

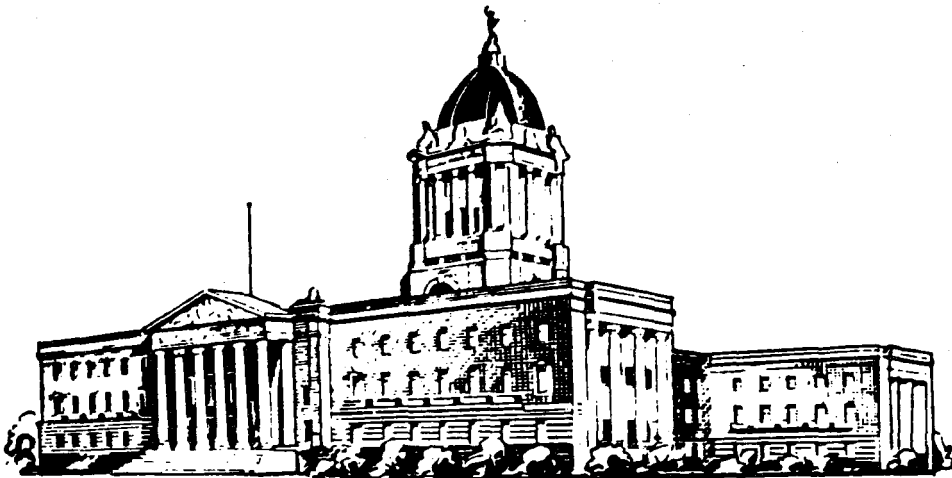


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First Session — Thirty-First Legislature
of the
Legislative Assembly of Manitoba
DEBATES
and
PROCEEDINGS

26 Elizabeth II

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Speaker*



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10:00 a.m. Monday, December 5, 1977

THE LEGISLATIVE ASSEMBLY of MANITOBA

Monday, December 5, 1977

Time: 10:00 a.m.

OPENING PRAYER by Mr. Speaker.

MR. SPEAKER, Honourable Harry E. Graham(Birtle-Russell): Presenting Petitions . . . Reading and Receiving Petitions . . .

PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES

MR. SPEAKER: The Honourable Minister without Portfolio.

HON. WARNER JORGENSON, Minister without Portfolio (Morris): I beg to present the first report of the Committee of Seven Persons.

MR. CLERK: Your Committee prepared the following list of members to compose the Standing Committees ordered by the House:

PRIVILEGES AND ELECTIONS: (11) Hon. Messrs. Banman, Sherman, Messrs. Anderson, Boyce, Desjardins, uydé, Kovnats, Malinowski, McBryde, McGregor, McKenzie.

PUBLIC ACCOUNTS: (11) Hon. Messrs. Cosens, Craik, Messrs. Blake, Cherniack, Einarson, Miller, Minaker, Orchard, Parasiuk, Schreyer, Wilson.

PUBLIC UTILITIES AND NATURAL RESOURCES: (11) Hon. Messrs. Craik, Enns, MacMaster, Ransom, Messrs. Axworthy, Doern, Ferguson, McBryde, Minaker, Schreyer, Steen.

AGRICULTURE: (11) Hon. Mr. Downey, Messrs. Adam, Anderson, Bostrom, Einarson, Ferguson, Galbraith, Gourlay, McGregor, Uruski, Uskiw.

MUNICIPAL AFFAIRS: (11) Hon. Messrs. Johnston, Mercier, Messrs. Brown, Corrin, Domino, Driedger, Gourlay, Miller, Minaker, Pawley, Uruski.

LAW AMENDMENTS: (30) Hon. Messrs. Cosens, Enns, Jorgenson, Mercier, Sherman, Spivak, Hon. Mrs. Price, Messrs. Anderson, Axworthy, Barrow, Boyce, Brown, Corrin, Domino, Doern, Driedger, Evans, Ferguson, Galbraith, Green, Hanuschak, Hyde, Jenkins, Kovnats, McKenzie, Orchard, Parasiuk, Pawley, Steen, Walding.

PRIVATE BILLS: (11) Hon. Messrs. Downey, McGill, Ransom, Messrs. Adam, Blake, Bostrom, Cowan, Einarson, Hyde, McGregor, Uskiw.

INDUSTRIAL RELATIONS: (11) Hon. Messrs. Cosens, MacMaster, Sherman, Spivak, Hon. Mrs. Price, Messrs. Cowan, Fox, Green, Jenkins, McKenzie, Wilson.

STATUTORY REGULATIONS AND ORDERS: (11) Hon. Messrs. Johnston, Jorgenson, Mercier, Ransom, Messrs. Cherniack, Desjardins, Domino, Driedger, Gourlay, Malinowski, Hanuschak.

ECONOMIC DEVELOPMENT: (11) Hon. Messrs. Banman, Enns, Spivak, Craik, Messrs. Axworthy, Barrow, Brown, Evans, Green, Orchard, Wilson.

RULES OF THE HOUSE: (8) Hon. Messrs. Jorgenson, McGill, Messrs. Blake, Fox, Green, Kovnats, Steen, Walding.

MR. JORGENSON: Mr. Speaker, I move, seconded by the Honourable Minister of Consumer and Corporate Affairs that the report of the committee be received.

MOTION presented and carried.

MR. SPEAKER: Ministerial Statements and Tabling of Reports . . . Notices of Motion . . . Introduction of Bills . . .

OL QUESTIONS

MR. SPEAKER: The Honourable Member for Wellington.

MR. BRIAN CORRIN: Mr. Speaker, I'll adress this question to the Honourable First Minister, and I

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do so only because I am not sure whether this falls within his purview or someone else's. If it is not within the ambit of his present jurisdiction then presumably he'll indicate and someone else will rise and answer. I wanted to know whether it's the government's intention to protect the future interests of all Manitobans and file an intervention at the current Canadian Transport Commission's PWA hearings.

MR. SPEAKER: The Honourable First Minister.

HON. STERLING LYON, Premier (Charleswood): Mr. Speaker, that question was asked and answered last week. It is the government's intention to be an intervener in the hearings that are currently underway.

MR. SPEAKER: The Honourable Member for Logan.

MR. WILLIAM JENKINS: Thank you, Mr. Speaker. I address this question to the Minister of Labour in charge of the Civil Service. Can the Honourable Minister inform the House under what section of the Civil Service Act that the present full-time commissioner was hired?

MR. SPEAKER: The Honourable Minister of Labour.

HON. NORMA PRICE (Assiniboia): Mr. Speaker, I believe that's a legal question.

MR. SPEAKER: The Honourable Member for Logan.

MR. JENKINS: I address, then, a supplementary question to the Honourable Minister of Labour. Can she inform the House what the salary range of the present commissioner is?

MRS. PRICE: Mr. Speaker, it was advertised and I'm sure you have those figures.

MR. JENKINS: A final supplementary, Mr. Speaker, to the honourable minister. Can the minister inform us if this person is still drawing his pension as well as a salary?

MRS. PRICE: Whatever the law says, that's what it is. I have no idea, at this point.

MR. SPEAKER: The Honourable Member for Inkster.

MR. SIDNEY GREEN: Mr. Speaker, I'd like to direct a question to the Minister to whom the Manitoba Development Corporation reports. In view of the fact, Mr. Speaker, that his optimism did not appear to be justified and that there was very little prominence, if any, given to the fact that the City of Winnipeg and the Commissioner thereof considers the Flyer product to be in every respect as good as its competitors, and that these buses are operating very satisfactorily in Canadian and American cities, would the minister consider placing advertisements in the Winnipeg Free Press and in the Winnipeg Tribune indicating the very very satisfactory performance of the buses produced by Manitobans in the Province of Manitoba and sold throughout the North American continent?

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

HON. ROBERT (Bob) BANMAN (La Verendrye): Mr. Speaker, maybe what the minister would like us to do is put some signs on the buses saying, "We're No. 1." Let me just say that under the agreement with the City of Winnipeg right now I don't think the people of Manitoba have to be told what the product is because that's the only buses we're buying in the City of Winnipeg.

Further to his question, I noticed in one of the dailies at least, that they had mentioned the question put to me and it was described at some length and I think we did get some publicity out of that.

MR. SIDNEY GREEN: Mr. Speaker, in view of the fact that the City of Winnipeg is operating both with the General Motor product which they have purchased and the Manitoba Flyer product which they have purchased and a comparison by City of Winnipeg authorities indicates that the Flyer product is as good as, or outperforms, its General Motors competitor, wouldn't it be of value to the minister to have this information widely disseminated throughout the country? —(Interjection—

Mr. Speaker, in view of the fact that the minister, to the minister again, the Minister of Industry and Commerce, in view of the fact that the minister indicates that one of the problems of the government being involved in the manufacturing concern and in is that it becomes a political football view of the fact that we on this side are undertaking to give every support to the Flyer product so that it will not become a political football, would the minister consider that he is now free to use every best method of trying to see that this product makes a name for itself throughout the North American continent without being a political football?

MR. SPEAKER: The Honourable First Minister.

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HON. STERLING LYON, Premier (Charleswood): Mr. Speaker, not to intrude upon my honourable friend, the Minister of Industry and Commerce, but I merely want to respond by thanking the Honourable Member for Inkster for taking up the suggestion that I made in my few remarks on Friday whereby members of the opposition could be helpful to the government and his daily reference to the high quality of Flyer Coach, I take it, is in reference to that invitation and we welcome his support of that product, as I'm sure the people of Manitoba do.

MR. SPEAKER: The Honourable Member for Inkster.

MR. SIDNEY GREEN: To the First Minister I want to express my gratification that he welcomes the support of the opposition which certainly was not forthcoming one year ago with regard to Manitoba produced products. In view of the fact that the First Minister said that he would welcome hearing from New Democrats who wish to contribute to the support of the government and to give it advice which he would be welcome to, would he consider the names of Orlikow Janssen and Nordman?

MR. SPEAKER: The Honourable Member for Wellington.

MR. BRIAN CORRIN: Mr. Speaker, I do not wish to be repetitive but in view of the fact that I was ill and was not here and have not yet had an occasion to refer to Hansard, I was begging the assistance of honourable members on the other side in asking another question about the Canadian Transport Commission hearing. Could the honourable First Minister indicate what terms of reference have been given to Council and what the substance of our intervention before the Canadian Transport Commission is in this respect.

MR. SPEAKER: The Honourable First Minister.

HON. STERLING LYON: Mr. Speaker, that question was answered the other day and when the intervention is made or when Council is called upon to make remarks on behalf of the Province of Manitoba, those facts will be made.

MR. SPEAKER: The Honourable Member for Wellington with a supplementary.

MR. CORRIN: Mr. Speaker, in this regard I would also ask whether or not the government has taken any initiative and contacted the Alberta authorities in order to attempt to negotiate any accommodation with that government in order to attempt to maintain the public interest of Manitobans in this regard?

MR. SPEAKER: The Honourable Member for Lac du Bonnet.

MR. SAMUEL USKIW: Mr. Speaker, I wonder if the Minister of Finance could tell the House just how much the government expects to collect by way of deterrent fees that seem to be implied by remarks on the part of the Minister of Health this morning, and whether that will be sufficient to cover the \$20 million tax reduction that they have announced.

MR. SPEAKER: The Honourable Member for Inkster.

MR. GREEN: Mr. Speaker, I wish to ask a question of the Minister of Industry and Commerce to whom the Manitoba Development Corporation reports. I wish to indicate that the question is being asked for political purposes.

Mr. Speaker, to the Minister, is he considering the sale of Cybershare to Phoenix Data which wasn't able to operate successfully under private sector management and ownership, but is operating successfully under public sector management and ownership?

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

MR. BANMAN: Mr. Speaker, it is this government's intention to not get involved in the field of business. It was one of our planks of our platform that got us to this side of the House, and I should say that if we can find people who are going to operate that business in the private sector, we will definitely look at that, yes.

MR. SPEAKER: The Honourable Member for Lac du Bonnet.

MR. USKIW: Mr. Speaker, the other day the Minister for the Environment indicated that Right Angle Farms would co-operate with the Environmental Branch with respect to necessary changes that may be required to prevent pollution from occurring in the East Selkirk area. I am wondering whether one of the considerations would be the relocation of the feed lot itself.

MR. SPEAKER: The Honourable Minister of Mines.

HON. BRIAN RANSOM (Souris-Killarney): Mr. Speaker, I don't believe that that has been

considered as a possibility, at this stage.

MR. USKIW: I wonder if the Minister would repeat that, we didn't quite hear it.

MR. RANSOM: Well, Mr. Speaker, it is my understanding that the physical removal of the feed lot to another site has not been considered at this stage.

MR. USKIW: Well, Mr. Speaker, I merely asked the minister whether he would add that to his list of possibilities that might be considered.

MR. RANSOM: Well, Mr. Speaker, I suppose there is almost an infinite range of possibilities to be considered. I am attempting to assure the Honourable Member that the problem is being investigated and that when my department can make recommendations as to what is a satisfactory solution, then we will proceed in that regard.

MR. SPEAKER: The Honourable Member for Elmwood.

MR. RUSSELL DOERN: Mr. Speaker, I would like to direct a question to the First Minister. Was it not a campaign promise by himself and his party that there would not be a reintroduction of deterrent fees in Manitoba? —(Interjection)— Mr. Speaker, I would ask if the First Minister would be prepared to review the remarks of his Health Minister that the reintroduction of deterrent fees is under consideration by his government.

MR. SPEAKER: The Honourable First Minister.

MR. LYON: Mr. Speaker, I expect the Minister of Health will be available to answer any inquiries from my honourable friend. I imagine that what he is referring to is some comment made on the radio. Deterrent fees were being reviewed by our predecessors. I imagine deterrent fees will probably be reviewed by every government from time-to-time, indeed, the previous Conservative government reviewed deterrent fees at one stage and nothing happened to them.

MR. DOERN: Mr. Speaker, I again ask the First Minister whether this is not in apparent contradiction to the kinds of comments he made, the assurances that he gave to the people of Manitoba that there would not be any dismantling of existing programs such as medicare. He gave that assurance, that's one of the bases I assume, upon which this government was re-elected and now he's going back on that.

MR. SPEAKER: The Honourable Member for Wellington.

MR. CORRIN: Mr. Speaker, I addressed myself earlier in a question to the Honourable First Member as to the terms of reference given to council in the intervention before the Canadian Transport Commission regarding PWA's application. I was told that these would be announced. I don't want to carry this matter too far and I presume the reason for that was perhaps involved in strategy, but perhaps the Honourable First Member could tell us why we intervened, why the government of Manitoba chose to intervene in the application.

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

MR. BANMAN: Mr. Speaker, we answered several questions last week and one was from the Member for Brandon East. But there are three major concerns: No. 1, the employment level presently at the maintenance base here; and No. 2, the assurance of the continuation of the quality of service that the northern communities are receiving; and No. 3, an enhancement position as far as Jet service into Brandon.

MR. CORRIN: Mr. Speaker, I'm primarily concerned about the future implications of this particular application and the ramifications of the introduction of an Alberta-government-owned air service in Manitoba and I would ask the honourable minister whether or not he feels that it's in the public interest to deal with this matter with the Alberta government and find out whether any accommodation can be made in this regard with them. I'm concerned at the possible peril that we will be put in because we will be at the sufferance of the Alberta government regarding economic expansion in our province.

MR. BANMAN: Mr. Speaker, I think that the member should realize that Air Canada is also a Crown agency owned by the federal government and we're dealing with another government there, so I don't see the big problem.

MR. SPEAKER: The Honourable Minister of Labour.

MRS. PRICE: Mr. Speaker, I would like to reply to the Member for Flin Flon when he asked whether my department was prepared to pursue putting the mining industry in Flin Flon under the provincial

rather than the federal agreement. I would like to advise him at this time that the Attorney-General's department has already prepared a draft proposal to that effect.

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

MR. LAURENT L. DESJARDINS: Mr. Speaker, I guess I could call this a question of personal privilege, or I would like to correct or deny a statement that was just made in this House. The First Minister pointing at me said that the previous government had studied the question of deterrent. That is not the case. The statement that I made, at no time was that being reviewed. What I said in the House I would expect a Conservative government to review that. I've also said in the House, when I was the Minister of Health, that I personally had been on record favouring not deterrent — if it was ever deterrent I would never want to even look at it — but some kind of a utilization fee, and I won't deny that I made that statement. That was a personal statement that I still think has a lot of merit, but it is not connecting the former New Democratic Party government.

MR. SPEAKER: The Honourable Member for The Pas.

MR. RONALD McBRYDE: Mr. Speaker, I would like to address a question to the Minister of Tourism. I wonder if additional funds have been allocated for the improvement of a cottage lot road at Rocky Lake.

MR. SPEAKER: The Honourable Minister of Tourism.

MR. BANMAN: Mr. Speaker, I'll take that question as notice and get back to the member.

MR. McBRYDE: Mr. Speaker, I would also ask the Minister of Tourism if there's been any supplement or any increase in the budget for development of tourist facilities in northern Manitoba.

MR. BANMAN: Again, Mr. Speaker, I'll take that question as notice.

MR. McBRYDE: Mr. Speaker, when the minister is taking these questions for notice I would ask him if it is the intention of his department to live up to promises made by his party during the election campaign in regard to tourism in northern Manitoba.

MR. SPEAKER: Orders of the Day. The Honourable Member for Elmwood.

MR. DOERN: Mr. Speaker, I wanted to direct a question to the Minister of Education. Does the department allow anyone in Manitoba to open a school?

MR. SPEAKER: The Honourable Minister of Education.

HON. KEITH A. COSENS (Gimli): Mr. Speaker, in answer to the Honourable Member for Elmwood. It is my understanding that a group of parents in Manitoba have a legal right to open a school.

MR. DOERN: Mr. Speaker, in view of these articles appearing in the weekend papers and so on, is the government concerned about what is described, I think, by some writers as a new development or a trend of the opening of a series of small schools throughout the province?

MR. COSENS: Mr. Speaker, again in answer to my honourable friend, we are always concerned if we see any trends developing.

MR. DOERN: Mr. Speaker, I'm glad the minister observes the trend. Will he send out his inspectors or representatives to study or examine the curriculum and the manner in which these schools are being conducted, to ensure that the children are receiving a minimum standard of education?

MR. COSENS: Mr. Speaker, I understand that this has been common practice, even under the previous administration, to follow that procedure and we will certainly continue to monitor what's happening in the schools of Manitoba.

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

MR. DESJARDINS: To the same minister, Mr. Speaker, in view of the answer of the recognition of the minister of the right of parents, is it his intention to recommend to the government to look into the possibility of bringing grants to private schools?

MR. SPEAKER: The Honourable Minister of Education.

MR. COSENS: Mr. Speaker, we have these things under study at this time.

MR. SPEAKER: The Honourable Member for Burrows.

MR. BEN HANUSCHAK: Mr. Speaker, I have a question for the Honourable Minister of Public Works. Does the sign on the front door, "Please push very hard," is that also indicative of the degree of effort that the public will have to exert in order to enter offices of ministers of this government in this building?

NON-POLITICAL STATEMENT

MR. SPEAKER: The Honourable Member for Radisson.

MR. ABE KOVNATS: Mr. Speaker, I'd like to make a non-political statement.

Last night was the beginning of the holiday, the Festival of Lights, Chanukah, and I would just like to make a statement. As the lights went on last night, as they have gone on on October 11th, I would just like to wish all my friends a very Happy Chanukah, my Jewish and my non-Jewish friends and I'm taking this opportunity to do so in the House. Thank you.

THRONE SPEECH DEBATE

MR. SPEAKER: Orders of the Day. On the proposed motion of the Honourable Member for Pembina. This is now open. The Honourable Member for Lac du Bonnet.

MR. USKIW: Mr. Speaker, the other day I did not have an opportunity to complete my remarks and of course it's always possible to add to the debate on the main motion as usual, and it's my hope to somewhat round off the thoughts that I had at that particular time with respect to how I saw the situation in Manitoba and in particular the economic aspects of our problems in this province.

I think it's fair to say that we have had a number of serious, devastating announcements in this province in the last few weeks, certainly since the elections, starting off with the problems with International Nickel at Thompson. And of course, Mr. Speaker, I have to recognize that the Minister of Finance has indicated to us that his solution to our economic problems of course is in the tax break that has already been announced, effective for the next year. I would simply take a moment to point out to him that I couldn't quite be that enthusiastic about that particular measure as having any immediate impact on Manitoba's economic problems of the moment nor, Mr. Speaker, could I say that I have any confidence that that particular measure is going to have any significant impact in terms of our future economic well-being.

It was very difficult for me, Mr. Speaker, in the course of the last few days, since the announcement, to find anyone in my particular constituency that made any notice of the tax change. In fact it is really a bit of a joke in the coffee shops and in the barber shops, Mr. Speaker, because many people are comparing their relative incomes and how the tax break is going to affect them, and really what they are talking about is whether or not they will have one or two extra cups of coffee per week or perhaps three or four as a result of the announcement of the Minister of Finance for the province of Manitoba. That's really the sum total of the impact of that particular change. So obviously it is a matter of sheer window-dressing without any real impact.

Secondly, Mr. Speaker, we have not been told the full story. The Minister of Finance neglected to tell us how it is that he is going to shift his priorities around; whether or not he is going to continue the policy of the previous government of making annual adjustments to the Property Tax Rebates and the cost of living tax rebate; that he left unsaid, Mr. Speaker, and so we don't really know whether Manitobans are indeed getting a tax break whatever. All we know is that we have an implied reduction of some on average less than 50 cents per week per Manitoban.

But, Mr. Speaker, I want to deal with something much more serious than that. It's a particular problem that we face in this province at the moment and it has to do with the unwarranted announcement of the Minister of Finance with respect to an application for a loan by the Canadian Co-operatives Implements Limited just the other day.

Mr. Speaker, I was very shocked to hear the Minister of Finance give us that particular statement, not because of what it contained, Mr. Speaker, but because of the fact that those kinds of statements are not in the public interest, they are not at all productive, have done no one any good. It's the kind of thing that you normally would not want to do. It's the kind of thing that a creditor or a person providing mortgage funds should not be involved in.

An application for a loan is supposed to be treated as a confidential matter. Whether it is approved or denied is also to be dealt with in that manner and ultimately there is an opportunity under our rules, Mr. Speaker, to discuss the merits or otherwise of these transactions in committee. But at the moment, Mr. Speaker, we have a company, a major manufacturing company in Manitoba, who is having very serious problems and by the way which may result in having to close down on a permanent basis or in fact even to sell their asset. That is the kind of situation that we have before us at the moment. And the Minister of Finance, Mr. Speaker, has shrugged it off as something that he cannot deal with and, Mr. Speaker, I question that other than in their present ideological bent, on their present posture with respect to the people of Manitoba, that they are shutting things down and

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therefore to reopen this question would be contrary to closing down opportunities for businessmen in Manitoba, vis-a-vis the government of Manitoba as an instrument to assist in the economic development of this province. —(Interjection)—

Mr. Speaker, the Minister of Public Works always enjoys an interjection during the course of debate. He always puts his foot in it, Mr. Speaker. It never fails. It is true that that matter has been under consideration for several months. It is true that the finalization of a proposal was not made until very very recently and that the previous government did not have an opportunity to peruse the final position or proposal that was put forward. And even if they had an opportunity on the last day of their government it would have not been proper for them to have exercised it, at least in my view, Mr. Speaker, being that we were the outgoing government and that there would be a new government in the matter of days.

So, Mr. Speaker, I think it's fair to say that the proposal that was originally put to the government of Manitoba several months ago is very much unlike the present proposal which has been turned down. But for the record, Mr. Speaker, the original proposal was something in the order of \$25 million of public funds without any input from the private sector whatever.

I would like to point out, Mr. Speaker, that the current proposal is not that at all, Mr. Speaker. The current proposal merely asks for the province to participate in a very small way.

Now, Mr. Speaker, what about the track record because I think that's important to recollect? What is the track record in terms of the government of Manitoba coming to the aid and assistance, and in fact to rescue some of the large corporations or companies in this province over the years? You know the news media has managed to sensationalize — and so have my friends opposite — those particular transactions that have been failures or have had very serious problems. But, Mr. Speaker, those that have been success stories have hardly had a mention.

And I would like to point out, Mr. Speaker, that this is not the first time that a large manufacturing company has come into some difficulty in this province. I would like to recall, Mr. Speaker, that only a few years ago it was the instrument of government that actually saved Versatile Manufacturing. It was the instrument of government, Mr. Speaker, that actually saved that company from going into bankruptcy.

I would also like to point out that it was the instrument of government, Mr. Speaker, that assisted in the establishment of CCIL in its present new facilities in Transcona, both at the national level and at the provincial level. Now it's true that the province didn't have to put forward any money, but it was prepared to do so and entered into an agreement to do so, and that the confidence of the community was such that it was unnecessary to bring us to the point of having to actually forward any money whatever.

Now, Mr. Speaker, who are we talking about? We are talking about one of the larger co-operatives in Canada, a co-operative that has been with us for some three decades. CCIL is not a new company; it has been with us a long, long time. It has its roots throughout all of western Canada, fortunate we are that it has its plant facility here in Winnipeg. It has a membership, Mr. Speaker, of 95,000 farmers — 95,000 farmers across the prairies belong to CCIL as members of that company. I think it's fair to say that the bulk of the membership is in Saskatchewan and Alberta. Of that 95,000 about 10,000 are Manitobans — Manitoba farmers who have an interest in the success of CCIL.

Now what does that tell us, Mr. Speaker? It tells us that not only is that company facilitating the farm machinery needs of Manitoba farmers on a co-operative basis, but it tells us that it is a major exporter — a major exporter — of farm machinery, which is indicative, if one examines, of the value that it is to Manitoba as a major manufacturing concern which exports its material and its service and its labour. It's the kind of industry that everyone wants to have, Mr. Speaker. Its sales last year were in the order of \$70 million; \$70 million, Mr. Speaker, was its sales in 1976. So it's not a small company; it's a major company employing several hundred people during its normal course of operations.

Now it's unfortunate that it has found itself in this particular position at the moment. I think it has to be recognized that it is a situation of the moment and that a measure of public assistance would make certain, for the people of Manitoba, that not only does this co-operative continue but that it indeed expands into the years ahead and becomes a much larger operation.

And I think that one has to take for a moment into consideration, Mr. Speaker, the spinoff negative effect of not coming to its rescue. I mean who are we talking about? We are talking about people in Manitoba who have an interest in that company, numbering in the tens of thousands, who own machinery produced by that company, whose value, Mr. Speaker, would plummet overnight if that company was wiped out. We are talking about the credit unions and the Co-operative Credit Society as being the principles involved in the financing of that company, who would also suffer very severe losses.

These are very serious concerns that we put forward, Mr. Speaker, something that should not be brushed off lightly. The Minister of Finance should review the position that he has taken and that his government has taken, from the point of view of making certain, Mr. Speaker, that this company does not go down because of some kind of political posturing of the moment that compels them to be a non-participant in this hour of need on the part of one of our large manufacturers.

Mr. Speaker, we cannot stand idly by and see seven or eight hundred jobs go by the board. We cannot stand idly by and see a company reduced to either a position of having to sell its assets to an outside concern, who may not continue operations in Manitoba, a company who may be totally out of business within a matter of a year or so if help is not forthcoming.

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I think it's important, Mr. Speaker, that we take a look at the proposition that has been put forward to the government of Manitoba. You know, if it was a proposition that the government of Manitoba undertake all of the risk, more than half of the risk, more than a quarter of the risk —well, up to a half, Mr. Speaker — it would be a good deal. But, Mr. Speaker, the proposal is that we not even take on a quarter of the risk. As a matter of fact, it's less than 12 percent.

Mr. Speaker, the private sector has confidence in the future of that company. \$50 million is the required amount of money by CCIL to keep it moving forward, to keep it solvent — \$50 million — of which Manitoba is being asked to put up \$6 or \$7 million, Mr. Speaker. The private sector is putting up the bulk of the balance.

Now I can't see, Mr. Speaker, the rationale of government, knowing that the private sector is prepared to put 20 or 30 million dollars of risk capital forward in support of CCIL, that they cannot put 5 or 6 million dollars as their portion.

It has to be noted, Mr. Speaker, that the province of Saskatchewan is prepared to do whatever Manitoba is prepared to do to make certain that this company does not go under. Surely between two or three governments that we can find ourselves in a position of saving a major industry for the province of Manitoba. Two or three governments who would be putting up a very minor part of the total capital requirement; the bulk of the capital requirement is being put forward by the private sector.

Now it seems to me, Mr. Speaker, that the only explanation the Minister of Finance has is his present political position and that is that they have tried to sell the people of Manitoba on the theory that government should not be involved in anything anymore. I'm not even sure whether they want to govern anymore because, Mr. Speaker, they really have passed that on to other jurisdictions. When you hear Ministers of the Crown, in their speeches throughout the province, indicating that they are nothing but mere puppets, Mr. Speaker, because that is what they have said —the Minister of Agriculture in a meeting with the Farm Bureau said, "Well, whatever it is you want you can have. I'll do anything you want me to do." —(Interjection)—

Well, I always thought, Mr. Speaker, that a minister that was elected was elected by the people of the province to represent them, and had a concern for the well-being of all of the people of Manitoba, not any one particular interest group — not one particular interest group, Mr. Speaker. And then, of course, Mr. Speaker, we witness the fact that the government of this province, at this point in time, Mr. Speaker, introduces people from the private sector who are still on the payroll of other corporations but who are going to assist in the running of the affairs of this province. Mr. Speaker, we didn't elect people of The Great-West Life Assurance Company.

A MEMBER: Sure we did.

MR. USKIW: Well, perhaps, Mr. Speaker, the former Minister of Mines is correct, perhaps that is what we did elect, but all the more it reinforces, Mr. Speaker, the suggestion that members opposite are mere puppets of the outside interests, who are very special interests, that want to be served.

A MEMBER: Marionettes.

MR. USKIW: Marionettes. The former minister of mines suggests that Marionettes is a better word.

Well, Mr. Speaker, it doesn't matter what word we use, but what is important is that we have at this time in our history the need to come to grips with the major problems of the economy, and in this particular connection a problem with a particular industry that with a little bit of public support would keep on expanding, building. —(Interjection)— Well, Mr. Speaker, that is yet to be determined, that is yet to be determined. The Member for Morris suggests that the change in the government is the best thing that happened to the economy. Mr. Speaker, I don't know that they have done anything to date or have indicated any action which is going to result in better economic conditions for the people of Manitoba. As a matter of fact, Mr. Speaker, if anything, I think the announcements that they have already made will make things worse in terms of the economy of this province, not better. And we will be patient, Mr. Speaker, we will wait with a great deal of interest and hope that the announcements that come forward in the months ahead, in particular in the budget next March, or whenever it is, that there will be an indication of the well-being of the economy of this province and the success story that they are going to write for Manitoba through the policies that they introduce at that time.

A MEMBER: I'm waiting impatiently.

MR. USKIW: Well, yes it is probably worthwhile to note that, Mr. Speaker. The Member for Inkster says he is waiting impatiently. I'm willing to be patient, Mr. Speaker.

So, Mr. Speaker, I suggest and I plead with the Minister of Finance that given the fact that the private sector is putting up \$35 million as their faith in CCIL, that surely between two or three governments, the other \$15 million can be found, and surely Manitoba can put up \$6 million out of a total package of \$50 million of refinancing that is required. —(Interjection)—

So, Mr. Speaker, I am not sure that I should even respond to the Member from Minnedosa who wants to know how much we are going to give to J. I. Case. We are talking about a Manitoba Company that has developed over the years in the prairie region with a very large membership, a membership of ordinary people, Mr. Speaker, and supported by all of the co-operatives in Canada and a company that has established a good name — a good name, Mr. Speaker, but which can all be lost if we are not prepared to assist at this point in their time, in their business cycle. I think that is about the best way

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one can put it, to bring them through a difficult period in order that we have a successful continuation of CCIL in the province of Manitoba.

So, Mr. Speaker, I plead with the Minister of Finance that he review his position given the fact that it is asked of him that he put up a very small amount of money, the people of Manitoba put up a very small amount of money, and I really say that we dare not, Mr. Speaker, dare not neglect that request given the fact that so much money is committed from the private sector and indeed another government in Canada. Another government in Canada is prepared to put up an equal amount, and I think that's important to consider.

So, Mr. Speaker, I thank you for the opportunity again for making my views known to members opposite, something that is provided for us in the rules of the House, but I take this opportunity to plead with the Minister of Finance that he reopen the file and reconsider his announcement of last week because the announcement itself has been devastating to that company, something that should have not been done in the public arena but that is behind us. But surely, Mr. Speaker, surely the Minister of Finance can find \$6 million out of his capital supply budget through the MDC or whatever vehicle he wants to use, he has many ways of being able to meet that request. It is not as if he is strapped for capital, Mr. Speaker, that is not the question, it's a question of getting off of that ideological kick of his, and it's an ideological kick of the moment.

MR. DEPUTY SPEAKER: On the proposed motion of the Honourable Member for Pembina, the Minister of Finance.

HON. DONALD W. CRAIK (Riel): Mr. Speaker, I intend to make only a few brief comments, particularly in response to the member for Lac du Bonnet and the comments that he just made, in particular reference to CCIL.

I found it somewhat disturbing to listen to the member's comments because my first reaction was that I thought he was practising a high degree of intellectual dishonesty in presenting the position he was presenting. However, I am not going to accuse the member of that, perhaps he just was not aware of all the things that happened during the period of early 1977 through to the time of the change of the administration. He may not have been plugged into what was happening in the cabinet decisions and the other decisions that were made along the way. In fact, he may well not have been aware of what was happening to CCIL decisions in advance of 1977, because if he were plugged into what had been happening, I don't think he could in all honesty have made the comments that he was making here unless, of course, he's simply trying to melt the last ounce of politics out of an issue which very certainly is an issue which has a high emotional content to it and can have — I think he made a comment something to the effect that a gesture was made towards another manufacturing firm at a time, why couldn't the same be done for CCIL. Well, for his information, I believe that under his administration a similar, I am not saying identical, a similar gesture was made, by the MDC to CCIL, and it was refused by CCIL because the terms were not acceptable to them. However, again if you want to get into that kind of debate, what you are doing is inviting what I think was your reservation at the start. You raised the question as to why did we make the announcement? I stated at the time that we were not inclined to make the announcement, but the deadline was set by the company for some sort of a decision so they were no longer on the hook. The decision was made and they were advised of it. Having been advised of it, it wasn't our particular intent to want to make an announcement that we had not been able to see fit to advance that type of support to them, and their recommendation was that it was the eleventh hour, or was past that as far as they were concerned, and the issue was going to be in the open, and in fact perhaps the best procedure was for the government to state publicly what its position was. So really, it was basically on their recommendation that the statement was made in the House that that was the case. Quite frankly, there was certainly no gain for the government in wanting to make a public statement of that sort.

However, there are many other aspects to this entire equation that has now resulted in this decision that I don't think it helps the company wash very much of which is their own private business, I don't intend to get into it further without their recommendation that we do so. Our position, purely and simply, is that we made our judgement on no fundamental grounds that differed from the considerations that were being made by the former government. I saw no indication by the former government that a loan or a guarantee that risked the exposure by the provincial government of any given size was acceptable to the former government. Never was that indicated! Never was that indicated! As a matter of fact, the recommendation on to me from the former government was that it was not recommended by the former government and was not to be recommended by the former government. Now we get this political posturing across the way. Well, the position is this, and we said it before and we'll say it again, and we stated it publicly that we want to see CCIL survive, we want to do what we can. The present government, as a result of the acts of the former government in many areas, which we have still to clean up to keep other enterprises, so-called enterprises solvent, are still going to make calls on us for high-risk, exposure, capital, equity, guarantee, loan, whatever it may be, it is still going to put us into a position that we are going to have to do it because it is a responsibility directly of the government to honour a serious commitment.

To get into the private sector, whether it is with high-risk capital, to get into the private sector with any type of risk capital at the present time would not be advisable, particularly in view of the fact that in the six weeks that we have been in government, we haven't had the opportunity to sit down and

even yet catch up with all the loss leaders that were brought forward and left on our plates by the former government.

The first day, Mr. Speaker, faced with Gull Harbour, 150 or 160 thousand dollars to meet the payroll, took over on Wednesday. On the Thursday, meeting the fact that the payroll of that firm was not going to be paid unless we passed a special Order-In-Council for \$150,000 to not only pay the wages of the people, but to pay the payroll-deductions that were already owed to other provincial and federal agencies and had not been paid, and would have been sued had they been a private company probably and had it been known, that sort of thing and goes on and on. Now the member wants to make a special case of this one. Well, you line them all up on your desk and you treat them one at a time. The fact of the matter is, and I said it and I think it was quoted correctly, and I appreciate the fact that it was, that it couldn't have hit us at a worse time to have to make this sort of a decision.

Mr. Speaker, when you really get down to the bottom line, the responsibility of any government is the protection of public funds. That, Mr. Speaker, is the obligation, the first obligation of any member of the Treasury Bench of any government. It's pretty clear that the former government does not consider that to be a prime responsibility. They feel it's more important now, to do their free lancing in the opposition, to make an issue. I can see them making it a year from now, but to make it and be making it now, a matter of weeks, after a period when they had not even ten months, January '77, but had a period well beyond that to be well versed in the requirements of the financing of a particular private sector industry to follow it through to its logical conclusion and to pass on a recommendation of the position of the former government that we could not support that because it was too high, but we would support such and such an amount, Mr. Speaker, doesn't show up. The only thing that shows up Mr. Speaker, is the recommendation from the former government to not accept, Mr. Speaker, not accept the proposal that we found on our desks. That, Mr. Speaker, was what came forward from the former government.

I say, Mr. Speaker, the member for Lac du Bonnet can stop his posturing right now. He can stop his posturing right now, because he's not speaking the facts of life, he's distorting it very very much. He's playing politics. He started out his speech by saying, "You know it shouldn't have been announced in this House, it endangered the position of the company." He is doing his level best right now to endanger the position of the company for his own political gain. That's what's happening, Mr. Speaker.

So to conclude the comments, our door is open. We have said that but first obligation, Mr. Speaker, is not to treat any portion of the private sector with preference when it comes to exposing public funds to risk. We'll stand on that and they can go ahead and talk all they want, create all the phoney public issues they want on this issue.

MR. SPEAKER: The Honourable Member for Inkster.

MR. SIDNEY GREEN: (Inkster) Mr. Speaker, I had not intended to re-enter the Throne Speech Debate, but I do wish to clarify some matters, perhaps not within the knowledge of the Minister of Finance. I say, Mr. Speaker, without equivocation, that the proposal as indicated by former Minister of Agriculture, with \$7.5 million sharing by the province of Saskatchewan and considerable new monies invested by the Co-operatives themselves, was not a proposal considered by our government. When the honourable member says that there were previous applications to the government which were turned down, let it again be on the record that CCIL was advanced money by the Manitoba Development Corporation many years ago which they did not draw down on or repay, but had a guarantee for in any event, the same way as Versatile, that there was another application not to the government, never considered by the government, never got to the cabinet at all, never got even to the minister, because under the terms of the Manitoba Development Corporation, reference as it then was with the new guidelines, it was to be considered by the Board. Mr. Speaker, it was accepted by the Board, but with the request that it be guaranteed by the parent co-operative. That's right. It was accepted with a request for a guarantee, because that time what was suggested — and you know it's not really in the best interest to go into these things but the honourable member opens it up — (Interjection) — No, the honourable member opened up a previous application which was turned down by the government. May I say that it never got to the government. It was considered solely by the Board of Directors of the MDC; that it wasn't even considered by the minister, nor did they ask for consideration by the minister which on that particular application they didn't have to, and they dealt with it. As a result of that, considerable new money was invested by the co-operative. An application such as my honourable friend is referring to, or such as the Minister of Agriculture is referring to — (Interjection) — The former Minister of Agriculture — perhaps that application has not come to the government. The terms as suggested whereby another jurisdiction would put in \$7.5 million into Manitoba, with the plant in Manitoba, I tell my honourable friend perhaps not to his knowledge, perhaps he has been misinformed, that was not considered and that was not turned down.

Furthermore, Mr. Speaker, I go further. There is on record an indication that we were to negotiate to see whether we could bring in two other provinces, and if they could be brought in we were prepared to relook at the question. So I sympathize and I give full credit to my honourable friend to say that we do not want to make this advance, but don't open up an envelope and say that it's their fault. Start standing on your own two feet. It's an advance that you don't wish to make. Mr. Speaker, I repeat to my honourable friend, he doesn't have to take my word for it, I'm telling him that the proposal as outlined by the former Minister of Agriculture, is not something that this government

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refused, that the previous government refused. I tell my honourable friend that there was no proposal before us that I can recall, or that anyone else can recall, which involved \$7.5 million of money coming in from the province of Saskatchewan. As a matter of fact, the latest thing that happened on the record is that the Minister of Co-operatives was given the authority to check with Saskatchewan and Alberta as to what they were willing to do vis-a-vis this company and that was to come back to cabinet. Now what the honourable former minister of Agriculture says is that not only is the company willing to put in additional new money . . .

A MEMBER: Thirty-five million.

MR. GREEN: Well, I think 20 of that is already there so I don't want to count 20 that is merely to refinance monies that are already there because I don't count that. But an additional 7-½ million or something in additional shares plus money from Saskatchewan and a commitment of the province of Manitoba to what we previously requested, is considerably reduced. Now I don't think that these things are things to be canvassed, but I do say to my honourable friend that I think that he is wrong. I think that he should check not with creditors, not with bond holders, but with the Board of Directors of CCIL itself, that they wanted an announcement that they had been turned down. I have never heard of a group of people seeking funds from a bank or another financial institution who requested a public announcement that they had been refused. I can understand them saying to the honourable minister "let us have a yes or no, that will help us; even if it's no, we will have a definitive position", but Mr. Speaker, I question and I hope that my honourable friend is just interpreting incorrectly, that they wanted somebody to go in front of the public, in front of their creditors, in front of their suppliers, and say "this Corporation has needed financing and we have turned them down". I think it is unprecedented. Well, Mr. Speaker, I tell my honourable friend to check with the Board of Directors not of the parent organization, not of any creditors or people acting for bond holders, but the Board itself of CCIL. If I am wrong, Mr. Speaker, I'm not asserting that they refused, but I believe that my honourable friend is misinterpreting what happened if he says that that Board wanted a public announcement of refusal. I can't think of any reason why any person seeking a loan would want his bank to announce that — (Interjection) — Mr. Speaker, the only reason that they used to do it, they used to do it when the MDC had the philosophy that it only loaned money when everybody else refused. That was the conservative philosophy, that's conservative business tactics. Then they had to get refusals and they had to get public refusals, or at least written refusals to go in and ask for a loan. But a public demand for a refusal, I don't know that that existed.

So I say to my honourable friend that he has a right, just as the Minister of Mines has a right to say that he doesn't want to hire eight environmental aides. Maybe he's right, maybe he's wrong, but he certainly has a right to decide that. The present government has the right to decide that they don't want to finance CCIL, that they are going to stay out completely of this type of financing. What I tell the minister he does not have the right to do, at least in my opinion he doesn't, is to say that we turned down the same proposal because that proposal, as indicated, to my knowledge was not turned down by us. We have never turned down a proposal, Mr. Speaker, and that's one of the things that happened with Misawa Homes and Evergreen Peat Moss. To my knowledge, we have never turned down a proposal when there was equal, private or other foreign funds coming in. With Misawa Homes although it looked like a problem transaction, we said if Japan is willing to put \$2 million into the province of Manitoba, it hardly behooves us to say that we're not prepared to add a counterpart, because their two million and the multiplier that it generates almost assures that there is no real economic loss to the province of Manitoba. If Saskatchewan is taking \$7.5 million and investing it in the province of Manitoba, which is what the former Minister of Agriculture says, I tell the Minister of Finance, to my knowledge that kind of proposal was not considered by our government. That kind of discussion was considered by our government, but not that type of proposal.

Mr. Speaker, I would end there, I would end there, but the Minister of Finance, and I really urge him . . . that's all right, he has more important things to do. The Minister of Finance has raised another issue whereby he says that as a result of the change in government they were forced with tremendous commitments which this government had left them. I want to know, Mr. Speaker, what commitment compares with a contract to finance over 110 percent of a pulp complex in Northern Manitoba to the extent of, not a \$100 thousand to pay a payroll but a \$100 million to continue to pay to a forestry complex being built at The Pas. What commitment does the honourable member have that compares with that? When he says ongoing commitments, Mr. Speaker, what is he talking about? There is only one substantial — and I know the word substantial is a subjective word, but nevertheless I will compare it — ongoing commitment. Which one is that? The Manitoba Forestry Resources Limited. Manitoba Forestry Resources Limited is the only corporation which required funds which were not already involved with the MDC, which the MDC was not able to take care of by their existing capital supply. We supplied more money to Churchill Forestry Industries in the last two years of our administration than ten times as much as that supplied to anything else that was handled by the MDC. Flyer Industries did not require one cent additional public funds since the fall of 1975 and does not require it now. It's making money this year.

Mr. Speaker, this beleaguered company will show a profit for three years in a row: fiscal ending '75, fiscal ending '76, fiscal ending '77. A profit for three years in a row, all of which time it has been slandered and defamed by the media of this province and by the Conservative administration. And I

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ask all of those people who had in their literature that Flyer Industries has lost \$40 million — the Member for Wolseley, the candidate in Seven Oaks — to hearken to what was said by the Minister of Industry. Total losses amount to \$16 million. They will be reduced this year by the profit that will be shown on that balance sheet.

Total investment is \$30 million and I was advised by the Board of Directors that if we ever have to liquidate our assets — which we wouldn't have to — but ut if they ever have to be liquidated, there is more money in them than is shown on the books and therefore the losses on liquidation would be less than \$16 million. But they haven't required any money. Who is requiring money? Mr. Speaker, the Minister of Finance has gone to the public and said he is going to be able to finance the tax cuts to corporations, to people who inherit a half a million dollars — they're in very bad shape; they need a tax relief. Who are the people that need tax relief in the province of Manitoba? Who are the first priority? Obviously, somebody who inherited a half a million dollars. He is in trouble and that's who the government has considered. But what does the Finance Minister say? Where is this money going to come from? It's going to come by getting out of some of the investments that the New Democratic Party has squirreled them into. Those are his words.

Mr. Speaker, the Minister of Finance is making a mistake. He is reading the books wrong. There isn't a penny in the operational budget for those investments — not a penny! You can look through the operational budget. There isn't a penny in operational expenses needed for the MDC. So when you're going to cut your operational budget, how are you going to take it out of the MDC?

As a matter of fact, Mr. Speaker, the honourable member says he is going to get that money by getting out of the MDC. Mr. Speaker, the MDC showed a profit last year of \$4.5 million. Not only will he not get savings by going out of the MDC but there is \$4.5 million, if they get out, that will be left to the balance sheet of the Province of Manitoba on last year's statement and next year's statement, Mr. Speaker, could be a better one. Because what are they now left with? What commitments have they now been left with? Where are the problems?

Mr. Speaker, Cybershare was a problem under the private sector; it's making money under the public sector. Dormond Industry was a problem under the private sector; it's making money under the public sector. Tantalum Mines was a problem under the private sector; it's making money under the public sector. Where are these great losers in the MDC? Do you know where they are? Morden Fine Foods; that's one. And Mr. Speaker, doctrine, ideology, the principles of my honourable friends opposite aside, that's one that they are going to stay into. When I asked whether the policy of not advancing money to any company would apply to Morden Fine Foods, we didn't get, as we did with the Minister of Industry and Commerce that we got with Cybershare, that yes, that company failed under inefficient, ignorant, bureaucratic private management; it is succeeding under efficient streamlined non-bureaucratic public management. But we're going to get out because we have an ideological doctrine position against being involved in anything whether it's good or bad, and although this is good we're going to get out. Because, Mr. Speaker, it's an embarrassment to a Conservative administration that they are able to operate a successful operation. It's an embarrassment to them. It runs against their doctrine hide-bound ideological positions that the public can't do anything.

Mr. Speaker, I say that the public can do it and we're willing to help the public do it, even if there are Conservatives in power, and that's the difference. And, Mr. Speaker, that's probably the biggest miscalculation that I ever made in going into government. I knew that there would be problems. I knew that in the long run some things would take a long time to get off the ground. But I never calculated in my most horrendous nightmares that the opposition would expose and slander public enterprise in a way that they would never do if it was private enterprise.

Mr. Speaker, the Conservatives have an advantage and I'm prepared to give it to them. We are prepared to support Flyer Industries Limited. We are not going to come into this House and say every time there is an exhaust pipe that has a leak in it that this shows the inefficiency of public management. We're not going to do that. We're not going to make a political football of it. So you have an opportunity of making a success of that industry where we couldn't, and I urge you to take that opportunity because it can be a success.

It operated, Mr. Speaker, in the last three years, more efficiently and under the most difficult circumstances than any other bus manufacturer in the private sector. It operated very well, and it can operate very well. And I undertake on behalf of the opposition that we will do everything except, Mr. Speaker, one thing: We will not tolerate, nor we will not hold our criticism, if the government decides that it's going to interfere with the operation or if they don't make every reasonable effort to give the operation a chance to succeed. And there are things that the government can do with regard to Flyer. They could tell all of the properties across this country that you could buy buses from Flyer Industries without any problem whatsoever because the government of Manitoba is going to back those buses. And they can go to some of the properties who have been using us for patsies and asking us to bid, merely so that they can get lower General Motors bids, you can go to them and tell them if we're to bid we're to get purchased if we are the lowest bid, otherwise we won't bid. And instead of the GM orders coming in for \$80,000, they'll come in for \$90,000 and \$95,000.00. And tell the properties that, and tell them that you're going to stay in business and, Mr. Speaker, Flyer Industries will be a success. And I don't mind it being a success by the public under a Conservative administration; I welcome it and we, on this side, will not subject the minister to attempts to sabotage that plant. We will give them support. We want that plant to succeed. And I tell the honourable members that that is the case.

So when the honourable member, the Minister of Finance, says that we are snowed in by ongoing

commitments, we had to meet a payroll of \$115,000, what's new about that? There are from time to time, and with Venture Tours which we indicated was not a commercial enterprise, that it is part of the Department of Tourism and there will have to be moneys paid to them, that that is not an unusual commitment. That is not an onerous commitment.

The honourable members should know that the Conservative government — I'm sure it was the Conservatives under either Stanfield or Smith — decided that as a boon to the province of Nova Scotia they are going to publicly operate what, Mr. Speaker? Guess what? — (Interjection)— No, a boat, a boat! The Bluenose. The Bluenose, Mr. Speaker, and you know that that boat operates at public expense. And I'm now recalling, Mr. Speaker — if my figures are not exact I hope you will forgive me, but I'm now recalling without including interest or depreciation it has an operating deficit every year of \$300,000.00. But any Conservative or Liberal administration try to undo the Bluenose in the province of Nova Scotia and, Mr. Speaker, they wouldn't survive. Because despite the doctrinaire ideological considerations that this government has chosen to be guided by, and which are of the same philosophical stripe as the former government of Nova Scotia and very close to the Liberal government, and I admit that, but despite that they operated. And you know what else they operate, Mr. Speaker? A luxury hotel. The finest hotel in the province of Nova Scotia, under a Conservative administration, is the Celtic Lodge in Cape Breton, which has deficits, and which sometimes does not have deficits, but it was started under a Conservative administration and continues to be operated under a Conservative administration, Mr. Speaker, because they consider it to be a net asset to the province. They consider that the \$250,000 spent on Bluenose operation to be more than made up for by the fact that this tourist facility, which is like a park . . . And if the honourable member says that it's operating at a deficit, then he can close up the Whiteshell — he's Minister of Tourism — he can close up the other provincial parks, Mr. Speaker, because they all operate at a deficit. You haven't saved everything you can save. I'm going to give you recommendations on how you can give this tax relief. You can close up the Whiteshell. You can close up the Clearwater Park in northern Manitoba. You can close up all of the tourist facilities and then you can give the money back, and not only can you eliminate the estate taxes but you say that we need rich people; you can pay rich people to come into the province from the money that you will save on parks and then you can lure rich people to the province. And you can use the same logic that luring these rich . . . Why only give them a break on estate taxes when they die? Why not give them a break while they're alive and can still produce, that any millionaire who comes to the province of Manitoba will be given another million dollars, because that's the psychology of the estate tax relief, and I can show you where you will find the money. You can take it out of the deficit that you are now running in tourism. You can take it out of the deficit that you are now running in the Department of Health. You can take it out of the deficit that you are now operating in the Department of Education, and in the Department of Industry and Commerce. There are lots of places where you can reduce your deficits still further.

So when the honourable member, the minister, and he couldn't sustain his position, says that they have been left with commitments, Mr. Speaker, there are no commitments of the present government that can compare to the tenth degree to the commitments that we were left with when we came into office, regarding one company. And as far as the MDC is concerned, Mr. Speaker, all of the major problems — the honourable minister will have to agree — all of the major problems have been dealt with and what he is left to sell are marginally good operations, which show a profit, yes . . . Yes, I said marginally good and marginally bad operations, Mr. Speaker, because the fact is that Morden Fine Foods is a marginal problem. It could easily be fixed if only, Mr. Speaker, the hospitals in the province will give the same consideration to Morden Fine Foods that they give to other products, and if only the Minister of Public Works would get out of his ideological straightjacket and permit Morden Fine Foods to have the same kind of preference that the Department of Public Works, in the name of free enterprise, was giving to specified brand names in the private sector. Because that's what was happening and Morden could be a success. They produce well. They are in every way efficient. The manager of that company, Mr. Speaker, operated for Canadian Canneries. He assured me that he did not become lazy and lose all his initiative when the public became the owners of the plant. As a matter of fact, he said that it was a better situation, that he had no problems working for the public.

That the Tantalum Mines, you verify with Dibbs Williams, the manager of that mine, you don't have to take my word for it, Dibbs Williams said that Tantalum started to operate better, more efficiently, directly as a result of public participation in that mine. And Tantalum Mines is not a problem. We put \$1.5 million into Tantalum Mines in 1972. Not a single penny has been needed to operate that firm since that date. And you know the honourable members opposite — not, fortunately, the Minister of Industry and Commerce, and maybe that's why he was chosen Minister of Industry and Commerce, that he showed a little more sense than some of the other people — you know there were certain people running around saying that Churchill Forest Industries is making a profit. How did they define a profit? After you write off \$61 million in debt, after you create \$50 million in equity or near equity by saying it's income debentures, and after you don't pay any interest and you show more money coming in than actually being paid out, which was one year, that they started to call it a profit. As a matter of fact they invented a term, "a cash profit". I don't know any accountant who talks about a cash profit, but Ted TED stupidly talks about a cash profit and members on the other side talked about a cash profit, not the Minister of Industry and Commerce. He said that it wasn't a profit.

But on that basis Tantalum Mines has made a profit for seven years because they've operated on their cash flow, they have not required any contributions from the shareholders — and will show a profit on their last statement and in the future we will get every penny, because there have been

huge depletion allowances for the depletion of Tantalum. So Tantalum Mines is not a problem.

So, Mr. Speaker, where are these great commitments? Tantalum Mines showing a profit now, I believe, and certainly operating on what the honourable members called a "cash profit" up until now.

Morden Fine Foods, a problem which can easily be corrected. Cybershare, a failure under the private sector, a success under the public sector. McKenzie Seeds making a profit — and if we ever put capital into McKenzie Seeds, even to the extent of 40 or 50 percent, it's now carrying . . . roughly 10 or 15 percent of its cash needs are in capital shares, the rest of it are in loans — if we ever increased the shareholding, the equity, it would probably be the best operation financially that we have got going.

Sheller-Globe, it's making a profit; we are 10 percent shareholders in it. It's not a problem. Where are these problems? Flyer Industries is a problem because Flyer Industries, Mr. Speaker, needs a commitment on the part of the Conservative administration that it's going to back this company; that it's going to produce buses and that it's going to honour its commitment to its suppliers and to its creditors and that we are going to fight it out. We are not going to be destroyed by the newspapers or by anybody who has ideological consideration which makes it an embarrassment for them to operate a successful operation.

So where are these commitments? Where do they compare, Mr. Speaker, where do they compare with roughly \$100 million in contract commitments to build a forestry complex at The Pas, which this government came into? There is no comparison. Because the only serious commitment of the new government which has required money over the past three years, the only substantial one is ManFor. We had to give ManFor last year over \$6 million, that's my recollection. They couldn't generate any capital and they had an \$11 million loss in operation even though they had all of these write-offs. So if the members are looking for onerous commitments to blame somebody on, they'll have to look back a long way, and that's the only onerous commitment.

And when the honourable members talk about the money, the operating deficit, let's look at that operating deficit. The deficit predicted — and if there are people here who know the figures better than I they can correct me — but was in the neighbourhood of \$20 million. The deficit projected is \$125 million. Which makes a difference, Mr. Speaker, of \$105 million; \$50 million of that is a deficit shortfall from the federal government which we show you. These were the predictions; this is what's coming in; it has nothing to do with spending. They say that we did this by spending. Twenty-five million is a shortfall in provincial revenues, has nothing to do with spending; leaves \$25 million associated with spending. Of the \$25 million that's associated with spending \$6 million was for Civil Service contracts which you never put in because that way you can't negotiate if you put the money in the budget. Three million was for fire-fighting losses which cannot be predicted, it's like snow-clearing, and we had a drought, we had \$3 million over-expended. That, Mr. Speaker, leaves about \$16 million of which, some was for roads, some was in the municipal loan fund which was in the Job Creating Program. But I want to leave the \$16 million. I DON'T WANT ANY MORE ALLOWANCES. Sixteen million over-expended, out of how much — \$1.2 billion. I ask you to go to any economist, go to any government administrator and ask him whether \$16 million over expended on a budget of \$1.2 billion amounts to an over-expenditure; and they will tell you, Mr. Speaker, that when you are preparing a budget, that's within the statistical margin of error. That is less than one percent, oh it's much less than one percent — (Interjection) — It's one-tenth of one percent. That's the commitment that he's talking about?

Mr. Speaker, the opposition has a sound group of people. I want to compliment them. And you know I want to compliment them for something else. I want to compliment them for the courage of their convictions because they went into the election campaign and fought the campaign on something that I totally disagree with, but which they were quite firm about and which I say won't work.

They fought it on the basis of Conservative ideology. And although I don't agree with them, I say that when you fight on a firm position you give the public a chance at least to assess that position and I think that that's why they won. I think that they had something to say, I think it came out very clear, and although I don't think it will work — and that will be the problem — because as the years go by and troubles start to develop there will be great departures from that position. It was well articulated and they won. I compliment them on that. Now let them follow that through. But stop suggesting that it can't be carried through because of something that has been left to you by the previous administration. And with regard to the matter that has been raised by the Minister of Agriculture I tell the Minister of Finance that I am not aware of any application which involved the kind of commitment from another province, and private commitment, that the former Minister of Agriculture refers to. So if he doesn't want to make that loan, that's fine. I tell the honourable members that it is no shame to refuse to make a loan.

I remember when I was the Minister responsible for the MDC. Somebody phoned me and said that he'd made an application to the MDC and he was refused and if I did not do something about it he is going to picket and he's going to go on the Peter Warren show. So I said, "Will you please do that because I have been wanting to prove that not everybody who applies for money to the MDC is getting it and you will advertise that fact for me if you please picket me because we didn't give you money." So there is a legitimate . . .

MR. SPEAKER: Order please. I just want to inform the member he has five minutes left.

MR. GREEN: Mr. Speaker, there is a perfectly legitimate position that the government can take. I

find it very hard to believe that the applicant wished a public announcement. I tell the honourable minister that if he wants to refuse, base it on a refusal policy-wise by his government, and then be willing to back it up. Don't run away and hide behind the skirts of the suggestion that we did the same thing. Since when are we an authority for what you should do?

And thirdly, stop suggesting that you do not have freedom of action; that you have been faced with commitments that are onerous and impossible. Because you have not been faced with commitments that are either onerous or impossible and as a matter of fact the contractual commitments that you are forced into as a result of the previous government's administration are far less than we were forced into as a result of your administration.

And secondly, Mr. Speaker, secondly, those commitments are mythical. I have re-indicated — and the Minister of Industry cannot contradict me — there is nothing left; there are no problems of significant consequence in the MDC.

The MDC's statement for fiscal 1977 will show a \$4.5 million profit, instead of a roughly \$18 million loss when I became the Minister responsible for that operation. You know when the Free Press wants to get its editorial comments into its articles, it's a very significant publication that they made of the fact that the Flyer bus is as good as the other bus.

In the article, Mr. Speaker, in the article — I've never seen it before — it said, "Mr. Green asked this question whether it wouldn't be wise to indicate the performance of our buses," and then it said, "Mr. Green failed to mention that the buses are not being purchased by any other properties; and Mr. Green failed to mention that the \$30 million had been invested in the company; and Mr. Green was the man who was responsible for the agency that invested the money." That's news reporting, Mr. Speaker. You know, that's journalism of the highest quality. And when I see that kind of journalism I know, Mr. Speaker, that we are winning because when a newspaper has to resort to that it discredits itself far more than it discredits me. And what has to be discredited in this province in addition to the government, what has to be discredited is the chief organ of the government. And the chief organ of the government in the province of Manitoba, which shows that anybody can for ideological reasons, depart from its traditional ally, the chief organ of the government is the Winnipeg Free Press, the Liberal mouthpiece since the time that it had become a newspaper.

Do you know what it did in the editorial page? How it rationalized its support of the Conservative Party? It said, "Vote Conservative this time because if the Liberals are ever to come back to power they'll have to come back to power with some money in the Treasury and it's more likely to happen with the Conservatives than with the New Democratic Party." That's the way it rationalized support for the Conservative Party.

So we will slowly, systematically, methodically, but inevitably discredit this government and we will discredit its organ because the base upon which — (Interjection) — it's a journalistic organ. Because, Mr. Speaker, I repeat, the government has opened the first envelope. It's no longer as it was during the election campaign prepared to stand on its own two feet; and if it can't stand on its own two feet then it will surely fall on its face.

MR. SPEAKER: The Honourable Member for Swan River.

MR. DOUG GOURLAY: Thank you very much, Mr. Speaker. I am pleased to take this opportunity to make my maiden speech in the House. There has been some comments about the present Member for Pembina and the former Member for Pembina being very similar.

I know that the previous Member for Swan River was here for some 15 years and although I hope that I can contribute as much to the province as the former Member for Swan River has, I don't consider myself in any way very similar to Mr. Bilton. But I do congratulate him for his very fine effort over the past 15 years as the Member for the Swan Valley constituency.

I would, at this time, congratulate the Speaker. I have been impressed with his actions to date. I think that this is a very tough job to do and I'm sure that our Speaker will do a very effective job in the years ahead.

Of course, I'd like to also take the opportunity to congratulate the Deputy Speaker go on further. To of course, it's a pleasure to see our Premier in the role as the First Minister of this province and I'd like to congratulate him in being able to form the new government of the province of Manitoba.

Of course I am impressed with the various cabinet ministers that have been appointed. I think we have a very sound government, and we look for great things in the future. Of course there are many new MLA's here for the first time, including myself, and I would like to take this opportunity in wishing all the new members on both sides of the House well in the years ahead.

I'd also like to, at this time, take the opportunity in congratulating the Leader of the Opposition. I think that he established a very fine record as the Premier of this province for a period of eight years. He has many friends in the Swan River constituency. I found this out when I was campaigning. I never heard any bad words about the former Premier of this province, and many of the people I talked to congratulated Mr. Schreyer even though they didn't support him politically. — (Interjection) — Yes, I'd like to take this opportunity, too, in congratulating the Minister of Agriculture. I have had many opportunities to attend agricultural meetings in my constituency, and I think that we always had very enjoyable and lively meetings in that area. And certainly when the former Minister of Agriculture was in our constituency we were always guaranteed a very good turn-out.

As an ag rep! and also mayor — an ag rep of the Swan Valley area and mayor of the Town of Swan River — I've had occasion to meet and deal with many cabinet ministers of the former administration and I think that, in all fairness, we have had, in the Town of Swan River, good response from the various

departments especially when it came to the area of housing, water and sewer programs, and of course the . . . services.

I think that as far as the agricultural problems in the area, we had fairly quick response to some of the major problems that occurred from time to time. I am thinking of the feed shortages and also the depressed beef prices.

So I think one of the problems we're encountering today as far as feed assistance was as a result of what happened a couple of years ago when a major feed assistance program was in effect. And at that time we had designated areas in the province where there was a critical problem because of rain or excess moisture of one kind or another and many ranchers and livestock producers found themselves in a very short feed supply, and a very generous — and I'd like to emphasize that "generous" — feed assistance program was introduced and it went on through most of the fall and winter months. And then when it came springtime, the program was opened up to all farmers in the province of Manitoba. And you can imagine the scramble for feed assistance that took place at that time. I think it was a very serious mistake and was unnecessary to open up feed assistance on a provincial basis and many problems occurred as a result of that program at that time. It involved a lot of staff effort, and it involved a lot of provincial expenditure to people that had a feed shortage not because of moisture problems, or whatever, but because they didn't get off their fannies and get their feed up when they should have.

I'd just like to relate something about the Swan River constituency. I'd like to refer to it as the Swan Valley constituency. I don't like the words Swan River because although Swan River is the main centre in the area, there are other many fine communities throughout the area and the people are proud of their various communities, and everyone refers to themselves as coming from the Swan Valley area. I kind of like to refer to the constituency as the Swan Valley constituency so please forgive me if I refer to it as the Swan Valley constituency and not Swan River.

We have some 18,000 people in the constituency and we have a real mixture of different nationalities and ethnic background groups, with Anglo-Saxon, German, Ukrainian, Polish, Czechoslovakian, Dutch, Russian; we have a very wide distribution of various ethnic groups in the constituency. Of course we do have two Indian Reserves involving some two or three thousand people in the constituency.

The land was first settled back in 1898 and I have to really give credit to the foresight of the people back in 1898 that could see their way clear to moving, on foot and by oxen, to a distant community such as the Swan River Valley, when you consider the bulk of the area being settled was within 80 or 100 miles north of the 49th parallel.

The constituency is bordered by the Duck Mountains on the south, the Porcupine Mountains to the north or which is actually the 53rd parallel as the northern part of the constituency. The Saskatchewan border is on the western side and the lake area is to the east.

We have an unique self-contained area involving some three-quarters of a million acres of some very arable farmland. It varies all the way from some of the best land in the province of Manitoba to probably some of the poorest land in the province.

I mentioned that it was an unique, self-contained area. We have a wide range of crops that we do grow there. We have excellent hunting and fishing, boating, camping, and some of the most scenic areas you'll find anywhere in the province or probably in Canada, as far as that goes.

We have a very interesting historical background which attracts many historical people from many parts of Canada, and of course from the United States.

The constituency runs some ninety miles from south-east to south-west to north-east, on the average it is about thirty-five miles wide. There are approximately 1,500 farmers in the constituency, and the average farm size is about three-quarters of a section and we have the largest percentage of small farms in the province of Manitoba, compared to probably any other constituency.

As I mentioned, the main crops of course are wheat, barley, rapeseed, oats, rye and forages. In the livestock area we have beef, hogs, and the dairy industry has been on the increase in recent years and of course we have a very large horse population. We have some 22 producers of PMU and we also, of course being in the chuckwagon business and rodeo business, we have an interest in horses from that point of view.

Honey production is important to the area. We have two of the largest honey producers in the province, and numerous smaller operations as well and of course this honey production ties in very well with our large area of rapeseed production. Rapeseed has been a crop that has bailed out not only Manitoba but certainly the Swan Valley area in times when other crops were not moving. And I'd like to point out that although we are important in the rapeseed production area, in the last six or seven years we have not had any research work taking place to speak of in the province of Manitoba. As a matter of fact, in the last five or six years variety test plots and that sort of thing that were conducted in the valley area were discontinued, and I think that this is unfortunate that we haven't had more research work taking place in a constituency such as the Swan Valley area where a crop is so important. There are numerous diseases which attack the rapeseed crop and the research dollar by the province has not been forthcoming in order to maintain that this crop will be successful in future years.

Another area that, I think, quite often goes by unrecognized in the Swan Valley area, and that is the importance of the lumbering industry. We have numerous off-farm employment for farm people. We have three medium-sized mills in the Town of Swan River. Of course, there are several smaller mills located throughout the area. But this does offer many part-time jobs for many farm people and other people, of course, in the area.

Tourism is big business to the area in spite of the poor road conditions that have prevailed during recent years. In spite of all the good things going for us, we are without doubt the most isolated community of such significance in the province of Manitoba. We are some 320 miles from Winnipeg, and this is five to six hours driving time; every time you want to either come into Winnipeg or go back home again you're looking at about 10 to 12 hours round trip. So when you compare the constituency to that of Flin Flon, Thompson or Churchill, we are much more isolated in terms of communication with the capital city of Winnipeg.

We are neither considered south nor north. If you live in the southern part of the province, we are considered as the northern part of the province, and if you live in the north, we are considered part of the south. We are just in that in-between area where we're hard to get at and it's quite often very difficult to get appropriate government action when you really need it.

I would have to say that the previous government administration were beginning to realize the potential of this great constituency, and they certainly put forth a great effort to win this seat in the last provincial election. I'm very grateful to the people in that constituency that saw the light of day to return another PC member from the constituency of Swan River.

I would like to say that the present administration are going to be well-informed on the needs and concerns of this constituency, and I am committed to seeing that we get our fair share of the provincial pot.

Well, I've lived and worked in many constituencies in western Manitoba, I was raised in the Minnedosa constituency and I was an ag rep in a portion of the Rock Lake constituency for some seven years, and then I moved to the The Pas constituency and worked there as an ag rep for three years and now during the last 11 years I have been a resident of the Swan Valley constituency.

As I mentioned, I have enjoyed working with the previous Minister of Agriculture. We never had a dull meeting, as I mentioned. However, a question that bothered me and many other people was why he kept a deputy-minister so unbecomingly to Manitoba for so long, and he was appropriately named Red Bill. I can vividly recall that when he first appeared on the scene, even at that early date, it was a philosophical fact that should the government change he wouldn't be around very long, and this is exactly what happened.

You know, we hear a lot of talk from the opposition side in recent days about the firings of the three deputy-ministers. When I go home, I get a lot of static on how come there are some people still on the payroll.

I wonder if you can imagine the Minister of Agriculture putting up with a deputy that had the nerve or the gall to attend five regional meetings this summer, and he spoke at each one of these regional meetings for an hour to an hour and a half, and he belaboured the political philosophy of the NDP, at the same time accusing the PC's of spreading mistruths, and at the same time condemning my choice of politics. I don't know why we would pay such a deputy-minister the salary that he was getting to go about his work campaigning for the political party. I think we have a very important job in agriculture to do. He was a very knowledgeable person and I think that he could have better spent his time in the direction of helping our farm economy.

I think the credibility of the Department of Agriculture was much enhanced by the introduction of the Ag Rep Service some 40 to 50 years ago, but it only took a few short years of NDP administration to almost completely wreck the accountability of the fine service that that group offered. — (Interjection)—

I mention the fact of the Deputy Minister and his actions and I think that this had a serious effect on the previous Minister of Agriculture and why his credibility slipped over the years. But I would also say, could you imagine the Minister of Agriculture putting up with a special assistant who was nothing but a political spy, commonly known as the "weasel" in western Manitoba.

MR. SPEAKER: Order please. The Honourable Member for Lac du Bonnet on a Point of Privilege.

MR. USKIW: On a matter of privilege, Mr. Speaker, I would think that the honourable member would want to rethink what he is saying about people who are not here in a position to defend themselves. Usually the ethics of this Chamber provide that we not try to attack people who are not in a position to respond. — (Interjection)—

MR. SPEAKER: Order please. I would have to say that the remarks made by the Member for Lac du Bonnet are indeed very wise words in this Chamber and I would hope that the member would take them into consideration in his remarks.

MR. SPEAKER: Order please. Order please. It is my intention to allow the widest latitude for those who are making their contributions in this Chamber. I just suggest again that some of the comments that a person makes should be perhaps tempered. The words that were issued by the Member for Lac du Bonnet regarding people who have not got the right to defend themselves in this Chamber, I think are very sage ones indeed and I would suggest to the member that he give that his full consideration.

MR. GOURLAY: Mr. Speaker, I respect your ruling on that. It behooved me to see us spending any time at all on the AIB legislation at this present time. Even though we might not agree with the AIB principles certainly we have it with us today and there's no reason why provincial and municipal employees shouldn't come under those regulations along with the people in the private sector. As I mentioned earlier we have the largest percentage of small farms of any constituency in the province.

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However, during the election campaign I received the greatest favourable response to amending the Gift Tax and the Succession Duty Act, also getting out of the business of purchasing agricultural farmland. Now I recall at one of the meetings we had there was an elderly farm couple. I don't know what ethnic background they were but it doesn't make any difference at this time. It was known they'd been supporters of the NDP party for some time, but when they found out that if they were going to transfer their half section to their son that they would be financially penalized, they couldn't understand why the government would want to do this. I would have to say again that the most favourable response in the campaign was the fact that the PCs were saying that they would abolish the Succession Duty and Gift Tax Act. —(Interjection)— Time and three-quarters, in my opinion, would tend to increase unemployment rather than decrease it. Many small businesses are already closing down or cutting back on the hours of open time. The former Attorney-General and Minister of Municipal Affairs has had a favourable relationship with the various municipalities and I know that I attended some of the meetings in which he addressed the group. I would have to say that he was always very well received at those meetings. He always had an interesting message to give to the people in attendance. But I am concerned about the situation in rural Manitoba with respect to the rural municipalities. I think that the powers of the rural municipalities have eroded continuously for a number of years now to the point where they really haven't got much say in anything. We have various area groups or boards that are made up of representatives from a number of municipalities and I'm making reference to the ambulance service, fire protection, recreation, weed control, water control, veterinary services, airport commissions, district boards for hiring a building inspector and in some areas they even band together to hire a dog-catcher. So really I think it's time that the provincial government and the various municipalities got together to really take a look at what's in store for the municipal areas in the years ahead. Right now the trend seems to be to establish district boards for every type of service that municipalities could not provide on their own. They have to get together with one or more other municipalities. In most cases these district boards are comprised of members of council of existing municipalities, although in some cases they are maybe municipal appointments. It seems that more and more authority is being delegated to district boards by councils as this trend continues. Prior to 1969 there were a number of commissions and reports made on the reorganization of the local governments in Manitoba; and I believe that these reports should be looked at as they contain a lot of good recommendations and valuable information. So I would hope that the present government would entertain at some time negotiations with the various municipalities to really take a look at what's in store for the future of these municipalities. Most of them were organized in the "horse and buggy" days. Some of the municipalities are very small and they really are only faced with the job of maybe providing roads and in some cases drainage problems. But other than that, they really have very little power left and I think that they would like to sit down with the provincial authorities to see what can be organized in various areas for the future years. I was interested in hearing the debate this morning regarding the situation with CCIL. It's a known fact that the NDP administration has referred to "corporations" and the rip-off that the corporations provide at one time or another. A very interesting situation happened at one of the meetings I was at this fall. The question came up, if the PCs got into power how would they handle the corporations from ripping off the people? Another farmer got up and he said, "You know, I had to buy a new combine this summer. I looked around and the CCIL were offering combines at much lower prices than you could get from either John Deere or Massey-Ferguson." As a matter of fact they had widespread advertising in many of the farm papers as to why you should buy a CCIL combine, because they were so much cheaper. Now we all know that Massey-Ferguson and John Deere and Imperial Oil and all those big corporations, according to the NDP, have been ripping off the farm people for years and years. But the fact remains that CCIL now find themselves in severe difficulty. Was it because they weren't managing their affairs properly? How come they were able to sell their combines so much cheaper than Massey-Ferguson and John Deere? Were in fact some of these larger private corporations really ripping off the people or were they just providing a good business approach to supplying equipment to farm people and still paying their own way? I am very sorry to hear that the CCIL are in bad financial straits. I feel that they were providing very good farm equipment and good service to the people, not only of Manitoba, but to other prairie provinces. However, I think it is very unfair that the NDP opposition should now be so upset that the PCs have not advanced funds to the CCIL. I understand negotiations were going on for some ten months or longer and my understanding was that the CCIL, after the PCs came into power, we had less than a month — or about a month — to really review the situation and come up with the funds that they were asking to provide. So I don't feel badly at this point that we had to say "no" to their application for a loan. I think, Mr. Speaker, that's really all I have to say at this particular time, but I do appreciate the opportunity to speak.

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

MR. DESJARDINS: Mr. Speaker, I'd like to move, seconded by the Honourable Member for Inkster that the debate be adjourned.

MR. SPEAKER: The Honourable Government House Leader.

MR. JORGENSON: Mr. Speaker, the Honourable Member for St. Boniface has chosen to adjourn the debate at this time. I wonder, Sir, if he would have any serious objection if somebody else intervened in the debate at this time.

MR. DESJARDINS: Not at all, Mr. Speaker.

MR. SPEAKER: The Honourable Government House Leader.

MR. JORGENSON: Mr. Speaker, I have in the last several days remained silent hoping that we could get to the business of the session and hoping that we could start dealing with the legislation that is before the House so that we could get those matters out of the way. However, since the debate continued I feel that since I have never failed to take advantage of an opportunity to become involved in the Throne Speech Debate or I believe the Budget Debate in the eight years that I have been in this Legislature, I felt that on this occasion, even though I am on a different side of the House, I would like to take advantage of that opportunity as well. Mr. Speaker, may I, at the outset, offer my congratulations which are traditional in this Chamber, to you for your appointment or your election and the manner in which you have handled the Chair up to this point. I don't think that your troubles are all behind you by any stretch of the imagination. But you have indicated a sense of fairness that is going to be very refreshing because in this Chamber, unless that sense of fairness prevails, unless members on all sides of the House feel that their rights are being protected, I think it has a great deal to do with the acrimony of debate. But once all members of the House have that assurance that at least their rights are being protected, a great deal of that acrimony disappears and members are more likely to deal with the matters that are before them, and we spend less time on points of order, questions of privilege and things like that. It has been my experience over the years, Sir, that a good Speaker can do a great deal to keep the debate on the rails; do a great deal to provide the atmosphere that encourages harmony and a good working relationship in a Legislative Chamber. I would also like to again extend a traditional word of congratulation to the mover and seconder of the address and reply. I believe that they have indicated, in this Chamber, that they have some debating skills; they have some knowledge of what makes their constituencies what they are and they have some hopes that the number of problems that they are confronted with can be dealt with. I want also to welcome to the Chamber all of the new members that are in here for the first time. I had an opportunity to listen to the contributions made by the Member for Wellington and the Member for Transcona who are two members on the opposite side and although their reputations preceded them I believe that everyone will agree that their contributions were worthwhile; that they conducted themselves in a way that I expect new members in this Chamber can only bring credit to themselves conduct of that nature. That's more, however, than I can say for the Member for Churchill who came into this Chamber somewhat unheralded and unknown and I think will go out the same way if the measure of his contribution continues to be what it was in his initial speech in this chamber. We learned of some of the things that he stands for. We knew of some of the things that he didn't stand for before he came in here. Mr. Speaker, one of the interesting features of this Chamber during this short session has been the length of the Question Period. I know that we used to spend a considerable amount of time on questions ourselves at one time, but that was prior to the time that there was an opportunity to seek information through the Estimates. I know the Estimates are not before us on this occasion, so I suppose it provides an opportunity for honourable gentlemen opposite to find out those things that they believe are important.

HON. HARRY J. ENNS (Minister of Public Works)(Lakeside): Mr. Speaker, on a Point of Order. I would traditionally suggest that you are quite correct in making that recommendation to the Speaker. However it is the action on the previous government taken when they politicized the Civil Service back in 1974 that brings this about; that you have senior Civil Servants actively involved in the campaign making the kind of statements about us in a political sense that calls for this kind of response. I can't help but feel, Sir, to a large extent, having regard to the time the honourable gentlemen when they were on this side of the House were spending trying to ram their philosophy and their opinions down other people's throat that they had little time to find out what was going on in their departments, and I think that the length of the question period for the first time now is demonstrating that they are attempting to find out what was going on in their departments and they are trying to get some idea of how a department operates. Well, I hope that they get the information that they require and get some idea of how a department is supposed to be run.

I was most interested in an exchange that took place in the Chamber the other day between the Minister of Industry and Commerce and the former minister of industry and commerce, and one could not help draw the conclusion that, as a result of that exchange, the former minister of industry and commerce really did not know what was going on in his department. He never even bothered to read briefing papers that were submitted before him, because those briefing papers were sent to him as well as to the First Minister in those days, so both of them are aware of what was in those papers. Now they make a pretense of wanting to have those papers tabled, knowing full well that they were available to them when they were in the government, and if they had bothered to read them they would have found that there were instructions in there or suggestions in there that might have saved them a great deal of trouble, trouble that they are now engaged in attempting to justify the actions that they took while they were in office.

Mr. Speaker, perhaps a good illustration of how honourable gentlemen opposite treated government can be found in the recalling of the story in the Bible by the Member for Burrows, when he compared their effort as a government to attempting to feed the multitudes . . .

A MEMBER: Is this a fitting story on the first day of Chanukah?

MR. JORGENSEN: Sir, he left with me the impression that it was just as easy as all that, that you could take fishes and five loaves of bread and feed 5,000 people. I would think that the manner in which they ran their budgets and the manner in which they callously disregarded the taxpayers of this province would seem to lend some credence to the belief that that's exactly what they believe they could do as a government. They could just simply spend the money and by some miracle it would appear.

Well, Mr. Speaker, there are no miracles in these days and there certainly are no miracles in government. The money you spend is the money you get from taxpayers at one time or another. Budgeting will enable you to spread that spending over a period of years and borrowings will enable you to do that as well, but ultimately it all has to be paid for. I think that the people of the province of Manitoba, during the course of the last election campaign, had come to the conclusion that there was definitely something wrong, that there was something wrong in the manner in which this government was performing. They sensed it, not only from the amount of taxes that they were paying — the number of rules, the increasing number of regulations, the lack of opportunity that was being provided for them during the last few years. And I have listened to honourable gentlemen opposite for the last week or so, complaining about how the election was lost, and to a large extent suggesting that members on this side of the House were telling untruths, that we were not portraying the government's role properly, as if it was our responsibility to be their advertising agents. But that isn't really what won the election. It was an innate sense of judgment on the part of the electorate, that something was terribly wrong, that we were heading in a direction that they did not want to head.

The former Minister of Agriculture can take a great deal of credit for that.

His attempting to ram marketing boards and policies down the throats of the farmers that they did not want, culminating in that abortive attempt to get a Beef Marketing Board in this province, and the vote, at that particular time, certainly must have been an indication to honourable gentlemen opposite as to just exactly what was going to happen.

That wasn't rejected by the members of the opposition at that time. We played very little part, very little part in enabling the cattlemen of this province to make up their own minds. We didn't have to because the number of people who were spontaneously reacting to his attempt to ram this board down their throats was an indication of how people were feeling about more and more controls and more subjugation. It's the kind of thing that happens when honourable gentlemen opposite feel that they are the government and therefore they can do as they please.

Well, I think it draws a conclusion that I may pass on to my friends because it may be worthwhile for them to consider. It is that a government's worth should not be considered by how much it does for people, but rather by how much it allows people to do for themselves.

I think that the campaign conducted by my leader and his suggestion, indeed, his repetition of that philosophy, met with the approval of at least 49 percent of the people of this province who turned out to mark their ballots. It was an indication that you can push people just so far and then they will start to react. I commend them. In these days when we feel there is such a great deal of apathy, when we feel that people are not concerned anymore, that they just accept everything without a murmur of protest, I think it's an indication that they'll stand so much and then they will build up that reaction. One could see it developing during the course of the election campaign, and it required no effort on my part to attempt to convince anybody. Indeed, during the course of the campaign, it was more a question of listening to people list the complaints that they had against the government at that time, and the reasons why they were not only going to vote, but they were going to work actively in attempting to get that government defeated.

It wasn't necessary for me to do any kind of campaigning to encourage people to say and to do those things. —(Interjection)— Well, yes, that list will build up. Perhaps there is some truth to what the former Minister of Mines and Resources, the Member for Inkster, said when he suggested he was going to do all in his power to build up that list, and that's fair game. I'm not going to quarrel with that.

MR. ENNS: That's not fighting fair, Warner.

MR. JORGENSEN: That is part of the responsibility of the opposition, and during the course of the years that we were in opposition, we did exactly the same thing.

MR. ENNS: No, no. We fought fair.

MR. JORGENSEN: We dealt with what we figured were the faults and the weaknesses of this government, but I find it difficult to believe that too many people are going to find any fault with a government that allows them to keep a few dollars of their own.

That's another interesting point about this session. Sir, we have before us a number of bills, all of them either reducing taxation, levels of taxation, or returning money to people. And they're opposing those things. I suppose that indicates a state of mind on the part of honourable gentlemen opposite. They are opposed to reductions in taxation, they are opposed to saving the taxpayers money. -

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(Interjection)— well, you know, my honourable friends make a big point talking about how it's only going to affect a few. What they fail to take into consideration, Sir, is the very important fact that people look for the little signs as to what direction the government is going, and the very fact that there is a reduction in taxation, is enough to convince them that we're moving in the direction that they want to go. It may not affect that many people, it may not do that much, but it's going to restore what we believe is important in this province, restore a little bit of confidence, that the government isn't out to take every cent that they earn, to use it for their own projects and their own purposes. I think the psychological effect of those tax reductions are going to be sufficient to restore the kind of confidence that was certainly lacking in the business community and amongst the farmers in this province.

They, to a large extent, are the generators of the wealth that is created in this province. And my honourable friends opposite must not lose sight of the fact that if you stop the generation of wealth in this province, then where in heaven's name did you expect you were going to get the money to carry out all the programs that you were talking about, the millions and millions of dollars that you're so willing to spend, without giving any consideration to where you were going to get it from. That, Sir, was an attitude that puzzled a lot of people during the course of the election campaign, because they know full well that if they spend too much, if they spend more money than they earn, they're in trouble. And they can't understand why a government thinks that it can get away with spending more money than they earn, or more money than they could possibly hope to generate, even over a period of years.

I took the trouble to go through the Public Accounts, and the figures that I'm about to use here are available to honourable gentlemen opposite if they take the trouble to go through the Public Accounts over the past number of years. It gives you some indication, Sir, of the attitude of governments, and particularly the former government. From the years 1964 — and I went back to the years '64 and '65 because I wanted to get a five year period prior to the change of government, and then use the five year period following that. I found that over that period, the amount of revenue that the government had estimated they were going to get was exceeded somewhat in the actual amount that they received. There was a total of \$41 million in excess of what they estimated the revenue would be. But the next five years, from 1969 or '70 to 1973-74, there was an estimated amount of \$210 million more than they estimated they would receive. I'm not going to fault my honourable friends. In the last number of years budgeting has been pretty difficult because of inflation, but to be out \$210 million in five years in what they estimated the revenues would be and what they actually were, is fairly substantial.

In the next three years, '74 to '77, they were out even more than that. They were out over \$120 million in those next three years. Their expenditures followed the same pattern. They always spent more than they estimated, and again . . .

A MEMBER: More than they got authority for.

MR. JORGENSON: One significant thing, Sir, is that in 1973-74, that's the year of the election, they spent \$83 million more than they estimated in that particular year. Of course, there were obvious reasons why they did that.

MR. SPEAKER: Order please. I just want to inform you that the hour is now 12:30. The House is adjourned, to meet again at 2:30 in the afternoon.