

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
2:30 o'clock, Tuesday, May 25, 1971

Opening Prayer by Mr. Speaker.

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

REPORTS BY STANDING AND SPECIAL COMMITTEES

MR. SPEAKER: The Honourable House Leader.

HON. SIDNEY GREEN, Q.C. (Minister of Mines, Resources and Environmental Management) (Inkster): Mr. Speaker, I beg to present the report of the Special Committee of the Task Force on Northern Affairs.

MR. CLERK: Your Special Committee of the Legislature was reconstituted at the Second Session of the Twenty-Ninth Legislature on Thursday, July 16, 1970 as a Task Force on Northern Affairs to consider and report upon the requirements and developments of northern Manitoba.

Your Special Committee comprised the Honourable S. Green, Messrs. Allard, Barrow, Beard, Bilton, Johnston (Portage) and McBryde, members of the Legislature and representatives of various interested groups of citizens.

The Committee was authorized to hold public hearings and was also authorized to sit during recess or after prorogation and report at the forthcoming Session.

The Honourable Mr. Green was elected Chairman.

Your Committee met on the following dates:

JANUARY 5, 1971

PRESENT: The Honourable S. Green, Commissioner of Northern Affairs

J. Allard, M.L.A.

G. Johnston, M.L.A.

D. Courchene, Manitoba Indian Brotherhood

D. McIvor, Manitoba Metis Federation.

P. Umpherville, Manitoba Metis Federation.

MARCH 1, 1971

PRESENT: The Honourable S. Green, Commissioner of Northern Affairs

R. Rohmer, Chairman, Mid-Canada Development Corridor

A. Wells, Representative, Prince Edward Island Government.

E. Wells, Editor, Info

T. Barrow, M.L.A.

G. Beard, M.L.A.

J. H. Bilton, M.L.A.

R. McBryde, M.L.A.

P. Umpherville, Manitoba Metis Federation

M. Mitchell, Department of Mines, Natural Resources and Environmental Management

M. C. McKay, Department of Mines, Natural Resources and Environmental Management

G. Ford, Department of Health and Social Development

P. Thompson, Commissioner of Northern Affairs Department

J. Heads, Department of Industry and Commerce

R. A. Wallace, Continuing Programs Secretariat, P.P.C.C.

J. D. Collinson, Continuing Programs Secretariat, P.P.C.C.

W. Parasiuk, Planning Secretariat, P.P.C.C.

This meeting of the Task Force was devoted to presentations and discussions on:

(a) Mid-Canada Conference -- Mr. Richard Rohmer

(b) Prince Edward Island FRED Plan -- Mr. Andrew Wells

(c) Communications -- Mr. Eric Wells.

MARCH 2, 1971

PRESENT: The Honourable S. Green, Commissioner of Northern Affairs

J. Allard, M.L.A.

T. Barrow, M.L.A.

G. Beard, M.L.A.

J. H. Bilton, M.L.A.

(MR. CLERK cont'd.)

R. McBryde, M.L.A.  
 D. McIvor, Manitoba Metis Federation  
 W. W. Mair, Department of Mines, Natural Resources and Environmental  
 Management  
 J. Heads, Department of Industry and Commerce  
 R. A. Wallace, Continuing Programs Secretariat, P.P.C.C.  
 E. A. Poyser, Continuing Programs Secretariat, P.P.C.C.  
 J. D. Collinson, Continuing Programs Secretariat, P.P.C.C.  
 M. Courchene, Continuing Programs Secretariat, P. P. C.C.  
 W. Parasiuk, Planning Secretariat, P. P. C.C.  
 C. Prud'homme, Clerk of the Legislative Assembly.

The first part of this meeting of the Task Force was devoted to presentations by and discussions with the Northern Working Group established by the Planning and Priorities Committee of Cabinet under the Chairmanship of Mr. W. W. Mair.

The second part of the meeting was devoted to a consideration of the Task Force of its future work program, the report to the Legislature and the date of its next meeting.

APRIL 2, 1971

PRESENT: The Honourable S. Green, Commissioner of Northern Affairs  
 J. Allard, M.L.A.  
 T. Barrow, M.L.A.  
 G. Beard, M.L.A.  
 J. H. Bilton, M.L.A.  
 G. Johnston, M.L.A.  
 H. Spence, Manitoba Metis Federation  
 W. W. Mair, Department of Mines, Natural Resources and Environmental  
 Management  
 S. Trachtenberg, University of Manitoba  
 J. Heads, Department of Industry and Commerce  
 G. Torgerson, Department of Industry and Commerce  
 G. Hjørleifson, Department of Mines, Natural Resources and Environmental  
 Management  
 M. Mitchell, Department of Mines, Natural Resources and Environmental  
 Management  
 R. A. Wallace, Continuing Programs Secretariat, P.P.C.C.  
 E. A. Poyser, Continuing Programs Secretariat, P. P. C.C.  
 J. D. Collinson, Continuing Programs Secretariat, P.P.C.C.  
 W. Parasiuk, Planning Secretariat, P.P. C.C.

(NOTE: Messrs. Bilton and Spence were delayed due to weather conditions and arrived after the Committee had risen, but indicated their concurrence in this report.)

This meeting of the Task Force was devoted to a consideration of its report to the Legislature including the following recommendations:

1. That the Committee be reconstituted to complete its work.
2. That the Government of Manitoba proceed as quickly as possible with a program of dissemination of information and material developed on northern Manitoba through various kinds of discussions and meetings involving the different groups interested in or affected by northern development so that these people and groups can contribute to northern Manitoba development planning.

All of which is respectfully submitted.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Labour, that the report of the committee be received.

MR. SPEAKER presented the motion.

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

MR. HARRY E. GRAHAM (Birtle-Russell): Mr. Speaker, I beg to move, seconded by the Honourable Member for Sturgeon Creek, that debate be adjourned.

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

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed I should like to direct the attention of the members to the gallery where we have 30 students of Grade 11 Standing of the Mennonite Brethren College. These students are under the direction of Mr. H. Olfert. This school is located in the constituency of the Honourable the Minister without Portfolio.

We also have 40 students of Grade 11 Standing of the La Broquerie Collegiate. These students are under the direction of Messrs. Jean Taillefer and Alfred Laurencelle. This school is located in the constituency of the Honourable Member for La Verendrye.

And we have 35 students of Grade 9 standing of the Pierre Radisson School. These students are under the direction of Mr. Kosowan. This school is located in the constituency of the Honourable Member for Radisson.

On behalf of all honourable members I welcome you here today.

REPORTS BY STANDING AND SPECIAL COMMITTEES

MR. SPEAKER: Adjourned debate on the proposed motion of the Honourable Member for The Pas. The Honourable Member for St. Matthews.

MR. WALLY JOHANNSON (St. Matthews): Mr. Speaker, as Chairman of the committee, I would like to make a few comments on the work of the committee and also on the speeches made by members opposite. The committee heard a large number of briefs, as mentioned by the Honourable Member for Brandon West. He mentioned, I believe, 21 on the matter of The Litter Act alone. We had large crowds at our hearings which were held in Brandon - and I believe there were about 90 people at Brandon, around 60 at Dauphin and a good number at Winnipeg. We held a total of nine meetings which were largely non-partisan and actually quite congenial. There were in fact divisions only on two items of the report.

As the Chairman, or the former Chairman of the former committee, I should like to thank the members of the committee for their very cooperative attitude. It made my job easy and it was quite an enjoyable experience. It was also an educational experience, certainly for myself, and I think for some of the members of the committee. We were presented with papers and briefings from the Provincial Assessor, Mr. Reimer; from the Metro Assessor, Mr. McDonald; and from a Mr. R. H. Craig, Area Director, Lake Ontario Assessment Area of Ontario. Mr. Craig, as Director of Assessment in New Brunswick, carried out a reorganization of the entire assessment system of that province, so the members of the committee I think learned a good deal about assessment, and judging by the comments made by some of the members during this debate I think they might have benefitted by those briefings.

I'd like to comment on first of all the speech of the Honourable Member for Birtle-Russell. I think in his comments on the bill he really indulged in a bit of over-kill. He made some rather absurd statements which I think showed a pretty fundamental misunderstanding of the whole process of assessment and I think he particularly could have benefitted from the briefings that the committee did receive. He, for example, made this statement: "Mr. Speaker, I believe it is necessary that when we have a government such as we have today that firmly believe in the ability-to-pay principle, they have stated this on many occasions, and yet in the field of assessment they completely ignore these principles." Well, in a statement like this he shows his ignorance or his confusion between taxation and assessment. The ability-to-pay principle applies to taxation, not to assessment.

He makes this statement on Page 751 of Hansard: "We find that land used for agricultural purposes, which in some cases may be very close to areas that are potential development areas, are being assessed as potential development areas and not for the purposes of agricultural use, and, Mr. Speaker, I humbly submit that that principle is wrong. I would suggest to you, Sir, that when land is being used for agricultural purposes, that is the only basis on which it can be assessed." Well unfortunately, by law, assessors must consider both location and sales. This is the law as it stands today and as it has stood for a long time.

The member objected to Item No. 3 of the report which removes the exemption on farm buildings from agra-business, and he refers to this as a violation of the Human Rights Bill. Again I think this is a bit of over-kill. Historically, assessment has always favoured the farmers. -- (Interjection) -- No? The assessment of this province -- if the honourable members opposite had sat in on the briefing sessions which we were given on the history of assessment in this province they would have learned this very obvious fact, that assessment has always favoured the farmers, and in Item No. 3 we're proposing no penalty, we're simply

(MR. JOHANNSSON cont'd.) . . . . removing the exemption which is reserved now for family farmers. I wonder is the member suggesting that we remove the exemption from all farmers? If he is, the members of his Party who were on our committee certainly didn't agree because they agreed unanimously with Item No. 3 of the report. The member says there is a contradiction between Item 3 and Item No. 7 which lowers the acreage for farm building exemptions down to five acres, and I think if the member thinks there is a contradiction between these two items he's simply confused.

The member said that the committee did not deal with the litter problem and this he felt was proof that either the committee did not do enough work or were unwilling to deal with some problems. The committee made no great claims regarding its work and I would make no claims, great claims for its work. I think its achievements were very modest ones. It really required much more time to attack certain problems that it looked at. Some of the problems simply defy easy or simple solutions, and I would refer to the question of the Lee-Pinawa cottages and the problem of assessment of farm lands in the urban fringe.

The Member for Brandon West also I think in his comments on the report of the committee indulged in a bit of over-kill. I found that some of his comments were a bit snide, although I can understand that he was a bit irked at the fact that his bill was not proceeded with. He talked about Bill No. 102 being assigned to whatever we use for litter in a Legislature. Well, Leon Trotsky during the Russian Revolution -- Leon Trotsky during the Russian Revolution of 1917 told the Menchovics at a particularly crucial moment that they were being consigned to the dustbin of history. And this is I think where Bill 102 deserves to go, to the dustbin of history.

-- (Interjection) -

MR. SPEAKER: Order, please.

MR. JOHANNSSON: And in a couple of years when we have another election that's where the Honourable Member for Lakeside will go.

Bill 102 was an attempt to solve a litter problem but unfortunately it did not attack the waste problem which is the major problem in connection with pop bottles or pop cans. Only one percent of people litter; 99 percent of people do not and the great problem in this connection is the problem of waste. Bill 102 simply transforms a litter problem into a solid waste problem and my honourable colleague for Winnipeg Centre agrees with me on this. Bill 33 in British Columbia, which is very similar to Bill 102, has resulted in cans replacing non-returnable pop bottles. The effect of this is a change in the quality of litter and waste disposal problems, but there's been no real solution. The Honourable Member for Brandon West claimed that Bill 66 in Saskatchewan has the same thrust as Bill 102 here, and I think he's mistaken here because from my reading of the Saskatchewan bill it permits the Saskatchewan Government to do almost anything by regulation, including a ban on cans and non-returnable containers.

The honourable member also repeatedly used the term "government" in referring to the report, and I would remind him that the report is that of a committee of the Legislature, not of government. The honourable member also claimed that the chairman of the committee attended no meetings. Well, this perhaps was a misunderstanding on his part. I was chairman of that committee and I attended all meetings. The member claimed that government members and ministers had their minds made up before the hearings started. He inferred that our treatment of Bill 102 showed that we had closed minds. Well, I think the fact that we made no positive recommendation, aside from advocating that we not proceed on Bill 102, I think the fact that we made no positive recommendation was proof that we did have open minds and that we listened to representations which were quite contrary; in fact the Honourable Member for Winnipeg Centre has proposed a logistical system which attacks the whole problem of solid waste and I think his proposal has made some impact on a number of members of the committee. However, I am hopeful that the Minister will bring in legislation on this matter later in the session.

The Honourable Member for Assiniboia I thought made a very balanced and reasonable speech as he often does. He had criticisms of the report, but at the same time he did recognize that the committee did achieve something and I thank him for this. He was critical of municipal tax deferral. He stated that it would act like an expropriation act, and he stated also, and I quote: "Assessors have made up their minds to ignore productivity or land use, or land's ability to support taxes, but have assessed according to market value and to relative streets and highways." Now unfortunately, by the present law, assessors must consider

(MR. JOHANSSON cont'd.) . . . . location and market value, and the true objective of assessment is to provide an equitable tax base for local taxation, an equitable tax base. Unfortunately, there is only one measure that can be used to compare the value of different kinds of properties, of agricultural property, market garden property, residential, commercial and industrial; and that one comparison, possible comparison is value in exchange or market value.

Now Item No. 2 of the committee's report which recommends implementation in principle of the Municipal Tax Deferral Act, Bill 148 of last session, will give some relief to farmers on the fringe area of Winnipeg and it will allow a farmer, on sale of his property, to keep most of the capital gain that has occurred. The Minister during the committee session gave us some examples, and in every case the amount of tax deferred never went beyond 40 percent of the capital gain - and that was after something like 11 years. So the farmer had the benefit of a lower rate of taxation during those 11 years on the basis of farm use of the land and at the end of 11 years, if he chose to sell, he still kept at least 60 percent of the capital gain. -- (Interjection) - No, no. We are proposing a form of relief to a farmer who chooses to use land in a form -- or for a use that is not the most economical use. -- (Interjection) -- Oh, we're not proposing that.

The honourable member asks when the Minister will convene the technical committee on national building codes. I understand that it has already been convened and some action has been taken, and when policy decisions are taken by the government the technical committee will again be convened. So some action has already been taken and will be taken on that.

The member also brought up the problem of the Lee-Pinawa cottage owners. This is a particularly complex problem. There are five different categories of cottages or leisure homes. Some of these are subsidized by the government. Three out of five types are subsidized by government, two are not. Some pay municipal taxation, some don't. It's an extremely complex problem and the government departments that are concerned are now studying this problem and I hope that there will be a policy announcement in due course, and by due course I mean reasonably soon.

Mr. Speaker, the Honourable Member for Rhineland had some criticisms of our committee report. He commented on the vagueness of the recommendations, the fact that we recommended in a number of cases that items be implemented in principle, leaving the details not spelled out. Well, I think that this is fairly common practice in reports of legislative committees and actually the two items that he commented on are rather specific. The member also asked if recommendations are binding on the government. I would say no. They never have been. If the government chooses to act on these recommendations it will, if it doesn't it won't.

The member expressed a number of concerns about the second recommendation, that the Municipal Tax Deferral Act be implemented in principle. He asked whether a farmer would have -- he was concerned about a farmer having money to pay the deferred taxes. Well obviously if he pays the deferred taxes only when he sells the land, he's going to have money to pay the deferred taxes. Well, you also ask - pardon me - the honourable member also asks whether the deferral would be for three or five years. Well the deferral in Bill 148 is an indefinite deferral, but as I pointed out before, in the examples that we have calculated the farmer will always keep at least 60 percent of his capital gain.

The member expressed concern about high taxes based on potential rather than actual use of farm land forcing a farmer off the land and out of business. If he doesn't pay the tax until he sells his land, obviously it's not forcing him out of business, because as long as he wants to use the land for agricultural purposes he can continue to pay a tax at the farm use level. The member recommended that land should be assessed on productivity rather than market value, and I've commented on that previously.

He expressed concern about the increasing burden of education and he has a very legitimate concern there. Unfortunately, the solution is not a change in assessment but rather provincial takeover of the burden from property tax to other forms of tax based on the ability to pay. Both Stanley and Rhineland, which are in his constituency, are largely in multi-district school divisions and they don't have the same financial benefits as other unitary divisions, and the solution to this problem doesn't lie in changing the method of assessment. There's a different solution available to the member and he knows what that is.

The member also stated that Rhineland and Stanley were assessed in 1966 and 1967 when land prices were at their peak and now the land prices are much lower. Well, this explanation

(MR. JOHANNSON cont'd.) . . . . has been made to his council and it was also made in municipal committee when he was present, and the fact is that the assessments made in Stanley and Rhineland in 1966 were based on prices, land prices during the base period 1960 to 1965. This was explained to the member and I don't know why he brings it up again.

The honourable member claimed that farm land is assessed too high in comparison to towns and villages. He claimed that farmers pay too high a proportion of taxes in comparison to the towns and villages, but unfortunately the only possible equitable comparison of farm and town properties is through comparison of market values. How else do you compare values of property?

The member also stated that the only land being sold in his area is special crop land which commands high prices and that these prices are being used to determine market values for all of the lands, or for most of the lands, the other properties in the area. Now I have checked this out and this just isn't true. These properties are analyzed according to land use and soil types, and the special crop land prices apply only to special crop land and not to other farm lands.

The honourable member claimed that too many municipalities are not being assessed for ten, twelve or more years. This also is not the case today. Municipalities are now being assessed, or will be very shortly, every five years. In fact his municipality is being assessed this year again and it was assessed in 1966, so there's a five year interval. -- (Interjection) -- Well years ago -- I can't defend the record of the past government, it's not my job.

The honourable member also opposed the adoption of the National Building Code because he feels that rural areas shouldn't be under the same code as an urban area. My understanding is that the National Building Code sets only very minimal standards and takes rural difference into consideration.

Well, these are the brief comments I have to make on this report. I think the committee, as I said previously, did do some good work and I would make no great claims for its achievements, but I am hopeful that the government will adopt some of its recommendations and bring forth legislation this session. Thank you, Mr. Speaker.

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

MR. J. WALLY McKENZIE (Roblin): Well, Mr. Speaker, I had not intended to speak this afternoon, but after listening to the remarks from the honourable member, it draws me to my feet. Because again - and I don't know how many times, Mr. Speaker, that I have to draw again to the attention of this House and those that will listen to my voice, that the academic world is not going to solve the problems of the farm, and here was a classic example this afternoon of a school teacher, Chairman of the Municipal Affairs Committee, standing up here and talking about the municipal problems of this province.

Unfortunately, Mr. Speaker, he did not attend too many of the meetings in that capacity - and he likely has his reasons for not being in attendance at those meetings and I have no quarrel with that - but nevertheless he talks about, you know, over-kill. How hard is it for country people to draw to the attention of politicians and chairmen of committees that there is problems out in rural Manitoba, and he says just because that we over-exaggerate, or the Honourable Member for Birtle-Russell over-exaggerated, he said he over-killed, to draw and try and let the government know there is a problem.

And his ignorance - and I have no quarrel with that because he spelled it out in loud terms to me this afternoon in the way he handled his remarks - he talks about land use. Are you talking about land use as a school teacher? A land owner? In what capacity are you talking, because I can't buy your argument at all, Mr. Speaker. It's unfortunate, because the school teacher approach to land problems and the farmer approach to land problems and assessment and taxes are two different worlds, two different worlds altogether.

I don't quarrel with the person in this province today who maybe thinks that the reasonable thing is to not own property. Maybe that is the answer which maybe Lenin in his wisdom had got through to my honourable member; maybe that is the sensible thing, to not own property and let the state be in charge of all the taxes. Nevertheless, we have the problem and people own land in this province and have to abide by the laws, and the law says you must pay the taxes. I thought surely in the wisdom of the Chairman of that committee, he would give us some guidelines to follow or some constructive criticism to follow from the wisdom of those hearings across this province. But what did we get? He's picked the bones of everybody I guess who was on the committee; he's picked the bones of everybody that appeared before the

(MR. McKENZIE cont'd.) . . . . committee; but he hasn't offered us any solutions to the same problem which this government said they could solve. With their wisdom and their knowledge and their ability, they could solve all these problems, and I'm sure the honourable member when he chaired those meetings he thought he could solve them. And what does he come in here this afternoon with? A report that doesn't add to me, Mr. Speaker.

What about the cottage owners at Pinawa? He skated right over it - thin ice. Maybe, maybe the government has the matter under surveillance; I hope they have. I've had some correspondence from that group and I'm not going to say anything on that this afternoon. I hope that in the wisdom of the committee and the government that they will solve a very difficult problem.

He mentions the remarks of the Honourable Member for Brandon and says again he over-killed his point. What does the honourable chairman of that committee mean by this word over-kill? It's a new phrase, maybe it's an academic phrase, but we don't understand. How do we get the message across if we don't, you know, over-exaggerate our point to get the honourable member to understand. He said his comments were snide. I don't think the Honourable Member from Brandon meant it in that -- if that's the context that he took it in, I'm sure I can apologize for the Honourable Member for Brandon. The Honourable Member for Brandon was honest and sincere when he brought that bill in here last year, Bill 102, asking let's crawl before we walk, let's clean up the litter of this province; the waste can come after. But what does the honourable chairman, Mr. Speaker, come up with this afternoon? He says we got to do the litter and the waste at the same time or we're not going to buy it. Does that make sense to you, Mr. Speaker? It doesn't make sense to me. I say the government made a mistake. The government made a mistake. The government made a mistake by not accepting - let's clean up the litter first and maybe the waste problems will be all involved in the same exercise. And the Honourable Member for Brandon was right in his wisdom in that legislation.

And then he brings Trotsky in, Leon Trotsky. What a way to start a new week out, Mr. Speaker, to talk about the wisdom and the knowledge of that great social philosopher, Leon Trotsky, who started chasing the landowners and the czars all out of Russia. And this is the exercise we are getting from the Chairman of the Municipal Affairs Committee this afternoon, Mr. Speaker. I think, Mr. Speaker, in all my wisdom, I should tell the people back in Roblin constituency to look out, these guys are after the landowners. These guys are after the landowners and the czars, because I have no way, in listening to the honourable member's remarks, to prove otherwise, Mr. Speaker.

And this is our concern, that a chairman of a committee, Municipal Affairs Committee, who should actually be closing the debate and giving us some wisdom of where the Municipal Affairs Department is going, where the Minister is going to go and carry us - and the First Minister - in the municipal problems of this province, he comes up with a speech like that. He mentioned Bill 66 in Saskatchewan . . .

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier) (Rossmere): It's a matter affecting the decorum of this House. Looking across at the Honourable Member for Lakeside for the last three minutes, I believe that he is in some pain and I was wondering if either he's in some physical pain or in some mental pain, but I was sure that he was talking to himself.

MR. SPEAKER: The Honourable Member for Roblin.

MR. McKENZIE: Well, Mr. Speaker, I'll sum up very very quickly and again ask the Chairman of the Municipal Affairs Committee to not take that approach to the municipal affairs of this province. Don't pick the bones of everybody in this Legislature or those that were in the committee and be like a bird of prey and zoom in on us and say that we haven't got the knowledge because we over-killed. I submit that he's got to come up with a much better offer- ing than he offered this afternoon or else I can't accept that report, Mr. Speaker.

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

MR. LEONARD A. BARKMAN (La Verendrye): Mr. Speaker, I beg to move, seconded by the Honourable Member for Assiniboia, that the debate be adjourned.

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

MR. SPEAKER: Notices of Motion.

INTRODUCTION OF BILLS

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

HON. RENE E. TOUPIN (Minister of Health & Social Development) (Springfield) introduced Bill No. 53, The Health and Social Development Advisory Council Act. (Recommended by His Honour the Lieutenant-Governor)

MR. TOUPIN introduced Bill No. 47, an Act to amend The Health Services Insurance Act.

HON. JOSEPH P. BOROWSKI (Minister of Public Works and Highways) (Thompson) introduced Bill No. 48, an Act to amend The Snowmobile Act. (Second reading Thursday next)

HON. A. H. MACKLING, Q. C. (Attorney-General) (St. James) introduced Bill No. 54, an Act to amend The Liquor Control Act (2).

MR. MACKLING introduced Bill No. 51, an Act to amend The Criminal Injuries Compensation Act. (Recommended by His Honour the Lieutenant-Governor)

MR. JAMES WALDING (St. Vital), on behalf of the Honourable Member for Osborne, introduced Bill No. 43, The Occupational Therapists Act. (Second reading Thursday next)

ORAL QUESTION PERIOD

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SIDNEY SPIVAK, Q.C. (Leader of the Opposition)(River Heights): Mr. Speaker, my question is for the First Minister. I wonder whether he can inform the House whether the \$12,800,000 contract for the regulation of Lake Winnipeg has been signed and whether work has commenced.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, the bids were opened several days ago. The calculations were run to ascertain what appeared to be the lowest bid was clearly in fact the lowest bid. This is being done. However, I am unable to say just at the moment whether or not the contract has actually been awarded.

MR. SPIVAK: Will it be the intention of the government to hold the signing of that contract until the Public Utilities Committee has had its hearings?

MR. SCHREYER: Mr. Speaker, I really fail to understand the purpose of the honourable member's question. As soon as all of the necessary details and preliminaries have been worked out the policy that has been struck will be followed.

MR. SPIVAK: I wonder if the First Minister could inform the House, then nothing that will happen at the proceedings before the Public Utilities Committee will prevent Hydro from proceeding with the control over the Lake Winnipeg and the awarding and carrying out of the \$12,800,000 contract?

MR. SCHREYER: Hypothetical, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. HENRY J. EINARSON (Rock Lake): Mr. Speaker, I direct a question to the Minister of Mines and Natural Resources. In view of the fact that for the past number of years the algae problem on Rock Lake has been treated with a chemical formula, is it the intention of the Minister not to treat this lake for algae this year?

MR. SPEAKER: The Honourable Minister of Mines. The Honourable Member for Lakeside.

MR. HARRY J. ENNS (Lakeside): Mr. Speaker, I direct a question to the Honourable the First Minister. Can he indicate whether or not there have been in the immediate past, or currently, discussions begin held with our neighboring province of Saskatchewan with respect to regulation of waters on Rainbow Lake -- or Reindeer Lake?

MR. SCHREYER: Reference, Mr. Speaker, to the word "Rainbow" is probably descriptive of what's going on in my honourable friend's head, but with respect to the substance of the question, I believe that my colleague the Minister of Mines and Resources may be in a position to answer offhand; if not, I shall be glad to take it as notice.

MR. ENNS: Well, Mr. Speaker, obviously the First Minister correctly diagnosed the disability that I have today. My question to the Honourable the House Leader, would he perhaps also take under advisement, or notice to be answered later, as to whether or not in the past two years some changes have been made with respect to the appropriating of water, streams of water coming into our provinces. The reference here is directly to the Task Force report which seemed to indicate that we may not be dependent or be able to depend on current



(MR. ENNS cont'd.) . . . . agreements, water appropriation agreements, that are crossing our borders now. We have not been aware of any changes in those agreements that . . .

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, I believe that there was an agreement concluded in the fall of 1969 which had been negotiated up to that point, which affect what my honourable friend has said, and we'll see to it that the contents of that agreement are made known to my honourable friend. I'll take the other question as notice because there are various studies being made under the Tri-province-Federal Government authority which deals with these questions, but the exact nature of the studies I'd prefer to be more precise than I can be at this moment.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: I direct a further question, Mr. Speaker, to the Honourable the First Minister. In view of the allegations made by Mr. D. L. Campbell with respect to the Task Force findings . . .

MR. SPEAKER: Order, please. I do not believe that's a subject before the House in any way, shape or form at the moment. The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker, the integrity of the Task Force that studied the regulation of Lake Winnipeg is being questioned by the members themselves who have suggested that perhaps an impartial technical enquiry would be in order. Has the government any intention of appointing such a technical enquiry - commission of enquiry?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, the composition of the Task Force that undertook the studies with respect to Lake Winnipeg regulation, Churchill River diversion, and the optimum combination of the two is in this government's view a Task Force that has the most impressive of technical expertise on it and so we are satisfied with the expertise in every respect.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: I wonder whether the First Minister could inform the House whether he's aware that . . .

MR. SPEAKER: Order, please. Would the honourable member rephrase his question? Awareness is not necessary.

MR. SPIVAK: In view of the suggestion by one of the Hydro officials that such a committee be set up, would the government now consider that a technical committee be set up to in fact adjudicate on the Task Force report?

MR. SPEAKER: Order, please. I would like to ascertain before this Legislative Assembly whether we are discussing something which is before a committee which is not reported. If it is, I would find that all questions pertaining to that are out of order and I would like to have the co-operation of all the honourable members in that respect - and that includes answers thereto. Now I'm not aware of what is going on before the committee so therefore I have to depend upon the honourable members themselves when they are framing their questions. If the Honourable Member for Lakeside wishes the rule from Beauschesne, I can give it to him. The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker, just perhaps by way of assistance, certainly the question of many hundreds of millions of dollars of capital supply are before the committee, and as such I . . .

MR. SPEAKER: Order, please. In that case, if it is before the committee, until that committee reports I cannot entertain questions on that particular aspect. The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, before the Orders of the Day I want to ask the Minister of Mines and Resources if he can advise of any knowledge of whether the Federal Government under the Canada Water Act will be undertaking studies on Lake Winnipeg?

MR. SPEAKER: The Honourable Minister of Mines.

MR. GREEN: Mr. Speaker, there are discussions between the Province of Manitoba and the Federal Government with regard to studies on Lake Winnipeg which I referred to in the departmental Estimates.

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

HON. LEONARD S. EVANS (Minister of Industry & Commerce) (Brandon East): Mr. Speaker, a few days ago honourable members asked whether we had made any representation to Ottawa with respect to the removal of the Armed Forces Rescue Co-ordination Centre from

(MR. EVANS cont'd) . . . . Winnipeg to Edmonton. I advised members of the House at that time that we had indeed wired the Honourable Donald S. McDonald, Minister of National Defence in Ottawa, expressing our concern - this was on May 20th. I'd like to advise the members of this House now of the reply which I have received this morning from the Minister of National Defence which reads as follows: "Thank you for your telegram. Regret you were not informed earlier of move of the Rescue Central Centre and No. 440 Squadron from Winnipeg to Edmonton this summer and fall. The number of personnel moving is less than 30 in all, considered no more than normal fluctuation in total forces strength in Manitoba. The move is considered necessary to make the best use of our resources. Most research and rescue missions in prairie region and northwest territories take place north of Edmonton, and by stationing two aircraft at Yellowknife and two at Edmonton, along with the Rescue Central Centre, we can provide better results in most situations. There are no current plans for significant moves of military personnel either into or out of Manitoba other than those announced. However, you will appreciate that I cannot give you assurance this situation will always remain as we must of course respond to changing circumstances from time to time." This is the end of the telegram.

In commenting on this, Mr. Speaker, I would only state that we have on file assurance from the Department of National Defence, from the former Minister that this province would be advised of any adjustments of personnel in the province and therefore we intend to follow the matter up very promptly with Mr. McDonald, Minister of National Defence.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, a question to the Minister of Industry and Commerce. Can he advise whether there's been any further communication with the Federal Government regarding the Air Canada Policy Committee and the CAE layoffs?

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

MR. EVANS: Mr. Speaker, I don't know whether it's a supplementary question, but this is my day for reading telegrams. Mr. Speaker, I have now received a reply to my telegram of May 17th and my reminder telegram of May 20th to the Honourable James Richardson, Federal Minister of Supply and Services, respecting a proposed delegation to Ottawa, an all party delegation to Ottawa to discuss possibilities of further work for CAE Limited, and the reply that I've received is as follows, and with the indulgence of the members, it's very brief, I'll read it: "I received your telegrams of May 17th and 20th. I appreciate the concern you have shown which you know I share. My department is presently negotiating with other federal departments and shortly intends to undertake further negotiations with CAE Limited. Unless the Manitoba Government has new and specific proposals to make, I do not believe that a meeting would be of much benefit at this stage." Signed James Richardson.

Mr. Speaker, if I may comment. In short, the Minister in Ottawa responsible for work to be given to CAE Limited apparently does not wish to meet with an all party delegation of this House. He is wrong when he refers to the proposals of the Manitoba Government, because what we were suggesting at this time was a delegation representing the community, involving union and management as well as all parties of this House. Therefore, Mr. Speaker, I trust that I'm going to have the consent of all parties of this House to immediately convene, or as soon as possible convene the Manitoba Air Policy Committee, invite the Honourable James Richardson to come here and explain what he is doing with regard to contracts with CAE Limited, and I trust that I have the support of everyone in this House in this respect.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Well, Mr. Speaker, by way of a question rather than a statement, may I ask whether the Minister of Industry and Commerce will consider wiring the members and having that meeting this week. By wiring the members to meet and having them meet this week rather than have it delayed as a result of sending letters by mail, my point being -- (Interjection) - I beg your pardon? You can do it by telephone but I would . . .

MR. SPEAKER: I believe the honourable member has stated his question. The Honourable Minister of Industry and Commerce.

MR. EVANS: Mr. Speaker, it's our intention to convene them as soon as we can possibly get them. The letters have gone out inviting all these people who were previously connected with the committee to be prepared to attend a meeting as soon as the proposed delegation return from Ottawa. However, we will do everything in our power to get in touch with these people as soon as possible and have the meeting convened as soon as possible, whatever means is necessary.

MR. SPIVAK: I take it then the Minister can't confirm whether this meeting will be held this week or not.

MR. EVANS: Mr. Speaker, it's very difficult for us to confirm that it will be held this week, because as you know this is Tuesday already and I believe one day of this week is spoken for, a visit to The Pas, and you're dealing with 75 people or so. Also I would like, as I suggested in my statement, Mr. Speaker, I think Mr. Richardson owes us a trip to Winnipeg to meet with this committee and I would think it would be useful if the meeting was timed to coincide, hopefully, with a visit of Mr. Richardson. We'll try to get him to come here as soon as possible to discuss this with our group, and I think therefore it would be propitious to time our meeting to coincide with a possible meeting with the Minister, but if he chooses not to meet with us, we'll convene a meeting anyway, we'll convene a committee anyway.

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

MR. EARL McKELLAR (Souris-Killarney): Mr. Speaker, I'd like to direct a question to the Honourable Minister of Municipal Affairs. What are the terms of reference given to the Transitional Board?

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

HON. HOWARD R. PAWLEY (Minister of Municipal Affairs) (Selkirk): The terms of reference, Mr. Speaker, will be announced in very short order.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: A supplementary question to the Minister of Municipal Affairs. Is he aware of the fact that some insurance agents . . .

MR. SPEAKER: Order, please. I believe I cautioned the honourable member about awareness just a little while ago. Would the honourable member rephrase his question? The Honourable Leader of the Opposition.

MR. SPIVAK: Have any cases been brought to his attention of insurance agents who have declared bankruptcy within the last week?

MR. PAWLEY: No, I'm not aware of any such cases having been brought to my attention, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Swan River.

MR. JAMES H. BILTON (Swan River): Mr. Speaker, my question is for the First Minister. I wonder if the First Minister would advise the House as to who was responsible for the lack of the time-honoured 21-gun Royal Salute yesterday.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I'm abject about the matter. I don't know. It seems however that enquiry would be appropriate.

MR. SPEAKER: The Honourable Member for Rock Lake.

MR. EINARSON: Mr. Speaker, I direct this question to the Minister of Transportation. I'm wondering, because of the many complaints that I've received, how many licences have been sent out in the way of male where they should have been female?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, with the leave of honourable members, I'm wondering if it would be in order to simply advise honourable members that it would be appreciated if by 4:00 o'clock we could have an indication from such members as haven't yet indicated whether they wish to go on this on-site inspection at The Pas, at the forest complex at The Pas. By 4:00 o'clock, I believe, the Minister of Industry and Commerce's office would have to know so that appropriate final arrangements can be made with respect to transportation. And also, Mr. Speaker, if honourable members could indicate whether Friday would be just as acceptable as Thursday. It seems that there is some consensus of view on both sides that Friday would be just as well as Thursday. If that's all right, the 4:00 o'clock deadline for giving us notice and the arrangements can be then finalized for Friday.

MR. SPEAKER: The Honourable Member for Morris.

MR. WARNER H. JORGENSON (Morris): Mr. Speaker, speaking for the Official Opposition, we have no objections to the change of date from Thursday to Friday. I think it meets with general approval of most members of this side of the House, those that I've been able to contact, and I believe that we have notified the Minister's office as to the number that will be attending.

MR. SPEAKER: The Honourable Member for Roblin.

MR. McKENZIE: Mr. Speaker, I have a question of the Minister of Mines and Natural

(MR. McKENZIE cont'd.) . . . . Resources. I wonder if the Minister has relaxed the regulations re mercury pollution in the province.

MR. SPEAKER: The Honourable Minister of Mines and Natural Resources.

MR. GREEN: Mr. Speaker, I'm not just sure what the question means. The fact is that the same policies that have been applied up until now are still being applied.

MR. McKENZIE: A supplementary question then, Mr. Speaker. I wonder if the Minister can tell me are all waters safe, including the tenor 100,000 lakes that are on our licence plates, are they okay for sport fishing?

MR. GREEN: Sport fishing is permitted in all lakes in Manitoba, and those where there is any difficulty detected have been indicated to anglers. But I'd like to emphasize that of the lakes that my honourable friend is referring to, there is only a very very small number that are in any way a problem, and even in those sport fishing is permitted and we think that is being made use of by sportsmen from Canada and the United States. We consider that the lakes are clean, with exceptional cases indicated, so that where nothing is indicated we are following the same practice as previously and encouraging all fishermen to fish in the well-stocked Manitoba lakes.

MR. McKENZIE: A further supplementary question. Does this include the "Rainbows" that the First Minister was speaking about a while ago?

MR. GREEN: Well, Mr. Speaker, if there are lakes in Manitoba referred to as "Rainbow" lakes, which I'm sure there must be if there are so many lakes, then it would include those, yes.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I want to direct a question to the Minister of Industry and Commerce. Can he indicate whether Western Flyer Coach is in financial difficulty as a result of the Metro decision regarding the small number of buses to be ordered this year?

MR. SPEAKER: Order, please. I really don't know whether that question is relevant. We don't have a motion on Western Flyer Coach in this House. The Honourable Member for Rhineland.

MR. CRAIK: Mr. Speaker, a supplementary question.

MR. SPEAKER: The Honourable Member for Riel.

MR. CRAIK: Mr. Speaker, I think it's in order for me to ask the Minister as I probably should have done as a preliminary, what equity the Manitoba Government holds in Western Flyer Coach.

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

MR. EVANS: Well, Mr. Speaker, the Manitoba Development Corporation holds a minority equity position, and this was announced I believe a year ago at the time of certain financial arrangements made then. The exact figure escapes me but it is a very small percentage and the position hasn't changed since that time. I can look the figure up, as the honourable member can if he wishes to go to the library.

MR. CRAIK: Perhaps, Mr. Speaker, if I could ask then if the Minister did not make a statement or announcement in the last week or so regarding the order of buses from Metro to Western Flyer Coach expressing concern.

MR. EVANS: Mr. Speaker, I was only repeating what the management of Western Flyer Coach told me and simply this, that the decision by the Metro Council of Greater Winnipeg not to order, I believe nine or ten buses at this time as the company previously was led to understand would be ordered, has caused that company to lay off 65 members of their staff at the Morris factory south of Manitoba. It's simply a piece of information which was given to me by management of that company and it was related by me to certain members of this community of ours.

MR. CRAIK: A supplementary, Mr. Speaker, then. Are any negotiations proceeding with Metro regarding stabilizing the bus order, bus orders on an annual basis?

MR. EVANS: Mr. Speaker, the Manitoba Development Corporation and the company, Western Flyer Coach, have had for some many months' discussions with Metro Corporation because that corporation, the Metro Transit System, has been purchasing buses for many many months, has many many buses in operation now which were purchased from Western Flyer Coach, so it's not unusual for continuing negotiations and discussions, communications to take place between the company and the Metro Transit System.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, I'd like to address a question to the First Minister. Could he indicate whether the government will be making any new proposals re delegation of powers or amending the Constitution at the forthcoming Dominion-Provincial Conference?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, this government often has new proposals to make, but with respect to the Constitutional Conference the position of this government, in concert with most if not all other provincial governments, is to try to seek agreement on the patriation and amending formulas. There was some discussion at the last meeting of matters of substance quite apart from the patriation and amending formulas but these were not on the initiative of Manitoba or most of the other provinces.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: A supplementary question. I wonder whether the First Minister can indicate whether the Province of Manitoba, or the Government of Manitoba has indicated a preference for the manner in which the agenda of the Constitutional Conference is to be conducted?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, having received last week the letters from the Prime Minister indicating what the proposed agenda would be, I've dictated a reply to the effect that the proposed agenda was acceptable but that we would want to see some time given over to discussion of general economic problems, unemployment in particular, and this suggestion has come forward from at least two or three other provinces as well, and I understand the question now to be resolved is whether any time is taken from the three days to discuss general economic conditions or whether we try to find time on the fourth day.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Well, by way of a supplementary question, then it appears likely that economic matters will be discussed at some time during the conference.

MR. SPEAKER: The honourable member is making a statement.

MR. SCHREYER: I would say yes, and while I'm on my feet I would simply point out to the Honourable Leader of the Opposition that he asked last week whether it would be possible for himself to attend as an observer and I must inform my honourable friend that there is no problem in his attending as an observer for that portion of the conference that will be open, but according to the consensus of views with respect to the agenda, I'm informed by the Prime Minister that the major part of the conference will not be open, it will be a closed session at which time it will not be possible for observers to be present. Therefore, really the decision is up to my honourable friend as to whether it's worthwhile for him to attend on the basis of perhaps being able to sit in on one session out of six or seven.

MR. SPEAKER: The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I rise really on a matter of privilege. I did not make a request. The First Minister is confused. The request I believe was made by a member from the Liberal Party. There was no particular request made by myself. The request I did make, and this is for the record, was to ask whether any youth representative other than political, representing political organizations, could possibly be invited and could attend with the delegation from the province, but I welcome the suggestion made . . .

MR. SPEAKER: Order, please. The honourable member has stated his point of privilege, or matter of privilege in respect to himself, and now he's starting to debate the question. The Honourable Leader of the Opposition.

MR. SPIVAK: Mr. Speaker, I'll then ask by way of a question whether it is proposed that the economic matters be discussed in camera or will they be discussed at an open meeting.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Well, Mr. Speaker, that hasn't been determined as yet and it's difficult to go by past practice in this connection, because for example the last conference where economic matters were discussed happened to be in closed session, but then the entire conference was in closed session. So it will probably take a few days, perhaps even the matter of a week or two to really determine whether or not economic matters discussed will be discussed in camera or not.

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

MR. GRAHAM: Thank you, Mr. Speaker. My question is for the Honourable Minister

(MR. GRAHAM cont'd.) . . . . of Transportation. I would like to ask him if there is some office other than the Ombudsman where individuals can appeal against the overcharging that apparently is going on with their driver licence applications?

ORDERS OF THE DAY - MOTIONS FOR PAPERS

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I beg to move, seconded by the Honourable Member for Portage, that an Order of the House do issue for a Return showing the following information:

(1) The amounts received by the Provincial Government for each of the years, since its inception, from the Canada Pension Fund.

(2) The amounts repaid for each of the years, since its inception, to the Canada Pension Fund.

(3) The total amount presently owing to the Canada Pension Plan Fund by the Province of Manitoba.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Minister of Finance.

HON. SAUL CHERNIACK, Q.C. (Minister of Finance) (St. Johns): Mr. Speaker, not only is the Order acceptable but I have the Return ready and will give it to the Clerk and ask that he just insert the date, today's date, and the number of the Order, the Sessional Paper, and then it could be distributed.

MR. SPEAKER: On the proposed motion of the Honourable Member for La Verendrye. The Honourable Member for La Verendrye. Is the Honourable Member for La Verendrye absent? The Honourable . . .

MR. CHERNIACK: . . . to the Order, I imagine the question should be put, otherwise it won't receive a number.

MR. SPEAKER: I thank you for the reminder.

MR. SPEAKER put the question on Mr. Froese's motion and after a voice vote declared the motion carried.

MR. SPEAKER: On the proposed motion of the Honourable Member for La Verendrye. The Honourable Member for La Verendrye.

MR. STEVE PATRICK (Assiniboia): . . . stand, Mr. Speaker, to Private Members' Day?

MR. SPEAKER: It is Private Members' Day. Well, we are proceeding with Orders for Return. It is Private Members' Day and therefore I'm taking them in order and the second one is in the name of the Honourable Member for La Verendrye. Now if he is absent we'll leave it and we'll go on to the next. Agreed? The Honourable Member for Morris.

MR. JORGENSEN: I do think there is an arrangement whereby the government has asked the Honourable Member for La Verendrye to have this matter stand on this particular motion and it has been standing for some weeks.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: The Honourable Member for Morris is quite right, there was a standing request that it be allowed to stand, however that arrangement has lapsed as of today. No great problem, it can be carried forward until the honourable member is here or it can be moved by the Honourable Member for Assiniboia. In any case, it really won't make that much difference. If they care to stand it one more day, by all means.

MR. SPEAKER: The Honourable Member for Assiniboia.

MR. PATRICK: . . . absence, I would like to move, seconded by the Honourable Member for Portage la Prairie, that an Humble Address be voted to His Honour the Lieutenant-Governor praying for copies of any correspondence, agreement, and consulting reports between:

(1) Government of Manitoba and the companies making . . .

MR. SPEAKER: Order, please. I'm sorry, I just noticed that it's already been moved and that all we are requesting at the moment, or deciding at the moment, is whether it will be accepted or rejected and then if there is to be debate. The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, if it's been moved and then allowed to stand, then it's incumbent on me, Sir, to indicate to the honourable member that after having sought and obtained legal advice this request is such that it's virtually impossible to fill this Order, to accept this Order, for the reason that almost all of the material being asked for relates either

(MR. SCHREYER cont'd.) . . . .in a very direct way, or indirectly, to subject matter that is now before the courts, and as the long standing rule would have it, for good reason it is not possible to table documentation of a kind that relates directly to a subject that is sub judice. We could adopt the alternative course of action which would be to accept the Order subject to the caveat that only such material as is not directly related would be tabled and that would result in precious little material being tabled. So that in practical terms, Mr. Speaker, it's just as well not to accept the Order for the obvious reason that it's sub judice.

MR. SPEAKER put the question and after a voice vote declared the motion lost.

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

MR. WILLIAM JENKINS (Logan): Mr. Speaker, I'm going to be very brief in my comments on this proposed Order for Return. I think the First Minister has already outlined that the material and the information that the honourable member is seeking will be made available when the Honourable Minister of Health and Social Services tables his Estimates in this House, and in that case, Mr. Speaker, I feel that the information that the member is seeking will be fully available at the time that the Honourable Minister tables his Estimates and therefore it is a duplication and we are opposed to this measure at this time.

MR. SPEAKER put the question and after a voice vote declared the motion lost.

#### PRIVATE MEMBERS' RESOLUTIONS

MR. SPEAKER: On the proposed motion of the Honourable Member for Fort Rouge. The Honourable Member for Charleswood. He has 38 minutes.

MR. ARTHUR MOUG (Charleswood): Thank you, Mr. Speaker. Basically I said the other night in three minutes what I wanted to say. I make reference now to the amendment as proposed by the Member for Osborne. I think he was directing through you to us what we should be doing and what should be done on welfare, and I think if he was to direct that to the Treasury bench on the government side of the House our problem would be over.

We all realize that at the present day welfare, and the control of, is at loose ends. It's too easy accessible. The figures in our area have more than tripled in January, tripled in February and more than tripled in March, and fortunately there was some winter work created that held these down somewhat in March and April.

The looseness of welfare in the city can be demonstrated by a landlord that I was speaking to who has several individual rooms for rent on Main Street. He came in here one day and I talked to him in the hallway. He had a death in one of the rooms and the police held the room under surveillance for a few days - or under lock and key possibly I should say - and he had it up for rent for \$25.00 a month and was showing an adjacent room which was identical. A woman seeing the sign came in off the street and said that she would rent it but the Provincial Government was paying for it. A few days later he received a cheque for \$20.00 from the government. They hadn't contacted him, they didn't know who he was, they just had his address from her, sent her the money. He phoned them and said that the cheque should be \$25.00 and not \$20.00 and he was sending it back. And they said no, don't do that. Immediately after he got a cheque for another \$5.00. To his knowledge, there's been nobody around to check that room, to look at it, they don't know whether she's living there, they don't know what the situation is. He's got his \$25.00, it wasn't under a firm name, it wasn't handled by a real estate, it was just sent. I think that in the resolution proposed by the Member from Fort Rouge this is exactly the type of thing she was aiming at.

And also, in the new group that has the privilege of walking into the several municipal offices, into the government offices and asking for welfare, and those are the eighteens, nineteens and twenties. I think this has opened up a completely new field of problems, something that the government is going to have to take a tighter control of. We have students attending our several places of education; they now have the privilege of walking in. They come into our office in Charleswood and demand welfare. They have no just cause for asking for it, they just say it's available and we want it. There's no shame about it, they figure that the government says it's theirs to get and they want it. Their parents are holding good jobs; their home is nice, they're expensive homes they come from in lots of cases; but they say - and as I say without shame - regardless of all ages they just walk in and want money and say that the government has it set in such a position that it's theirs to get if they want it.

We had the one example that was aired in the House here of a man that works for the

(MR. MOUG, cont'd.) . . . . government, makes in the neighborhood of \$25,000. His son came into the St. James office and did receive welfare and the cheque was sent out. Fortunately, the City of St. James-Assiniboia do take some caution much as our municipality does. They mailed the cheque to the people that is housing or looking after that particular person where he gets his board and room, and for that reason these people didn't have the nerve to cash that cheque and sent it back and asked the name to be changed to the son. Fortunately, the government saved themselves a \$43.00 expenditure. I think those, Mr. Speaker, along with one or two other items that I've mentioned before on welfare, should be well taken by the front bench of the government side.

MR. SPEAKER: Are you ready for the question as amended? The Honourable Member for Swan River.

MR. BILTON: I beg to move, seconded by the Honourable Member for Roblin, that debate be adjourned.

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

MR. SPEAKER: On the proposed motion of the Honourable Member for River Heights. The Honourable Member for Brandon West.

MR. EDWARD MCGILL (Brandon West): Mr. Speaker, in rising to offer a few comments on the debate on the proposed resolution of the Honourable Leader of the Opposition, I was interested in the replies as given by the Minister of Finance who took the resolution clause by clause and proceeded to offer his contrary views in a manner that was calculated to destroy the intent and the purpose of this resolution.

On the first paragraph, that is that "private investment and private endeavour is the key to economic growth in the creation of jobs in Manitoba," the Minister of Finance began by suggesting that this was not so, that really the key to growth in Manitoba was the public and private sector combined. Well, Mr. Speaker, I think it's fair to say that approximately 90 percent of the jobs in Manitoba are in the private sector and the balance in the public sector. So while it's true that both have a certain effect upon the over-all health of our economy, I don't think it's an exaggeration to say that the private sector growth is perhaps the key, if not the only key but certainly the master key. This is of course not the time to discuss keys because we recognize that the members opposite have some difficulties in recognizing keys, particularly master keys, but it is true, and statistically I think we have to accept that the private sector of Manitoba provides most of the jobs, in fact 90 percent of the jobs that are available to the constituents and the people in this province.

The Minister also suggests that the climate for economic expansion in our province is not the doing of the Provincial Government but rather the federal policies, and particularly those policies which the Federal Government adopted in terms of their anti-inflationary measures, and of course it is true to say that this policy of the Federal Liberal Government has had a most unfortunate effect upon employment in our province as well as other parts of Canada. But why, if employment and the climate for employment at the provincial level is all that it should be, is the Minister now estimating that corporation tax revenues in fiscal '71 are likely to be down over the estimates of a year ago by approximately 4.5 millions of dollars. This seems to be somewhat at variance to the projections of other provinces in the corporation income tax returns.

The Member for Crescentwood was thinking along these lines the other day in his budget debate contributions when he mentioned that — I think he suggested there had been no new capital expenditures in the private sector in the year under review, that is 1970, the table for which was contained in the additions to the Budget Speech. I think what he did intend to say, Mr. Speaker, was that there had been no percentage increase in capital expenditures during that year, but it was nevertheless a significant sign that the private sector in Manitoba is suffering some serious problems and that there was something indeed to be done to encourage and to give incentive to that important, that 90 percent part of our total Manitoba economy. Certainly if we can give tax incentives, tax credits if you will, a roll-back of corporation income taxes, we're likely to provide more retention of earnings in business, more capital for expansion, more jobs, and in a sense providing part of the answer to the objection of foreign capital being required continuously in the promotion of Manitoba industrial opportunities.

The Minister rejects completely the idea of a roll-back of income taxes for the reason that he does not want to interfere and to substitute for the present progressive taxation system any unfair regressive taxes. This suggests, Mr. Speaker, that once a tax has been imposed



(MR. MCGILL, cont'd.) . . . . by government it becomes entrenched and permanent. No reduction perhaps is possible once you have achieved a tax rate. But we're suggesting, Mr. Speaker, in this resolution that a roll-back will actually, in terms of the incentives offered to industry, increase the total returns. Perhaps no alternative taxes are necessary, progressive or regressive, if a roll-back is related to expenditure reforms in the province, and this may indeed be the course which will be adopted by the Federal Minister of Finance in his tax reforms and his Budget presentations which will be announced within the next few weeks. It will be very interesting to see if this idea of stimulating the economy by reducing taxes and providing for expenditure reforms in the public sector are sufficiently attractive at the federal level that they will be part of the new proposals.

Another suggestion of the Minister, he relates to the total provincial taxes paid by a resident in our Province of Manitoba, and he suggests that aside from Newfoundland and the Maritimes that Manitoba residents are paying in provincial taxes \$388.00 a year and this is well below the provinces of Ontario, Alberta, British Columbia, Saskatchewan and Quebec, although Quebec is not really comparable to the others in these statistics since their method of computing their tax returns are somewhat different. But, Mr. Speaker, there isn't a great deal of comfort to be gained by knowing that Manitoba residents pay less in taxes than do Ontario, Alberta and British Columbia residents because in effect it's pointing the finger directly at a rather discouraging part of our economy, and that is that our average level of income is well below those provinces that we have noted as paying higher provincial taxes. Really, it does in a sense point up the fact that we do need incentives for our industrial growth, we do need some way to stimulate the economy and that key to the total economy, the private sector of our province.

One of the most important comments and most interesting comments, whether it's important or not in terms of our total tax position, was that of the Minister in respect to the proposal that a value-added tax should be considered by the Province of Manitoba in their discussions with Ottawa on tax reform. The Minister said he considered that the Honourable Member for River Heights had intended this to be a provincial tax and that after having read Hansard he still thought that that was the intent of the proposal, but he does have the member's statement to the contrary that he did not for any reason intend this in isolation. He pointed out that it's impossible to talk about Manitoba's tax proposals and positions in isolation, or in a vacuum I think was his term, but for reasons best known to the Minister of Finance, he, in spite of the statement of the Member for River Heights, proceeded with his original battle plan and listed his obviously good arguments against a provincial value-added tax.

Well, Mr. Speaker, I suggest that is so doing the Minister had bombed an unoccupied and unidentified target. The enemy were not there and they never had been there, but he felt that it was necessary to proceed in any event. A value-added tax is, in its primary and basic concept, a national tax. We already have a provincial sales tax, and again the Member for Crescentwood suggested that there were certain similarities between sales tax and value-added tax, and this is in fact a common way of describing a value-added tax as sort of a national sales tax to replace what provincially or in lower jurisdictions has been a private reserve.

But going back to the Minister's consistency on offering his arguments against the provincial value-added tax, I don't know what was his reason except that it might have been a warning to our side that if we ever did propose a provincial value-added tax he would be able to shoot down the argument very decisively, or he may have simply been using it as a dummy-run in preparation for his federal-provincial discussions on tax problems and reforms in the future. His main concern seemed to be in discussing the value-added tax at the national level was that the tax revenue should be shared in the manner which would not add to regional disparities but tend to alleviate them.

Mr. Speaker, much of this resolution dealt with the provincial economic growth problems but it also was intended to encourage the government to go to Ottawa and contribute more to the discussions on tax reform than just a plea for a larger share of equalization payments. It is true I think, and this has been said before, that Ottawa's program in taxation has tended to confirm the have-not provinces - and we're one of those - to confirm these provinces in poverty rather than to stimulate them to production and prosperity.

Value-added tax is under way in the European Common Market. It's being used. It's under consideration, at least rumour has it to be so that the Nixon government is giving this some consideration for possible serious implementation next year, and while it does have its

(MR. MCGILL, cont'd.) . . . . defects, it doesn't have a complete endorsement of the ability-to-pay concept to the end, to the ultimate degree, but it may just have the qualities of tax reform to avoid what I believe to be an imminent danger of the present ability-to-pay concept being pushed to the point of destroying the golden goose, of eliminating all of the incentives to expansion and efficiency in the private sector. How far we can go on the straight ability-to-pay concept is open to conjecture. We will perhaps not really know until we have tried and gradually increased this form of taxation to the point where the ability and the desire to expand and to create efficiency and greater profits has been destroyed.

Mr. Speaker, I think there is, in spite of what the Minister of Finance says, some reason for seriously considering at this time a provincial tax roll-back, and this can be done perhaps without adding, as he seems to be so concerned on, without having to add any regressive forms of taxation, but this might have to well be done by including with the tax roll-back some government expenditure reforms that would enable the government to live within the limits of their tax revenue. For this reason, Mr. Speaker, I would like to move, seconded by the Honourable Member for Birtle-Russell, that the proposed resolution of the Honourable Member for River Heights be amended by deleting therefrom all the words after the word "that" in the fifth paragraph thereof, and by substituting the following: "the Government of Manitoba give consideration to an expenditure reform in order to permit a roll-back of provincial income taxes to a position competitive with Alberta and Saskatchewan."

MR. SPEAKER presented the motion.

. . . . Continued on next page

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, I enter the debate on this amendment because I believe the opportunity will be denied me tonight, not because it's going to be denied by the House but I will not have the opportunity of entering on the sub-amendment of the Honourable House Leader of the Liberal Party and I believe that it's appropriate to enter the debate following the remarks of the Honourable Minister of Finance who, in dealing with the resolution, dealt as well with many items that were discussed during the Budget Debate. I do so because some of the remarks made by the Honourable Minister of Finance were rather intriguing, and I'm sorry that he's absent and I'm sorry as well that I do not have him in front of me to hear my repetition of his remarks, possibly a bit of, or different interpretation.

The Honourable Minister of Finance in his remarks indicated that - and I quote: "There's nothing that I could say that would stop the Opposition from continuing to refer to Manitoba as the highest taxed province, and the reason they say it is because . . . . are the highest taxing areas that hurt them and their friends most." It's rather curious because I would suspect that many of the friends who are my friends happen to be the friends of the Minister of Finance, and certainly the members of the Cabinet are those people whom the Minister is referring to. But one of the questions that's intrigued me from the beginning is to determine, know and understand fully what really are the instruments of taxation in this province and how we can compare our situation here in Manitoba with other areas. We know that there is a great deal of discussion and a great deal of conversation about the comparisons that are to be made between personal income tax and the Medicare premium as a package to be able to examine in a competitive way what the incidence of taxation on personal income tax and Medicare are in other areas. And I thought it'd be wise, Mr. Speaker, to in fact take us one step further, because if in fact we're talking about Medicare, we're not just talking about the Medicare portion of Medicare, we're talking about hospitalization as well. And so I think it becomes important from our point of view, if we're going to have an intelligent discussion that will not distort what the facts are, Mr. Speaker, to be able to have a discussion of what the total Medicare costs are of Medicare and hospitalization and personal income tax, and make that comparison to other provinces.

The resolution has been amended to deal with two western provinces with whom we are in some competition, but I have information which would be available for all the provinces and I'd like to be able to make reference to it, not in detail, but to give the members of the House some indication of really what we're talking about when we talk about the comparison of provincial income tax and the full Medicare and hospitalization premiums with other areas. Now, what we have done in preparation for this is examine those people who have a taxable income of \$1,000, \$2,000, \$3,000, \$4,000, \$5,000, \$6,000, \$7,000 and \$8,000, and I have a comparison of the provinces which I think I'd like to put into the record.

First, on \$1,000 of taxable income - and this was taken on the basis of a family of two, husband and wife with two children under 16, and applying what would be the full exemptions for them - on a taxable income of 1,000, which would be approximately \$3,700 of gross income; \$3,700 of gross income would mean that we are now talking about 200,000 people who pay tax in Manitoba - at least 200,000, maybe 250,000, based on the statistics of the distribution of incomes in Manitoba presented by the Minister of Finance in his Budget address as an addendum to the Budget speech - we find that in Manitoba the federal tax would be \$120.00, the basic provincial tax would be \$156.00 with the hospitalization premium and with the Medicare premium. In Saskatchewan, it would be \$110.00 with the full Medicare and hospitalization premiums; in Alberta it would be \$175.00.

A \$2,000 taxable income, in Manitoba it would be \$211.00; in Saskatchewan it would be \$157.00; in Alberta it would be \$221.00.

A \$3,000 taxable income, which would be approximately less than \$6,000 gross income, that \$3,000 taxable income, in Manitoba it would be \$277.00 in Alberta it would be \$277.00; in Saskatchewan it would be \$216.00.

In \$4,000 taxable income, the Manitoba portion of personal income tax, Medicare premium and hospitalization tax, is \$351.00 as opposed to Alberta of \$339.00, as opposed to Saskatchewan of \$279.00.

In \$5,000 it would be \$441.00 of Manitoba tax, Medicare and hospitalization premium as opposed to Saskatchewan's \$357.00, as opposed to Alberta's \$415.00.

In \$6,000 taxable income, in Manitoba it would be \$523.00 as opposed to Saskatchewan's \$429.00 as opposed to \$484.00 in Alberta.

(MR. SPIVAK cont'd) . . . . .

In the \$7,000 income level, it would be Manitoba hospitalization and Medicare, and personal income tax, \$624.00 as opposed to \$517.00 in Saskatchewan, as opposed to \$507.00 in Alberta.

In \$8,000 taxable income, it would be \$725.00 of Medicare and hospitalization and personal income tax, over and above the federal income tax, as opposed to \$605.00 in Saskatchewan, as opposed to \$655.00 in Alberta.

Now I have not -- and I have them in front of me; I'm not sure that the members opposite would like them read into the record. If they would I would certainly be prepared to read them into the record. I have the Maritime provinces, which are substantially less throughout, I have as well Nova Scotia -- I'm sorry; B. C. and Ontario - it's interesting to note that at the \$3,000 level, Manitoba exceeds B.C. in its Medicare premium, hospitalization and personal income tax. This is correct and it's based on -- (Interjection) -- Well, if the honourable member is prepared -- (Interjection) -- beg your pardon? Well, the Honourable Minister of Mines and Natural Resources would like me to state the facts. I am indicating that the personal income tax is higher than the two adjoining provinces. I've indicated as well it's higher than the Maritimes and I'm aware of the fact that the sales tax is higher. He doesn't have to tell me that.

MR. SPEAKER: Does the Honourable Minister have a . . . . .

MR. GREEN: Yes. Would the honourable member permit a question?

MR. SPIVAK: Afterwards. So, if the Minister of Finance is correct and the Opposition's purpose is to try and present its position for its friends, then I would suggest to you that his friends consist of approximately 400,000 taxpayers who are paying more money than the sister province or the adjoining province of Saskatchewan, and it consists of approximately 200,000 friends included in that 400,000 who are paying more money by way of personal income tax, Medicare and hospital premiums than the Province of Alberta. Now anyone on the opposite side who thinks that the incidence of taxation, or their personal income tax are not a subject of discussion by the people of this province, they're mistaken. They are. Because all one has to do is look at the federal figures and add them, the federal income tax figures, and add them to realize what the incidence of taxation realistically is. For a \$2,000 income level, taxable income, we are talking for Manitoba of \$493.00, or approximately 25 percent if you include the hospitalization and Medicare; for \$3,000 you are talking \$747.00; for \$4,000, it's \$1,024; that's the federal, provincial, hospitalization and Medicare. For \$5,000 taxable income it's \$1,339.00.

Now, how many people are we talking about on these levels? Well, in the appendix given to us by the Minister of Finance we have 414,000 people who pay income tax or file income tax returns, and if we eliminate those up to the \$5,000 level, which would be the \$2,000 taxable income on the basis that I've suggested, we are talking about approximately 250,000 so there are at least 164,000 who are over that level of \$5,000 gross income.

Now, Mr. Speaker, we have only two alternatives. One is to continue the way we're going, to have rises in our taxation, rise in our personal income tax, rise in our corporate tax, to be able to carry on the programs of government; or the other alternative would be to examine government programs and to determine those programs that in fact should be discontinued, those programs that could be consolidated with other programs of government, those programs whose cost benefit relationship would justify some change and would result in two things; first the availability of money for new programs; and secondly, the ability to be able to reduce the incidence of taxation in this province, because notwithstanding the fact that the shift has been made and notwithstanding the fact that there is an intent on the part of the government to try and give the impression that it is only those people in the \$11,000 bracket who are worse off than they were before, ignoring that specific argument but applying it generally to the question of the incidence of taxation of personal income tax in this province and comparing it with the Medicare and hospitalization fee that we pay in this province, the truth of the matter is that we are in the situation where we are paying higher taxes than Alberta, who do not have a sales tax, than Saskatchewan who do have a sales tax comparable to ourselves, and one wonders how long we can maintain this kind of ratio without having the effect of the continued movement of many of those people who are at management level and in the professional levels in this province, who have moved to other areas because of the incidence of taxation - and for anyone on the other side to suggest that this isn't happening, I would suggest that they start talking to their friends and talking to the people in the business communities who have some sense of what is happening

(MR. SPIVAK cont'd) . . . . and recognize that personal income tax with its total cost of Medicare and hospitalization is in fact a factor for many people in their determination, in their determination of whether they are prepared to continue on in a society which is going to continually have a rise in taxation without an attempt to try and reform the expenses of government. We've reached a point where action is required and is requested, Mr. Speaker, and that action has to come from the members on the opposite side while they hold the reins of government.

It's interesting that in the Budget Debate the Premier - and I was only present for part of it - but he made reference to the civil service and he seemed to be concerned that there was a distortion of the civil service in the presentation that was made by the members on the opposite side, but he failed to explain to us what the rise in the civil service will be in the coming year. There is nothing to indicate that the civil service will not be increased in the coming years substantially. As a matter of fact the estimates would indicate that; and if the civil service is to be increased and if in fact programs are to be carried on without any attempt to try and reform expenditures, then we will face substantial increases in our taxation. We have already indicated that, on the basis of the information supplied and on the basis of what we consider will be the over-expenditure of the estimates that have been proposed, and an over-statement of the revenues that will be forthcoming for this coming year, that on that basis the government will have no other course but to hope that the Federal Government will have baked a bigger cake and have given it, the provinces, a better slice of it, or if the government through its tax reform programs has not baked a bigger cake, then Manitobans are going to have to pay a little bit more dearly for the part that they have to eat in this province whether they like it or not, which means that taxation will go up, possibly with sales tax, possibly with personal income tax, possibly with increase in corporation tax.

Now I'm suggesting, Mr. Speaker, that it's about time that the government, who have taken such great pains to indicate that the shift in Medicare has resulted in such greater equity in the province, should recognize that when we now talk about comparing personal income tax and Medicare in Manitoba to other provinces, we should compare Medicare, hospitalization and personal income tax, and if we compare them we find that the favorable position that some would like to indicate that has happened in Manitoba does not exist, that in effect we are higher than Saskatchewan in all levels starting from a \$1,000 taxable income, that at the \$3,000 level we're the same as in Alberta and that we become higher after that. We are higher than the Maritimes but they have an increase in sales tax higher than ours at the present time. One wonders, though, whether by next year we won't have reached that sales tax level that they have, with their provision of hospitalization and Medicare.

So, Mr. Speaker, I suggest - and I'm sorry that the Honourable Minister of Finance is absent - I suggest that when he talks of the Opposition being concerned about high taxation in this province and high personal taxation, it has to do not with the friends of the Member from River Heights, who happen in many cases to be the friends of the Minister of Finance who does not want to acknowledge that at this time, but rather has to do with the 250,000 to 400,000 taxpayers who, for their Medicare and hospitalization and personal income tax, are paying substantially higher amounts than in the provinces of Saskatchewan and Alberta.

Let me just go through the differences right now in dollars. For \$1,000 taxable income in Saskatchewan it's \$46.00 less than ourselves - that is combined Medicare, hospitalization and provincial income tax. For \$2,000 it's \$54.00; for \$3,000 it's \$61.00; for \$4,000 it's \$72.00; for \$5,000 it's \$84.00; for \$6,000 it's \$94.00; for \$7,000 it's \$107.00; for \$8,000 it's \$120.00. And that's a province that has a sales tax the same as ours and a province whose economy, whose economy has not been as good as ours and whose economy and the difficulties in economy is attested to by the decrease projected in its corporation tax for this next fiscal year, a decrease of 25 percent compared to a decrease of 15 percent projected for Manitoba on the basis of the revenues furnished by the Minister.

I suggest, Mr. Speaker, that those who are concerned that the roll-back in income tax is something that should be undertaken as only a reference to the particular people who may be considered in a higher bracket, may I suggest that if we were to roll back taxes to that of Saskatchewan in terms of personal income tax, hospitalization and Medicare, we're talking of approximately \$46.00 per \$1,000 taxable income, \$120.00 per \$8,000 taxable income, and my suggestion, Mr. Speaker, is that that in itself is fairly substantial and it's substantial for the low income levels as it is for the higher income levels. I suggest as well, if we were to make the direct comparisons with Alberta considering that they do not have a sales tax but recognizing

(MR. SPIVAK cont'd) . . . . of course that they do have resource development that we do not have and they have been able to benefit from that, and that is of course further economy, that in turn they are a growing economy in that they are a province that has a net gain out of interprovincial migration which is added to by its net gain of births over deaths, one of the very curious facts, Mr. Speaker, is that the government on the other side seems to take great credit in the fact that the population has increased. The population has increased because we have more births than deaths, and maybe that's to the credit of the Minister of Health and Social Welfare but it has nothing to do with the fact that we've had a net gain as a result of interprovincial migration. The truth of the matter is this; that one of the reasons that our unemployment is as low as it is, is because we've lost so many people and we've lost them again at a time when normally we would not be losing people because of the economic conditions throughout all of Canada at the present time.

So, Mr. Speaker, I bring this to your attention and I would hope that the members on the opposite side would not attempt in the future to in any way suggest or distort the information that should be supplied which would compare the total health package costs along with provincial income tax, the total health package costs of Medicare and hospitalization. There's been a tendency to talk Medicare and Medicare, but Medicare in Saskatchewan means Medicare and hospitalization; it does not mean the portion that we call Medicare. And what we must now talk about when we talk about comparing our total of Medicare premiums and personal income tax, we'd better start talking about Medicare premiums, hospitalization and personal income tax, and then we realize that Manitoba is higher than its sister provinces and that roll-back should take place.

MR. SPEAKER: The Minister of Mines and Natural Resources.

MR. GREEN: Mr. Speaker, the Leader of the Opposition who found himself on very difficult ground approximately two weeks ago when he spoke about the fact that he claimed that Manitoba had the highest taxes in Canada and didn't specify what he was referring to, that is personal income and corporate taxation income taxes, found that he wasn't on very good ground, has now, in the course of attempting to retrieve himself, sought other grounds upon which to argue. The fact is, let us try to recall how the discussion arises. The discussion arises because the Province of Manitoba whose tax pattern, except for the personal and corporate income tax, was a tax pattern that was legislated by the previous administration, that this government decided to take one portion of its taxes, that is that portion or 88 percent of that portion, which was levied in the form of a Medicare premium tax, and it decided to take that portion of it and change it to a personal and corporate income tax, and as a result of doing that my honourable friend became very much chagrined and said that we have the highest taxation rate in the country. When it was demonstrated to him that that wasn't true, he decided to take this total package and compare it with what he calls our two sister provinces. I don't know what he would call the Province of Ontario, I suppose that that is one of our brother provinces.

A MEMBER: Our big brother.

MR. GREEN: Because that happens to be on the borders of Manitoba as well, but my honourable friend, when he wants to ignore something, has the facility for doing it very well. But in any event I'll forget the fact because I don't want to put my honourable friend on very weak ground in arguing with him so I'll give him a little stronger ground, I'll proceed from his premise, that he's talking about the three prairie provinces: Manitoba, Saskatchewan, and Alberta; and he says if we take the entire package and we compared the entire package we will find out that Manitoba doesn't come out so well as against Saskatchewan and Alberta. But, Mr. Speaker, would that mean that we would come out better if we went to the system that was in existence before we eliminated the medical premium? Of course not. The honourable member is shaking his head acknowledging, Mr. Speaker, acknowledging - because it is a fact and he can't deny it - that if we left the system of taxation exactly as it was before we got into here, into the government, and then we compared the three provinces, each of the comparisons that he made would be worse than it is today. And therefore he takes those comparisons in order to demonstrate that we are not as well off as Saskatchewan and Alberta, without making reference to the fact, Mr. Speaker, that we only changed one tax and that made us better off with relation to Saskatchewan and Alberta.

My honourable friend can't deny it because if he wants to roll back personal and corporate income taxes as he suggests, replace it with the premium tax which they had before, well,

(MR. GREEN cont'd) . . . . Mr. Speaker, the interesting thing is that he always says he didn't say that. He didn't say that. But the fact is that your complaint is and started off as being that Manitoba has the highest personal and corporate -- no, he didn't even say that, Mr. Speaker; I'm doing him too much justice. He said that we have "the highest taxation rates in the country" and I have his words quoted in Hansard. The way in which we got what he considers to be the highest taxation rates, and then he must be referring to personal and corporate income tax, and was, and acknowledged it when I brought it to his attention that those are the two that he was talking about, that the way we got those rates is that we eliminated another tax and the tax that we eliminated was far worse than the personal and corporate income tax. And if he would use the same figures, Mr. Speaker, if he would only be -- I hesitate to use the words -- intellectually honest, if he used those same three provinces, took the system of taxation under his administration, compared it to the system of taxation under our administration, he will find that in each case the discrepancies that he is talking about would disfavour Manitoba in each case, except in the higher income brackets.

So let us now be certain that the House is not misled, that the figures that the honourable friends are referring to, although they may disfavour Manitoba, don't disfavour us because of any taxes that we changed. If they disfavour us, they disfavour us because of the policies of the previous administration that caused us to follow into that tax pattern in the first place. And I would quite agree, Mr. Speaker, I quite agree that if you take the Province of Saskatchewan and you compare their medical, hospital and personal income tax structure with the Province of Manitoba, that theirs is better. But why is it better, Mr. Speaker? It's better because the Province of Saskatchewan went in as a tradition, right from the outset, with the lowest hospital and medical care premiums in this country, and even the bad management of the present Liberal administration in that province hasn't had enough time to make a bad situation out of the good situation that was created by the previous administration. And that is a fact, and my honourable friend will have to admit that that is a fact.

I believe that when the Province of Manitoba first legislated the medical care program in that province -- and it was a very courageous thing to do, Mr. Speaker, because they're the only province that did it without a commitment for federal assistance -- they did it for hospitalization and they did it for Medicare without one penny committed from the Federal Government. No other province did that. Every other province said that "we will only go into these programs if the Federal Government will commit itself to pay half the cost." And I may be wrong, but my recollection is that the total package at one time was in the neighbourhood of \$36.00 a year. I may be out and I wouldn't want my memory to be relied on in that case, but I remember that Medicare was \$2.00 a month per family and I believe that the hospitalization was a very, very low fee as well. They eventually got to \$72.00 a year; I don't know what their figure is now but I think it's in that neighbourhood.

But it's because of the previous administration, the Douglas administration that introduced these programs and introduced them first, that they were able to do them so well and with such a sound taxation policy. So the very programs that he is now ranting against -- and by the way, the Province of Saskatchewan was the one that introduced the concept of financing these programs largely out of general revenues which we have followed -- I wish we were the leaders but we are not -- but the Province of Saskatchewan introduced the concept of financing these programs out of general revenues, which my honourable friend by implication is now complaining against because he keeps complaining about the fact that we have the highest personal and corporate taxation in this country, without making reference to the fact as to how this situation arose. And, Mr. Speaker, the fact is that this government, with minor exceptions which I'll refer to merely to be exact, did not change the total taxation picture in the Province of Manitoba. What it did was to shift one tax for another. Everything else that we've got is something that we've inherited from the previous administration, and what we have done is ameliorated the situation that my honourable friend has referred to, and not aggravated it.

He then makes the comparison with the Province of Alberta and he acknowledges that with regard to the Province of Alberta there is a source of revenue that is not available to this province. They've used that source of revenue -- and I wish my friend the Honourable Member for Rhineland was here -- but they've used it in a very interesting way, because they've gone further than either of the two so-called Socialist governments in this country in providing the kind of program out of Consolidated Revenue that has been advocated by this party for many years. Because they have a program which provides for nursing home care as a matter of

(MR. GREEN cont'd) . . . . . right to everybody in the province with, I believe, a \$2.50 per day fixed fee which is waived as against those people who could not afford it; and they didn't do it by a premium tax, they did it out of Consolidated Revenue because they happened to have the Consolidated Revenue to do it with.

But even if we take that comparison, if we take the Alberta comparison, if we take the Saskatchewan comparison and we compare it with the existing Manitoba situation, we may - and I presume that my honourable friend would not go to the extent although he's gone to great lengths in recent days, I don't think he'd go to the extent of falsifying figures - but if we accept his figures as being accurate, which I ask the House to do, and say that those are the comparisons under this administration, I say that the only reason that the comparisons are as favourable as they are, are because of the taxation program of this government, not because we've increased taxes and not through any help of the tax policy that we were left with.

Now, Mr. Speaker, that's my honourable friend's best ground. If we want to go to the worst ground, we can reimpose the premium tax, make the comparison; we'll find that they were worse than the figures that my honourable friend has quoted; that what we've done is to ameliorate the situation. If we want to go to our sister province - or if my honourable friend objects to calling it our sister province (and I know that sometimes these days it's hard to tell whether it's male or female; I think we had something earlier in the House to that effect, call it our brother province of Ontario; he left those out because the Medicare premiums and hospitalization premiums in that province are very high) I presume that the figures would be much higher. I'm not even sure but I presume so only because my honourable friend didn't mention them. Now if that's doing my honourable friend an injustice, then I'm sorry, but I presume that they would be higher. What I know is that they would be worse if we continued the taxation policy of the previous administration.

MR. SPIVAK: I wonder if the honourable member will permit a question? I wonder if the honourable member would indicate whether he believes or does not believe that Manitoba should have an expenditure reform so that taxes could be lower.

MR. GREEN: Mr. Speaker, sometimes people say that if you reduce government expenditures that you could reduce taxes, and therefore what would appear to follow is that you could reduce the cost to the people of the Province of Manitoba. Well, my honourable friend has asked a question and I'm going to answer it with perhaps a few minutes longer than what he expected.

I once did an analysis of this when I was a member of the Opposition, which is still correct and I'll use a budgetary cost of \$300 million. We're almost up to six now but three hundred is easier to deal with. Presumably, if you tax everybody by means of a total premium tax, eliminate all of the taxes that the people paid on \$300 million, and said that you were not going to levy any taxes; you wipe out the sales tax, wipe out the income tax, wipe out the liquor tax, wipe out the tobacco tax, save the people all of these taxes which would average roughly \$300.00 per family -- (Interjection) -- Per person? \$300.00 per person, under the -- no, it's \$300.00 per family. I worked -- now just a minute, because of that \$300.00, and I'm talking about Manitoba tax, a good portion comes in from redistribution, federal programs, etc., and I had worked it out and I'm fairly satisfied I was accurate - I'm repeating again from memory. It worked out to \$300.00 per family, that you could eliminate all of these taxes which amounted to \$300.00 per family, and I'm only talking about the provincial taxes, no tobacco tax, no liquor tax, no gasoline tax, no income tax, no sales tax, etc., you would save everybody in Manitoba \$300.00 and you would give them a premium of \$1,200.00 and have all of the government services paid for in the same way as they finance Medicare. So we would save them \$300.00 in taxes by charging them \$1,200.00 in premiums and providing the same service, which is what my honourable friend suggests we would do.

But you could go further. You could go further. You could do what my honourable friend says and eliminate, eliminate if you wanted to really save the people of Manitoba money as he has indicated it, then you could eliminate all of the programs and all of the taxes, and therefore the people of the Province of Manitoba would pay no taxes. And instead of having their children go to school at an expense which they pay a total of \$300.00 in provincial taxes plus the municipal share, and I won't deal with that at the moment but talk about eliminating the provincial program, they would pay the costs of educating a child in school, the costs that they would have to pay, let us say, if they sent their child to St. Mary's Academy or St. John's Ravenscourt or any other school, which if it happened to be me since I am -- I and my wife -



(MR. GREEN cont'd) . . . . I have to give her some credit - are particularly prolific, so we would, say, five children in school, we would pay five times \$700.00; that would be \$3,500. that we would spend and in the meantime saving this \$1,200 in taxes. We would have to buy what would be either individual medical service, which we would pay for when we went to see the doctor, or else we could buy private medical coverage which would not cost \$1.10 a month but which would cost roughly \$250.00 a month, as anybody who lives in the United States, you know - and I have friends who live in the States, whose mother went to Los Angeles and had to come back because she couldn't afford to be in a hospital in Los Angeles because that's what it cost her on this individual basis that everybody pays their own, that my honourable friend says we could reach if we eliminated government spending.

I know that the Province of Manitoba spends roughly \$30 million for road and highways. So we would say no, we are not going to spend any on highways; we're going to eliminate that and everybody fend for themselves. I know it costs roughly \$120.00 to build 14 feet of driveway into a private house, so that everybody, instead of paying for their highways, they would get together and spend the hundreds and hundreds of dollars that they would require to move from one place to another, and you could go ad infinitum and you could save all of the people of Manitoba this horrible imposition of - on their \$300 million budget it was roughly \$300.00 per family, on a \$600 million budget I presume it's double per family - you could save them all of this money. You could save the farmer who says that his land is being inundated by floods and drainage. We could eliminate all of the taxes if we collect for drainage and we could have him hire a bulldozer and construction people, and instead of paying roughly, oh, well, we spent \$2 million on drainage, \$2 million out of \$600 million. It might be a few dollars a year. Instead of paying a few dollars a year for drainage, we could eliminate it from the tax budget and we could charge him \$300 or \$400 or \$500 that it would cost him to get that drainage work done privately.

And you can go to each government program and eliminate the program and say to the people of Manitoba, "We are saving you taxes." But what are you giving them? And I say that to save people taxes only makes sense if you put them in a better position, and the people only impose taxes upon themselves - and let us be satisfied that that's what we are doing, because any government that doesn't do that -- (Interjection) -- Well, you question that. But, you know, I still have some regard for the wisdom of the people of the Province of Manitoba. And if we start to do things and to charge taxes for things that the people can't demonstrably recognize they're getting a good deal for, they'll throw us out till somebody else will come in. But I don't think that that's what they've done and I don't think that that's what they will do as long as we demonstrate that what we are paying for collectively through tax money gives them a better deal than if we let them pay for it themselves.

So when my honourable friend says that the government should review its spending and make sure that it's not spending more money than it should spend, I agree with him entirely. I don't know that the questions that my honourable friend asks or the criticisms that he makes, particularly with respect to my department - I won't refer to others - are designed for us to spend less money. I know that he is always bothering me that I'm not spending more money. And the fact is that if I would spend more money it would be more taxes, and if I could see that his suggestion meant that people in Manitoba got a better deal for the things that they bought collectively rather than letting them buy them individually, I would consider that. But I would not make a blatant statement -- (Interjection) -- that's right. Well, you know, it's a difficult question. And some people, as I have found in five years of sitting in this House, it takes a little longer for some people to understand; therefore my answer might be a little more lengthy.

But the fact is that any time the people of Manitoba, collectively, find that they can buy something cheaper if they buy it together rather than buying it individually, they'll do it. They did it with Medicare. They do it with education. They did it with automobile insurance, and I'm inclined to think -- well, my honourable friend says that we never gave them a chance to do it with automobile insurance. The fact is, Mr. Chairman, we held one election on the question and when the thoughts against the Conservative administration -- the first two items on everybody's program, let's not talk about individual, the first two items on everybody's program for the people of Manitoba as far as the New Democrats were concerned, was (1) a shift in the Medicare premium to a Consolidated Revenue tax; and the second was an introduction of an automobile insurance program. We did that. We got the largest number of votes

(MR. GREEN cont'd) . . . . . in the province, and I have always assumed that the people have the wisdom to know what they are doing. I know that some people over there think that the people really don't know what they're doing, or they made a mistake, or things of that nature, but the fact is that I still give them credit for that and I say in advance, so that there be no mistake about this, that when we are defeated, as every government must eventually be defeated, I will credit that to the wisdom of the people of this province. I'll not credit it to any other problem. And I will say so, I say it now in advance. I don't think that it's going to happen but when it does happen I'll accredit it to the wisdom of the people of the province.

My honourable friend says that we didn't give them a chance. We then, in the face of a campaign conducted in two model constituencies, model constituencies - I say model in that they should be models for the Opposition to make ground in. One was a Liberal constituency for 40 years, a rural area where this year we had more people at the nominating convention than we had last year voted for us. That was the constituency now represented by the Honourable Member for Ste. Rose. The other one was the area which surely the Leader of the Opposition, being the Leader of a political party I have to give him credit for the astuteness to know that if they're going to win they have to win a seat where they were ahead by 15 votes in the last election, that that kind of a seat has got to be an anti-government vote if they're to win any seats. The fact is that we moved into that area; we moved in there in the face of what, you know, the Member for Charleswood said that people got up at a meeting and stood up and said how many people wanted the plan and how many people didn't want the plan. I'm saying the Member for Charleswood said that people got up at a meeting. I assure you that the meetings that I attended at St. Vital, for the honourable member's information, was, if anything, more hostile than the meeting I attended at Charleswood. And the fact is that the Honourable Member from Charleswood, he's interested in testing public opinion by saying "those who are in favour stand up, those who are not in favour sit down." We tested it at the polls. We tested it at the polls. We went into this election in the face of those two issues. Both of those issues were fought in the campaign. The municipal reorganization was fought in what would be the most favourable type of constituency if the Opposition were correct about their position, and we won them both. Now the honourable member says we never gave the people a chance.

Well, you know, with the honourable member it's like -- when I was a kid we used to have little contests and we said that the winner will be declared as the result of who wins the game. Somebody won, and the other one said, "two out of three" because he wanted to have another try at it. Then the other would win again; he'd say "three out of five." And then he'd win again and he'd say four out of seven. Well, the fact is, Mr. Chairman, until we have this four out of seven or three out of five. . .

MR. SPEAKER: Order, please.

MR. PATRICK: Mr. Speaker, on the point of order, are we debating the last election or are we debating the resolution that's before us?

MR. SPEAKER: The Honourable Minister of Mines and Resources.

MR. GREEN: I'm innocently just answering a question, if you really want to know. The fact is that the honourable member asked me a simple question. He said am I in favour, am I in favour of a review of government spending in order to reduce taxation, and I told him that I am always in favour of reducing or looking at government expenditures to making sure that we get the most for paying the least. That has always been my practice. That has always been my philosophy. But I also say that if the people of Manitoba can get more by paying for something collectively rather than paying for it individually, then I am not the fool who is going to say that you shall be forced under compulsion, without right to democratic access, to pay it individually; that we are not going to give you any way through your government of reducing this expenditure by handling it as a group rather than as an individual. No, I won't adopt that position.

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

MR. FRANK JOHNSTON (Sturgeon Creek): Thank you, Mr. Speaker. No, it's not a question. I wouldn't dare. Mr. Speaker, I'd just like to briefly comment on this resolution, and when I say briefly I intend to try to come down out of the clouds that we have just had come from us from the Honourable Minister of Mines and Natural Resources. When he starts to speak about this resolution and he's talking about we'll have people build their own roads, their own ditches and put in their own everything, I say that we are getting a little bit in the clouds.

(MR. F. JOHNSTON cont'd) . . . . . I say that the Honourable Minister has gone around the mulberry bush two or three times to try and convince the people on this resolution that he wants to pay for everything, but I assure you the people on this side are not thinking that way at all. The resolution is to request a roll-back in personal income tax in Manitoba or some research done working to have that happen.

Now, Mr. Speaker, I'd like to just be very factual when we're talking about personal income tax in Manitoba and corporation tax in Manitoba being the highest than any other province, and I will let the Minister carry on about the situations in Saskatchewan and the Medicare and all the tax shifts and what have you, but, as I have said before, the tax shifts that we have had in Manitoba have only created a shift backwards in this province. And Mr. Speaker, I'd like to refer to something that is factual. I have before me building reports, plans available for study in the province of Manitoba, and they go from, oh, this starts February 5th and through to April 8th, and through till April 8th we have a situation where we have about 90 jobs where plans have been available at the Builders Exchange or Sanford Evans Building News Service, and out of that 90 jobs I believe there are only 15 to 20 that are by private industry, expansion of private money. The Minister of Finance says a combination of private and government. You know, we could even accept that but when you read these reports you find that 90 percent of the plans available in the Sanford Evans Building Services are for public money. Out of 90 jobs you'll find maybe 10 to 15 that are private industry, and they're available. In fact, I would suggest that the government would probably write down and pay to have these sent to them every week and you'll find that all you're talking that's going on is wrong because these are facts and I suggest you buy membership to this. So Mr. Speaker, -- (Interjection) --

MR. GREEN: Would the honourable member please repeat the name of the report that he's referring to.

MR. F. JOHNSTON: Well, it says Sanford Evans Building News Services. "Plans available for use for our subscribers." The date starts - this comes out weekly - the date that I started at was at February 5th and it runs through to, I have up to May 21st right here. And, as I suggest, I think you should take a membership of the reports. You'll find, Mr. Speaker, that there's additions to houses and you'll find that there's apartment blocks that don't come out for tender by plans, but you'll also find that when you total out up against last year or the previous years, that it is down. Now why is it down? Corporations are paying the highest corporation tax in Manitoba than anywhere else. People that don't want to be transferred into this province don't want to be transferred into this province because here they pay the highest personal income tax. And when the Minister says previously that, you know, the only reason we want this is because it will hurt, only hurt the friends most, or hurt their friends most, is ridiculous because I regard welders, I regard bricklayers, I regard electricians, men that are unemployed and walking the streets in this province because of a lack of industrial building or this type of building going on, friends of the people of Manitoba, I think the government should start to think of them as friends instead of completely ignoring the fact that our commercial building is down and all you've got is government building. Oh, the public housing's here, Mr. Speaker. The units are all through here; they're coming out regularly. We have some marvelous acoustic tiles; private industry are putting on new acoustic tiles in buildings and what have you. But there's nothing, nothing as to compare as there was before.

Now, Mr. Speaker, it's a situation that can't be allowed to continue. It can only mean disaster. I won't even enter into a debate with the Minister of Mines and Natural Resources about Medicare. I won't enter into a debate about the other provinces and what have you. I'll refer to him Page 126 of "Douglas in Saskatchewan," a book that tells you that the unemployment and the actual decrease in factory employees that there were in Saskatchewan in 1961 is there and you'll find that the actual decrease kept continuing under the Saskatchewan government. And the same thing is happening here now, so let's face the facts. We don't have the corporate building that was going on. We have people leaving this province because they're paying higher taxes, and also, Mr. Speaker, we have people not wanting to come to this province because of higher taxes and the facts are there. -- (Interjection) -- Nonsense? Do you know anybody out of work, I'd like to ask the member, Mr. Speaker? Do you know any welders, pipefitters, that are have to be employed on big jobs, not public housing where's it's prefab and carpenters and what have you, do you know any of these men that are out of work? And he's got the right to sit there and say "nonsense" to me, as he says what 90 percent of the time of the words spoken across this House, that man sits there and says "nonsense,"

(MR. F. JOHNSTON cont'd) . . . . Mr. Speaker. That's right - nonsense is right - those men are out of work, Mr. Speaker.

Mr. Speaker, we've also heard this about other provinces. I travel a fair amount, I see people going and working in other provinces. The greatest thing that the Minister, the first Minister says in this province at the present time is that the economic condition across the country - I wish he were here, I would like to remind him that he's now back in Manitoba and I again am not interested in Toronto, Montreal, Vancouver or any place, I'm interested in Manitoba. -- (Interjection) -- Yes, that's right, and let's do something about Manitoba instead of repeating what happened in Saskatchewan and what everybody else did.

Even the Prime Minister of this country's got a disease now, and the Minister of Finance has caught it. The favorite saying of the politicians in this day and age is to stand up and say well, if you want it you got to pay for it. You know, when I was green as an olive, I used to say if the people in St. James all want a brand new house, I'll sell you one but you got to pay for it. How stupid can politicians be - you know, really. Are you put there to govern, are you put there to do for the people what is best for the economic development of a province so that every man has a job? You're put there to see that every man has a job, a home, a happy family and a recreational area to go to, and not sit down and say that if you want it you've got to pay for it, because that's the easy way to govern and that's the way this province, that's the way this government is governing at the present time. The minority comes walking along and hollers their head off and these fellows go all jumping off the cliff after them.

Now, Mr. Speaker, as I said - I would say also that I do not intend to answer any questions because I would probably take too long and I don't want to do that - so, Mr. Speaker, I only refer again, corporate construction is down; corporate industry is not expanding in this province; people are leaving because they're paying high taxes; people are coming in because they're getting welfare; and on the other hand, people don't want to come and live here because they're having to pay the highest personal income tax and there's no way, no way that this government shouldn't be looking at reduction in taxes. Thank you.

MR. SPEAKER: The Honourable Member for Radisson.

MR. HARRY SHAFRANSKY (Radisson): Mr. Speaker, I move, seconded by the Honourable Member for Wellington, that debate be adjourned.

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

MR. SPEAKER: On the proposed resolution of the Honourable Member for Birtle-Russell. The Honourable Member for St. George.

MR. WILLIAM URUSKI (St. George): Thank you, Mr. Speaker. There's just a few comments that I would like to make to this resolution before I propose an amendment that I have ready. There are several points that the members have raised in their debate on this resolution, the Honourable Member for Birtle-Russell who proposed it and the Honourable Member from Lakeside who made some valid comments insofar as the rustling that goes on throughout the province as well as the various places where inspections would have to be done, and these are at the cattle auctions which are held throughout the province.

I only offer a word of advice to the members, to really ask them what have they really done to the people who are in effect doing the rustling. From an aspect where the person who is rustling realizes that the government is going to propose, let's say, an amendment of inspection, what will he do? He will then go out to the farmer's property, rustle the beef, skin it right there or nearby, throw the carcass away, and where are you? In effect, you are no farther ahead with the inspection than you are if the rustling takes place in the manner that they know that there is inspection going on. So in effect through areas of concern that have to be met, that is on the area of active policing, and that relates back to the farmer himself as well to check his herd quite regularly, not letting them roam completely without checking them at least weekly or even more often than that, and thus being able to spot any irregularities in the herd, tire tracks and the like of vehicles coming and going, and thereby he'd be able to do some investigative and checking process on his own. Now the point of the inspection at the sales and at the stockyards, this, as mentioned by the Member from Lakeside, will have to take some serious consideration by the Minister and his department and I hope that in the very near future that this will be done and the appropriate legislation will be brought forth to this House.

But there's one thing that I would like to mention in this regard is when the branding inspection, or the branding regulations or the Branding Act was passed in this House

(MR. URUSKI cont'd) . . . . previously, why was not a total package presented, a total comprehensive plan presented to the people, whereby only a piecemeal or a half portion deal presented insofar as the voluntary branding of cattle. If in effect you are offering the people of the province a brand that they could keep track of the different herds of cattle, why not offer the inspection as well so that a total process could have been afforded them at the time? In my mind, when this was brought in initially it was only a half measure because the whole total aspect, I'm sure, the people of the department would have been able to advise the ministers of the day, who were the ministers, of the cost implication that it would take to do the investigative or the inspection at the stockyards and the various sales that now exist. However, I still do, I do agree with the resolution except for the fact that it will have to take serious consideration by the Minister and his department in order that appropriate legislation could be drafted in this respect and the costs verified.

I now would like to move a motion. I move, seconded by the Honourable Member from Gimli, that the proposed resolution be amended (1) by striking out the words "pass amending" in the sixth line thereof and substituting therefor the words "give consideration to the advisability of introducing;" and (2) by striking out the words "at this session of the Legislature" in the seventh line thereof.

MR. SPEAKER presented the motion.

MR. SPEAKER: The Honourable Member for Rock Lake. Does the Honourable Member for Rock Lake not wish to . . . ? The Honourable Member for Birtle-Russell.

MR. GRAHAM: Thank you, Mr. Speaker. My comments at this time will be very brief. We've heard the amendment that the Member for St. George has proposed, Mr. Speaker, and quite frankly it bothers me. I wonder what the member really means here. Is he really telling us that we're going to give the rustlers a chance to clean up their house by the end of this year because we're going to bring in new legislation next year that's going to make it tougher? Which side of the fence does he stand on in this thing? Is he on the side of the rustlers or is he on the side of the cattlemen?

Mr. Speaker, when I raised this thing in the House it was because there's a serious problem, and now we find the government is saying well, we admit maybe it's a problem but we won't look at it right now, we'll talk about it later, we'll consider the advisability - that seems to be the favourite expression of the House Leader - and it's the same effect as a six months' hoist, so that the rustlers will have a chance to clean up all the good cattle in Manitoba anyway and by the time the government gets around to passing legislation I'm afraid that most of the cattlemen in the province will be out of business.

MR. SPEAKER: The Honourable Member for Lakeside.

MR. ENNS: Mr. Speaker, just a few comments following the amendment moved by the Honourable Member for St. George. The Honourable Member from Birtle-Russell rightfully expresses some concern about which side the member finds himself on this particular resolution, that of the rustlers, or the rustlee or the rustlor - is that legal in this House - the rustlee or the rustlor, the defendee of the defender, something like that. Then he fails to mention of course that perhaps the need for this legislation has become all the more urgent now that we have an NDP government in this province, which may also be seriously considered, but the point that he did raise is a valid point and I just wish to take a minute or two to take issue with him.

He raised the question of why a comprehensive inspection brand and an inspection program wasn't originally introduced at the time that branding generally was introduced in the province. Well, this unfortunately again demonstrates the all too easy or over-simplified view that my friends opposite tend to take when they deal with people. In other words, just to bring about the usage of brands, of course any reasonable government, any reasonable agency - and former ministers were aware of it - it takes some time, an education program to bring about the value, the value of branding their cattle to the farmers involved. It was not something that you could impose overnight. The fact of the matter is that I suppose ten years ago or 15 years ago the percentage of cattle branded was minimal. It's only slowly progressed through the brand regulations that we now have where owners can register their brands. It takes a bit of time for a bit of pride to develop in the owner in having the registered brand and branding his cattle for his own protection and for his own identification purposes.

I think the other problem that we've always had in this province is that such a large percentage of our herds are not beef herds, that do not run at large - and the Member for

(MR. ENNS cont'd) . . . . . St. George knows this - but in fact are kept under confinement, and I'm referring more specifically I think to our larger dairy herds who rarely, you know, get branded, and find little need or use for being branded. So it was an evolutionary thing that had to take place. We had to accustom our cattlemen to the value of brands, then to the using of brands, to the registering of brands, and now the next step is to afford the maximum protection offered by the branding program, yard inspection. -- (Interjection) -- No, it requires no legislation. It requires usage to make it, you know -- the honourable member is prepared to expend public dollars and appoint friends of his no doubt to all kinds of inspection points throughout the province, whether or not cattle are being branded or not. It only has some merit when 80 or 90 percent of the cattle that move through these auction rings are in fact branded and if an over-riding majority of cattle in percentage terms that carry these brands can in fact be located if stolen and brought to places of sale.

The other matter that he raises with respect to the fact that once you take the hide off it's hard to identify the brand, I agree with him, although I suppose if you brand hard enough there might still be an indentation left. I don't know, I haven't that experience, but of course that's here nor there because that kind of stealing, you know, butchery on the fields takes place in any event. What brand inspection does prevent is the kind of major losses incurred from time to time when somebody who is not about to take the time to butcher a half a dozen or a dozen animals but in fact is in rustling for commercial reasons, not simply to fill his deep freeze but is actually moving cattle out of enclosed pens or off fields to be moved directly on to market sources.

Now this is the kind of rustling that this resolution is particularly aimed at. This is the kind of rustling that is becoming more prevalent, particularly in the western part of our province, as a result of the stiffening up of the brand inspections in Saskatchewan. Maybe it's because the rustlers have an affinity towards moving towards socialist governments. I don't know. You know, the rustling seemed to have been a greater problem in Saskatchewan; it now seems to have been solved and now they're following us to Manitoba. Whether there's any political connection, I don't know, but the point of the matter is the resolution -- you know, in my judgment, this is the kind of legislation that is not calling for any great public expense; indeed if the Minister of Agriculture was inclined to listen to the producers involved and allow them the check-off system which is also dealt with in another resolution, the cattlemen are probably more prepared to finance a good part of this from their own resources in their own interests, a point of view which I heartily agree with.

So, Mr. Speaker, let me simply say that I regret the government is taking this course of action on this matter of cattle rustling. It seems to us that it was a natural progression to move into, having had the branding program with us for some years now, and I would hope that in reconsidering their position the government doesn't take the kind of time that governments from time to time have been known to take when they move a resolution off the Order Paper that they don't really feel inclined to deal with. Thank you.

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

MR. McKELLAR: I'd just like to say a few words on this resolution in the amended form. This has always been a real problem I think in the western part of the province. Lately, as mentioned by my seat mate here, the Honourable Member for Lakeside, it's getting worse, the problem is getting worse. And I won't blame it on the socialist government in Manitoba, it's just a matter of fact it seems that when the price of meat goes high and people were short of money, cattle seemed to disappear and this is causing many people who have their cattle in large pasture fields where they can't get to them maybe every three weeks or a month because they're 30 or 40 miles away, it's not easy, especially where you're doing your farm work.

But I'd like to also point out one other difficult point and it deals with insurance on cattle that are rustled. Now you take the cattle that are rustled and they're gone to market, or wherever they take them, this is classed as mysterious disappearance. This is one of the cases where in the insurance clause dealing with livestock floater that this is different altogether from theft, even though the animal was stolen, and one which the insurance companies will not pay. Now if the animal was killed in the pasture field and some remains of that animal are left, there's no problem dealing with the claim on this particular animal because there's evidence there showing. But very few people who steal these animals leave any portion of this, they take all of it. Even though it may be killed, they load it all up and away they go.

(MR. McKELLAR cont'd) . . . . I don't know what the answer is for all the problems, but one of the answers I think is brand inspection, and it's too bad more farmers in Manitoba wouldn't take advantage of the brand inspection, and it only can be done in the way I see it is from a good deal of advertisement and promotion and education on behalf of the government or farm organizations in the Province of Manitoba.

We have an unusual province where many people keep large numbers of cattle in feedlots all winter, in some cases put them out in pasture fields, or in the Turtle Mountains in my area, take them as far away as 50 miles, and even though this pasture field is policed by PFRA there are some cattle who disappear.

Now there are other means where it's difficult to solve and it's the case of lightning. Lightning strikes many animals during the summer months, and with the many wolves that are in evidence in the Province of Manitoba now due to the lack of bounty in most municipalities, it only takes a matter of about two weeks that you can't find these animals. I know that many farmers who think maybe that these cattle have been rustled, that actually it's lightning that's caused this damage, and yet because they cannot find the animal they can't get paid for lightning loss either.

So these are many of the problems that people who are selling insurance have to deal with from time to time. I've got so that I hate to sell a livestock floater policy for that reason, that it can be many things. It can be lightning loss, as I mentioned, and in two weeks time there's nothing left of the animal; it can be mysterious disappearance and yet you can't -- you can maybe see evidence on a fence maybe but it's still hard to prove that that man who stole the animal cut that very fence and it's only when there is actual evidence of that animal, remains left in the pasture field, can you pay that particular loss.

But I think that if the government would take this seriously, take this resolution seriously and act upon it, I think the livestock people in the Province of Manitoba would thank them for their efforts because it's only with the co-operation of the farm organizations and the livestock people and the government can we really be serious about this problem of rustling.

Now I know what this amendment really does, it kicks it around and it'll be up to the government to decide in the next eight months, ten months, whether they want to take action or not, but I would imagine if they don't take action you'll see this resolution back on the Order Paper at the next coming session and likely in a similar form, because what else can you say in a resolution dealing with rustling. I don't think there's much else you can say other than that they already have in Alberta and Saskatchewan a similar form of what we're asking for. Organized rustling is becoming a real problem and I think that the government should take action or take leadership in this.

So with those few words, Mr. Speaker, I think that's about all I have to say other than I'm disappointed in the amendment that's before us now and I was hoping that the government would take action at this time.

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

MR. URUSKI: Would the member permit a question? You mentioned in your statement in respect of farmers being unable to collect insurance because of the lack of evidence of the carcass. Would that not be a direct reversal of insurance procedure whereby normally if a person, shall we say the example of stealing a car, he doesn't leave you a spare tire to give you the evidence that he took it, the car completely disappears, wouldn't this be in the similar manner of animal disappearance? Would they not pay that claim?

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

MR. McKELLAR: You mentioned the theft of a car? Usually within the 60-day period they give to settle a claim on the theft of a car, usually in that 60-day period the car shows up somewhere maybe in Canada, and if in that 60-day period the car doesn't show up or is not found, what usually happens is they repaint it and new serial number on it, they pay the loss. That's very easy, it's very easy. You mentioned that if the cattle beast doesn't show up, in the insurance regulations it says that mysterious disappearance is not covered under that section, under livestock floater. So mysterious disappearance mentions where an animal disappears without any evidence and it's very difficult, as I mentioned, if a wire breaks in the fence, whether that animal jumped over and disappeared on its own or whether it was taken out of it or taken even through a gate. This is one of the things that's been in there. It's only when there's evidence, real evidence. Here he says that evidence where the car has gone in there or a truck has gone in there and marks left, will they pay the loss.

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

(MR. SPEAKER, cont'd.) . . . . . Lake.

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

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

MR. SPEAKER: I call it 5:30. The hour being 5:30, I am leaving the Chair to return at 8:00.