

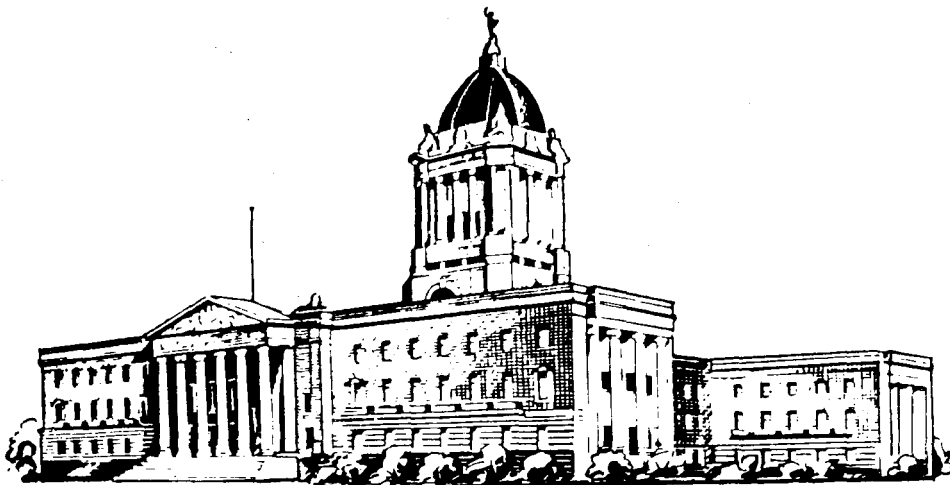


Legislative Assembly of Manitoba

DEBATES
and
PROCEEDINGS

Speaker

The Honourable Peter Fox



Vol. XXII No. 68 2:30 p.m., Thursday, May 1st, 1975.

Second Session, 30th Legislature.

Electoral Division	Name	Political Affiliation	Address	Postal Code
ARTHUR	J. Douglas Watt	P.C.	Reston, Man.	ROM 1X0
ASSINIBOIA	Steve Patrick	Lib.	10 Red Roblin Pl., Winnipeg	R3J 3L8
BIRTLE-RUSSELL	Harry E. Graham	P.C.	Binscarth, Man.	ROJ 0G0
BRANDON EAST	Hon. Leonard S. Evans	NDP	Legislative Bldg., Winnipeg	R3C 0V8
BRANDON WEST	Edward McGill	P.C.	2228 Princess Ave., Brandon	R7B 0H9
BURROWS	Hon. Ben Hanuschak	NDP	Legislative Bldg., Winnipeg	R3C 0V8
CHARLESWOOD	Arthur Moug	P.C.	29 Willow Ridge Rd., Winnipeg	R3R 1L5
CHURCHILL	Les Osland	NDP	66 Radisson Blvd., Churchill	ROB 0E0
CRESCENTWOOD	Vacant			
DAUPHIN	Hon. Peter Burtniak	NDP	Legislative Bldg., Winnipeg	R3C 0V8
ELMWOOD	Hon. Russell J. Doern	NDP	Legislative Bldg., Winnipeg	R3C 0V8
EMERSON	Steve Derewianchuk	NDP	Vita, Manitoba	ROA 2K0
FLIN FLON	Thomas Barrow	NDP	Cranberry Portage, Man.	ROB 0H0
FORT GARRY	L.R. (Bud) Sherman	P.C.	86 Niagara St., Winnipeg	R3N 0T9
FORT ROUGE	Lloyd Axworthy	Lib.	132 Osborne St. S., Winnipeg	R3L 1Y5
GIMLI	John C. Gottfried	NDP	44 - 3rd Ave., Gimli, Man.	ROC 1B0
GLADSTONE	James R. Ferguson	P.C.	Gladstone, Man.	ROJ 0T0
INKSTER	Hon. Sidney Green, Q.C.	NDP	Legislative Bldg., Winnipeg	R3C 0V8
KILDONAN	Hon. Peter Fox	NDP	Legislative Bldg., Winnipeg	R3C 0V8
LAC DU BONNET	Hon. Sam Uskiw	NDP	Legislative Bldg., Winnipeg	R3C 0V8
LAKESIDE	Harry J. Enns	P.C.	Woodlands, Man.	ROC 3H0
LA VERENDRYE	Bob Banman	P.C.	Steinbach, Man.	ROA 2A0
LOGAN	William Jenkins	NDP	1294 Erin St., Winnipeg	R3E 2S6
MINNEDOSA	David Blake	P.C.	Minnedosa, Man.	ROJ 1E0
MORRIS	Warner H. Jorgenson	P.C.	Morris, Man.	ROG 1K0
OSBORNE	Hon. Ian Turnbull	NDP	Legislative Bldg., Winnipeg	R3C 0V8
PEMBINA	George Henderson	P.C.	Manitou, Man.	ROG 1G0
POINT DOUGLAS	Donald Malinowski	NDP	23 Coralberry Ave., Winnipeg	R2V 2P2
PORTAGE LA PRAIRIE	Gordon E. Johnston	Lib.	26-120 - 6th St., S.E., Portage la Prairie, Man.	R1N 1E8
RADISSON	Harry Shafransky	NDP	4 Maplehurst Rd., Winnipeg	R2J 1W8
RHINELAND	Arnold Brown	P.C.	Winkler, Man.	ROG 2X0
RIEL	Donald W. Craik	P.C.	3 River Lane, Winnipeg	R2M 3Y8
RIVER HEIGHTS	Sidney Spivak, Q.C.	P.C.	Legislative Bldg., Winnipeg	R3C 0V8
ROBLIN	J. Wally McKenzie	P.C.	Inglis, Man.	ROJ 0X0
ROCK LAKE	Henry J. Einarson	P.C.	Glenboro, Man.	ROK 0X0
ROSSMERE	Hon. Ed. Schreyer	NDP	Legislative Bldg., Winnipeg	R3C 0V8
RUPERTSLAND	Hon. Harvey Bostrom	NDP	Legislative Bldg., Winnipeg	R3C 0V8
ST. BONIFACE	Hon. L.L. Desjardins	NDP	Legislative Bldg., Winnipeg	R3C 0V8
ST. GEORGE	Hon. Bill Uruski	NDP	10th flr., 330 Portage Ave., Wpg.	R3C 0C4
ST. JAMES	George Minaker	P.C.	318 Ronald St., Winnipeg	R3J 3J8
ST. JOHNS	Saul Cherniack, Q.C.	NDP	333 St. Johns Ave., Winnipeg	R2W 1H2
ST. MATTHEWS	Wally Johansson	NDP	418 Home St., Winnipeg	R3G 1X4
ST. VITAL	D.J. Walding	NDP	26 Hemlock Place, Winnipeg	R2H 1L7
STE. ROSE	A.R. (Pete) Adam	NDP	Ste. Rose du Lac, Man.	R0L 1S0
SELKIRK	Hon. Howard Pawley	NDP	Legislative Bldg., Winnipeg	R3C 0V8
SEVEN OAKS	Hon. Saul A. Miller	NDP	Legislative Bldg., Winnipeg	R3C 0V8
SOURIS KILLARNEY	Earl McKellar	P.C.	Nesbitt, Man.	R0K 1P0
SPRINGFIELD	Hon. René E. Toupin	NDP	Legislative Bldg., Winnipeg	R3C 0V8
STURGEON CREEK	J. Frank Johnston	P.C.	310 Overdale St., Winnipeg	R3J 2G3
SWAN RIVER	James H. Bilton	P.C.	Swan River, Man.	R0L 1Z0
THE PAS	Hon. Ron McBryde	NDP	Legislative Bldg., Winnipeg	R3C 0V8
THOMPSON	Ken Dillen	NDP	84 Pintail Cres., Thompson	R8N 1A6
TRANSCONA	Hon. Russell Paulley	NDP	Legislative Bldg., Winnipeg	R3C 0V8
VIRDEN	Morris McGregor	P.C.	Kenton, Man.	ROM 0Z0
WELLINGTON	Philip M. Petursson	NDP	681 Banning St., Winnipeg	R3G 2G3
WINNIPEG CENTRE	Hon. J.R. (Bud) Boyce	NDP	Legislative Bldg., Winnipeg	R3C 0V8
WOLSELEY	Vacant			

THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Thursday, May 1, 1975

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 25 students of Grade 6 standing of the Landmark School. These students are under the direction of Mr. Penner. This school is located in the constituency of the Honourable Member for Springfield, the Minister of Tourism and Recreation.

We also have 20 students, Grade 9 standing of the Precious Blood School. These students are under the direction of Mr. J. Levesque. This school is located in the constituency of the Honourable Member for St. Boniface, the Minister of Health and Social Services.

And we have 12 members of a 4H Club under the direction of Mr. Clark. This group is from the constituency of the Honourable Member for Lakeside.

On behalf of all the honourable members, I welcome you here this afternoon.

Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports; Notices of Motion; Introduction of Bills; Questions. The Honourable Leader of the Opposition.

ORAL QUESTIONS

MR. SIDNEY SPIVAK, Q.C. (Leader of the Official Opposition)(River Heights): Mr. Speaker, my question is to the First Minister, it relates to certain statements that he made with respect to rent control in Manitoba. I wonder if he can indicate whether the statements that were made are consistent with and similar to the statements that he made on wages, prices and profit control, or is it the government's intention to introduce legislation on this matter?

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier)(Rossmere): Mr. Speaker, I was speaking in the context of the matter being under consideration and also in the context of the discussions that started recently between federal and provincial officials as to guidelines for national policy of constraint, in which the possibility of rent control is one of the specific subject matters.

MR. SPIVAK: Well I wonder if the First Minister can indicate whether in the discussions that have taken place with the Federal Government, there has been any suggestion whatsoever that as part of the guidelines provincial governments would in fact legislate rent control.

MR. SCHREYER: Yes, Mr. Speaker, that is very much a part of the agenda of items that have been discussed as of recent date in respect to national policies and guidelines.

MR. SPIVAK: Mr. Speaker, my question is to the Attorney-General. I wonder if he can indicate whether the government intends to proceed with matters referred to it by the RCMP in connection with Schmidt Cartage.

MR. SPEAKER: The Honourable Attorney-General.

HON. HOWARD PAWLEY (Attorney-General)(Selkirk): Mr. Speaker, the answer is of course dependent upon the recommendations received in respect to further information which is requested from the RCMP and depending upon all that information, proceedings will be commenced, if same are warranted on the basis of recommendations received.

MR. SPIVAK: I wonder if the Attorney-General can inform the House whether he has read the RCMP report.

MR. PAWLEY: I have not read the actual RCMP report.

MR. SPIVAK: I wonder then if the Attorney-General can indicate whether his law officers had given him a précis of the report or a summary of the report including its highlights and its recommendations.

MR. PAWLEY: Mr. Speaker, they have given me information as to the reading of the report, a summary of some impressions that they have, and also have indicated to me further information that is required at this point from the RCMP.

MR. SPIVAK: I wonder if the Attorney-General can indicate whether the contents of the report have been discussed with the Premier and Cabinet.

MR. PAWLEY: No, Mr. Speaker.

MR. SPEAKER: The Honourable Minister of Co-operatives.

HON. HARVEY BOSTROM (Minister of Co-operative Development) (Rupert's Land): Mr. Speaker, I have an answer for a question which the Honourable Minister of Mines and Resources

ORAL QUESTIONS

(MR. BOSTROM cont'd) . . . took on notice from the Honourable Member for Fort Rouge and it was with respect to building fish ladders at the Fairford Dam. I was hoping the honourable member would be here but perhaps his colleagues could pass the information on to him.

The Department did plan, Mr. Speaker, to build a fish ladder at the Fairford Dam this year, an amount of \$60,000 was budgeted for such on the basis of engineering studies that were done. However, the tenders which came in for building of the same were in the neighbourhood of \$200,000, and therefore because the amount budgeted was not sufficient and part of which was to be funded by the Federal Government, there is further negotiations going on at this time with the Federal Government to see if we can get agreement on the larger amount.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. HARRY J. ENNS (Lakeside): Mr. Speaker, I have an interest on the same question, direct a further question to the same Minister with respect to the fish ladder on the Fairford River. Is the government of Manitoba postponing their initiatives in the project at this point until some further assistance is indicated from the federal authorities?

MR. SPEAKER: The Honourable Minister.

MR. BOSTROM: Mr. Speaker, that is precisely what I was trying to say. The amount budgeted as I said was not sufficient to complete the project, there was some \$60,000 and the tenders which came in were much larger, somewhere in the neighbourhood of \$200,000 for building that fish ladder and it's a matter at the present time under negotiation between the respective staffs of the province and the Federal Government.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I should like to reply to a question asked yesterday by the Honourable Member for Fort Garry as to arrangements that have been made with respect to the continuity of negotiations with the Manitoba Government Employees Association. I don't wish to exaggerate the matter, Mr. Speaker, but honourable gentlemen I think would want to know that at 2 o'clock this afternoon the Minister of Labour has checked into the Health Sciences Centre Hospital and that unfortunately it will be a matter of weeks, rather than days, so I understand, and that therefore the Honourable Minister of Urban Affairs has been designated as Chairman of the group negotiating on our behalf and arrangements with respect to the Department of Labour will be carried out by the first or second acting Ministers of Labour as the case may be.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L. R. (BUD) SHERMAN (Fort Garry): Mr. Speaker, I wish to thank the Honourable the First Minister for the information and to say that we recognize that the Minister of Labour is toiling under a very heavy strain . . .

MR. SPEAKER: Question please.

MR. SHERMAN: . . . particularly right now and we wish him a speedy recovery.

MR. SPEAKER: The Honourable Member for Roblin. --(Interjection)-- The Honourable Member for Swan River state his matter of privilege.

MR. JAMES H. BILTON (Swan River): Mr. Speaker, on a point of personal privilege, may I ask the First Minister to send my good wishes toward the Minister of Labour.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY McKENZIE (Roblin): Mr. Speaker, I have a question for the Honourable Minister of Health I guess who is in charge of the WestCan Lotteries or the Western Lotteries, in his absence I'll direct it to the Honourable Minister of Tourism and Recreation and Cultural Affairs. I wonder can the Honourable Minister advise the House if the members of the Legislature will get an annual statement of the WestCan Lotteries. Will it be tabled in this House?

MR. SPEAKER: The Honourable Minister of Tourism.

HON. RENE TOUPIN (Minister of Tourism, Recreation and Cultural Affairs)(Springfield): Mr. Speaker, there are provisions within the Act itself for a report to be submitted to those Ministers responsible for the interprovincial lottery. In regards to when the report itself will be brought before this House, I will take the question as notice and bring it to the attention of the Honourable Minister of Health and Social Development when he comes in.

MR. McKENZIE: A supplementary question, Mr. Speaker. I wonder will the Provincial Auditor of this province have access to audit the books or who is going to audit the records of the WestCan Lotteries?

MR. TOUPIN: It's my understanding that there is equally provisions within the Lotteries

ORAL QUESTIONS

(MR. TOUPIN cont'd) . . . Act for those representing the participating provinces to appoint an auditor, and that auditor's report is part of the report that is tabled to the participating provinces.

MR. McKENZIE: A further supplementary question, Mr. Speaker. Can I ask the Honourable Minister now why the lottery tickets are being raised to \$3.00 instead of the usual \$2.50?

MR. TOUPIN: Again, that's a policy arrived at by the participating provinces. I'm not aware exactly, Mr. Speaker, of the reason for . . . well one of the reasons why there is a larger fee for tickets is because the prizes themselves will be augmented in the future and there could possibly be other lotteries of a lesser amount.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker, I direct a question to the Honourable the Minister of Public Works. Last night, it was indicated on the news media that a high level mission from Cuba is currently in Manitoba trying to negotiate . . .

MR. SPEAKER: Question please.

MR. ENNS: . . . help from architects to ashtrays in the renovation of a major hotel in Cuba. My question is to the Honourable Minister of Public Works. Is his department offering any specific help to these gentlemen from Cuba, and if so could he indicate what kind of help he may be?

MR. SPEAKER: The Honourable Minister of Public Works.

HON. RUSSELL DOERN (Minister of Public Works)(Elmwood): Mr. Speaker, I think that the question could more properly be answered by the Minister of Industry and Commerce.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: I thought so too, except that the specific reference is to architects . . .

MR. SPEAKER: Questions, no debate.

MR. ENNS: . . . and that's why I direct it to the Honourable Minister of Public Works. I'm sorry, Mr. Speaker. I direct a question to the Honourable Minister of Industry and Commerce. Could he enlighten us as to any details as to the specific nature of the delegation of Cuba currently in Manitoba, having to do with hotel renovations and the supplying of ashtrays and architects.

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

HON. LEONARD S. EVANS (Minister of Industry and Commerce)(Brandon East): Well, Mr. Speaker, as probably honourable members across are aware, we have for some time been able to negotiate a deal with the Cuban people who are interested in promoting an expansion of tourism in Cuba and we were very happy to receive a delegation headed by the Minister of Tourism from Cuba who was visiting various points in Canada with the help of the Federal Department of Industry, Trade and Commerce. I certainly hope that my friend from Lakeside will wish us well in trying to do our best to sell architectural services, ashtrays, furniture and everything else we can make in Manitoba to our friends in Cuba.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: A supplementary question to the same minister and more specifically. Is there going to be a specific provincial involvement either through manpower or credit involved in this project?

MR. SPEAKER: The Honourable Minister of Industry.

MR. EVANS: Well, Mr. Speaker, we are attempting to sell various goods and services of Manitoba industry in the Manitoba professional community through the Manitoba Trading Corporation as a vehicle to facilitate trade, but there is no deal. There is no financial commitment or what have you.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: A final question, Mr. Speaker, to the same Minister. Is there any possibility that Saunders may get their franchise rights from Havana to Winnipeg, you know, in connection with the anticipated tourist trade?

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

MR. GEORGE MINAKER (St. James): Thank you, Mr. Speaker, my question is directed to the Honourable First Minister. I wonder if the First Minister could advise the House if the new policy with regards to owner-equity, the 20 percent owner-equity in hospitals, is that policy now in effect as of April 25th?

MR. SPEAKER: The Honourable First Minister.

ORAL QUESTIONS

MR. SCHREYER: Mr. Speaker, perhaps I should indicate to the Honourable Member for St. James and to all honourable gentlemen opposite, that the Minister of Health is at a ministers' conference in Ottawa and my other colleague, the Minister of Mines and Resources is also taken to Edmonton with certain meetings there and so accordingly there is some thinness perhaps in the front bench. I will take the question as notice. I believe I know the answer but I will take it as notice in any case.

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

MR. MINAKER: Thank you, Mr. Speaker, I wonder if the First Minister could also look into whether or not this policy will apply to hospitals presently under construction or proposed, and in particular will it apply to the Seven Oaks Hospital?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, I'll take the matter in its entirety as notice.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SIDNEY SPIVAK, Q.C. (Leader of the Official Opposition)(River Heights): My question is to the Attorney-General. It's with reference to his answers and to the questions prior to this in connection with Schmidt Cartage. I wonder if he can indicate whether the Attorney-General's office, and I believe this was his answer, has in fact instructed the RCMP for further investigation.

MR. SPEAKER: The Honourable Attorney-General.

MR. PAWLEY: Mr. Speaker, I received a report from the senior officials in the department as to their findings to the present time. Their findings were tentative until they had been able to obtain further information as required by them from the RCMP in order to finalize their recommendations.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Will the Attorney-General not confirm it's a fact that the request to the RCMP deals with further investigations requested by the RCMP, that the recommendations for prosecution are separate and apart?

MR. SPEAKER: The Honourable Attorney-General.

MR. PAWLEY: Mr. Speaker, first, no one has made any reference to recommendations for prosecution. Whether or not there are recommendations for prosecution in the final analysis depends upon specific information that is further requested of the RCMP at the present time by law officers in my department as a result of their reading of the earlier recommendations from the RCMP.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Is the Attorney-General in a position to assure this House that the procedures being followed, the time limits that have taken place with respect to dealing with this matter, are normal insofar as his office is concerned?

MR. SPEAKER: The Honourable Attorney-General.

MR. PAWLEY: Mr. Speaker, all that I can assure the honourable member is that this matter has been dealt with as any other matter is dealt with within the department, and it is reviewed by senior law officers. As a result of their review of the matters under determination they generally are in a position either to recommend specific charges or further information at that point is requested from the RCMP. In this particular case, after a reading of the material that was earlier submitted, law officers felt that no final determination could be made until certain specific further information was provided to them by the RCMP.

MR. SPEAKER: Orders of the Day; the Honourable Member for Roblin.

MR. J. WALLY McKENZIE (Roblin): . . . a question, Mr. Speaker. I have a question for the Minister of Co-operatives, Wildlife and Resource Management - oh, he's not in his seat.

MR. SPEAKER: Order please.

MR. McKENZIE: Mr. Speaker, I have a question for the Honourable the Minister of Co-operative Development, Wildlife and Resource Management. I wonder if the Honourable Minister can advise the House whether the program where they were crossing the black bear that's known to Manitoba with the polar bear that's known to Churchill, is that still in the jurisdiction of this province or is it now within the Federal Government?

MR. SPEAKER: The Honourable Minister.

MR. BOSTROM: Mr. Speaker, I have no personal knowledge of the member's constituents.

ORAL QUESTIONS

(MR. BOSTROM cont'd) . . . I'll take the question as notice and try to supply an answer.

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

MR. A.R. ADAM(Ste. Rose): Thank you, Mr. Speaker. My question is for the Minister of Agriculture. I would like to ask him if the Manitoba Marketing Agency within his department is taking the opportunity to discuss beef exports, or increase the beef exports, to the delegation from Cuba to provide food for the hotel and the tourists?

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture)(Lac du Bonnet): The Marketing Branch has had a great deal of involvement with respect to the marketing of cattle on behalf of Manitoba beef producers and in particular the purebred producers, but I don't recall an instance where they were directly involved with a Cuban delegation, although that's something that may have occurred.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. STEVE PATRICK (Assiniboia): Mr. Speaker, my question is to the First Minister. I wonder if the First Minister can indicate to the House if he had any communication with the Alberta Government or the Federal Government in respect to the 200 percent increase in the natural gas that was set by the Alberta government agency.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, the only communication with respect to natural gas pricing was that communication which took place at the Federal-Provincial conference in mid-April. There was a formula proposed by the Government of Canada. It's not the same formula obviously which is being followed in the case that my honourable friend is referring to. So that the answer in short is, no we have had no communication with respect to the very recently announced Alberta gas price changes.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: A supplementary. My information is that the Alberta Gas Arbitration Board has allowed this increase. Will the First Minister pursue this matter because it is very important to Manitoba.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Oh yes, Mr. Speaker, that certainly follows and in a sense goes without saying. The Minister of Industry and Commerce will be pursuing this matter. I am not sure - I don't think anyone can be sure this soon after the announcement as to what action, if any, will be taken by the Government of Canada or the National Energy Board for that matter.

MR. SPEAKER: The Honourable Member for Rock Lake. Orders of the Day. Proposed Motion of the Honourable First Minister and amendment thereto by the Honourable Leader of the Opposition, and amendment thereto by the Member for Fort Rouge. The Honourable Member for Rhineland.

ORDERS OF THE DAY - BUDGET DEBATE

MR. ARNOLD BROWN (Rhineland): Thank you, Mr. Speaker. I was rather reluctant to get up and speak on the Budget Debate as my area seems to be the prime target as far as inflationary measures are concerned when we talk about sugar, and my area, of course, is the main producer. But ever since yesterday I feel better about talking about sugar. I realize that most of these people who have been producing sugar had to give 40 or 50 cents to a dollar of it away back to the government, so I would say that the inflationary aspects of sugar are now on the other side.

A MEMBER: They're spending it too.

MR. BROWN: I would like to say that the price of sugar has really gone down. Members may not be aware of this. The price - I don't know what yesterday's, the day before yesterday was 32 cents - 32 cents a pound the day before yesterday and with the increases that the farmers are facing as far as production is concerned, I would suggest that fertilizer has gone up 300 percent, some varieties of fertilizer, that the farmers again will not be making any more money as what they did previously when sugar was at 15 cents a pound and that the government will have to next year again look elsewhere for revenues than from sugar.

The Budget speech was a disappointment because there was a lack of assistance for municipalities. Now municipalities in my constituency as well as all other municipalities are faced with a very high mill rate increase ranging anywhere from about 17 mills to 30 mills,

BUDGET DEBATE

(MR. BROWN cont'd) . . . some of the towns are going up 30 mills, and some of the rural municipalities as low as 17 mills. But I've just figured this out and on a farm of 10,000 assessment which I would say would be the average assessment on a farm, this comes out to \$ 710 per farm that they'll have to be paying taxes. That's an awful lot of money and we certainly would have liked to have seen a little bit more assistance towards municipalities. Now because there is such a huge increase in the mill rate, much of this is due because of high cost of education and hospital expenditures, this will mean that school boards are going to be cutting back on programs and on teachers and the hospital boards will have to cut back on health care programs. So we certainly would have liked to have seen the government take a little more responsibility as far as assistance towards municipalities is concerned.

Now there was really nothing in the budget for the farming community except we had this purple diesel fuel for farm trucks and I would just like to turn to Page 24 of the Budget Address and read that particular paragraph: "A further change will be made with respect to the use of purple diesel fuel in farm trucks. Effective as of May 19th, it will be possible to use tax free fuel in farm trucks which have a two-axle configuration and which possess a manufacturers' gross body weight rating of up to 34,000 lbs. maximum." It's hard to read, it's hard to understand, whoever wrote it obviously has never been a trucker. Anybody who would go into any automotive dealer and ask for a truck with a two-axle configuration I am sure would immediately be thrown out of that particular store, and I think that this particular statement threw the Member from Rock Lake off the other day. But what is meant over here, I presume, is the tandem axle truck or the tag axle. If this is what we mean then the 34,000 lb. maximum will mean that all these trucks will be running all over the countryside with half a load, because all of these trucks are licensed at 43,000 lbs. Now this could be an error in the printing over there because it's just a reversal of the figure from 34 to 43, but I would certainly hope that this could be changed, then it would be something that would be meaningful. --(Interjection)-- No, we would prefer 43. I think that the Minister was on the right track when he increased it from 28,000 lbs, there's no doubt about that, but this could be a mistake - I hope it is a mistake and that it is going to be rectified.

Now one way that the government could help municipalities would be in eliminating the five percent sales tax on municipal purchases. This would have a tremendous effect on communities, especially when they're purchasing equipment, let's say for fire fighting or equipment for road maintenance or recreation facilities. When you're going into recreation facilities, you're spending hundreds of thousands of dollars in the municipalities and if they could be relieved from that five percent sales tax this certainly would be a tremendous help.

Now the government policy on libraries is going to be hard to explain in my area. This is on Page 30 of the Budget Debate and it says, and I quote: "The new assistance will be provided under a formula which will make available \$ 2.00 per capita for annual operating costs for libraries serving 10,000 people or more." Now it just so happens that the two municipalities in my area that went together to form a library association have a population of around 8,000, so this means that they're not going to qualify and I'm sure that we'll be asked to do a lot of explaining how the government arrived at the 10,000 figure.

I would like to make a few comments on the recent conflict between the doctors and the government - I'm sorry to see that the Minister of Health is not here today. Members of this side of the House really did not want to get involved in the conflict while negotiations were going on, but now that they are completed I would like to make a few comments. And I think that we must ask ourselves some questions. We must ask ourselves, does the government ever look back at how things were with other governments and the relationship that they had with the doctors. I'm sure that the government must ask themselves why do they have this continual strife with the doctors. Before this government took over, Manitoba had the best health care program in all of Canada and all the other provinces came to watch what was happening in Manitoba. The doctors were very proud of the program that they had over here, they had a big input into the policy of the program and they did take an extreme amount of pride in the way that this program was being carried out in this province.

The Minister of Labour the other day, I think, touched in his speech on where part of the problem is, that he said that there seemed to be very little dedication towards work anymore, seemed to be very little dedication especially among professionals. --(Interjection)-- I permit a question?

BUDGET DEBATE

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I should like to ask the Honourable Member for Rhineland if there was that great harmony, shall we say, between the government and the doctors in those good old days, why it was that only some 60 to 65 percent of the doctors that opted into the government medicare program in 1968 and 1969?

MR. SPEAKER: The Honourable Member for Rhineland.

MR. BROWN: Thank you, Mr. Speaker. I would like to answer that in this way, that I think that the doctors saw some of the problems that would be coming, some of the problems that we are facing right now. This is why they were not all that anxious to get into this program.

But what has happened, Mr. Speaker, why is there no more dedication among professional groups? Could this possibly be because they have no input any more into the programs that are being carried out? I am certain that this is where the largest reason is, they have no more pride in the policies and in the health care system of this province. And if you have no pride, Mr. Speaker, then you have no dedication. And if pride and dedication are gone, Mr. Speaker, then there's only one thing left, and that is money. This is not only in the medical profession, we see this all over the place. We see this in the nursing profession, we see this in the teaching profession, we see it everywhere. When pride is gone, Mr. Speaker, then dedication is gone, then there's only one thing left and that is money.

Mr. Speaker, I would like to outline some of the things that we on this side would like the government to do. We would like the Minister of Health to look into this particular situation, and that is this, that the Minister must realize that he cannot run a health care program in Manitoba without doctors. Doctors are essential in every program under the Minister's jurisdiction, be they surgeons, doctors involved in mental health programs or doctors involved in geriatrics, or family practitioners. If the Minister is concerned about any degree of efficiency in the Department of Health and Welfare with the whole co-operation of the doctors, then he must consult with them, have joint input into policy by the medical profession and the government.

The Minister of Health's present conduct of charging into a legislature like a wounded buffalo, making tough, tough statements, throwing out challenge after challenge to the medical profession, and in fact using the doctors as whipping boys in order to try to make himself look good in the eyes of the public can no longer be tolerated. The Minister has been receiving questionable advice or he would not be in the predicament he is in at the present time.

MR. SCHREYER: I wonder if it could be the other way around.

MR. BROWN: The Minister must evaluate that advice and take whatever action is necessary. There are many good men, dedicated men within the Department of Health and Social Development and unless the Minister will take action immediately he will lose many of these men who we so desperately need.

The Minister has recently made statement that he will draw up a fee schedule for doctors and if this is not acceptable then the doctors can opt out of the medical plan and extra bill the patients. Now what the Minister in effect is saying, that he will dictate, and I repeat dictate to the doctors what is acceptable to him without consultation or bargaining with the doctors, and bring about a deterrent fee and hope that the doctors will be blamed for this. The people of Manitoba are not going to fall for that scheme and I think the Minister should realize this. It is statements like this that further the rift between the government and the doctors.

If the Minister will follow the course outlined, that is consult the doctors, joint input into the planning of policy, make peace with them, then all of Manitoba will benefit through a more efficient department and a better health care system within the Province of Manitoba. Thank you, Mr. Speaker.

MR. SPEAKER: Are you ready for the question? All those in favour of the Amendment . . . The Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, I've been listening with great interest to the contributions that have been made in this Budget Debate. It was a week ago today I think that the Budget was brought down by the First Minister and since that time of course there's been many analysis made of the proposals that have been included in that document. I think many of the contributions and comments and criticisms that have been made are worthy of review. One of the most recent that I heard and couldn't really let go by without some comment was that of the Minister of Industry and Commerce last evening and it's unfortunate

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(MR. MCGILL cont'd) . . . that the First Minister was not here to hear this contribution, because if our understanding of some of the differences of opinion that exist within the Cabinet on the subject of labour are correct, it would appear after listening to the Minister of Industry and Commerce that there are other areas in which there may be some differences, some basic differences as to policy and to economic theory.

Mr. Speaker, it was quite an explanation that the Minister of Industry and Commerce provided last evening. He mentioned a number of different segments of our society and described the contribution to the economy made by each one. I can't remember all of those groups that were mentioned. He did mention again the cleaning staff in the Legislative Buildings, he mentioned the door-to-door brush salesman, he mentioned the nurses, he mentioned cigarettes and their impact on our economy and the Flat Earth Society. And, Mr. Speaker, that isn't a complete list nor is it necessarily the proper order but it was at least a partial reciting of the segments of the economic fabric of our province that the Minister described and indicated the kind of contribution that they made. But his position with respect to inflation was the one that was of greatest interest to me. Out of this discussion and this reasoning it was his conclusion that government spending, and government spending in Manitoba particularly, had no effect upon inflation, that the kind of inflation which applied in Manitoba was not a demand inflation and so it didn't really matter whether or not government spending was controlled or not in respect to its effect upon inflation. Now if I didn't understand the Minister correctly I presume that there will be an opportunity for him to make his comments in due course. But, Mr. Speaker, this seemed to be so much at variance with one of the final statements made by the First Minister in his Budget Address when he said "through careful planning and deliberate restraint we have been able to keep down the overall growth in our budget." In other words, the Premier, presumably with the assistance of Cabinet, was working diligently to control government spending, and if I understand the arguments of the Minister of Industry and Commerce this really wasn't an effort that was necessary at all in our particular area.

Mr. Speaker, I think this is a fundamental difference. It's been the position of this opposition that in order to do what we can to control what is a major problem in the economy of our province today, we must do everything possible to minimize the amount of government spending, and I think the government has in some areas done this by restricting building programs in certain areas and so forth. Mr. Speaker, why do we have this difference, what is the basic difference between the First Minister and the Minister of Industry and Commerce who says on the one hand that government spending is not a factor in controlling inflation in Manitoba and on the other hand we have a Budget Address which makes a specific point of . . . --(Interjection)-- Well, Mr. Speaker, the Minister of Industry and Commerce he may be an incurable Keynesian but he probably is more aptly described as an incurable optimist and I read his frequent comments on the state of the economy in Manitoba with some necessary revisions.

MR. MCKENZIE: McKenzie seeds that's a good example.

MR. MCGILL: Mr. Speaker, in the time that is permitted in this debate it's not possible to comment on many of the proposals that are being made by this government but there are two which I feel that I would like to make a comment or two on; and the first one I would like to deal with is the proposal to apply a 2-cent per gallon tax on gasoline and motive fuel effective May 19 in aid of the ailing Manitoba Autopac Corporation, the Manitoba Public Insurance Corporation. And I must quote again the argument and reason for this application as it was placed on the record by the First Minister and he said, "Since persons who drive more than the average each year have a greater chance statistically of being involved in an accident then presumably it's logical to place a 2-cent tax on the gasoline they use and apply it to automobile premiums."

Mr. Speaker, it doesn't say that people who drive more, and I presume this means people who are more experienced drivers, it doesn't say that they have more accidents per 100 gallons of gasoline that's used, it simply says they maybe have a greater chance of having an accident because they're on the road more. Well, Mr. Speaker, I would take issue with the whole premise of this logic when it's suggested that people who drive an average amount or more in a year have a greater chance of having accidents and therefore contribute more to the accident experience of the province. I would think, Mr. Speaker, that it probably could be argued statistically that those who drive quite a number of miles in a year and who consume a large amount of motive fuel based on the number of gallons of gasoline consumed probably have fewer

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(MR. MCGILL cont'd) . . . accidents. And certainly this applies in other areas that are more familiar to me statistically than this one.

I know that people who fly more, who put in more hours as a pilot of an aircraft have much better accident ratio per hours flown than those who are comparatively inexperienced. So I don't think there's any statistical evidence, at least I have seen none, to indicate that there would be a fair allocation of premium by applying two cents a gallon to the gasoline that's . . . The First Minister has not said directly in this statement that he thinks that more experienced drivers have more accidents than less experienced drivers, he merely opens the door to that possibility and I assume that there is no statistical evidence otherwise it would have been certainly quoted in this matter.

I think the whole concept is worth examining in the light of its future implications. I would say that a tax such as this will fall most heavily on remote regions of the province where people because of their remoteness have to travel more in their daily living than those who live in high density areas, and because they are travelling more miles they will be asked to contribute more on the basis of this tax. On the other hand, people who live in high density areas are operating in an area when the accident ratios are higher as represented by the difference in the premiums. --(Interjection)-- Well in the high density areas the gasoline consumption per mile may be slightly different because of stop lights and so forth, but certainly the accident ratio in the high density area is much higher and therefore so are the premiums. So in effect this is working in an opposite way to the way in which the Auto Insurance Corporation itself is relating these premiums. So, Mr. Speaker, I really feel that there is something very wrong in the reasoning and the application of this 2-cent tax for the benefit of the Public Insurance Corporation.

I would like also to point out Mr. Speaker, that by the application of this tax we are asking the tourist visitors to our province in welcoming to Manitoba, our welcome is indeed perhaps strengthened by the fact that we know they are going to contribute to our insurance premiums and that all of the money that they pay for gasoline while they're in our province will be taxed for the purposes of the people of Manitoba and the insurance premiums which they have to pay. This may not appear to be a major issue but I would cite the case of one tour that is coming to Manitoba from the United States in this year which involved 4,000 automobiles and which will, if they each consume two tankfuls of gas during their stay here, would amount to something like 160,000 gallons of gas and would mean an additional bill for that tour during its stay in Manitoba of about \$3,200. Now admittedly all of the experience will not be of this magnitude but for every tourist who comes to Manitoba with a welcome sign at the border it is hardly a proper welcome I think to ask him to contribute to the problems which we in Manitoba have generated in respect to the operation of one of our Crown corporations.

Mr. Speaker, I think the whole concept suggests some interesting possibilities for the future. You know the Manitoba Public Insurance Corporation is not the only Crown corporation that has a deficit and I can think of some other taxes that might be useful in this area. For instance, Mr. Speaker, what about the additional one cent on aviation fuel. Now that hasn't been designated but maybe we could use that for our aircraft industry in Manitoba. I mean the logic here might be as sound as the logic that you are making the taxing the fuel for automobiles to bail out the problem of the Crown corporation in insurance. --(Interjection)-- Well, the same thing though. I'm suggesting, Mr. Speaker, to the First Minister that if we're going to adopt this principle let's look at the other possibilities. You've got troubles in other areas as well. You've got an airplane industry that's in debt pretty badly and what's wrong with looking at aviation fuel tax to help them out, if you're going to help out the deficit in insurance. And we've got a Flyer Coach industry, Mr. Speaker, on the same principle; how about a five cent tax on people who ride the buses in all the public transport systems in our province. After all they're getting a pretty good deal on buses, maybe we could nip in with a five cent tax on each rider and help out with the deficit at Flyer Industries.

Mr. Speaker, I'm only suggesting these things because I think the taxpayers in Manitoba having had a little time to digest the number one on this . . . of this type, might be well to look to the future and to consider the danger of maybe something else. We've got another opportunity here, we've got a seed business that's \$10 million in the blue for acquisition of other businesses that needed to be brought in apparently, and how about a tax of one cent a bushel on grain and forage crops in the Province of Manitoba. You know, there are all kinds

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(MR. MCGILL cont'd) . . . of possibilities here that the government could be looking at.

Mr. Speaker, you know I don't think that there is real logic as basis for the two cent tax on gasoline to put into insurance premiums. If there is, let's look at some of the other taxes that are more directly concerned with the accident ratio in automobiles. How about a tax of 25 cents a bottle on the sales at the liquor stores? You know a great percentage of the accidents in Manitoba are related to the consumption of alcohol. So we're getting to an area here where maybe there is a more direct connection between premiums and accidents and the consumption of alcohol. Now, I merely suggest these, Mr. Speaker, as the beginning of what might be a long list if some really enthusiastic tax gatherers were to look at the possibilities. I am, of course, being somewhat facetious and I am returning to the original argument that I feel there is no statistical evidence to back up the logic or the reasoning for tax on automobile gasoline to be applied to insurance. I know the problem, I know that politically it's pretty important to have insurance premiums that are somewhat comparable to those in other jurisdictions. But let's fact it, if we need more insurance premiums, put it where it should be shown, on the premiums. Let's not attempt to pretend that we're operating efficiently and that we have the lowest insurance premiums in the country. Let's try and be reasonable about it and make the charges directly where they belong.

Mr. Speaker, the other area I wanted to deal with in the time that remains was the much more important area probably of the provincial-municipal proposals in respect to taxing. The plan is pretty well understood now I think. There was some original misunderstandings after the budget was first presented but it's becoming pretty clear now and I think I understand what the First Minister is proposing: To replace the per capita grants which are now based upon a formula of five percent of provincial income tax revenues with a new municipal income tax which would in the first year of 1976 amount to two percentage points on the provincial income tax and one on corporation income tax, and this would provide in the first year something more than the \$13.5 million that is being allocated by per capita grant and make it about 16.8 I think you mentioned in that respect. So there is a reasonable relationship in that basis now.

But, Mr. Speaker, the principle involved here is one that needs to be carefully examined I think by certainly all of the members of this Legislature and even more carefully by the councillors and reeves and mayors of our Union of Manitoba Municipalities. What are we getting on this proposal? The option is available for those municipalities, if they can reach a consensus, to have more than that in respect to the percentage of provincial income tax, provided that it's visible to all concerned that. . . provided Manitoba will get off the hook at last in respect to being the highest listed on the provincial income tax rates here - 42.5 percent. Now, the First Minister has argued that that really isn't a fair comparison because of rebates and so on and so forth, but nevertheless it has rankled. It has been an area in which there's been a constant criticism of this government that they had the highest provincial income tax rate.

MR. SCHREYER: It never rankled me.

MR. MCGILL: Well, it's been rankling somebody, because here is a way to get it down on this list to 40.5 percent and that's going to look a lot better publicly. Everybody's going to say well at least Manitoba is no longer numero uno on the list of provincial income tax rates. We're going to get to 40.5 and it's going to be visible and we're going to show on the list if we can get the Feds to show it on this income tax form in some way, that the municipalities in Manitoba are now collecting an income tax and it's going to be two percent in the first year. --(Interjection)-- Well, could be three, or whatever they decide. But it's an interesting proposal. You know, I know we have a new Minister of Finance this year. We look at this and it reminds us of something, and we used to describe this kind of a procedure as the St. Johns shift. This is the area where suddenly the Province of Manitoba gets rid of the ball and the municipalities now have the ball and they are the ones that are going to make the decision. In fact, Mr. Speaker, this whole proposal is a shifting of one of the basic undertakings of these gentlemen opposite when they got in in 1969, and that was to effect a major shift of taxation away from real property. To get rid of the inequities and the regressive features of this real property tax and gradually get on to a substitution from other general revenues.

Mr. Speaker, I see in this proposal an arrangement where this provincial government can get out of making that decision in a very major way by shifting the responsibility to the municipalities. So that if there is political flack to be taken on this matter and if criticisms

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(MR. MCGILL cont'd) . . . do arise then they can point to the municipalities in Manitoba, say well, we gave them an option, they accepted it and clearly they are the ones who are to be blamed if this doesn't work out properly. I see this as a major and a very smooth shift of responsibility from the provincial government to the union of municipalities. And I hope that the municipalities will look at this pretty carefully because I can see some pretty serious problems coming up along the way. I don't think there's any precedent for the Government of Manitoba saying to us this has to be a major invisible shift and that is has to appear on income tax forms as a revenue charged and raised by the province on behalf of the municipalities. After all, on the sharing of revenues by the Federal Government with the Province of Manitoba, there's nothing very visible about that and there's no great clamour on the part of the Federal Government to show a breakdown on their income tax forms to indicate that we get a \$124 million from them in equalization payments. So, in a sense the kind of separation that is being requested between the province and the municipalities is one that doesn't bear, in my view, a relationship between the federal-provincial equalization payments as we are shown in our revenue statements, and the Federal Government collects our provincial income tax for us. But I don't think it's clearly understood just how much money comes back to the Provincial Government from the Federal Government by the taxpayers in Manitoba. So, why is it so necessary to make this a visible and direct thing and a responsibility of the municipalities? I don't think it really is and I think it is a shifting of responsibility by the provincial government to the municipality, and is a decision of such major proportions that, true it may be difficult for the government to make, but it is in a sense like having a referendum on a very difficult political decision, asking a group of municipalities to meet and by voting and consensus a majority deciding that we're going to go for two more percentage points on income tax and so on. Mr. Speaker, that is a shifting of responsibility I think that properly belongs with the provincial government. And what they are really doing to the union of Manitoba municipalities is . . .

A MEMBER: Destroying them.

MR. MCGILL: Well, they are handing them a Pandora's box and they are suggesting to the municipalities, here is the box, I wonder if you dare to open it, because in opening it what may come out may be very very serious indeed to the future of that municipal organization and to their taxing and to their general municipal responsibilities.

Mr. Speaker, whether it was recommended that they undertake to --(Interjection)-- There are many ways in which the municipalities can be made recipients of a proper share of growth taxes. I don't think it is in breaking up the responsibility and for the way in which it is now proposed to happen. I see no objection to a decision that is made in respect to the two percentage points and the one percentage point. If the Province of Manitoba will feel happier in having their provincial income tax rate shown as 40.5 percent, that's fine. But to give options out and to expect the municipal authorities in convention to make decisions of these complex and technical problems is one that I think is unfair and I think, Mr. Speaker, it represents not so much a benefit as a Pandora's box or possible . . . (Applause)

MR. SPEAKER: The Honourable Member for Churchill.

MR. LES OSLAND (Churchill): Thank you, Mr. Speaker. I rise in my place at this time to participate in the debate on the Budget. This is my first time to speak since I made my maiden speech about 14 months ago, and it was some maiden and was some speech. When I got finished I went home and I talked it over with the wife - I couldn't even remember what I'd said I was so nervous. I had written a beautiful speech, my knees were knocking so bad and my hands were shaking so bad, my eyeballs couldn't get in tune with it and I just ended up speaking off the cuff and just . . . well it --(Interjection)-- the other one was better than the one I got here today because all I did was put down a bunch of headings.

I'd like to start off with the Budget that the Minister of Finance, our Premier brought down here for the House and I'd like to go one step further with it as far as budgets were concerned. I would like to try and relate it to what's happening in the North. On a trip about three weeks ago I went into Brochet, which is in the western area of the province, and into Granville Lake, and they were having what they call budget night. And here was the original group, which is Mr. Art Sterritt and myself. I just kind of tagged along to listen to what was going on, and they kind of went through the process with the people of what they had earned last year, how they'd spent it and what was the possibilities for the future. And in the process

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(MR. OSLAND cont'd) . . . of it all they were asking for was the mayor and council to attend the meeting and here, lo and behold, the house was filled to capacity. That there was people there that had been animated to come to participate, watch their mayor and council go through the motions of what was happening with the money to do with their small community and I thought it was really quite beautiful.

The next budget I'd like to talk about is the one that my "war department" brought down about two weeks ago and my wife informs me that this running two homes, one in Churchill and one in Winnipeg, just doesn't work. But in the process of moving into Winnipeg I came to realize the difference, the disparity between the south and the north and what our people have got to live with daily up there. I guess you kind of live under certain conditions and you become accustomed to them and the first thing you know that you accept them and you really don't do too much about it except every so often when the dollar bills run out. We know that our food bills run approximately 27 to 30 percent higher than Winnipeg. My wife has at last stopped opening quarts of milk and smelling them before she pours it, because in most cases in the north we end up with milk that is either off completely or going off. We now can go into the stores and pick up just about any tomato in the rack and you can buy it and it isn't soggy or muggy and you get your money's worth for - you get value for the money that you pay. My fuel bill for the house that I have in Churchill from January 14th to February 14th, and this was with my thermostats turned down to 65 merely to keep the freezing out of it, was \$96.00. My total fuel bill in Winnipeg to date for the little house that we've got out in St. James has not reached \$90.00. I'm just bringing these points out to kind of show you that what is happening up there in the north - there's been a kind of a feeling, I've had it related to me, that the people up there are making tons of money, they're banking it and that they're living fat, and I would like to bring to the attention of the House and to the people of Manitoba that this is not so. What we are getting in we are more than paying out. --(Interjection)-- Quite true, quite true, it's happening all over, but I think that the situation in the North is aggravated, and these are the people that are knocking back the frontiers of our province. This is particularly bad when you come down to people in remote communities who are forced to live on welfare because of the economic situation that they live under. And you can imagine, when I was with Indian Affairs we were paying out approximately \$88.00 every two weeks for welfare to an individual: you can imagine how far \$88.00 would go with the rate of inflation and cost to our people up there.

But I'd like to leave it just there for the moment. I'd like to try and explain, as a brand new member in this House, how I've seen what's happening here in the House and how I see it through my eyes. I'd like to, first of all, talk about a word called "democracy", and I think we've had it coming back and forth quite often here about other ways and means of governing people, and there's been talk of the undercurrent about Communism, Fascism, etc., even going into depths of such things as the Mafia, and I'd like to say that, in my estimation, we in a democratic country have got the only way to live; that we have got a real fear in this world today, and I think one has to only watch the newspapers and see what's happening throughout the world to know that never before has this country got to look to its laurels. We've got to stop taking for granted things, methods we've lived by before, and we've got to start asking ourselves questions and criticizing ourselves, criticizing the way we are accepting, just as if it was coming to us, and we've got to start really being able to self-criticize and then do something about it. And I'd like to enlarge on that.

I was in the armed forces, 25 years in the Navy and I was a sailor, and I'll tell you that there is no group anywhere in our country that promotes sort of a pride in one's country as our armed forces. Our boys are very very patriotic. They're loyal and they're responsible, they're mature and they're dependable, and I think any reference to them any other way is a direct insult to a group of men that have not only worked in peacetime for the - and women, I'm sorry, there are women also in the armed forces --(Interjection)-- Lovely. But there is something with these people, they have been for us real diplomats. They have been able to go out abroad, and I really honestly say that they have done themselves proud by us. They have represented us well on overseas positions. Along that line, there was a little bit of a whip, mind you. Our captains made sure that we represented the people of Canada properly because of one basic fact, that as foreigners saw us, they saw all Canadians.

Through that, and in my speech last year on the Throne, I spoke about seeing poverty

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(MR. OSLAND cont'd) . . . and degradation throughout the world in different countries that I've visited, and I've never really stopped to see our own country as having any of these problems. And I mentioned last year that on my trip up to Churchill on my initial draft up there with the Navy, that I had witnessed communities from the Bay Line and the situation that our native people in our remote communities and on the reserves found themselves in, and what a change had taken place in such places as Gillam with the Hydro development there. And one year later, Churchill now has certainly taken the turn around the corner. We've gone through some terrible growing pains but we have definitely got something on the road now.

We've got a community that's animated, that's willing to get up on its hind legs and make sure that its council speaks for it. We also now have a council that are very responsible, activated. They want a piece of the action and they want Churchill in the future to be a place where they can live and they can raise their children, and the standard of life within Churchill has become absolutely miraculous, the change that has taken place overnight. We, in the future, are going to have a port up there that will be second to none in the world. It's an inland port. It's on salt water, but it will be an inland port that Manitobans will be proud of and we can compare it with either Vancouver on one side or Halifax on the other and we'll take no back seat. --(Interjection)-- Yes, the Minister of Industry and Commerce mentions the re-supply that's happening in Churchill. This is a real added asset to our businessmen. We have business people up there that have struggled for years now. They not only do their own books, they do their own lugging, they do their own slugging, and then they work 14, 16 hours a day, and I can tell you this for truth because I ended up doing exactly the same thing when I was a businessman myself, and as President of the Chamber of Commerce up there, I speak from facts that I know personally. And our businessmen, for the first time, have now started to look as if something is going to happen, it's going to be positive. No longer are we going to have the east taking all the cream off the damn top and handing a few little crumbs to us up on the sidelines.

One of the things that I've been promoting since I was elected has been a continual feeling that, for God's sake, now the election's over with, the votes have been counted, you're stuck with me. I'm your tool. Use me. I don't give a damn how you voted, but for God's sake, quit splitting ourselves all up into little groups. We've got groups such as Indians, Metis and White. We've got Chambers of Commerce, union people, management - they're even starting to split us into men and women now so that we get them going together, we get them going in different directions, and after 30 years of trying to get my old lady in harness with me, I find this very disorientating to me. Disturbing, yes. --(Interjection)-- Oh, we were pretty well in harness. We have six beautiful children and I wouldn't trade them for any other six.

Well, I have been talking about joining and not splitting, and I hope that from all our area up there that we will end up as northerners, and that as northerners we then can come with some pride into this Province of Manitoba and we become an equal partner across the board. There's no doubt that our people feel that they have been, well, second-class - I wouldn't say second-class - kind of forgotten, if you want to use the word, and I don't blame any particular party. It's just been the way it has been. There's been lip service continually in the last five to six years of, "We must start recognizing the North. We must start recognizing the native people, because they're sitting on top of all these riches and somehow or another we've got to get those riches but we can't really upset them, the people that are there." There's been some real lip service going on but no real recognition of it.

I attended the Churchill-Arctic Corridor Conference in Churchill that was held here, what? I guess three years ago, before I was elected, before I ever ran for the House, and at that opening of the meeting, the representative from the Federal Government spoke who was the Minister of Indian Affairs at the time, and, I believe, the Minister of Industry and Commerce spoke for the province, and both themes of those speeches was social and economic development, not one without the other. As the Conference progressed, at ten minutes to twelve on the second day the native people walked out, because there was no use staying any longer. They realized that whatever was being talked about was economic development, that they were interested. The business people that were there from all the corporate oil companies and mining companies were talking about how they could get the riches out of the North leaving as little as possible in the area. The native people even talked about a railway, because that at least would carry human being on it. But no, they were talking more along the lines of a

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(MR. OSLAND cont'd) pipeline, they were talking about this airplane that they've just finished building which had 18 motors across the front wing, that would lift so many million pounds and carry it out, and it had helium bulks on it which would, when it went to land, it could land with leaving merely the slight impression of a man's footprint on the ground. The native people walked out. They felt that all there was talk about was economic development, that there was nothing going to be left. They realized that the way they had lived in the North - I'm talking about the native people in the Northwest Territories too - they realized that their way of life was coming to an end, that they could no longer continue to live and harvest the riches of the North in their language, which was wildlife, and have their children accept this way of life, because their children now knew that there was a different way, that they had been down into the outside world, saw all the different ways of living, and they wanted a piece of the action. So they knew that this world was going to change and all they were asking for was a chance to have that change come along with them.

Now I would like to come to a point: Throughout all the speeches that I've listened to. . . And I would like to mention particularly the speech that was given by the Member from Virden when he mentioned about what was happening to our democratic system, to the word "politics," anything to do with politics. He felt that there was becoming attached to it a stench, I believe he used the word, or an aura about it that was repugnant to most of our society. There was something happening. The Member for Fort Garry followed up on it and he added his concern about this, you know, that really what was basically going wrong here. The Member from St. Johns also mentioned it, and I would like to re-emphasize it at this time. I don't know what the fault is. I don't know where the blame is. I know that myself, as an individual, there's been times when I did not stand up and speak through this microphone to be recorded in Hansard; and to you, Mr. Speaker, I apologize for those times, and I won't guarantee it won't happen again but I will apologize for what has happened in the past.

I find that so often there is talk going on and I sometimes get the feeling that people are talking just for talk's sake, and that they're saying things that, after they're said, they sound so bloody ludicrous in this day and age that, honest to God, I wonder what the devil's happening. They want to take us back to an education system that I was raised under. The only system that I was taught when I went to school was to make a living. Nobody sat down and taught me how to make a life. Nobody gave me any of the tools to work with. I ended up with 25 years in the Navy as a medical assistant. Ninety percent of my work was done with marriages that were going on the rocks, nothing to do with the three "r's." I don't downgrade the three "r's." I don't say that we should get rid of them, but I tell you this, that we can't go back to what I went through in school, that everything was based on the history of the British Empire. We got a little bit of the Canadian history, American books. We've had enough of it. There has got to be a look at this thing. We've got to open the can of worms. I don't say we're going to change things and make it right immediately, but I say, for God's sake, let's be young enough to open the can of worms, face it, criticize ourselves, and do something about it. Our kids will not accept what we have accepted in the past, and that is a 70 percent marriage mess - and if you don't believe me, read the statistics - 70 percent. I'm not saying 70 percent of marriages are divorces. How many marriages are living together, how many people are living together because of their kids or because of other reasons, but not really and truly in love and living in happiness?

Coming back to my point as far as the criticism of the House and myself, I don't know, I have a feeling that we are going into a stage here, gentlemen, where we're going to have to start looking at a full-time position. We're getting a decent wage now. I think that any . . . I've sold my business myself in my riding. I just couldn't carry on running a business in Churchill and trying to do the job. I feel that we have got to start looking at this and criticizing the way that we're carrying on, that maybe we're looking at a 365-day-a-year job. I think that it is our job to go out and animate the people to participate. I think that the Prime Minister of this country, when he tried the participatory democracy, he was trying it from the wrong level. I think it has got to start right at our level, right down in this person here, and expand from there. If we don't maximize people participation and if we don't stop having people saying, "How do I get into the system? How do I take a piece of the action here?" if we don't enlarge the thing and don't get this thing operating, get a real democracy working, I can tell you this; that under Communism there is definitely this sort of involvement, and I'm afraid, I feel that we have got a democratic system we can be proud of if we'll get off our butts and make the

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(MR. OSLAND cont'd) thing work, and if we don't, I think the thing that we're looking at, that's happening to the world today, should make us become aware of what the situation is and to start taking corrective action now.

I don't know, Mr. Speaker, if I should add any more to that. I think the point that I really am trying to make is my concern. I hope that the House and yourself will accept it with the feelings that I have tried to put forward here. We can't go on in this province of ours having, for instance, the different levels in our society, which is so apparent in our native treaty, non-treaty and our white society. Somehow or another we've got to come to some sort of a, I wouldn't say a levelling, some sort of a facing of the problem and finding an answer to it. And with that, I'd just like to leave those thoughts with you. Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Roblin.

MR. McKENZIE: Mr. Speaker, I do welcome the chance to speak this afternoon. I first was pleased that the First Minister had some time today - I know he's a busy man - that he had some time to spend in the House and listen to the comments in this Budget Debate, and I'm sure it's being monitored into his room, and he did hear the comments from the Honourable Member for Brandon West which was, I thought, one of the very important speeches. My friend from Churchill - and I've been waiting here for days in this Budget Debate to hear you backbenchers go. I was a backbencher and those were our days, on the Speech from the Throne, the Budget. We used to wade in and get involved, and I know how tough it is for you guys over there to get the Cabinet to listen to you, but I welcome the backbenchers to stand up and get in the debate because likely your thoughts and your approach to the democratic process, which the honourable member just spoke about, is as important as the guy that's sitting on the front benches, a member of the Treasury. And we've been waiting, and the Honourable Member for Churchill made a very fine presentation. I congratulate him. He mentioned disparity between the north and the south, and I'm kind of half way between the north and the south - I come from Roblin - and I tell you, there's a heck of a lot of disparity between Roblin and the south as well, so don't feel that you're that far north that that disparity . . .

The honourable member raised another very interesting question, I think, that's worth consideration this afternoon, Mr. Speaker, and he mentioned that he was a sailor, and I guess in the Navy he, the Member for Virden, the Member for St. Boniface, would be the three sailors of the Navy in this House. There are others that were involved in the Army - and we'll not get involved with who they were - there were others that were involved in the Air Force. And if the honourable member would recall those days, we were Indians, we were Metis, we were blacks, we were whites, we were from all walks of life, we were from every city, and yet I dare say we were just like a club, the most select . . . You know, the Army used to battle the Navy and the Navy used to battle the Air Force, and it was a shooting war, and we could have likely in those days formed political groups. And there was no racial discrimination, there was no colour. And how come, after we get out of the Army and we get back, all this bias enters into our society? And I'm sure the Honourable Member for Churchill will stand up, and he didn't know in his group what political stripe they were. All they knew, they wear the same uniform, they're in the Navy, and I'm telling you, they were the top guys and they did a good job. So did the Army, so did the Air Force. But all of a sudden we come back after the war is over, and for some reason I've never been able to understand, we get the academic crowd or the people, the protesters, that get this racial bias back into our society. And I thought we had it pretty well resolved, those that were in the service and had the chance to serve - and many of them couldn't for various reasons - but it makes me wonder that while we at that time could have formed political groups just by wearing Her Majesty's colours, when the thing's all over and we're discharged, we go off in a different tangent. But nevertheless, I thank the Honourable Member for Churchill for raising those sentiments today and I still think it would be a wonderful thing for the young people of our society today to have a little bit, if it's possible, of the experience that we had in those days of the training, the ability to take orders, the ability to carry out orders, the ability to keep yourself clean, smart, alert. I can recall being green, inexperienced. I even used to salute the doormen at the hotels in those days when I was a green rookie. I didn't know the difference.

A MEMBER: They always had more stripes than you did.

MR. McKENZIE: But I'm sure I wasn't the only one that did this. There's hundreds of servicemen . . . and we were saluting everybody. But that day unfortunately is gone.

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(MR. McKENZIE cont'd)

But I do take issue with some of the comments of the Honourable Minister, and I want to get back to the Budget, that he seems to leave me that he doesn't like the past, he for some reason doesn't like the life that he's lived, he doesn't like the British - and if the Member for Swan River was here I'm sure he'd take issue with that one. He for some reason doesn't like the Americans, if I read him correctly. Now I wonder who does he like, or what's happened in his life, or what's failed him that now he's so uptight about the past. I think the past has been terrific in this country and it's even real good today. As he said, where is there a better place, any place in the world, to live right where we are in this province today? Nowhere. And democracy, you can charge it to free enterprise, you can give you credit, give everybody all the credit they deserve, because they have created a tremendous and likely will be a model that will go down in history for all the world today, as we look at the conflicts around the world, to find some way you can pattern the world to make a better world for the people of this tremendous globe to live, and maybe they'll pattern after ours because we have lived well in this country. And I don't think we should be critical of those that were the authors, and we shouldn't destroy it; we should try and build upon it.

So I do thank the Honourable the Member for Churchill. He said it was only his second speech. He made a fine speech today. Get on your feet more often, my friend, and don't feel that we're going to attack you. We're going to congratulate you, and we want you to contribute to making Manitoba and Canada and North America a better place than it was.

Mr. Speaker, to get back to the Budget. I would say that this great columnist in the Tribune, Mr. Telpner, I think is the one that raised my sentiments into the Budget more than anybody else, and he said - and I'll just quote him very very briefly: "It's obvious by the Budget and the deficit that Manitoba is going to need a lot of money in years to come. In fact, forever more." And I'd just like to follow the philosophy of him and try some way to find out in this document - and I'm only going to deal with two subjects this afternoon, Mr. Speaker: the small businessman and where we're going with our health, this so-called free Medicare, is it, they call it over there, where are we going on those two schemes.

Let's deal very briefly with the small businessman. And the honourable member that just spoke before, the Member for Churchill, is one of those. And I can't find - I am a small businessman myself - I don't find any evidence whatsoever, nor do I recognize that the Member for Churchill, who was a small businessman, in this Budget, or that you have on your back-bench or you have in your caucus anybody that has concern for a small businessman. I have failed to see it in the years I've been here, because I'm one of them. And the many difficult problems that the small businessman faces in this province today.

Yesterday we had a delegation of these service station operators to visit our caucus, and I'm sure the honourable members opposite are familiar with that problem, and that is a serious problem. And why this Minister of Industry and Commerce didn't get to his feet and speak on that subject matter last night rather than getting in a harangue in economics, because he knows about it, he never mentioned it; nor did the Minister of Consumer Affairs raise that. You are the government. You are the people that can do something for those people. It wasn't even raised. It wasn't discussed. So those people . . . Sure, we're in the Opposition. We can raise it. But I raised it again. I asked the Minister of Industry and Commerce and the Minister of Consumer Affairs, and the First Minister, and it's a tremendous problem. But those service station operators are in a real bind and they ain't going to be in business very long. In fact, as the honourable member that was chairing the group yesterday said, some of them are going to be out of business. In fact, he said about a third of them by the end of June. That is a serious matter and we should be dealing with it.

Let's look at a letter that I got in my mail this morning from a small machinery dealer out in my constituency, who the Farm Machinery Board is regulating out of business. Regulating out of business. Why? Because he hasn't got enough bins in his place of business to put parts. Because he's not providing the kind of service that he should provide to the people in his constituency. Because he hasn't got the right kind of a truck. Because his place isn't painted. Why or where does the Premier or this government show me that you're on the side of the little businessman where you're phasing this man right out of business today? He's got 10 days. Either clean up, put in more parts, get a better truck, paint his place up, do all these things under the jurisdiction of the Farm Machinery Board, or he's out of business. This

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(MR. McKENZIE cont'd) government today has the right to legislate or regulate small business and tell them, "You can't provide service to the people any more." But that's the law of this province. That comes under the Farm Machinery Board Act, which we fought, debated and tried to get the Honourable Minister of Agriculture to cool it. These small businessmen, it doesn't matter how small they are, they have a right. And I'm surprised the Honourable Member for Churchill didn't raise that. Why can't that little man sell in my constituency? Maybe he's only selling a few harrow . . . and a few sprayers and a few bins and a few little . . . He's a small businessman but he's being regulated right out of business today by this government.

Mr. Speaker, show me in that Budget where there's any evidence, any evidence, one iota of evidence that you're going to help that small businessman. I see none, Mr. Speaker. I see none. And I ask the Honourable Member for Churchill, who is a small businessman, help me out to save the small business in my constituency even if we can't help them in the rest of the province, because I want to help the small business in my constituency to make a living, to have some bread on his table, and to enjoy some of the luxuries of life that we are enjoying. Why? Why is that not in the Budget? How many people, Mr. Speaker, in this province are involved in small business? Let's look at them. Thousands of them, thousands. Service station operators, motel operators, small storekeepers, hardware stores, and the list goes on and on and on.

MR. ENNS: Massage parlours.

MR. McKENZIE: Well that's a new one, and of course we in Roblin constituency haven't had the offer of one of those. But let me tell you, Mr. Speaker, where this government is closing these little businesses up, more so by default, because the Budget and this inflationary factor which they're going to ride and they're going to stay on the back and they're going to promote inflation, and they're going to encourage it and they're going to get the inflationary factor up to 15 percent if they have their way. What was it last year? Seven, eight, nine. The Minister of Industry and Commerce talks last night about double digit inflationary. And you know who he blamed for it? The business community. The businessman. --(Interjection)-- And they got 30 percent of the cash flow. That Minister right over there can stand up and he's an economist - he's an economist. And that's the problem of this government. They better get another economist other than that one, because you're going to lead this province into disaster. And I'm going to give you some of the reasons. And I'll just go through some of the financial statements that some of the small businessmen of this province are trying to deal with today as they file their income tax facing double digit inflation.

Have you tried today to file a financial statement and include a double digit inflation in your financial statement as a small businessman? I ask the Honourable Member of Industry and Commerce, try it on for size. You can keep trying and trying and trying and trying, Mr. Speaker, and you end up, disaster - it doesn't matter where you go. Because there's no room for a small businessman in this province, or I dare say all the provinces of Canada, to operate a small business doing less than a half a million bucks, unless he understands what the government's going to do. And what the government's . . . Are you promoting inflation or are you going to help it? He said last night the Americans. My gosh, the Americans have at least done something about inflation down there. They've done a lot more than this government's done.

A MEMBER: 9 percent . . .

MR. McKENZIE: They're down to 7. Have you seen the latest statistics? Well, Mr. Speaker, I would suggest this afternoon - I used to say submit and I've been reprimanded so many times over the years - if the present inflationary trends continue in 1975, in 1976, in 1977, by that time we'll be what? 20 percent if the present trend continues. And I don't see any reason from this Budget, nor do I see any reason from the Federal Budget that it's going to be reversed, because nobody's done anything up to now. The usefulness and the comparability of a financial statement or statistics which are being cranked out by the Minister of Consumer Affairs, are absolutely useless. It's a waste of taxpayers' money and it's a mumble-jumble that doesn't mean a damn thing. --(Interjection)-- The distorted figures that . . . Well, let me tell the Honourable Minister of Industry and Commerce, the distorted figures that we're getting cranked out by this propaganda machine at this level and the federal level today, unless you include the inflationary factor, is worthless and it's a waste of taxpayers' money,

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(MR. McKENZIE cont'd) and it's going to destroy . . . The big corporations certainly, who can handle the . . . Well, let the Minister - he spoke last night; now, Mr. Speaker, he wants to speak all afternoon today, and he can make a speech again, if he wants, when we move back in his Estimates.

But I'm telling you, as the Minister of Industry and Commerce of this province, the distorted figures that we're getting, unless you include double digit inflationary in all these facts and statistics that we're getting, are absolutely worthless. And the big companies of this province, the corporations of Canada, sure, who have access to a computer, they can handle themselves, but the little guy - and you're supposed to be helping the little businessman of this province - he can't have access to a computer and he's being nailed to the cross day after day because of double digit inflationary figures that this government supports and are not prepared to do anything about, and he's trying to file his financial tax return over here today, and he knows that unless this government's going to show him, or the Federal Government, that you're going to do something about inflation, that it's not going to rise next year and it's not going to rise the year after, and three years from now he's facing 20 percent inflation.

He'll be out of business long before then, Mr. Speaker. In fact, he won't even be there. He'll be out of this province, because he can't live with it. I say, Mr. Speaker, in the financial statements of business - and you try it out for size, Mr. Minister of Industry and Commerce. You try and take the working capital of a small business. That's the difference between the current assets of the business and the current liabilities. That's not really the true picture shown on the financial statement of that business if you include double digit inflation. You know that yourself. You're an economist. He knows that, but he's not doing anything about it, Mr. Speaker. It's overstated, I say, and I've talked to many small businessmen. What will those moneys buy? What will moneys buy today if you consider the inflationary factor, because prices have gone up, wages have gone up, hydro's gone up what? 100 percent in three years. Heat. Transportation. They're constantly rising, and unless you can tell the small businessman in this province that they're not going to rise and you're going to do something about it either this year, next year or the year after, he's out of business. Because he can't fight it himself. It's that simple.

Well, the same applies to fixed assets, the fixed assets of a small businessman. The fixed assets may not be depreciated, Mr. Speaker, on a basis of the much higher and replacement costs that we are facing in this province today. You know that and I know that too, unless you include the inflationary factor. And how can a small businessman include those assets without inflation? Let's look at a realistic capital cost allowance. Now that naturally, I suppose, would raise the actual costs and I suggest to the Honourable Minister of Industry it would reduce the earnings, but I think that, Mr. Speaker, the time is here that we, as legislators of this province, must exercise every caution that's within our power to make, so that we can advise these small businesses and give them proper allowance or proper vehicles for that inflationary factor so they can carry on. Because if government, this government and the Federal Government, Mr. Speaker - and I'll say it again and again and again, if governments continue to fail to watch this indicator and meet the challenge of double digit inflation, the business community may as well forget it and close up.

Mr. Speaker, let's move over. I could talk on that subject all afternoon. But I'd like to deal with some health matters and I know I only have so much time, Mr. Speaker.

Well, Mr. Speaker, the subject of health, and let's go back to this Medicare. I recall the days when we brought the Medicare scheme into this province and we were thinking in those days of a \$50.00 deterrent fee, and I'm sure the day may come when this government will come back to that philosophy, that we're likely going to be right, because what you're today is you're using a deterrent fee. --(Interjection)-- No, we were not forced. --(Interjection)-- It doesn't even deserve an answer.

But, Mr. Speaker, let's forget the past. This government has decided to go around and tell the people it's free. Free Medicare. And that's the big "in" across this country and it's one of the number one planks of the NDP party in Manitoba, Saskatchewan and British Columbia where they're government. And they unfortunately sold the people on those three jurisdictions, and said "Yep, it's free. It's free. It's free." So now we've got the . . . and we've seen the battle that's going on in this session of the Legislature. And I'm pretty close to Saskatchewan because I live right across the border, and I've talked to a lot of Saskatchewan people and

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(MR. McKENZIE cont'd) they're raising the same questions . . . What price do we have to pay today for this so-called free health and health care? What's the price, how high is the price going to go, and when are we going to start to say uncle? We can't hack it no more - of this so-called free, free Medicare. Well . . . and I know the NDP will come back, the Minister of Industry and Commerce will come back and so . . . "because it's the best ever." It's the best ever and it's free. That's the famous slogan, Mr. Speaker, of the socialist. And of course, Mr. Speaker, they're kind of telling half-truths, or quarter . . . When I'm finished you can raise the question. They're telling kind of quarter truths or half-truths. Because they're right. They're right. The socialists are right, Mr. Speaker, as far as paying cash out of one pocket is concerned - right out of that hip pocket.

But when a citizen visits a doctor today, or becomes hospitalized, it's a different ball game, because the doctors now are pretty uptight, and the hospitals today are not staffed like they used to be. You know, there's no longer a registered nurse on all the floors. Some of the wards are closed up and the doctors are in conflict with the government. Do you think today that if I went down to see my friendly doctor that I'd get the same health care that I would have got before we were in conflict? I doubt it very much. That doctor today is not happy. Neither is that nurse happy that was in conflict with this government. Because . . . Well, no, they're not blaming me.

So I would say this afternoon, Mr. Speaker, while we don't pay directly for Medicare and hospitalization any more, the question that we've got to tell the people of this province, and I want the answers for the people in my constituency, is how much, how much are we going to have to pay? How long do we have to go on this free, so-called free Medicare scheme? What is the price? How far are you going to go, and what are the costs involved to the tax-payers of this province for this so-called socialist dream, free Medicare? Free Medicare, one of the number one planks on the NDP party of this province. And what a costly item that is today, Mr. Speaker, when we look at the estimates that are before us.

Take a look at those estimates, the 1975-76 estimates for health care in this province. Mr. Speaker, I just can't understand why there aren't some answers in that budget. I just can't. The Schreyer government - that government sitting right across from us today, Mr. Speaker - are going to spend a billion dollars to provide a million people of this province with what has become known as "essential services." Now I guess they are using some of that money, Mr. Speaker, for political advantage, but they're not supposed to. It's supposed to be for essential services: health services, social services, schools, universities, roads, parks - and the list goes on and on. Law enforcement. Those are all essential services which we, the people of this province, have entrusted to the care of this government.

Now let's look a little closer at that estimate, Mr. Speaker. Close to one - I guess it's over; it's over half a billion dollars is labelled for health and health care and education. Mr. Soeaker, even with these one-half or more than one-half billion dollars, that's not enough money today. That's not enough money for the nurses; it's not enough money for the doctors; it's not enough money for the universities; it's not enough money for the school system . . .

A MEMBER: For the carpenter.

MR. McKENZIE: This is only the beginning. The Government Employees Association of this province now are going to go out, and more and more are going to go out. How are we going to pay for all these bills? You are the government. We have the budget. What does it say, Mr. Speaker? There's not enough money for the doctors. We've gone through that harangue. There's not enough for the nurses. There's not enough for the civil service. Where is the government going to find the money to meet the salary demands that are before us today? Mr. Speaker, do you see it in that budget? Can you show me where they're going to meet those challenges that are with us right today, this year, in that budget, Mr. Speaker? Technicians, therapists, dietitians, pharmacists, professional health workers - they're all saying that they want more money. And let's not even talk about the support staff in our medical system today. They're all, Mr. Speaker, looking for pay increases this year, and I've searched that budget to try and find out how we're going to solve that problem. We're going to try and patch up old Autopac for Bill over there, or the honourable member. Can't bail him out.

Mr. Speaker, I don't know. I'm surprised and I feel very sorry that the First Minister of this province didn't give us some idea in that budget as how this government is going to meet that challenge, and it's got to be met this year. Sure, you can lay the blame on us, like you

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(MR. McKENZIE cont'd) usually do. Blame the opposition, you know. We're the ones who created Medicare; we're the ones that got the government into this problem. You can blame, as the Minister of Health says, you can blame the doctors. You can blame the municipalities. You can blame the nurses. My gosh, who else can you blame in this province? You can continue the quarrel between the Minister of Labour and the Premier and the Minister of Health and the Mines Minister, and you can go on and there's no Cabinet dissension, there's no problems over there - everything's running smoothly, the Mines Minister told us. --(Interjection)-- Rosy. Mr. Speaker, that is not true. This province is on a disaster course with that kind of a budget. I say, sir, the price of the budget may be right, it may be free Medicare, but I ask the First Minister and I ask the government across, how much is it going to cost us before this year is out? How much is it going to cost by the end of December? What is it going to cost next year? Are we going to be forced into closing up the wards in our hospitals in this province? Are we going to tell the people of this province they can't have this good health care that they've had all their lives, the best health care in North America, right in this province?

A MEMBER: All their lives.

MR. McKENZIE: All their lives. This province, Manitoba, is the top medical centre of North America and it's always been that way. Well, the Member from Point Douglas says, "Huh, that's not true." I say to the Member for Point Douglas, Manitoba is the top medical centre of North America and it's been that way for decades. But it's not going to be any longer. We're not even going to have nurses. We're not going to have registered nurses on these wards, so some of the wards are going to be closed up. Certainly we're not going to have it. Well show me in the budget.

So, Mr. Speaker, what's going to happen? We're going to have to cut down on services, we're going to have to cut down on the quality of health care, and even if we succeed in becoming the healthiest bunch of Manitobans that we've seen for 100 years, I say that the Medicare plan and the way this government has managed it and the way they're continuing to manage it, it is a disaster and it's an insult to the people of this province and the Tory party that brought Medicare into this province. Thank you, Mr. Speaker.

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MR. SPEAKER: The Honourable Member for Gimli.

MR. JOHN C. GOTTFRIED (Gimli): Mr. Speaker, I welcome this opportunity to participate in the Budget Debate and to reaffirm along with my colleagues the fact that the principles of social democracy were strictly adhered to in this budget speech that was presented last Thursday and for that I am extremely thankful. It goes another step forward into trying to equalize the standard of living between those who have had too much in this province for too long and those who have been suffering with too little for too many years.

But before I go into specifics with respect to the Budget itself I would like to remind honourable members of this Chamber that I represent a constituency which is in the process of celebrating its 100th centennial this year. I refer specifically to the settlement at Gimli which was founded on October 21st, 1875. At that time, a hundred years ago, approximately 285 Icelanders left a settlement at Kinmount, Ontario, and began the long trek to what was going to be a piece of land just north of the boundary of Manitoba, the Province of Manitoba as it was at that time, sort of a postage stamp size province. These people arrived in Winnipeg and approximately 50 of them remained here to work for the winter while the others went on barges in tow behind a ship with their destination as Hecla Island. However, before arriving at Hecla a storm blew up and the captain felt that he could not go further so that the group stopped at Willow Island and decided to make this the site of their new home in this new land.

There are some things that makes one puzzle when they look back at this adventure and it is this. Today I think we would think twice before we would send a group of approximately 280 people 60 miles away from civilization in the approaching winter season with no homes, nothing. They had enough food to last them until Christmas. One wonders just what the authorities must have been thinking about at the time and why they didn't winter this group in Winnipeg and then send them out in the spring as we would quite likely do today. I'm wondering whether it has anything to do with the philosophy that was espoused by the old line parties at that time or whether something like that would happen today. I doubt it very much. I don't think that the party we have in power today would permit something like that and I don't think it comments too favourably on this attitude that we have to be rugged individualists to send a group out like that, outside the boundary of Manitoba, in the north, to start hewing logs late in October, with winter fast approaching. However, however harsh, harsh as their treatment was, this group survived and they have made their mark on Canadian society. I'm thinking especially here of the School District of Arness just north of Gimli where a good many of the students who studied there in the early years went out to become statesmen, lawyers, doctors, even one went so far as to become known as a world famous explorer, and I'm thinking there of Vilhjalmur Stefansson. Now, in recognition of this group of hearty people our government has seen fit this year, their centennial year, to make two grants, one of \$5,000 and another of \$15,000 to help them celebrate their centennial.--(Interjection)--I believe it was yours.

The first centennial event took place a few months ago when the Prime Minister of Iceland and the Ambassador to the United States visited Gimli and I was privileged to be amongst that group to receive them. However, I want to inform you here that they told us at the time that they do expect approximately 1,500 people to be coming over from Iceland to visit Gimli on their Islendingadagurinn, the first long weekend in August. By the way this is the largest Icelandic settlement, that in Manitoba contains the largest Icelandic settlement outside of Iceland and I don't know exactly what the population of Reykjavik is but I believe it is somewhere around 100,000.--(Interjection)--Right. Right.

Now, with respect to the Interlake, the area that these people first settled in and helped to develop and bring into the Manitoba setting, very little was done, and I say this advisedly, very little was done to help these people for a number of years. They worked pretty much on their own and even the art of fishing, that is fishing through ice was something that was unknown to them because they had been deep sea fishermen. This had to be taught to them. The art of fishing through ice had to be taught to them by the Indians. A fact that is not also too well known is the fact that the European settlers who came to the Interlake at about the turn of the century also had to be taught how to hunt, because in the part of Europe from which they came from it was illegal for the poor people to hunt on the estates of the lords and therefore people did not know how to take care of themselves through the winter months and they had to be taught, they had to be taught by the native population or the Icelanders who had already been settled there.

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(MR. GOTTFRIED cont'd)

The establishment of homes in the Interlake was not an easy process. It was quite difficult clearing the land and breaking the soil and in many cases the soil was very rocky and very unproductive. I mention this because in 1961 when the Federal Government saw fit to pass the Agricultural Rural Development Act, it made provision in Clause 6 of that Act that certain areas could be designated as depressed areas and be liable to special funding. And so it was that in 1967 the FRED Agreement was signed allocating the sum of \$85 million to the Interlake. Now the reason why this pact was signed is this, and I would like to remind honourable members on the opposite side of the House of this particular fact, it was signed as a result of a survey made between 1962 and 1965. In that survey it was discovered that there were still - this is 60 years at least after the first settlement - there were still 2,243 farmsteads in the area with total annual incomes of less than \$1,500; and in addition to that there were another 1,183 farmsteads with annual incomes of less than \$254.00. So you can see quite clearly that the Interlake was a depressed area, a very depressed area. And it was no thanks to the fact that over all these years, up to 1967, in fact up to 1969, old line parties were in charge of the policies and the politics that governed the Interlake. You can see also that private enterprise was a dismal failure in the Interlake. Private enterprise meant very little to them, and private enterprise has still to establish itself in that area. So when we speak of things that go on in the Interlake, when we speak of Saunders, when we speak of other things that are going on in the Interlake, we have to think of it with that background, the fact that it is a depressed area, and that it is an area that needs and requires special input.

Now I want to make this point also, to bring you people, the members on the other side of the Chamber up to date. Just after the FRED Agreement was signed and the facts that there were farmers who were extremely poor living in the area, the then Conservative Government brought in Medicare with a flat rate premium of approximately \$204 a year. Now you can imagine what that meant to those farmers, the 1,200 farmers, who had less than \$254 income a year, it barely left enough for taxes and then what about their living. This is what the former Conservative Party did. They also, during those years, decided to make an input of \$100 million up at The Pas which they called a shot-in-the-arm to the economy of Manitoba. They did this knowing full well that in the Interlake there existed many farmsteads that were just barely, well in which they were just barely making a living, just barely keeping their heads above water and just getting along. We had money at that time then to pour into The Pas and other schemes, and since then - and this is less than ten years ago - since then this government has been trying desperately to keep making an input into the area so as to make the Interlake a viable area.

In 1970 the Canadian Forces Base was closed subtracting from the Interlake approximately \$8 million. Now our government did step in and try to fill the vacuum. It has been trying to do its best. One of the industries that it brought into the Gimli Industrial Park was Saunders and we've had nothing but a continuous reign of criticism from the opposite side. One would almost think that they would feel that Saunders should be closed or they should be taken away. They have failed to view, they have failed to view these business enterprises in their proper context, because in the Interlake the private enterprise has had no opportunity to expand or grow and because of this instead of viewing the enterprises that we are trying to establish there on a cost-profit basis, you would be much wiser in viewing it on a cost-benefit basis because there are still approximately two or three years of the FRED Agreement to complete. We're still in that stage when we still have to do this and overcome the fact that the Federal Government has closed the air base and is or appears to be a bit reluctant about helping some of the industries that we have set up in the Park.

Now one would think that at least the members on the other side would be consistent in their criticism and I have with me, I have with me a document which I am a little reluctant to read and it has something to do with the press and the coverage they have given this area. However, I think I will read it, and it refers to a couple of articles which appeared in the Winnipeg Free Press, the first one on October 20, 1974 and the second one on December 28, 1974. The first article by the Editor refers to welfare and it's entitled "Old Line"; and the second one says, "How much, how fast" and it goes into Saunders. The whole gist of both articles is that . . . well in the first the editor laments welfare abuse by individuals, and in the latter the subsidization of Saunders Aircraft. According to both of these articles, if one

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(MR. GOTTFRIED cont'd) were to read them, both individuals and firms should be able to survive without public assistance, and this I would agree with in an area other than the Interlake which has been set aside for special assistance. I would agree with it very much in the case of a newspaper industry itself which has been established for many years, but what is the case with the newspaper industry itself? Well I have here a clipping, it tells me that daily newspapers pay second class mail rates for papers sent to places in Canada and it goes on to describe what the second class rates are.

Second class mail which applies to newspapers and periodicals is the most heavily subsidized class of mail. The anticipated deficits for the various classes of mail for 1974-75 are as follows: And the second class mail, the deficit is \$45,548,000, it's 76 percent of the total cost to the Federal Government. Now for a paper that receives, if you want to call it, welfare, using his own terms, \$45 million worth across Canada, I don't see where and how they can sit down and criticize the small amounts that are going to Saunders. In the 1972-73, these are the figures for 1972-73, the actual figures for deficits are recorded in the estimates as follows: Second class mail, and that's the one that deals with the Free Press and Tribune, \$36,560,000. Now does the editor consider himself to be a man who is in receipt of welfare or receiving charity or what is this? Now I mean this in every sense of the way because the press that receives public funds like this should then at least be unbiased in its reporting. If it wants to receive \$36 million and up to \$45 million and over the next year--(Interjection)--Yes.

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

MR. HARRY E. GRAHAM (Birtle-Russell): Does the New Democrat newspaper go out by first class mail or does it go second class as well?

MR. GOTTFRIED: I can't answer it, someone here said third and if that's the case then that would be it, although the portion that would go to that paper of course is very small in comparison to that used by our major newspapers in Winnipeg. And the point I was trying to make is this, that since these papers are in receipt of public money, therefore I would think that their news should be completed unbiased, and certainly in a province where the New Democrats are the party in power, certainly they should be receiving a fair share of the views and . . . well a good coverage, otherwise why take welfare, just set it aside and forget about it.

Mr. Speaker, we were discussing the conditions of the Interlake just prior to my reading of the amounts of money that were given to the newspapers and I want to remind the members across the Chamber here of what this government has done with respect to the farmers who have been living in the Interlake over the past few years. Now unlike the previous administration which in its TED report recommended that the farm population should be reduced to 20,000 by the year 1980, and that would mean that in the Interlake there would have to be a reduction of approximately 50 percent of the farmers. Unlike that, this government has introduced what is known as the "stay option" and this stay option is a program to encourage Manitoba farmers to remain on the land.

In the debate on the Throne Speech, I did point out the fact that more farmers, more people were returning to farming in the Interlake, more are staying on their farms today, that is the trend, I believe, has been reversed and that's only in the last five or six years. But some of the reasons why that trend has been reversed are these: The first of course is the Land Lease Program that was introduced recently by our Minister of Agriculture. Now I consider it an extremely good tool for a farmer to have, that is to be able to, not divert so much of his capital into land but to be able to rent land if he so wishes and use capital for other means. I think this does help to keep the farmer on the farm where he belongs.

We have also brought in expanded crop insurance in the Interlake, expanded coverage. We have introduced rural water services and we've also brought water works and water sewer programs for the towns, Stonewall and Teulon, for instance, in my constituency now have it, and for many years, for many years they would have liked to have had it. By the way when I think of Stonewall in that respect, I think that they have missed out on many years, many years where they could have been, well advancing and prospering, they'll only be able to join now in the prosperity of the country.

We have also brought in improved veterinary services, a veterinary services program that provides for the establishment and the creation of clinics. There is also the farm labour placement offices that have been set up by this government. And then there's the STEP and the PEP programs which includes of course the Winter Works Program and all of this was intended

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(MR. GOTTFRIED cont'd) to assist the farmers to have work during the winter months, the off seasons. Then we have again the interest free cash advancement in the Stocker Program where our government provided an interest free loan of \$100 for each animal up to a limit, I believe, of \$5,000 per farmer.

Last year because of the flooding conditions, there was also additional assistance given to farmers there to purchase and/or transport hay, and of course we have introduced the new dairy policy which makes it unnecessary now for a farmer who wishes to go into milk production not to have to purchase a quota, it makes it a good deal easier for him to do so. Those are just some of the things that we have introduced to help the farmers and the people in the Interlake.

That's why I find it so strange that the Leader of the Opposition in his remarks and in his amendments did state that the Budget was significant because it increased taxes and ignored the warnings about future economic problems. There was no assistance to the forgotten man. Now who in the world does he consider to be the forgotten man if it isn't those people that I have just been talking about in the Interlake who had to try to get along on \$254 or less per year annual income. Who then is that forgotten man? Is he thinking of the five percent who have too much? We haven't done anything for them of course. Or is he thinking of the 95 percent who are in the middle and lower income bracket, because for those people we certainly have done a great deal. When he says that we are ignoring the warning about future economic problems I take it for granted here that he's thinking about inflation and he's trying to blame this Government for the inflation that has set in nowadays. And when I think of inflation it makes me think, it makes me think of the days prior to the Conservative landslide at both the Federal and the provincial level in about 1957 and 1958. I'm thinking of the days immediately prior when the Liberals were solidly entrenched in both the federal and the provincial scene and they were extremely careful, they were extremely careful in their budgetary practices to introduce counter cyclical measures to prevent, to prevent a weakening of the dollar. So much so that many people thought the economy was stagnant because of it.

And then I can recall how the Honourable John Diefenbaker came in and within a short time the Governor of the Bank of Canada was called on the mat and he resigned, he resigned because of the practices that the then Conservative Party were thinking of introducing. That is the time we embarked on the inflationary process that we're into today. And you're not going to stop inflation 10 years after it started. The time to stop it is right at its inception, not many years later. It's no good to talk about inflation now and the amount of work that the New Democratic Party in Manitoba can do, we are only one million here as against or opposed to another 19 million in the rest of Canada. It is when they begin to take action, then we may see some recession, that is some control of inflation take place. Certainly Manitoba can't do it itself. All we can do here is help to alleviate the blow and to stimulate the economy as much as we can under the circumstances. But inflation I feel is a necessary part of the old line thinking of free enterprise, the boom-bust cycle. It's an inherent part of it, it's something that goes along with it and if that's what the majority of the people in the Dominion want well then we've got it. But certainly don't blame us for inflation, it began with the Conservatives back in the late 50s, early 60s, that's when it began. And they are the ones who should accept the responsibility for it now and not try to saddle it on someone else's shoulder. In fact the Honourable Leader of the Opposition would so much like to saddle his problems on our shoulders, that is he would like to do these things but he isn't succeeding, and he reminds me a great deal of the wicked stepsisters of Cinderella in his attempts to try and fit his foot into their shoe. And of course it won't fit, it never will fit and the people out there, the electorate know it, they know that the honourable members across the Chamber can never fill the shoes of this Government no matter how hard they try. It's with that thought that I'd like to thank you for your attention, and . . .

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. SHERMAN: Thank you, Mr. Speaker. I'm pleased to have a chance to offer a few thoughts in this Budget Debate. They may be somewhat different than some of those that have gone before. I want to leave it to others, and up to this point I think I have successfully left it to others, Mr. Speaker, to catalogue the dismal failure of this government with respect to its fiscal programs. Many on this side have already done that very eloquently and no doubt there will be others contributing further in that vein before the debate is over.

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(MR. SHERMAN cont'd)

I simply want to reiterate my firm conviction on the basis of the non-program for fighting inflation and fighting cost of living difficulties in the province today. My conviction that this government has failed in this Budget in its spending program as portrayed in the Estimates and in its promises to the people of Manitoba to tackle the number one urgent issue of the day. The government has failed to practice what it preaches and what the First Minister preaches in respect to restraint. It has failed to fulfill people's expectations which it elevated to a very high level on the basis of remarks made the length and breadth of the land by the First Minister, and it has failed even to try to tackle inflation in the budgetary document introduced in this House a few days ago. Its biggest failure therefore, Mr. Speaker, is a composite of all the frustrations and the disappointments that naturally accrue or ensue from that kind of series of failures. Its biggest failure is its failure to give hope to people themselves. Its failure to sustain the hope of the taxpayers of Manitoba that something is going to be done about the problem, something is going to be done about the vise in which they're caught when it comes to inflation, cost of living and taxation levels, basically when it comes to coping inside today's living scales, weigh scales, with the cost confronting everybody on every level and every sector of the living front, food, housing, transportation, clothing, education, maintenance of families, on every level, on every section of that front.

Mr. Speaker, as I said there are many on this side who have spoken and others who still intend to speak with respect to the bankruptcy of the Government's fiscal programs. I don't intend to either belabour that point or attempt to gild the lily in that respect. I want to make the point in my own way and in my own words as I have done for the record, that I feel that the Budget combined with the Estimates introduced some weeks ago represents a total repudiation by this government of the promises that it held out to the electorate, but I want then to go on past the purely fiscal program which we're confronted with in the Budget and look at another aspect of our collective lives in Manitoba where the government's record has been indeed an impoverished one.

That, sir, is the field of labour and labour relations, labour management relations, industrial relations generally. And here, sir, not only has the government failed but it has failed as a labour government which is perhaps the most cutting indictment of all. A government that was elected on the basis of its so-called sensitivity to the labour community, to the working man, a government that has posed and postured for many years prior to its becoming government as champion of the working man, the working force and here . . .

MR. ADAM: Well you haven't postured. We know who you champion. We know who you champion.

MR. SHERMAN: . . . and here comes its most dramatic, its most cutting failure of all. The degree to which it has let down the labour community and the degree to which it has led the labour community down the garden path of promises and expectations.

Mr. Speaker, the Minister of Labour, who unfortunately is for reasons of health not able to be with us at the present time, and we all are indeed sorry to hear that he is not in good health, the Minister of Labour said recently that he didn't realize you know in the beginning of his term of office that he was going to face some of the changes, some of the difficulties, some of the convolutions in society that have caught up with us in the last few years. He said that he felt he had failed. I don't want to say, for obvious reasons, that I think that the Minister of Labour has failed, I wouldn't say that, sir, unless he were here in the Chamber and I were able to confront him in debate and argument on that point. But I want to say this, that when he said that he felt he had failed as the Minister of Labour I'm sure he was implying and suggesting that the government had failed as a government of labour, the department had failed as a department of labour and in that respect, in those remarks, sir, I suggest he didn't know how close he was to the precise truth.

This government has missed a great and golden opportunity that few governments of any stripe have had at their beck in Canadian history. Certainly there are few provincial New Democratic parties that have had the opportunity that this one has had where it comes with relationship with the labour community and with working men and women generally. They could have been a great labour government, Mr. Speaker, but they weren't big enough, they weren't visionary enough to meet the challenge, they weren't big enough for that job. Some decades ago they were frozen in the posture of alley fighters, they were frozen in the posture

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(MR. SHERMAN cont'd) . . . of sort of union and management slugfests, they were frozen in the posture of verbal fisticuffs and they have never escaped that posture, they've never been able to rise above the level either rhetorical or mental of the alley fighting trying to fight for his rights against some oppressive kind of overlord. They have never been able to accept the real responsibility and the real trappings of authority, of government responsibility, of office, so frozen in that old posture they've been fighting the battles, maintaining the belligerence of decades ago and so it's been impossible for them to take the initiative and display the imagination and do the things that need to be done to try to bring some harmony and to try to bring some communication to the troubled industrial relations field. I think their basic approach with respect to labour has been very much like their basic approach with respect to the opposition in this House since the day they were elected, Mr. Speaker, and that has been an approach of posture of confrontation, not one of communication, not one of consultation but one of confrontation, and although they may feel that they can get away with that in coping with the particular requirements of a Legislative Chamber like this one and in dealing with politicians across a Chamber, I think they're learning to their peril, and certainly to their dismay, that that's no way to deal with the public at large, it's no way to deal with the voting community, it's certainly no way to deal with the labour community for whom they created such great expectations.

They had a call to become a progressive, an imaginative, an initiating type of labour government, and that call, sir, fell on deaf ears. In fact if I may return to the analogy of the alley fighter and a posture in which I suggest they've remained stuck and frozen, that all fell on cauliflower ears. They have not been able to rise to the challenge that is contained in the difficulties and the questions and the areas of exploration that exists in the whole labour relations field in the province today. And therein lies the greatest tragedy of their administration, therein lies the greatest tragedy of their six years in office to date.

Sir, I think it's been something of an eye-opener and something of a revelation to the labour community and certainly to many people throughout Manitoba who are not in the labour community, to see a labour government in office, a so-called government of the working man. I think it's been an eye-opener and I think it's been a disappointment and I think it's been a disillusionment . . .

MR. JORGENSON: Also a tragedy.

MR. SHERMAN: As my friend the Member for Morris suggests, it's also been a tragedy. It certainly is an incipient or a potential tragedy if one surveys the boiling industrial relations scene in the province today. This is the labour government as I suggested, sir, that was going to be sensitive to these problems, to the labour community's desires and ambitions. And what have we all found from this experience, what have we all found from this experience, Mr. Speaker? We've found out that under a so-called labour oriented administration we have more labour unrest, we have more workingman discontent than we ever had before in the history of Manitoba.

I'm not suggesting that this Government necessarily created that condition, although I think in the Manitoba Labour Relations Act that was propelled through this House in the summer of 1972, they created many of the problems that confront them today. They were, because of that legislation, the architects at that moment of the kinds of problems that they're now dealing with to a large degree. But whether that is the basic point on which we should be attacking them, Mr. Speaker, is not of relevance to me at the moment in addressing myself to the over-all picture. The important thing is that the condition exists and this government has not been inclined, has not had the will, and has not had the style to meet those challenges and try to do anything about them. And that is a sad commentary and a sad speech to have to make to an NDP government, to the first of the three NDP governments existing in western Canada in this current decade.

So, Mr. Speaker, I repeat that for all the failings and shortcomings that occur in the fiscal program to which others have addressed themselves, nothing I think is as tragic or as telling about the bankruptcy of this administration than that it should be unable to meet labour problems with anything more than the kind of partisan acrimony that we have in debates in this House and questions in this House on labour problems and industrial relations matters. That must surely be the signal failure of all that can be laid at this government's door.

Mr. Speaker, if anybody needed any evidence of the size of the labour relations challenge facing this province and of the utter bankruptcy of this government's capacity or its will to deal with it, we had that experience in spades today, sir, we now have that experience in spades

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(MR. SHERMAN cont'd) with the apparent physical collapse of the Minister of Labour. I am sure that many of his difficulties result from the kind of pressures, the onerous responsibilities under which he has had to toil in that department, and that underscores in the most unfortunate fashion the depth and the size of that problem that this government either inadvertently created or advertently created, or was unable to arrest in its development during the past few years. Sir, the labour situation at the present time in the province could be described without exaggeration as a cauldron, and one doesn't need to catalogue all the sectors and areas of industrial unrest and wage strife to substantiate that definition. There is the continuing strike at Transair, there is the continuing strike among the support staff workers at the University of Manitoba. There is the potential difficulty already clearly spelled out by many spokesmen forthcoming from six more bargaining units on the University of Manitoba campus between now and next fall. There is the strike situation now involving the sheet metal workers in the construction and building trades industry. There is the carpenters strike. There is possibly a wholesale multi-trades walkout. Possibly a wholesale strangulation of the whole construction trades industry. There was the head-on confrontation with the nurses in which a strike was just barely averted a few weeks ago. There was the head-on confrontation with the doctors in which a strike was just barely averted a few hours or days ago. There is the difficult and militant situation developing with the Manitoba Government Employees Association which is really just a carryover, a spillover from a very unpleasant and a very bitter confrontation between the government and the MGEA last year.

These are only some of the areas of strife and discontent and unrest and strike and potential strike that exist across the spectrum of labour and labour management relations in the province today. And if these don't add up to a major emergency in this society, Mr. Speaker, if these don't add up to a crisis worthy and deserving of total commitment on the part of this government, then nothing does. Then nothing does. If that kind of disruption, that kind of difficulty, that kind of dislocation in a general sense in our society today is not a major problem and a major challenge that should inspire a government to wake up and stand up and commit itself imaginatively and creatively, to act like a government, then there's no challenge, there's no difficulty that can ever do that. There's nothing ever worthy of that name.

Mr. Speaker, quite possibly the Minister of Labour never enjoyed the health necessary to cope with the kinds of problems that have been developing in the last six years. Or possibly his health broke under them. If the latter is the case, Mr. Speaker, then the first Minister long ago should have given him help, should have provided him with assistance. And if the former is the case, if the Minister's health was never good enough to stand up under those pressures, then the First Minister should have done something about it before it reached the critical stage it has reached now. And it's the First Minister's responsibility to deal with those problems as he sees them arising and developing. He should have, long ago, provided the assistance or the replacement necessary to meet the problems and to save the health of the Minister of Labour. And nobody, nobody can escape the truth of the fact that it's the First Minister's responsibility to watch for and to act in those situations, Mr. Speaker. Especially so when the industrial fabric of the entire province was being dislocated as has been the case in these past few months and years. Especially so when he knew that he was going to be facing these many challenges and they were developing, they were breaking into the open daily and weekly. That should have been the kind of situation that inspired a First Minister to meet the challenge head-on, to recognize it, to identify it, to stand up and say, here is where one of the great battles is developing, and we need the strength, intellectual, physical and otherwise to meet that battle, to meet that challenge now and try and do something about it. And perhaps it's too much for one man, perhaps it's too much for the present incumbent in that office, and that being the case I will make these decisions and those decisions and I will draw strength and support from here and from there and I will put the necessary components together and build the necessary team and create the necessary initiative and energy to deal with that problem. It's not enough to slough it off and to feel that it's taken care of because it's in the hands of a veteran colleague and in effect to walk away from it and to go to Ottawa and other parts of the land and preach about the restraints that we're going to introduce in this province, preach about the battle that we're going to fight to try to get a handle on the cost of living and bring this difficult economic condition under control.

Mr. Speaker, it's been evident I think to everybody in this Chamber and that includes

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(MR. SHERMAN cont'd) those in the press gallery and the public gallery for weeks now that the government with respect to its posture on labour and labour problems and legitimate labour questions, has been acting in a totally unacceptable manner where the voters of Manitoba and the opposition in this Legislature is concerned. They have been acting in a manner unworthy of government and they've been acting in a manner that has been a disservice to the people of Manitoba. Time and again we have asked legitimate questions in which the public and the taxpayers are interested, and which the public and the taxpayers are entitled to have answers to, through duly elected members in this legislature, and because of the, obviously because of the mechanics of the House, most of those questions are quite naturally going to come from the opposition side.

It has been too big a problem, too serious a situation to condone the conduct of the treasury benches in respect to their non replies, in respect to their reaction to those questions, in respect to their posture under the face of those questions. Time and again the treasury benches, represented largely in this case by the First Minister and the Minister of Labour, and to a very great degree where the university difficulties are concerned, the Minister of Education, Colleges and Universities, time and time again they've reacted either with complete nonchalance unbecoming their responsibilities, or they've acted with complete arrogance which has constituted a major disservice to the taxpayers, or they have reacted with bitterness and acrimony which has done nothing, Mr. Speaker, to try to build the atmosphere necessary to solve some of these problems in a co-operative and collective manner.

I don't think that the Minister of Labour who we now find is ill, can be held entirely responsible and accountable now, for some of his conduct, for some of his remarks and for part of his attitude, but certainly the First Minister can, and I go back to the point of a moment or two ago, that if that breakdown was occurring and if the Minister of Labour were not going to be able to treat responsibly with the questions raised in his area by the opposition then the First Minister certainly had a major responsibility to correct that condition and do something about it.

Mr. Speaker, early in this session the Minister of Labour said, and I'm quoting him I think reasonably directly, "this is a hell of a year to be the Minister of Labour." Well, sir, that situation hasn't changed from the day that this session opened. In fact if anything it has worsened. And I think that if the people of Manitoba are fortunate enough in 1977, or sooner, or later, to return a Progressive Conservative Government to office, I think that we will be paraphrasing the remarks, I think that we will be paraphrasing the plaint of the Minister of Labour and we will be saying, "this is a hell of a mess to inherit." That's what we're going to be into if something isn't done by this government to cope with those challenges and those conditions.

Mr. Speaker, there are many things in which imagination and initiative and energy could be taken and applied in the labour field. I recognize the difficulty of the demands in the wage field that exist right across the country, right across the western world today. It's not unique to Manitoba and I know that that is a problem that's going to take a special kind of a solution. But sir, the Minister of Labour, and I hold the First Minister responsible in this case because as I have already said I regret that the Minister of Labour's health obviously has not permitted him to handle these duties, but the Minister of Labour and the First Minister have talked for some months now about amendments to the Manitoba Labour Relations act. We've seen no sign of anything in that field and we would like to know, sir, whether the amendments that they contemplate, whether the amendments that they contemplate are going to be as damaging and as destructive as the original legislation in 1972 was. That has created enormous problems for the people of Manitoba and for that government. And are they still bent on the course of proceeding with further modifications and further refinements to that piece of legislation that's going to make it even more unworkable, even more oppressive and create even more labour difficulties and discontent? This is what they've proposed, this is what they've suggested. So far we've seen nothing. We'd like to know, have they shelved that plan of folly? Have they decided that they've done enough damage, or are they still going to slip in some more damaging changes in that field?

Mr. Speaker, the Minister of Labour promised last fall, late last summer and last fall that he would call the Industrial Relations Committee into session. That was long before this session of the Legislature got underway. The Industrial Relations Committee hasn't met since last June when the last session of the House was sitting and dealing with legislation in concert

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(MR. SHERMAN cont'd) with the Law Amendments Committee, Mr. Speaker. More than a month and a half ago I asked in this House for the Minister of Labour and/or the First Minister to call the Industrial Relations Committee into session to deal with, to look at some of the economic problems in the industrial field today in the province. There has been no action in that field, there's been no initiative, there's been no response. Oh there was a verbal response that they were going to do something about it, but nothing has been done, the situation has continued to deteriorate, the Minister of Labour and the First Minister like a couple of bloated Neros have continued to fiddle while Manitoba burned in the industrial sense.

Mr. Speaker, the Minister of Labour said last year that he was going to set up an advisory committee to his ministry, that was going to draw for its delegates and for its representation on all sectors of the community, including the Injured Workmen's Association, for one. Where is that advisory committee, Mr. Speaker? We've been waiting and many sectors of the community, have been waiting for months for that committee to be appointed. Nothing has been done in that field that at least has been made evident, nothing has been made evident either to this side of the House or to the people of Manitoba generally, so we have to conclude that that's another area of non-action while the fires of industrial dispute and unrest continue to burn throughout the province.

Mr. Speaker, there is the widely discussed question of first agreement arbitration, a principle that has created considerable controversy in other jurisdictions and one to which this Minister of Labour at least paid lip service on many occasions inside and outside this House. I think that all of us in the labour community and on the fringes of the labour community and affected by the labour community, and that's all of us in the province, would like to know whether this Minister of Labour and this First Minister are going to introduce first agreement arbitration or whether they've decided it's a hot potato and they can't live with that kind of a concept and they're now going to duck away from it. Can somebody on that side, can somebody on the treasury benches tell us what is going to be done with respect to concepts and principles of that kind?

Mr. Speaker, what about the long hoped for solution to the alternative to the strike? What about the search for the "better way" Mr. Speaker? Something that was going to be better than a strike, something that was going to be better than head to head labour management confrontation. A new technique that was going to bring some rest and some harmony and some communications to the industrial relations field. A new technique that would be part of what we have heard described over there as the new Jerusalem. Nothing has been done in that field, Mr. Speaker. As I said before, I think in this same session, instead of the new Jerusalem, they've given us the old Chicago. That's all we've had. We've had no initiatives taken in that area. Where is the "better way" Mr. Speaker?

Well, Mr. Speaker, I see that I'm racing the clock at this moment and I had two or three other points I would like to make, but I do want to say this, sir, that for all the blame that we can heap on the government's doorstep in this area, we do recognize that there are enormous problems that are going to take more than good will to solve, and that is why we've been, I think, very honest and very flexible about asking for communication more than asking for settlement and solution. Simply asking for communication and for consultation and for negotiation. And I think this is a point that has been either missed or distorted by the government when dealing with our particular position in this field, sir. Perhaps when the sitting resumes this evening I can elaborate a little further in the time remaining to me on that point. For the moment, Mr. Speaker, may I call it 5:30.

MR. SPEAKER: The hour being 5:30 I am now leaving the Chair to return at 8:00 p. m.