

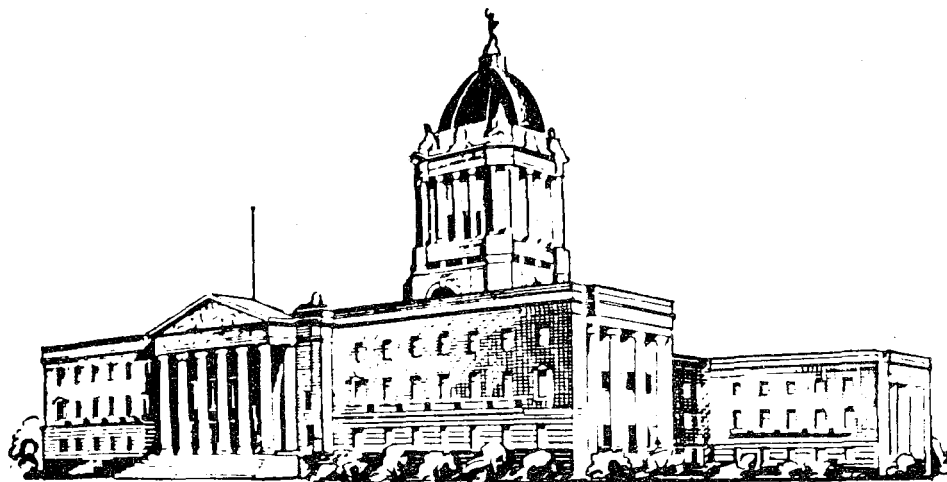


Legislative Assembly of Manitoba

DEBATES
and
PROCEEDINGS

Speaker

The Honourable Peter Fox



Vol. XIX No. 117 2:30 p.m., Thursday, June 15th, 1972. Fourth Session, 29th Legislature.

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THE LEGISLATIVE ASSEMBLY OF MANITOBA
2:30 o'clock, Thursday, June 15, 1972

Opening Prayer by Mr. Speaker.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed I should like to direct the attention of the honourable members to the gallery where we have 16 students, Grade 9 standing of the Sansome Junior High School. These students are under the direction of Mr. Scanlon and Miss Gregg. This school is located in the constituency of the Honourable Member for Assiniboia.

We have 15 students of Grades 6 and 7 standing of the Minnetonka School. These students are under the direction of Mr. Bushby and Mrs. Welsh. This school is located in the constituency of the Honourable Member for Riel.

And we have 60 students of Grades 1 to 6 standing of the Darlingford School. These students are under the direction of Mrs. Lungair, Miss Ross and Miss Bowler. This school is located in the constituency of the Honourable Member for Pembina.

And we also have 91 students of Grade 5 standing of the St. Norbert Elementary School. These students are under the direction of Mrs. Cook. 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.

Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees. The Honourable Member for Logan.

REPORTS BY STANDING AND SPECIAL COMMITTEES

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

MR. CLERK: Your Standing Committee on Law Amendments beg leave to present the following as their second report:

Your Committee has considered Bill: No. 3 - An Act to amend The Mortgage Act. And has agreed to report the same with certain amendments. All of which is respectfully submitted.

MR. SPEAKER: The Honourable Member for Logan.

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

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

MR. SPEAKER: Ministerial Statements and Tabling of Reports; Notices of Motion; Introduction of Bills; Oral Questions. The Honourable Member for Lakeside.

ORAL QUESTION PERIOD

MR. HARRY J. ENNS (Lakeside): Mr. Speaker, I direct a question to the Honourable Minister of Universities and Colleges. It has to do with the announcement I believe made this morning with respect to the amalgamation of hospital boards - the four major hospitals into one integrated board. Can the Minister tell me whether or not there will be any mechanism set up for the lesser or smaller hospital units that we have in the city to work with this board in any liaison way in order that their priorities would also be met?

MR. SPEAKER: The Honourable Minister of Universities and Colleges.

HON. SAUL A. MILLER (Minister of Colleges and Universities) (Seven Oaks): Mr. Speaker, the integrated board of the four components which now make up the Health Sciences Centre, their formation has nothing to do and will not alter in any way the relationships that now exist between any of the hospitals or the University of Manitoba and the Medical College. Those arrangements that now exist will continue to exist as they have in the past. There is no disturbance in that way at all.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L. R. (BUD) SHERMAN (Fort Garry): Mr. Speaker, I direct a question to the Minister of Health and Social Development. In the wake of the welcome removal of the freeze on hospital spending, can the Minister advise the House when necessary construction will now go ahead at the Winnipeg General Hospital site?

MR. SPEAKER: The Honourable Minister of Health.

HON. RENE E. TOUPIN (Minister of Health and Social Development) (Springfield): Mr. Speaker, pertaining to the part freeze that was imposed some time ago by this government this is being reviewed constantly with those affected and it will be announced in due course by this government.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: A supplementary question, Mr. Speaker. With respect to the same general area, can the Minister advise the House what the decision or program will be with respect to the Manitoba Cancer Treatment and Research Centre?

MR. TOUPIN: Mr. Speaker, practically the same question was asked of me last week, I believe, and I do think that you would find within Hansard that the Cancer Research Foundation itself was part of this freeze and is being considered with other facilities that were planned back in 1966 and are now being reviewed by this government.

MR. SHERMAN: Well a final supplementary, Mr. Speaker. Has the removal of the freeze announced today not made it possible for construction in those areas to go ahead and for the decision to be made?

MR. TOUPIN: Mr. Speaker, the announcement made by my colleague the Minister of Colleges and Universities so far as the addition to facilities now existing will be to some great extent the responsibility of the new board.

MR. SPEAKER: The Honourable Member for Osborne.

MR. IAN TURNBULL (Osborne): Mr. Speaker, I would like with the leave of the House to make a short statement about the Manitoba Association for World Development.

MR. SPEAKER: Agreed? The Honourable Member for Osborne.

MR. TURNBULL: Thank you, Mr. Speaker. Mr. Speaker, as most members I think know the Manitoba Association for World Development known as MAWD will be conducting on June 25th of this year a Bike Miles for Millions. I think, Sir, that I'm likely the only member of the Legislature that rides a bicycle for health and for recreation and use it as a mode of transportation and I think I'm likely the only member that rides a bicycle down here. So I'm willing, Sir, to represent the members of the House on June 25th and ride whatever number of miles I can providing that the members on my own side and the members on the Conservative benches would sponsor me. And I'm sending my sponsor card now to the Deputy Leader of the Conservative Party.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: On a point of order. We'd like to withdraw leave we just granted.

MR. SPEAKER: The Honourable Member for Churchill.

MR. GORDON W. BEARD (Churchill): Notwithstanding the temperature in here today, I wonder if I direct a -- where did he go to? The Minister of Industry and Commerce just disappeared. I'll wait awhile.

MR. SPEAKER: Orders of the Day. The Honourable Minister of Labour. Just a minute, there is an Order -- correct. Order for Return.

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): Mr. Speaker, ... if I may on that Order for Return it was agreed ...

MR. SPEAKER: It was pending.

MR. PAULLEY: ... that the two members would get together. Now it doesn't look to me as though they have.

MR. SPEAKER: Are we still on the Oral Question Period? The Honourable Member for Churchill.

MR. BEARD: The Municipal Affairs Minister isn't here either. I'll direct a question to the First Minister then. Since the Churchill River and the Hudson Bay is now free of ice and they have booked the record 27 millions of bushels of grain through there this year I wonder if the Minister could see if we could free some of those icebreakers from the St. Lawrence and really make it a bumper year for Churchill by opening the season a little earlier?

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): Mr. Speaker, as the Member for Churchill well knows the amount of grain that is scheduled to be shipped through the Port of Churchill is determined by the Canadian Wheat Board based on the number of export orders that it can route through Churchill. I understand that while there has been modest new records established in recent years, each year in the order of 25 million bushels plus, that this year there is some possibility expressed of going beyond 25 million to 27 million.

(MR. SCHREYER cont'd)

Insofar as the possibility of obtaining the services of an icebreaker of the St. Laurent class or whatever, I believe that between the Minister of Industry and Commerce and my own office that there have now been a number of representations made to the Federal Minister of Transport on this very point.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker, a question to the First Minister on the same subject. I believe, Sir, that he shares the same view that it's a question of insurance as much as ice perhaps that determines the length of the season. Earlier on the First Minister had indicated the government's intention to move in this direction.

MR. SPEAKER: Order, please. Would the honourable member place his question?

MR. ENNS: Can the First Minister indicate to the House, has the government any on-going discussions either with the private insurance sector or otherwise with this particular aspect of the possibility of lengthening the shipping season in Churchill, that is underwriting insurance?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, in addition to making representations to Ottawa with respect to the availability of icebreaker service, and with respect to the requirements for deepening the near harbour area which the Minister of Industry and Commerce here has been doing, in addition to that, the Province of Manitoba has made request of the Government of Canada that it should keep us advised as to whether or not there was any inclination on their part to seek to do something positive with respect to the problem of insurance cargo coverage and we have been advised that the Federal Government has been making some study of the matter. We've had discussions with at least one of the shipping lines which in turn undertook to take the matter up with some of the underwriters internationally. So while it's still a matter of active and continuing consideration, for the meantime, I suppose it should be said that the Government of Manitoba does not feel it advisable to proceed unilaterally and only upon receipt of a definitive response in the negative would we seriously consider proceeding on our own in this respect.

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

MR. GORDON E. JOHNSTON (Portage la Prairie): Mr. Speaker, in the absence of the Minister of Municipal Affairs I direct my question to the Minister of Agriculture, who I would hope would have some knowledge of the subject matter. The Federal Government has announced a plan to lend money to agricultural societies. My question is: Will the Provincial Government take the onus of backing the loan guarantee rather than placing this onus upon the municipalities concerned?

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet): Mr. Speaker, the Ag Society people have an Advisory Board to the Minister and I would presume that they will be contacting me in this regard. At this point I would hate to indicate a policy position.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, I'd like to direct a question to the Minister of Universities. With reference to the statement that was discussed earlier this afternoon, would the Minister be so kind as to table the statement that he referred to regarding hospital boards?

MR. SPEAKER: The Honourable Minister of Universities and Colleges

MR. MILLER: Mr. Speaker, it wasn't a statement that could be tabled, it was a press conference held by the Premier this morning.

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

ORDERS OF THE DAY -- SPEED UP

MR. PAULLEY: Mr. Speaker, would you call the resolution standing in my name on page 5, the adjournment standing in the name of the Honourable Member for Portage la Prairie.

MR. SPEAKER: The proposed motion of the Honourable Minister of Labour. The Honourable Member for Portage la Prairie.

MR. G. JOHNSTON: Mr. Speaker, when I address myself to the motion proposed by the House Leader, we know of course it's a traditional method by government by means of which they try to bring the session to a close at some stage before December I would suppose. On the

(MR. G. JOHNSTON cont'd) face of it when the House Leader made his proposition to us that he would be reasonable, that there would be no fear of the House being held to unreasonable hours, that we would be expected to work longer hours of course and the difference that he described between what he thought were not unreasonable hours for the House to put in, and what he considered to be a reasonable approach to our work mystifies me, Mr. Speaker. Because when the same motion was proposed last year, the same smooth explanations were given that there's nothing to fear, the House would not be expected to unduly keep the midnight hours. But what did we find happen, Mr. Speaker? I believe we sat one morning till 4 o'clock -- (Interjection)-- one of the members on the government back bench says, whose fault?

Perhaps he should read Hansard to see who uses the time during the Estimates, perhaps he should read Hansard to see what percentage of what parties members spoke during the session and I'm sure he will himself be able to place the blame if there's any blame to be placed for taking too long over certain matters in this House.

Also last year after the bill was put through and the speed-up motion was in effect, what else did we find had happened? Private members' hours and private members' bills, private members' resolutions were left high and dry on the Order Paper. They were never touched again. Even under Duff Roblin who I thought was rather a martinet in some ways in this House, this never happened. The Order Paper was always cleared whether the speed-up motion was in operation or not. Yet last year all the private members' resolutions were left, all the private members' bills were left, and some of them were mighty important to many people in this province. So I would guess that after this motion is through the same performance is going to take place. Despite the reasonable approach made by the House Leader the day before yesterday that everything would be reasonable, there wouldn't be any harsh usage of the motion, that I'm going on past performance of my honourable friend and I know that he intends to dispense with private members' hour, I know that he intends to dispense with every bit of business on the Order Paper that private members have proposed. If I'm wrong let him rise and tell me that I am wrong. It's right in the motion, Mr. Speaker, it's right in the motion. This is what the government intends to do and I read, in the second last line: "That adjournment be suspended and that the government business takes precedence over all other business of the House". Is this not what the government means, that they only intend to propose and push their own legislation, that the Private Members' bills will be dropped? This is what happened last year.

Another thing I find strange, Mr. Speaker, with the motion appearing at this time. Surely it is more than the traditional way of speeding-up the House. It is also in my opinion an admission of the government's own confusion. Why wasn't the House started in January or February? In previous years there was a reason, I suppose. There were by-elections, the government was settling into their offices and considering their legislation, but this year there was no excuse whatsoever for not starting the session in January or at least at the 1st of February. --(Interjection)-- Yes, for three years now, members of this House have tried to, by Divine guidance or by advice from members on the government side, tried to find out when the session starts. I know I did on one or two occasions and the best guesses that were supplied to me, and I know they were given in good faith, were about a month off the mark, as I recall.

So, Mr. Speaker, I would also suggest that there is still legislation being prepared by the Legislative Counsel. The government hasn't even got their legislation completely ready yet and they have the audacity to put this resolution on the Order Paper.

Where is one of the most important bills of all - the Clean Environment Bill, the new Clean Environment Bill that was so proudly bragged about in the Throne Speech? Here we are with the speed-up motion about to go into effect and very important bills are not even before this House yet.

Mr. Speaker, I hope that we are not going to debate the Premier's motion with respect to Aid to Separate and Private Schools under the stress and strain of a speed-up motion where we sit, morning, afternoon, night and perhaps early morning. Surely this is not the way to deal with important legislation such as this. --(Interjection)--

The First Minister says "what about 1964?" 1964 and now - I don't know what went through Mr. Roblin's mind, but it was announced long before session that there was going to be some measure brought in by the government or by the Premier or by some member, I'm not too sure which now, but it was announced long before the session and it was only in the last two weeks I believe that the resolution appeared on the Order Paper. The resolution has not been introduced, and I don't fault the government for timing their own operations, but I do take

(MR. G. JOHNSTON cont'd) umbrage to the fact that a resolution as important as this one is liable to have to be discussed in a hurried manner when members are tired from over-work and I don't like it. I tell you frankly, Mr. Speaker, I do not like it.

A year or two ago I believe when the present House Leader introduced a similar motion, I made the suggestion that longer hours be acceptable but only based on five days of the week, not on Saturday. Members, especially members from the rural parts of Manitoba have families one or two or three hundred miles away, they have constituency problems, and surely to goodness they should be able to have at least one day to be able to go back to their constituencies to look after pressing personal or constituent matters.

So with those ideas in mind, Mr. Speaker, I propose an amendment. I move, seconded by the Member for La Verendrye that the resolution be amended by deleting the word "Saturday" and inserting the word "Friday" in the fourth line. Also, all words after the word "suspended" in the fifth line be deleted.

MR. SPEAKER presented the motion.

MR. G. JOHNSTON: Mr. Speaker, by way of explanation, the two amendments are first of all to limit our sitting to Monday, Tuesday, Wednesday, Thursday and Friday, regardless of the hours. I know that we should put in longer hours, but not Saturday. The second part of the amendment is insuring that private members' bills and private resolutions will be dealt with.

MR. SPEAKER: I should like to indicate that I accept the explanation but it was irregular since a member moving an amendment should make his explanation before the amendment is placed, and this is not a precedent. The Honourable Minister of Labour.

MR. PAULLEY: Mr. Speaker, I agree with your last remarks. I was somewhat surprised at my honourable friend --(Interjection)-- beg your pardon? --(Interjection)-- No I just wanted to point out, Mr. Speaker, quite properly indicated that this would not be a precedent insofar as conduct of the order of the House is concerned in that the Honourable Member for Portage la Prairie spoke after the presentation of his amendment and I think that would be acceptable by all honourable members of the House.

I want to say, Mr. Speaker, as the Minister responsible for the conduct of the business of the House, we cannot accept the amendment proposed by the Honourable Member for Portage la Prairie, because in effect, all that he is saying is that while he doesn't mind going beyond the hour of ten o'clock for five days a week, government business or the rules of the House would be to all intents and purposes the same rules that we're dealing with with the exception of the forgoing of the ten o'clock closing hour and also the possibility of special sessions or separate sittings on the other days. In effect, too, the adoption of this resolution would mean that we would proceed basically the way we are doing at the present time. My honourable friend infers that the purpose of his resolution is to make it possible for private members' resolutions and bills to be finalized before the prorogation of the House. If that is his objective, I'm sure that there can be some understanding that they will be dealt with. He refers to the former Premier of Manitoba in this respect.

I indicated when introducing the resolution that we intend to use the rules on a reasonable basis -- and I meant that and I meant it sincerely, Mr. Speaker. I do want, however, to recall to the attention of the honourable proposer of this amendment, that when we were discussing this matter at Rules Committee, if memory serves me correctly, that it was agreed generally that when this type of a motion that's standing in my name came forth after a considerable number of days of sitting, it really meant that we were getting down toward the end of the business of the session and that there was nothing wrong with government business taking precedence over all other orders on the Order Paper.

So I say, Mr. Speaker, I can appreciate the sentiments of the Honourable Member for Portage la Prairie but we cannot accept the amendment as proposed by my honourable friend.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Thank you, Mr. Speaker. Mr. Speaker, I rise to support the resolution in its original form as put on the Order Paper by the Minister of Labour. I also wish to support the remarks made yesterday by the Member for Morris, our House Leader.

This government, Sir, deserves the sharpest of criticism for the manner and the way in which legislation has flowed through the House and has been presented to the House, to the Chamber, not only in this session but the last few sessions. Such sharp contrast, Mr. Speaker, you will recall from that euphoria of that first session, where I believe it was, you know, book was kept on how fast bills were being presented in the Chamber. You know like 10 the first day,

(MR. ENNS cont'd) and 20 the next day, and 30 the next day; we had kind of a scoreboard situation similar to baseball scores you know, listed, it attracted the notice of the media and I would have to belatedly commend the government for that act at that time. Mind you, understandably of course, and I hate to admit it because it's a sore point with us, most of that legislation was what we had left there you see. But nonetheless, the fact of the matter is since that first session we have had legislation come to us and then left on the Order Paper unexplained, unintroduced and the remarks made by the Member for Morris are most fitting in the sharp manner in which he criticised the government for that particular demonstration and a continuing demonstration of poor management, not only in the Chamber but obviously the poor management in terms of the work that has to be done before legislation ever gets to the Chamber that is evident in the manner and way in which bills are being presented.

Another reservation that has to be expressed even while we support this resolution is the fact that we have no assurance, and if assurances are given we really can't believe it, the amount of legislation yet to be introduced that this Chamber faces, and that surely is not really in the normal tradition of opposition parties accepting this kind of a resolution. It's understandable that there is the possibility of individual pieces of legislation that may not have been laid on the Order Paper previous that has to come forward during the time the resolution is in effect, but we have the feeling, the distinct feeling, Mr. Speaker, that there is a great deal, that there is a great deal of legislation still to come during the time that we are operating under these new rules. You see, Mr. Speaker, we are still even just about prepared to believe at least half of what they indicated was to come in Throne Speeches, both past and present.

Mr. Speaker, having said that, let me say that it is with some regret that I have to indicate that I am unable to support the amendments just made now by the Leader of the Liberal group. I don't think that the imposition called upon for sitting in extra time that we face, possibly will face under the resolution, while certainly onerous if abused to unreasonable limits, are not unlike practices that we have had in the past. I believe that to expedite the matters of the House that certainly we who have had the responsibility of government would be in a poor position to deny the present government, present ministers, the privilege of doing likewise.

After all, Mr. Speaker, I do believe, maybe contrary to some, contrary certainly to the Member for Portage, that it's the government's responsibility to lay before the House the money that they are going to spend, it's our responsibility to take a hard look at how they are going to spend it. When we've done that, we haven't quite done that, but when we've done that in the hours devoted to the study of estimates that's one of the principal responsibilities of the opposition group. Thereafter it's the government's responsibility. Of course, the only way it can do it is to bring before the House those pieces of legislation which they wish to pass and it's our job again to look and analyse that. But I see no particular responsibility or obligation on the part of any government, other than perhaps a matter of common courtesy, to consider any other private matters that private members may or may not wish to present before this Chamber. It's true that, I think it perhaps has been practiced more often than not, that all private members have had the opportunity of being heard even if in a rushed manner in the last day, the closing day of the House and I'm sure the present government is prepared to consider that kind of a position or posture. But I make it very plain that I do not confuse the business of the House, the responsibility of the government to the House, our responsibility as Opposition to the House, with what, you know, I may well wish to do as a private member, or what I may well wish to present to this Chamber as a private member, I am unfortunately only thus, I recognize that.

So, Mr. Speaker, I believe that the responsibilities that this government can and should undertake is to now undertake and it's, while not in any way a matter that I can hold over their head because having indicated our support and our indication that we will vote for this resolution obviously the resolution will pass, but I can now ask the Honourable House Leader that he do expedite the business of the House and the job of those of us who will see some of this legislation for the first time and haven't seen many of the legislation we are yet to deal with, that he do undertake to make every effort to within the immediate days following the assumption of this resolution, that he do exercise that kind of discipline, that either the legislation gets into the Chamber or it is passed over for consideration at some other session to come.

It is, Mr. Speaker, I think only a fair and conscious warning to give to the honourable members opposite that we are prepared to accept this resolution, we are prepared to have a degree of co-operation go along in the deliberations, even in the later hours of some of the very

(MR. ENNS cont'd) late hours that might come about, but I can assure you, Mr. Speaker, that the tenor and the degree of co-operation of the House will be considerably improved if we are not faced or don't have that feeling that in the last days or in the early hours of a morning new and important pieces of legislation are put before our desks or on our desks for the first time.

Mr. Speaker, to that extent I think I should issue this kind of a call to the members opposite because certainly to a great degree they can set the tone and the heat of the debates to come on legislation we have yet to see in the manner in which they present it to us.

Mr. Speaker, while I'm on my feet the thought just has occurred to me that my remarks earlier about the place of priorities with respect to private members' business, possibly would also in my judgment cover that other resolution that seems to stand in no one's particular name although introduced by the First Minister. Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Rhineland.

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

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

MR. SPEAKER: The Honourable House Leader.

MR. PAULLEY: Would you kindly call Bill 55.

GOVERNMENT BILLS

MR. SPEAKER: Proposed motion of the Honourable Minister of Finance. The Honourable Member for Sturgeon Creek.

MR. FRANK JOHNSTON (Sturgeon Creek): Thank you, Mr. Speaker, it is very encouraging to have the support of my deskmate here -- for a change. Thank you.

Mr. Speaker, we have debated the principle of this bill during the debate on the Budget, the basic principle of this bill to pay out the monies that the Finance Minister presented to the House, his decision, or the government's decision to pay out up to \$140 to homeowners and we've made our position very clear that the number of people he says will benefit from it will not and I think the proof will be in the pudding next year as the proof has been in the pudding about the \$50 rebate that has come back to everybody this year that was voted on last year. Because usually a government that goes along this merry way runs into trouble as the Progressive Conservative Government ran into in 1964 when they said that we were going to have a rebate system and we found that after a couple of years that it would be wiped out because of increased costs, etc. And we also knew that you don't gather the money for rebates from nowhere, it just doesn't fall off the trees, it comes from the people. I assure you that we learned from experience but this government doesn't listen to experience and has never learned from it, because they did it faster than anybody else, they wiped out the \$50 for most of the people in the City of Winnipeg with the Unicity legislation.

So really when you take a look at the fact that the Honourable Minister of Labour mentioned his friend in St. Vital who said to him, my taxes are down, which it says on this list, by \$24.00, the Minister of Labour should have said to him, you just lost 50 bucks, because on Schedule 2 here presented by the Minister of Finance it clearly says that your taxes are this when we take in your \$50 rebate for education. In St. James-Assiniboia in \$5,000 assessment, Sir, the \$50 rebate is completely wiped out. A home I can tell you that has about a \$4,000 assessment, taxes were 116 this year, about 108 last year, where is their \$50.00? Taken up by Unicity. That's where it is, Mr. Speaker. So this government has basically done it faster than any I know of wiping out the advantage they said they'd give together by putting through stupid legislation immediately.

Mr. Speaker, this government on this present one that we have before us, if you want to take a look at the record -- if you really wanted to go through the exercise which I have partly started and I will finish and I will have it before me probably when we are able to discuss somewhere close to concurrence of the Finance Department later on -- that if you were to take and add up the fact that if one man buys a crock a month you know he now has to spend another \$3.00 a year. And if you take in the fact that when he goes through a provincial park he now pays more than he did before per year -- he may go a couple of times a year. If he smokes, which a lot of the average men do, it adds up a little bit here and there. And if we want to really go through the exercise, Mr. Speaker, I can assure you that they have wiped out the advantage put before us by, Mr. Speaker, the Mr. Mambo Jambo of the Manitoba Legislature, the Minister of

(MR. F. JOHNSTON cont'd) Finance. He should be wearing white shoes because he dances around more with his Finance Department than anybody I've ever known. At one time I said when he's 80 years old he'll be walking down the street saying, I had the biggest tax shift in the history of the Manitoba Government, and now he will be confusing the issue again, when he's 80 because he'll be dancing around in his white shoes, he hasn't stopped. He is the step dancer, the fancy footworker of anybody I've ever seen. He says basically, after all the knowledge we've got in government in this province, all the knowledge of taxing, etc., and he has been part of it -- in fact he is one of the members in 1964, Mr. Speaker, when we introduced a tax rebate with a tax bill at a separate time, Mr. Cherniack, the Honourable Minister of Finance, the Honourable Member of Tourism and Recreation, the Honourable First Minister and the Honourable Minister of Labour all voted against it with many of the members of the Liberal Party at that time opposing, opposing a rebate that was put on. Oh, they argued back and forth that there was a tax being put on different things but we were honest about how we taxed. We said this is what we're going to do. We were very honest, we told the people but we didn't go out and slap them with a board on the back of the head every chance we got a chance to put through little hidden legislation.

Mr. Speaker, I have really read this before but I think it's worth reading again. Mr. Speaker, the Minister of Finance is becoming like Mr. Fines in Saskatchewan - this is "Douglas in Saskatchewan." It says the report is long and dreary list of fees, royalties and licence, charges imposed by various departments of government. Since 1944 six hundred new imposts have been levied, 600 charges of one kind or another have been increased. About 400 were unchanged and 30 have been reduced. In addition and not listed in the report are the 160 increases in court fees and 36 in new ones. You know, now we have the Mr. Fines' Mambo Jambo of Manitoba dancing around trying to fool the people of this province.

Not only that, Mr. Speaker, now the tax situation is confusing. You get your tax bill, you get back \$50 this year, then you must estimate the subsidy that's reported this year, then you've got to figure out on your income tax next year, and the government says it's for 1972 but you don't get the money until 1973.

You know, Mr. Speaker, it reminds me of a man who used to take his lunch to work every day and when he got there with his lunch pail he opened it and he looked at it and he said, "I don't like tomato sandwiches". He threw them in the basket. And you know he walked along the next day and he came and he opened again - tomato sandwiches. For four days he threw his lunch away and one fellow said, "why don't you, why don't you tell your wife not to make you tomato sandwiches." He says, "hell I make my own lunch". Mr. Speaker, that's just exactly the way this government is so confused at the present time and they've got the people completely confused with their tax situation in Manitoba.

Let me tell you, let me tell you, you know, I can take an example of a, you know, this is what really hurts when people stand up -- last year on a house that cost \$6,230 assessment, \$353 in St. James-Assiniboia. This year \$449 and then they come along and say you've got a \$50 rebate - you've got a \$95.11 increase, then they say you've got a \$50 rebate, that comes off; then they say you've got a subsidy of 36.75, that comes off; then they said they saved you \$86.75 and your taxes are only up \$8.00. And you know all they did was say to the people in this area, oh your taxes are going to remain approximately the same, but these people were promised a benefit. They were promised by this government that there would be some relief of education taxes and you wiped it all out. You wiped it all out. So, Mr. Speaker, why? You know, the members they should really be calling this the Wolseley bill because every member on the other side has been standing up and saying, I dare you, I dare you not to vote against it. You know they made great speeches, nobody paid much attention to them, because it's plain bunk. I dare you.

I'm not afraid of the government, Mr. Speaker, or any member over there and I'm not -- in fact I can tell you quite frankly any time I vote against this government in my constituency it's worth 500 votes to me, without batting an eye. So I don't really have any problem with this group of people, Mr. Speaker. But, let me tell you, you know, let me tell you, here we have a situation, Mr. Speaker, where you know the taxes were remaining even they told people in my area, especially in the St. James area, the Attorney-General's constituency, they said it would remain equal. And the Attorney-General, first of all he blamed the Unicity councillors for being inefficient and he got rapped on the head about that. Then he turned around and he said well it must have been the school board because the Minister of Finance said it must have

(MR. F. JOHNSTON cont'd) been the school board that really did it. Well the school board has come back and proven that they'd only gone up two mills if it hadn't been for Unicity. I'm wondering who the devil the Attorney-General's going to try and blame now, because there's the facts of the school board's finance department, and if they had good finance people that were there in that government they would go out and they'd find out and learn something about civic finance, because they prove here that the school board's increase was because of Unicity. Now who are you going to blame next? --(Interjection)-- Happy to. Happy to. In fact, Mr. Speaker, I'd like to read it into the record, Sir.

"When a member of the Provincial Government in a Times interview says that the dramatic increase in the municipal taxes was due primarily to higher education costs he may have been partly but not totally correct. It would seem only fair to point out that almost two-thirds of the increase in school tax mill rate may be attributed to the change brought about by Unicity. In the first place the equalized assessment has worked to the disadvantage of the former City of St. James-Assiniboia because of the favourable tax base which permitted the city to maintain a lower than average mill rate in spite of the steadily increasing costs. In addition to this the annual Federal grant, approximately \$1 million in lieu of taxes on the Federal property located in the city, notably the Air Force Base, the school board's share of this was \$529,806, representing an amount that could be raised on a tax levy of three mills. But this money now goes into the Winnipeg City treasury and is appropriated among ten school divisions on a student per capita basis. At the same time, St. James-Assiniboia School Board continues to provide schooling facilities for approximately 1,000 children of the armed services personnel at a considerable cost to this division. Another factor is that in former times the rapid growth in this area created new revenue each year which tended to moderate the annual increase in the mill rate despite inflated costs. This source too has been virtually lost to this division since the beneficial tax growth now goes to the central city treasury and whatever benefit must be spread through the metropolitan area. I don't think anybody is arguing against the principle of shared resources but in any estimate the reason for the increased mill rate it must appear evident that the exceptional increase in St. James-Assiniboia mill rate this year can be to a large extent attributed to the change in municipal form of government and the consistent loss of revenue to this area. A board spokesman to the school board estimated normally the mill rate increase would have been two mills." Mr. Speaker, it is quite evident that the government has been wandering around looking for somebody with their mouth open so they could blame this onto but they haven't been able to do it yet and I wish they would stand up and take the blame for themselves.

So, Mr. Speaker, we have now basically this: we have a situation where the tax structure in Manitoba is completely confused, confused because the government wants it confused because they're dancing around nimbly trying to keep it that way so they don't have to explain hidden taxes. Because the hidden taxes are there and the hidden increases are there. We have a situation at the present time where the things that were promised to people will be wiped out. And in the City of Winnipeg area this year where there was no charge of amalgamation charged to the old central city, I assure you, Sir, that next year if they get up to \$140 less the 50 we're looking at a \$90 gift from the government if you happen to come to that amount of money. And you know all it will take is a mill and a half increase next year in the Winnipeg City and you'll wipe out any benefit they would get from the subsidy they'll get next year and they'll wipe out considerably the benefit they would have supposed to have got off education taxes.

This government keeps saying we want to get your taxes down, real taxes. You know it's all very nice to say well we're taking the education tax off real taxes, but you know, Mr. Speaker, what the dickens does it matter what tax it is when it still remains the same or gets larger. What happens three years from now? This government doesn't care, because every time they come up with a bill -- last year they pay the money this year; this year they pay the money next year and then they go searching around to find it. That's hodgepodge silly financing. And you say that this is a good way of presenting the bills, this is a good way to pay out money to people? This is a con game and it's being used continually.

Mr. Speaker, this little list that we have before us, Schedule 2 B at the present time that was presented by the Minister of Finance is really something. It's really something in that it has to make you laugh. Net increases or decreases in 1972 taxation as compared with 71 taxation on farm and residential property - after school tax reduction - after school tax reduction - and transitional tax base equalization payments in the City of Winnipeg. And you know all of

(MR. F. JOHNSTON cont'd) these ones at 5,000 assessment that they say are down, they'd be down more if you hadn't wiped them out on another situation. The \$10,000 assessments are basically up, but they would have had benefit or get something off. You know when you've got to put your hand in your pocket you know, it doesn't really matter if you gotta pull out a hundred bucks, you've got to pull out a hundred bucks. These people try to make you think you only have to pull out 75 when you got to pull out 100, and it really doesn't work that way.

Mr. Speaker, we have another situation in this tax bill and I'm sure the Honourable Minister will get up and do his Academy Award performance again when I mention this about - oh, you're only worried about business type of thing. All you're worried about is business. You know he seems to think that it's terrible to say that there are small businesses in this area who are presently paying about 90 mills, which is \$100 for every bit of a thousand of assessment. Pardon me, that's not quite right, but ten percent he's paying in property tax to be a small business. The big businesses are really not that badly off. They can stand it. I don't really think we should hit them that hard either, but the little grocery store on the corner -- and you see the Minister gets up and he says oh all you think about is business and I guess he thinks that way. A corporation lawyer doesn't think much about small businesses. But I tell you, there are storekeepers, there are small barber shops, there are men that are working continually and daily with little hardware stores trying to make them pay. Every place you go this is what is happening to small business. And you know, and they don't give a damn. You see they're like the Liberals in Ottawa. They want to get rid of all the little businesses and control the big ones by legislation which is straight communist socialism. It's as simple as that, and they're working to it and they're working hard to get to it. --(Interjection)-- That's right, that's right.

So, Mr. Speaker, this is a hodgepodge bill. We are going to discuss it, we have told you it's lousy. I will tell you this. Again the Minister will be dancing all over the place saying I made the great tax shift -- Mr. Mambo Jambo of the Manitoba Legislature. So, Sir, with that I would say, I hope they come to their senses, I hope that after we have told them that it wouldn't work, I hope that after we've proved to them that it didn't work with us, I hope that after we show them that they voted against it themselves, you know, really after all of these things --(Interjection)-- Oh, the Minister he opposed it, he opposed it. I read out the ones that opposed it. And they made some dandy speeches. If I were to get in the Hansard I would find, I read some of the speeches today but I can refer to them, in fact you will find them in 1964 August session.

So, Mr. Speaker, again I'd like to just complete my remarks by saying they ought to be ashamed of themselves, the backbenchers who are city members, the Member from St. Vital has to tell his people that you only got \$24 back less taxes this year - you should have had at least 50. No, it has to be that way and that's the way it is with 80 percent of the city. And the City of Winnipeg next year all it needs is a mill and a half increase and you'll wipe out their advantage this year too. It's just plain sneaky financing and something has to be done about it. And I'll tell you, I'll tell you, you walk around, they want to call this and bring this thing up in Wolseley, I have trotted a few streets in Wolseley and unless the First Minister has got a double I said hello to Ed somebody. But anyway I assure you, I assure you those people are not being fooled by this. The Minister has proved he's no salesman. He didn't sell Unicity; he's proving he can't sell this, he's proving he's no Finance Minister, he's a lawyer and he should realize it and stick to it because this is a complete mess. Thank you.

MR. SPEAKER: The Honourable Member for Inkster.

MR. SIDNEY GREEN, Q.C. (Inkster): Mr. Speaker, I believe I've now listened to several opposition spokesmen on the taxation measure and I agree that there is some degree of confusion in Manitoba with regard to taxation. I think that that confusion is reflected by the fact that although these spokesmen have got up and made vehement speeches against the government -- I heard one yesterday by the Member for Fort Garry and then again today by the Member for Sturgeon Creek -- that none of them, despite the vehemence of their attacks, have indicated that they are going to vote against this piece of legislation. I think, Mr. Speaker, the interesting feature of it --(Interjection)-- Mr. Speaker, the Member for Sturgeon Creek says that I am losing my grip. Let's postulate this for a moment, Mr. Speaker. That a man loses his grip when he says that it is reasonably expected that when a person gets up to speak to a resolution he should indicate whether he is for it or he is against it. And if a person thinks that he is losing his grip --(Interjection)--

(MR. GREEN cont'd)

Mr. Speaker, the Member for Sturgeon Creek has said a lot of amusing things with regard to this bill, the last thing that he said is most amusing of all. He referred to a piece of stupid legislation, he referred to the Unicity Bill. Mr. Speaker, I can understand people being against the unification of services in Greater Winnipeg, I can understand some being for, I can understand particularly the Member for Sturgeon Creek who represents an area that happened to be able to be part of Greater Winnipeg while at the same time bearing as little as possible of the total expenses possible - and I don't criticize that - I say that that is a favoured position to try to be in. If I was a municipal councillor in West Kildonan or in Sturgeon Creek or in Tuxedo and I could say the citizens of Winnipeg, that is the old city, will bear the brunt of the cost, I will be in the area but I will bear as little of the cost as possible, I can understand that as a position. I gave all the credit in the world to the people who took that position, and I assume, Mr. Speaker, that the honourable member would give some credit to the other people of the city who felt that they are bearing a heavy portion of it and that it should be spread out more equally. Mr. Speaker, you could argue one or you could argue the other, but when you start saying that it is a stupid piece of legislation, what are you doing, Mr. Speaker? Is the Honourable Member for Sturgeon Creek calling the Honourable Member for Fort Rouge stupid? Does he have to go that far to make a point, because the Honourable Member for Fort Rouge voted for that stupid piece of legislation. The Honourable Member for Portage la Prairie voted for that stupid piece of legislation. The Winnipeg Chamber of Commerce came out for that stupid piece of legislation. The Architects Association of this province came out for that stupid piece of legislation. The Mayor of the City of Winnipeg came out for that stupid piece of legislation. And, Mr. Speaker, if we continue to go we will find out that just as the man who is walking out of step, that the Member for Sturgeon Creek is the only person in Manitoba who is not stupid, that he is the one person -- that all of his voters are stupid, that other people are stupid but that he has characterized this as a stupid piece of legislation.

Now, Mr. Speaker, isn't it possible that there could be a difference of opinion on a subject without one side of the subject being stupid. The Honourable Member for Sturgeon Creek apparently says no, and apparently, Mr. Speaker, he is a little bit disturbed, he is confused. He was all set to go - on the day that the tax bills would be delivered to the homes in Greater Winnipeg he was all set to start screaming about how the taxes went up and how he told you so. And now he says the situation is confused because there is a rebate here, there's a subsidy here, there are other things that have caused this situation to be confused. But, Mr. Speaker, who confused them? We never ever said, there was nobody on this side that said municipal costs will stop rising when there is one Greater Winnipeg. Not a single person said that, Mr. Speaker. The Honourable Member for Sturgeon Creek was the one who said costs are going to skyrocket. Well I want to read the honourable member something. I believe that the Greater Winnipeg costs -- this is costs and it's not tax bill, I realize that there is a difference -- have gone up by roughly 7 or 8 percent. I would say that that would be lower than the average across this country.

But here is a very interesting story, Mr. Speaker that I have one of the Toronto papers, and I'm sorry I didn't keep the heading, it looks like the Globe. First the bad news. This is Ontario, where they have what the Member for Sturgeon Creek apparently says that we should continue to have - a Metropolitan form of government plus municipalities. Presumably if they had that system - presumably unification brought costs up and that system would have kept costs the same. Well here's the editorial in the Globe and Mail. First the bad news. "Your municipal taxes are going up in some parts of Toronto by as much as 28 percent for the average homeowner." Do you know what that means, Mr. Speaker? Twenty-eight percent for the average homeowner. That means that if you have a tax bill --(Interjection)-- Mr. Speaker, I got this from the Globe and Mail. Mr. Speaker, I am reading from the Globe and Mail, I am accepting the fact that the Globe and Mail is making an assessment and I am telling you, Mr. Speaker, that they say that it is going up by 28 percent.

MR. SPEAKER: Order, please. I would suggest to the Honourable Member for Sturgeon Creek, he's had an opportunity to debate the bill. Would he kindly let someone else have the same. The Honourable Member for Inkster.

MR. GREEN: Twenty-eight percent. That means that if you had a tax bill of \$400, without unification, without the other confusion that the honourable member's just talking about, your taxes would have gone up to \$500 in the City of Toronto. Now I assume that if the honourable

(MR. GREEN cont'd) member is saying that the seven percent cost which is lower than the average or above the average across Canada, if that results from unification then this 28 percent results because they didn't have unification. --(Interjection)-- Bunk? Mr. Speaker, that's the kind of logic that the honourable member is now trying to sell this House. He is now trying to sell this House the statement that if you wouldn't have unification it wouldn't have gone up to seven percent, and I'm saying that based on that argument, if you look at the facts and look at Toronto, if you wouldn't have had unification it would have gone up by 28 percent. I don't make that statement, Mr. Speaker, but that's what the Honourable Member for Sturgeon Creek said.

The honourable member starts talking about what would have happened if you had not had unification. Mr. Speaker, those who are engaged in trade union practice know that the worst kind of trade unionist, the worst kind of trade unionist is after the bargaining agent committee goes in and bargains with management and they work like dogs and they get what they can come back and recommend as an eight percent increase, that some guy at the back of the hall who's never did anything, never done anything in his life, says I could have got you 10 percent. The honourable member is in the position of now saying that if you wouldn't have had unification, you wouldn't have had a seven percent increase in costs. Has that been the fact, Mr. Speaker? Is the honourable member saying that between 1960 and 1970 there were no increases in municipal taxation because we didn't have unification? But, Mr. Speaker, every single party in this province has been coming out saying that we have to relieve again the increasing and increasing load of real property taxes on homeowners, and this year for the great majority of people in Greater Winnipeg there is a smaller tax bill to those people, and that's what the honourable member can't stand. He says it should have been more. Well, Mr. Speaker, I will have to agree with that, I would like it to have been more. But I really can't accept the criticism because that it isn't more it isn't a relief, and it's the first time that there has been that type of substantial relief. The honourable member says that we tried the rebate system and it didn't work. And here he does come in with some degree of credibility.

The rebate system was a problem it would have been a bigger problem to completely eliminate taxes on real property because those people who think that this is a great assist to them forget that people in very expensive homes if you give a percentage relief that they will get the most relief. Therefore you have to start on the basis that there will be a rebate which means that the lower homes will get a bigger percentage than the higher priced home. But, Mr. Speaker, we looked at that and we said that some things that the Honourable Member for Sturgeon Creek say are correct, that although it's only \$50 there still is an inequity because some of those people who are getting the \$50 don't really need it, they're in the upper income group. And he said something else, he said that the municipalities increased the taxes once they knew that the relief was there.

Mr. Speaker, both of those things are taken care of, both of those things are taken care of by Bill 55. One, the municipality doesn't know who is being subsidized and how much relief there is. They only know in total dollars because the relief is given to the taxpayer directly as a return from his income tax. It doesn't appear on his municipal tax bill at all.

Secondly, if I happen to have a smaller home but I'm earning a very big income I get no relief whatsoever. And, Mr. Speaker, for that we take no apology. The purpose of this government has been to try to seek ways of taxing in accordance with ability-to-pay. I know the honourable member doesn't really like that but that really has been our policy. We have said that those people in the upper income groups can afford to pay more taxes and those people in the lower income groups can afford to pay less taxes. And every time we find a system which will tax those people more heavily who are in the upper income groups and relieve taxes for people in the lower income groups, we are going to employ it. The honourable member didn't like that with regard to the income taxation and said so, and I accept that fact. Those people who say that a person earning \$5,000 should pay \$120 for Medicare instead of the \$28 should vote for the Conservatives; those people who say that a person in the income group should pay \$28 instead of \$120 should vote for the New Democratic Party. And if that bothers the honourable member who then says that we have the highest personal income tax rates in this country, I say that if this government didn't have the highest personal income tax as against other taxes on the poor, then I would not be proud to be a supporter of this government. That's the reason we came into office and if we didn't do it it would be a breach of our promise to the electorate.

But, Mr. Speaker, the Honourable Member for Sturgeon Creek has said that the tax

(MR. GREEN cont'd) situation in Manitoba is confused, I say who helped to confuse it? These are the people who helped to confuse it and you identify them after I say what they have said. They have said that 39 percent of 111 is a smaller amount of taxes than 42 over 142. Who said that - 39 over 111 is less than 42 over 142? The Conservative Party. Who said, Mr. Speaker, who told the electorate that their municipal tax bill is going to skyrocket, so that when they now get it and see that it has not skyrocketed, they are confused? Who said it? The members of the opposition. Who said today - you know I hope that I'm not going to be wrong in this and I'll ask my honourable friend to correct me if I am - he said that one and a half mills will wipe out \$90 worth of benefits? Is that what he said? Mr. Speaker, now we know who the honourable member is talking for, because when he says that the personal income tax is hurting somebody, he's talking about the people in my income group and his and we know that he's worried about them, and when he says that 39 out of 111 is less than 42 out of 142, he's again talking about the upper income groups who have been hurt, Mr. Speaker; and when he says a mill and a half --(Interjection)--

MR. SPEAKER: Order, please. The Honourable Member for Sturgeon Creek on a point of privilege.

MR. F. JOHNSTON: The Member from Inkster said the honourable member said that. I did never say that in this House.

MR. GREEN: I withdraw the statement and I am glad to know that the Member for Sturgeon Creek would not be associated with a stupid statement like that which came from the Leader of the Opposition. I am glad to know that he now disassociates himself from both the Leader of the Liberal Party and the Leader of the Opposition who have been walking across this province confusing the people by saying 39 out of 111 is less than 42 out of 142. And for him to have got up and said, I never made that statement, I gladly withdraw, I apologize to the honourable member and I am happy that he is not associated with that kind of tripe. Because that's what it is.

But the honourable member did say that one mill would be \$90, a mill and a half would be \$90. Well you know I sort of figured that in my area a mill would be about \$10, a mill would be about \$10 and I hope I'm taking a high figure. The Minister of Finance tells me, I'm going to blame him that for a \$350 tax bill a mill would be about \$5.00. A mill --(Interjection)-- \$10.50? --(Interjection)-- ah, we are saying now -- Mr. Speaker, I thought that it wasn't a mistake, I thought he was talking about those people who have \$3,500 homes -- no, no, not \$3,500 homes, but \$3,500 in taxes on their homes, to them a mill would maybe be between \$50 and \$90. And those are the guys that he is talking about when he says a mill and a half is \$90.00. Mr. Speaker, he now agrees, and I therefore won't try to guild the lily, the fact is that we cannot wipe out \$90 with a mill and a half tax increase, you'd have to have 10 mill taxing -- no maybe 15 mills, maybe 15 mills will wipe it out. So let the honourable member rest assured that that tax increase provided that the municipal taxation proceeds in an orderly basis, will long endure, and I hope that the member is now paying it, it will long endure to the people who are entitled to collect as a result of this \$140.00.

Mr. Speaker, I don't want to spend all my time on what was said by the Honourable Member for Sturgeon Creek, I note that he is fighting the old war against Tommy Douglas because he's got Mr. Fines book "Douglas in Saskatchewan". Mr. Speaker, I think that if anybody epitomizes the philosophy of Ross Thatcher, it's the Honourable Member for Sturgeon Creek, and all I'm asking him to remind himself is that Thatcher was defeated, he was defeated by 55 percent of the electorate of Saskatchewan. And he was defeated, Mr. Speaker, because he was saying the very things that the Honourable Member for Sturgeon Creek is saying. And those things are not stupid. I will not refer to them as stupid. I will say that they are in the interests of people in my income group and in the income group of the Honourable Member for Sturgeon Creek, but they are not in the interest of the vast majority of the people of this province.

Mr. Speaker, yesterday the Member for Fort Garry rather got to me on a personal basis because he started to attack us in this phrase that came from the Member for Sturgeon Creek "communist socialism, extravagant spenders" and I think what really annoys him is that we haven't increased taxes and that therefore he is trying to create us in the image that he had of us, and still has, because in all of the years we have been here, we have never asked for a tax increase from the people of Manitoba without giving an equivalent or better tax benefit. That is a fact, that has never happened. There has never been a tax increase in Manitoba under this administration without giving back an equivalent or greater benefit to the people. And I agree,

(MR. GREEN cont'd) we never said that we can give back benefits without collecting it. I don't think that was ever said by a single member of this side of the House. We agree that in order to give back the benefit we have to collect, and we also agree that we are giving back to different people than we collect from. We also agree with those things, those are the basis upon which we said our taxation policy would be based. But the Honourable Member for Fort Garry, who I am sorry is not here, he wanted to make little of us because, Mr. Speaker, he said that they are extravagant socialists, none of them has any business experience, there isn't a businessman on that side of the House, they've never had to meet a payroll, they've never had to increase wages, they've never had to deal with workmen's compensation, and that's what really makes them so incompetent or so unable to handle the affairs of the Province of Manitoba.

Well, Mr. Speaker, what about the members on this side of the House? You know, that's the kind of a personal attack which I believe has to be answered and probably leads to, and I will get to it, you know, the reverse on the other side, but before I do, I want to say that I know that the Minister for Colleges and Education was a businessman. He had a factory, he employed numerous workmen, he was a manufacturer, he had dealt with workmen's compensation, he dealt with increases in wages, he had to negotiate contracts with unions. That was his business. The Minister of Agriculture was a businessman, the same way as the Member for Lakeside is a businessman. The Attorney-General was a businessman, he was a lawyer, he employed people, he had to give increases in wages and he was involved in other businesses. The Minister of Finance he probably did more business than any of us but he was a businessman. He was involved in the fur business, he ran a law business, he had to meet wages, he had to do things of that kind.

The First Minister went to the Legislature when he was 22 years old and he has demonstrated on many, many occasions that he could have been a success in anything that he did, as has been shown by his brothers who are in the family and who are businessmen. The Minister of Labour was the Mayor of the City of Transcona. Would the Member for Sturgeon Creek say that that is no business experience?

Mr. Speaker, I myself was in a three man law office, we employed ten people, we had to increase wages, we had to give raises, we had to do all of those things. The Member for Dauphin, the Minister of Transportation was a businessman. The Member for Thompson was a businessman, and I could go further, but, Mr. Speaker, really that comes as a kind of a distasteful thing to have to start talking about the businessmen on your side of the House. But, Mr. Speaker, is it implied that the Conservative Party has got the brains of business in their caucus? Is it?

MR. SPEAKER: The Honourable Member for Thompson.

MR. JOSEPH P. BOROWSKI (Thompson): Mr. Speaker, I wonder if the Member for Inkster is aware that the business that the Member from Fort Garry started in Thompson, the newspaper has just gone bankrupt?

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, if we're looking for the businessmen in the House, do we find them on the side of the Conservative Party? The Member for Swan River is he a captain of industry? The Member for Arthur, Mr. Speaker, he I assume has been a councillor for E. P. Taylor all of his life. The Member for Riel, has he been a businessman? He has proved to us that he's a pretty incompetent engineer. Has he proved anywhere that he is a competent businessman? The Leader of the Opposition was born with a silver spoon in his mouth and we don't know, we have no way of knowing whether he ever would have been a businessman or not have been a businessman.

Mr. Speaker, I assure you that I don't like to do this. I say he started it. Now I want you to look -- the Member for Lakeside, yes he's the same type of businessman as the Minister of Agriculture. The Member for Souris-Lansdowne, I haven't heard of him mentioned in the annals of captains of industry in the Province of Manitoba. The Member for Roblin, Mr. Speaker, the Member for Roblin gets up, the Member for Roblin gets up and he screams bloody murder and he talks as if he's going to make a voluntary assignment in bankruptcy every time the minimum wage goes up. That's the strength of his business ability. Where are they? You are replacing this side of the House with your businessmen? I mean, is that the kind of debate that you are -- (Interjection) -- you will be? Well, Mr. Speaker, there is no doubt that you will have a chance to, there is no doubt that you will have a chance to, and I would say that if the

(MR. GREEN cont'd) people of Manitoba elect a Conservative administration, which you know it's happened before and it can happen again, I hope that this administration will stay around for a long time, but if it happens, it won't be because there are astute businessmen on that side of the House. It will likely be because we have done something wrong. But, Mr. Speaker, I don't think that that has happened. The honourable member said yesterday that he's willing to go back, not only he but I and everybody else, we'll go back whether we're willing or not, that we'll have to try our luck and see what happens.

Mr. Speaker, the Member for Fort Rouge has found a new way of computing tax increases which was attempted by the Leader of the Opposition earlier in the session -- the Member for Fort Garry, I'm sorry. He took the personal income tax and he said that it was \$50 million and now it's \$80 million - and I'm using figures which I can't substantiate I don't remember them. He took the corporate income tax and he said that it was a certain number of million, has gone up by so many million, and this demonstrates that the people of Manitoba are paying more taxes to this administration than they paid when the administration came in. And that, Mr. Speaker, has really become - after we go through all of the arguments, they have finally come down to one last way, because it's the only way that will stand up, of proving that we increased taxes by saying that they used to be \$70 million and now they are \$100 million.

What they are leaving out, Mr. Speaker, is the fact that it's at the same rate. There has been an increase in the personal and corporate on the first year, we are not arguing about that. But I'm surprised that the Member for Fort Garry didn't say that so many people are making so much more money in Manitoba that they are paying more income tax and that that is why the taxes have increased; or that so many corporations are doing so well that at 13 percent instead of getting \$20 million from them we are now getting \$30 million from them, because there has never been a definition until this year, and that shows how contrived it is - it has never been a definition that you have increased taxes in a province because you have collected more taxes. Increases in taxes has always been associated with increase in the rate of taxation, and everybody says if you can go at the same rate and get more money, that proves the buoyancy of your economy. That's what Duff Roblin said.

But now in a desperate attempt to find one last straw upon which to demonstrate to lower income people who know that they are not paying more taxes, who know so by looking at their tax bills and by looking at their Medicare premiums, by looking at the other rates that have been ascribed to them, who know that their taxes have not gone up, they have said well we can prove that they have, because they used to collect \$70 million in income tax, now they're collecting \$100 million.

Well, Mr. Speaker, I've said it before but I think in view of the argument of the Member for Fort Garry it's worth repeating. Based on that proposition, and I ask him to hold that proposition, based on that proposition since when the Conservative party took power in 1959, the total expenditures and therefore the total revenue was \$80 million a year, and that in 1969 when they left office the total budget, and therefore the total revenue was \$400 million a year, by the definition of the Member for Fort Garry, taxes will have gone up during those years 500 percent, 500 percent - five times, five times eighty. The Member for Lakeside I am sure would not accept that kind of an argument and I probably wouldn't agree with what the Member for Fort Garry said, and even leaving out the fact that not all of it is in taxation, that much of it is in redistribution, federal grants of that kind, that also applied to the \$80 million. So if those things remained equal over the years, then what the Member for Fort Garry is saying is that because our revenue were \$80 million in 1959 and \$400 million in 1969, we, the Conservative Party proudly announce to the people of the Province of Manitoba that during our ten years of office we increased taxes 500 percent. That's the position, Mr. Speaker, of the Member for Fort Garry. And if he will say that that is their position, if he will apply that definition to their years of office and go back to the people of Wolseley or to the people of the Province of Manitoba generally at the next election, and say yes, we increased taxes 500 percent, then he can use the same type of calculation to see how we did; and, Mr. Speaker, I have no fear that we would not come out bad in making such a comparison.

The fact is, Mr. Speaker, and this has not been disputed and that's why those types of arguments are resorted to. This administration took office in 1969, and I'll go through those budgets and I challenge any member on the opposite side to show me where I am wrong. The Member for Sturgeon Creek, I challenge him to show where this province increased the rate of taxes to citizens. In 1969, in our first budget, we gave up approximately \$26 million in

(MR. GREEN cont'd.) Medicare premiums and we collected approximately \$24 million in health and my figures, they aid the Conservative . . . they aid your side, they don't aid my side, that we gave to the people far more than we collected from them. So we didn't increase taxes in that year . . .

The next legislative term, the only tax measure that we dealt with was one on Royalties, we increased the Royalties to make it equal across Canada. Nobody other than the Mineral Companies in this province had paid anything towards those Royalty taxes. The following session of the Legislature, I believe that there were no tax increases at all, there were no tax measures of significance. This session of the Legislature we have said that we are going to pick up roughly \$19 million, and we admit it, \$14 million, we are going to pick up roughly \$14 million, and next year - all right between \$14 and \$19 - we are going to pick up roughly \$14 to \$19 million by means of other taxes which we agree will affect those who either buy more or who have ability to pay more in other ways and that we are giving back approximately \$30 million. The Minister is nodding his head.

Now you've got the four sessions and what the honourable members are saying that four sessions in which there are no tax increases, when you add them up it comes to tax increases. It's like, I think, I again said this before but I'll have to repeat it. It's like the insurance industry who said that they lose money on every policy of insurance that they sell. When one asks them well how do they make a profit, they say they make it up on the volume. And with you people you say that in every session of the Legislature we have not increased taxes, but when you add them altogether it comes out to an increase, that we make it up on the volume.

Mr. Speaker, I do agree, I do agree that taxes have increased for certain people in the Province of Manitoba. Some of those people have been in an economically powerful enough position to pass those taxes on in the form of consumer prices, some have not. Even when passed on in the form of consumer prices they still tax the well-to-do relatively better, more than they tax the lower income group. We make, you know, if that is the issue - and I believe it is, I really believe that that is the issue between the Honourable Member for Sturgeon Creek and myself - if what he is saying is that we should have relieved the upper income group, he and myself, and put it on the backs of the lower income group, then let's make that clear. That's what he wants to do, that's what a Progressive Conservative administration would do and in that way they would keep taxes down for some people. We say, and we have said, that one of the bases upon which our party attempts, and I say it's not a very effective attempt but it's an attempt, at redistributing wealth in this country, is by having fairer tax laws, and those fairer tax laws mean that we are going to try to increase the share of taxation that is now borne by the upper-middle and upper-income groups and reduce the share that is now being paid by lower income groups. That's true. To that extent we have increased taxes and if we didn't do that then I am sure that many members on this side of the House would have gone back to the public in a year or a year and a half's time hanging their heads instead of holding them up high which I'm sure they will be doing.

MR. SPEAKER put the question.

MR. SPEAKER: The Honourable Member for Lakeside.

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

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

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MR. SPEAKER: The Honourable Minister of Finance.

MESSAGE FROM HIS HONOUR THE LIEUTENANT-GOVERNOR

HON. SAUL CHERNIACK, Q. C. (Minister of Finance)(St. Johns): I have a message from His Honour the Lieutenant-Governor.

MR. SPEAKER: The Lieutenant-Governor transmits to the Legislative Assembly of Manitoba Estimates of further sums required for the services of the province for the fiscal year ending 31st day of March, 1973, and recommends these Estimates to the Legislative Assembly.

The Lieutenant-Governor transmits to the Legislative Assembly of Manitoba Estimates of sums required for the service of the province for Capital Expenditures and recommends these Estimates to the Legislative Assembly.

MR. CHERNIACK: Mr. Speaker, possibly I should just confirm to the members of the House -- I have spoken I think to members of each of the groups represented here -- one of these is a message relating to the additional one-quarter of a million dollars required for Urban Affairs, which was already discussed in Committee of Supply; and the other is a Capital Supply Authority in the expectation of the passing of Bill 56, The Hospital Capital Financing Authority, and that of course can be discussed and would not be passed finally until after the Act itself is passed.

So that, Mr. Speaker, I move, seconded by the Honourable the Attorney-General, that the Messages of His Honour the Lieutenant-Governor, together with the Estimates, be referred to the Committee of Supply.

MR. SPEAKER: The Honourable Member for Morris.

MR. WARNER H. JORGENSON (Morris): I wonder, Mr. Speaker - the Minister indicated the amount of the Supplementary Estimates that would be required. He did not indicate the amount of the Capital Supply. I wonder if he could do that.

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Yes, Mr. Speaker. The resolution is being distributed now in both cases. It's supposed to be \$30 million but I haven't seen it, so I hope that what I'm saying is confirmed.

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

MR. CHERNIACK: Mr. Speaker, would you call Bill 56 standing in the name of the Honourable Member for Fort Rouge.

GOVERNMENT BILLS

MR. SPEAKER: On the proposed motion of the Honourable Minister of Finance. The Honourable Member for Fort Rouge.

MRS. INEZ TRUEMAN (Fort Rouge): Mr. Speaker, in second reading of Bill 56 the Honourable Minister of Finance had spoken to us of some of the problems which are faced by hospitals when they go into the market for capital supply. He's talked of a deterioration of interest, the reluctance of underwriters to compete for their bonds, and has referred to the differing ability of the various hospitals to handle their capital financing. Mr. Speaker, I find myself again agreeing with the Honourable Minister of Finance. This could become a rather disconcerting practice if it continued too far. However I did check this bill with the various people who I felt would be interested in it. One of my concerns was whether this bill would in effect give the government leverage over the hospitals, or over the hospital boards, in the way that a sort of arm twisting was used in the case of Concordia Hospital where they had received authority to proceed with the hospital building and then found themselves under some pressure to convert into a community clinic instead, and I believe there was some dispute that went on for some time in that case. However I've satisfied myself that the ability to veto plans of a private hospital board already exist further down the hierarchy and that by the time the request for financing for capital funds came to the government it would already have received the approval of the Manitoba Hospital Services Insurance Commission. So as I say I've satisfied myself that this is not a factor.

I think it's quite proper to relieve the hospitals and the municipalities of this money-raising role which they are really not as well equipped to perform. I assume that the capital, the fund raising, the capital authority will simply serve as a borrowing agency and will not

(MRS. TRUEMAN cont'd) then be in a position to be reviewing the actual needs.

There is one question which I would like to ask the Minister of Finance, and that concerns where this capital debt will now be reflected, whether it will be reflected in the provincial public debt as opposed to in the past its being reflected in municipal debt or hospital debt, and with an answer to that question then I think I would be quite happy, and we would be quite happy on this side of the House to see this bill proceed forward. We are seeking one more opinion but there will be an opportunity to bring that forward if there is anything new in Law Amendments Committee. With that understanding we would like to see the bill proceed.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I was unavoidably absent I think when the Minister introduced the bill originally. The bill is setting up a hospital capital financing authority and as such it will be in charge of financing hospitals in the future in this province. The definitions are given in the bill. I'm wondering why are hostels not included or why do we limit it to hospitals in this case. I take it as the Member for Fort Rouge, who just spoke, that the indebtedness will still rest with the districts, the hospital districts, as has been in the past. I know the operators of hospitals are defined and referred to later on in the bill. The most important point to me in the bill is the matter of borrowing and which is actually the principle of the bill to set up this authority and that they will borrow the money and provide money for the hospitals. I take it both for capital and operation if the operating funds are deficient. It also gives the power to the authority that they may refund, and I take it when it speaks of refunding, or renewal, from time to time that this means that we will not be borrowing money over longer periods of time, or failing that, the sinking funds will not be large enough or high enough to offset any borrowings so that the money will be there when the time comes to repay those borrowings. I know the bill provides for a sinking fund. It says "may provide for the creation of a sinking fund", but it doesn't spell out the amount. What percentage are the hospitals today being depreciated? We know the sinking fund of the province, how much we contribute annually; we know that of hydro and telephone that it's one percent, whereas three percent I think it's for the province. What is the rate that our hospitals are being depreciated at, and also how much are we contributing to the Sinking Funds in the various hospital districts, and does this rate vary from one hospital to another? I think this would be valuable information to have, and I for one would like to see this spelled out in the Act as to the amount of the contribution that will be made to the Sinking Fund.

Then also in connection with the guaranteeing of funds. It also says "may" again. It's not necessarily that the government will finance or guarantee all the loans. Maybe the Minister made this clear when he introduced the bill. I'm sorry I wasn't present at the time but if he has I intend to read up on it, and if he hasn't maybe he could enlarge on that principle.

One thing I take exception to and this is in connection with the arrangements for the supply of money necessary to fulfill the guarantee. My understanding is that the way the bill is drawn up that this House, this Assembly will never be required to give any further approval necessarily, that the Lieutenant-Governor-in-Council can make these arrangements, and however if the practice as has been done in the past that any capital requirements that will be made to the authority itself will have to be provided by the House then naturally these will come to the House for approval, and I take it that that is the way it will be handled. If that is not the case I would hope that the Minister will comment.

One question I have is, will any sinking funds that are required be part of the budgets? Does the hospital when it makes its requisition to the authority for funds to operate a hospital - I take it that the budget requirements will also stipulate the amount that the hospital will be required for sinking fund purposes. If that is not the case here again I would like to have the Minister comment on that.

There is provision for deficiency payments and maybe the Minister could inform us at this time whether we have a number of hospitals at the present time in Manitoba who are having difficulty, and who are having deficiencies annually. I know of the hospitals back home that there have been practically every year deficiencies and that these deficiencies have had to be made up from extra tax levies on the real estate property within the municipalities and within the hospital district. Is this practice to be carried on or once the hospital financing authority is set up, will this be changed, that any deficiencies will be met by this authority? I think if that is the case that would be commendable because I think we have enough taxes on real estate property as at present, and that any monies required in this way should not come from tax levies on real estate property but that it should come from the Consolidated Fund and probably

(MR. FROESE cont'd) channeled through this particular authority that is being set up.

Mr. Chairman, I think this is very similar to the school financing authority that was set up some time ago and as such I don't want to prolong or prohibit the passing of this bill but certainly when the bill spells out that the limits on borrowings and if I should make one statement, quote one statement, it says, "The authority shall not borrow more than is necessary." Well in my opinion, Mr. Speaker, this could be quite different than what someone else's opinion would be and therefore I do hope that whenever borrowings are made that we do not borrow more than is necessary, and that we probably limit ourselves and restrict ourselves according to the economy that we are operating in and according to the way our people are living and their incomes, that this would have some bearing on the amounts that we spend for hospitalization especially for construction of new facilities, new hospitals. I feel there has to be a limit set and that we should not go overboard on the matter of constructing hospitals because it's not only the cost of constructing the hospital, Mr. Speaker, these hospitals then have to be operated and this is where the real cost comes in. To operate and finance the operation of our daily hospitals. We know of certain hospitals where they have backlogs. I am not disputing that. There may be a lot of pressure on the government to provide more facilities but at the same time I think we have to use our good judgment and do what is right and exercise efficiencies where we can. If this bill is passed it certainly, if I was to interpret it, that by the passage of this bill that we are authorizing endless borrowing of money for those purposes then I am flatly opposed to it. If on the other hand it is going to be used as a utility whereby certain things can be implemented and that any matters and the real borrowings will be referred back to this House for approval, I will not take the exception that I would otherwise.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, I rise to support the bill. I understand that there is some urgency in this matter that the Finance Minister would like to get the passage of this bill, and it is also my understanding that the hospitals are in agreement with the establishment of a hospital capital financing authority, and it is my understanding that this authority is to assist operators of hospitals to finance their capital expenditures by selling securities, and if this is the purpose I feel that in the long run perhaps the financing authority would probably be better acquainted and have better connections with the world money market situation and may be able to do a better borrowing than individual hospitals. So to that respect I would be in agreement.

I am waiting for some additional information which has not come as yet but at the present time I see no objection to not allowing the bill to go through. I feel that this would probably be in the interests of many hospitals and also raise the same question that somebody else has raised - it does not apply to private hospitals or nursing homes, would it? That's the other question but I do support the bill at the present time.

MR. SPEAKER: The Honourable Minister of Finance will be closing debate. The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, I appreciate very much the co-operation that honourable members have given to us to expedite the passing of this bill in principle. It's a gesture that was requested and was made, and I do appreciate it, it will help facilitate the business of the House.

The Member for Assiniboia mentioned that he assumes that the hospitals have consented to it. I can tell him that one of the early things I learned when I came into the position of Minister of Finance is that hospitals have been requesting it, entreating the government to undertake the responsibility, and it is a responsibility, because as referred to by other members, it is the undertaking by the province to do additional borrowing, and additional financing, sometimes on the credit of the province in order to help finance hospitals of small districts that may be having difficulty in their own financing. So that this is a desired measure, desired by the provinces, by the hospitals, over a period of time.

The Honourable Member for Fort Rouge advised me that she had to leave and said that she would read what I had to say in answer to her question, so I certainly will answer her question so that she'll have something to read. She asked two specific questions. She wanted some reassurance that the Finance Department would not be setting, making decisions as to whether or not the hospitals may borrow, and I should say that, as she herself found out in reading the Act and doing some research, the authority that has to give its approval is the Manitoba Health Services Commission and has been all along because that is the Commission which undertakes to make the per diem payments for that hospital, which per diem payments include payments of

(MR. CHERNIACK cont'd) the funding. So that all that the department itself will be involved in will be the priorities that may have to be set as to timing for the borrowing itself, just as is done under the Public Schools Financing Act; and to reassure the Member for Rhineland I would point out to him that the Lieutenant-Governor-In-Council can't just borrow any amount at all. It can only do so on the basis of the Capital Supply which is passed every year, and I've already indicated that, well I've brought the message from His Honour asking for authority for \$30 million for the current needs which are not just current but are a backlog of at least \$16 million that have been resting over the period, or accumulating over three, four years, that have already - the hospitals are built; there is short-term loans that have been made and of the \$30 million, \$16 million as I understand it, are required in order to remove the short-term and convert them into long-term borrowing. The balance is authority which is expected to be needed for the balance of the fiscal year and beyond that of course we cannot borrow any money without coming back to the Legislature for additional authority.

The Member for Fort Rouge asked where will the debt be reflected and the bill reveals that there is a certain amount of flexibility there. Either it could continue as it has in the past where the borrowing will be made on behalf of the hospital, and in the name of the hospital, in which case it will show as a debt of the hospital as it has in the past. But since it may be that a hospital may not find it as advantageous to borrow, even with the help of the government, in its own name then the authority may guarantee the debt of the hospital, and if it does then the guarantee would show on the statement of the Province of Manitoba as being contingent liability of the province by way of guarantee; or the authority also would have the power to borrow in a general way and buy debentures from the hospital, in which case it will show on both sides of the balance sheet as a debt due from the hospital to the province and therefore an asset, and also a debt due by the province to the purchasers of the provincial debentures offset by what you could call self-sustaining. And it is self-sustaining to the extent that the hospital or the Health Services Commission includes payment on the per diem of capital requirements and that will therefore be the revenue that the province will get in order to repay the debt and it is the amount which the Health Services Commission will be paying direct to the province rather than through the hospital, and there is provision here for that just as applies in the case of the Public Schools Financing Authority.

The Member for Rhineland asked particularly as to the nature of the Sinking Fund and I can't answer that question at this stage. I think probably that is something that would yet have to be negotiated both with the lenders and the borrowers, but that is something that can be discussed certainly in the Law Amendments Committee where I'd expect the Deputy Minister of Finance will be present and will be able to answer these kinds of specific questions.

The honourable member asks about deficiencies in hospitals and first asks if there are any, and then told us there were some that he knew of. And I would have to say that this Act does provide that deficiencies may be made up by the province, but this Act in itself does not set up the way it shall be. I assume that the Hospital Act itself probably covers many of the questions that were in the mind of the Member for Rhineland but if they are not answered by me now adequately, I would encourage him to ask the questions either of my department direct or in Committee but certainly I think he knows that he could always speak to my Deputy Minister direct and get more specific answers to technical questions.

So that, Mr. Speaker, I think that I can conclude my remarks and let the bill go to a vote on second reading. It'll then be referred to Law Amendments, and before I close I would propose, subject to acceptance by the House or by the Committee of Supply, to the principle that if this bill passes now, as I expect it will from what I've heard said by honourable members, and is therefore accepted in principle, I would hope that we could proceed with the dealing with the Capital Supply Resolution in Estimates but I would think that procedurally the resolution could be reported to the House, but I would not think it proper to bring in the bill on Supplementary Capital Supply for this amount until this bill receives, I suppose it should receive Royal Assent before Capital Supply is passed, but I would think - and that's up to members, up to the committee - that it could go through committee stage, into resolution stage, be reported to the House, and then I would not bring in the Capital Supply Bill itself until we've passed this bill. If that appears acceptable to the Committee of Supply then I would in any event now complete my remarks and let the vote take place.

MR. SPEAKER: Is it the pleasure of the House to adopt the motion? Agreed? (Agreed)
So ordered.

The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, I beg to move, seconded by the Minister of Industry and Commerce that Mr. Speaker do now leave the Chair and the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House resolved itself into a Committee of Supply with the Honourable Member for Logan in the Chair.

COMMITTEE OF SUPPLY

MR. CHAIRMAN: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Chairman, the Committee has now received the two messages from His Honour and the proposed resolutions which have been distributed. We are now in the midst, I believe, of dealing with the Estimates of the Minister of Industry and Commerce but in my discussions with the Leader of the Opposition, I think we agreed, and he's here to confirm or correct me - the House Leader of the Opposition - that the Committee would have an opportunity to decide whether it wished to discuss either of these two resolutions now or wait to see if they come up at the proper time in the normal course before the 90 hours are up, because if we deal first with the supplementary appropriation under Urban Affairs then certainly it would be, I assume, automatically passed at the end of the 90 hours if it's not debated and passed before that. The Member for Morris suggested to me privately that it would be up to the Committee to decide whether they wanted to discuss this resolution out of order or just leave it sit with Urban Affairs and possibly it would just be passed at the end of the 90 hours if Urban Affairs isn't dealt with.

MR. CHAIRMAN: The Honourable Member for Morris.

MR. JORGENSON: Mr. Chairman, I think that in order to provide an adequate opportunity for members who may wish to speak on both of these resolutions that it would be in order to deal with them right now and then there would be no possibility, or one would think there would be no possibility, then to be cut-off for lack of debate. If it is dealt with now then anyone who wishes to debate them can do so without having to be worried about running out of time to do so. We have covered all the other departments at least once. I know there is some members who would like to cover again but then we also have the opportunity on concurrence. So if it's all right with the Minister I would prefer to see it dealt with right now.

MR. CHAIRMAN: The Honourable Member for Rhineland.

MR. FROESE: Mr. Chairman, I would take the same position. I think we should be debating it right now.

MR. CHAIRMAN: We seem to have agreement that we will debate the resolution.

MR. PAULLEY: . . . No. 2 and Schedule A and Supplementary Appropriations for Urban Affairs. It doesn't matter which one you call first, Mr. Chairman.

MR. CHAIRMAN: The appropriation to Grants and Other Supports, Transition Tax Base Equalization Payments in the City of Winnipeg in the amount of \$250,000 --passed. The Honourable Member for Rhineland.

MR. FROESE: I wonder if the Minister would -- we've had so many different items come up for support for the Greater Winnipeg area, which one are we referring to now when we have this \$250,000 item. Could he give us that explanation first?

MR. CHERNIACK: Yes, Mr. Chairman, I'm sorry I was slow in rising. I should have introduced this. Honourable members will recall that when I introduced and discussed the Urban Affairs Estimates, at that time I produced and distributed the Tables showing the manner in which the government was paying the Transitional Tax Base Equalization grants in the City of Winnipeg, and I explained then that we had adopted a formula which would be in this year 75 percent of the increase in taxes to the residents and farmers in the City of Winnipeg area, 75 percent of that increase which is attributable to the Unicity calculation, to the Unicity equalization of tax base, and it was discussed at great length. I would be only too happy to discuss it all over again because I believe that we have introduced a proper equitable and correct approach to this problem. I explained at that time the manner in which the calculations were arrived at - I was a little surprised at the news item which the Member for Sturgeon Creek read today about the school taxes there. I looked at the item; I see no calculations there which justify it but somebody is disagreeing with our figures. I can only say that we submitted all our calculations to the City of Winnipeg Finance

(MR. CHERNIACK cont'd) Department and received confirmation that our calculations were correct - I didn't suggest that they agreed with our formula but they did with our calculations.

Now I don't want to take up the time of the House or the committee, unless the committee wants to debate it. In which case I'm prepared to take up all the time the committee wants, but it would be unfair for me to make another elaborate speech on this matter. I would only indicate that in the Estimates we provided \$1-1/2 million for this purpose, after we arrived at the formula and developed it it came to \$1-3/4 million, and therefore we have to bring in the request for a supplementary of the \$1/4 million to make up the difference between the amount shown in the Estimates and the amount that we are now proposing to pay. So that's the explanation for this additional 1/4 of a million but I would be only too happy if given an opportunity to develop on the whole program. I won't take advantage unless I'm prompted so to do.

A MEMBER: We won't give you that advantage if we can help it.

MR. CHAIRMAN: The Honourable Member from Lakeside.

MR. ENNS: Mr. Chairman, without wishing to delay the matter to any great extent but it occurs to us members at least on this side of the House who represent rural Manitoba, that it would be helpful at one stage of the game if perhaps if we take the time and do our research and homework as these bills come through, and perhaps at second reading the Minister may choose to take it as notice to have some kind of adding up of the kind of taxation help the province as a whole, which includes of course, hopefully so, rural Manitoba, that is being granted specifically to the Greater Winnipeg or the Winnipeg Unicity as it now stands.

We have noted of course the assistance, know of the assistance that the government provides to the city in other forms, some recent and some not so recent, whether it is a matter of subsidization for the transportation system here in the city, whether it is a matter of subsidization for the purchasing of buses for the city, whether it is now a matter of subsidization or help with respect to the equalization of taxation as a result of Unicity, all of which is - I'm not suggesting this comes as any surprise to us; it has been noted and indicated at the time the Minister of Finance first in his informative meetings throughout the city area talked about the introduction of Bill 36 last year. However, I make those comments as a rural member and I believe I can speak for Manitobans living outside of the Greater Winnipeg area have a right to ask for this kind of information so that we have some indication, some idea at some stage of the game of the total amounts that the province as a whole is paying into the city area.

I don't particularly further the view, or hold the view, that every dollar that the province spends in the city does not spend in rural Manitoba is not a wise dollar spent. I am the first one to recognize that the tax base, the revenues accruing to the government are of course so substantial that come from the Greater Winnipeg area. So I don't raise the question as a matter of contention that much, but more so as a matter of information.

The residents, particularly residents of other smaller urban area in Manitoba, whether it's communities such as Portage la Prairie or Brandon or Dauphin, or what have you, from time to time are concerned about this particular aspect of the kind of funding assistance that is given and naturally and expectedly look towards the maintenance of some balance in this kind of assistance, and so I ask the Minister, again I repeat, not necessarily to do so at this particular time but perhaps at a later stage during second or third reading of the bill. Thank you.

MR. CHAIRMAN: Resolution (2)--passed . . . The Honourable Member for Charleswood.

MR. ARTHUR MOUG (Charleswood): I just have one or two questions for clarification. I was told, and certainly not by the Minister, that this additional was possibly for the agricultural portion of the City of Winnipeg and I was wondering if that was so, and if the City of Winnipeg has or hasn't given the same concession to this agriculture area within the city as the municipalities were doing before by way of an 85 percent discount on the Metro levy in the area affected that weren't being served by water or having their sewer picked up, no benefits or transportation, and very little benefits of the Metro streets. I just want that clarified.

MR. CHAIRMAN: The Honourable Member for Rhineland.

MR. FROESE: Mr. Chairman, just a few brief words. We have been doling out, and I think at this particular session, much more to the people in the Greater Winnipeg area than we do to the farm people in this province. And I don't want to go over the whole thing again, the farmers being the poor people in this province, but I am sure that this is the case that the weekly earnings as a whole in the City of Winnipeg are greater, are larger than those in the country, because many of these programs such as the ARDA programs, and later on the other programs from the Federal Government, they were brought in into those areas that had the low

(MR. FROESE cont'd) income and Greater Winnipeg was excepted. It did not come into that particular, under that particular program. This is why a number of the industries went to Brandon and other areas.

This is one proof, one indication, that the lower income group is in the rural area and it seems at this session that we are really catering to the Greater Winnipeg area and giving them more money than we do the rural people through these special grants, and it has been pointed out on a previous occasion we have a million and a half in the Estimates and now we are increasing it to a million and three-quarters. On top of that we were informed that on one occasion that there was another \$800,000 also given. In addition to that we have the subsidy grants that are going to go out to those areas of the city which because of unification have the high mill rates and there will be - is there not additional money going into that? This is the total? --(Interjection)-- So because of these very facts I feel that the people in the rural areas are taking a back seat at this session and not getting their fair shake, and not getting their fair return, and this is what I take exception to. I am representing a rural area and I certainly want it to be known and be heard that I speak up for the people back home when they are not getting a fair shake, and this is the reason I am objecting to any favoritism of this type.

I think the Member for Inkster when he spoke before bore this out in his remarks.

MR. CHAIRMAN: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Chairman, I'll try and be as brief as the other members have been. The Honourable Member for Lakeside asked about that and I know he had a nice vacation, but I should tell him that during his vacation I distributed a number of schedules to all members which did show the distribution of this \$1-3/4 million as between the various former municipalities and the school division breakdown, and I'll try to get him a set, unless he finds it in his desk, but if he reminds me I'll certainly get him an extra set of these matters.

But he raised the broader question which the Member for Rhineland also picked up, so let me recap what has been done in relation to the City of Winnipeg and in relation to equalization - I think that was the question that he asked - that with other than the normal and the regular grants, and payments, whatever that have been paid for some years.

Now firstly, the province paid the initial cost of the setting up of the city of the new City of Winnipeg between election time and the cost of the election up to January 1st, 1972, and that is the election to the City of Winnipeg itself. I know I have it here but I don't think I should take the trouble to look it up, something like \$200,000, I think, was set aside for the formative costs of the new City of Winnipeg.

Now other than that, the Member for Rhineland confused me a little bit because he mentioned certain figures and it seems to me he was adding several figures more than once, so let me go back and say that as a result of the equalized tax base, and without the necessity of the Bill which I think has already received second reading anyway, which removed the five percent ceiling on grants in lieu of taxes for government properties, even without that removal the new City of Winnipeg acquired something like \$1.8 million in additional revenue paid by the province on the basis of grants in lieu of taxes. So that was paid in --(Interjection)-- It's the same all over the province but because formerly the University of Manitoba was situated in Fort Garry alone, the five percent ceiling prevented any further payments by the province, but with the equalized tax base, then that increased the mill rate and raised the five percent, so the ceiling didn't count any more, did cost \$1.8 million more, but that formula is the same formula. It wasn't an actual deed done, it was the result of what happened that the overall provincial formula applied.

Secondly, last year the province agreed to pay about half a million dollars in connection with the purchase of Transit buses and this year we informed the city that we would accede to their request to go it again, and we have committed an additional half a million dollars to pay 50 percent of certain purchases of buses, Transit buses, by the city and I can report to the House something I don't think I reported to Cabinet itself, that I told the city that if they could justify the need for further buses in this year, I would try to go to bat to find some additional monies out of existing appropriations for that purpose, but I didn't make any promises other than I would try.

Now the member I think mentioned the assistance to the Transit deficit of \$250,000.00. That has been decided on and that was done only after I had the assurance from the city council, or representative of the city council, that they were not going to increase transit rates in this year's budget, and indeed they didn't, and indeed we did make that contribution. Let me say that in connection with both this aid and the aid in the purchase of buses that it's not limited to

(MR. CHERNIACK cont'd) the City of Winnipeg that Brandon has already been informed that it will be entitled to equal treatment and so will, I don't want to name the other cities that have public transit, Flin Flon I believe, where there is public transit but it will be a formula that will not apply only to the City of Winnipeg, but of course by the nature of the public transit operations, it will largely help the City of Winnipeg residents, and all the visitors and tourists that use Transit in the City of Winnipeg, including the Honourable Member for Rhineland and all of his constituents who come into Winnipeg to do their business and their social and recreational life here, and of course I would expect use public transit for their needs.

In addition a calculation was made, and honourable members will recall that there have been substantial, justifiable in my mind and in the government's mind, complaints in the past that the city, the former City of Winnipeg Health Department was not being treated in the same way as all of the other municipalities in Manitoba, and that is, what is now the inner city was not getting the equivalent per capita grants on the health units that were being paid elsewhere. A calculation was made as to what the differential would have been in this year and we have agreed to pay that so as to put the inner city of the City of Winnipeg on the same level not only with the other municipalities that were formerly part of the suburban Winnipeg but all municipalities in Winnipeg.

In addition we agreed that it was high time that the province should take over some of the milk inspection costs which were borne by the former City of Winnipeg but which were for the benefit of Manitobans generally, and that's some \$50,000 by the assumption of five, I believe it's five, employees that were taken over, the cost being paid for by the province; and then there was one other transitional payment of some \$200,000 as being an adjustment that worked in reverse to the City of Winnipeg when the new mill rate was established and the formula, which members may be familiar with which applies to welfare payments, of 80 percent over the one mill was applied, because of equalization the province's payment was reduced. We felt that in this first year and in view of the fact that the City of Winnipeg admittedly didn't have an opportunity to do a really thorough job of their budgeting process because of their time constraints and their being busy with other things, we felt it only right in this year to give them this approximate amount as an adjustment and that really is a transitional payment.

I think that I have recapped all that the Member for Lakeside was interested in and I appreciate the fact that he put it in such a way as to not seem to make a distinction between Winnipeg people and the rest of Manitoba as far as any conflict might be concerned. I must tell him that I had resented another member of his group who did speak I thought in the way that he did not speak, but did speak somewhat like the Member for Rhineland spoke today in a sort of a complaining way, the City of Winnipeg gets everything and nobody else does. I don't accept that thought and I was glad that the Member for Lakeside disassociated himself from making that kind of suggestion.

Now the Member for Charleswood asks specific questions. He asked if this \$1/4 million was really for assistance to the agricultural element in the City of Winnipeg. The answer is no. Overall the \$1-3/4 million which is given in detail on Schedule 7 of the tables I have distributed, and all adds up. But the question he asks is a pertinent one and really affects people in those areas where Metro was able to give exemptions to certain agricultural areas in the City of Winnipeg, and I must tell him that although we pointed out to the City of Winnipeg that they had the right to forgive payment - I'm not aware that they did. Now I don't know, the Member for Charleswood probably represents an area which would have been involved in this and he may have already heard from those taxpayers when they got their bills, but I haven't heard from them and frankly I don't know whether the city did or not. I know they could have; I don't know if they did - and we are not making that kind of adjustment here. We feel it should be no different than it was last year under Metro where it was done and I think therefore I have answered the Member for Charleswood in his question.

MR. CHAIRMAN: The Honourable Member for Charleswood.

MR. MOUG: Mr. Chairman, I'd like to ask the Minister if the City of Winnipeg is governed in any way by The Municipal Act or simply by The City of Winnipeg Act.

MR. CHAIRMAN: The Honourable Minister of Finance.

MR. CHERNIACK: Well, the City of Winnipeg is covered by The City of Winnipeg Act but interleaved through The City of Winnipeg Act are certain references which make certain sections of The Municipal Act applicable to the City of Winnipeg. And I believe that the one that he may be thinking of, The Municipal Act, does give the right to a municipality to forgive and I believe that either it's exactly so in The City of Winnipeg Act or it's that kind of a reference to The Municipal Act.

MR. CHAIRMAN: The Honourable Member for Rhineland.

MR. FROESE: Mr. Chairman, I appreciate the Minister's reply, but I think we shouldn't let one thing go unnoticed and that is that the grants in lieu of taxes certainly apply -- or especially the measure that was passed eliminating the five percent certainly is favouring the Greater Winnipeg area and a few other urban areas. It's not favouring the rural parts at all. It's just a few isolated places that get the advantage of that part of the legislation.

MR. CHAIRMAN: The Minister of Finance.

MR. CHERNIACK: I just can't help but point out to the Member for Rhineland that it's such a silly argument to say it doesn't help. If you have a government building which is exempt from taxation in a certain area, I don't care where it is - in all of Rhineland say - it's exempt from taxation. The previous government and maybe the government before it said that there should be a payment by the province in lieu of taxes and that's exactly what's being done. Now if there's no building which doesn't receive any services, then how can you give them grants in lieu of taxes when there would never have been taxes for something that isn't there. Now for him to say that doesn't help Rhineland or that doesn't help other areas is just a silly argument.

MR. CHAIRMAN: Resolution (c) in the amount of \$250,000 --passed. . . Act. No. 2, 1972 - The Manitoba Hospital Capital Financing Authority in the amount of \$30 million --passed . . . the Honourable Minister of Finance.

MR. CHERNIACK: Mr. Chairman, I had already indicated when I introduced Bill No. 56 that there are some \$16 million worth of debentures ready to be sold and representing capital construction already completed - where money has been borrowed mainly from chartered banks and possibly from credit unions on a short term basis - and some of these have been outstanding on the short term basis for as long as four years, and the banks have been pressing gently because banks in the various communities have been considerate of the needs of the local communities, and they've been pressing that these loans be repaid and that the hospitals be put on a long term capital basis. So that although they've been pressing they've not been threatening to my knowledge -- yet there has been a strong feeling that this should be dealt with, and of the 30 million 16 million is already monies that's owing and should be refinanced in the proper way on long term. And I'm sorry the Member for Birtle-Russell isn't here because he actually raised it before I reported that we were about to do this. He pointed out during I think the Finance Estimates that it was necessary and desirable that this be done. It is estimated as I am informed that by the end of the year the amount -- that is 16 million -- will rise to approximately \$30 million and that's the amount requested here. And I'm told, and I reported that earlier that the prospects are that for the next two or three years at least an additional \$15 million annually will be required for this kind of construction. Now I am not in a position to give a list of all the hospitals - and if that is required then I would only be able to say I'll have to get it and inform the House or the Committee. But all I have is this information. I accept it as being correct because it is supplied to me by people who should know, and I really cannot elaborate further on it. But if Committee is not satisfied then I'll have to go back and get the information.

MR. CHAIRMAN: The Honourable Member for Rhineland.

MR. FROESE: Mr. Chairman, I have no quarrel with the 16 million because I know of some of the hospitals -- personally -- who are awaiting a reply and action on this. But the Minister says he has not a list available at the present time for the 14 million. Maybe he could provide us with a list some time later so that we can still get it.

MR. CHAIRMAN: The Honourable Member for Lakeside.

MR. ENNS: Mr. Chairman, unless I'm mistaken -- I could be -- but I believe this authority and this whole move in this direction very closely parallels a move that was taken some few years ago - indeed by the former administration in 67/68 I believe with respect to school financing and I recognize that as such. So, Mr. Chairman, with not wishing to disturb the Minister's afternoon in any backhanded way, I do congratulate the Minister in pursuing, you know, as he so often has in the past unlike some of his colleagues proven and wise courses of action that an astute previous administration has laid out for him. I think that the move that was taken -- I believe it was in 67, 67 or 68 -- we face much the same kind of a situation with growing difficulties by some of the individual school divisions - school boards - at that time we acted in much the same way - of course five or six years in advance of the present government and set up a similar kind of a program. So it would be highly, you know, sheer height of hypocrisy if those of us on this side or the Progressive Conservative Party didn't recognize

(MR. ENNS cont'd) in this move essentially one that is sound, one that helps the delivery and the further financing of our hospitals and our hospital building programs - and I commend the Minister for bringing this forward. I would suggest to the Minister that we would certainly want at some future date the kind of lists that he has already himself referred to. Certainly in terms of passing successive amounts of large monies by this Legislature, we would request and anticipate that we have the right to have fairly detailed information as to where these monies and how they are to be allocated. We, Sir, all have interests with respect to the building of various hospitals in our community in the Province of Manitoba, and would certainly want to venture opinion as to whether or not we believe from time to time that money is being wisely allocated. But our group certainly has no objection to the bill before us and we commend the Minister for bringing it forward at this time.

MR. CHAIRMAN: The Honourable Member for La Verendrye.

MR. LEONARD A BARKMAN (La Verendrye): Well, Mr. Chairman, I agree with the other members that I don't think a list is necessary at this time. There's no doubt in anybody's mind that this bill is -- or this is very timely. I take for granted when he nodded his head to the Member for Lakeside that the conditions of reference as to who is going to get this money are perhaps based very much on the same basis as the school grants were at that time. There is no such thing as preference to geographical positions or preference to certain localities or preference to some communities. I take it for granted that it will be more or less done the same way as the school grants were allotted to school boards at that time.

I should also perhaps bring up one other point. Do we have to assume -- now perhaps I wasn't listening close enough when the Minister spoke on this before -- but do we have to assume then that only hospitals qualify, not necessarily nursing care homes or extended care homes that very often are connected right with hospitals. Do we have to assume that or is that . . .

MR. CHAIRMAN: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, in reply to the last question I am under the impression that it's only those hospitals that are approved by the Hospital Commission or the Health Services Commission for per diem payments are included in the financing authority. If it is found that I am wrong then when we deal with Bill 56 in Committee we will be able to give more detailed -- a more correct response than I'm able to give at this stage. I agree with the honourable members that I should have a list and I will see to it that a list is given to the best of our abilities, certainly of the monies that we now know of. We may not be able to forecast all the 30 million but the 16 million we should certainly have. I don't see any tactical reason why it should not be presented in vis-a-vis the market, I don't see any reason at all. I just put on that caveat in case somebody convinces me that it's not good to forecast a borrowing. I doubt myself if there is any such problem and I'll certainly undertake to do my best to get as good a list as possible. The Honourable Member for La Verendrye asked whether it would be regional in some way, and the answer is no. It is those hospitals which have received authority from the Health Services Commission that will proceed - and the method of financing I've already explained will be either on their own or operated by us or with their provincial guarantee or by provincial outright borrowing and purchasing of debentures, one of the three ways.

MR. CHAIRMAN: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I don't want to prolong the discussion on the item before us, but here again we're speaking in terms of a good number of millions of dollars - and yet just a year or two ago our local hospital wanted to make improvements of less than \$10,000 and it wasn't granted, and this would have been a real big improvement to the hospital at that time. I still think it's not passed yet. I can't see when in one place we are spending millions and really don't take into consideration a few thousand dollars, but when another request comes for a small improvement that it is not granted and I hope that when we do grant these large amounts that we do not forget these small amounts asked for from time to time for improvements.

MR. CHAIRMAN: We have the Supply Resolution No. 2 in the amount of \$30 million -- passed.

MR. PAULLEY: Mr. Chairman, now go back into Industry and Commerce, as I understand it.

MR. ENNS: Mr. Chairman, if I may, I wonder if the House Leader wouldn't be inclined to perhaps call it 5:30, and in the meantime call the Minister of Public Works in to light a fire in here. It's getting awfully cold.

MR. CHAIRMAN: Resolution 78 . . .

MR. PAULLEY: I would be inclined to agree with him. Are you serious? I don't think so. Okay.

MR. CHAIRMAN: Resolution 78. It's too bad we're not on the Estimates of the Minister of Public Works. Resolution 78 (a) in the amount of \$287,000 . . . the Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Chairman, when we left off in the Estimates last time I think we were discussing some of the operations of Saunders Aircraft, and before leaving that subject I'd like to ask the Minister in his reply to bring us up-to-date on the situation with respect to the Federal Aeronautics Association approval of the certificate of airworthiness on the F-27. I think that's a very vital and important license to the future of the company and if the Minister has anything further on that situation we'd be very pleased to hear it.

Mr. Chairman, in connection with the Manitoba Development Corporation and the next item, I think I can't separate the two - so that I want to talk a little bit here about the general policies of the Manitoba Development Corporation and some of the remarks that have been made and attributed to me in this general connection. The Minister has suggested that the remarks I made about the somewhat purely academic approach that appeared to be taken in the operations of the Industry and Commerce Department were taken improperly. I do however get the impression that there is a somewhat academic approach at play here and in operation, and I'm wondering what has happened to the advice that was to have been given in this general field by the Economic Development Advisory Board. Now I note that an Order-in-Council was issued on January 29th, 1971, signed by the then Minister of Industry and Commerce, the present First Minister, where an amendment was made to the original terms of reference of the Economic Development Advisory Board. And the amendment included this: "15 (b); to prepare from time to time the Minister of Industry and Commerce a report (1) assessing the operations of the Manitoba Development Corporation in terms of development policy objectives; and also from time to time at the request of the Lieutenant-Governor-in-Council special reports respecting individual loans made by the Manitoba Development Corporation." Mr. Chairman, this Economic Development Advisory Board, I believe was set up to do exactly the kind of thing that I feel is presently lacking - and that is to bring to the operations of both the Manitoba Development Corporation and the Industry and Commerce Department a practical business advice. And I'm wondering just how this is operating if it is in fact operating at all at the moment.

About a year ago we had a report from the Economic Development Advisory Board offering certain guidelines and priorities to the Department which they felt were desirable but subsequent to that the Minister in the presentation of his Estimates chose to take some exception to the points and priorities given by the Board and to indicate that while some of them were acceptable others he felt were not exactly going in the direction that he intended for the Department. Mr. Chairman, if we have a Development Advisory Board, if it is composed, and I think it is, of experienced businessmen who also in many cases have high academic qualifications, I think this is a most desirable combination, a man with academic qualifications and business experience - practical and successful business experience.

I think a Board such as was conceived and set-up in the first instance should have been an excellent board and should be now an excellent kind of advisory board for the Minister. But, we've had no report. I presume the Minister has had some reports from this Advisory Board - there is an item in the expenditures of \$80,000 this year for the expenses of operating such a board. I think it contains people whose advice should be sought and should be of great assistance. And I'm asking the Minister what's happening here. Is he getting reports from time to time from his Economic Development Advisory Board? Are they being acted upon? Is the Economic Development Advisory Board assessing the operations of the Manitoba Development Corporation, and if so, what are their opinions on the present activities? If we are going to pay \$80,000 a year for a board I think we should be using it. If we're not using it, if it doesn't suit the Minister's directions, let's eliminate it. There's no point in having a non active board, especially one that costs the people of Manitoba \$80,000 a year.

I think we do need this board, I think this is the kind of advice that the department appears to be lacking at the present time. I'd like to hear the Minister give us some indication, how many meetings this Development Board has held, what their reports have contained and whether or not he feels that they are serving a useful purpose in the direction of his department and of the Manitoba Development Corporation at the present time.

MR. CHAIRMAN: The Honourable Minister of Industry and Commerce.

HON. LEONARD S. EVANS (Minister of Industry and Commerce)(Brandon East): I don't know whether the Honourable Member from Brandon West doesn't read the papers or doesn't read his mail sometime or what, or the Brandon Sun perhaps, but I can advise the honourable member and all honourable members of this House that perhaps not a day goes by when I as Minister of Industry and Commerce do not have a meeting, or indeed a series of meetings with very responsible businessmen, not only from the Province of Manitoba but from other provinces and from other countries as a matter of fact. In fact this is a very key element in the job. You know the honourable member seems to be under some imagination, seems to be living in a -- has some idea that I sit up in my office twiddling my thumbs and using a magic wand or looking through a crystal ball as Mackenzie King used to. I think Mackenzie King used to have a crystal ball which he consulted. I can assure my friend from Brandon West I have no crystal ball, I have no yo-yos, I have no magic wands or something . . . but I can tell him that I, day after day, week after week, month after month, meet with businessmen in this province. Not only in my office but around this province, whether it be in Boissevain, Manitoba, Winkler, Manitoba, whether it be in Steinbach where I was just the other day, or whether it be in Selkirk, or whether it be in Gimli where I was a few days ago talking to businessmen, you know, every day of the week practically, and including weekends, we get advice and we have communication with businessmen talking about business problems. As a matter of fact what I do regret is that maybe we should have a little more input from the theoreticians and from the academicians. You know it's just in contrast to what my honourable friend and colleague from the other side of the city of Brandon is referring to.

He makes reference to the Economic Development Advisory Board as a vehicle for providing business advice. This is fine, it has done this and so on-- and let me just by way of example refer to one very very specific conference that was held last fall, which he was invited to and which every member of this House was invited to and this was the challenge of economic development for the Province of Manitoba. It was called Economic Development - The Challenge Facing Manitoba. This conference was held at the Fort Garry Hotel, at my request; the Economic Development Advisory Board sponsored this particular program. Honourable members who worry about expenditures to the Fort Garry Hotel, I think this was perhaps one of the large items of expenditures to the Fort Garry Hotel because it lasted two days. We had -- I don't know what the attendance was, about 250 to 300 people -- most of them were businessmen, businessmen from the Province of Manitoba essentially. We had experts from across Canada; we had the former head of the Economic Council of Canada, Arthur Smith, who's well respected; we had other very responsible, very key industrialists in Manitoba -- some of them were on the program, some of them were on panels. We had businessmen from Toronto; we had even academicians, Mr. Chairman; we had even University professors at this conference, and we even had the advice from Dr. Barber, the former head of the Department of Economics at the University of Manitoba who gave us a prediction of Manitoba's economic growth to 1980, which was a very valuable paper.

Now all these papers, all these comments, all these suggestions of businessmen, of economists, of management consultants, the record is there to be read. It's been published in a book and I believe the book was sent to every MLA; I trust they all read it, but if they didn't it's available in the library and they can indeed have a second copy if they lost their first copy. But this was a conference sponsored by the Economic Development Advisory Board, and I hope that this coming fall there will be another conference sponsored by the Economic Development Advisory Board. I think the lake will be frozen at that time. Someone suggested, maybe it could be done on the Lord Selkirk, that's not a bad idea -- we'll have a captured audience that way. But the fact is that the Economic Development Advisory Board, if it has done nothing else apart from making reports last year to the Legislative Committee on Economic Development, and I'm advised it's ready to make a report now. As soon as the House Leader is prepared to call the next sitting of the Legislative Committee on Economic Development, it will make another report to us and I look forward to that report. I haven't seen it, I don't want to see it; I want to be as a member of that Committee and receive objective suggestions from that board. But the fact is, Mr. Chairman, that we do have a board that has done some very significant things and I say that this is one of the most significant.

I want to also remind members that we do have other boards and committees involving businessmen in the Province of Manitoba. Let me refer to the Manitoba Export Corporation. I know it's not the item here, but it's the item in question -- because the argument was there's

(MR. EVANS cont'd) not enough contact or I think the implication or inference was there's not enough contact with businessmen. The fact is that the Manitoba Export Corporation is composed entirely of businessmen; we meet with them, they assist us, they assist the Department of Industry and Commerce on various programs to stimulate and sponsor and enhance the exports of goods and services out of the Province of Manitoba.

We also have other committees whereby we have contact with businessmen. We have productivity audits; productivity audits I might say, Mr. Speaker, one of the large ones was with the furniture industry where we're dealing with businessmen in the furniture industry of Manitoba. We even have gone into the hotel industry at the request and with the co-operation of the Department of Tourism and Recreation. There again we're dealing with businessmen, we're dealing with people essentially operators of small hotels. There were out of 110, I believe it is, hotels involved; about 80 to 90 of them are from rural Manitoba I might say. So the fact is, Mr. Chairman, that the Department of Industry and Commerce and the Minister's office of Industry and Commerce is frankly the reverse of the academic scene and I can say that quite candidly from experience, because I know it's like night and day being in a university position and being in the office of the Minister of Industry and Commerce -- because we go from one problem to another and we're dealing with the businessmen and business problems of this province. We're dealing with the whole question of Economic Development; it's pragmatic, but at the same time I see the need for and the guidance, the need to see guidance of economic theory. And consequently I'm very pleased that we had this conference sponsored by the Economic Development Advisory Board last fall where we did get the advice from very important people; people that are called upon by various organizations, that have been called upon by various governments - other provincial governments, the Federal government, by large private organizations - to give them advice on economic future of the country, the economic future of regions of this country and on what might happen with respect to the area of exports, what might happen with respect to the future course of price increases or whatever the case may be. So the point I'm making, Mr. Chairman, and I'm going to repeat myself because it's a point that doesn't seem to have got across that we have excellent communication, we have excellent liaison with the entire cross section of the Manitoba business community.

MR. CHAIRMAN: I'd caution the Honourable Minister not to repeat himself, repetition is . . .

MR. EVANS: Thank you, Mr. . . --(Interjection)-- What's that? --(Interjection)-- Yes, as a matter of fact - the Federal Grain Company, you said - I met with the people of the Federal Grain Company, I think it was a 2-1/2 hour meeting about - I think it was about 8 or 9 weeks ago - and I met with many other people, Mr. Searle Leech and I've had occasion to meet with Mr. George Richardson and for various reasons and on various occasions. And this goes on, Mr. Chairman, all the time, it's the nature of the job; it's the nature of the job where you deal with people. As a matter of fact, Mr. Chairman, I have the pleasure of meeting at 5:30, which is about now, with a company from Montreal which is seriously interested in looking at a prospect of establishing 75 jobs in the Province of Manitoba. And I won't say where or who.

MR. CHAIRMAN: Order, please. The hour being 5:30, I'm leaving the Chair to return again at 8 p.m. this evening.