

## THE LEGISLATIVE ASSEMBLY OF MANITOBA

10:00 o'clock, Friday, May 8, 1970

Opening Prayer by Mr. Speaker.

MR. SPEAKER: Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees.

INTRODUCTION OF GUESTS

At this point I should like to direct the attention of the honourable members to the gallery where we have 43 Grades Five and Six students of the Mountbatten School. These students are under the direction of Mrs. McCullough and Miss McClure. This school is located in the constituency of the Honourable Member for Riel. On behalf of all the honourable members of the Legislative Assembly I welcome you here this morning.

Adjourned debate. On the proposed motion of the Honourable Member for The Pas. The Honourable Minister of Transportation.

HON. JOSEPH P. BOROWSKI (Minister of Transportation) (Thompson): Mr. Speaker, could I have this matter stand please? (Stand).

MR. SPEAKER: Notices of Motion. Introduction of Bills. Orders of the Day. The Honourable Member for Gladstone.

ORAL QUESTION PERIOD

MR. J. R. FERGUSON (Gladstone): Thank you, Mr. Speaker. Before the Orders of the Day, I'd like to ask the Minister of Mines and Natural Resources if a Flood Board has been constituted to deal with the flood problem at Gladstone and Carman?

HON. SIDNEY GREEN Q. C. (Minister of Mines and Natural Resources) (Inkster): Mr. Speaker, there is a procedure being studied but with regard to the constitution of a Board or not, that has not been done.

MR. FERGUSON: A supplementary question. Has he any idea when this arrangement will be completed then?

MR. GREEN: Mr. Speaker, momentarily; but I don't know whether it will involve the constitution of a Board.

MR. SPEAKER: The Honourable Minister of Labour.

HON. RUSSELL PAULLEY (Minister of Labour) (Transcona): Mr. Speaker, before the Orders of the Day I'd like to lay on the table Order for Return No. 14.

MR. SPEAKER: The Honourable Member for Roblin.

MR. J. WALLY MCKENZIE (Roblin): Mr. Speaker, before the Orders of the Day I'd like to direct a question to the First Minister. Can we expect the denturist legislation reasonably soon in the House?

HON. ED SCHREYER (Premier) (Rossmere): Did the honourable member say the denturists legislation? Well, I believe it will be a matter of only a few sitting days now before the legislation respecting dental mechanics is before the House.

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

MR. HARRY E. GRAHAM (Birtle-Russell): Thank you, Mr. Speaker. I'd like to direct my question to the Minister of Municipal Affairs. In view of the fact that we are now approaching warmer weather, will the Minister be giving authority for the spraying for mosquito control in the Metropolitan area?

HON. HOWARD PAWLEY (Minister of Municipal Affairs) (Selkirk): Mr. Speaker, I'll take that question as notice.

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

MR. GORDON E. JOHNSTON (Portage la Prairie): I have a question for the Minister of Cultural Affairs. It's been drawn to my attention that some organizations who are staging conventions have had difficulty in obtaining the blue Manitoba Centennial Emblem; so my question is can the Minister tell us how these can be obtained; and perhaps a second question, since there seems to be some delay, where are they manufactured?

HON. PHILIP PETURSSON (Minister of Cultural Affairs) (Wellington): Mr. Speaker, I would take that question as notice.

ORDERS OF THE DAY - BUDGET DEBATE

**MR. SPEAKER:** Adjourned debate. On the proposed motion of the Honourable Minister of Finance; and the proposed motion of the Honourable Leader of the Official Opposition in amendment thereto; and the proposed motion of the Honourable House Leader of the Liberal Party in further amendment thereto. The Honourable Member for Fort Garry.

**MR. BUD SHERMAN (Fort Garry):** Mr. Speaker, we had an interesting exchange of views on this subject yesterday. First of all we had the confessions of the Honourable Member for St. Boniface as the position that he must take with respect to critical issues facing the Legislature and facing the province at the present time. Then we had a very dramatic performance by the Minister of Mines and Resources in which he attempted to exorcise himself of any socialist devils that may formerly have possessed him at any stage during his career and to present himself to the Legislature as a man who was above ideology and who was only concerned with the merits of any and all questions that have faced him. I must say that of the two performances -- both of which fell into the category that could best be headed by the Hansard editors and reporters as those in the nature of "True Confessions" -- the most remarkable and the more incredible of the two, Mr. Speaker, was that by the Minister of Mines and Resources. The Minister insisted that he had never really argued or debated or disputed the points of any specific issue ideologically, that he always judges concepts and proposals on the basis of their merit which seemed to imply that those of us who have opposed him on questions affecting the welfare of the people of Manitoba on philosophical grounds have simply taken a position based in and anchored in ideology rather than on merit. And I say to that, Mr. Speaker, that that is not only utter rubbish but it's utter pedantry.

**MR. GREEN:** It's true; it's true.

**MR. SHERMAN:** It's utter pedantry for the Minister of Mines and Resources to say that he . . .

**MR. GREEN:** You should have been here and they you would know.

**MR. SHERMAN:** Well, I have read about the career and followed the career of the Minister of Mines and Resources over the past decade with consuming interest. The fact that I was not in this Chamber does not preclude my knowledge of the particular debates that he's been involved in or the issues with which he's confronted, and I say it's utter pedantry for him to insist that he is about ideology . . .

**MR. GREEN:** I never said that.

**MR. SHERMAN:** . . . that all he is concerned with are the merits of a specific case. I think that those who have opposed him throughout his career, legally, in terms of labour legislation and labour courts and in this Legislature, and in other councils in which he's served, both inside the formal arenas and outside, have taken their stand for the most part on a basis of merit of an argument or a proposal. And in any event, for the Minister of Mines and Resources to say that he's not concerned with ideology, he's only concerned with merit, and then proceed to pursue a line that is founded in ideology is a rather pusillanimous kind of disclaimer. It's the equivalent of saying that you don't intend to impute motives to anybody and then proceed to impute those motives.

**MR. SCHREYER:** . . . permit a question?

**MR. SHERMAN:** Yes, I would.

**MR. SCHREYER:** Could the Honourable Member for Fort Garry give us another version or a translation of the expression "pusillanimous type of disclaimer". Could I have that translated, please.

**MR. SHERMAN:** Well, I'm surprised at the First Minister, Mr. Speaker needing a translation of that term which I'm sure he's heard used on frequent occasions during his career in the House of Commons. My understanding of the word "pusillanimous" is that it means faint-hearted, it means rather fainthearted and weak and timorous. I may be wrong but in any event this is the sense . . .

**MR. LAURENT L. DESJARDINS (St. Boniface):** Why don't you just call him chicken?

**MR. SHERMAN:** . . . of definition that I meant. That's an excellent suggestion from the Member from St. Boniface. Perhaps it would be more helpful to deal in those more direct terms. But Mr. Speaker, when an individual, whether he's a Minister in this government, or a member of this Chamber, or a private citizen participating in a debate on an issue in any area, when he advances ideas and concepts that are linked to a specific ideology and reflect an ideology, and there's nothing wrong with that, it seems to me as I said, to be errant nonsense

(MR. SHERMAN Cont'd) . . . and pedantry for him to argue that there is no ideological implication in what he says and that he is not an ideologue, because he is one of the biggest ideologues in this province.

MR. GREEN: Mr. Speaker, on a question of privilege. I permitted my honourable friend to say this three times, that I claimed not to have an ideology, which is not in accordance with the facts. I said at best on two occasions yesterday that I did have an ideology, but I preferred not to advance arguments to the people of the province of Manitoba based on my ideology but based on whether they were good or bad or otherwise.

MR. SHERMAN: Well, I'll say this, that the Minister of Mines and Resources has always been frank and open and candid about his commitment to socialism, and there's nothing wrong with being committed to socialism the only thing that's wrong about it is the conduct and attitude that was pointed out by my colleague the Member for Lakeside last night in the dissembling of the position and posture of the individual and in the evasion of that commitment and in the deliberate attempt to appear to be all things to all men and to be arguing only from the basis of merit.

If one, for example, Mr. Speaker, thinks that free enterprise and freedom of choice is a better thing for individuals than state induced compulsion, then he's a free enterpriser; he's a free enterpriser. It doesn't matter whether he stands up and says he's a free enterpriser or not. And surely the reverse is true. If one thinks like my honourable friend does, in most instances, that the place for state intervention in a situation is first not last, is one of the first resorts, not one of the last resorts, if he thinks in those terms and practises philosophically and professionally in those terms, as he has done during his public and professional career, then it doesn't matter whether he says he's a socialist or not or whether he says he's got no ideology or not, he is one; and it naturally follows that if he is one, his approach to problems will be socialistic. Now all my colleague from Lakeside has said is that this is the kind of position and posture that the Minister of Mines and Resources is continually trying to evade and that his colleagues in this administration are continually trying to evade . . .

MR. GREEN: Never! Never!

MR. SHERMAN: . . . and if we mention the term "socialism" this is dirty pool somehow, this is dirty politics.

MR. GREEN: Nobody said so.

MR. SHERMAN: It's much easier, is it not, and much quicker and briefer . . .

MR. GREEN: Nobody said it's dirty politics. We said it's a mistake on your part but you continue to make it.

MR. SHERMAN: Well, my impression, Mr. Speaker, is that the impression offered by the Minister and some of his colleagues on the government side of the House feel that when we reduce an argument to the specific basics of socialism versus free enterprise, in those terms, that we're somehow playing dirty politics and playing dirty pool. In the interests of brevity and in the interests of efficiency, it's probably much better to deal in those terms rather than to go into all the circuitous explanations and rationales for these individual positions that people take, and I say to you that if a man takes a consistently pro-socialist, pro-state oriented, pro-state compulsion position, then he is an ideologue and he's dealing from ideology, he's working from ideology, and any disclaimer such as that offered by the Minister of Mines and Resources . . .

MR. GREEN: Mr. Speaker, again, I don't disclaim an ideology. I don't know why my honourable friend insists on saying that I disclaim an ideology. I've never disclaimed an ideology.

MR. SHERMAN: Mr. Speaker, I'll check the record in Hansard for myself and pursue the debate with the Minister at a further time. There is no question, Mr. Speaker, that in this House last night, in this debate last night, the Minister of Mines and Resources insisted that he does not approach issues, questions and concepts from the point of view of ideology, but only from merit, and that we on this side are always approaching it from the point of view of ideology. Now that's the only point I'm trying to make at this stage in my remarks and I say that that's rubbish and it's nonsense and it's also deception.

MR. GREEN: Read Hansard . . .

MR. SHERMAN: The Minister told us his little non-ideological fable, Tolstoyan fable about the rich man riding on the poor man's back, for example, Mr. Speaker. And the punch line was that the rich man will do anything for the poor man except get off his back.

Well, it's an interesting fable; it's an interesting anecdote, but I think the Minister's approach to it and understanding of it differs quite sharply from the understanding that we have

May 8, 1970

(MR. SHERMAN Cont'd)...on this side of that anecdote in its contemporary form and in its modern application. I think that if the Minister searches his memory he'll recall that my colleague the Member from Morris made reference to that specific fable not long ago in this House - I think it was in the last session --(Interjection)--No, it wasn't the red hen. It was the story of the government. The story was the story of the government being on the poor man's back and the government doing everything for him and wiping his brow and assisting him in the heat of the day and in the difficulties and anguishes of his labours and doing everything for him except getting off his back. I think the question could be legitimately asked at this stage, Mr. Speaker, whether it's perhaps not better to have a rich man on your back than to have the government on your back all the time. I think that question has merit at this point, Mr. Speaker.

Well there's no question that the Member for Lakeside in his remarks last night touched a nerve, a sore nerve and a jangling nerve on the government side, and I think there's probably - if I may steal a phrase from the First Minister and improvise on it myself - I think there's probably some likelihood that the ice cubes in the martini glasses in the Union Centre were tinkling and rattling last night in some dismay as the Member for Lakeside zeroed in on and focussed on the specific evils facing the people of Manitoba and manifested through the attitudes taken by this government at the present time. --(Interjection)-- I beg your pardon?

MR. SCHREYER: There are no martinis at the Union Centre.

MR. SHERMAN: Well, whatever it is, Mr. Speaker that my friends in the Union Centre and my friends in the government put in their glasses, the ice cubes I'm sure rattled in as much consternation there as my honourable friend the First Minister suggested they did in the Manitoba Club in the days following the 25th of June 1969.

Mr. Speaker, for awhile the posture on the part of this government worked, they were, in the euphemism of the Minister of Mines and Natural Resources, nice guys, or at least in a euphemism that's been applied I think rather interestingly to the Minister of Mines and Resources, a euphemism that's been applied at least to the Minister of Mines and Natural Resources, yeah - Mr. Nice Guy. No ideology, he's above ideology, he's just Mr. Nice Guy, Mr. Speaker, this lovable, the lovable Minister of Mines and Resources, sometimes called, as my colleague from River Heights reminds me, the Minister of Fish. But it just so happens, Mr. Speaker, that he is one of the most dangerous men in the Province of Manitoba. No more dangerous than many of his colleagues on the front bench and I certainly include the Attorney-General in that category. The whole administration, the whole New Democratic Party, Mr. Speaker, has worked at the pose of Mr. Nice Guy, Mr. small L Liberal, they've worked and they've laboured to construct this image of humanism and charity and love for their fellowman and interest in the problems and plight of the individual citizen. And you know what, Mr. Speaker, they nearly pulled it off, they nearly pulled it off, but they didn't quite make it, the whole thing went down the drainpipe last Wednesday afternoon, not this past Wednesday but Wednesday April 29th, in the confrontation out here on the front steps of this building between officers of this administration and representatives of an industry and people who were speaking in defence of their livelihood. That is where the whole master plan came unstuck and this government and this administration was revealed nakedly and truly for the first time to the public at large in its proper colours and its proper stripe and its proper posture, and those are the colours and the stripe and the posture of unrelenting authoritarianism, of unrelenting authoritarianism, with no room, and there's no room in their library, there's no room in their philosophy for negotiation; it's arbitrary, autocratic authoritarianism, and in the words of my leader yesterday, in the words of my leader yesterday, it's dictatorship, it's dictatorial, it's dictatorial administration, authoritarian in the worse sense of the word. They laugh on that side, Mr. Speaker, they laugh because ignorance is bliss, and I'm speaking of their ignorance and I'm speaking of the ignorance of many people of this province who have not yet really become fully awake, Mr. Speaker, to the threats to their freedom which is embodied in this gang on the government benches at the present time. The threat to their freedom, Mr. Speaker.

The Member for Lakeside as I said, touched a rather raw and sore nerve last night, and he said in response I think to an exchange between himself and the Minister of Mines and Resources, that my job is, speaking for himself, my job is to smoke these deceiving fellows out and have a debate on socialism versus free enterprise, and he entitled his address, his remarks, "socialism and deception" and said that they were synonymous. I think, Mr. Speaker, that he could have gone one step further and spoken about socialism, deception and totalitarianism, because that's what is represented in the attitude of this government towards

(MR. SHERMAN Cont'd) . . . an industry and towards a community of persons and of families whose livelihood is threatened.

It doesn't require much imagination, Mr. Speaker, to envisage greater inroads on our freedom being taken by this government, by this gang as I've described them on the government benches. In the first place they have no appreciation, and no comprehension of the democratic process in the parliamentary system whatever. We have heard the Minister of Transportation, for example, express utter consternation over the fact that we in the Opposition question the government sometimes to the point of badgering the government and harrasing it; utter consternation that we should stand up and interrogate the government to this kind of degree, to this extent, and scrutinize the operations as carefully as we do. Yesterday afternoon in probably the most fatuous speech delivered in this session, possibly in this entire legislature, we heard the Member for Elmwood lecture us for being so unappreciative of all the good things that this government has done. Mr. Speaker, in the view of members such as these this legislative assembly is just a mill, that's all it is, it's just a piece of machinery, just a press through which the government's proposals are to be quickly and efficiently processed and pushed, just as mechanistically as possible, without question, without scrutiny, and with fawning praise and adulation.

MR. BOROWSKI: Who wrote your speech?

MR. SHERMAN: I don't need to tell you, Mr. Speaker, that this is - I wrote it, that's why I'm having so much difficulty with it. That's why I'm having so much difficulty with it, Joe. I don't have to tell you Mr. Speaker, that that kind of approach to parliament is not only a reflection of total ignorance of the system, but it is inherently dangerous to this province and to our society in this province. They have no understanding or appreciation of the role of the opposition in the functions of the parliamentary legislative process, and when that kind of situation, when that kind of collective ignorance exists, Mr. Speaker, I say that the freedoms of the people are in threat, the freedoms of the people are in danger. And they are. They can't understand, Mr. Speaker, why we try to behave like an opposition; why we try to oppose them; why we try to scrutinize their proposals; why we try to examine the things; why we challenge them on what they are doing. They can't understand it. We're supposed to sit here like a rubber stamp, stamp, stamp, stamp. Well I'll tell you this, Mr. Speaker, that in that stamp, stamp, stamp, Mr. Speaker, if you listen closely enough you can hear the muffled cadence of the jackboots.

MR. RUSSELL DOERN: (Elmwood): Would the Honourable Member submit to a question?

MR. SHERMAN: No I'll take one after, Russ. I will afterwards. You can hear the muffled cadence of the jackboots marching, marching, marching. They laugh, Mr. Speaker, but this is how a society is infiltrated and undermined.

MR. G. JOHNSTON: I'm sure my honourable friend means jackasses.

MR. SHERMAN: This is how, Mr. Speaker, societies are infiltrated and undermined. It's precisely how. This is a typical reaction of course, Mr. Speaker, from people who really know not what they do. They laugh but they don't know, those people on the front bench of this government, they don't know that they are only pawns in the game themselves, they are only pawns in the game themselves, Mr. Speaker. This particular element, yes this particular element that at the moment, to the great misfortune of the Province of Manitoba, has some responsibility, not that it's fulfilling it very capably, but has some responsibility to the conduct of our affairs, represent a threat to the freedoms of the people of Manitoba. I say that freedom is under seige in this province Mr. Speaker. We had excellent, articulate example on it on Wednesday afternoon, April 29th when the First Minister of this province refused out of hand to countenance any dialogue or to consider any position that obstructed or in any way was opposed to the autocratic, unconditional, non-negotiable position, that he and his government have taken on the issue which in this case in its narrow sense happened to be automobile insurance, but which in its broad application happened to be freedom and the right to choose freely. Freedom of choice.

MR. GREEN: Mr. Speaker, I wonder if the honourable member would permit a question?

MR. SHERMAN: Well because it's the Minister of Mines and Resources, I will.

MR. GREEN: I knew that, because I'm a nice guy, Mr. Speaker.

MR. SHERMAN: Such a lovable Manitoban.

MR. GREEN: Can the honourable member tell me what the reaction of his government would have been if the trade unions in Manitoba had threatened a general strike because they

(MR. GREEN Cont'd) . . . didn't like the labour legislation which created them as legal entities - what would have been his reaction as to what you do about that?

MR. SHERMAN: Mr. Speaker, that's an impossible question to answer. It's a ridiculous question. I can tell you, I'll give you my answer. I would sit down and negotiate with them. Yes I would, but why ask a stupid question . . .

MR. GREEN: . . . conjunction, that's what you'd do.

MR. SHERMAN: Mr. Speaker, that's a ridiculous question and the Minister knows it. How can anybody answer a question . . . If he wants my personal answer, I'll give it to him. I would sit down and negotiate. I would not stand with my arms folded on the steps of the legislature and say this is the way it's going to be. Don't talk to us about it. We would negotiate and know what we are going to do.

MR. GREEN: And after you had negotiated and decided that you wanted to put into legislation, and they had said that they wanted . . . Mr. Speaker, may I continue to ask my question? At a certain point the government decides to take a position, and after you had gone through what you considered to be the fullest of negotiation, and decided that this was the right thing to do, that is to create trade unions as legal entities, what would you do if the 50,000 trade unionists said that they were going to engage in a general strike? What would you do.

MR. SHERMAN: In the first place, Mr. Speaker, that process was not followed in connection with the incident to which we are referring, because there never was the kind of two way communication that there should have been. But in the second place, in the second place, if you want my answer what I would do, is I would sit down again, that's what I would do. I would sit down again with them.

Mr. Speaker, if any of us . . .

HON. SAUL CHERNIACK (Minister of Finance) (St. Johns): . . .question for me?

MR. SHERMAN: Well, there's another nice guy, Mr. Speaker.

MR. CHERNIACK: I'm now in the same category. I wonder if the honourable member would clarify for me just who is controlling the pawns, these nice guys that sit on the front bench, if he could only explain to me so I would know who is my master.

MR. SHERMAN: Well I'll tell you one person who's controlling you, one person who has great influence is the Honourable Member for Crescentwood. But even he, Mr. Speaker . . .

MR. GREEN: Mr. Speaker, may I ask the honourable member a question?

MR. SHERMAN: One more question at the end of . . .

MR. GREEN: Is the honourable member aware that the policy of this group relative to automobile insurance was formulated when the Honourable Member for Crescentwood was probably 3 or 4 years old?

MR. SHERMAN: Even the Honourable Member for Crescentwood Mr. Speaker, is just a middle sized pawn in the game. Even he . . .

MR. CY GONICK (Crescentwood): That's an insult that I just won't accept. I'd have the member know that I'm the chief.

MR. SHERMAN: Did the Honourable Member for Crescentwood ask me to withdraw?

MR. GONICK: Yes, if you'd withdraw that statement and state the truth that I'm No. 1, I'd appreciate that.

MR. SHERMAN: Well, we had enough examples of presumption and presumptiveness on the part of the Minister for Mines and Resources last night, Mr. Speaker. I don't think that the Member for Crescentwood wants to put himself in that category, but I'll yield to his definition of his capacities and capabilities and his rank. But I'll tell you this, Mr. Speaker, if anybody in this Assembly or outside it thinks that this province has seen examples of bare-faced authoritarianism, thus far - we haven't seen anything yet. We haven't seen anything yet. If this government is in long enough, and if they should through some quirk of electoral fate be put in a position where they're able to expand their numerical strength in the House, then I suggest to you, Mr. Speaker, that what we've seen so far will be child's play in terms of autocratic authoritarian administration. It will be child's play. Give this gang a few more seats and a few more years, Mr. Speaker, and there will be nothing left in the province that's recognizable.

A MEMBER: Goodbye Manitoba.

MR. SHERMAN: And bill 56, Mr. Speaker -- and anybody who laughs at it, simply hasn't read it and doesn't understand what is implicit in it -- Bill No. 56, The Automobile Insurance Act, is vivid testimony to that fact. Anybody who takes the trouble to read even part

(MR. SHERMAN Cont'd) . . . of it, even sections, for example, like 2 subsection (3) and 2 subsection (4).

MR. GREEN: Mr. Speaker, on a point of order. Even if we were engaged in the debate on second reading, my honourable friend would not be able to refer to sections . . .

MR. SHERMAN: I'm going no further except referring to the bill.

MR. GREEN: . . . of the bill. There has been and there always is latitude in a budget speech debate, but I don't think that he should be engaging in a direct debate on the legislation.

MR. SHERMAN: Well, Mr. Speaker, here we are into an interesting example again of the peculiar morality that my friend the Minister of Mines and Resources practices - after all that the Attorney-General has done and all . . .

MR. SPEAKER: Order please. I would ask the honourable member to contain his remarks within the framework of what's appropriate at this time, and refrain from making reference to matters which could be more properly debated at another time.

MR. SHERMAN: Yes, I accept your direction, Mr. Speaker. I really only intended to make reference to the bill as a piece of legislation which sets up a latitude for authoritarianism that is of a very dangerous order. As my Leader said yesterday, it provides carte blanche and a ticket to ride, for this government to do anything they want in terms of that industry and all those who are directly or peripherally related to working in it. My Leader called it dictatorial and I simply wish to underscore and endorse that argument, Mr. Speaker, without violating the rules of the House or in any way compromising you by making reference to specific sections of the bill. But they'll reveal themselves in due course, and those who laugh at it now, will perhaps be laughing out of the other sides of their mouths when they see the kind of power that it grants, that it confers upon this government.

Now, Mr. Speaker, what about the budget, what about the budget and the proud boast of the Minister of Finance that there are no increases in taxes?

MR. CHERNIACK: I didn't say that.

MR. SHERMAN: He didn't say it during his Budget Speech, Mr. Speaker, but the whole --(Interjection)-- no, he didn't say it during his budget speech but the whole thrust of the Finance Minister's position inside and outside this Chamber and this government, and particularly the Minister of Mines and Resources, is that there has been no increase in taxes. No increases in taxes eh, Mr. Speaker? Well tell that to the people, the thousands of them whose properties have been reassessed, whose properties have been reassessed sharply upward in the last six to eight weeks in this province. No increases in taxes eh, Mr. Speaker? Tell that to the residents of Fort Garry whose mill rate has gone up to 7.92 mills. No increases in taxes eh, Mr. Speaker? Tell that to the municipalities across the length and breadth of this province who are caught in an avalanche of rising school costs, increasing school costs, and have been offered no assistance, for the first time in many, many recent years have been offered no assistance, not one red cent of assistance or sympathetic understanding even by this province, by this government, of their problem and of how to tackle it and of how to cope with the school costs that they face. No increases in taxes eh, Mr. Speaker? Well tell that to all those Manitobans facing increases in camping fees. No increases in taxes eh, Mr. Speaker? Well tell that to all those people who will have dealings with the Land Titles Offices, the Land Titles Branch, and any dealings having to do with transfer of property in this province.

I got into an exchange, a question and answer exchange on the subject of land titles fees, increases with the Attorney-General during the presentation of his estimates, and I got a docile answer from the Attorney-General intended to pour oil on the troubled waters and to take the steam and the sting out of the position that we were developing on this side of the House, to the effect that costs have gone up and salaries have gone up and therefore land titles fees had to go up. They even had to go up in some cases by as much as 100 percent, Mr. Speaker.

Well my information, Mr. Speaker, on the basis of - and it comes from very high legal sources, unimpeachable legal sources - my information is that the Land Titles Branch and all its offices, the total operation, has for countless years past now shown a profit every year, that it's almost beyond modern memory - modern recall to cite an instance when it lost money, when it ended up in the red, and so with all the difficulties that the Land Titles Office is having in accumulating these profits every year, in turning up on the blue side of the ledger to the extent of thousands of dollars every year, it now becomes incumbent upon the government to raise land titles fees, as I say, in some cases by as much as 100 percent.

Well what kind of mathematics is that, Mr. Speaker? The kind of mathematics it is is

(MR. SHERMAN Cont'd) . . . what we said it was during the estimates of the Attorney-General's Department. It's another tax. It's simply a means of raising revenue to help this government bail itself out of the kind of situations it's already got itself in, to help it pay for Medicare and to help it cope with the programs, the programs that it's undertaken for which there is no constructive counterpart in terms of productivity and in terms of industrial growth and input. Mr. Speaker, I think I have about five minutes left.

MR. SPEAKER: I had just risen to my feet to remind the honourable member of that.

MR. SHERMAN: So, Mr. Speaker, as my honourable colleague from Lakeside who last night delivered one of the great speeches of this session, delivered one of the great speeches of this session, Mr. Speaker, as he said, it's a question of -- it's Socialism and deception and the two are synonymous. It's a matter of deception because it's a matter of semantics when the Minister of Finance or the Minister of Mines and Resources or anybody on the government benches says there's been no increase in taxes.

MR. HARRY SHAFRANSKY (Radisson): What kind of a speech?

MR. SHERMAN: That's deception of the worst order, Mr. Speaker. There have been increases in terms of the burden imposed on people living in this province, whether they be strictly and categorically in terms of Webster's Dictionary definable as taxes or not, they're surcharges for living here. Mr. Speaker, there was an editorial in the Winnipeg Tribune on May 4th deploring the fact there had not been in the first four months of this year a single announcement of any new construction project so far in the downtown core of Winnipeg. There actually, Mr. Speaker . . .

MR. DOERN: Read the whole article.

MR. SHERMAN: I read the whole article. There actually, Mr. Speaker, have been some announcements of cancellations of projects in the downtown core, some reversals of earlier decisions. It's not just a question of no new construction projects started, some have been, temporarily at least and perhaps permanently scrapped, and I refer, with a major question mark, to the Centrepoint project. I don't know where it stands at the moment but I don't see it rising from the street level in the heart of Winnipeg's downtown core. I refer to the Holiday Inn projected development; I refer too, Mr. Speaker, to the twin 32-storey apartment towers in the Roslyn Road area that were due to get under way.

MR. DOERN: Have you heard of tight money?

MR. SHERMAN: And over and above that -- yes, I've heard of tight money and I've also heard of stultifying economic climates too. And I refer too, Mr. Speaker, to the projected project in the Main and McDermot area, or the Main and William near the Centennial Arts Centre, that was supposed to get off the boards and off the ground some time this year and include a high-rise office building among other components. These are just some of the projects that now have been shelved because of the climate, economically, existing in this province and the doubt and anxiety and the fear that investors and developers and entrepreneurs have as a consequence of the dogmatic, socialist practices being followed by this present administration. I say that the whole economic future of this province is at stake in the confrontation that we have at the present time, and for anybody on that side to argue that there have been no moves, there have been no departures of a business sense from this province as a consequence of the present administration's taking office is, I say, untrue, Mr. Speaker, it's untrue. I know myself of at least five companies that have moved out of here because they don't like the climate created by this government.

Now they're not going to -- and I'll tell you one of them, I've raised it before and it's been swept under the rug again and again. --(Interjection)-- One of them is A & W, yes. One of them is A & W and this government sweeps that under the rug. But the fact is that the President of A & W, Mr. Speaker, had bought a house here and was intending to live here and maintain the headquarters of the company here. Why should A & W get in a fight with the Manitoba Government? They're not going to stand up and say publicly that they're getting out because they don't like this government, but they say it privately and that was the rationale for their move.

MR. SHAFRANSKY: What about the other four? Give us the names.

MR. SHERMAN: Name the other four. One of them was Catelli-Habitant Foods. Another one --(Interjection)-- Just a minute. The Member for Radisson seems a little over-anxious, Mr. Speaker. I told you that I know of five companies that have advised me -- they're not going to stand up on a public platform and say it because they've got corporate interests across the country. I don't know whether they'd advise you or not but they've advised me. Let me ask the Minister of Finance about Kennedy Flooring -- Kennedy Flooring -- Kennedy Flooring for example;



(MR. SHERMAN Cont'd) . . . Let me ask the Minister of Finance about the distribution offices of Selkirk Chimneys, for example; and let me also ask him once again about the plans that Salisbury House had for head office operations here. Now there are five and there are many more but I'm --(Interjection)--yes, Hudson Bay. They're bringing in one director in a Hudson Bay blanket; that's wonderful, marvellous. I'm delighted to have the head office of Hudson Bay here but don't try and snow us - through you, Mr. Speaker, to the Minister of Mines and Resources, don't try and don't let the Minister of Mines and Resources try and snow us that move of the Hudson Bay's head office to Winnipeg represents any significant input economically into this community because we're delighted to have them here, but it doesn't represent a significant input and he knows it.

Mr. Speaker, I'm at the end of my remarks, Mr. Speaker. I'm at the end of my remarks, Mr. Speaker, except to ask one question that I think is very pertinent. Why is it - why is it that in these debates on issues as crucial as the budget and as crucial as automobile insurance, we get all kinds of semantical flak from the Minister of Mines and Resources and from the Minister of Finance and from the Attorney-General, but the First Minister of this province, Mr. Speaker, doesn't get into the fight except to take the declamatory position that he did on the front steps of this building last week before the industry. But why doesn't the First Minister stand up and speak and get into these confrontations and get into these debates and try to cope with the issues and give us some rational reasonable answers. Why is all his blocking done for him by Mr. Nice Guy, the Minister of Mines and Resources, the blocking back of this government, and by the Attorney-General and by the Minister of Finance? We'd like to hear one of these days, Mr. Speaker, from the First Minister of this province.

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

MR. DOERN: . . . question of the last speaker? Would the honourable member submit to a question?

MR. SPEAKER: I believe the honourable member at this point is also encroaching on the time of another member who wishes to speak. The Honourable Member for Crescentwood.

MR. GONICK: Well in view of the fact that the Member for Fort Garry has finally discovered the truth, namely my preeminent position in this group and not only in this group but in Canada and North America and the world, I felt I just had to get up at this time and make my contribution.

The last thing he said was that he knows of five companies that have left the Province of Manitoba as a result of this -- in the time that this government has reigned. And that figure is a surprise to me. I would have thought that it would be a much greater figure than five because I know that in the Province of Saskatchewan in the same period there have been many more than five companies that have closed down in the last year. I'm sure that it's in excess of 25 to 30 companies and I know that in the Province of Ontario it probably approaches 50 companies, much bigger ones than the ones that have closed down in Manitoba.

MR. G. JOHNSTON: Where did they move to?

MR. GONICK: General Motors has laid off 5,000 men in several of its plants; Dunlop has closed down in Ontario. So the figure that he has quoted to us, to me is a very encouraging one because that means that there are fewer plants closing down in Manitoba than probably any other province in Canada.

I must say to the members that I enjoyed the speech of the Minister of Mines and Resources last night, not only because I must confess that I enjoy watching the members opposite squirm a little because I think he said some important things. So far in this debate we've heard about red radicals, we've heard about unhealthy pinkoes, we've heard about center leftists, we've heard about leftists and rightists, we've heard about Cubans, Russia, China, Mao Tse Chung, Trotskyists and Maorists and dictatorships and authoritarianisms, authoritarianism and totalitarianism. We've heard about all these things and that seems to be what this debate has been about; we've heard very little about the Budget of the Province of Manitoba.

Now I know that many people think in terms of labels and slogans because people can't feel comfortable unless they're able to put people in little boxes and put simple labels on them, because once they've done that they don't have to listen to what people are saying because they know what they've said. They don't have to hear them; they know what they've said because the labels they've placed upon them tells them what they have said. I think that's what's happening here. I know that personally I've been flabbergasted at times when I hear what people say, or

(MR. GONICK Cont'd) . . . or what they say they hear me say, because very often it bears very little resemblance to what I think I have said. Now maybe that's because I don't communicate too well. I know the Member from Winnipeg Centre, who is apparently not here right now, is always lecturing to me about I must communicate better and so on and so forth and I admit I'm not always the best communicator in the world.

But I think there is another problem and that is that, as I've said, people are much more comfortable if they put people in little boxes, pin labels on them, and so they don't really have to hear what I say, and they don't hear what I say, and it doesn't matter what I say because they know what I've said regardless of what words I've used. I think I probably do the same to a degree. I think everyone probably does it because everyone responds to other people in terms of their own prejudices, in terms of their own categories, and I probably don't hear what some other people say because I respond also in terms of my prejudices, in terms of my categories. I think that's a kind of a universal phenomena.

Now for each person I'm sure that there are good boxes and bad boxes. The things that are in the good boxes are people with things that accord to their prejudices and things that are in their bad boxes are things that they don't like, that don't accord to their prejudices. Now we have the Member for Lakeside who apparently thinks that most people put in their bad box the word "Socialism". That's reserved for the bad boxes of most people according to him, because he thinks that when most people hear the word "socialism" they think atheism, they think of Stalin, they think of Hitler, they think of free love, they think of materialism, they think of Mao Tse Chung, they think of long hair, they think of John Lennon, they think of Vladimir Lenin, they think of all these terrible wicked things.

MR. GRAHAM: And Gonick.

MR. GONICK: And Gonick, sure. Gonick above all else.

A MEMBER: Number one.

MR. GONICK: Number one. So the whole bit is that if you can label something socialist you'll have smeared that something or that person to the point where he'll be dismissed by the people of this province. Now I don't know whether the member is correct; maybe he's right, maybe that is what most people do when they hear the word "socialist". But I'm not sure that he will be as successful as Joe McCarthy some 15 years ago. Maybe times have changed. Maybe they won't react to him as people 15 years ago reacted to Joe McCarthy. But maybe I'm being optimistic.

I think it's very clear, especially with the contribution of the Member for Fort Garry as well who repeats the same pattern, the pattern is there, that they want to argue that automobile insurance is bad because it's socialist and because it's against free enterprise. They can argue this way, in fact they will argue this way because it allows them to avoid arguing the case against public ownership on its own merits, specifically, in concrete terms. And they know that's their best ground because they know the people of Manitoba are fed up with insurance companies and they want action. So to give it a label, a label which they think most people respond to with horror, they think they can scare people away from this program, from this government. I think that's their pattern and I think it's pretty clear now, and there's nothing we can do to stop them if they want to do that.

I agree with the Member from Inkster that this is a popular measure, and if they say it's socialism, hallelujah for socialism, because as far as I'm concerned - as far as I'm concerned, nobody has to lecture to me about the distortions of socialism in the USSR. I've made my position clear on that, but for me socialism still - I have a good box for socialism - and if the members want to make socialism popular, then let them keep fighting public automobile insurance on those grounds because that will do my cause more good than anything I could do. So they can continue to argue the way they are - and we've heard the ultimate here - that public automobile insurance is a scheme cooked up by the international communist conspiracy whose leader in the Province of Manitoba is the red radical from Crescentwood.

MR. SHERMAN: You said it, Cy.

MR. SCHREYER: You implied it.

MR. GONICK: Well, I want to indicate to the members that --though I'd like to congratulate the Leader of the Opposition because of all the labels that have been attached to me, I rather enjoy his the most. I think the label "red radical" is a label which I will enjoy having. I'm relieved that he didn't call me an unhealthy pinko because pink has never been my favourite colour and I feel very sorry for the Member from Inkster. I'd far rather live with the label

(MR. GONICK Cont'd) . . . :red radical from Crescentwood" than an unhealthy pinko, or a pinko of any kind.

I know that there's nothing we can say which will stop the members opposite from labelling us any way they wish and they are welcome; they'll do it. But as far as I'm concerned - I say this to members of both sides - whether we're talking in terms of centre, left or pinkos or what have you, these labels, as far as I'm concerned, are meaningless, trite, take us away from discussing real issues, they take us away from discussing anything we can deal with with our reason, with argument, and I would hope, although I am sure that this will not stop here. I would hope that we've seen enough drivel in this session already to desist and to get on with a rational debate on the merits of public auto insurance and anything else. --(Interjection)--Well, I know that if they continue it will do my cause a great deal of good, but I think that for the benefit of the people of Manitoba it would be much better in their cause that we talk about the merits of this issue; they can talk about the demerits of the issue; and we can put both sides clearly before the people of Manitoba and let them hear the alternatives that these members will offer.

I just want to say a few words about the crux of the Budget and then I want to talk about what's periphery to the Budget, back of the book, so to speak. The Minister of Finance presented us with a balanced budget. I think that's a pretty remarkable performance and I want to tell you why - and I think it's interesting that that statement's coming from me.

This government this session will be introducing an automobile insurance program, and the Member from River Heights last night said, well what are you doing that's so fantastic and that you congratulate yourselves with regard to a balanced budget? Well, I've probably been the one more critical than anyone there about how little the government is doing this session, but my point of reference, my point of reference is not what the previous administrations have done, because if I used that as my point of reference then this government has done more in one session than what previous administrations have done in six years.

MR. GREEN: Ten years.

MR. GONICK: But my point of reference, when I'm critical that the government is not doing enough, is not their performance but the expectations and the policies of the New Democratic Party. But let's look at what we've got here; automobile insurance; we're going to build apparently 1,000 new units of public housing; major changes in Labour Relations Act; we're going to have a new Landlord and Tenant Act which will revolutionize the relationship between landlords and tenants; we will be giving millions of credit to farmers; we've created a Human Rights Commission; and all this without incurring a deficit. I think that compared to previous performances in this Legislature, that's a pretty good job. We could do better, you can always do better but I think it's a pretty good job.

Now there's no magic to a balanced budget and I suspect that we may not have a balanced budget next year, because it seems as if we are going into a recession. When you go into a recession the government's revenue declines and in a recession it makes sense to incur a deficit, to increase your expenditures, so when one takes into account declining revenues and increased expenditures you are bound to incur a deficit and that will be appropriate then, so there's nothing magic about a balanced budget and, as I say, I don't expect to see a balanced budget next year.

The Member from Lakeside talked about creeping socialism last night. . . .

MR. HARRY ENNS (Lakeside): It wasn't creeping; it was galloping.

MR. GONICK: . . . galloping socialism, and I have interesting statistics for him. I have interesting statistics for the member because I think he'll find, once I'll try to show him, that the greatest revolution that occurred in this province did not occur on June 25th, it occurred in 10 years of administration of the Conservative Government. There's a very interesting table in the back of the Minister of Finance's report and it tells us the investment of dollars by the private sector and by the public sector from 1959 to 1969 and one can figure out the percentages very easily. It tells us that in 1959 private investment in Manitoba accounted for 57 percent of total investment in the province - 57 percent - the majority of investment in Manitoba in 1959 was by the private sector. In 1969, the final year of the administration of the Conservative Government after a full decade, the percentages were just reversed. The public investment now was equal to the percentage in '69 that private investment was in 1959.

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

MR. GONICK: Sure.

MR. ENNS: Well, Mr. Speaker, would the member feel that the figures just cited are indicative of a hang-up on the part of the Progressive Conservative administration about using public funds for public purposes?

MR. GONICK: Oh, I'll explain the significance of it in a moment. I'm not critical at all of it or of the Conservative administration.

Now these figures, I must tell the members, grossly underestimate the extent of public investment in the province, because a major part of the private investment that is listed here, this 47 percent of the total investment, was financed by the public sector through the Manitoba Development Fund, so that if we took into account not only the public spending through government but also the public financing of private investment, we're probably talking of 60 to 65 percent of the total investment of this province being in the public sector. --(Interjection)--Well, now we're talking about 70 or 75 percent maybe.

Now, I don't blame the previous administration for this. In fact they had no option, because if we were going to grow at all in this province, they found they had to put money into our economy. The public sector had to grow and had to grow to such an extent that it shifted the total relationship between private and public sectors, because if they hadn't done that there wouldn't have been any growth at all in this province, or very little growth. The immediate growth in the Province of Manitoba in the past 10 years, as far as I could make out, has been the billion dollars investment of Manitoba Hydro; \$100 million investment in CFI; \$40 million investment in Simplot; and the multiplier effect of these investments. If you take those away I suspect we would have had very very little growth in the Province of Manitoba. So the previous administration had to do this, they had to extend the public sector, not because they are ideologically bent in that direction, because without it they could never have stayed in office even for 10 years.

So under this administration then, we've had an interesting change in the economic structure of the province - not under our administration, under their administration, and that is we have had a phenomenal growth of the public sector. At the same time, a substantial growth in the foreign-owned sector, partially aided by the expansion of the public sector through government loans to foreign companies. And I want to indicate just how important - and I hope to be able to speak on this later - just how important the foreign sector has become in the Province of Manitoba. We've taken the trouble to calculate for medium-sized to large-sized firms just how important foreign ownership is in this province, and for the members who are interested, the calculations are from something called Inter Corporate Ownership put out by the Dominion Bureau of Statistics. This is for 1965. I'm sure the figures are somewhat different today. But these are very interesting. In the first category, which is the relatively small firms, 25 to 50 employees, out of 65 companies, 15 are foreign owned or about 23 percent of the total; the next category, 50 to 100 employees, 20 out of 79 are foreign-owned or 25 percent of the total; the third category, 100 to 200 employees, 25 out of 54 are foreign owned or 46 percent of the total; the category of 200 to 500 employees, 16 out of 28 are foreign owned or 57 percent of the total; the category of 500 to 1000 employees, 3 out of 6 are foreign owned or 50 percent of the total; and the category over 1,000 employees, 2 out of 3 are foreign owned or 67 2/3 percent are foreign owned.

MR. FRANK JOHNSTON (Sturgeon Creek): So what? So what?

MR. GONICK: Well, I just think that's an interesting development that's occurred under the previous administration. --(Interjection)--Well, I'll try to explain the significance.

MR. SHERMAN: How many unions are foreign run?

MR. GONICK: I'll try and explain the significance if the members will permit. --(Interjection)--I think that what has happened -- I think that what has happened here is something which happens . . .

MR. SHERMAN: How many unions are home run?

MR. GONICK: Well, we're not talking about unions right now. We'll talk about that. --(Interjection)-- I think what's happened here, what's significant is that--(Interjection)--well, the members opposite probably know my position on the unions as well. What's significant here is that in order to undertake industrial expansion of a major kind in the 1960's and 1970's, one has to have access to major capital, to technology, to markets, to management - modern management, and it just can't be done except by big enterprise, by large scale enterprise. There's always is a role of course for small enterprise and they can do some things better than anyone else, but major industrial undertakings have to be done by big business, either by

(MR. GONICK Cont'd) . . . publicly owned big business or by privately owned big business. Now what has happened, therefore, is that we've had big businesses of two kinds in the Province of Manitoba's development. One is that which is owned by the people of Manitoba through the public sector and the second is that which is owned by foreign companies in the United States or Europe or England, and that is the kind of economic structure which has developed here.

Now the Member from Sturgeon Creek says "So What?" Well, I know that the members don't really care but I'd like to put into the record of Hansard the answer to that - not my answer, the answer of my party - so if you'll bear with me it will take me just a few minutes. I'd like to read a statement into the record of Hansard - and bear in mind that this isn't the Member for Crescentwood talking - it's a New Democrat Party document he's reading from.

MR. ENNS: Would the member identify the document he's reading from?

MR. GONICK: Pardon me?

MR. ENNS: Would the member identify the document he's reading from, or the magazine?

MR. GONICK: The document is the New Democratic Convention Resolutions passed at the last Winnipeg convention.

MR. ENNS: What is the magazine?

MR. GONICK: The Magazine is Canadian Dimension. I thought this resolution was so good that it deserved to be reprinted in Canadian Dimension Magazine.

MR. ENNS: Mr. Speaker, there's no objection to it but just in keeping with the rules of the House, the members opposite have been careful in asking any documents that we've been reading from . . .

MR. GREEN: On the point of order, I'm sure that my honourable friend is happy to have the opportunity to advertise it and will be willing to give subscriptions - some subscriptions. I said "give" but I don't think he gives anything away.

MR. GONICK: I'm not as kindhearted as the Member from Inkster.

MRS. INEZ TRUEMAN (Fort Rouge): May I ask you a question? Is the Honourable Member from Crescentwood still offering Dimension Magazine at reduced rates to university students.

MR. GONICK: I didn't realize the Member for Fort Rouge was back in school, but definitely, if she would like to apply on that basis, we have special rates.

"The excess of foreign ownership of the Canadian economy is extremely high. Multi-national corporations, mostly American based, are the dominant institutions of Canadian life. Canada has virtually been reduced to a resource base and a consumer market within the American economy. As traditional parties and the Canadian corporate elite have opted for a junior partnership with American enterprise, there is no longer an independent business class prepared to support even a modest strategy of economic independence. As a result, there is now no effective Canadian policy towards multi-national corporations. Only democratic socialism will create the basis, economic and political, for independence. Continental integration has become so pervasive that Canadians who value an independent Canada, and New Democrats who reject the values of corporate capitalism, now share a common agenda. The immediate necessity is to support policies that compel foreign-based corporations to perform in the Canadian public interest. The ultimate goal is to build an independent economy with the priorities of social development as set within Canada by Canadians.

"The New Democratic Party should support therefore" --now the member for - Steve Patrick, I'm sorry he's not in the House - Assiniboia, he was talking about my six points. I'm sorry that he's not here to learn that the six points that I raise and I talk about are the six points by and large that the New Democratic Party talks about.

"(1) Full disclosure and publication of financial data by corporations, Canadian owned as well as foreign owned, and the immediate creation of a special agency to formulate policy towards multi-national corporations.

"(2) The immediate creation of a government export trade agency to block the intrusion into Canada of American law prohibiting trade with certain countries through the medium of the American direct investment firm and the extension of that agency to engage generally in international trade.

"(3) Public control over foreign takeover so as to limit further loss of existing national firms by the prohibition of foreign ownership in certain sectors by a strengthened anti-combines policy and by Crown corporations.

"(4) The immediate creation of a Canada Development Corporation with full government ownership and control. It will be directed to pursue social and not simply corporate objectives.

(MR. GONICK Cont'd) . . . It will also be an instrument of government planning and a means of increasing Canadian independence.

"(5) Expansion of public and cooperative ownership to promote ownership by Canadians of a larger sector of the economy and to halt and reverse the trend to foreign domination, particularly in new industry and development.

"(6) The creation of an integrated set of national policies to stop the further slide of Canada into dependent status and to replace the present inefficient branch plant economy with an independent economy capable of generating its own growth and of being effectively controlled and directed by the national government."

I was interested . . .

MR. F. JOHNSTON: Would the honourable member permit a question? Is the honourable member reading that in the record, as you said, the policy of the NDP Party?

MR. GONICK: This is the policy of the federal New Democratic Party as regards federal policy towards this question. I was interested -- and by the way I've read it partly to answer your question, "so what?" because I think the explanation is here --(Interjection)-- Oh, you didn't understand that. Well maybe I'll have to make it a little clearer then.

I was interested to note that just a few weeks ago a man, who is I think familiar to members opposite, namely Donald Creighton, the biographer of John A. Macdonald had said -- perhaps they are not familiar -- perhaps they are not familiar with him but he is the top Tory historian in Canada, probably the top historian in Canada that ever lived, and he had an interesting thing to say about Canadian independence. I thought he reflected the view of many Tories across the country, and that is that because traditional policies, economic policies have failed to prevent foreign economic domination of this country, he is ready to accept Crown corporations as a legitimate tool to be used for this purpose. In fact, he said he was ready to support nationalization as an economic tool for this purpose.

So just in summing up this one point, it seems to me that what is developing here, not during our period but during the period of the Tory government, is a massive expansion of the public sector and a massive expansion of the foreign sector in Manitoba, and so the debate between us, the debate between us is not whether the public sector will have a major role in the economy -- it has a major role and you're the ones that gave it that major role -- the question between us is what will that role be? Will it be a matter of public giveaways to foreign corporations or will it be a matter of the people, through their own collective energies and will and controls, being able to develop the resources of this province.

MR. F. JOHNSTON: It's all very well but it won't work.

MR. GONICK: It won't work. If it won't work then the people of Manitoba will have the opportunity to throw us out of government.

I have one other point I would like to make to the members. The Member for Lakeside last evening talked about the White Paper and he said that you people are playing a deceptive game here again because you really want that White Paper, those reforms to be implemented, and you are egging the Federal Government on by saying that it just isn't enough and that you're really opposing it, but when it comes in the revolution will have occurred and the people of Canada will know it.

Now I want to deal with that matter because I think that's just nonsense. -- (Interjection) -- Oh, he didn't say it that well. It seems to me that this attitude, that you can really do something about income distribution in this country through shifting income taxes just doesn't take into account reality, because any time you reduce the taxes of the poor, through whatever form, any time you do that, the poor will never be able to hold onto those benefits, because as soon as they've a little cash in their pocket the landlord will raise his rent, the grocery store manager will raise the price of food, his lawyer will raise his fees, the dentist will raise his fees, the finance companies will raise their interest rates, and very soon this extra little money that was in the pockets of the poor will have been transferred to those who have real economic power because that's the way it works. Those people who can benefit from tax changes, those people who benefit from tax changes are the ones who hold economic power because they control prices, they control their prices.

MR. SHERMAN: Would the member permit a question?

MR. GONICK: I only have a few more minutes so I would like to finish this one point. They control the distribution of income in this country and there is no tax change that can

(MR. GONICK cont'd) . . . . really alter the distribution of income for any length of time - only momentarily. Those people who have power, who have economic power because they own resources, they control resources, they can gain those benefits to themselves. They can transfer those tax benefits to themselves and they always will by automatically imposing taxes so as to transfer the benefits to themselves and away from the poor. The poor are powerless and that's why they're poor, and there is nothing a government can do to raise their incomes through tax changes except give them power, and that means shifting power in this country. Any time governments impose extra taxes on business, the businesses don't pay those taxes, what they do is automatically impose those taxes on people and all they are doing is collecting taxes. They are collecting agencies. They don't pay taxes. People pay taxes and the corporations are simply agencies for imposing, transferring taxes onto people, so there can be no changes in the distribution of income or power in this country through changes in income tax.

MR. SPEAKER: The honourable member has five minutes remaining.

MR. GONICK: The only possible way, it seems to me, of really making a change in this country through changes in income tax is to change them so many times that businesses don't have the time to adjust to one change in tax before another one is imposed. So I don't think its members in this party that are applauding the White Paper, even in the back room, because we know it won't do people any good. It may do them a little good momentarily for a few weeks, a few months, but very soon those tax benefits will be taken away from them as they always have. The leader of our party and the spokesmen from our party have insisted very clearly that this White Paper on Taxation will not benefit the poor, will not benefit the people on low incomes and will bring about no change in that sense whatever.

So I wanted to make that clear to the Member from Lakeside because he thinks that every increase in taxes, every increase in government spending, every expansion of Manitoba Hydro, is socialist. And I want to say that socialism to me - I'm sure socialism has a different meaning to everyone - but socialism to me means just one thing, and that is transferring power to people. You can't do that through income tax changes, you can't do it through many of the changes that the members are talking about, and that is why I believe that the legislation which we are about to discuss on automobile insurance is an important piece of legislation because it does give power to people to control their rates, to control their insurance, much more power than any change in taxes are going to do. So I look forward, as many members do, to participating in that debate.

MR. G. JOHNSTON: Would the member permit a question? I appreciate his comments on public ownership, but could he tell us what other areas that he would like to see public ownership or Crown corporations in Manitoba?

MR. GONICK: Well in view of the fact that members opposite understand my role in this government and in this world, if I did do that I'd be enunciating government policy, so I . . .

MR. G. JOHNSTON: A supplementary question, Mr. Speaker. Then it is clear from the answer that your government is considering other areas of public ownership.

MR. SIDNEY SPIVAK, Q. C. (River Heights): Mr. Speaker, I rise in the debate and I'm very happy that I've had an opportunity of hearing the contribution of the Member from Crescentwood and I hope that I'll be in a position to make a contribution to the debate. I must say as well that I'm frankly disappointed with the contribution that the Member for Crescentwood makes today. I would have suspected that he would have become a significant critic of the budget and I would have suspected that he would have at least implored the Minister of Finance to consider some revisions which would in fact accomplish some of the objectives that he has stated here in this House and outside on the public platform. -- (Interjection) -- Well, according to Sherman he may, but if he's doing it he's going to be doing it quietly and he's not going to be doing it publicly.

I might say as well that I think he made reference to the ten years of the Conservative administration and pointed out the revolution that they caused in Manitoba. In this respect, while he may like the terminology "Red Radical," I would prefer the terminology of "Red Tory," and I think that in many respects those who were responsible for the social revolution that took place in Manitoba were Red Tories and I would - because we have to get into this pocket -- (Interjection) -- box -- (Interjection) -- well I'm going to talk about this box and we have to be identified - I would like to be identified as a Red Tory. And I must say, and I must say as well that I have to tell the Honourable Member from Crescentwood that there is a story that the lawyers in this Chamber know that I must apply to him when he uses some of the publications he's involved with as his reference. The story is that a lawyer should never advise himself

(MR. SPIVAK cont'd) . . . . because he has a fool for a client, and I would suggest that in terms of supporting the position, I would recommend that he do not quote from Canadian Dimension, quote from some other source because it will I think affect the judgment that you may be trying to convey.

Now I must say as well that I find -- and I'm going to deal with the Minister of Finance's budget in a few moments and I'm going to try and offer some contribution to his thinking and to the thinking of the members on the opposite side. I must say that I think that this massive debate that is now starting in connection with public ownership with respect to automobile insurance, and the time and the energy that has been spent so far and will be spent in the organized way in which the New Democratic Party and the members of the Cabinet and caucus will be out on the hustings to try and tell the story, that I think that this total effort that has really involved the money and time of the Minister and the members of the committee and Cabinet in the discussion of what they should do and the pros and cons of the course of action and whether it should be this plan or another plan, that while this may very well be a virtuous thing from their point of view, really, is this their first priority. And really, if you are going to argue the case of public ownership - and possibly we should argue the case of public ownership before the people and argue its merits and demerits - really should we be talking about auto insurance or should we be talking about the essentials of life such as food and clothing, because surely if there is a merit to an argument for public ownership then it must be in those areas of essential needs of the people, and while automobile insurance may be a requirement, it is not the essential need, and surely the logical conclusion from what the Honourable Member from Crescentwood has said, is that in fact we should be arguing the other areas. If we accept that that's really what he means, then what we are really talking about, and what he has said publicly but not necessarily in this House, is that what he is against is the system and what he would really like to do - and this is what his remarks really reflect in connection with the problems of the transfer of money and the White Paper - is that he would like to upset the system, because he believes that by upsetting the system he is going to be in a better position to accomplish a result, and so he will transfer the power from those who hold economic power to those who hold government power. He believes they represent the majority, but there is as much tyranny in the majority as there in the tyranny of those who hold economic power, and there is no greater example in the tyranny of the majority than the references that were made to the few hundred and thousand auto insurance agents whose livelihood have been threatened, whose way of life has been changed as a result of government action, and which there is lacking any compassion on the part of the people on the opposite side to deal with their matter.

I suggest to you that all you're really talking about is transferring from those people who hold economic power to government power and the same tyranny will exist. We can go through the fish marketing situation to the fish processors who yet have not received any compensation from the Minister and from the government, and we are going to go and deal with the people and they are, you know they're people, they are small in numbers in terms of the total. So that when you suggest to those on this side that we now talk about the merits and demerits of the issue of public ownership, I suggest to you yes, talk about it; but when you suggest that auto insurance takes the priority then I'm not so sure that I can be sure of your motives, and I'm not so sure that I can really believe that you are motivated in the same sincere way, but rather you may very well be motivated by the political situation in which it may very well be possible -- and I'm not sure that it is, and we're going to have an opportunity to find out whether it is -- it may very well be possible that the public are going to be prepared to accept that premise because of the suggested savings that could be made. -- (Interjection) -- Popular? We'll see how popular it is. We're going to have time and we're going to be going to the people on this and we'll see -- (Interjection) -- I know, we will see. I must tell the Honourable Minister of Mines and Natural Resources from this side, we're not afraid of going to the people on this side.

Now I must say as well to the Honourable Member for Crescentwood when he suggests that we accomplished quite a bit in terms of this year, I may say to him that you, this government, by this budget, fall extremely short of the objectives of the founding members who were responsible for the creation of the New Democratic Party. -- (Interjection) -- And that's true. Yes, that's true and that's certain. But there were areas in which you could have in fact indicated an emphasis and attempted something; because the things that you've talked about



(MR. SPIVAK cont'd) . . . . essentially, the things that you've talked about are all a continuation of the ten, eleven years' programs of the Conservative Government. When you talk about assistance to agriculture; who gave agriculture its assistance in Manitoba but the Conservative Government? -- (Interjection) -- Oh, you're now talking that auto insurance is going to be the great contribution. Well let's measure it because I'm going to . . .

MR. GONICK: Public housing, how many public houses did you build in ten years?

MR. SPIVAK: Public housing program is supported by the Federal Government and public housing . . .

MR. GONICK: How many public housing projects did you build?

MR. SPIVAK: Now look, let's just wait one second. Each successive year of the Conservative government administration . . .

MR. GONICK: How many?

MR. SPIVAK: Each successive year of the Conservative Government administration more and more was accomplished; and I would suggest to the Honourable Member from Crescentwood that had we remained in power and had we come to this House you would have had far more accomplished this year than that government did . . .

MR. GONICK: We built more public houses in one year than you did in ten.

MR. CHERNIACK: Would you be quiet boys? Hold the line. Did you see the hand?

MR. SPIVAK: Hold the line? My God the Honourable Minister of Mines and Natural Resources yesterday stood up and said there's virtue in a balanced budget. That's what he said, which is exactly what we said. In this particular situation there was virtue in a balanced budget; and lo and behold what they're saying is we have been able to accomplish it, we've accomplished a balanced budget. Yes we accomplished a balanced budget and done so much.

Well I'm going to talk about some of the things that you should have done that you didn't do. Now we have an odd spectacle in here. We have an odd spectacle here. You know we have an attempt to try and create impressions of movement and activity and the suggestion that we've done so much, so much more than anyone else, and that doesn't wash. We have the Minister of Transportation chiding the Chamber of Commerce as one element; at the same time we have the Minister of Finance who requires the cooperation and assistance of the business community to finance this province out trying to solicit their support. And as a matter of fact I must say to you that in listening, well to the Honourable Minister of Mines and Natural Resources yesterday, and in reading the -- and I was absent when the Budget Speech was presented, the Budget Speech of the Honourable Minister of Finance -- I sort of got an impression that the words that were on the paper that I have in front of me which is the Budget Speech itself, that really these words were not the words of the Honourable Minister of Finance but rather of Gurney Evans. As a matter of fact I had a picture when I read this, I pictured a man standing tall, with very little hair, talking in a very respectable manner, in a very cultured manner of the actual financial position of the province, exercising restraint but with the objective of trying to achieve social gains. And I suggest, Mr. Speaker, that there is nothing in this Budget, nor is there any wording, nor is there any emphasis that was not in the previous budgets and certainly not in the last budget of the Honourable Gurney Evans. And there is no change. And I must suggest that although the other members on the other side would want to say that we have done such a great thing and we have really made the significant changes, it doesn't exist and it's not here.

MR. GREEN: Who's budget had the Medicare premium in it?

MR. SPIVAK: Now, the Medicare premium we -- yes, we now have it. I accept there has been a shift as a result of the Medicare premium. And now having said that, now having said that, let's now talk about all the other things that have not happened.

MR. CHERNIACK: Was it good though?

MR. SPIVAK: This Budget?

MR. CHERNIACK: The Medicare premium shift.

MR. SPIVAK: The Medicare premium shift was an extremely good political maneuver, but what it did do is it prevented the government from using the increased taxation for other areas of social improvement which in the long run probably would have caused a greater gain to a greater number of people in Manitoba.

MR. CHERNIACK: Would you permit a question?

MR. SPIVAK: At the end if you do not mind.

MR. CHERNIACK: Aw come on. You'll forget what you said.

MR. SPIVAK: I won't forget what I've said.

MR. CHERNIACK: You'll forget what you've said.

MR. SPIVAK: I will not forget.

MR. CHERNIACK: Permit a question.

MR. SPIVAK: You're one of the good guys but let me finish if I may. Now Manitoba is never an instigator of economic trends. We either benefit from the economic trends or we're their victim. Our strength is really our people and the manner in which we can develop internally, and this is why there was such a great effort on the part of the previous administration for the involvement in the private area of support through the public purse. -- (Interjection) -- Well -- and it worked.

But I must now say something to the Honourable Member from Crescentwood who gave us some statistics. The statistics he referred to showed in the ten-year period private investment of \$4 billion. That's what those statistics show. The Manitoba Development Fund by its various reports has only paid out \$60 million so far, -- (Interjection) -- so far, at the time that this was reported -- All right -- Which is the time the statistical information was contained in the budget speech. So that any suggestion that the private development in this province of \$4 billion came from \$60 million of the Development Fund and that this in itself was the main supporter, is incorrect.

May I say to the Honourable Member for Crescentwood, who if he wants to can go back and read the Industry and Commerce estimate speeches for the last three years, in the three years that I was -- (Interjection) -- I would advise him to, because in the three years that I was Minister I'm happy to report that approximately \$250 million was invested in expansion of existing plants and investment in new plants and there's only \$60 million that's identified in this figure. So even if we are talking in terms of just the manufacturing sector alone, which is all that I was quoting, we only have a figure which represents in total in the three years -- and this was invested over the three years -- of 25 percent. So his assumption, his -- (Interjection) -- Well I'll tell you -- assumption that the Manitoba Development Fund have been responsible -- (Interjection) -- What are figures?

MR. GONICK: It's just a figure. By itself it means nothing.

MR. SPIVAK: No, I'm not denying it, but don't suggest in this forum here or on the public platform that the Manitoba Development Fund has in fact been responsible for the major development in the manufacturing and in the processing fields. It has not. That statistic happens not to be correct.

I suggest, Mr. Speaker, that we have here in this Budget Address, a Minister who has given us the balanced budget, who in turn has followed the precedent set by the previous Minister, but who has by his very presentation and the presentation of the government estimates indicated to us that there is really no onslaught attempted on the part of the government to meet the social needs of the people of Manitoba. We have no plan; we have no direct intention; we have no coordinated programs and we really do not have any attempt here to meet the needs of the disadvantaged.

Now on Page 2 of the Budget the Honourable Minister says, and I quote: "It's been the experience of many governments that the group of its citizens with the greatest problems tend to be the least visible, least vocal and least measurable of the community, and the aged are perhaps one of the most obvious examples." I suggest to the Honourable Minister of Finance that he's right.

MR. CHERNIACK: We admit it.

MR. SPIVAK: You admit it but what did you do about it? I'm suggesting to you that you did not do anything about and I'm suggesting to you . . .

MR. CHERNIACK: Neither did you.

MR. SPIVAK: Well he's suggesting that the previous government did not admit it. Mr. Evans in his Budget Address in 1969 said, and I quote: "Eleven years ago this government took on the task of bringing the quality of life in this province to the level which its citizens as Canadians were entitled to expect." And every major social reform that's occurred in this province occurred in the last eleven years and the Member from Crescentwood just admitted it. So I'm suggesting to the honourable members opposite that I would have expected that in this first real session of the New Democratic Party in Manitoba that we would have had an onslaught, a real coordinated program and then -- (Interjection) -- Oh yes I did.

MR. GREEN: Oh no you didn't.

MR. SPIVAK: Oh yes I did. And I would expect that in the area of concern, in the area of the aged there would have been something. But there was nothing and there is nothing, and I'm now going to suggest to the Honourable Minister of Finance and the members opposite a program that should be introduced. -- (Interjection) -- Yes, and I'm going to suggest as well -- let me say to the Honourable Minister of Mines and Natural Resources, I want to tell you something. I suggested many programs in connection with civil liberties legislation last year and I'm happy to see that it was in the Speech from the Throne, there's only been one bill provided so far but I gather the Attorney-General will be producing a bill for every suggestion that I made. And if I can . . .

MR. GREEN: You voted against something that you'll have another chance to vote for.

MR. SPIVAK: I did not vote against something that I didn't. I must say as well that I hope that there will be an opportunity after I make the suggestion and deal with it, that the Honourable Minister of Finance will in fact alter the budget, that the Honourable Minister of Finance will alter the estimates; and that in fact there will be an attack on one specific area. And it's not the only area but it's an area of priority, and I believe and I suggest that it could be done. I suggest that with the work that was done in planning and priorities up to the time that we gave up office, that we were capable . . . - the Honourable Minister of Crescentwood says no - but I would suggest that we were capable, capable of in fact introducing this program, and I suggest as well that in terms of a priority it was a priority program.

I want to deal with those people in Manitoba who are 65 years or over. I'm going to deal with them because I think they're a significant group -- (Interjection) -- I did; we did, we did. We were responsible. We delved, we have a program in connection with the Canada Assistance Plan which has been continued and which was modestly increased by the present government; and I suggest as well that we did and we in fact were concerned. But I'm suggesting, I'm suggesting -- (Interjection) -- Well, Mr. Speaker, if I'm going to be allowed the opportunity -- I'll allow any member to question me at will -- but give me the opportunity of expressing at least something of an approach. I don't know whether this was discussed in Cabinet and if it was fine, I'd like to hear them say why they didn't accept it. Today there are approximately -- let's just deal with a person 65 years or over. They receive today old age security of \$79.58, that's with the cost of living change, that's for 1970. Those who receive a guaranteed income supplement receive \$31.83, so that those whose sole living is the Old Age Security Act and the guaranteed income supplement, receive individually \$111.41. Now last year -- oh I'm sorry -- in the fiscal year of '67 - '68, which are the only statistics that were available to me, 78,147 Manitobans qualify for the basic old age pension in Manitoba. Of these 44,323 received the Manitoba Income Supplement. Now I'm going to suggest that while figures have been used as to the levels of poverty in Manitoba of something like 40 percent, that based on the information that was available to me when I was a member of the Cabinet, and on the information supplied by the same civil servants who are now working in the various departments in the government, that the area of poverty essentially was between an 18 to 20 percent level; that in fact when we talk of 44,323 people on the income supplement we are talking about five percent of the people of Manitoba who are within that 18 to 20 percent in the poverty level. And while I recognize that priorities have to be established, and I recognize as well that it's almost impossible to do everything at once, I suggest that there was an opportunity, a great opportunity for those who really believed in the principles of the founders of this Party to have in fact, to have in fact accomplished a result that has not been forthcoming.

Now in addition, last year, that is in the year of '67 - '68, the basic pension, the Federal Government's contribution was \$66,781,367, the supplemental pension costs were \$13,587,590, for a total old age pension from the Federal Government into Manitoba of \$80,368,957.00. Now in December 1969, and I have the Department of Health and Social Services Annual Report, there were 9,699 cases of people who were able to get assistance under the Canada Assistance Program and this money came from a total pool of money of \$18 million shared with the Federal Government of which many other items were included including mothers' allowance, so my understanding is that we are talking only of, for the 9,000, of a couple of million dollars of real contribution to their living. So that in effect the \$80 million that comes from the Federal Government in fact for 44,000 is almost the sole income and for those over the 44, for the approximate 33, is a contribution to their living.

I think we have to accept a couple of principles and I don't think the members on the other side have accepted this yet. In the decade of the '60's in the social revolution caused by the

(MR. SPIVAK cont'd) . . . . . Conservative Government in Manitoba the emphasis was on youth and the priority without question was education. And we know the investment in social capital in schools and we know the emphasis and we know the involvement in our budget of what education has meant, we know the rise that's occurred, and we have the Minister of Youth and Education here today carrying out the same programs in education that the previous government carried and we can say therefore that our programs must have been pretty good. Now -- (Interjection) -- Very little wrinkles. We are now in the decade of the '70's, and I suggest to you that the decade of the '70's must highlight the needs of those Manitobans who are over 65, because they've contributed towards the building of our society and they've paid their taxes and they're therefore entitled to a greater consideration than they now receive. Any of us who have had the opportunity of working in this field -- and I have been connected with a family who has been involved in this field, and some of you are aware of this, for over 20 years, and I'm involved in many, many cases -- and any of us who have had the opportunity of being able to knock on doors and canvass in those areas where the people who are disadvantaged live, know the extreme difficulty and the poverty, the poverty that were involved. I must say to the honourable member, if you thought I was talking about knocking on doors for political campaigns, I'm not talking about knocking on doors in a political campaign. I want you to know that. I'm not referring to that.

MR. BUD BOYCE (Winnipeg Centre): Did you do this by yourself?

MR. SPIVAK: No I didn't do this by myself, I did this as a volunteer in connection with several projects. Now government and politics is the art of establishing priorities, and I suggest to you that for the seventies our first priority at this point must be those who are 65 years and over. They are our parents and our parents' life is a concern to all Manitobans.

Now I'm going to suggest a proposal that could have been introduced had the government been prepared to address itself to the problem. I'm suggesting - and before the Honourable Minister of Finance jumps out of his chair - that it's possible that a \$50.00 monthly income supplement, a Manitoba monthly income supplement for every Manitoban who now receives his federal guaranteed income supplement could be given. This would mean that the minimum amount of public assistance that an individual would receive would not be the \$111 and odd cents, but it would be \$161.41 to be exact, per month, if this was done. Now this \$50.00 a month or \$600.00 a year would have cost the Provincial Government and the Provincial Treasury 25 to 30 million dollars a year, and I say to the Honourable Member for Crescentwood who is so happy and so enamoured with the fact that auto insurance is being introduced, that if you would have spent your time instead of trying to convince the members of the Cabinet to go into auto insurance, but to get involved in this, that you would have done a far more concrete result for the people of Manitoba and for the people in need. I suggest that if all of you on the other side hadn't been wrapped up so much in your political shenanigans and hadn't been enamoured with your victory, and even with the victory that occurred in the federal by-election, that you would have in fact spent the time and energy to have made an assessment which would have recognized that it was capable of taking approximately five percent of the provincial budget and apply in an area of need which would affect five percent of those people who in fact are in poverty in the province and a result could have been achieved by some action.

Now, I believe that this could have been accomplished, and still can be accomplished without a tax increase. -- (Interjection) -- Let me finish. I'm sure that when I'm finished you are going to have several questions to ask. First, I would suggest that you could have borrowed the 25 or 30 million dollars this year.

MR. GREEN: Borrowed?

MR. SPIVAK: That's right. And I suggested in -- (Interjection) -- I suggested to the Honourable Attorney-General and to the Honourable Minister of Mines and Natural Resources that last year when we met in your first session, I read back to the Honourable Minister of Finance his speeches in which he said that he discovered a new way in which the budget of Manitoba could be carried, in which there in fact could be a new social thrust, and that way by borrowing; and the arguments that were advanced by the members opposite in connection with the Sales Tax was to indicate that borrowing was the answer. And I'm saying to the Honourable Minister of Mines and Natural Resources and to the other members on the opposite side that had you not devoted this enormous amount of energy and time and political planning to the great achievement of auto insurance, you would really have addressed yourself to a social problem that could have been met with a minimum amount of dollars and a minimum amount of action,

(MR. SPIVAK cont'd) . . . . . but you did not and you did not . . .

MR. GREEN: This is better.

MR. SPIVAK: All right. Let's go over this now. The Minister of Mines and Natural Resources says that this is better. Auto insurance premiums in Manitoba will amount to \$30 million more or less. Agreed? A saving of 15 percent is \$4 1/2 million. Agreed? There is no capital that will in fact be generated except for the short-term needs of the Minister of Finance. -- (Interjection) -- Well, let me talk. -- (Interjection) -- I've had an opportunity -- we are going to debate this when we get involved in the auto insurance -- to look at the Saskatchewan Act and to look at the Saskatchewan records, and I may say to the Honourable Minister of Mines and Natural Resources that if you look at the profit and loss margin you will see that with the exception of the short-term capital in terms of the income earned against six months -- that's all you're going to have -- the income earned against the expenditure involved plus your administration, you're going to be left with zero. I want to tell the Minister of Mines and Natural Resources that your saving to the people of Manitoba is \$4 1/2 million, which you think is such a great thing; but I'm suggesting that 25 to 30 million dollars to those people in need 65 years and over is a far greater social achievement and . . .

MR. GREEN: . . . taken away from them by the automobile insurance companies.

MR. SPIVAK: . . . more consistent with the principles that were in fact enunciated by you.

Now I'm going to point out as well while this still can be done -- and I suggest to the Minister of Finance that if he does this now I'll support him. If he brings this in I believe we all will support him. You borrow the 25 or 30 million dollars and give it to the old age people right today, and I must say to you that we'll then tell you, and I'd like to now tell you what you have to do now . . .

MR. PAWLEY: Why did your government . . .

MR. SPIVAK: Oh, now we've got the answer . . . I say to the Minister of Municipal Affairs.

MR. BOROWSKI: You just care about your fat brain.

MR. SPIVAK: I want to tell something to the Minister of Municipal Affairs. I've indicated to you as well that the emphasis for the 60's was on education. I'm suggesting to you the planning priorities which was set up by ourselves, the program budgeting which has been carried out which was set up by ourselves, that the whole thrust of what was being done in development of being able to determine those programs of government which were redundant which was commenced by ourselves, was done for the objective of being able to measure those programs that could in fact be thrown out so that moneys would be available for the new programmings to meet the requirements. And I suggest to the Minister of Municipal Affairs that if he would have been on this side of the House on this occasion and we would have been presenting our program consistent with every social achievement that we have made in this province in the 10 to 11 years, we would have been introducing this and that's a fact.

MR. GREEN: Rubbish.

MR. SPIVAK: That's not rubbish at all.

MR. GREEN: You would have said so in the election if you were going to do it, that's for sure.

MR. SPIVAK: Oh, there's a big difference between saying in an election, and I'll tell you why . . .

MR. GREEN: Because you weren't going to do it.

MR. SPIVAK: Oh, is that right? Well, I want to tell you some of the information that I'm going to talk to you, that you have now but you haven't done that we were ready to do, and we didn't talk about it in the election.

MR. GREEN: Nonsense.

MR. SPIVAK: No, it's not nonsense. -- (Interjection) -- I didn't suggest we were going to have to borrow. I'm not suggesting we're going to have to borrow. I'm suggesting that at this point if you want to put this program in you've got to borrow. But I'm suggesting that we could have, we could have commenced an expenditure reform that would have found that 25 million, and it's there. It's not rubbish at all. Well if you're suggesting and the Minister of Finance -- I'm suggesting that if the Honourable Minister of Mines and Natural Resources, and the Honourable Minister of Municipal Affairs and those members who have been so enamoured with auto insurance had devoted the same time and energy in planning and priorities to examine

(MR. SPIVAK cont'd) . . . . the redundant programs of government, to throw them out, you would have found the 25-30 million dollars to accomplish this result, and that would have been far better in the long run than what you are going to try and accomplish.

MR. GREEN: Does he know what they were discussing. Don't forget there are Minutes and there are people who were there.

MR. SPIVAK: I know there are Minutes and - oh yes, I know there are Minutes.

MR. SPEAKER: Order. Order please. I'm sure that it's not the intention of any honourable members to interfere with the Chair's attempt to hear the debate.

The Honourable Member for River Heights.

MR. SPIVAK: I suggest the money could be borrowed. I suggest as well an expenditure reform should be commenced to be able to eliminate the redundant program spending in government. I suggest as well that the time has come, and we were guilty of this and so are you, of eliminating all the political costs that are now financed through the public purse, and they're enormous. I'm suggesting that you remove all non-civil service positions within the government. -- (Interjection) -- I said we were at fault but you haven't improved it any. You've committed every sin in the book. I'm suggesting that the freeze on the Civil Service should be continued.

MR. GONICK: What about the Information Services?

MR. SPIVAK: The Information Service by the way has not been expanded or has been changed and I would have thought the Minister of Government Services who when he was Leader of the Opposition and chastised us for the money that was spent, the waste and expense, would have taken that Budget. As a matter of fact I want to tell you something, I want to tell something to the Minister of Crescentwood, your budget is up. The estimates of the Department of Information Services is higher than it was with us. I don't think that's an argument you should use against me, but I'm suggesting that the freeze on the Civil Service should continue. There are always several hundred positions always open and they are always rolling over and that in fact what should happen is appointments should be restricted to those who are now within the Civil Service. I would suggest and this is certainly available to you, but you didn't take that course of action, I would eliminate almost every major board, commission and agency in Manitoba, and I would say in doing that I would eliminate that and I would eliminate a tremendous cost and the political patronage that goes with it, and there's at least 100 boards that I could name. And that was available to you, that information was in Planning and Priorities and you didn't act on that. But I suggest as well that if you would have done that you would have some of the money to have done the things that I have suggested as well.

And in addition, I would suggest as well that there could have been, with respect to borrowing generally, you could have borrowed some money this year . . .

HON. AL MACKLING, Q. C. (Attorney-General)(St. James): What a difference a year makes.

MR. SPIVAK: Now, to the Honourable Attorney-General, may I say something to you?

MR. MACKLING: Yes.

MR. CHERNIACK: No, to the Chair.

MR. SPIVAK: Through the Chair to you. I ask you to go to the civil servants in Planning and Priorities who were involved when we were there, and I ask you to ask them whether I am now, in the statements that I am making, being inconsistent with the representations that I made in Planning and Priorities during the process of investigation of these matters; and if you come back and say to me that this is true, that they have said that I did not do it, then I'll accept what you say, but . . .

MR. GREEN: May I ask the honourable member whether he really wants us to go to the Civil Service and to ask them what you said when you were the Minister of Industry and Commerce? Do you really want us to go? Do you want to start that kind of practice?

MR. SPIVAK: No. As a matter of fact let me suggest to the Honourable Minister of Mines and Natural Resources, it's not because I'm afraid, I think the practice is wrong obviously; but my answer to the Honourable Attorney-General, and if he either accepts or he does not, is that I am not being inconsistent in the representations that I'm making in this House now than when I was in Planning and Priorities, and I suggest as well -- (Interjection) -- I was Minister of Industry and Commerce, I was a member of Planning and Priorities and I'm saying to the House now, I had no occasion to do that, but I can say now without question -- (Interjection) -- No, definitely. I'm completely . . . I'm not irresponsible . . .

MR. MACKLING: You're unshackled, you're unshackled.

MR. SPIVAK: You're suggesting that this is not a responsible suggestion?

MR. CHERNIACK: I'm saying you are not responsible now for the statements that you make in connection with what you did.

MR. SPIVAK: But I'm suggesting to you that I'm very responsible in making a suggestion that the government could have carried out if they wouldn't have been enamoured -- (Interjection) -- I am. I'm only dealing with this one item now, that's all. Because the budget debate . . .

MR. CHERNIACK: Well you can expand on it so we can find the secret.

MR. SPIVAK: There's no secret. It was a question of understanding the situation, setting your priorities and taking action. Your priority was automobile insurance, because your priority was that the public are ready for it, and the Honourable Member for Crescentwood . . .

MR. SPEAKER: . . . remind the honourable member that he has five minutes remaining.

MR. SPIVAK: The Honourable Member for Elmwood says "Hurray". I don't know what I would be suggesting that would make him say "Hurray", because surely if there's no validity in my argument, and surely if the members on the opposite side were not sensitive, there would be no reason for any kind of suggestion on their part -- (Interjection) -- Well, I'm suggesting as well that you could have borrowed even for highway construction this year, that there will be a rise of approximately seven percent or eight percent or nine percent in revenue next year, that you still have an opportunity of carrying out the program, of knocking out the redundant programs and trimming the expenditures, and in effect that's what you should be devoting your time and energy on, because if you did that you'd have the money to carry out the programs.

MR. MACKLING: There all out organizing the . . .

MR. SPIVAK: Well, let me tell the Honourable Attorney-General that in the 10 years the best evidence is from your Chief, Number One has said that there's been a social revolution and we caused it and we did a lot of good things. He said it, so don't argue with me, argue with him, because I have to assume that when he said that he's speaking for all of you.

MR. MACKLING: You couldn't get those things through your government, obviously.

MR. SPIVAK: Let me suggest to the Honourable Attorney-General, every major social achievement in the last 10 years was in fact done by the previous government; that all the present government has done is continue on with the existing programs. I suggest to you that this is fine but the representations that you have done a great deal is not correct. The representation that you in fact have really you know, commenced some kind of war on poverty in this province is incorrect. The representation that you really have more than just political emphasis on need in attempting to solve the situation is not correct; and the representation that is being made continually, you know, of your great concern for the disadvantaged and your attempt to try and do something, at least on the basis of the facts we have before you would indicate that you are not prepared, and you are not prepared this year to achieve these kind of accomplishments.

Now, the Honourable Minister of Finance indicates that, and the First Minister said, we're going to prime the pump. We're going to prime the pump with \$32 million. We need capital borrowing because in case economic conditions slow down, in case we have a recession we're going to prime it up, so we have an estimate given to us of what these amounts mean. They are in fact capital items that will be generated as a result of public activity, and we're prepared to borrow for that. We're prepared to authorize \$32 million to borrow to be able to prime the pump.

MR. CHERNIACK: Mr. Speaker, would you permit a correction to the honourable member? I don't think I ever said that. I don't think I ever indicated that the purposes were other than government.

MR. SPIVAK: No. I am not saying that. The First Minister indicated that, and he said it in the House. He said "to prime the pump". Oh yes he did.

MR. CHERNIACK: Before we brought in the capital . . .

MR. SPIVAK: He said before, We're going to prime the pump and this \$32 million is obviously priming the pump. -- (Interjection) -- It could be used; I'm not saying it would be but it could be. But the point is that the fact that you were prepared to borrow \$32 million because you may want to, even if you only get 10 or 11 million dollars to prime the pump, I

(MR. SPIVAK cont'd) . . . think is indicative of the fact that you could have borrowed the money for this area.

MR. GREEN: . . . or should not?

MR. SPIVAK: No. Now let's understand something, Mr. Minister of Mines and Natural Resources. You know, I suggested to you that the onslaught in terms of trying to meet the needs of the disadvantaged in this province is enormous. I mean it has been and is an enormous task; you're not going to achieve it in one year; you haven't even started. And I must say to you that I, sitting on this side, as a person who is supposed to respect the consistent positions that have been taken by the members when they were on this side and on the public platform, would have expected that there would have been at least some thrust. There is no thrust, because you have become involved in the great concern of a public issue in which you think there is great popularity and you've devoted your time and energy, you've mobilized your party, you've in fact become prepared even for an election on this issue, and I suggest, in doing this, in doing this you dissipated your energy, you forgot some of the things that you believed that you stood for before . . .

MR. GREEN: That's not true.

MR. SPIVAK: . . . and you did not take action. I'm suggesting as well that of necessity it was impossible, with the funds that were available, to do all the things, but I suggest as a first priority the ability of being able, through the public purse, to give a Manitoba Income supplement to those people of 65 and over who are in the poverty area and that I refer to as those who are in the income supplement area of 44,000 people could have been achieved within . . .

MR. GREEN: Not true.

MR. SPIVAK: I don't care whether you say it's not true. It happens to be true. You can say it's not true all you want; it happens to be true, and I . . .

MR. GREEN: You can say it's true as long as you want; it happens to be untrue.

MR. SPIVAK: I am not one to believe that there is any possibility on my part of ever convincing the Minister of Mines and Natural Resources on anything that he's made up his mind, and I don't think there's anybody in the world that can do it, not even his wife, so I'm not attempting to do it.

MR. SPEAKER: Order please.

MR. SPIVAK: Well, I gather my few remarks are concluded, Mr. Speaker.

MR. SPEAKER: Order please. I regret to inform the honourable member that his time is expired. Are you ready for the question? The Honourable Minister of Finance.

MR. CHERNIACK: I'm sure the honourable member would permit a question or several, because he did indicate that earlier.

MR. SPIVAK: Yes, Mr. Speaker.

MR. CHERNIACK: Well, the first one was in connection with this use of money. I wrote down as best I could recall what he said very soon after he said it, that the Medicare shift was good politically but prevented our use of this extra tax revenue for other important purposes which he would then describe. At that stage I wanted to ask him, so I ask him now; would he now advocate something that is still within the power of this Legislature, to reimpose the Medicare premium tax which is government imposed and maintained, and included in the last budget address of that government, to reimpose that Medicare premium and to free the moneys in order that we now proceed with his program?

MR. SPIVAK: No. As a matter of fact Mr. Speaker, what I -- the question - I have to answer the question directly and make one indirect statement but it will bear directly on it. I would have suggested that what could have been done was that there could have been several graduated Medicare premiums without in any way affecting the rise in income tax or the rise in corporation tax. I think that could have been done very easily. I think as well that it was capable, and I happen to know the figures, of identifying all those in need - and there were a substantial number, much larger than the number that I am referring to - who in fact could have been put in the position of paying no Medicare but would have been paid for out of the medical premiums of the others who would have been paying the higher amounts of straight premiums. I think, as well, that you then could have had the ability to tax the corporation and tax individuals to raise the money for social programs, because I believe that in this province you can in fact tax for social programs, provided the public understands the programs are carried through, and I do not think that there would be a resistance in Manitoba for \$25 million for . . .



MR. CHERNIACK: The honourable member is now suggesting that we should reimpose a Medicare premium tax on a graduated basis, and I gather from what he just said that there should be exemptions involved. Is that his proposal?

MR. SPIVAK: No. Mr. Speaker, I'm not proposing anything. I'm not proposing anything in this area, because I'm not the Minister of Finance and I'm not the government. I'm suggesting that you are capable of making that kind of adjustment, and we were capable of making that kind of adjustment; we did not; we went on the flat premium. But what would have happened is that there would have been more money available for other areas. What you have done is made the shift. You've increased Manitoba to the highest corporation and highest personal income tax in the country. You therefore are limited, and the fact of the matter is that you do not have enough money to carry on the social programs that you wanted, and I suggest in that case you couldn't do everything. You couldn't take care of the retarded; you couldn't take care of the other people; but you could have made at least a start with the old age people and I think that could have been done and it could have been done quickly and it could have been done through an expenditure reform.

MR. CHERNIACK: Mr. Speaker, I realize that there has to be a limit to any questions that I ask, and of course the limit is always determined by the honourable member's willingness to reply, or to even hear the question, but in view of the fact that this government and this Legislature is still capable of doing that which he says we could have done last summer, I think that he owes it to us to tell us whether he believes that we should now bring in a graduated Medicare premium, which would then free money for other purposes.

MR. SPIVAK: No, I don't believe that now. You've already acquainted the public; you've got them -- they've accepted a different position and there is no reason why this should be done. Well, you can do it if you want to, but I must tell the Honourable Minister of Finance, you give us an opportunity to be on that side and I'll tell you something. No, I wouldn't do it, but you give me an opportunity to be able to deal . . .

MR. PETER FOX (Kildonan): You've had it.

MR. SPIVAK: No, we haven't had it. I want the Honourable Member for Kildonan to know that. By far we haven't. You give us an opportunity to present a budget and we'll present a budget and we'll take care of the area in need in a far more direct way than you have.

MR. CHERNIACK: . . . question, a separate question, because this is only the first that I wanted to ask. Inasmuch as no one in government service has yet been able to indicate to me any savings in operation productivity in terms of extra revenue being available, or less expenditures resulting therefrom, could the honourable member, as a responsible member of this Legislature, give us some specific directions in which he would advise us to find this kind of money that he's talking about in terms of reduced expenditure, and indeed could he spell out that which he must know definitely, and that is the kinds of money that his government was paying on political costs, and if he could direct us into those items where the former government was spending politically out of public revenue, it would be very helpful.

MR. SPIVAK: Well Mr. Speaker, I must say to the Honourable Minister of Finance that I would accept his offer for me to become chairman of the Planning and Priorities Committee now, and if he would allow me the opportunity to have the Planning and Priorities Committee for one year, I will bring in a budget with him which will in fact find the money necessary to do that program by doing the things that I have suggested - and I say this with all sincerity. You give me the opportunity; I'll do it.

MR. CHERNIACK: May I offer the honourable member a seat there that is vacant. Just come along.

#### INTRODUCTION OF GUESTS

MR. SPEAKER: At this point, I should like to introduce to honourable members a visitor in the loge to my right, Mr. Les Benjamin, the Member of Parliament for Regina Lake Center. On behalf of the members of the House, may I welcome you.

Earlier this morning we had another group of visitors who I'm sure would wish to know that they were most welcome. They were a group of students from Prince Charles School in the constituency of Portage la Prairie, and they had a number of students from Kenville School from Swan River, in the constituency of Swan River, with them as their guests. They were Grade 6 students under the direction of Mrs. Tomchuk and Miss Askin and I'm sure that they would wish to know that they were welcome.

BUDGET DEBATE cont'd)

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

MR. WALLY JOHANNSON (St. Matthews): Mr. Speaker, I listened with some interest to the speech of the honourable member opposite, the Red Tory of the Conservative Party. It's unfortunate that he happens to be the only one among their ranks. Prior to his speech, I was thinking about the comments that the Member for Elmwood made yesterday. There had been some discussion among the youths of the Conservative Party, some discussion about changing the name of the party, changing the name to get rid of the term "Conservative". After listening to the honourable member from Fort Garry, the Member from Lakeside, I think we might coin a new name for the party - the Paranoid Conservative Party. Paranoid. Pardon? No, I wouldn't call them National Socialists. I believe in being responsible. I also am convinced that there is no member opposite who has read enough about German history to know what National Socialism is. Progressively Paranoid; Paranoid Conservative - I think it fits very well, after listening to the Member from Fort Garry this morning.

MR. ENNS: What's a paranoid?

MR. JOHANNSON: A paranoid is someone who has problems upstairs, and I think the Member from Fort Garry displayed this morning that he has a lot of problems; mental problems.

Mr. Speaker, we've been witnessing the last little while a wonderful display among the ranks of the Conservative Party, a systematic smear campaign. Systematic smear campaign, a Red scare tactic employed primarily by the member who just stood up . . .

MR. ENNS: Mr. Speaker, would the member permit a question? I hate to interrupt him at this point and I promise I won't interrupt him again. Would he permit one question?

MR. JOHANNSON: When I finish my speech. Sit down. You've talked a lot already.

MR. ENNS: Mr. Speaker, then on a point of privilege. Well, I'll find . . . I want to know, and I ask it to the House Leader, does the House Leader really and truly believe that calling anybody on that side a Socialist is a smear campaign? Does he believe that that's a smear campaign?

MR. GREEN: On a point of order, Mr. Speaker, I don't want to comment or answer the question. All I can say is that I don't believe there is either a point of order or a point of privilege.

MR. JOHANNSON: Mr. Speaker, I listened to the Honourable the Leader of the Opposition give his reply to the Budget Speech, and he started this campaign, this smear campaign that we've been witnessing. He started talking about the Red radicals and the "unhealthy pinks: in this party. Now ordinarily the Leader of the Opposition is a rather responsible man, but in this case he wasn't being responsible, he was being totally irresponsible. I shouldn't say totally, because he was far exceeded in his tactics by first the Member from Lakeside and then the Member from Fort Garry. The Leader of the Opposition talked about Red radicals and he named a name, my colleague the Member from Crescentwood. He talked about unhealthy pinks, the Minister of Mines and Natural Resources. Now I thought this was bad at the time, but then when I heard the Member from Lakeside begin his little campaign, I began to think in a very different vein about the Leader of the Opposition. He's a very responsible fellow compared to this fellow. He has no talent, no talent at all.

MR. ENNS: What school is the front operating in today? Let's talk about the other campaigns that are being waged at the same time.

MR. JOHANNSON: Mr. Speaker, I've also been disturbed about the irrational reaction, the irrational reaction among the Conservatives to the Auto Insurance plan. Oh, I could understand if the Member from Souris-Killarney gets a bit disturbed, because he's an insurance agent. He's going to lose some money if we bring in a public auto insurance plan. So is the Member from Roblin. He's going to lose some money, so he's not a very disinterested commentator, nor is the Member from Souris-Killarney, nor, for that matter, is the Member for Assiniboia. All of these men have self interest involved, money involved.

MR. EARL McKELLAR (Souris-Killarney): Mr. Speaker, did he not realize that I'm here to represent my people, the people of Wawanesa and the people of Souris-Killarney? And I'm here to represent them.

MR. JOHANNSON: I realize that, Sir, I realize that.

A MEMBER: I thought he was a farmer.

MR. JOHANNSON: Now that I can understand. However, the irrational reaction, the irrational reaction that I see in the Member from Fort Garry, the Member from Lakeside, disturbs me much more. -- (Interjection) -- Oh that's right. I'm sorry. He works for Great West Life. But this is the man; the Member from Fort Garry is the man who was talking about the tip of the iceberg, "this is the tip of the iceberg" theory. The last time I saw this theory enunciated, or this theory portrayed, was in a 10-cent comic book put out by some right wing organization from New York. The tip of the iceberg theory. This is a theory that public auto insurance is only the tip, only the first in a long series of measures to nationalize the economy of Manitoba.

You know, Mr. Speaker, the Member from Fort Garry and the Member from Lakeside have been giving us the conspiracy theory of history, and the Member from Fort Garry this morning was beautiful. He was implying that the front bench, like for example the Minister of Mines and Natural Resources, the most dangerous man in Manitoba, he is a pawn, he's a pawn in the hands of some unknown organization. This unknown organization is controlling the most dangerous man in Manitoba. My goodness! Isn't that interesting! This theory of history, by the way, the conspiracy theory, is usually held by the idiot fringe of the political spectrum, the idiot fringe. So, if I were in the shoes of the Honourable Member from Fort Garry, I would be a little careful about displaying this theory. He isn't complimenting his own intelligence. Members from Fort Garry and Lakeside have given us really a remarkable display of paranoia. Paranoia. Mr. Green - pardon me - the Minister of Mines and Natural Resources, is the most dangerous man in Manitoba.

The Member from Lakeside last night gave another remarkable display, implying that the government of Manitoba belonged to the same political movement as the governments of Russia and Cuba. He talked about, I believe he talked about galloping Socialism, did he? Yes, galloping Socialism. Now if the member were a member of my history class formerly, and fed me hogwash like that, I'd have failed him. If a member on our side accused, for example, the Member from Rhineland of being a Nazi, I would fail him, because I . . .

A MEMBER: Did you teach politics at school?

MR. JOHANNSON: No but I taught history, and it's unfortunate, my friend, that you didn't read some history, because if you had read some history you wouldn't feed us the hogwash that you do.

MR. GREEN: You've got two minutes.

MR. JOHANNSON: Two minutes.

MR. SPEAKER: I wonder if the Honourable Member could not continue when this matter next appears on the Order Paper. I now call it 12:30 and I'm leaving the Chair to return at 2:30 this afternoon.