

## THE LEGISLATIVE ASSEMBLY OF MANITOBA

2:30 o'clock, Wednesday, June 10, 1970

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Notices of Motion; Introduction of Bills. The Honourable Member for Winnipeg Centre.

MR. BUD BOYCE (Winnipeg Centre) introduced Bill No. 124, an Act to amend the Winnipeg Charter 1956 (2).

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

HON. SIDNEY GREEN, Q.C. (Minister of Mines and Natural Resources) (Inkster): I indicated the other day with respect to fishermen's compensation, I would be attempting to have legislation dealt with very quickly if I could, and I wonder, with leave, if I could now be given leave to introduce Bill No. 128, which is Fishermen's Assistance and Polluters Liability Act.

MR. WALTER WEIR (Leader of the Opposition) (Minnedosa): Leave granted from here, Mr. Speaker. (Agreed)

MR. GREEN introduced Bill No. 128, The Fishermen's Assistance and Polluters Liability Act. (Recommended by the Lieutenant-Governor)

INTRODUCTION OF GUESTS

MR. SPEAKER: At this point I should like to direct the attention of honourable members to the gallery where we have 60 Grade 8 students of the Beliveau Junior High School. These students are under the direction of Mr. Pitcairn and Miss Overgard. This school is located in the constituency of the Honourable Member for Radisson.

In my gallery there are 16 ladies of the Royal Purple Lodge No. 138 of Brandon, Manitoba, under the direction of Mrs. Disher. This group is located in the constituency of the Honourable Minister of Industry and Commerce.

And 50 Grade 6 students from William Osler and Bowsman Schools. William Osler School is the host school. Both are here under the direction of Mr. Betker and Miss Greenberg from the host school. William Osler School is in the constituency of the Honourable Member for River Heights and Bowsman Elementary School is in the constituency of the Honourable Member for Swan River.

And 38 Grade 6 students from the R. F. Morrison and Duke of Marlborough Schools. The R. F. Morrison is the host school. The Duke of Marlborough School is from Churchill. The schools are under the direction of Mr. Will of the R. F. Morrison School and Mr. McPeak of the Churchill School. The host school is located in the constituency of the Honourable Minister of Youth and Education and the Churchill School is located in the constituency of the Honourable Member for Churchill.

And 65 Grade 6 students from Montrose and Souris Elementary Schools. The host school is Montrose School. The students present here are under the direction of Mr. Davies and Mrs. Rye of the host school. Montrose School is located in the constituency of the Honourable Member for River Heights, and the Souris Elementary School is in the constituency of the Honourable Member for Souris-Killarney.

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

MR. SPEAKER: The Honourable Member for Virden.

STATEMENT

MR. MORRIS MCGREGOR (Virden): Mr. Speaker, I would like leave of the House to make a statement or an announcement. It will be short. (Agreed)

MR. SPEAKER: The Honourable Member for Virden.

MR. MCGREGOR: Mr. Speaker, I would like to first of all welcome all members and their wives to Virden this weekend. It's the 23rd annual meeting of U.S.-Canada Highway 83 Association which I happen to be President of this term and I deem it a real honour in the Centennial Year to be president and I hope to be able to be paired Friday to be out there because I see I'm on the top of the remarks speakers that have to contribute.

I would just like to add I've had very good co-operation from the government and I hope to take enough golden buffalo pins through the Minister of Tourism and Recreation to present at least to the American visitors. The first Friday night is the Manitoba dinner at which the

(MR. MCGREGOR cont'd.) . . . . guest speaker will be the First Minister, The Honourable Ed Schreyer. The Virden Press done us a very good job of advertising this and I'll just read my statement in the paper that went down to all the American States and also the members of this association in Manitoba, and it reads as follows under my name: "It is indeed an honour for me during our Centennial Year of Manitoba's joining Canadian Confederation to extend a welcome to you to attend the Highway 83 Association Convention in Virden on June 12th, 13th and 14th. You are assured that we intend to create a centennial theme to our gathering, culminating of course with our dedication to have our governments agree to our favorite Highway 83 being extended to take in Pine to Palm, a long felt wish of our association. The promotion of this route has been a joint venture and is one more example of the spirit of friendship and co-operation that exists between our two nations. This route starts at Mexico and proceeds north through the United States and into Canada, an important artery of communication both for business and tourism. It has been my privilege to have personally called on association members in Texas, Kansas, Nebraska, North and South Dakota," and I might add Oklahoma is the only one that I haven't really called personally at and it's just a small neck -- maybe the way I speed I was through it before I realized it. "I had hoped to make a complete trip over this highway prior to the Virden Convention but government duties keep me close to my desk and our Legislature will be sitting well on into June. Manitoba's and Virden's hospitality will equal anything of the past. Tourist facilities are absolutely great, and contrary to rumor fishing for which Manitoba is internationally famous has not been affected by pollution in this area, so it is come one, come all. Keep in mind that the whole of Manitoba will be in a holiday spirit this year, so bring a carload of friends. We are ready and waiting for you." I would like this to be tabled, Mr. Clerk. — (Interjection) — Well maybe -- it's reading from the paper.

I would just invite -- I know the House is sitting Friday, that everybody can't be there but those members who are travelling westward or are out on political junkets in that westerly area, I invite them either Friday night - Saturday everything's laid on for them on behalf of our Virden group - and all day Saturday including the opening of the Great Western Harness Racing Circuit in the evening, followed by Sunday when one of our entertainments will be the Steinbach Mennonite Choir. With that, I think that's the main thing. I just welcome all and I'm sure Virden will be happy to have as many of all parties including the First Minister.

MR. SPEAKER: The Honourable Minister of Municipal Affairs.

HON. HOWARD R. PAWLEY (Minister of Municipal Affairs) (Selkirk): Mr. Speaker, I would like to rise on a point of privilege which I think will be in the interests of all members of the House. Last night on both Channel 6 and Channel 7 it was reported that the Private Members' Bill relating to the providing of full municipal tax and all real property owned by the province was passed by this House yesterday on Private Members' Day. I'm sure if you will note the Votes and Proceedings today the debate on that motion was adjourned by a motion of Mr. Boyce's, and I would draw this to the attention of the news media as I am sure there will be widespread misunderstanding today in respect to that particular motion.

#### ORAL QUESTION PERIOD

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

MR. GILDAS MOLGAT (Ste. Rose): Mr. Speaker, I'd like to address a question to the Minister of Tourism. Has he anything further to report to the House on the question of a second national park in Manitoba?

HON. PETER BURTNIAK (Minister of Tourism and Recreation) (Dauphin): Mr. Speaker, I must say no, not at the present time, studies are being carried out. Perhaps in a few more months' time we will be able to have all these studies finalized as far as minerals and so on is concerned. We're working on that; we have a committee set up between the Provincial Government and the Federal Government and this committee is studying every phase of the possibility.

#### MOTION OF CONDOLENCE

MR. SPEAKER: The Honourable First Minister.

HON. ED. SCHREYER (Premier) (Rossmere): Mr. Speaker, I should like at this time to undertake a duty which is a long-standing custom in this House, and that is to move a motion of condolence to the family of one who has served in this Assembly some point in their life and in their career.

(MR. SCHREYER cont'd.)

On this occasion I refer to the late Ellen Salome Halldorson. Some members here I am sure did have the pleasure of knowing Miss Halldorson personally, although I suppose not too many. I do recall on one occasion having had that pleasure. Miss Halldorson was not the first lady to serve in this Legislative Assembly of Manitoba. I believe that distinction belongs to one Mrs. Edith Rogers who served in this Assembly back in the 1920s. But in any case Miss Halldorson did serve here as MLA for the riding of St. George from 1938 to 1943. She served as a member of, I believe it was an eight person contingent of the Social Credit Party of those years. Members will of course recall the circumstances of the economy, society in Manitoba and western Canada, in all of Canada for that matter, back in the 1930s and for the first year or two of the war years.

Miss Halldorson I am sure was very vocal during the time that she sat here and even thereafter. I recall quite clearly that she was wont to write a good number of letters to the editor. That seemed to be one of her favorite modes of expression in latter years, and I regard that, and I am sure all honourable members regard that as being as valuable a means of communication as any. Obviously, therefore, she was one who took a deep and abiding interest in public affairs and in issues relating to the public welfare. She at other times during her life was a school teacher, having taught for a number of years at the Bjorn Bjarnson Academy, 1918 to 1938 prior to her service here, and subsequent to her service here taught at Transcona schools and at Balmoral Hall.

I am sure that Honourable Members would wish to take this opportunity to reflect and to pause to think about her service to the community of this province. Accordingly I move, seconded by the Honourable Member for St. George, that this House convey to the family of the late Ellen Salome Halldorson who served as a member of the Legislative Assembly of Manitoba, its sincere sympathy in their bereavement and its appreciation of her devotion to duty in a useful life of active community and public service, and that Mr. Speaker be requested to forward a copy of this resolution to the family.

MR. SPEAKER presented the motion.

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

MR. BILL URUSKI (St. George): Mr. Speaker, in rising to second this motion of condolence I would only like to say that although I did not know the Honourable Lady she did represent the constituency of St. George which now, part of it, is in the constituency of Lakeside, and I'm sorry the Honourable Member for Lakeside is not here today as Lundar presently is in his constituency.

I would like to say that Miss Halldorson certainly did serve her community and public life fully and well. It is noted that she has taught school for a period of some 53 years as well as serving in this Legislature from 1938 to '43 when she represented the constituency of St. George. I am certain that the member whom I replace in this House, the Honourable Elman Guttormson who was representing the constituency before myself, would share in the condolences as I do from myself to Miss Halldorson's family today. Thank you.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MRS. INEZ TRUEMAN (Fort Rouge): Mr. Speaker, on hearing of the passing of a distinguished lady, it was with considerable interest that I undertook to do a little research on her political career in this Assembly.

Miss Halldorson was a graduate of Wesley College and the University of Manitoba and had an interesting career as a teacher of languages, teaching Latin, French and German. She was a member, as has been said, from 1938 to 1943 representing St. George. As a woman of considerable spirit she bolted her party ranks in 1940 by refusing to join a non-partisan coalition government under the then Premier Bracken. She is quoted as giving as her reason that she would thus remain free to give expression to the political philosophy of Social Credit upon which she was elected. At that time she was also president of the Manitoba Social Credit League, and from newspaper clippings I gather there were several other MLAs of the Social Credit Party. I believe the Premier has said there were eight.

Her stand of independence in bolting the party ranks was lauded by Premier Aberhart as a splendid and fearless stand. As the second woman MLA ever to be elected to this Assembly her position was similar to mine in that she was the only woman sitting with 54 male colleagues. She was so bold as to categorize these men according to who was the handsomest, who was the most intellectual, who was most bashful, most chivalrous and who would be kindest to his wife.

(MRS. TRUEMAN cont'd.) . . . . . She chose a bachelor. Miss Halldorson must have been a woman of strong character and spirit well able to stand up to the male competition and also well respected by all her colleagues and the people of her time.

The issues which she heard debated sound quite familiar to our ears even today. I would like to just quote very briefly at the time that Mr. Aberhart went through and praised Miss Halldorson, he said "We in Alberta are still much concerned about the grain situation. Unless the Federal Government makes it possible through the Bank of Canada to make a payment to the farmers of the West for wheat stored on the farms or unless the Federal Government provides adequate storage for the western crop, the problem will become a continuing one." He was indeed a prophet.

I never had the privilege of meeting Miss Halldorson but I do feel a warm kinship for her. From the Progressive Conservative Members I would like to say that we concur in this motion of condolence and would extend to the family our sincere sympathy in their bereavement.

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

MR. MOLGAT: Mr. Speaker, there are no members presently sitting in the Legislature who sat with Miss Halldorson. The Minister of Labour, however, and myself did have the pleasure of sitting with her brother Chris Halldorson who represented the constituency subsequently. I think one thing could be said about the Halldorson family, and Miss Salome was certainly of that kind, it was an independent spirit. True she belonged to an official party here in the House but at all times she spoke out for Salome Halldorson and for her constituency, regardless of who might agree or who might not agree. She did this both during her time here in the House I understand and also subsequently when she retained a great interest in what went on in the Interlake and what went on in the province as a whole.

So on behalf of my party and myself personally, I want to associate us with the motion of condolence to the family. She was the type of person which I think Manitoba requires: stands up for what they believe in; speaks out openly; does a job for our people.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. JACOB M. FROESE (Rhineland): Mr. Speaker, I too wish to join with other members who have already expressed their sentiments in connection with the passing of Ellen Salome Halldorson. I have had the opportunity to meet her and did know her somewhat. I also knew that she did teach and naturally left an influence on many of her students, and not only in that sphere but also in the political life that she led. She served with other members on the Social Credit Group during the years of thirty-eight to forty-three and had some of our group not gone into coalition with some other parties I think we would have had much better fortunes in the past number of years.

I think this does not only pertain to Social Credit. I think this applies to other parties too, where you do go into coalition. Nevertheless she led a very active life and I'm sure that people that knew her do appreciate, and certainly I do appreciate it myself, for people in this province who offer their services as a member of this House and to represent the people of this province in the making of legislation for and on behalf of the province. Certainly I wish to express my sympathies and extend condolences to the immediate relatives of Miss Halldorson.

MR. SPEAKER: Are you ready for the question. Orders of the Day. The Honourable House Leader.

MR. GREEN: Mr. Speaker, I wonder if I can have the leave of the House to substitute the name of the Minister of Municipal Affairs for the name of the Minister of Industry and Commerce on the Public Utilities and Natural Resources Committee? (Agreed)

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

#### MOTIONS FOR PAPERS

HON. LEONARD S. EVANS (Minister of Industry and Commerce) (Brandon East): Mr. Speaker at this time I would like to table a copy of the report prepared by the Department of Industry and Commerce entitled "Location cost comparison of the proposed Fish Processing Plant". I of course refer to the proposed plant that is being contemplated by the Freshwater Fish Marketing Corporation, and in addition, a revision of the original estimates dated April 16, 1970.

I might say that I'm tabling them in response to requests from members opposite and we earlier indicated that we would await the permission of the Freshwater Fish Marketing Corporation. I have since obtained verbal approval from the Corporation and expect to obtain written

(MR. EVANS cont'd.) . . . . . approval in a day or so. However, because of the interest I know of all members of the House I'm tabling them at this time. I have prepared eight copies. If any member wishes any additional copy, I'd be pleased to provide them for them.

ORAL QUESTION PERIOD (Cont'd.)

MR. SPEAKER: The Honourable Member for River Heights.

MR. SIDNEY SPIVAK, Q.C. (River Heights): A supplementary question or question based on the statement. I wonder whether you could indicate whether any additional consultants other than internal consultants within the department were used by the department for the preparation of the document that you are tabling?

MR. EVANS: Mr. Speaker, the material was prepared by the consultants within the department. However, we did obtain the services of a consultant of Arthur D. Little Company to review our original estimates and position in the matter, and there is a letter from Arthur D. Little to this effect.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, I have a question before the orders of the day, for the Minister of Industry and Commerce. I wonder whether he can indicate whether it will be the government's intention to appear in support of Transair when the public hearing is held by the Canadian Transport Commission with respect to its route to Toronto?

MR. EVANS: Mr. Speaker, on several times I have indicated our support of the Transair because it is our regional carrier and because its prosperity leads to the prosperity I trust of Manitobans and to this extent we will do everything possible to support the position of Transair.

MR. SPIVAK: Mr. Speaker, I wonder if the Honourable Minister would answer the question. Is it the government's intention to appear before the Canadian Transport Commission in support, not a public declaration here, but a support declaration before the Canadian Transport Commission?

MR. EVANS: Well, Mr. Speaker, I thought I indicated we would do everything possible and if this is within our rights and purview then we certainly will do this. We will do everything possible.

MR. SPIVAK: A supplementary question. I wonder if the Minister can indicate whether he's aware whether the government of Ontario will be appearing against this application or not? -- (Interjection) --

I ask whether he's aware whether the Government of Ontario will or will not be appearing?

MR. EVANS: Mr. Speaker, I wasn't aware but I'm glad the honourable member informed me.

MR. SPEAKER: The Honourable Leader of the Official Opposition.

MR. WEIR: Mr. Speaker, I wonder with leave if I might be permitted to congratulate, I think probably for all members of the House, certainly for the members of our group, the Minister of Cultural Affairs in a recent Doctorate that I noticed in the press that he has received. As I was reading it I just wondered if this was a reasonable means for the Optometrists to proceed with the attitude of some members of the House.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: I had it in mind to take the opportunity today to congratulate the Honourable Minister of Cultural Affairs on his receiving of the degree of Doctor of Divinity. I assume its honoris causa, but whether it is or not the receiving of a degree of that kind is an indication to members of this House that our Minister of Cultural Affairs is concerned with culture not just in the sense of matters temporal but also matters spiritual. I think that is the proper connotation to give the word "culture" in any case.

MR. SPEAKER: The Honourable House Leader of the Liberal Party.

MR. GORDON E. JOHNSTON (Leader of the Liberal Party) (Portage la Prairie): Mr. Speaker, our party also would like to join in congratulating the new doctor of the House and I hope that he will not cease to practice upon the members of this House.

MR. SPEAKER: The Honourable Minister of Cultural Affairs.

HON. PHILIP PETURSSON (Minister of Cultural Affairs) (Wellington): Mr. Speaker, I don't know that it is particularly necessary that I thank the honourable members for their expression here this afternoon but I do wish to thank them for their kind words and at the same time to give just a word or two of information.

(MR. PETURSSON cont'd.)

The School which conferred on me this degree, which to me is very important, very pleasant, was the school from which I graduated in preparation for my ministry, which I terminated six years ago, deciding at that point to retire from active work. It is called the Meadville Theological School of Lombard College and it is affiliated with the University of Chicago. This is one reason why I place special store by this honour which they chose to show me. The school is celebrating its 125th anniversary. While Manitoba was still a wilderness the school was being organized in a city called Meadville, Pennsylvania. I attended this school from 1926 to '29, received my degree there in 1932 and have spent the last two days in Chicago in association with other ministers, that is, ministers of religion, enjoying the association, meeting many old friends and enjoying the opportunity once again to walk the paths of the campus of the university which had at one time been very familiar to me. With that, Mr. Speaker, I express my thanks and appreciation to the members for their kind words at this time.

MR. SPEAKER: The Honourable Minister of Agriculture.

HON. SAMUEL USKIW (Minister of Agriculture) (Lac du Bonnet): Mr. Speaker, the other day members opposite asked a question or two with respect to Wheat Board policy on quota regulation and abuses which have been occurring from time to time. I have taken it upon myself to consult with the Wheat Board and I have here a copy of a news release which I'm sure is available to all members if they ask for it. I'm just wondering whether members opposite wish me to read it into the record, as an explanation of their policy — or else I can have it passed around, Mr. Speaker.

MR. SPEAKER: The Honourable Member for Arthur.

MR. J. DOUGLAS WATT (Arthur): Mr. Speaker in reply to the Minister's statement I wonder if we could just have that passed around.

MR. SPEAKER: The Honourable Member for River Heights.

MR. SPIVAK: Mr. Speaker, my question is for the Minister of Industry and Commerce. I wonder whether he can indicate to the House whether the Department has prepared any revised estimate of power requirements for industry and has given these revised estimates to Hydro in this calendar year?

MR. EVANS: Mr. Speaker, the answer is no. We have not prepared any revised power estimates. However, I can assure the honourable member and other members of the House that we are taking a very close look at the whole matter of electric power development and its impact on industrial development. We have at least one member working full time on the subject.

MR. SPIVAK: I have a question then, Mr. Speaker, for the Minister of Mines and Natural Resources. I wonder whether he can indicate whether any study has been given to Hydro in connection with the power requirements for mining in the period of this next decade?

MR. GREEN: Mr. Speaker, I'm not sure whether any report has been given but I have been in sufficient communication with the Hydro people to know that they have estimates of these requirements available to them.

MR. SPIVAK: A supplementary question, Mr. Speaker. Could the Minister indicate where those estimates were made or who gave the information on which those estimates were determined?

MR. GREEN: I'm confident that the estimates were made by persons on whom the Hydro authority can rely.

MR. SPEAKER: The Honourable Member for Arthur.

MR. WATT: Mr. Speaker, I'd like to direct a question to the Minister of Mines and Natural Resources. Yesterday I spoke privately with the Minister regarding the increased and continuing flooding of the Souris Valley. I wonder if the Minister could indicate today if he has any report on the American control on the Souris River south of the border and what effect it is having on the flooding in the Manitoba area of the Souris River?

MR. GREEN: Mr. Speaker, I thank my honourable friend for having advised me privately of this matter yesterday. I'll take his question as notice and will be giving him the information in due course.

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

MR. EARL MCKELLAR (Souris-Killarney): Mr. Speaker, I'd like to direct a question to the Minister of Tourism. The Official Opening of the Sprucewoods Centennial Park is on Saturday, June 20th. When will the invitations be mailed out?

MR. BURTNIAK: Mr. Speaker, I believe that they are on the way out now.

MR. McKELLAR: . . . . a supplementary question. The people at Glenboro would like to know how many people are invited, could you tell me that?

MR. BURTNIK: Well, Mr. Speaker, offhand I can't say right now, because I don't have the information with me, but I'm sure those that will be invited will be notified in good time.

MR. SPEAKER: The Honourable House Leader of the Liberal Party.

MR. G. JOHNSTON: Mr. Speaker, I have a question before the orders of the Day. I would like to direct my question to the Minister of Industry and Commerce or the Minister of Agriculture. In view of the fact that there is presently on the market a high concentrate protein food product being marketed in Japan, is the Department of Industry and Commercial or any other department in the government, conducting any research to see if a similar product can be manufactured in Manitoba?

MR. EVANS: Mr. Speaker, I do believe that we are looking into this matter but I prefer to take the question as notice and give you a fuller explanation tomorrow or the next day.

MR. SPEAKER: The Honourable House Leader.

MR. GREEN: Mr. Speaker, I was going to ask you to call the adjourned debate on the proposed motion of Mr. Cherniack at the top of Page 6 but I note that the Honourable Member for Churchill appears to want to ask another question.

MR. SPEAKER: The Honourable Member for Churchill.

MR. GORDON W. BEARD (Churchill): Thank you, Mr. Speaker. I was going to direct a question to either the Minister of Mines and Natural Resources or Minister of Health. While there is compensation set up for the fishermen in respect to the fishing of polluted areas, is there any additional compensation for the food substance which we're recommending that they not eat more than one meal per week?

MR. SCHREYER: Mr. Speaker, I would hope that honourable members, when they pose a question would indicate specifically which Minister they're posing the question to. Otherwise it creates the awkward situation of two Ministers having to decide by remote control one from the other, who is to answer. I suggest it be put to one Minister and let the Minister decide whether he can answer it or whether it is to be referred to some other department, some other Minister. In this particular case it seems to be a matter more for the Department of Mines and Resources. The Minister may wish to answer now or take it as notice, I'm not sure.

MR. GREEN: Mr. Speaker, the compensation program just goes as far as has been announced and I'd like to indicate that it leaves out other things than what my honourable friend has mentioned, but that doesn't mean that there aren't other provincial programs available for people who for one reason or another are unable to maintain their normal standards, and if it's a question of food then I would think that the Minister of Health and Social Development's department has programs for that.

MR. BEARD: Mr. Speaker, I anticipate receiving questions such as this and I would like at this time to ask the Minister of Health and Social Services how I may direct these people to question the department or under what program it will come.

MR. GREEN: Mr. Speaker, I hope I didn't confuse the Minister that there is a special program. I don't want to confuse the member who asked the question as to whether there is a special program. I was referring to on-going programs and I don't want the Minister of Health to take it that I was indicating there was a special program.

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

HON. RENE E. TOUPIN (Minister of Health and Social Services) (Springfield): Mr. Speaker, I would like to try and answer the Honourable Member for Churchill and say that if there is such need and we've had indications now that there was, that all requests for food, aid to the people who are affected should be directed to the regional offices that we have in your area and these needs will be met by our department, the Department of Social Development.

#### CONCURRENCE

MR. CLERK: XV. Resolved there be granted to Her Majesty a sum not exceeding \$52,408,600 for Transportation, Resolutions 96 to 100 separately and collectively for the fiscal year ending the 31st day of March, 1971.

XVI. Resolved there be granted to Her Majesty a sum not exceeding \$160,692,000 for Youth and Education, Resolutions 101 to 105 separately and collectively for the fiscal year ending the 31st day of March . . .

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

MR. MOLGAT: Mr. Speaker, I wish to move, seconded by the Honourable Member for La Verendrye constituency, that while concurring in Resolution 101, this House regrets the government has failed to assume a fair share of the cost of education and has left too large a portion to be borne by the municipal taxpayer.

MR. SPEAKER presented the motion.

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

MR. MOLGAT: Mr. Speaker, we've had some debate on this subject previously and I do not intend to extend the debate at this point. I want to make it clear, however, that I view the failure of the government to act in this area as one of the principal failures to date of the government.

Prior to their election, both in election campaigns and previously here in the House, the members of the present government indicated that they shared our belief that there had to be a very substantial shift in this tax. I recognize that a shift in taxation does not mean a total lowering. Obviously if you are going to shift it, it must come from somewhere else, but it is my view and my understanding the view of the government members that this is what they wanted to have done as well. The government has failed to act upon this.

At the session last fall I think there was a legitimate case for the government to say we have not had time, we have not been able yet to decide exactly what we should do in this area and I did not fault the government at that time for not acting. However, the months have now gone by and I think that in this crucial area the government should have acted. The load on the municipal taxpayer for school purposes is still entirely too high. In most cases it will have increased this year again. I submit that the government has had the time to propose a different program. We have suggested in previous debates that it could be done by a successive increase in the government's share of the basic program. We recognize that it cannot be taken over in the one year. This is why we had suggested it be moved up gradually by 10 percent increments over the period. At that time the NDP group in the House supported our move in this area and it is with disappointment that I record that the government has not acted in this area.

I repeat, I did not expect it at the last session; it would have been unfair to do so. I did not expect that the government would take over the full cost at this time, because I don't think that the shift can be done that quickly, but I did expect that the government would make some move in this vital area, having stated prior to the election and in this House, that they viewed this as one of the critical problems in Manitoba.

MR. SPEAKER: The First Minister.

MR. SCHREYER: Mr. Speaker, the Honourable Member for Ste. Rose has said that much has been said about this particular subject matter already in the course of the past several weeks of this session and he is quite right, a good deal has been said. But just as he found it necessary to repeat their contention that the government has not moved to assume a larger share of the education costs, I think it is incumbent upon me to repeat also the reason why we feel that the time for taking this course of action, to fully intend to do anyway, is within the next several months.

The Honourable Member for Ste. Rose and his colleagues know that within the first few months of coming to office we did undertake one of the four cardinal features of our election program when we moved to shift approximately \$20 million in taxation from the Medicare premium base to the progressive personal and corporate income tax provincial tax base. That was a tax shift of sizeable proportions which we undertook within the first calendar year - early in the first calendar year after coming to office.

The Honourable Member for Ste. Rose I am sure, should want to agree that a second substantial tax shift such as is being proposed with respect to education costs, is something that is difficult to undertake within that same 12-month period but logically awaits the next 12-month period for implementation. And that is the sense of timing that we have in mind. What we are faced here with is a tax shift of perhaps another 15 or 22 million dollars which we will undertake to do, as has been said on a number of occasions already, which we will undertake to do in the course of our next 12, the second 12-month period that we are in office. So that all in all, within 20 months of having come to office we shall be ready to move forward in this connection.

Over the past 20 years there has been a significant change with respect to education cost financing in Manitoba. I recall that in the 1950's the amount that was forthcoming from Provincial Government was precious little. In the mid-1950's, starting around 1955 or '56 the



(MR. SCHREYER cont'd.) . . . . formula of education cost sharing by the Provincial Government began to increase, gained momentum in the 1960's, but there is still need. I'm not arguing the substance of the motion. There is still need for the province to assume an even greater proportion of education costs than has been done to date. I think it is important, however, to make some comparisons with other provincial jurisdictions to see to what extent, to what percentage degree provincial governments in other provinces are assuming the costs of education and thereby easing the burden for local government and local government taxation.

I must say that I find it difficult to quarrel with the substance of the motion. On the other hand, I do have in conscience, Mr. Speaker, no difficulty at all in arguing that to make this motion now is an indication of unseemly impatience that ill becomes the Member for Ste. Rose. I know that he was able to contain his impatience more effectively in the 1950's and even I would suggest, in most of the 1960's. However, Mr. Speaker, the Member for Portage la Prairie is right. Taxes at the local level have continued to increase despite the fact that the amounts made available by the province for education purposes have increased on a scale that only can be called dramatic and even drastic, an increase I suggest of over \$100 million from the provincial purse for education purposes in the past 10 years alone. It's not as though we let down or decreased the amount appropriated for education purposes from the provincial budget this year. There was a substantial increase but despite that we did not succeed to date in increasing in percentage terms the amount of education costs borne by the province. We shall do so, we shall have done so by, I suggest, by, certainly by the end of the second 12-month period that we are in office and I suggest that that particularly in the light of the massive taxation shift that we effected in our first 12 months in office, is an indication to the people of Manitoba that we are prepared to move on a significant scale with respect to tax reform. But, I wish the people of Manitoba - and I'm confident that they will be, cognizant of the fact that while we get encouragement from the other side to bring about certain tax changes, when it comes to take the second step, that is to introduce a Bill to raise the necessary revenues through income corporate taxes, then our reform allies in the Liberal Party see fit to fall away and we have to go it alone. I know that we got support in principle from my honourable friends in the Liberal Party last year when we reduced the Medicare premium, so we were brothers-in-arms for a few weeks, but then when it came to take the logical consequential step of that, which was to adjust the personal and corporate tax, which was the only other fair way of doing it, then we did not have our reform brothers with us. I suspect the same will be the case in this respect but despite that we shall go ahead.

MR. SPEAKER: The Honourable Member for Riel.

MR. DONALD W. CRAIK (Riel): Mr. Speaker, I'd like to speak to this amendment. I must say first of all, Mr. Speaker, it grates just a little bit for those of us that sit on this side of the House now, particularly who were in the government before and underwent the criticism for inadequate financing of the educational system, particularly at the public schools level; it grates a bit because I think that to a certain extent that when we stand up to criticize the government now regardless of whether we're right or we're wrong, was what we have to say is taken with a certain amount of suspicion by many people including those who attempt to interpret what we have to say. But what the First Minister has said and what was said earlier in the session under the Department of Education estimates has not adequately portrayed the true picture of the Provincial Government's support for education; and I say this specifically with reference to the public school system. I think that the government has carried on the support to the universities and to many of the department activities on a basis which is fairly proportional to what has been going on for several years, but the same can't be said about the government's support for the public school system.

Your grants to the public school system this year rose at a rate of about 4-1/2 percent. This is not anywhere near the natural increase that growth rate of the public school system costs. The natural growth rate probably runs on the average around eight to ten percent and the only way you even keep even is to try and match it and this didn't happen this year and the government when it talks about a tax shift, not only shifted taxes off Medicare and on to income tax, corporate and personal income tax, they shifted money out of what would have normally gone into the Foundation Program and shifted it into that area to balance out the approximately \$8 million I assume that goes on top of the 20 that came out of corporate and personal income tax. At least if you want to earmark it, there was about 4-1/2 to 5 million dollars that would normally have gone into the Foundation Program and into the public school

(MR. CRAIK cont'd.) . . . . . system, had the cost-sharing arrangement been left as it was, but the government did not see fit to do this. Had they left it and made the necessary alterations to the grant system, the public school system would have retained about the existing balance in provincial contribution compared to local costs, but by changing that proportion, which we've gone into ad nauseam in here and has not been understood, I don't think, by any more than a handful of people in the House, unfortunately, had that previous arrangement been continued, you would have been in a fairly equitable position. But what you have done - it's fine to talk about what you're going to do in the next 12 months - but you've dug yourself in further by another four to five million dollars by the decision you made this year and it's going to be doubly hard for you to recoup it in another year.

Now it's true that \$5 million may not be much compared to the \$28 million, or to the \$20 million in Medicare, but it's still an awful lot of money to try and find, particularly when you backed away from a position that had been established. If you had gone over, which I'm sure you have, and I'm sure the Ministers involved in the Treasury bench have, had gone over the steps that had been set up to ensure the equity of the Foundation Program, the move that was taken by the government this year is going to make it very difficult for you to regain your position even next year.

So that the amendment brought in by the Member for Ste. Rose is a very realistic one. It has shifted costs on to the property taxpayer, mainly by what you didn't do, which you would have done had you followed the natural progression of steps that were already there. So it was a conscious decision that has allowed the cost sharing that is resulting this year, a cost sharing that is resulting in very large increases in local taxation ranging from seven, eight and nine mills down to zero; but in the cases where the mill rate has not been excessively increased it has been mainly due to the fact that the assessment has gone up. If you're going to use mill rates alone, you don't get an entirely true picture but the combined effect of mill rate and assessment gives you the true picture and there is no question about it that many of the problems which we are facing in the school system, the problems that we now have in this province, the negotiations between teachers and school boards results from the fact that the school boards are under intensive pressure by the local taxpayer to hold the line. They're under tremendous pressure, they have the most unenviable job in the province right now; they're under fire from the councils; they're under fire from the taxpayer; they're fighting to hold their position and as a result of it you have a tremendous conflict that is evolving between the teachers and the school boards and much of it comes down to the financial policy of the government.

Now it's a very pragmatic and Machievellian means, if you like, of holding costs down to pit the conflict between the property taxpayer and the needs of a school division, but what is happening is that with the government's policy this year of watering down the Foundation Program, which it has done, watered it down, the conflict has reached a point where it is manifesting itself in the impasse partly, not entirely, but partly in the impasse that now exists in your school divisions as these boards have their backs against the wall, are fighting and reacting against public opinion on one side and faced with a staff reaction on the other side to the point where we have over half of the school divisions in their six months of the new year still operating without agreements between the school boards and the teachers. And again, Mr. Speaker, both the reaction we have of the taxpayer rebelling against this increase in mill rate and many of the problems that exist in the school system, particularly in regards to negotiation, is tied right back to the fact that the increasing costs of education brought about by government policy are not being met by the government in their grants to the public school system.

In the final analysis what counts is not a fancy formula but what really counts is the proportion of the education costs in a public school system that is carried by the government. That proportion slid this year despite the slightly increased grant; the increase in proportion percentage-wise was not great enough to hold the line.

MR. SCHREYER: Mr. Speaker, I would like to ask the honourable member, since he made the statement that this year municipal councils upon the receipt of school board budgets had to strike a mill rate which showed an increase in the mill rate for education purposes. I would like to ask him whether he could say in the period of the 1960's, say 1960 to '69, on how many of those nine years did municipal councils in the main have to increase the mill rate in order to accommodate the school board budgets. In other words, in the past ten years, how many of the last ten years did municipal councils have to increase the mill rate for education purposes?

MR. CRAIK: I would suspect that most of the years it went up, but there was one massive decrease about '67, '66 - '67, that made up for several years of increase prior to that. When the Foundation Program was brought down the mill rate did decrease significantly. I would say that the only way you'll get a true measure of that is to look at the total ten years in package; but again I would say that the main feature, the main feature of comparison now is the proportion of costs that is carried by central treasury and the proportion that's carried by property, and that proportion in 1970 has slid backwards from where it was. The increase of four and a half percent to the public school system is well under, well under the natural growth rate which runs close to eight percent, ten percent - ten percent's closer -- twenty percent at the university has been the run of the mill -- that's not only Manitoba but elsewhere, and the only way you're going to hold your own financially is to increase -- it's not a very happy thought, I'll admit too, because it means that it's a question of whether the treasurer in future years can face the fact of making increased grants to universities of twenty percent a year for an indefinite period, or increases to the public school system of ten percent or so. It's not a happy thought from balancing a budget point of view. But to this year suggest that sizeable increases were made leaves the impression that you met the problem and this is not by any stretch of the imagination -- in fact the cost sharing has taken a step backwards in 1970.

HON. SAUL CHERNIACK, Q.C. (Minister of Finance) (St. John's): Mr. Speaker, may I ask a question of the honourable member? I apologize for not having heard all he said, but what I did hear did not involve the proposal from him as to how he would finance any increased grants to the school divisions to reduce taxation at the municipal level. Would he indicate his support to me in the manner in which he would support me in proposing increased revenue from taxation on the provincial level in order to accomplish what he considers desirable?

MR. CRAIK: Well first of all, Mr. Speaker, had the Foundation mill rate been left as it was it would have provided the means for an additional four and a half, 4.2 to 5 million dollars -- you know the figures probably better than I do, in that range -- of matching grants and profits which would have allowed you to update the Foundation Program, which step should have been taken this year. I think you'll agree that in 1969 a move was made which changed the proportions. In the year preceding that, in 1968 a move was made which changed the mill rate which allowed you on the two to one basis to put more into it.

What I'm saying is, Mr. Speaker, and the government has never admitted it yet, has never seen fit to admit this in all the debate that has gone on this session, that the change that was made in the Foundation mill rate in fact allowed you to save \$2.00 for every \$1.00 there, which carried through meant a saving of \$5 million. I'm saying that if you had left it the same as it was on the cost-sharing basis that you owed to the public school system that additional four to five million dollars which would have held the line and where you found it would have meant a government decision. Certainly you've indicated to us that there's an \$800,000 budgetary surplus. We have heard you on this side of the House saying that under certain circumstances it isn't always necessary to try and balance your budget. You have presented plenty of arguments on this side of the House, Mr. Speaker, the Honourable Minister did, we've all heard them, that if it was necessary on something as critical as property taxation to deficit budget that he would have no hesitation in doing it. That decision, Mr. Speaker, is now his.

MR. CHERNIACK: Would the honourable member support a deficit budget? Would the Conservative Party support a deficit budget to accomplish that purpose?

MR. CRAIK: Mr. Speaker, the Minister will have to present us with the facts and we'll provide him with our answer at that time.

MR. SPEAKER: The Honourable Minister of Labour.

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): Mr. Speaker, it isn't very often I get into debates of this kind. I think that because of the fact that I had the pleasure of leading our Party while in opposition for a few years that I should take part in this debate, and I agree with the Honourable Member for Ste. Rose that while we were on that side of the House we did endeavour to get the then government to make some moves in education - and I might say that very reluctantly the previous administration did give some consideration to increasing the provincial contributions to education. But what my honourable friend the Member for Riel conveniently forgets that during the ten year regime of the Conservative Party, with the exception of just but one year, the relative costs of education to the local taxpayer continued to escalate. And I guess I should give them some credit. They did endeavour to bring in an inept tax rebate system for a year or so, and because of the ineffective results of that tax

(MR. PAULLEY cont'd.) . . . . rebate system eventually abandoned the same and brought about different proposals.

My honourable friend the Member for Riel had better start talking to the Member for River Heights as to the allocation of provincial funds. I don't know whether it's a question of Jekell and Hyde or whether the two honourable gentlemen don't meet from time to time or have no understanding of the relative positions of each, because if I am correct the Honourable Member for River Heights the other day said in this House, and outside of this House, that the present administration should readjust its budget and its estimates to make provision for an additional thirty millions of dollars for the purposes of increasing the pension for our old age pensioners; yet at the same time critics after critics of the Conservative Party have stood up in this House at this session, and in the previous one as well, and criticized this government because of the tax imposed, an imposition on the taxpayer in Manitoba. Now, Mr. Speaker, you can't have it both ways.

My colleague the Minister of Finance a moment ago directed a question to the Honourable Member for Riel as to whether he would support additional tax increases for the purposes of increasing the revenues in order that provincial funds may be more readily available for such purposes of education and other functions of government, and my honourable friend the member for Riel very capably, and as his wont, evaded answering the question completely. Likewise, my colleague the Minister of Finance in reply to the criticism of the Member for Riel in respect of deficit financing says well, you bring it in and we'll discuss it then. Again so typical of not only the approach of the Honourable Member for Riel but all of his colleagues. They failed to accept the responsibility when they were on this side of the House to alleviate the tax burden on the local taxpayer in Manitoba, except as I said Mr. Speaker, for that one venture into tax rebate, and now they're so critical.

My honourable friend the Member for Riel has just been bandying around a figure of 4.2 percent or some other percentage as the increase over-all of the school imposition at the local level. I don't know if my honourable friend has taken a look at the estimates for the Department of Education or not, but if he looks at the appropriation for the financial support for school services he will find that there is an increase of over ten percent in provincial contribution for support services. He will find that the provincial support for financial services has increased from \$130 million to \$143 million, and if my calculations are correct that amounts to ten percent; far in excess of the four percent that my honourable friend is talking about. Now, it's not specifically public schools but it is provincial . . .

MR. CRAIK: . . .

MR. PAULLEY: Oh yes, you can take apples away from oranges and talk about grapefruit as is your wont, but I'm suggesting to you that all of it has to come out of the provincial treasury . . .

MR. CRAIK: Point of privilege, Mr. Speaker. When I made the statement prior to that -- and this is privilege -- I made the statement that your grants to the universities and your department activities were quite in keeping with the natural growth and I isolated specifically the public school system.

MR. PAULLEY: I don't know if my honourable friend has a point of privilege or not -- I'll leave that to you Mr. Speaker. -- (Interjection) -- I beg your pardon?

MR. WARNER H. JORGENSON (Morris): . . .

MR. PAULLEY: Now look, you can follow me if you have the gumption insofar as the field of education after I sit down. I just respectfully suggest to you I don't need to listen to your chirping while I'm standing up endeavouring to give some indication of the contribution of the provincial government in the field of education. I also want to say to my honourable friend the Member for Riel that insofar as school grants are concerned there's an increase of about three millions of dollars. As far as increase to student aid is concerned contained within the estimates that we have considered there's also an increase of 1.3 millions of dollars for student aid; and so the story goes.

I admit that my honourable friend is aware, as indeed we are all aware, that the costs at the local level are continuously going up, and I would suggest, Mr. Speaker, that they might continue to go up, but until and unless the revenue at the provincial level likewise goes up, the total contribution must be delayed.

My honourable friend the Leader of this party and the Premier of Manitoba, quite properly a few moments ago, indicated to the House that since we took office the greatest massive

(MR. PAULLEY cont'd.) . . . . tax adjustment ever for the Province of Manitoba has taken place and he indicated and made the firm commitment that this government, as it proceeds in office, as indeed it will, will continuously bring about adjustments to the well-being and the welfare of the little taxpayer particularly in the Province of Manitoba. But how, Mr. Speaker, can that gang across the road there, reconcile the argument of the Honourable Member for Riel with that of the Honourable Member for River Heights, who says to us, who says to us, within your present budget you could find \$30 million to increase pensions in the Province of Manitoba. I wonder whether the Honourable Member for Riel would suggest to the Honourable Member for River Heights that maybe part of that \$30 million should have been utilized for the purpose of increasing contributions to lower the tax burden at the local level.

You know, in all my years that I have had the opportunity of being in this House, I have never seen, Mr. Speaker, such a confused misdirected gang in opposition as we have today. -- (Interjection) -- That's right, we weren't confused when we were over there. We knew where we were going and we've got there. And I want to say, Mr. Speaker, that we knew where they were going and they got there as well. The only difference is, of course, that more of them got there than I anticipated, because I figured that there would be a greater proportion of them on the outside of the fence looking in. So there is a difference and I suppose, I suppose while we're dealing with the question of the estimates of Youth and Education, it would be appropriate for me to say that I think that they should take this opportunity of looking into the process of education because their numbers certainly will diminish as times goes on

MR. CRAIK: You spoke with more conviction over here too.

MR. PAULLEY: . . . just as their approach - just as their approach to the problems of the Province of Manitoba are diminishing from a realistic approach to one of political expediency, and this is what's occurring across the House, and today, Mr. Speaker, it was very very evident by the contribution. If one should stretch the use of that word, that was made by the Honourable the Member for Riel. So I say to my honourable friends opposite then, particularly to the Member for Riel, that unless he can come up with some constructive, objective criticism after all the tripe that he has given to the House up until today, that he should retain his seat, he's looking quite comfortable the way he is at the present time.

I want to come back again to the fact contained within the estimates today that this government, despite increased calls in many areas, has made a provision of a 10 percent increase in financial support services, and while my honourable friend may be right that it wasn't directed to the public school system, that much of it was for universities and other grants, they are all part and parcel of the contribution to education and it's all necessary. We fought while we were on that side of the House and we will continue our fight on this side of the House to make available to every boy and girl in Manitoba the opportunity for free and full educational opportunities, and if perchance for this year there may be a greater contribution for a university education and facilities, don't fault us, but join us and assist us in the solution of the problems with which we are confronted.

My honourable friend the Member for Riel in his discourse, Mr. Speaker, went back harping once again to the question of negotiations between teachers and school boards. This is a natural progress in all employ-employee relationships, the process that's been ongoing for years and we recognize it. It was ongoing when my honourable friend was the Minister of Education. And what did he do? -- (Interjection) -- That's right. That's right, there have been delays, of course there have been delays, there have been delays in other arbitrations over the years as well. So I say to my honourable friend the Member for Riel, start talking to the honourable heir-apparent leader of the Conservative Party, the Member for River Heights, as to how we should use the dollars in Manitoba. I want to remind him once again, lest he didn't get the message given by the Member for River Heights, we could have so tailored our budget to provide \$30 million for the increased pension that his colleague here says you are faulted, because you didn't provide another 8 or 9 millions of dollars for education at the local level.

Again I say, Mr. Speaker, the Honourable the First Minister of this province quite properly and accurately has stated the position of this party in that we are going ahead and those thing that we advocated while on that side of the House will be achieved during our tenure of office. I make no apologies at all, I make no apologies at all for the fact that when I sat over where the Member for Souris-Killarney is now sitting, I continuously tried to impress upon the incompetent government that we had at that time the need for revision, a need for a

(MR. PAULLEY cont'd.) . . . . broader outlook in the field of education and other fields as well, and I trust and hope, Mr. Speaker, that my friends opposite - and this is the function of opposition - I trust and hope that my friends opposite in opposition, as they surely will be for years to come, will be as constructive as we were and make their contribution to good democratic government in Manitoba.

MR. CRAIK: Mr. Speaker, I wonder if the Minister would permit a question?

MR. PAULLEY: Sure.

MR. CRAIK: Inasmuch as the First Minister referred to \$20 million as a significant shift and the Minister of Finance called \$20 million a massive shift, what would you term the \$4-1/2 million shift out of the Foundation Program?

MR. PAULLEY: There was no \$4-1/2 million shift out of the Foundation Program.

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

MR. HARRY E. GRAHAM (Birtle-Russell): Thank you, Mr. Speaker. I hadn't intended to take part in this but after hearing the imbecilic ramblings of the Minister of Government Services and his attempted diversionary tactics, his arm waving . . .

MR. CHERNIACK: Mr. Speaker, I'm just wondering whether you would care to indicate whether the term "imbecilic ramblings" is parliamentary. That's the term used.

MR. SPEAKER: I would hope that the honourable member would exercise a bit more care in his choice of words. I would doubt very much whether that word would qualify as one being parliamentary.

MR. SCHREYER: Mr. Speaker, perhaps the honourable member meant peripatetic. I think that would be acceptable.

MR. GRAHAM: Mr. Speaker, before I spoke I did check, and if the words are truthful and correct then they are not ruled out in any rules I can find, and I do believe that they honestly portray the true character of the Minister and I think that in that respect they're quite in order on this particular subject.

MR. SPEAKER: I take it then that it is not the intention of the honourable member to withdraw that remark.

MR. GRAHAM: Mr. Speaker, I had not been asked to withdraw the remark.

MR. SPEAKER: I believe a suggestion was made that that expression certainly borders on unparliamentary, and I had hoped that the honourable member would govern himself accordingly.

MR. GRAHAM: Very well, Mr. Speaker, I will endeavour not to use the term again.

MR. CHERNIACK: Mr. Speaker, I would like to know, does he or does he not intend to withdraw that expression? — (Interjection) — Mr. Speaker, my point of order was a direct question to the honourable member. Does he or does he not intend to withdraw that statement?

MR. CRAIK: On a point of order, the honourable member said that the ramblings were imbecilic; he didn't call the Honourable Minister an imbecile.

MR. GRAHAM: May I now proceed, Mr. Speaker?

MR. SPEAKER: Well, I would hope that the honourable member would take advantage of this opportunity to bring himself within the rules. If there is any question as to the violation of any, I hope that the member would make it clear that no rules are being violated.

MR. GRAHAM: Very well, Mr. Speaker, in due deference to my friend I will certainly withdraw the word "imbecilic". His ramblings however are such that it leaves much to be desired in the field of academic knowledge, seeing as how we are dealing with the department concurrence and the motion of regret.

We find whenever this government gets into the position of having a true motion or a true question put to them regarding their failure to do something which should be done, you find the greatest smokescreen that we have seen for some time here, and the diversionary tactics just don't wash on this side of the House. There is no doubt in anybody's mind in the Province of Manitoba that this government has failed to relieve the tax burden on the local taxpayer, especially in the field of education. We've heard the Minister of Finance jump up and scream about deficit financing, we have heard the ramblings of the Minister of Government Services on the same subject, but have they really ever examined their program. Everybody on that side talks about where's the money going to come from; how much more money are we going to raise. I haven't heard one member over there yet talk about curtailing expenditures.

Mr. Chairman, while many programs are desirable and some are necessary and essential, there comes a time in our life when we have to make choices between what is desirable and

(MR. GRAHAM cont'd.) . . . . . what is essential, and we may very well be reaching the point where we can no longer give unlimited money to the expenditures that are being exercised in this department. We are finding at the present time that one-third of the Department of Education's expenditure is being spent on one-tenth of the school population, and we stand up and we say equal opportunity for all. We are not spending equal amounts. We hear people standing up and saying, "We want free educational opportunities for all", and I for one do not believe that education is one subject that should necessarily be free for all. If an education is something that assists a person to better his own lot in life, I think that he has a just cause to spend a portion of his own in that betterment.

We can't go on offering free university education to everyone. I don't believe it is even the intention of this government to offer free university to everyone. I do believe that they want to offer it free to some though and not to others, and this is a big difference.

But the expenditures in the Department of Education I believe can be streamlined. There can be corners cut and there can be more efficiency in this department. I would sincerely hope that the government would take this matter seriously and give it their full attention because this is the largest single budgetary item in the Province of Manitoba and it has to receive the proper consideration.

. . . . . continued on next page

MR. SPEAKER: The Honourable Member for Emerson.

MR. GABRIEL GIRARD (Emerson): Mr. Speaker, as a new member to this House I feel it's to my advantage to observe very closely the behaviour, the eloquence, the manners, the customs followed by those with a good deal of experience in this House, but I must confess, Mr. Speaker, that all the experience in the world wouldn't enable me to hand out the chaff that was handed out by the able Honourable Minister of Labour. I appreciate his talk, I appreciate his talk - certainly not imbecilic, I think very capable because I think his objective is to dish out chaff only; I think he is holding back the kernels if there are any. I again must say I find his talk interesting, but as far as the information gained by it, I think we all admit that it's a little shallow and sparse.

Now, Mr. Speaker, I don't wish to repeat the things that I've said before with respect to the direction we've taken in lowering the general mill rate by one mill. I think it's generally accepted by the members of this House - not openly maybe - but generally accepted by the members of this House that we have, possibly by mistake, we have gone in the wrong direction, and anyone who understands the financing of education clearly will admit that that move, the lowering of the general mill rate by one mill, was a move in the wrong direction. It in fact places a greater burden on financing of education on the shoulders of municipal governments and it promotes or encourages the inequities that already exist. Now I challenge members from across to disprove this. This is in fact the truth. This is what we have done.

Now, I might not be so naive as to think that there might be a reason for this. I know that there is municipal reorganization being planned, justifiably so, and, Mr. Speaker, I'm wondering if by giving difficult situations to municipalities in Manitoba if the government of today is not in fact planning to reorganize the boundaries of municipalities and receive a better kind of cooperation from municipalities because they can't operate under the present structure. If the present financial structure is such that municipalities cannot operate, they'll certainly voluntarily, I suppose, accept the reorganization that this government might have planned for them. I hardly think it's a justifiable way of going about it but the end result might be the one that the government is looking for.

Mr. Speaker, for reasons of a sparsity of representation possibly in the government from the rural parts of Manitoba, this group has not, to my way of thinking, shown that they understand fully the problems of taxation, the problems of paying the taxes that we demand of the people in the rural areas. I can well understand that the property tax in the urban areas present some problems, and I'm not immune to them as I pay them myself and I can well understand that these problems exist in the urban areas, but they are not, Mr. Speaker, of the kind of proportion that they are in the rural areas. When everything is fine in Agriculture, I think it's quite possible that the burden placed on them now can be assumed by those people.

However, the present situation of the farmer is very close to that of the urban member who is unemployed. It's a little worse in that there are payments to meet that are possibly a little higher than that of the urban member who is unemployed because the purchase of rural operations of the kind that we usually find in Manitoba are costly and the payments of course are high. The revenue this last year has dwindled to almost nothing and strangely, Mr. Speaker, the assessment has increased. There is absolutely no correlation between the ability to pay that this government prides itself of upholding, no correlation whatsoever between the ability to pay and the tax required of these people to pay. In fact the tax burden has increased. Because we decided to reduce the general mill rate by one, the tax burden on those people has increased, and at the same time the revenue from that kind of property has dwindled to almost nothing. The responsibilities and the commitments are still all there, Mr. Speaker, but not assumed by anyone else, not assisted by anyone else, they must bear them themselves. I think that this is somewhat callous.

I suggest, Mr. Speaker, that property taxation ought to be reviewed and ought to be reviewed not later than this fall. I have suggested before in this House that the urgency of the matter warrants a fall session if for nothing else but that, and I have said before, and I repeat again, that unless this government decides to do exactly that, they will be dragging their feet. Mr. Speaker, I think that this is a matter of prime urgency and ought to be considered immediately. Not automobile insurance, let them look at the tax structure first.

Within the department I think there should be a careful scrutiny of the allocation of moneys. I know it's not an easy thing for the Minister to do but I suggest there is a good deal of inefficiency, and I don't think I should deal in very specific things but if necessary I could do



(MR. GIRARD cont'd) . . . . so. I would like to say however that the money allocated to universities, as a proportion, might well be a little high, and maybe of the increase in the estimates of this year a greater proportion should have gone to the public school system rather than going to the universities. I say this after looking, possibly from a distance, maybe not as closely as the Member from Crescentwood could look at it, but I think that looking at it from a distance, it appears to me as though we ought to strive for a little more efficiency at the university administration level.

I could point out to you, Mr. Speaker, that there are students at the University of Manitoba who are enrolled in courses that will not be enabling them to obtain employment in Manitoba. In fact there is at least one entire course, a post graduate, that will have absolutely no chance of getting employment in Manitoba, and it's a little strange that at the University of Manitoba we have an entire group of post-graduate students, the whole class, who are subsidized by the Manitoba taxpayer as well as the Canadian taxpayer for that matter, who will in no way be able to obtain employment in Manitoba. When you look at this kind of condition in view of the tax burden levied on people whose income has dwindled to nothing, I think, Mr. Speaker, it's time that we looked at what we are paying for and who is paying it for the education of students in Manitoba. I don't mean to be parochial to the point where I say some of this might not be understandable and maybe even advisable, I think we've gone maybe a little far.

I don't wish to prolong the debate, Mr. Speaker, but I would like to challenge the members on the other side, I would like to challenge the chirping member from the other side especially

MR. HARRY SHAFRANSKY (Radisson): Take the reactionary position Gabe, that's right.

MR. GIRARD: . . . I would like to challenge the chirping member on the other side especially to justify the action that the government has taken in the decreasing of the general mill rate by one mill.

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I will be very brief but I would just like to add my support in connection with this resolution. We know that the cost of education is increasing year by year and this year is no exception. We find that teachers' salaries are going up and this is one of the basic reasons why we have increases in school costs, aside from additional enrolments and school facilities. We know that the government grants, the government support is fixed and therefore any additional cost or any increases means that these fall on the taxpayer on the special taxes of a school district or division and this is why there seems to be an ever-increasing cost on the taxpayer of this province.

I certainly feel that on real property, especially on farm land, it's excessive. It's far too excessive right now with the low return that is received from farm land to pay an ever-increasing cost of taxation and therefore I think a change has to be brought about to reduce the taxation on farm land and spread it over in some other way so that our farmers will be able to be maintained and so that they can remain in the business and also to carry on and make some profit. I feel that there is an unfair burden on the farmer today in connection with school costs and the cost of education and therefore I do support the resolution.

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

MR. MOLGAT: Yeas and Nays, Mr. Speaker.

MR. SPEAKER: Call in the members.

A STANDING VOTE was taken, the result being as follows:

YEAS: Messrs. Barkman, Bilton, Claydon, Craik, Einarson, Ferguson, Froese, Girard, Graham, Henderson, G. Johnston, Jorgenson, McGregor, McKellar, McKenzie, Molgat, Watt, Weir and Mrs. Trueman.

NAYS: Messrs. Allard, Barrow, Borowski, Boyce, Burtiak, Cherniack, Desjardins, Evans, Gonick, Gottfried, Green, Jenkins, Johannson, McBryde, Malinowski, Pauley, Pawley, Petursson, Schreyer, Shafransky, Toupin, Turnbull, Uskiw and Uruski.

MR. CLERK: Yeas, 19; Nays, 24.

MR. SPEAKER: I declare the motion lost. The Honourable Attorney-General.

HON. AL. MACKLING, Q.C. (Attorney-General)(St. James): Mr. Speaker, I wish to indicate that I was paired with the Honourable Member for Assiniboia. Had I voted, I would have voted against the motion.

MR. CLERK: XVI. Resolved there be granted to Her Majesty a sum not exceeding \$160,692,000 for Youth and Education, separately and collectively, Resolutions 101 to 105, for the fiscal year ending the 31st day of March, 1971.

(MR. CLERK cont'd).

XVIII. Resolved there be granted to Her Majesty a sum not exceeding \$196,000 for Flood Control and Emergency Expenditures, Resolution 106, for the fiscal year ending the 31st day of March, 1971.

XIX. Resolved there be granted to Her Majesty a sum not exceeding \$400,000 for The Pas Enabling Fund, Resolution 107 . . .

MR. SPEAKER: The Honourable Member for Rhineland.

MR. FROESE: Mr. Speaker, I beg to move, seconded by the Honourable Member for La Verendrye, that while concurring in Resolution 107 this House regrets that the government has failed to procure funds for development purposes through and from the Bank of Canada, thus bringing about savings to the people of this country.

MR. GREEN: Mr. Speaker, I have heard the resolution and I don't see how it relates to the Resolution 107 which is The Pas Enabling Fund. I'm at a loss to say more on the point of order than just that.

MR. FROESE: Mr. Speaker, there's a note under that very resolution which certainly adds to the validity of the resolution before us.

MR. SCHREYER: Mr. Speaker, I think it would be necessary for the Honourable Member for Rhineland to elaborate somewhat as to the connection between Resolution 107, The Pas Enabling Fund, and the substance of his motion which has to do with the Bank of Canada. I realize of course that the Bank of Canada could be made to work in wondrous ways, but I think the honourable member should explain just in what way he would want this to come about.

MR. FROESE: Mr. Speaker, the motion before us has to do with the development of The Pas and that general area and we are speaking here of development funds. I think there is a proper relation there and I certainly will expound on it.

MR. GREEN: Mr. Speaker, I think that there has been a great deal of leniency in permitting people to go pretty far afield but none have yet attempted to go quite as far afield as this particular motion. If my honourable friend is dealing with the source of provincial funds, then that surely would have been a proper subject matter for the Minister of Finance. This is the allocation of \$400,000 to The Pas Enabling Fund. This is an expenditure, an expenditure of money, and it doesn't deal at all with the question of procuring funds which is something that falls into the province of my honourable friend the Minister of Finance and I'm sure he would have been delighted to discuss this motion during his particular resolution, but certainly this can't relate to the expenditure of money, Mr. Speaker.

MR. FROESE: It's definitely in order, Mr. Speaker. I still maintain, Mr. Speaker, that it is in order because we're speaking of development funds and — (Interjection) — we're speaking of development funds.

MR. SCHREYER: Mr. Speaker, I'm wondering if the honourable member wouldn't agree that in a matter, I hope a matter of just a few minutes from now, likely we will be going into Committee of Ways and Means, raising of the supply to be granted to Her Majesty, at which time it would be in order for the honourable member to deal with matters having to do with access to funds for development purposes, and if he would just be patient for a short period of time he can deal with that which he wishes to deal with in a way that would be in order, but at the present time it's just raising points of order. Why do that, Sir, when it can be done just as well in perhaps a half an hour from now.

MR. SPEAKER: I wish to thank honourable members for their comments. I am inclined to agree with the position that firstly, what is proposed in the motion of the Honourable Member for Rhineland deals more with Ways and Means rather than a question of supply; and secondly, even if it does deal with the matter of supply the motion itself goes far and beyond the resolution before us in the estimates. I therefore must rule the honourable member's motion out of order.

HON. SAUL CHERNIACK, Q.C. (Minister of Finance)(St. John's): I don't think there's a motion before us now, Mr. Speaker. I'm prepared to move that we go into Ways and Means. So, Mr. Speaker, I move, seconded by -- there's murmuring around me. I am under the impression we have completed with concurrences. Is that right, Mr. Clerk?

MR. WEIR: . . . wondering if the Speaker has called the question on your motion at second reading or whether he hasn't.

MR. CHERNIACK: Oh, there has to be a motion on all of them. Thank you.

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

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Thank you for the direction. Mr. Speaker, I beg to move, seconded by the Honourable the Minister of Government Services, that Mr. Speaker do now leave the Chair and the House resolve itself into Committee to consider the Ways and Means for raising of the Supply to be granted to Her Majesty.

MR. SPEAKER presented the motion and after a voice vote declared the motion carried and the House resolved itself into Committee of Ways and Means, with the Honourable Member for Winnipeg Centre in the Chair.

#### COMMITTEE OF WAYS AND MEANS

MR. CHAIRMAN: Resolved that towards making good certain sums of money granted to Her Majesty for the public service of the province for the fiscal year ending the 31st day of March, 1971, the sum of \$434,614,700 be granted out of the Consolidated Fund.

The Member from Rhineland.

MR. FROESE: Mr. Chairman, since I was ruled out of order before, I still feel that I would like to make a few comments in connection with the things that I had to say in connection with funds in general and particularly in development, because I think in the area of development fund is where we are in the greatest need.

Our Party and Social Credit certainly has a policy in this connection and we've been promoting this in both those provinces where Social Credit is in power, B.C. and Alberta. Although we cannot bring it to its fullest meaning because this would require to be in power in the Federal government, but there are ways and means in which I feel that we should be bringing about pressure and seeking out avenues where we can take advantage of, and certainly in our statement of objective principles and policies of Social Credit, under the policy statement in connection with fiscal policy I would like to read one section, and I'm quoting now: "The extension of the functions of the Bank of Canada to include: (1) making available to the provinces and their municipalities capital for public facilities necessary to provide essential services; and (2) the provision, directly or indirectly, of capital necessary for economic and industrial projects considered vital to the economy and well-being of the nation."

I feel that the Bank of Canada when it was brought about in 1935 was brought about and was brought into being for a purpose. It is not just a bankers' bank as it is sometimes referred to, certainly the Bank of Canada is there for the people of this country and to be used in that way. I feel it is unnecessary and should be unnecessary for the provincial governments to go outside this country to borrow money for capital purposes. Why do we have the Bank of Canada if we don't want to use it, and certainly enormous amounts could be saved in this way.

We have been authorizing large amounts of capital borrowing. From the previous administration we were told last fall that there were 285 million outstanding in authorization. Then last fall we approved in this House further authorizations of 310,800,000. Now this very session we approved another 129 million first and then another 32 1/2 million. This adds up to \$756 million that is authorized and no doubt will be borrowed eventually, probably not all in this particular year or even in the next, but certainly the authorization is there and there must have been reason for asking for that authorization otherwise it would have not come forward. If we figure this 756 million at eight percent - and this is lower than what they're paying at present because they borrowed some money at 8.9 and the new bond issue that they're floating is costing them 8.5, so when we figure it at eight percent it's less than the current rate - this would mean \$60 million a year in interest and that is something that we should really consider.

Then, too, if we look at the estimates before us we find that under Finance there is interest on the public debt of the province and expenses incidental thereto, \$32,450,000; and then interest on trust and special funds, 781,000; making a total of \$33,231,000. Add that to the 60 million gives you a figure of \$93 million worth of interest that we will eventually have to pay once the authorizations are fully exercised.

While I am not disputing that some of the moneys that will be used will be used for good purposes, we find that under the authorizations last fall there was 17 million for the Telephone System - and we know that they spent much more than that, they spent 29 million; the Hydro Electric Board, 200 million. This certainly is development in my opinion, if we can call any-thing development, because it will generate the power for the many many years to come. We have 800,000 under Water Supply. This certainly will work to the advantage of the various

(MR. FROESE cont'd) . . . . communities in this province. We have the school capital financing of 25 million; the Development Fund itself, 50 million, and if we just take the 50 million in the Development Fund and at 8 percent, this in itself means \$4 million a year.

When we were discussing the auto insurance the other day, the total amount that we will be saving in administration is around \$4 million, so why go to the bother of bringing in a program like that for a few million dollars when you can save ten times, no fifteen times or twenty times that figure by going to the Bank of Canada and getting your money there instead of borrowing it from New York, from Europe and other places outside of this country. I will not criticize the savings bond issue that was floated because the interest paid naturally will go to the people of this province, so I think in that connection it was certainly a good move if the money has to be borrowed.

I feel that certainly, as I quoted before in the resolution, we can save ourselves a lot of money and certainly for the people of this country, because the interest of the Bank of Canada goes to the Consolidated Revenue Fund of the Federal Government and we would then have a right to go to the Federal Government and request reimbursement for that amount of interest. I think this is a procedure that we should follow, and certainly when I brought the matter up a year ago the then Honourable Mr. Evans, the Minister of Finance, said he would look into the matter. He certainly had checked it and he said there was provision for a portfolio for municipal governments, provincial governments, so that certainly there is provision in which this can be done.

I feel that this government certainly should make it their duty and their obligation to check this out and to transfer our debt to the Bank of Canada and bring about this great saving, because over the many years that we will be paying on this debt, this means that we're not talking only of 100 million, we're talking of 2, 500 million for that matter because it'll be about 25 years before that debt is ever retired.

So, Mr. Chairman, before I sit down, I had hoped that the resolution would have been acceptable and so that it could have been endorsed, but since it was ruled out of order I felt I should bring the matter forward anyway and I do hope the government will take cognizance of it.

MR. CHERNIACK: Mr. Chairman, in response may I say I agree with the honourable member, it would be desirable if we could get our money through the Bank of Canada.

MR. WEIR: Mr. Chairman, I just wonder while we're in committee if I might ask the Minister of Finance whether now that we're a couple of months into the fiscal year and now that there have been some indications by the Government of Canada that there may be some changes in equalization, has he any further predictions that he would like to make in terms of revenues for this year than he made earlier in the budget debate?

MR. CHERNIACK: Mr. Chairman, I've been cautioned that the information calculated by my department is not really sufficient to speak with authority, but the indication from the department is that the effects of the latest calculation as transmitted to us would appear to reduce the previous calculation by some \$100,000. The previous calculation post-dates the calculation which was given to us originally and it was something to the extent of almost a million dollars less than the first one on which the estimates were based, so that it seems that there is a reduction in the amount of equalization which we had originally calculated.

However, we had included the amount that we know we still owe for the - what I referred to last summer - for the previous three years, the recalculation of equalization, and we took that into account and therefore there's no real need to make any change in the estimate on equalization because in the end we'll be, I'm informed, within a million dollars of the amount that we have shown.

MR. WEIR: Mr. Chairman, I think the Minister of Finance was referring to the federal portion of our revenues which is really equalization. In terms of the balance of the federal revenues, are you still anticipating what you were anticipating at budget time, and in terms of our own revenues from Manitoba, are you optimistic that they will be within the general range of what you were anticipating at that time?

MR. CHERNIACK: Yes, I must say, Mr. Chairman, that we made a reduction in our estimates, based on our own forecast of corporate income especially, from that which had been suggested by the Federal Government, and now with the more up-to-date calculation by the Federal Government we are very close, and again we seem to have hit it about right, on basis of present forecasts.

MR. WEIR: That refers I gather to the Manitoba share of the taxes that come to us from Ottawa, whether they're our own or theirs. In terms of our own revenues - I'm thinking now in terms of sales tax revenues and things like that that are our own - is there any need for being optimistic that there would be an increase over what was projected or if we're being pessimistic, that we wouldn't have as many revenues as might have been anticipated at budget time - is there any reason for a change in thought at the moment?

MR. CHERNIACK: Again, Mr. Chairman, the Honourable Leader of the Official Opposition may recall an assessment made by the Honourable Member for Brandon West where he indicated that the figures would show that there was a calculated reduction and his forecast was, not his forecast, his assessment was pretty good and again, the department has indicated that there is no need to be optimistic but also no real fear at this stage to be pessimistic.

MR. CHAIRMAN put the question and after a voice vote declared the motion carried.

MR. CHAIRMAN: Committee rise. Call in the Speaker.

#### IN SESSION

MR. BOYCE: Mr. Speaker, I move, seconded by the Member for Kildonan, the report of the committee be received.

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

MR. SPEAKER: The Honourable Minister of Finance.

MR. CHERNIACK: Mr. Speaker, I beg to move, seconded by the Honourable Minister of Labour, that the Resolution reported from the Committee of Ways and Means be read a second time and concurred in.

MR. SPEAKER presented the motion.

MR. CLERK: Resolved that towards making good certain sums of money granted to Her Majesty for the public service of the Province for the fiscal year ending the 31st day of March, 1971, the sum of \$434,614,700 be granted out of Consolidated Fund.

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

#### GOVERNMENT BILLS

MR. CHERNIACK introduced Bill No. 118, an Act for Granting to Her Majesty certain sums of money for the public service of the Province for the fiscal year ending the 31st day of March, 1971.

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

MR. CHERNIACK: Mr. Speaker, the Bill is ready for distribution and will be distributed immediately. I believe there have been times when the House has agreed to go right ahead into second reading, other times it's been stood. I'm in the hands of the House. I am of course prepared to move second reading but that's only with concurrence of the House and leave.

MR. WEIR: Mr. Speaker, leave would be granted from here.

MR. FROESE: Mr. Speaker, I would certainly give leave to have it read for the second time and then I may adjourn it.

MR. CHERNIACK: All right, Mr. Speaker.

MR. CHERNIACK presented, by leave, Bill No. 118, an Act for granting to Her Majesty certain sums of money for the public service of the province for the fiscal year ending the 31st day of March 1971, for second reading.

MR. SPEAKER presented the motion.

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

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

MR. GREEN: Mr. Speaker, would you call the adjourned debates on Page 3 of the Order Paper, starting with No. 65.

MR. SPEAKER: Adjourned debate on second reading. The proposed motion of the Honourable Minister of Mines and Natural Resources, Bill No. 65. The Honourable Member for The Pas.

MR. RON McBRYDE (The Pas): Thank you, Mr. Speaker. Mr. Speaker, Bill 65 relates to the changes in the Commissioner of Northern Affairs Act. I started to speak on this some time ago and I would like to go over what I said briefly. Briefly, Mr. Speaker, what I hope to do in discussing this bill is to discuss the principle of Bill 65; and to indicate that I support Bill 65 with a couple of amendments, but to say, Mr. Speaker, that I'm very doubtful that the

(MR. McBRYDE cont'd) . . . . intention of Bill 65 will be carried out.

Mr. Speaker, last time I spoke on this matter I touched on the nature of the communities that were affected by Bill 65 and I said that basically these communities were poor communities, they consisted of a large number of Treaty Indian people, that there was certain power structure in these communities that have controlled these communities for a long time, but in spite of these generalities that these communities are all at different stages of development. Mr. Speaker, I then went on to talk about the nature of citizen participation and I used the quotation that "man is nothing, man can do nothing without the power to choose". Mr. Speaker, I tried to explain to the House at that time the nature of citizen participation and the nature of people being involved in the decisions that affect them. Mr. Speaker, I tried to indicate that this approach was a positive approach and it was an approach that worked.

Mr. Speaker, now I would like to go on and carrying on the general idea of what I've been saying to discuss the nature or the problem within the Civil Service of any government and how this relates to the political powers that be. First of all, Mr. Speaker, I'd like to quote from Seymour Martin Lipsett in his book "Agrarian Socialism" in which he is discussing the nature of the Civil Service. This is on page 309. "The members of the Civil Service constitute one of the major houses of government, with the power to initiate, amend and veto actions proposed by other branches. The goals and values of the Civil Service are often as important a part of a total complex of forces responsible for state policy as those of the ruling political party." Mr. Speaker, this is basic information I think available to any first year political science student, but Mr. Lipsett does sum it up quite well and I think that since this is very relevant to what I'm saying I would just like to repeat that once more for emphasis: "The members of the Civil Service constitute one of the major houses of government with the power to initiate, amend and veto actions proposed by other branches. The goals and values of the Civil Service are often as important a part of the total complex of forces responsible for state policy as those of the ruling political party". So, Mr. Speaker, what he is saying is that regardless of what political party is in power, the Civil Service can have a tremendous effect on what their programs are and how those programs are carried out and administered.

Mr. Speaker, I would like to say that this government in my opinion has good legislation but I would also like to add, Mr. Speaker, that in many areas it has been a disappointment to me that the administration of certain policies has not changed very much. Mr. Speaker, the nature of the administrative structure is not such that you can say a policy at the top and the same policy will come out at the bottom. Mr. Speaker, that policy can be altered all the way down the line till it reaches the people it's going to affect. Perhaps it is sort of like a meat grinder in a way, that you put something into the top but it seems to come out looking the same at the bottom because of the nature of the machine. It's not a meat grinder, Mr. Speaker, it's not a summer camp, it's a very complex organization and I think as politicians we must be completely aware of the nature of the bureaucracy of the Civil Service and how it works and how it affects the policy that we wish to initiate.

Mr. Speaker, when I was talking about the nature of citizen participation, I think, Mr. Speaker, that this doesn't necessarily fall under any party's philosophy. Mr. Speaker, I am a member of this party because I believe it's more part of our policy than any other party, but, Mr. Speaker, other governments have had some understanding of what this means, I think at the federal level perhaps the Minister I quoted, the Honourable John Munro, the Minister in charge of Housing, Robert Andreas on the Liberal side seem to have some understanding of what this means and what it involves for government. Mr. Speaker, in our own case certainly the Minister of Transportation in his initial forming of contracts in northern Manitoba had some understanding of what this was all about. Mr. Speaker, I am also sure that the Minister of Health and Social Services and the Minister of Municipal Affairs seemed to understand the implication of this sort of approach, but Mr. Speaker, as I said, I think it crosses political lines and some members in our group, as in all the other parties, don't seem to grasp this method, means, this approach to problems.

Mr. Speaker, I think probably a good example at the federal level is certainly the federal White Paper on Indian Affairs. Mr. Speaker, I'm afraid that I've come to the conclusion since I've been in government, that if we had NDP government in power in Ottawa, unless the Minister of Indian Affairs had been someone like Frank Howard, who is very familiar with the situation, that we would have fallen into the same trap as the Honourable Jean Chretien fell into by initiating a policy and approaches set up by the civil service and now, of course,

(MR. McBRYDE cont'd) . . . . the federal cabinet is trying to correct this after the response that they received from the Treaty Indian people across Canada.

Mr. Speaker, I think in the past that this party under its former name as the CCF has gotten into problems because they didn't understand this approach, and I would like to quote, Mr. Speaker, if I may, from "Canada, a Sociological Profile" edited by W. E. Mann. Mr. Speaker, this article was written when the CCF government was still in power in Saskatchewan. It was originally published in the Canadian Journal of Economics and Political Science, No. 1, February 1954. The article is called "Some problems of Metis of Northern Saskatchewan" by B. F. Valentine.

Mr. Speaker, this article describes some of the problems experienced by the CCF government in attempting to bring about some change in the Metis communities in Northern Saskatchewan. I quote from page 208: "Before 1944, for one reason or another, the general populace of Saskatchewan was not particularly concerned about the conditions under which the Metis of the North dwell or with the development of northern natural resources. Hence there were no definite policies on the part of government. But with the change in government, " - that is when the CCF were elected - "a new attitude became accepted which can best be described as one favouring improvement of the general economic and social conditions of the Metis through their participation in whatever new developments took place. These programs," the author says, "though well meant, have been met with resistance from the outset, since the Metis have seen them as threats to their entire customary mode of living. This resistance is clearly evident in the results of the provincial election held in 1952. The distribution of votes in the four settlements with which this paper is concerned are given in the accompanying table."

Mr. Speaker, at that time, not because of the intentions of the CCF government but because of the lack of understanding with which those intentions were carried out in those communities where they attempted to assist the Metis people, the Metis people voted almost overwhelmingly in favour of the Liberal Party against the CCF Party.

Mr. Speaker, the author goes on to say, "At present, much confusion and misunderstanding exists between the Metis and the administration." This was when the CCF were still in power. "The Metis feel that they are being robbed of their natural heritage and that the new programs are rapidly bringing about disintegration of their society. The resentment is such that to be called a CCFer is anathema. The administration cannot understand why well-meant schemes are not being accepted and are even sabotaged at times. It seems to them that the harder they try to do something the worse the situation becomes. This brings the discussion to a point from which it might well have started, to the two questions: What are we as administrators really doing when we define other people's problems; what are we as administrators really trying to do when we say we are trying to help other people."

Now, Mr. Speaker, what I am trying to contend is that unless we understand these two questions and unless we are willing to be able to involve other people in this decision-making process, we won't get the type of results we expect. I think this was probably easiest described to me by one of the Treaty Indians in The Pas who said, "when there was a large flood, a monkey climbed up the tree to get away from the flood. A fish was swimming by so the monkey, feeling sorry, grabbed the fish and held him out of the water to save him from the flood." I think this describes the general problem if you don't understand the circumstances with which you are dealing and if you are not able to allow others to evolve the policy that's really going to affect them.

Mr. Speaker, I'd like to offer at this point a word of advice to my colleagues opposite, to the Liberal and Conservative Parties. Mr. Speaker, I think that one of the reasons they lost in Northern Manitoba was because of the approaches and attitudes of this particular department of government. Mr. Speaker, it was part of my campaign platform to attempt to change this department in terms of its approach and attitude, and, Mr. Speaker, I don't think we have really done it yet. If the honourable members want some advice to get their foothold back in Northern Manitoba they will certainly pick up this issue and carry it on.

Mr. Speaker, what I am trying to say then is that what we decide here in Winnipeg isn't necessarily what happens at Thicket Portage because of the great difference between those of us down who are making the decisions, (1) without a real understanding of Thicket Portage; and (2) because the way policy can be changed as it goes down through the civil service line. If we don't understand these things, Mr. Speaker, then we won't be able to carry out the

(MR. McBRYDE cont'd) . . . . intention of Bill 65.

Now, Mr. Speaker, I'd like to turn for a few moments to the action of the civil servants of the Commissioner of Northern Affairs as they affect certain communities in Northern Manitoba. To do this, Mr. Speaker, I'd like to borrow from the Northern Task Force records some quotations of the feelings of these communities in regard to the approach and attitude of government in this regard.

Mr. Speaker, I'd quote first from the Cross Lake. Most of the quotes on this paper, Mr. Speaker, are taken from the non-treaty or Metis groups that presented briefs in these communities. "We, the members of the Cross Lake non-Treaty Association, do not want Northern Affairs. Northern Affairs is a government by itself with all the powers, rights and privileges to veto our requests. They do not listen to us. They do not consult us. They hold information from us. They lie by not keeping their promises. They build roads through our property without asking for permission. We do not want a certain civil servant to visit our community. We do not want Northern Affairs to run our affairs for us." Mr. Speaker, that is the opinion of the non-treaty people in Cross Lake.

In Ilford, the people there said: "People are not notified of Northern Affairs meetings." Mr. Speaker, I had to ask the people what did they mean by this. What they meant, Mr. Speaker, was that there are certain groups in that community, or a certain couple of people who seem to run the community and that the department relates only to those people and not to the majority of people in that community.

At Moose Lake, Mr. Speaker, the people said "Northern Affairs will not listen." Mr. Speaker, I'd like to comment further on Moose Lake later on.

At Norway House, Mr. Speaker, the people said "Past history of that department (Northern Affairs) leads us to believe Northern Affairs will attempt to control our affairs regardless of what they say."

At Pikwitonei, Mr. Speaker, they said: "Northern Affairs consults only with a local merchant and a few residents." Mr. Speaker, when they were there, the majority of citizens, who happen to be non-treaty Indians, were concerned about the fact that they had just held an election to elect the mayor and council but they felt that somehow the election had gyped them because they weren't really aware that there was going to be an election and as a result people were elected by acclamation. Mr. Speaker, I don't know the legalities involved there, but this was the opinion of the people in that community.

In Thicket Portage, Mr. Speaker, the people in the brief presented to the Task Force said: "Our experience with Northern Affairs here has been one of those of dictatorial types of leadership. How can a government let one or two civil servants be the bottleneck in all these communities and still say they live in a democratic world? They are here to rule the lives of the people of these Northern communities."

In Wabowden, Mr. Speaker, the brief presented dealt with this particular function of government by saying: "The senior civil servants with Northern Affairs may have done a wonderful job when working for the Highways Department but they are now working with a different type of people and their dictatorial methods create much resentment. Our Federation feels that these problems of lack of communication and distrust would be eliminated with a change of Northern Affairs personnel."

Mr. Speaker, those are some quotes that we received from the Northern Task Force from a number of communities.

Mr. Speaker, I'd just like to take it further, and at one time earlier in my speech I mentioned the power structure in certain communities, that is, usually people from outside the communities who tend to control the communities. I remember, Mr. Speaker, when the people of Moose Lake were very upset because they received a new winter road into Moose Lake, so the Department of Northern Affairs or the Commissioner of Northern Affairs Department hired a helicopter to show the people of Moose Lake the new road that was built. Mr. Speaker, he took the two non-Indian traders who were in the community but he didn't take any representative of the Moose Lake Co-op which is the largest transporter of goods in Moose Lake. Mr. Speaker, they felt this was (1) discrimination; and (2) supporting a minority against the majority of the people in the community.

Mr. Speaker, another example that I was told of in the North -- Mr. Speaker, I'm going beyond to say that perhaps we won't carry out the policy of government, but, Mr. Speaker, my concern is that the action of this department can actually prevent or hinder or set back the



(MR. McBRYDE cont'd) . . . . development of communities in Northern Manitoba. For example, Mr. Speaker, when a person in one community stood up at a public meeting to express his concern with the way this department was functioning, a representative of that department said, "You were drunk last week in The Pas," and therefore, Mr. Speaker, that resident slumped back down into his seat and didn't say anything else. Mr. Speaker, I don't think this leads to the development of people. I think this type of tactic means that this group of civil servants hopes to control communities rather than assist in the development of communities.

Mr. Speaker, the same sort of example came up when a woman went into Thompson to talk with representatives of this department. The reply was, "You can't even look after your children so why do you try and tell me how to run this department?" Mr. Speaker, as I said, this kind of attitude hinders development rather than assist the development.

Another example, Mr. Speaker, that certainly came home to me that perhaps this group of civil servants wish to control communities rather than help them develop, I believe it was about two years ago when there was an Indian and Metis Conference in Winnipeg. The community of Cross Lake elected leaders in their community and held bingo's, etc., to pay their way to come to the Indian and Metis Conference and to be their spokesmen at Winnipeg, to be the spokesmen for the non-treaty Indians at Cross Lake. Well, Mr. Speaker, these particular representatives had certain criticisms of the Department of Northern Affairs. They did not always support what Northern Affairs did so the Department went in and paid the way to Winnipeg for someone in the community who they knew would support them and their position.

Mr. Speaker, this was not an elected representative of the people but it was, Mr. Speaker, the father of one of the elected representatives, and I can recall, Mr. Speaker, and I believe this fellow was 18 years old at the time, stood up at the public meeting in Winnipeg and said "My father does not represent the people; he has been brought here by Northern Affairs. He's not elected, he is not a representative of the community of Cross Lake." Mr. Speaker, that was a very hard thing for him to say, but he realized the significance of what was going on and felt the need to say it.

Mr. Speaker, more recently at Moose Lake the community made a decision as to priorities for certain projects that were to go on in Moose Lake. Mr. Speaker, a local representative from the Northern Affairs Department came in and cooperated with the people to establish these priorities, but unfortunately when it reached Winnipeg the priorities were changed to those of Winnipeg priorities rather than those of Moose Lake priorities, so this particular coordinator was forced to go back and say these are the priorities that the department has set for you and not the priorities that you have established with me previously.

Mr. Speaker, I hope I'm getting this across because there's a real problem in Northern Manitoba. There's a real problem in the development of these communities, and Mr. Speaker, I'd go so far as to say that what we have in this office, the Commissioner of Northern Affairs and the civil servants of that department, is a colonialistic power in Northern Manitoba. Mr. Speaker, it's somewhere where the Indian Affairs Department was 20 or 30 years ago where they try and control communities rather than assist in the development of communities.

When the people criticize this department the standard reply is: Well, why should you throw sticks and stones after all we've done for you, after all the money we've put into your community? Mr. Speaker, it's not as the Member from Churchill would indicate of the lack of money. Mr. Speaker, more money would certainly help, but it's the matter of the approach and method of the people operating within this department of government.

Mr. Speaker, in my work in the North I've come to know some of the leaders in the non-treaty community very well and you develop a respect for some leaders who you know (1) are capable; (2) reflect the opinion of that community or the feelings of that community. Mr. Speaker, some of these leaders that I've had the good fortune of knowing are people like Peachy Thomas and Winston Klein at Easterville, people like Mayor Sanderson and Philip Umperville at Moose Lake, people like Don McIvor and Pete Braun at Wabowden, people like Andrew Kirkness at Thicket Portage, people like Don Petit at Cross Lake, people like John Tait and Elizabeth Isbister at Norway House. Mr. Speaker, when this government, my own government is not able to respond, is not able to listen to, is not able to work effectively with these type of leaders, I know something is wrong. I think I have some idea of the feeling of the Member from Churchill some years ago when he had to say to his party, I can't support you because of your methods, or lack of methods in Northern Manitoba.

(MR. McBRYDE cont'd).

Mr. Speaker, with a couple of changes this legislation, Bill 65, I think is quite acceptable to the people affected by the Northern Affairs Act, but, Mr. Speaker, I don't think it will be effective without a change in attitude, a change in approach. Mr. Speaker, this change is going on with many institutions all over the country. Certainly the Anglican Church in their study called "Beyond the Trapline" by Charles E. Henry set as number one priority, Mr. Speaker, not the amount of money that was spent - and I quote from Page 91: "Top priority must be directed to changes in basic attitudes, especially attitudes towards native people. The most fundamental need is the realignment of attitude which calls for an explicit reformation of goals."

Mr. Speaker, in the speech I quoted from previously by the Honourable John Munro, I think he said something similar, I think he said something that speaks to my own government. This was from his Citizen Participation Community Development Process that he gave to the Community Welfare Planning Council in 1969. After discussing the basic approach of community development, he said: "So all of us are faced with the need to adjust to new realities which will test our commitments to the goals which have long stood before us. Paternalism has never cured poverty and it never will. Participation means we must be prepared to accept that those who have long been voiceless will soon be telling us how we should be doing our job. On occasion they may even be wrong."

Well, Mr. Speaker, this is something that is very difficult for government, to allow somebody else to tell them what to do. Certainly, Mr. Speaker, government can't listen to certain interest groups and do exactly what they're told. But, Mr. Speaker, if there is a chance in Manitoba to use an approach of citizen participation, of people involvement in what's going on, then it is as in the small communities of northern Manitoba because there are specific things that affect only those communities, and the interests of those communities, Mr. Speaker, should be the same as the interests of government, that is the development of those communities. Mr. Speaker, I would maintain that development of those communities is only going to be achieved if we are capable of using a developmental approach and we are capable of providing a civil service that is capable of using a developmental approach.

Now, Mr. Speaker, as I said, Bill 65 has good intentions, it is to give the people some say in what is going on in their communities. But, Mr. Speaker, I am afraid that without a change in attitude in those who are administering this Bill, we won't get any results. Without a change in the approach that those people are using, without perhaps removing some of the more dictatorial personnel, Mr. Speaker, this well-intentioned legislation will have no effect in Northern Manitoba unless we are willing to look at those things and carry them out. Thank you, Mr. Speaker.

MR. SPEAKER: Are you ready for the question?

MR. GREEN: Mr. Speaker, I move, seconded by the Honourable Minister of Finance, that debate be adjourned.

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

MR. GREEN: Bill No. 56, Mr. Speaker.

MR. SPEAKER: The proposed motion of the Honourable Minister of Municipal Affairs, Bill No. 56, and the proposed motion of the Honourable Member for Ste. Rose in amendment thereto, which I'm holding.

I have perused the contents of the proposed amendment of the Honourable Member for Ste. Rose. The operative portion of his amendment is divided into three parts. What the amendment calls for in parts 1 and 2, I feel would be more proper if moved at some stage after the Bill had received second reading. It appears to me that these parts of the amendment are an attempt to amend specific sections of the Bill.

With reference to Part 3 of the amendment, may I refer honourable members to Citation 249 (3) of Beauchesne, 4th Edition, which reads as follows: "An amendment declaring that government action on any matter should be taken forthwith and giving a direct order which, if approved by the House, would compel the government to adopt measures involving an expenditure of public money, could not be moved by a private member."

The introduction of Bill 56 was accompanied by a message from His Honour and this message was for the implementation of the said Bill in the form presented to the House and not in any substantial variation of it. The proposed amendment is not in abstract form but reads in part as follows, and I quote from the honourable member's amendment: "The government of Manitoba should proceed to institute legislation . . ." Then it continues to make

(MR. SPEAKER cont'd) . . . the third proposal which I do not believe would fall within the limits of the message from His Honour. Therefore, I must rule the proposed amendment out of order.

Are you ready for the question? The Honourable Member for Birtle-Russell.

MR. GRAHAM: Thank you, Mr. Speaker. It's been quite some time since we discussed automobile insurance in this House -- (Interjection) -- Yes, we did discuss some of it yesterday but there is still much to be said on this Bill. No doubt there'll be some said for it; there'll be quite a bit said in contradiction to this Bill.

At this time I would like to confine most of my remarks, Mr. Speaker, to the report of the committee that was set up to investigate the feasibility of automobile insurance and to in fact investigate the whole field of automobile insurance. The terms of reference as laid out in the report on October 29th, approval was given by the Cabinet of the Province of Manitoba to the terms of reference of the Manitoba Automobile Insurance Committee and they were as follows:

- (1) To investigate the feasibility of instituting a program of public automobile insurance and to hear and consider representations respecting all aspects of automobile insurance;
- (2) To make recommendations deemed to be in the interests of the general public; and
- (3) To draft or to submit draft legislation.

Now, Mr. Speaker, it would seem to me that government automobile insurance in that light was a foregone conclusion. The Cabinet in its wisdom apparently didn't even want to investigate any present insurance schemes, didn't want to investigate any of the problems that are inherent with the present system or to even make recommendations that could possibly improve the present system, because Part (2) of their terms of reference - and I say it again, Mr. Speaker - was to make recommendations deemed to be in the interests of the general public, and I would say, Mr. Speaker, that if any improvement could be made in an existing system, I would think it would be in the interests of the general public.

However, this government didn't feel that it should make any recommendations that were deemed to be in the interests of the general public. They didn't feel that it was fitting for them to make any recommendations deemed to be in the interest of the general public, and I think this is a pretty serious charge, Mr. Speaker. Is this government really concerned about the general public or are they more concerned about their own image, politically and otherwise. It would seem to me that if they were concerned about the general public and some of their promises to the general public, that they would probably have dealt with the relief of taxes to the local taxpayer rather than dealing with the automobile insurance. So I say, Mr. Speaker, that the recommendations of this automobile insurance committee were purely selfish.

My leader has stated quite some time ago that this automobile committee was a kangaroo court and I have to agree with him. It was a committee so prejudiced and dedicated to the principle of killing an industry and proving one of their political planks in their platform that they weren't the least bit concerned with the public. In fact all they wanted to do was show the power that they have in Cabinet and, to a limited degree, in their caucus. Anybody that has ever studied the socialistic doctrine realizes that the number one concern in any socialistic doctrine is the obtaining of power for the sake of power in the hands of a very few individuals. They're not concerned with the people, they're concerned with power for power's sake and they're power mad.

Now, Mr. Speaker, I want to deal with some of the material that was presented to this Legislature by this committee in their recommendations - and I believe it was some 53 or 54 pages in length - and I must say that while there were 37 proposals made to the committee by various groups, what followed after that was of rather concern to me because it was so vague. Some of the significant points that I want to make out of it is recurrent throughout this whole thing, and on Page 8 they start out, this committee's report starts out and it says: "If it can be assumed," and then they go on further, "The committee is inclined to accept this assumption." Then a further, "One must conclude," then later on, "The opinion was expressed and the committee does not believe." And then it goes on, "It is evident to this committee that this may be justified, it raises questions in the mind of the committee." Then they do get positive and they say: "It must be said," but then they go on further and say: "There is some doubt in the minds of this committee, there is undoubtedly a tendency," then "If there is any validity to the theory," and on and on - assumptions, beliefs, doubts, but throughout the whole thing we come down to the final result that four people, three people and a secretary, have made a recommendation which they were instructed in the first place to bring in.

MR. PAWLEY: Mr. Speaker, I must, as a member of that committee, on a point of privilege reject any suggestion that the committee was working under any instruction as to the type of report it was to bring in and the honourable member should therefore withdraw that remark.

MR. GRAHAM: Mr. Speaker, on the same point of order, I refer the Minister specifically to the terms of reference, and the third term of reference was to submit draft legislation. Is that not instruction?

MR. GREEN: Mr. Speaker, I believe the Honourable Member for Municipal Affairs raised a point of privilege not a point of order, and the clear implication of my honourable friend's remarks is not that the report was brought in as a result of the instructions in the term of reference but that the instructions were to bring in the report which contained the information that was made, and if my honourable friend will read his remarks tomorrow he will realize that's what he said.

MR. GRAHAM: Well, Mr. Speaker, I would continue on . . .

MR. PAWLEY: . . . still remains and I would appreciate your making a ruling in respect to it because it's a very clear indication that this committee was working under direct instructions to bring in the type of report which in fact it did bring in. This casts a great shadow on all of the members of the committee, including myself, and for that reason I request that the honourable member be requested to withdraw his remarks.

MR. GRAHAM: Mr. Speaker, to carry on . . .

MR. SPEAKER: I believe the Honourable Minister's point is well taken.

MR. GRAHAM: Mr. Speaker, with all due respect, it is specifically outlined right here in the terms of reference, and if he wants me to read it again I will read it again to him. The three terms of reference, one was to investigate the feasibility of instituting a program of public automobile insurance and to hear and consider representations; two, make recommendations; and third, to submit draft legislation.

MR. SPEAKER: Order, please. It may be wise for all of us to reread the statement. It is now 5:30; the House is adjourned and it will stand adjourned until 2:30 tomorrow afternoon.