

THE LEGISLATIVE ASSEMBLY OF MANITOBA
8:00 o'clock, Tuesday, May 5, 1970

BUDGET DEBATE

MR. SPEAKER: The proposed motion of the Honourable Minister of Finance and the proposed motion of the Honourable Leader of the Official Opposition in amendment thereto. The Honourable House Leader of the Liberal Party.

MR. G. JOHNSTON: I hope that the applause is as warm when I finish, Mr. Speaker. -- (Interjection) -- They're coming.

Well, Mr. Speaker, I have a very unusual beginning to rather a formal speech, but I think it's the only way in which the questions can be asked so that the Minister has some time to study them. I have in my hand a report of the Provincial Auditor for the fiscal year end at March 31, 1969, and it was tabled in March of 1970. I would refer the House to Page 5 of the report. This is the Provincial Auditor's report, and I would direct the Minister of Finance's attention to the -- in case he does not have it in front of him, it's the last paragraph on Page 5. "An agreement," - and I'm quoting - "An agreement with the City of Winnipeg dated February 23, 1967, was signed by the Minister of Public Works for the construction of a pedestrian tunnel under Main Street to connect the Manitoba Centennial Centre with the City Parking Garage. The City of Winnipeg constructed the tunnel in 1967 at a cost of \$316,756.42. In accordance with the agreement, the government of the Province of Manitoba is required to pay for approximately one-half of the cost of the tunnel." And the next sentence I would like the Minister to listen to rather closely. "There appears to be no legislative authority for this contractual obligation." I repeat, there appears to be no legislative authority for this contractual obligation.

Now, when one looks up the Treasury Act - I quote from it - "No Minister can commit the government except by legislative authority." So when he's replying I would like to know who the Minister was and what has been done and whether this has to be legalized or whatever. It's not within my powers under the rules to ask anyone on this side, I ask the Minister.

Also, on Page 7 under the heading "General" - and I only quote halfway through the paragraph and I hope not out of context - and I quote: "Any matters discovered during the course of audit which warranted the attention of the ministers was reported to them." Now, Mr. Speaker -- well, I'll finish the next sentence. "Other matters were directed to the appropriate officials. All matters either have been or are in the process of being attended to." Now, Mr. Speaker, my reason for mentioning this at this time, I think that the members of the Assembly have the right to know what these matters were which warranted the attention of the Ministers, and I think there should be some sort of a report made to the Assembly about those matters.

Mr. Speaker, since last September when I spoke for our party in the budget debate, I believe I complimented the present government for their approach to correcting the method of paying for Medicare and I think I said on behalf of our party that we agreed with the ability-to-pay principle, and we supported them in that measure that they took at that time. However, I think it was also said by the Member for Ste. Rose that we did not agree with this government's proposal, which is now law, to tax the business community to a rate which is higher than most parts of the rest of Canada. My friend from Elmwood says, well this is part of the ability to pay, and I agree. I agree, but I say this, that this was the first shock to the business and investment community and they may have recovered from that shock. -- (Interjection) -- Well, some of them were shocked, no doubt, and some weren't. But the first shock to the business community was at that time when they found that they were going to be taxed more than - for that type of tax - any other place in Canada. In the case of business, the increase went from 11 to 13 percent in the provincial tax on corporate profits. There was also an increase of 18 percent over-all in the provincial share. It's a new cost which is placed upon a business, the business sector which must compete, compete for markets across Canada and in the United States, so in the absorbance of this cost, small though it may appear, it created a problem for some of the people in the business community.

Now maybe, Mr. Speaker, I should repeat that I am not championing big business -- (Interjection) -- I know, I expect this charge to be made; I expect this charge to be made, that I am taking on the cause of big business, and I'm willing to risk that. On the contrary, I firmly believe that business must pay its fair share of the cost of government. Further, I believe that by far the large majority of the people in the business sector appreciate this and are willing to take the responsibility in this connection, but what concerns me, Mr. Speaker, is the question of whether or not this new tax has seriously impeded our ability to attract new industries to

(MR. G. JOHNSTON cont'd.). . . . Manitoba and to our ability to retain existing industries and the expansion of the same.

Those of us who have been in touch with the business and professional people have found that a profound sense of unease and doubt exists in many of their minds. And I repeat again, when I say "business people", I'm not talking about General Motors or other large super corporations, I mean the Manitoban entrepreneurs who hire and work along with a few people or a dozen people or 50 people or whatever. How else can they feel when they hear senior members of this government making strong statements against certain sectors of their community?

In the beginning, the First Minister appeared most anxious to reassure this group and many of his public speeches were no doubt designed to do just that. For example in a speech called "Building for the Future" given in New York on the 2nd of October, 1969, he said, and I quote: "We must and we shall carry out an aggressive policy of industrial and commercial development. We must and we shall provide efficient government and a sound climate for investment. We must and we shall encourage investment from many sources, in Canada, United States and abroad. We must and we shall provide all the development aids at our command to help make their undertaking sound and progressive. Our goals and programs for social justice and an enhanced quality of life for the people of Manitoba depend upon a flourishing business community developing the economy of the province. Developments are taking place at a rapid rate throughout Manitoba. A broad base and diversification of Manitoba's economy creates many opportunities for profitable private investment in Manitoba. The government is dedicated to maintaining a climate where such investments are encouraged."

Well, Mr. Speaker, I'm sure that there are some people to whom this message was directed who may be having some second thoughts. At the beginning of the session, while taking part myself in the Channel 7 program known as Broadway Beat, I took part in a program with the First Minister and a member of the Conservative Party, and during the comments that were made on that show, the First Minister said that my assessment of the government's proposed legislation on auto insurance was the correct one. When I speculated. . . .

MR. GREEN: He said it was a fair analysis.

MR. G. JOHNSTON: Well then, was it? Was it a fair analysis? Was it? My friend the Minister of Mines is very touchy on this subject.

MR. GREEN: Well, because you're not telling the truth.

MR. G. JOHNSTON: Well, perhaps you should examine the tapes. I was there.

MR. GREEN: And I heard it.

MR. G. JOHNSTON: I believed the reporters who were there accepted the fact that he agreed that the private companies and the government would be able to compete in the same field.

MR. GREEN: He said you made a fair analysis.

MR. G. JOHNSTON: Well, I'm very sorry if my friend the Minister of Mines has become aroused on this point but that was the understanding of the reporters on the program and the two other members that took part in the panel. It now appears that this is not going to be the case. With anyone here to guess to the state of mind of anyone, be he a native Manitoban or someone who is thinking of coming to Manitoba to build and invest here, when he reads some of the harsh statements which are being made almost weekly by members of this government, surely the Minister of Industry and Commerce has an impossible task in attempting to convince potential investors to locate or expand in Manitoba when statements like these are being made by Cabinet Ministers.

MR. GREEN: What statements? What members of the government?

MR. G. JOHNSTON: All right. What about this one? Is this the way to carry your argument to the people on a reasonable discussion when a Minister says, and I quote: "Manitoba will be a battleground for public auto insurance." Is that a reasonable way for a Cabinet Minister to enter into a public discussion with the people of Manitoba?

MR. GREEN: It's the truth.

MR. G. JOHNSTON: Is this a good statement to make to people being asked to invest here? And I'm quoting Mr. Pawley, the Minister of Municipal Affairs, when he says, and he's talking now about the presidents of the auto insurance companies - and let's remember, auto insurance companies are engaged in other business; they are engaged in investing in the province; they are engaged in insuring homes and farms and hail insurance and what not - and here's what he says.

(MR. G. JOHNSTON cont'd.). . . . He says this about the presidents of some of the companies: "Because their credibility isn't worth a damn nickel at this time in the Province of Manitoba." How is the Minister of Industry and Commerce going to go out and deal with people who want to come here and invest, when people who are engaged in a legitimate business and have no means to defend themselves, see statements like that being made.

MR. GREEN: They say there were 7,000 people out there with them.

MR. G. JOHNSTON: Does everybody in that Party agree with this statement? Let's hear it. Do you?

A MEMBER: Yes.

MR. G. JOHNSTON: Yes. There's one, there's one with the guts to say it.

A MEMBER: Sure, I do too.

MR. G. JOHNSTON: There's one. The Member for Logan has the courage to say it. -- (Interjections) -- Yes, here it comes. This is democracy, let's wait for the vote. We'll sock it to them eh? Is that it? Is that it? You're going to drive them out eh? How do you think this goes down with people who have put two or three million dollars into the business community - and I'm talking about small businessmen and farmers - when because they take part in participatory democracy and they write a letter expressing their views -- the Binscarth and District Chamber of Commerce write a letter and put their views on record, they had the courage to do that, and what kind of a reply do they get? They're called a bunch of misguided fools. These are people collectively that invested their life savings in this province. They like to live here; they want to provide more jobs; they want to provide a good living for their families and their community; and this is the way they're treated when they write a letter and put their views on the record? I notice my friends are not so vociferous now. The Minister of Transport - and I give him credit for being frank - but my goodness when a Minister who deals with the people of the province takes this attitude because he doesn't agree with them, it's certainly not creating a very healthy climate. It's certainly not creating a situation where the Minister of Industry and Commerce and the Premier, who have to go out and try and bring people in, and they have statements like this haunting them. -- (Interjection) -- Do you want any more statements? I have lots of them. I have lots of them. Here's one from - well, I say a senior member, he's an advisor of some sort to Cabinet - the Member for Crescentwood has laid down a six-point plan. . . .

A MEMBER: Read the one from Gerald Hart why don't you?

MR. G. JOHNSTON: . . . for Canada, and I presume he's busily pursuing his goal in implementing the six-point plan.

A MEMBER: Read the one from Gerald Hart.

MR. G. JOHNSTON: . . . he wants to establish Crown corporations for major new economic development. Well, Mr. Speaker, he's told us the corporations that he would like to see established. He's told us that through the press and through seminars within his Party. He's told us he would like to see life insurance companies next; he's told us he would like to see government-operated grocery stores; he's told us that he would like to see the news media have some sort of a control. Well I ask you, Mr. Speaker, who in the hell are going to pay the taxes in this province? Who are going to pay for the social programs that we all want?

MR. GREEN: Not one cent in taxes is paid by the people that you're talking about.

MR. G. JOHNSTON: Who hasn't paid one cent in taxes?

MR. GREEN: That's right.

MR. G. JOHNSTON: Who? You can enter the debate later on.

MR. GREEN: The people that you're talking about don't pay a penny.

MR. G. JOHNSTON: I say that the Minister can enter the debate later on and I'll welcome his comments at that time.

Well, Mr. Speaker, I'm sorry if I've aroused a few members on the other side but I hope that the next time that some of them who take it upon themselves to speak to the business community will temper their remarks, will temper their thoughts as well, and will realize that here are the people by and large who are going to, through taxation, put up the money so my friends can put in some of the social legislation they would love to. And I don't fault them for that. There's many programs we would like in this province - nursery schools, help for those who have not been able to help themselves earlier in life - we all want these things. We all want these things but we have to get the dollars from somewhere. We have to get the money from someplace. -- (Interjection) -- There's doctrinaire socialism if I ever heard it. Soak the rich

(MR. G. JOHNSTON cont'd.). . . . to help the poor. The province - it's black and white, it's rich and poor. It's rich and poor.

Well, Mr. Speaker, in too many cases government have -- I'm talking now about perhaps some of the ideas I think that should be looked at by my friends across the way if they can take their eyes off certain of their goals that they've been fiercely pursuing for twenty years. Perhaps the government should initiate some study to work with the private sector in agriculture and business to attempt to work on some of the development in our province. The farm problems in particular require better leadership in advising farmers as to the marketing of their products. Up until now little such information has been provided. I believe, too, little effort is put into the task of converting the excellent and successful research of our university into the development of industries and products which can provide opportunities for the farmers and businessmen to grow and to provide employment for our citizens.

If we are to broaden our industrial base through the province to provide employment and earning for our people, then the government must give some leadership - not knock, not complain, not talk about what Ottawa hasn't been doing lately, not blame previous administration, but provide some leadership now. The government must stimulate the private sector, not shake it. And I repeat - stimulate, not shake it. The present government has not indicated its course of action in economic development. We have heard a treatise, I believe it might be called, last evening and yesterday afternoon, and we have heard statistics quoted to us and we have heard some of the hopes the Minister has, but I don't think the Minister can stand in his place - the Minister of Industry I'm talking about now - and honestly say that through the efforts of the New Democratic Party since they came to power they've produced one job. They produced a continuing program that has been going on in Industry and Commerce for some years.

HON. LEONARD S. EVANS (Minister of Industry and Commerce)(Brandon East): I can honestly stand up in my place and say we've produced many jobs.

MR. G. JOHNSTON: I hope my friend will enter the debate later on. Well I mean a job where you have to take a little bit of capital or go out and work and put something together. I don't mean a government handout, I mean a productive job that is going to help Manitoba.

As the Member for Assiniboia noted yesterday on the matter of economic development - and my friends across the way were great ones to suggest that the committee should be in action and I supported them at that time - the Economic Development have spent - what? - two hours and ten minutes since the last session? Well, somewhere in that neighbourhood. This important committee - most of us considered it important but some of my friends opposite obviously, the ones that had the power to call the committee, didn't consider it very important.

There has been many remarks, some in praise and some in damning made against the TED report, but the TED Commission really was a study conducted by native Manitobans on what best could be done with what we had to work with here in Manitoba. -- (Interjection) -- Well I'm not going to say that, but no doubt there were political people of all stripes on the committee. But there was a sincere effort made by the administration at that time to try and arrive at some conclusions so that government and others in the province could tackle the situation with a plan, with a planned approach. It stated positively that there are no reasons why Manitoba, why the economy cannot reach the 1980 targets, although the Minister mentioned yesterday that some of the targets were based on false premise and I'm not going to argue with him, but there was a sincere effort to set targets and set goals to work towards and I wish him well when he tries to approach this problem.

If I may remind the House, the challenge of the report can be summed up in three points: to give economic development highest priority. That was the first one. The second one, recognize the importance of efficiency in the use of Manitoba's resources, both human and material. The third one, use careful study of Manitoba's problems as a basis for intelligent and . . . action to solve them. It means that Manitobans of course must have some confidence in themselves, that government must play a part in creating and nurturing this confidence in this climate. I believe at the present time there is a big doubt in the minds of many of the people as to whether or not the government are playing their proper role. I know that there are many problems but we must be assured that the answers will be found if we tackle them realistically and positively. The government must be prepared to deal with economic development on an objective and non-partisan basis. Yes, I hear my friends laugh, some of them can't believe that you would approach problems like that.

HON. RENE E. TOUPIN (Minister of Health and Social Services)(Springfield): Who's laughing?

MR. G. JOHNSTON: Well it's not echoes.

A MEMBER: . . . not on this side.

MR. G. JOHNSTON: Oh yes it is. The government of course will have to deal with economic development and we hope that they will be able to change some of the approaches and be able to deal with them. This afternoon there was a rather lively debate on whether or not members of the opposition had the right to ask questions or criticize or offer suggestions, and I think the point was made. I think the point was made. So I say that the government must be prepared to accept suggestions instead of taking a pious attitude that everything they do is not only right but beyond doubt. My colleague from Ste. Rose has already presented a resolution to this House for government consideration on economic development based on the recommendations of the TED Commission. Little has been done actually since the TED report has been tabled and we hope that some action will be taken in the coming year.

Now while I give credit to the Minister of Finance for practising some restraint in avoiding an increase in sales tax or income tax this year, it should be noted that there have been stiff increases in other areas, namely park entrance fees and camping fees, and I wouldn't exactly call this soaking the rich, Mr. Speaker, I think our parks are here for the enjoyment of all our citizens. There have been increases in the form of land transfer fees. These were not really fee increases based on rising costs in my opinion, but rather substantial tax increases as was brought out under the estimates of that department. Also, the fees under the Consumer Protection Act are rather heavy, I would suggest, when one form of business operating under the Act, namely a collection agency, is assessed \$300 for a license. Well, in my opinion that's not a fee, that's a tax. That's a tax. I'm glad to see someone on the other side agrees with me. The Member for - Wellington? - St. Matthews is nodding his head. He agrees with me that it's a tax.

Then of course we have the recommendations of the Auto Insurance Committee, and from the statements that have been made by government members it's pretty well a foregone conclusion that all the recommendations of that committee will be implemented by way of legislation and they of course recommend, among other items, an increase in tax on gasoline, on automotive fuel, so perhaps we're not through with the tax increases yet this session.

MR. ENNS: That's the hidden ones.

MR. G. JOHNSTON: Yes, the hidden ones. I'm sure that many Manitobans who were persuaded to vote NDP based on certain election promises were bitterly disappointed to find that there was no relief promised in house taxes, especially, Mr. Speaker, the almost desperate need for immediate relief to our senior citizens who are trying to maintain a modest home on a small income.

A MEMBER: They're going to study that.

MR. G. JOHNSTON: Most of these people have worked their entire lives to have a home of their own and this was done with a great deal of sacrifice to themselves and their families. Now in their retirement years they simply do not have sufficient income to maintain their property and pay their taxes. Surely these people must be discouraged with the heavy tax load when they thought they could retire with dignity and decency and live in comfort for the rest of their days. Now they find, many of them find that they do not have sufficient money to keep up their homes, repair, pay for fuel, hydro and the property tax, so in some cases some of them are forced to sell and move into smaller quarters or look for rental accommodation wherever they can find it. In my opinion, property is not a fair basis for raising revenue for education and other services because it is really not based on the ability to pay - this government is so proud of that phrase, the ability to pay - yet property is bearing a bigger share of the costs of government every year. It is recognized, I would hope, that something must be done for the property taxpayer who is on old age pension and who qualifies for a supplement. -- (Interjection) -- Someone said they promised. Well, Mr. Speaker, they promised more than that. They promised more than that. I have one of their pamphlets. "A New Democratic Government will give tax exemption on the first two thousand of assessment on residential property." There's no -- (Interjection) -- I'll read it. Yes, I certainly will because you're deceitful there too.

A MEMBER: Go ahead.

MR. G. JOHNSTON: There's no time limit on that. I suppose this can be handy to say, well we didn't say when. We didn't say when, but if any of the members wish to check the journals, members on that side, who are now Cabinet Ministers, spoke loud and long in 1968

(MR. G. JOHNSTON cont'd.) . . . and 1969 saying do it now, do it now.

MR. PAULLEY: Even before then, and it fell on deaf ears that are now deafier than ever.

MR. G. JOHNSTON: The Minister of Education introduced a resolution in 1969 with respect to not just alleviating the problem for the old age pensioner that had lived in his own home but to give \$2,000 worth of exemption to every home in Manitoba. If anyone wishes to check the journals they can check page 84, that's when Mr. Miller introduced the resolution. My friend the Minister of Agriculture spoke loud and long saying, yes, right now, do it now. But there's no mention of it now, Mr. Speaker. There's no mention of a review of the sales tax now, maybe 1971. But in 1969 a resolution was introduced by Mr. Dawson, the then Member for Hamiota, and Mr. Green and Mr. Borowski spoke at length on this resolution and said, yes that's right.

MR. ENNS: Did Mr. Borowski speak then?

MR. G. JOHNSTON: Yes, that's right.

MR. BOROWSKI: Read the speech.

MR. G. JOHNSTON: Well I could do it but I doubt if the speech is of that much value.

MR. BILTON: Joe, what did you say that for?

MR. BOROWSKI: I always say the wrong thing.

MR. ENNS: Keep your feet in your mouth and you'll be all right.

MR. G. JOHNSTON: So instead of giving a high priority, Mr. Speaker, to the ever-increasing real property tax that has created such a hardship - and let's not kid ourselves about that one, it's created a real hardship on the farms, especially when they don't know where their income is going to be coming from, and a very reduced income, and it has created a real hardship on the homeowner - instead of giving a priority to that, what do my friends do?

-- (Interjection) -- Yes.

MR. SCHREYER: Mr. Speaker, since the Honourable Member for Portage la Prairie mentioned the problem of income facing farmers and therefore the need for some kind of tax alleviation, I would ask him if he would not agree that the Medicare premium reduction had the effect of reducing the total of aggregate taxes to farmers by almost \$100.00 per year?

MR. G. JOHNSTON: I'm sorry the Premier was late, Mr. Speaker. . . .

MR. BILTON: question, may I give him an expression of an opinion? -- (Interjection) -- No, you wouldn't dare, you wouldn't dare.

MR. G. JOHNSTON: I'm very sorry that the Premier was late in arriving, Mr. Speaker. At the beginning of my speech I gave credit to your group for putting Medicare premiums on the ability to pay and I gave you credit for that.

MR. SCHREYER: Well you can only do so much in one year.

MR. G. JOHNSTON: Well why didn't you say that? -- (Interjection) -- All right, I'll tell you what I think.

MR. BILTON: You tell 'em Gordon. . . .

MR. G. JOHNSTON: All right, my friends have conveniently ignored this particular election promise for this time, and what have they done? -- (Interjection) -- Presently yes, but the real property tax this year, or the real increase was passed on by the mayors and reeves through no choice of theirs, the councilmen across Manitoba through no choice of theirs increased taxes. Now I know that this concerns my friends opposite but what have they done, Mr. Speaker? What have they taken as the priority after Medicare?

MR. BILTON: That was a hoax.

MR. G. JOHNSTON: They've conveniently, as I say, ignored this problem, this pressing problem for the time being. And what have they done? They are presently engaged in a diversion - a diversion, the auto insurance issue, and are deliberately inciting Manitoban against Manitoban and group against group.

MR. SCHREYER: I rise on a point of privilege, Mr. Speaker, because I think that when the term "incitement" is used that it does become a point of privilege. May I ask the honourable member a question at this point? When he says that we now decided to bring forward the auto insurance proposal, could I invite my honourable friend to read the issue of the Winnipeg Tribune that came out very soon after the election when I elaborated in considerable detail the kind of auto insurance system that we had intentions to implement?

MR. G. JOHNSTON: Mr. Speaker, I'll take the First Minister up on his invitation. But while we're talking about the discussion on auto insurance, I'd like to remind the First Minister of what his Party said during the election. Government-operated universal automobile insurance plan. And they go on to develop their case and there's not one word about compulsion,

(MR. G. JOHNSTON cont'd.). . . . not one word. There it is. There it is. I'll read it into the record. "All the evidence is in and the verdict is what the New Democrats have been saying for a long time. To assure reasonable rates and to protect every motorist and passenger, the answer is a government-operated automobile insurance plan and everyone should be covered. An aware Manitoba public knows this and that's another reason that the New Democrats are heading for government on June 25th. Put yourself in the driver's seat, join the swing to the New Democratic Party." Mr. Speaker, in my opinion that's deceitful. -- (Interjection) -- That's deceitful.

MR. GREEN: I wonder if I could ask my honourable friend. . . .

MR. G. JOHNSTON: My friend can speak later during the debate. I'll answer questions at the end of my speech. So I say again, Mr. Speaker, that my friends saw here, here's a part of their election platform that they can bring in and take the minds of people away from more pressing and more serious problems facing this province. You know, Mr. Speaker, during the Roman Empire some of the Roman emperors used to stage games and they'd pit men against one another in mortal combat. And why? To take the minds of the people off what their problems were at that time. And I'm suggesting to you that this government is staging a game right now.

MR. SCHREYER: Where did you stand on the Canada Pension Plan?

MR. G. JOHNSTON: I was for it.

MR. SCHREYER: Good.

MR. G. JOHNSTON: And I spoke for it at the time too.

MR. SCHREYER: Good. And it's a compulsory plan.

MR. G. JOHNSTON: Now, Mr. Speaker, we now have the distraction. The stage is all set and we have the distraction now. -- (Interjection) -- O.K. I ask the First Minister this, then if he wishes to interrupt me I'll sit down and listen to the answer. Why could not the government after having held its hearings to identify the problems on auto insurance, why couldn't you first of all try? Why didn't you sit down with the leaders of the industry to see if not by way of legislation and cooperation with the industry to try and resolve this?

MR. SCHREYER: May I -- he asked me a question. May I answer my honourable friend's question by asking him in turn whether his federal colleagues sat down with the life insurance industry at the time of the bringing in of the Canada Pension Plan.

MR. G. JOHNSTON: Well, Mr. Speaker, the Minister didn't answer my question, he dragged in a red herring. It's my understanding that there were discussions after the report of the committee. -- (Interjection) -- I asked the question. Why didn't members of the government, and the First Minister in particular, sit down after the problems were identified by his commission, why didn't he sit down and discuss it to see if this could not be resolved. -- (Interjection) -- My friend the Minister of Mines is quite excited again and I hope he'll join in the debate later on.

MR. GREEN: Don't worry, you'll get it.

MR. PAULLEY: . . . and we will when the bill goes to committee.

MR. G. JOHNSTON: All right, Mr. Speaker. I don't know whether I should say this or not because I'm sure I'm going to annoy my friends but I'll take a chance and say it. You know this building is like a small village, and anything that takes place within these walls is pretty hard to keep a secret, and it's a well-known fact I believe amongst the political people in this building that over half the Cabinet are urging the Premier to call an election on this issue.

MR. GREEN: Nonsense.

MR. G. JOHNSTON: And it's a well known fact -- I shouldn't say a fact, it's fairly well known that some members are not going to be in their seat on that side when the vote is called so they can contrive an election.

MR. PAULLEY: Time will tell, and I wonder whether the Member from Portage will be in his seat.

MR. G. JOHNSTON: Well, there's the threats coming again, Mr. Speaker.

MR. PAULLEY: Oh, you're darned right.

MR. SCHREYER: I think I have a point of privilege, Mr. Speaker. The honourable member who usually is quite fair, has intimated that a promise that I had made, that I was not going to keep, and the honourable member recalls clearly that I said that there would be no election unless there were defeat in the House or unless four years had run their course, and my honourable friend knows that under the rules of the House he must take my word for it.

MR. G. JOHNSTON: Mr. Speaker, I thought I said I'm sure the political people in this

(MR. G. JOHNSTON cont'd.). . . . building are aware that a majority of his Cabinet are urging an election; I didn't say the First Minister. And for the First Minister to stand there in awe and innocence and say well gee, he didn't know all this was going on, yet I understand Mr. Lewis, the organizer, is hard at work; the Minister of Municipal Affairs has held a call to arms election meeting of the activists to be ready; this is the issue.

MR. SCHREYER: You know what the word is? Participatory democracy.

MR. G. JOHNSTON: Oh, that's participatory democracy. Well I have another bit of news for you - you may fall out of your seat when I tell it to you - but if you were to take the advice that I'm giving, if you were to do one of two things, either have an all party committee meet with the leaders or the auto insurance group and try and come up with an -- (Interjection) -- No, you didn't. You've been in government for eight months and you met for three years. Is that correct?

MR. GREEN: We met with your committee, yes.

MR. G. JOHNSTON: Well if my rude friends opposite will let me continue.

MR. GREEN: We heard them - an all party committee yes.

MR. G. JOHNSTON: If the First Minister would make an attempt either by way of a Cabinet group or by way of an all party legislative group meeting with the leaders of this industry and trying to resolve the problems by legislation and by some cooperation, and if it didn't work, if that was found to be unworkable, I would support you. I would support you, but this way you're disrupting across the province, you're causing dislocation and worry, you're hurting people who thought they were doing a pretty good job in their chosen avocation. If you were to do this and it was found not to be workable - and remember I have an insurance company in my town, it's a large part of the economy - but for the good of the people in Manitoba I would support you.

Mr. Speaker, based on my remarks about the failure of this government to do anything to assist the homeowner or the land owner in Manitoba, I would like to move the following amendment: I beg to move, seconded by the member for Assiniboia, that the amendment be amended by adding the following paragraph: "THAT also this government has failed to provide financial aid to municipalities to enable them to hold the line on real property taxes."

MR. SCHREYER: Mr. Speaker, if I may before you put the question, could I ask the last speaker a question - and I take the time of the House because I understand the honourable member made reference to me in the earlier part of his speech on the matter as to what I had said at one time in response to a question of the member for Portage as to whether the anticipated auto insurance plan would be in competition or not in competition with private underwriters. I think my honourable friend will recall that he asked me that question on a TV program and in this House. Does my honourable friend not recall that my answer was that his was a "fair assessment." I don't know how my honourable friend interprets the word "fair", but I take it to mean less than good.

MR. G. JOHNSTON: Well, Mr. Speaker, I withdraw the word. I believe I said a correct assessment. I withdraw that and I agree that this is what the First Minister did say, that it was a fair assessment. Now to me, fair assessment means a reasonable guess or something very close.

MR. WEIR: Mr. Speaker, might I enquire whether the First Minister had a question at all or not or whether he made a statement.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I was going to adjourn the debate, but if the Honourable Member for Fort Rouge wants to speak now

MR. SPEAKER: The Honourable Member for Fort Rouge.

MRS. INEZ TRUEMAN (Fort Rouge): Mr. Speaker, I feel that I must rise to speak in this budget debate in order to set the record straight as far as the City of Winnipeg is concerned. The taxpayers of this city, representing one-quarter of the province's population, deserve an explanation of the burden of his taxes on real property this year. To a great extent those taxes are reflections of how the provincial government is handling its responsibilities in the areas of health, welfare and education.

On a previous occasion I brought to the attention of this House that our present NDP government has failed to take over about 700 families from the City of Winnipeg's welfare rolls. Now all welfare cases we know are financed on a cost-sharing basis, 80 percent provincial and

(MRS. TRUEMAN cont'd.). . . .20 percent city. Winnipeg looks after short-term cases, but after a period of about a year, many of these cases are eligible to be transferred to provincial assistance. In the last year of Progressive Conservative government 350 cases were transferred from the city to the province, then an abrupt halt occurred with the change in government last July. No further transfers have been accepted, so the 20 percent of their costs are still entirely on Winnipeg real property taxpayers instead of being shared by all of Manitoba. This is raising Winnipeg's expenditures by 635,143-odd dollars per year, or better than one mill. This is only one aspect of the burdensome welfare caseload for the city.

When the Honourable Minister of Finance intoned his budget speech last Thursday evening, he said: "We know that while our total welfare caseload has been relatively stable, the child welfare service component has been increasing." Now perhaps this explanation will help him to understand why provincial caseloads have not reflected what is really happening.

Now listen to this. In the Budget Speech he also referred to an unemployment rate averaging less than 3 percent in 1969. On April 2nd this year the Minister of Labour told us, using DBS figures, that unemployment rose from 4.2 percent in March to 4.3 percent in April of one-tenth of one percent. What they have not told us is that right now there are about 4,250 more heads of families claiming unemployment insurance benefit than there were a year ago. Now not every person, not every head of family who is unemployed is insured, and so the welfare caseloads have increased as well.

I have distributed to each of you a chart of the welfare caseload of the City of Winnipeg. You will see, following the bottom line, that in 1968 unemployment dropped dramatically beginning in May because of seasonal employment such as the construction industry. In 1969, the dotted line just above, the dip in unemployment was quite shallow during the summer. But in 1970 the caseload started out higher and was, as of April 11th, up 23 percent over last year. This is the welfare caseload for the City of Winnipeg and there's not much hope of a change this summer. I wanted to be certain that I was using the correct figure so I checked this figure this morning and find that as of today this figure is 26 percent, the welfare caseload of the City of Winnipeg, so I think it's time that someone tells it like it is.

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

MRS. TRUEMAN: Not yet. The net cost of welfare to the City of Winnipeg in 1969 was \$1,622,371. These costs will be up -- well, 26 percent already in 1970 and these additional expenditures will amount to probably about \$450,000 or almost one more mill.

Now let's take a look at Winnipeg's Health Department. Because of federal and provincial withdrawal of funds it will be necessary to close the Family Planning Clinic, which has been such a great success in the City of Winnipeg, for want of \$2,000. And also they will have to phase out 12 public health inspectors, 5 public health nurses and 2 clerks. Also, because of the Medicare scheme, the city now pays about \$90,000 a year for drugs for the medically indigent. This was previously paid for by the province at Winnipeg General Hospital Out-Patients Department. Now drugs are not included in Medicare as this government sees it. Add to this the fact that the province pays two-thirds of the cost of all other Health Units in the province. If Winnipeg's Public Health Department received equal consideration, the grant would be \$860,000 instead of the \$90,000 that it now is. This represents another mill on property tax. -- (Interjection) --

MR. CHERNIACK: The honourable member has been interrupted by her own colleague. Would she permit a question now?

MRS. TRUEMAN: Mr. Speaker, I think that by the time I'm finished I may very well have answered the questions that people may feel inclined to ask.

About a week ago I sent a memo to the Minister of Health and Social Services about a lady who is 83 or 84 years of age in receipt of the Social Assistance, so we may assume that her private resources had been reduced to \$500 in order that she would qualify. She would then be considered destitute. In 1968 this lady would have received dental and medical care, drugs and hospitalization with all premiums and costs waived. On the introduction of Medicare, the premium which would have been about \$55 was also waived because she was on Social Assistance, so it cost her nothing. Now, living on the Old Age Pension plus the special supplement, she received a letter to the effect that the city can no longer pay for her drugs. And this is properly so; as an old age pensioner she is a provincial responsibility. She is nearly blind and suffers from arthritis. Her drugs cost \$7.50 per month. She will be needing \$90 per year for medicine. This is indeed a major shift.

MR. GREEN: Mr. Speaker, I'm asking the honourable member if she would permit....

MRS. TRUEMAN: I'm sorry.

MR. GREEN: Mr. Speaker, I can't hear the honourable member.

MRS. TRUEMAN: I'm sorry, no special privileges.

MR. GREEN: I didn't hear the honourable member.

MR. SPEAKER: It's not the intention of the honourable member to answer a question at this time.

MRS. TRUEMAN: So she is worse off under the new Medicare policy of this government. When the Premier was speaking the other day, I think it was on April 22nd, he asked if we would like to return to the situation where the Medicare premium tax was lying so heavily on the backs of the \$4,000 to \$5,000 per year breadwinner. I hope the Minister of Health and Social Services will relieve this lady's anxiety and distress by assuming responsibility for these costs. Undoubtedly there are many more Old Age pensioners who are going to be in the same situation.

The school levy has gone up in nearly every municipality, as was expected. When the Member from Riel observed that the Foundation levy was reduced by one mill, the province will be paying 70 percent of a lesser amount, and so would the municipalities, paying 30 percent based on that lower remaining total, however, school costs have not gone down and the remainder of the required sums will now have to be raised on the special levy; this means an additional 2 - 1/3 mills on the property tax - the Minister of Education was apparently unable to understand this, and while he struggled with the problem the Member from Osborne came to his rescue by dragging across a red herring, and I quote - I quote from his remarks: "Now it would seem to me that instead of this haggling, which the Member for Riel is so good at, about a mill decrease in the Foundation levy, what we really should be getting at is the effectiveness of education in Manitoba."

Now he went on to talk about the quality of education as if he'd invented it, and as if he was the sole custodian for equality in education. Last year, last year the change in financing the Foundation Program was from 65 percent provincial and 35 percent municipal to 70 percent provincial and 30 percent municipal. It would have been quite appropriate for the province to have picked up a still larger share this year. Instead, the municipal share has been increased. In Winnipeg the special levy went up 2 mills. Now rather than raising taxes, City Council protected the Winnipeg ratepayers by drastically cutting existing programs and by establishing a policy of no new hiring.

A MEMBER: sold the Auditorium.

MRS. TRUEMAN: Then they sold the Auditorium. Yes. That Auditorium has been estimated in value anywhere from two and a half to eight million dollars on the open market. I read it today in a letter from a fellow who said -- (Interjection) -- I'm not going to claim eight million but it's -- I'm certainly going to claim more than the one million. The Auditorium sale was not advertised for competitive bidding but it was somehow secured by the Provincial Government for a million dollars. Why? Then - and I question the propriety of this - the one million dollar capital recovery was placed in the operating budget by a council anxious to hold the mill rate.

MR. BILTON: Yes, that's right.

MRS. TRUEMAN: It is a mystery to me how it was possible to take such advantage of the city, but perhaps some day we'll know the whole story of this deal. Meanwhile, meanwhile I won't take the most extreme figure, I'll just say that that building and land was worth perhaps two and a half million. So that's another three mills. A mill in the City of Winnipeg is \$577,000.90. Now recently the government passed regulations raising fees for government services. A look through the estimated revenues shows that this will mean additional revenues of hundreds of thousands of dollars.

MR. BILTON: They don't care. They don't care.

MRS. TRUEMAN: The Attorney-General's department - Fines and Miscellaneous up \$280,000; County Court Fees, \$80,000; Land Title Fees up \$100,000; and Labour, Labour Fees up \$160,000. Wait till the unions hear about that. Now the Minister of Finance will not give us any estimate or any figure for the total that this may represent so we've asked - we've asked and we haven't been given the figure of what -- (Interjection) -- the exact sum. You can repeat it for us afterwards. So in this way as well we will all help to satiate this government's voracious appetite for funds through increased licences, fees and fines, some of which are up 200 percent.

(MRS. TRUEMAN cont'd.)

Any time we question the government's financial methods, the Medicare curtain is pulled down in front of us. I hope this resume of the City of Winnipeg's situation helps to explode the myth that any taxpayer has been relieved of \$100.00 a year in Medicare costs. The government has cut these premiums so drastically they're just scrambling in all directions to make up the necessary revenues. Advantage is being taken of Winnipeg particularly, and we are subsidizing this government by at least eight mills of hidden costs, or unabsorbed costs, in spite of the additional revenues of almost \$70 million which are being requested in the estimates for operating the government for one year. I'd like to congratulate the Minister of Finance on his surplus. I really don't know how the MLAs from St. Matthews, Seven Oaks, Point Douglas, Osborne, Winnipeg Centre, Elmwood, Inkster, Wellington and Crescentwood, St. Johns and Logan, who represent Winnipeg -- (Interjection) -- I said St. Johns -- who represent Winnipeg constituencies are going to face the electors in the next election. Are they going to say -- are they going to say they didn't know what was happening? It's their business to know.

A MEMBER: No, we're going to pull out that old bandwagon.

MRS. TRUEMAN: Or if they did know what's happening, are they condoning this treatment of the City of Winnipeg?

A MEMBER: Oh they wouldn't do that Inez. They would care.

MRS. TRUEMAN: How can a person be serious? -- (Interjections) -- Now that the Medicare curtain has been held aside briefly to show what's really going on, I hope there is a fuller realization of its use and abuse of the citizens of Winnipeg. I think this government is too clever by half and is callous and indifferent to the true plight of the citizens of Winnipeg.

MR. CHERNIACK: Mr. Speaker, would the honourable member permit a few questions?

MRS. TRUEMAN: Rather than take up the time of the House, if the Minister of Finance would like to come around I'll show him.

MR. CHERNIACK: Mr. Speaker, I will publicly accept her offer to come around. But for the record, may I ask a few questions?

MRS. TRUEMAN: Yes, Mr. Speaker.

MR. CHERNIACK: Mr. Speaker, I'm under the impression that the honourable member made some statement about withdrawal of \$2,000 which made it necessary for the city to cut out a family planning program. Would she mind repeating what she said along that line, because that's when I first interrupted for clarification.

MRS. TRUEMAN: Mr. Speaker, I was speaking from notes and I couldn't say exactly what I said, but the cost of this family planning clinic has been about \$4,000 a year, and half of that came from federal-provincial grants and, as you know, the Federal Government has withdrawn support. This is also the reason that the nurses and inspectors and clerks will have to be dismissed.

MR. CHERNIACK: May I ask, Mr. Speaker, if the honourable member is aware that this government has committed somewhere around 70 or 75 thousand dollars to the Mount Carmel Clinic, which is really involved in family planning? Is she aware of that?

MRS. TRUEMAN: Yes, indeed. I was very pleased to see it. I think they're a most deserving clinic. I don't think that they're able by any means to look after the total caseload of people who are on welfare or who do not go to their own doctor for this service. The City of Winnipeg has operated its clinic one afternoon a week and they've provided medications and appliances free, and in that period of time they have discovered, I believe it was eight pre-cancerous lesions.

MR. CHERNIACK: Yes, but the question was: is she aware that there was some untold now \$70,000 additional monies put into the Mount Carmel Clinic Family Planning Program?

MRS. TRUEMAN: It's 70,000 in addition to Mount Carmel Clinic?

MR. CHERNIACK: Seventy.

MR. PAULLEY: Seventy in addition.

MRS. TRUEMAN: Is this throughout the province or in the Mount Carmel Clinic?

MR. CHERNIACK: Mount Carmel Clinic.

MRS. TRUEMAN: Well that doesn't do the City of Winnipeg's Health Department much good if they're trying to keep up their burden.

MR. CHERNIACK: Well, I won't enter into debate but the honourable member is aware that they are in the family planning program? Another question I'd like to ask of the honourable member: what is the current increase in mill rate of the City of Winnipeg, the City Council's mill rate increase for this year?

MRS. TRUEMAN: Well I'll have to -- Oh, they managed to hold the mill rate by cutting services - cutting services, no new hirings, and by selling the Auditorium and diverting those funds.

MR. CHERNIACK: And as a result the honourable member confirms that there is no increase in mill rate of the City of Winnipeg in this year.

MRS. TREMAN: I'm sorry, I couldn't hear that.

MR. CHERNIACK: I'll come and visit now.

MR. MCKENZIE: the debate on that subject?

MR. GREEN: Mr. Speaker, I think the honourable member did indicate that she would answer a question of mine after she finished her address.

MRS. TRUEMAN: Yes, Mr. Speaker.

MR. GREEN: Mr. Speaker, I just want to ask the honourable member with regard to Social Allowances, is there a suggestion on her part that the Social Allowance regulations were made more stringent after the change of government last year?

MRS. TRUEMAN: Are you referring to the cost of the drugs? Is this....?

MR. GREEN: ... any regulation under The Social Allowances Act whereby people would be entitled to obtain drugs or any other treatments under Social Allowances.

MRS. TRUEMAN: No, I don't think the Social Allowance was changed in any way. It's simply that the cases that are eligible have not been taken over by the province completely; they're partly still on the City of Winnipeg.

MR. GREEN: Is my honourable friend aware that the Social Allowances in fact were increased after the government took office?

MRS. TRUEMAN: Oh yes, yes. But that doesn't help if the caseload is up 26 percent over last year.

MR. GREEN: There are lots of people who can't get Social Allowances.

MR. SPEAKER: Are you ready for the question? The Honourable Minister of Labour.

..... continued on next page

MR. PAULLEY: Mr. Speaker, it isn't very often that I take part in the budget debate. As a matter of fact, I haven't for a number of years. My colleague, the Minister of Finance, was the critic of the New Democratic Party, while we were in opposition, on the budget consideration and at that particular time, I'm sure that those few members that were here would agree that on those occasions he did an admirable job in criticizing the financial program of the former administration, and he hasn't changed at all. Because in his presentation, in his presentation this year as the Minister of Finance, he carried forward the tradition that he established of being a very capable individual who was well versed in the direction that Manitoba should take and he did -- (Interjection) -- I thought you'd gone out of the House so I could talk favourably about you -- but he did present this year a budget that will enhance the forward thrust of the Province of Manitoba. And he capsulized, I would suggest, Mr. Speaker, all that the New Democratic Party has stood for over the years. And while I will admit that the Minister of Finance was not able to recommend to this House all of those matters that we had suggested while we were on the other side of the House, I do not think that there is any question of doubt that if this House were to accept his propositions and his proposals, that Manitoba and Manitobans would be thankful that at the termination of its first one hundred years we have at long last in this province a government that is concerned with people, a government that is concerned with the forward advance of this province of ours.

I was most intrigued the other day, as I listened to the remarks of the Honourable Leader of the Opposition, and I was so fascinated with the motion presented by my honourable friend which regretted that Manitoba, or this government, through its attitude toward the people and people's enterprise, has endangered the existence of many permanent jobs, inhibited the creation of new ones and generally undermined the climate of confidence necessary for the continued positive economic development in Manitoba. What rot! What rot! I would suggest, Mr. Speaker, that my honourable friend the Leader of the Opposition is so ill-informed as to what is transpiring here in Manitoba today. I'm sure that my honourable friend should realize and should know, not because of the new government, but because it is a fact that here in Manitoba at the present time we have the lowest unemployment rate of all of the ten provinces in Canada. We have the lowest average rate. We have had within the last two or three days indications of the further investment here in Manitoba that will enhance the forward thrust of Manitoba.

I know my honourable friend the former Minister of Industry and Commerce must have been disappointed yesterday when my leader, the Premier, announced that after 300 years since its incorporation, that the Hudson's Bay Company decided that here in this province of Manitoba it would locate its headquarters and would bring to Manitoba a corporation that had established itself in the seat of democracy, the old land. How can my honourable friend, either the Leader of the Opposition or the former Minister of Industry, concoct such a motion of non-confidence in the face of facts of what is happening here in the Province of Manitoba?

Mr. Speaker, how disappointed, may I suggest, that my honourable friend the former Minister of Industry and Commerce may have been with the announcement by the Minister of Industry and Commerce or the First Minister the other day that Versatile Manufacturing, instead of going across the border to the United States, had decided to stay here and continue to provide 800 jobs for Manitobans. In the face of all of that, Mr. Speaker, in the face of the light of reality, how can my honourable friend the former Minister of Industry and Commerce, aided and abetted by a former premier of this province, present to this House such a resolution regretting that this government is not going forward in this, the eve of our second century as a province? What poppycock and what nonsense do we get from the other side of the House, as we received yesterday from the Leader of the Opposition and receive day after day after day with the repeat speech of my honourable friend the Member for River Heights.

I listened to him with interest today in his contribution on the Northern Task Force. I don't know who wrote his speech. It didn't really sound like my honourable friend. It really didn't. And possibly that is the reason that my honourable friend kept stumbling and mumbling as he was delivering his speech this afternoon. But I like my honourable friend, the member for River Heights, but I do know from past experience that my honourable friend is one to rant and to rave, and occasionally really get down to brass tacks and say something that is reasonably sensible and reasonably accurate, but I'm sorry that in the last two or three days my honourable friend has disappointed me terrifically in his contribution to the debate in this House. -- (Interjection) --

MR. SPEAKER: Order, please. Order, please. I'm sure that honourable members

(MR. SPEAKER cont'd.) are aware of the rule that if any member wishes to make himself heard, he may attempt to do so from one seat, and one seat only. The Honourable Minister of Labour.

MR. PAULLEY: I forgive my honourable friends, Mr. Speaker, as they know not the error of their ways.

MR. SPIVAK: I wonder if the honourable member would permit a question?

MR. PAULLEY: When I'm finished. When I'm finished. And I say that advisedly, Mr. Speaker, because I don't want my honourable friend really to accuse me of abrogating his rights of speech. I like my honourable friend but I'm sure that his question will remain in his mind - at least I'm hopeful that it will - and he may remember what it was after I have concluded my remarks. Now if he does remember it, I'm sure that he will be different than he used to be with some of the utterances that he used to make when he was on this side of the House, because it does appear to me, Mr. Speaker, that he's forgotten them entirely now that he's on that side of the House. And when we on this side of the House point out -- oh, the new Minister of Industry and Commerce is doing such an admirable job that by comparison with the former Minister that all of the people of Manitoba, not just the select few, are well satisfied with the change in ministry, and they know, as I know, and if my honourable friend the Member for River Heights would but be honest with himself he too would know and he too would accept what has happened in the light of reality and what has happened insofar as the progress of Manitoba is concerned. So I say to my honourable friend, my ups-and-downs-y friend, who is so wont, as you know, Mr. Speaker, to jump up and to jump down and question this and question that, I'm sure my honourable friend, if he's around here a little longer - and I do suggest, Mr. Speaker, it will be just a little longer - we may learn a little bit about really what is going on in the Province of Manitoba.

So I say, Mr. Speaker, and I think I can say this as one who has taken some part in the development of this province, and I haven't been right on every occasion but I have been more right, I have been more right than wrong, and I'm happy, I'm very happy to know that at long last, at long last the electorate of Manitoba came to the conclusion that we were more right than we were wrong and that is why we are over here and the fast-vanishing numbers of Conservatives are over there. . . . -- (Interjection) -- Rabble? Not tonight, really, because it isn't enough there to make a noise. As a matter of fact, I'm so glad to hear my honourable friend the former Minister of Agriculture make reference to rabble - there isn't enough there to make a noise. And when they're all in their seats that's all they do do is make a noise. They don't make any contribution to the well-being of the Province of Manitoba, and my honourable friend he knows full well of what I speak and I'm sure that privately, Mr. Speaker, in the corridors of the House my honourable friend would come up to me and he would shake my hand and he would say, "Russ, you're so right; you're so right." And that's what I like about my friends from that side of the House. They're right outside of the House, but inside of the House they're so wrong.

MR. WATT: And you're so left.

MR. PAULLEY: But they figure that it is necessary in this form of democracy that we have here in Manitoba, that even my friend the former Minister of Agriculture from time to time has to stand up and, well, speak up and then sit down; whether he says anything or not I leave it to his judgment so that there may be a page or two of Hansard records that my honourable friend did say a word or two, and come the next election my honourable friend then will go out to his constituency and say, "On such and such a day, I said this." My honourable friend may not know what he said but it will be recorded in Hansard, thanks to the staff that we have in Government Services. What about what this government is doing for Manitoba? What about the criticisms from my honourable friend the House Leader of the Liberal Party tonight? How forgetful my honourable friend is.

MR. WATT: Operation Lift - try that one.

MR. PAULLEY: I beg your pardon?

MR. WATT: Flop. It was a flop.

MR. PAULLEY: Did you say it was a flop? I didn't say my honourable friend's speech was a flop, that's what you said. I said -- you may be more right than I am. As a matter of fact, I think it was a flop but I wouldn't say that . . .

MR. WATT: Tell that to the Minister of Agriculture.

MR. PAULLEY: I wouldn't tell my honourable friend the Member for Portage la Prairie

(MR. PAULLEY cont'd.) that his speech tonight was a flop. You said it. -- (Interjection) --

MR. WATT: My honourable friend we're talking about agriculture now - talking about Operation Lift.

MR. PAULLEY: I'll bet you, though, and while I may agree with you, I'll bet you that you're going to support the speech that was a flop.

MR. SHERMAN: We certainly are.

MR. PAULLEY: You certainly are. The Member for Fort Garry says we certainly are going to support the speech that was a flop. And I say it was a flop because it didn't contain any criticism of this government based on fact.

MR. WATT: We weren't talking about his speech at all.

MR. PAULLEY: And also, my honourable friend -- (Interjection) -- Yes, a little petunia in an onion patch. And what a lovely petunia.

MR. WATT: What a lovely onion patch.

MR. PAULLEY: Somebody told me, somebody told me that the petunia was thrust into the debate tonight, and by jimminy Christmas, Mr. Speaker, isn't it a happy relief for this House to have a petunia that can stand up and say a few words that approach an intellectual approach rather than the guff that we have received from her leader and other members of her party in the contributions to the debate, and I want to say to my honourable friend the Member for Fort Rouge how much I appreciate her remarks this evening directed to the Minister of Labour and the Minister of Government Services. I didn't know that I was such a wheeler-dealer that I could out-Juba by about three million bucks for the price of the Auditorium. Now, what I am going to use in my next election, if God spares me to run in the next election, I'm going to use the remarks of my honourable friend the Member for Fort Rouge and say that here is a guy that saved the taxpayer of Manitoba, did such a good deal for the taxpayer of Manitoba that he stole the Winnipeg Auditorium from Steve Juba, the Mayor of the City of Winnipeg.

A MEMBER: We're in trouble.

MR. PAULLEY: We're in trouble; we're in trouble. I don't know whether we're in trouble - I don't think I am because I don't belong to the City of Winnipeg. -- (Interjection) -- Something my honourable friend never uses - water.

Then, Mr. Speaker, my honourable friend the Member for Portage la Prairie, the Leader in this House of the Liberal Party, had the consummate gall to talk about the proposals for automobile insurance, as though -- of course you should talk about it. But I only wish that his party had have talked about it in the same tenor years ago when they had the opportunity, because the Liberal Party in this House, over the last 17 years that I'm aware of, after they'd gone out of office of course, supported the compulsory automobile insurance plan for Manitoba. I'm not kidding. I'm not kidding. I say this to the Minister of Transportation. That outfit, the Liberal Party, always supported the compulsory automobile scheme for Manitoba, but they didn't have the intestinal fortitude, they didn't have the intestinal fortitude to say that it should be government-operated.

MR. G. JOHNSTON: Mr. Speaker, I'd tell the member we still support the proposition. There should be insurance on every car on the road.

MR. PAULLEY: Oh, I know, I know my honourable friend says we still support it, "we still support it but" . . . -- (Interjections) -- I always advocated, Mr. Speaker, in this House that Manitoba should have a compulsory automobile system insurance scheme operated by the government in the interests of the people of Manitoba. And for my honourable friend, my honourable friend from Portage la Prairie, to infer anything different tonight is so ill-informed that it's incomprehensible that my honourable friend should even suggest such a thing. And we hear here in these days, in this House, criticisms because of the New Democratic Party's consideration of the whole matter of automobile insurance. And I want -- (Interjection) -- yes, compulsion. My honourable friends know full well that we had to drag the Conservative Party reluctantly into agreeing to a committee of this House, Mr. Speaker, to even consider the matter. And I want to say to my honourable friends opposite . . .

MR. BILTON: If you were in your right mind you . . . either.

MR. PAULLEY: The only ones that were on the Committee from the Conservative Party at that time were those that had a . . . the insurance agents of the Conservative Party were on that Committee. And, Mr. Speaker, I say to my honourable friends opposite that they deliberately got their insurance agent, and the insurance agents of the Liberal Party, on the

(MR. PAULLEY cont'd.) Committee to consider automobile insurance in the Province of Manitoba. And what else did you get by way of recommendation by such a committee? And there was no recommendation. As a matter of fact, Mr. Speaker, the last committee that was established so reluctantly by the Conservative Government only met on the morning of the next session of the Legislature. This is the consideration, this is the consideration that those wishy-washy members of this House of previous administration and previous members of the House gave to the problem of the auto driver in the Province of Manitoba, and now they have the consummate gall to stand up in this House and condemn this government because we are going to do something about it. And my honourable friend, my honourable friend the Member for Swan River who sat, Mr. Speaker, very silently . . .

MR. BILTON: Now, now.

MR. PAULLEY: . . . very quietly where you are now, had nothing to say then and even less today.

MR. BILTON: Be fair, be fair.

MR. PAULLEY: As a matter of fact, Mr. Speaker, my honourable friend spoke more clearly and more loudly when he sat where he didn't speak at all than at the present time.

MR. BILTON: That day will come. I'm worried about you Russ. What's happened to you? What's happened to you?

MR. PAULLEY: I say, Mr. Speaker, to my honourable friend, don't worry about me, I've been around this institution longer than you will have been or will ever be . . .

MR. BILTON: And I'll be here after you're done too. I'll be here when you're long gone.

MR. PAULLEY: In the meantime however, Mr. Speaker, I am confident, I am confident that I will render a greater service to the people of Manitoba than my honourable friend -- (Interjection) -- I've already done it. I've already done it.

MR. BILTON: . . . we're not going to let him get away with that . . .

MR. SPEAKER: I'm certain that the Honourable Minister would appreciate the opportunity to continue with his remarks uninterrupted. The Honourable Minister.

MR. PAULLEY: Thank you, Mr. Speaker. You know, my honourable friend the Member for Swan River is such a jovial, knowledgeable individual, he expressed concern for my physical condition. May I say to my honourable friend, Mr. Speaker, that because of characters who have been in this House and because of characters that may be in here, that I've had a rebirth and I'm healthier, I am healthier now than I ever was, and I want to thank my honourable friend the Member for Swan River for helping in that rejuvenation because as a result of the deficiency -- (Interjection) -- Don't worry, don't worry -- but because of the result of the deficiencies of that inept administration that preceded us, it has given me an opportunity, it has given my Party an opportunity to do something in the interests of the people of Manitoba and not the vested interests of the people of Manitoba, and my honourable friend there . . .

MR. BILTON: Power has gone to your head, that's your trouble. Power's gone to your head.

MR. PAULLEY: And you know, Mr. Speaker, when my honourable friend, when my honourable friend from Swan River shakes his head it will ring clearly over here just as the tolling of a bell on New Year's Eve. I hear on the -- one thing I would suggest, Mr. Speaker, that the bells have two tones, because it's so monotonous to hear the dull thud that comes from my honourable friend's head when he shakes it.

Back again, back again to the contribution, if we can call it that, of my honourable friend from Portage la Prairie -- (Interjection) -- I should have. As a matter of fact, Mr. Speaker, I think maybe I should apologize to my honourable friend the Member for Portage for even taking any cognizance of what he said because he didn't say anything that was worthwhile and didn't make any contribution to the debate. And my honourable friend, the friendly undertaker from Minnedosa who of course is not seated in his own chair, says "Pass."

Well, Mr. Speaker, we are this year dealing in an area of passing, of passing of a hundred years of inactivity in Manitoba, a hundred years of ineptness under Conservative and Liberal administrations, and we're passing into the dawn of a new era under a New Democratic Government with a forward thrust that will do something for the people of Manitoba. My honourable friends opposite of both -- (Interjections) -- had the opportunity for a hundred years -- (Interjection) -- My honourable friend from Roblin there who is waving his hands like a bird -- (Interjection) -- waving his arms like a bird, I don't know whether it's on one wing

(MR. PAULLEY cont'd) or not, I haven't been close enough to observe my honourable friend to see whether it's one wing or two he's flying on. I do know that he has flown on two or three wings during the session of this House, but I do say to my honourable friend from Roblin, heavens to Betsy, would you stop your interjections and will you start making, if you have the ability, some contribution to the well-being of the forward thrust of our province.

MR. BILTON: You're not being fair.

MR. PAULLEY: It hasn't happened and you just keep quiet for a moment.

MR. BILTON: I will not. I will not.

MR. PAULLEY: Maybe you should stand up. Maybe my honourable friend should stand up and air his brain for a while.

MR. BILTON: I've learned it all from you. I learned it all from you.

MR. PAULLEY: Right. Right. My honourable friend says that he has learned it all from me.

MR. BILTON: Oh, sit down and shut up.

MR. PAULLEY: And in this particular instance, Mr. Speaker, may I humbly confess that I've been a very poor teacher, because if what my honourable friend knows, I have taught him, forgive me. How thankful we are, Mr. Speaker, that we have a member like the Honourable Member for Fort Rouge that could take the Honourable Member for Swan River out to duck his head and cool him off. But in all seriousness, Mr. Speaker, and this is a serious matter because we're dealing with motions of non-confidence in the Government of Manitoba, I say to the Honourable the House Leader of the Liberal Party and I say to the Honourable the Leader of the Official Opposition, that last year the people of Manitoba made a decision. They decided to place their trust, enough of them, that we're on this side of the House.

MR. ENNS: Grant you, but some of them.

MR. PAULLEY: That's right, some of them. Some of them may have been gullible enough to follow the guff of the Honourable Member for Lakeside, but there were enough . . .

MR. ENNS: Enough to put me in this House.

MR. PAULLEY: . . . but there were enough people, Mr. Speaker, that had the intelligence to place their trust in the New Democratic Government of Manitoba. And I want to say this, I want to say this to my honourable friend the Member for Lakeside, there will be more people whenever the next election is called . . .

MR. WATT: On a point of privilege, Mr. Speaker.

MR. PAULLEY: . . . that will place their trust in the New Democratic Party of Manitoba. And I have no fear, I have no fears at all that if tomorrow an election is called in the Province of Manitoba, there will be a further diminishing of the representation of both the Liberals and the Conservatives on that side of the House. And I don't fear it. I don't fear it.

MR. BILTON: I'm back Russ.

MR. PAULLEY: The people last June rejected . . .

MEMBERS: Call it, call it, call it, call your election.

A MEMBER: Mr. Speaker, is he bragging or is he challenging us?

MR. MACKLING: Mr. Speaker, on a point of order. Mr. Speaker, on a point of order. The braying of the jackasses over there is preventing my honourable colleague from speaking.

MR. PAULLEY: Oh no, no, no. I don't worry about braying from that side of the House. I used to listen to some of them when they were braying on this side of the House and I'm well conditioned to it so don't worry. And you know, Mr. Speaker, my honourable friend the Member for Lakeside says "call the election." Can I make a confession? Can I make a confession of what I said about a year ago? -- (Interjection) -- I'd better? Okay, I'll make a confession. I said to the Honourable Member for Minnedosa about a year ago, even prior to a year ago when there was rumours around the corridors as to the possibility of a provincial election, and I said to my honourable friend, whom I admired very very much then and I admire him even more today because I can realize the trials and tribulations that he has to go through with the bunch that he has to work with today, and I extend my sympathies to the Honourable the Leader . . .

MR. SPEAKER: Order please. May I remind the Honourable Minister that he has about five minutes remaining to conclude his remarks.

MR. PAULLEY: Mr. Speaker, what I want to do -- what I want to say is, about a year ago on the matter of calling an election I suggested to my honourable friend, who was then the

(MR. PAULLEY cont'd) Premier of Manitoba, in private conversation, don't call it because you'll get defeated.

MR. SCHREYER: It was good advice.

MR. PAULLEY: I'm sure that my honourable friend today will agree that it was solid advice and I'll bet you that he wished he had taken it. So I say to my honourable friend the Member for Lakeside, don't. Don't make such a suggestion.

MR. ENNS: You made it. You made it.

MR. PAULLEY: Because what I have said to my honourable friend the Member for Lakeside, and I said it to the Member for Morris, that if there is an election . . .

MR. ENNS: On June 7th.

MR. PAULLEY: On any day.

MR. ENNS: On June 7th.

MR. PAULLEY: . . . neither the Honourable Member for Lakeside or the Member for Morris will be around as a result of that election, because the people of Manitoba are now convinced more than they ever were that their future destiny rests in the New Democratic Party of Manitoba. And I suggest, I suggest, Mr. Speaker, that rather than support the motion proposed by the Leader of the Opposition or the amendment by the House Leader of the Liberal Party, they should in their own interest, because after all where could my honourable friend the Member for Swan River pick up such an easy 7,200 bucks as he does as a member of this House? So I say to my honourable friend from Swan River, reject the proposition of his Leader, reject the proposition of the Leader of the Liberal Party, and won't you please join with me in the forward thrust of Manitoba as we go into our second century.

MEMBERS: Hear, hear.

MR. ENNS: On a point of order, Mr. Speaker.

MR. SPEAKER: Are you ready for the question?

MR. SPIVAK: I wonder if the honourable member would permit a question now?

MR. BILTON: Oh God no; don't start again.

MR. SHERMAN: On a point of order, Mr. Speaker . . .

MR. SPIVAK: I may be sorry but I think it's of interest to the House, as we listened to the Honourable Minister speak, I wonder -- and it's quite inconceivable, but I wonder if it's possible whether he could inform the House that the liquid he was consuming in his cup came from the new plant that will be built at Catelli's or not.

MR. PAULLEY: Yes, Mr. Speaker, I can tell my honourable friend and give him an answer. As a matter of fact, the answer is that there's nothing other than cucumber juice being produced at the Catelli plant and my honourable friend knows it, and if he'd like to see what's in here, if he'd like to smell it . . .

MR. SPEAKER: Are you ready for the question?

MR. PAULLEY: Aw come on now, that's not fair.

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

MR. FROESE: Mr. Speaker, I beg to move, seconded by the House Leader of the Liberal Party, that debate be adjourned.

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

GOVERNMENT BILLS

MR. GREEN: Mr. Speaker, will you call Bill No. 38, please.

MR. SPEAKER: On the proposed motion of the Honourable Minister of Mines and Natural Resources, Bill No. 38, The Honourable Member for Lakeside.

MR. ENNS: Mr. Chairman, I was holding this bill. I haven't had the occasion to check it; I want to indicate to the Minister the only reason that I am holding the bill because I am aware of the fact that what I anticipate to be the changes in the bill are primarily those that have been in the workings of the Department and it's just a formality of satisfying myself that that in fact is the case, and I would not hold up the bill any longer after that's been done at the next reading of the bill, so I would ask leave to have this stand. Thank you, Mr. Speaker.

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

MR. GREEN: Mr. Speaker, I gather that my honourable friend asked this bill to stand.

MR. ENNS: Excuse me, Mr. Speaker, I do want to indicate to the members on the government benches that . . .

MR. SPEAKER: Is the honourable member making a second speech?

MR. ENNS: Yes, Mr. Speaker, I would like to speak to the bill if this is okay, if I have the occasion.

MR. GREEN: Well, Mr. Speaker, even though the honourable member made a rather long introduction, we have no objection to him having another chance.

MR. ENNS: Mr. Speaker, I would like to indicate to the members opposite and indeed to those members in the gallery that must sometimes think that does the business of government proceed or doesn't it proceed even when we have a little bit of repartee from time to time on one side of the House, and I want to indicate to the Honourable Minister that if he, in closing debate on this bill, can indicate to me that the changes in the bill before us, Bill No. 38, an Act to amend The Water Control Conservation Branch, are essentially of the nature that I've just finished describing, in other words proposals that have been in the making within the department that I have been aware of as a former Minister and that I know the Minister is aware of, I have no objection to passing second reading of the bill at this time. Thank you.

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

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

MR. SPEAKER: May I have the seconder?

MR. FROESE: The Honourable Member for Churchill.

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

MR. GREEN: Would you call Bill No. 31, Mr. Speaker.

MR. SPEAKER: On the proposed motion of the Honourable Minister of Agriculture. Bill No. 31. The Honourable Member for La Verendrye.

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

MR. GREEN: Mr. Speaker, I suggest you call Bill No. 42; yes, Mr. Speaker.

MR. SPEAKER: On the proposed motion of the Honourable Minister of Municipal Affairs. Bill No. 42. The Honourable Member for Swan River.

MR. BILTON: Mr. Speaker, there's nothing would delight me more than to take part in the debate tonight on that particular item, but with the indulgence of the House, I'd appreciate the matter be allowed to stand. But the day will come, I can assure you.

MR. GREEN: Bill 40, Mr. Speaker.

MR. SPEAKER: On the proposed motion of the Honourable the First Minister. Bill No. 40. The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I won't be able to finish my remarks on this -- (Interjection) -- well I'd ask, then to have it stand.

MR. GREEN: Mr. Speaker, with leave, I move, seconded by the Minister of Labour, that the House do now adjourn.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried, and the House adjourned until 2:30 Wednesday afternoon.