony and the communication that I've had thus far is sufficient to persuade me to investigate the whole question that I've just raised very carefully and very thoroughly with a number of enterprises who are concerned, as I say, that the increase in corporate income taxes levies against them are going to make it no longer worthwhile for them to continue the scope of activities in which they're engaged in the Province of Manitoba, and that because of the size of their operations and the extent to which they're diffused across various parts of the country and even into the United States, it will become possible for them, and indeed practical for them, to carry out most of their selling functions through those other branches of their enterprises and therefore to put themselves in a legitimate position where they are legitimately able to sidestep the effects of this increase in taxes.

Now the Honourable Member for St. Boniface, amongst others, has raised the question as

(MR. SHERMAN cont'd.)... to what kind of damage, what evidences of damage do we have on this side of the House accruing from the fiscal and budgetary policies enunciated by the government. Well I think perhaps the members will have to wait for a few weeks - they may not have to wait very long - but they will have to wait for a few weeks while the ramifications make themselves felt. But I'm sure, and I don't say this with any pleasure, I'm sure that they will have their answer to that question if the indications that I've referred to at some levels of business are truly valid ones and are truly realistic. For if these cases, which I say have presented themselves to me, do prove out to take on the form that I've suggested, then there will be very unfortunate and very concrete examples of difficulties accruing for the economy of our province, as a direct result of the strictures imposed on business and industry and enterprise by a taxation level which now surely has exceeded the point of practical tolerance.

The impact of the budget on business and industry that exists in this province at the present time is only one side of the question, Mr. Speaker, however. The impact on those enterprises that might have been thinking of coming into Manitoba is another very serious side of the question. The Member for St. Boniface I think, and I was jotting down notes from his remarks as he was making them, said that we're not strong enough to compete for industry with the other provinces; we can't bribe them. Well, I think that I'd be willing to concede that point, but I ask my honourable friend from St. Boniface, does that mean that we have to discourage them? Does that mean that we have to go to the other extreme and impose the kind of stultifying climate that discourages them from coming in? Now the jury is still out on the question; I concede it will take some weeks, perhaps some months to determine whether they really are being discouraged. But our position...

MR. DESJARDINS: ...people should subsidize that?

MR. SHERMAN: No one is talking about subsidizing.

MR. DESJARDINS: I know, you're investigating everything but the people...

MR. SHERMAN: What I am talking about is the free function of a competitive economy, and you operate in one and you have a good life to show for it.

MR. DESJARDINS: That's right, and I'm thinking of those people who aren't as lucky as we are.

MR. SHERMAN: And so are we, Mr. Speaker, because out of the free enterprise, which my honourable friend has been connected with for some time, considerable jobs and livelihoods are provided. And I....

MR. DESJARDINS: ... saying I'm against free enterprise? Am I against free enterprise?

MR. SHERMAN: I don't know. At this point I don't know, Mr. Speaker, whether the honourable member is against free enterprise or not. At one point he sounded as though he was in favour of it as long as it could be tempered and watered sufficiently to make his position with his colleagues not intolerable, but on the other hand he talks out of the other side of his mouth and questions me in the midst of my speech with comments that make it sound as though he is against free enterprise, Mr. Speaker.

MR. DESJARDINS: Which one? What did I ask you?

MR. SPEAKER: Order, order.

MR. DESJARDINS: What did I ask you that you...

MR. SHERMAN: Let me point up a third side of the question, Mr. Speaker, that is of critical importance to the Province of Manitoba and to our community, and that is the impact of a stifling economic climate, if indeed it becomes a stifling economic climate, the impact of that on our young people, on the people in this province who are in high school and university today whose expertise and dedication and energies and vocational talents are absolutely crucial to the future progress of Manitoba. We've concerned ourselves at many levels and many times with the subject of the brain drain. Well, I would hope that with the policies, fiscal and financial, implied and actual in the address of the Honourable Minister of Finance, we're not encouraging a brain drain, we're not contributing to a drain that will turn into a torrent, but I have my suspicions, Mr. Speaker, that we may be doing so.

And I would like to read, Sir, for the record, a portion of a letter which I think points up the anxiety of many young people today, many of whom I've come in contact with and I daresay members of the government side have come in contact with too. I say, Sir, that I had no knowledge of this letter's coming, I don't know whether it was written by a person who subscribes to the philosophy and the principles of my party or not, but it does point up a question that I feel has presented itself to me time and time again with increasing frequency in the past few months,

(MR. SHERMAN cont'd.)... in the past two or three years in fact where young people are concerned, and sounds a warning of a danger that I think is a very real one, and it becomes greater with every piece of legislation that tends to impose limitations and strictures on the freedom of the individual.

I won't bother with all the preamble comment and commentary. The letter was prompted by some calls that were made into one of the radio "hot line" shows and the writer of the letter was asking why were these people making the complaints they were and why did they feel that the world owed them a living, and why was it that certain people were enjoying opportunities that were unavailable to them and why shouldn't they have a chance to do the same things that perhaps more successful people in society were doing. Why should they have to pay the same thing for their medicare as somebody who was making \$12,000 or \$15,000 a year. That was the type of question on the hot line and it was in response to listening to that program that this particular writer - young writer - wrote me.

And the writer said: "Mr. Sherman, these people expect to be supported. They expect it as their right. I cannot understand what has happened to people and thought perhaps you would be able to help," etc. etc. "I realize" - and I might say at this point that this letter does not come from William F. Buckley Junior, or anybody that I know of who belongs to the same society. "I realize that you are all too fully aware of the problems but I would like to express my opinion. Mr. Sherman, we cannot maintain a society based on the premise from each according to his ability, to each according to his need. This seems to be what is happening but it can't work; not rationally. It is the men of mind, ability and initiative who must receive the reward, not the untalented, the incompetent, the scavengers. If this is not the case, how can we encourage a man to be a man, obliged only to the duty of performing to the best of his ability. How long can we expect to rear men who achieve, innovate and strive like the men who built this country if we reward them only by taking their achievement and placing it in the hands of their inferiors who will probably only squander it. Isn't this what is happening? Reward for those whose only claim to reward is poverty, and punishment to those whose only claim to punishment is their ability and the fact that they try. To succeed then, must I prove I am needy and worthy of pity, not that I am capable? I wish to earn my living, and when I am a pensioner I do not expect to be supported. I expect to have earned my right to live through my labour and no one else's."

Well, Mr. Speaker, I think that that's a pretty....

MR. DESJARDINS: Mr. Speaker, on a point of order - if you don't mind - I wonder if the member would table that letter please.

MR. SHERMAN: Certainly, I don't mind tabling the letter at all. I think the writer of the letter....

MR. DESJARDINS: Table it now. I'm requesting, Mr. Speaker -- well there's the boy, he should go and get it. Would you table the letter please? I'd like to see it.

MR. SHERMAN: I think the....

MR. DESJARDINS: Is the honourable member tabling the letter now?

MR. SHERMAN: Sure, I'm perfectly happy to table the letter. I think that the position that the writer of the letter takes is perhaps a pretty strong one, a pretty strongly conservative one if you would care to use that term, and I don't say that there is no medium between that position and the position of those who would take precisely the opposite point of view, let's say the socialistic point of view, where the economy and where society is concerned. But I cite the letter, Mr. Speaker - and I repeat that it was unsolicited and I do not know the person who wrote me and did not know the person who wrote me and still don't know her - I cite it as an example of the kind of query and question and anxiety which is presenting itself to me, and I would think to many other legislators in this Chamber if not all, from time to time nowadays as a consequence of the degree to which young people fear for the scope of opportunity and the freedom of opportunity that they will have in this province of ours if legislation of a socialistic nature, of a bureaucratic nature, and of a regimentation nature continues to proliferate.

So that we are not talking where this budget is concerned, Mr. Speaker, just at the impact on business as it exists here in the Province of Manitoba at the present time and we are not talking just of the impact on business that may be interested in coming in to the Province of Manitoba. We are talking also about the impact on our human resources, our people, to use the term which the member for St. Boniface seems to feel has been overlooked on this side of the House, and particularly our young people, and those young people who are making a tremendous investment

(MR. SHERMAN cont'd.)... in their education for their future and for our future. And it is this side of the question I think that deserves perhaps as much or more conscientious attention from us than any other aspect of the whole subject embraced by the budget and the fiscal position of the government.

Mr. Speaker, the speakers on the government side of the House have in some of their remarks made reference to big business, and at least alluded to the fact that they feel that on this side of the House we are more interested in big business and the freedom of big business to operate as big business than anything else, and I suggest, Mr. Speaker, that there is nothing in that assumption that makes it worthy of being held; there is nothing in that position that is worthy of credit. On this side of the Chamber we have attempted to address ourselves to the over-all question of the community and of Manitoba society as it includes big business, small business, trade unionists, students, pensioners and everybody. The fact that a certain piece of legislation may be good for people in one category or one stratum of our society does not of course guarantee that it's good for those in others, and our position has been that the financial and fiscal legislation that we are considering in this Chamber should take into account the ambitions and the talents and the positions of all members of our society, of all members of our society - and admittedly that includes those who are engaged in business, and a very miniscule proportion of those would be people who are engaged in big business - but why, why is big business cited as such an anathema by members on the government side of the House and by members like my friend from St. Boniface?

MR. DESJARDINS: The Member from Brandon, he's the first one that did.

MR. SHERMAN: Some time ago big business ceased to be the great ogre that some of my friends still seem to feel it is. I suggest, Mr. Speaker, that the days of the robber barons are over and big business is not operating in this province in the manner or mode of robber barons.

MR. PETER FOX (Kildonan): I wonder if the member would permit a question. Has he read the commission's report on the petroleum industry in Alberta whether the robber barons still are with us?

MR. SHERMAN: Well, I'm not familiar - no, I'm not familiar with the details of that report, Mr. Speaker. I'd like to acquaint myself with it and I'll see my honourable friend from Kildonan afterwards and take advantage of the opportunity. But I am at this stage of the debate more concerned with the situation here in Manitoba than in other provinces and I suggest, and I stand by it, that big business in Manitoba, if there is such a thing as big business, long since has ceased to operate in the manner that would create and sustain suspicions where the question of morality is concerned in the minds of honourable members opposite. I feel that in many ways they ride off like the headless horsemen in all directions, striking at fictions and fighting ghosts that long since have vanished, Mr. Speaker, and this continual resort to the ogre of big business I think not only obscures the general and main purport of the debate but I think really does a discredit to the clinical positions that the government has adopted on this whole question of financing and fiscal policy for the province.

MR. EVANS: Would the honourable member permit a question?

MR. SHERMAN: Yes certainly.

MR. EVANS: Has the honourable member read a recent book by -- I know my friend, my honourable friend around the other side is quite learned in various new comments, new books and so on on economic theories and I have been on panel discussions before. The question is, has he read the book "The New Industrial State" by Galbraith, wherein it is described how the industrial corporate structure is more prevailing than ever before?

MR. SHERMAN: Well, Mr. Speaker, I hope that this debate doesn't degenerate - just a minute, I'll give you yes or no - I hope this debate doesn't degenerate into an examination of my reading habits because they range over a fairly broad spectrum and some of the things that I have been reading this past summer would not stand me in very good stead for this type of debate, but I would tell my learned and honourable friend that yes I have read, I have read Galbraith's book on the "New Industrial State". I have read it, and I am unfortunately a victim of my memory and I wouldn't want to be called to account for many of the things, many of the positions he took in it, but I would remind him that once again I am talking about a situation in a province in the northern part of this continent with one million people in it. a quarter of a million breadwinners in it that is under-industrialized, and I don't think that Galbraith was talking about that kind of an environment.

Mr. Speaker, the main position, the main position that I would like to take, Mr. Speaker,

(MR. SHERMAN cont'd.)... is that here in this budget debate we got at last a chance for the confrontation between the socialist point of view - and I know my friends in the New Democratic Party don't mind my using that term and why should they, it's a pound term - we have at last, and I submit that perhaps the people of Manitoba and the people of all Canada have been waiting for this, a confrontation between the socialist New Democratic point of view and the free enterprise - conservative - capitalist point of view.

MR. DESJARDINS: What about the Liberals? Don't they count? You are at it again, there's only two of them that count. There's only two that count.

MR. SHERMAN: Mr. Speaker, I have been asked what about the Liberals, don't they count? The Liberals count a very great deal as friends of mine, Mr. Speaker, but in this confrontation I submit that if we had to, if we had to put the question to the Liberals as to which side they were on, my reading of the Liberal caucus at the present time is that it might split fairly evenly down the middle so we would end up with the same confrontation anyway.

So, Sir, we have here the differences between the collectivist state-oriented socialistic point of view on the economy and the old classic conservative free enterprise position on the economy, which holds that state intervention as a last resort but only as a last resort, and that individual enterprise and the individual entrepreneur should be provided the climate to the widest degree possible to solve the problems in his business and in his community and in his, in this case, province at large. The position taken by my honourable friends opposite is that the vital catalyst for change, the key fundamental catalyst for change is always the government, always the state. Well, Mr. Speaker, we dispute that contention. We say the catalyst, the fundamental catalyst for change is the individual entrepreneur, the individual person. And when we talk of our position as a conservative position, it is because it grows out of a philosophic commitment to conserve that individual freedom and the right to that individual independent expression that is implicit in the whole life, style and function of the individual free enterpriser, the individual entrepreneur. Now this is the confrontation.

MR. EVANS: Would the honourable member permit a question?

MR. SHERMAN: Yes.

MR. EVANS: Has my honourable friend studied any of our Canadian economic history, and is he at all aware of the great national policy of Sir John A. Macdonald and the fundamental role that the state has played historically in this country? Are you aware of this? I mean, are you aware of the role that the state has played in Canadian economic development?

MR. SHERMAN: Mr. Speaker, of course I'm aware of it. Of course I'm aware of it, and as I've said - and I'm glad that my honourable friend speaks with a passion when he refers to Sir John A. Macdonald and I'm glad to detect that attitude - of course I'm aware of it. I'm not discounting or discrediting the role and the strength of the state, but what we say is that the intervention by the state in a legitimate situation should be a last resort and not a first resort, that where the conomy is concerned and where industrial growth is concerned and where the spirit to enterprise, as well as of enterprise - in fact perhaps more so - the spirit to enterprise is concerned, that it's the individual who's the fundamental spark plug and catalyst for that kind of thrust not the state, and if it is the state, then we don't like it very much. We would rather that that opportunity and that function were reserved for the individual. And I submit that many young people today, many young people today, particularly those who are fortunate enough to be going to high school and university, are motivated in much the same way and are concerned, as I mentioned a few moments ago, Mr. Speaker, with the fact that a stultifying climate may rob them of their right to fulfill their capabilities in our society. I notice that you have an eye on the clock, so do I, Mr. Speaker, and I'm concluding at this point.

MR. SPEAKER: The honourable member has five minutes remaining.

MR. SHERMAN: Thank you, Mr. Speaker. I conclude by asking why should initiative be stifled, and I suggest that initiative is stifled under this kind of a fiscal approach where income taxes, corporate and individual, are so high as to discourage people from pursuing the values that my friends opposite may think are rather old-fashioned now, such values as initiative and enterprise and thrift, and tending to discourage them from wanting to seek their livelihoods in their chosen fields and professions in the Province of Manitoba. And although I have no proof that this is happening in significant number at the moment, this is what I fear, Mr. Speaker, that this will happen, and this is why I read the letter I read and I cite the communications I have had with young people and I say that this is the more important side of the question when we talk about the impact of this legislation on our economy. It's the impact of the legislation on

(MR. SHERMAN cont'd.)... the young people who constitute a potential input into our economy and our society that I am worried about, and under the kind of stricture, over-all stricture imposed by high taxation and by policies of the kind incorporated in the address of my honourable friend the Minister of Finance, I suggest the climate no longer becomes as adventurous and as exciting and as interesting for people whether young, whether old, people of an enterprising nature to participate, and that under such a climate we find that initiative will be blunted, that energy will be frustrated, that excellence will be shackled and that effort will be penalized, and I sound the cry - I sound a cry, Mr. Speaker, for those grand old conservative free enterprise, and even free enterprising socialistic principles.

MR. PAULLEY: Phooey! The conservatives are crying. I hear you.

MR. SHERMAN: I'm trying my best to decipher the comments made by my honourable friend the Minister of Labour. I am not sure what his point is but I gather the last remark didn't meet entirely with his support and endorsement. I suggest that these are the dangers that face us, that these are the things that are happening under a stultifying socialistic climate that robs people in our economy, that robs people of the opportunities to reach their full capabilities and potential. And, Mr. Speaker, that warning is one which I think will make itself unfortunately evident in fact to members of the government, honourable members opposite before too long, and it's in this area that I cite my main concern for the future of our province and my main anxiety where the budget message is concerned.

But I shall be interested, Mr. Speaker, as I'm sure everyone in the Chamber will, in the confrontation of these two philosophical positions in the months ahead to which I've already referred, because here will come the clear-cut choice which the electorate of Manitoba is presumably interested in. The electorate of Manitoba has made it possible for the clear-cut confrontation to occur and I'm putting my money on free enterprise.

MR. PAULLEY: Would my honourable friend permit a question?

MR. SHERMAN: Yes, certainly.

MR. SPEAKER: The Honourable Minister of Labour.

MR. PAULLEY: He finished his remarks - I must give him credit for his remarks. Did not the people of Manitoba make their decision on June 25th as between the philosophies of that outfit over there and the government of Manitoba?

MR. SHERMAN: No Sir, Mr. Speaker. My answer to that question is an unequivocal "no". The confrontation was never clear. The government in its election campaign never spelled out the economic positions that are now being spelled out by my honourable friend from Crescentwood and the Health Minister and individual experts who have been brought into the province. That position was never spelled out but it's being spelled out now and it's going to be fun to see what happens.

MR. PAULLEY: Mr. Speaker, may I ask a supplementary question?

MR. SHERMAN: Certainly, you can ask a question.

MR. PAULLEY: Is not the answer very obvious in this Chamber, that my honourable friends who used to be on this side of the House are now over there where they deservedly are.

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

MR. DESJARDINS: Mr. Speaker...

MR. SHERMAN: If I could have an opportunity to reply to that question, Mr. Speaker, I'd just like to say to my honourable friend the Minister of Labour that I think he takes a very dangerous kind of rhetorical position because I could just as easily say - and I don't - I could just as easily say because there are six or seven or eight or nine teachers and university professors on my honourable friend's side of the House, that means that all academics are socialists and that isn't true so -- no, but this is the argument that he is using on me. That type of argument is the argument he's implying in his question to me.

MR. DESJARDINS: Mr. Speaker, I'd like to ask the honourable member a question. After listening to his speech, he said that it's not up to the state to share the wealth. Is he then against the Medicare program as we have it in Canada?

MR. SHERMAN: Mr. Speaker, I didn't say it wasn't up to the state to share the wealth. I said it is not the function of government to redistribute wealth, which was the -- (Interjection) -- I'm for Medicare.

MR. DESJARDINS: You're for Medicare?

MR. SHERMAN: I'm also for free enterprise.

MR. DESJARDINS: No matter what. Free enterprise, no matter what.

MR. SPEAKER: Has the Honourable Attorney-General a question?

MR. MACKLING: No, I want to speak in the debate.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. LEONARD A. BARKMAN (La Verendrye): Mr. Speaker, after all those eloquent speeches this afternoon I'm afraid that the last five or six minutes will be rather boring, however I must say -- (Interjection) -- No, I think I can finish in five minutes if you don't mind. I believe it is a good thing that I did not get the floor just after the member for Crescentwood spoke. It think it did me well to stay pinned to the seat because I might have said some certain things that perhaps I would have been sorry for afterwards. But I do congratulate him on at least exposing and extolling his views. I believe that is anybody's right. I for one cannot agree - although with what he said this afternoon there wasn't so much that I could not agree - but there was a feeling, Mr. Speaker, I felt that perhaps he was trying to say more than he actually was saying. But this I shall leave up to the honourable member. In fact I was also wondering if perhaps I am at a disadvantage sitting in this House with not just too much education, although at times I pride myself that at least I feel that I can understand the average person, but at times it bothers me when I see talented and very well-educated people like the member - and I am only jealous of his achievement in that respect, I do compliment him on being well educated - but I wonder sometimes, can we become perhaps a little bit over-academic about certain things? Especially when we're talking about the budget, can we perhaps, as we've heard from so many members, just get a little bit too far to the left and perhaps even a little bit too far to the right over here at times. But I am happy today that I am sitting in the centre of this House. I think there is a reason and a purpose for even one so-called "middle-of-the-roader".

I think I'm happy also that I can express my thoughts, not being called a rightist and have to express leftist thoughts or being a leftist and trying to express rightist thoughts. I can say outright what I feel, and as has been expressed by my colleague from Ste. Rose - it's hardly fair to bring out the Member for Brandon, he's such a terrific fellow, Mr. Speaker, that I hardly have the nerve to say what I'd like to say - but he was mentioning the touch of the social brew. I'm sure that he didn't have any of that this afternoon, or at least was lacking a little bit of that this afternoon. I want to assure him though, I think his context, I understood it, and I'm certainly with him in that respect. I also want to assure him that I feel the Honourable Member for Ste. Rose in no way will be too tempted to take that third drink or that fourth drink, but I would suggest though that if perhaps one or two social drinks in the line of even politics, I feel that's quite in order, so perhaps I may suggest this to the honourable member. However, as I said, I intended to finish before 5:30 and it's getting very close to that.

I would like to say a few words as far as being a middle-of-the-roader. I think this budget proves something to me that I perhaps could not have lived with at one time, but considering all the human effects I think it was possibly odd that my colleague from Ste. Rose spoke the way he did and I must admit that he expressed my feelings 100 percent, not because they were as such, but the fact that he said them, I certainly agree with him. I think that the resolution at this time being a so-called middle-of-the-roader and not a rightist speaking socialist nor a leftist speaking for free enterprisers, I can say it right out; I am a free enterpriser, but also very concerned, as so many in this House have indicated this afternoon, very concerned about the human element also, and I think I must at this time, to carry on this debate further, suggest another amendment. I'd like to, at this time, move, seconded by the Honourable Member for Assinibola, that the amendment be further amended by deleting the words "is concerned about" in the first line of the operative section thereof and substituting therefor the following words: "regrets" -- in the operative part.

MR. WEIR: Mr. Speaker, I believe the honourable member is attempting to amend a resolution that was ruled out of order a little earlier today.

MR. PAULLEY: I suggest, Mr. Speaker, you look at that very very closely because...

MR. GREEN: He has moved an amendment to an amendment....

MR. SPEAKER: I do not see the phrase that the honourable member refers to, "is concerned about", appearing anywhere in the amendment.

MR. GREEN:.... to the honourable member perhaps what he intended to move is the same amendment that was moved by the Leader of the Liberal Party with a change in wording, and if he did, Mr. Speaker, then we would have the same objections that we referred to the other day. I recognize what he's done. He's moved an amendment to an amendment which isn't even before the House, but what he intended to do - let us be fair to him - is to propose the same amendment that was proposed by the Leader of the Liberal Party with the amended wording. Is

(MR. GREEN cont'd.)... that not correct?

MR. PAULLEY: Mr. Speaker, may I suggest with all deference to my honourable friend that the game is in the spirit of co-operation. It is now approximately 5:30. I think my honourable friend who proposed this amendment was not cognizant of the fact that you, Mr. Speaker, ruled the amendment proposed by his House Leader out of order earlier. Maybe between now and 8:00 o'clock we would allow our honourable friend the Member for La Verendrye to continue speaking and he might reflect on the error of his judgment.

MR. BARKMAN: I wish to thank the House Leader. If that were possible, Mr. Speaker, I'd be very glad to take that position.

MR. SPEAKER: It is now 5:30 and I'm leaving the Chair to return at 8:00 o'clock.