



Second Session — Thirty-First Legislature  
of the  
**Legislative Assembly of Manitoba**

**DEBATES  
and  
PROCEEDINGS**

26 Elizabeth II

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Speaker*



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# LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, May 15, 1978

Time: 2:30 p.m.

**OPENING PRAYER** by Mr. Speaker.

**MR. SPEAKER, Hon. Harry E. Graham (Birtle-Russell):** Before we proceed I should like to draw the honourable members' attention to the gallery on the left where we have 23 students of Grade 4 and 5 standing of Wolseley School. These students are under the direction of Mr. Wilclow. This school is in the constituency of the Honourable Member for Wolseley.

We also have 20 students of Grade 11 standing from Kelvin High School under the direction of Miss Laberge and Mrs. Diana Skakum. These students are my guests today.

On behalf of all the members we welcome you here today.

Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees.

## MINISTERIAL STATEMENTS AND TABLING OF REPORTS

**MR. SPEAKER:** The Honourable Minister of Finance.

**HON. DONALD W. CRAIK (Riel):** Mr. Speaker, I'd like to make a short statement to the House. It's in view of the fact that Bill 26, The Tax Amendment Act, probably won't be distributed for a few days yet.

It's with regard to the Pari-Mutuel Tax Act, and some changes are contained in Bill 26 for that particular Act.

Section 2 (1) of the Pari-Mutuel Act will be changed such it will reduce the rate of tax collected on pari-mutuel takeout at the race track, from 10 percent to 7 ½ percent; and

Section 2 (3) and Section 2 (4) of this Act are being repealed.

Section 2 (3) provides that the rate of 10 percent could be reduced to 7 percent by Order-in-Council as provided in Section 2 (4).

Last year the province collected 7 percent on the amount of wagering through the pari-mutuel system. This year the amount will be 7 ½ percent. This additional ½ of 1 percent will be made available to horsemen by way of additional purse support. This ½ of 1 percent offsets a reduction of ½ of 1 percent in the share of the pari-mutuel takeout to the track as required by federal legislation.

Mr. Speaker, what this all boils down to is there's no net change in tax revenue to the province. It's announced at this time because the tax change under the legislation will be made to take effect this week. I point it out, Mr. Speaker, because it hasn't been mentioned heretofore and it's contained in the bill but the bill is not yet distributed. It's not a major change but it's one that should be brought to the attention of the members of the House.

**MR. SPEAKER:** Notices of Motion.

## INTRODUCTION OF BILLS

**HON. BRIAN RANSOM (Souris-Killarney)** introduced Bill No. 27, An Act to amend The Clean Environment Act.

**HON. GERALD W. J. MERCIER (Osborne)** introduced Bill No. 19, An Act to amend The Public Trustee Act.

## ORAL QUESTIONS

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

**MR. A. R. (Pete) ADAM:** Thank you, Mr. Speaker. I have a question for the Minister of Agriculture. I would like to ask why the subsidy payment on steers to producers for 1977 has been withheld and overdue for at least six months.

**MR. SPEAKER:** The Honourable Minister of Agriculture.

**HON. JAMES E. DOWNEY (Arthur):** Mr. Speaker, there has been several questions from the farm

people about the Stabilization Program. One of the reasons that there was a delay last fall on the calf stabilization payments were the delays in the federal payments and the information that I have to this date that that is the reason the money has not been sent out at this time. It saves mailing out of two payments by the province. We have urged them by both letter and telex to let us know the amount of stabilization payment that the federal people would be paying so that we could do it all at once. It has been of concern to my office and certainly have been looking into the whole area of stabilization and will certainly endeavour to get the cheques out as quickly as possible.

**MR. ADAM:** Mr. Speaker, the producers have a legal contract with the province and I'm wondering why the province is not going ahead with their commitment to producers and I would ask the Minister if there will be interest on these delayed payments because of these being overdue six months now.

**MR. DOWNEY:** Mr. Speaker, I would have to clarify the six month period. I believe the calf payments went out in the month of January or February — I stand to be corrected but I believe it was at that period of time. I do not believe the slaughter payments are six months overdue. I think that, as I explained earlier, we are endeavouring to get our payments out. I do not plan to pay any interest on the subsidy money that is now due.

**MR. ADAM:** My last supplementary, Mr. Speaker. Could the Minister give us an idea when the producers can expect this payment?

**MR. DOWNEY:** Soon, Mr. Speaker.

**MR. SPEAKER:** The Honourable Member for Inkster.

**MR. SIDNEY GREEN:** Mr. Speaker, I'd like to direct a question to the Acting First Minister. Could the Acting First Minister give us, hopefully, a favourable report on the health condition of the First Minister who, I understand, has just had an operation in the hospital?

**MR. SPEAKER:** The Honourable Minister of Finance.

**MR. CRAIK:** Mr. Speaker, I thank the House Leader of the Opposition for the opportunity to report that the First Minister had surgery this morning at 7:30 and was in Intensive Care all morning. I understand that the operation went very satisfactorily; there is no cause or reason at this point in time to feel that there is any major concern, or anything special, other than the fact that it is a serious operation for gall bladder, which most people have some knowledge of, or familiarity with, and there is every reason to hope that the First Minister will be back with us, he says, in two weeks, and wants a full report on everything that transpires within a week.

**MR. GREEN:** Mr. Speaker, I am very pleased to hear the favourable report. In noting that today is Monday, can the Minister assure us that he will prevail upon his colleagues to see to it that the First Minister's sheets are changed before Saturday?

Mr. Speaker, I'd like to direct a question to the Attorney-General. I wonder, Mr. Speaker, in view of the fact that there were reports from Ottawa and from various commissions that members of the Legislative Assembly of various provinces were investigated or surveyed by the RCMP during the last 18 months, I wonder if the Honourable the Attorney-General can advise us as to whether that surveillance extended to members of this Legislative Assembly?

**MR. SPEAKER:** The Honourable Attorney-General.

**MR. MERCIER:** Mr. Speaker, I would assume that that was so. My understanding of the investigations that have been carried out by the RCMP in this connection, reporting to the Solicitor-General, are done for security reasons.

**MR. GREEN:** Well, Mr. Speaker, I wonder if the Attorney-General would find out what security reasons were involved in surveying members of the Manitoba Legislative Assembly? I think, Mr. Speaker, this is an important subject to know, whether members of the Manitoba Legislative Assembly are being surveyed vis-a-vis their politics, their activities, or whatever.

**MR. MERCIER:** Mr. Speaker, I am prepared to undertake that task for the Member for Inkster, if he so wishes. Surely it is a matter that involves all members of the Legislature, and I am prepared to obtain that information from the RCMP.

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

**MR. LAURENT L. DESJARDINS:** Mr. Speaker, my question is to the Minister of Finance. A few

weeks ago I asked the Minister if this new method of funding from Ottawa for social services would mean that there would be moneys turned over to the provinces without any strings attached. Now, the Minister quite emphatically told me that this wasn't the case; now we learn from Ottawa that indeed it is the case. Now, apparently, Ottawa has announced that \$577.6 million dollars will be turned over to the provinces; what share of that will come to Manitoba? Well, I'll ask the next question once I've got this answer.

**MR. SPEAKER:** The Honourable Minister of Health.

**HON. L.R. (Bud) SHERMAN (Fort Garry):** Mr. Speaker, if I may reply to the Honourable Member for St. Boniface, I would have to take the latter part of his question as notice. I can't give him the exact amount of money involved, but I will attempt to do that by tomorrow. But if I might answer the first part of his question, I haven't seen the federal legislation yet; I only know what I have read in the newspapers and I assure the Honourable Member for St. Boniface that I am as concerned about it and as disturbed about it as he is.

**MR. DESJARDINS:** That's nice to know, Mr. Speaker. Maybe the province should have opposed it.

There is another question. Is it the intention, then, of the government not only to put all this money for social services but also to match it, and is it the intention of the Minister to advise the Federal Minister that she has been mistaken because she made the comment that no government could backtrack on provision of social services? Is it the intention to tell her that Manitoba is indeed doing just that?

**MR. SHERMAN:** No, Mr. Speaker, it's not the intention of the Minister to do just that, but it certainly is my intention to consult with my provincial colleagues, who attended the federal-provincial conference on this subject in Ottawa with me in March to determine the rationale for the form that the legislation has taken. However, I think I had better wait until I see the federal legislation before I do that. As I say, all I've seen so far is the newspaper reports.

**MR. DESJARDINS:** A last question: Does my honourable friend remember that he had promised in this House that he would give me a copy of a statement he made in Ottawa at the time of the discussion? I haven't received it, or the House hasn't received it as yet.

**MR. SHERMAN:** Yes, I can certainly do that, Mr. Speaker. I expected that this subject would probably be a major topic of discussion during my Estimates, which I think are relatively imminent. I can certainly make that statement available to my honourable friend before my Estimates come on.

**MR. SPEAKER:** The Honourable Member for Selkirk.

**MR. HOWARD PAWLEY:** Mr. Speaker, my question is addressed to the Honourable the Attorney-General. In view of the widespread reporting of allegations of police brutality during the past few days, is the Attorney-General considering the launching of any inquiry into the allegations of investigation by members of the Winnipeg Police Force of charges involving themselves and charges involving brutality?

**MR. SPEAKER:** The Honourable Attorney-General.

**MR. MERCIER:** Mr. Speaker, let me make three points. Firstly, there is ongoing at the present time an investigation or inquiry by the Manitoba Police Commission into a matter that was raised by a judge in the county court during June of last year.

Secondly, there is provision in the Provincial Police Act for an appeal to the Manitoba Police Commission from any decision of the Winnipeg Police Commission. To my knowledge in the past six or seven years since that Act has been in force, there has only been one relatively minor appeal.

Thirdly, Mr. Speaker, I would wish that we could have the benefit of a detailed investigative report into the manner in which the lives of the victims of rape and violent action, and crimes in this community, and the effect that those kind of actions has had on them, in the same manner as the members of the Winnipeg Police Force have been investigated.

**MR. PAWLEY:** Mr. Speaker, in view of the fact that the present matter involving the Manitoba Police Commission is specific as to character rather than general, is the Attorney-General considering any

general form of inquiry?

**MR. SPEAKER:** The Honourable Attorney-General.

**MR. MERCIER:** Mr. Speaker, the terms of the reference to the Manitoba Police Commission with respect to the Frampton Inquiry could very well constitute a general inquiry.

**MR. SPEAKER:** The Honourable Member for Fort Rouge.

**MR. LLOYD AXWORTHY:** Mr. Speaker, on the question for the Minister of Tourism and Recreation. I wonder if the Minister can advise us whether the government has altered or changed a decision that was previously made to revoke the lease held by the Whiteshell Air Service, supplying flying services into Nutimik Lake considering that that service is still operating. In fact, it has expanded its services even though they have received notices of Revocation of Lease some three or four months ago.

**MR. SPEAKER:** The Honourable Minister of Tourism.

**HON. ROBERT (Bob) BANMAN (La Verendrye):** Mr. Speaker, we're looking into the matter. I understand that the lease has not been extended. As the member well knows the air service in question is operating with a federal permit as far as the CTC is concerned, and therefore, some of the problems rest with the Federal Government with regard to that matter.

**MR. AXWORTHY:** Well, Mr. Speaker, I wonder if the Minister could be a little more specific and tell us whether the fact that the present government has initiated any action under its Revocation of Lease has now terminated. Has the Minister or the Attorney-General's Department instituted any action, on the land-lease of the site that the Whiteshell Air Service has, to ask them to evict or to desist services from that area?

**MR. BANMAN:** Mr. Speaker, as I mentioned, I'm waiting for a report from my staff. The lease, to my knowledge, has not been renewed. As I mentioned before the person in question is operating out of that lake under a CTC licence and until I have received further information on it I can't make any further comments.

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

**MR. SAMUEL USKIW:** Mr. Speaker, I would like to ask the Minister of Agriculture whether he would be prepared to give the Opposition a copy of that stack of documents that he referred to last week on the introduction of Bill 25, as being letters in support of Bill 25, whether he would be prepared to give the Opposition one copy?

**MR. SPEAKER:** The Honourable Minister of Agriculture.

**MR. DOWNEY:** Mr. Speaker, I believe in my statement that there were letters received that were in support of a organization. There were several things on the letter, and I could see about providing them with a copy of it.

**MR. USKIW:** Mr. Speaker, I would also like to ask the Minister whether he could give the rural people an indication as to whether he's prepared to wait before referring Bill 25 to committee about June 1st, bearing in mind that most people are very busy on the land these days.

**MR. DOWNEY:** Mr. Speaker, it could be a consideration, however, the people that the Livestock Association Act pertain to are basically livestock producers as well as mixed farmers. I would like to have had it before they get busy in the hay fields. It's my concern that they have to get their fodder gathered for next year so we don't have to work on an assistance program or a loan program which we had to provide last year so I would certainly like to have it introduced so they could debate it before they do get into the haying business.

**MR. USKIW:** Yes, Mr. Speaker, I simply put the question again. There is no intent on anyone's part to prolong the discussion unduly but I think it is fair to give consideration and some indication to the public that before June 1st we wouldn't proceed with that kind of legislation, given the importance of it and given the fact that so many of our farm people are awfully busy at the present time.

**MR. DOWNEY:** Mr. Speaker, let me assure the House that I am very concerned about the farm

people an certainly want to do the best in the interests of the farm people in Manitoba and can assure him that we will certainly not cause any hardships on them and certainly will be supportive in any way we can be today and in the future years to come for the farm people.

**MR. USKIW:** Yes, Mr. Speaker, I would now like to ask the Minister of Agriculture whether he would indicate to us just what procedures he is using in making the payments on the Beef Subsidy Program. What is the current procedure that he is intending to employ or is employing?

**MR. SPEAKER:** Order please. I believe that question is probably a repetition of the one asked earlier by the Member for Ste. Rose.

**MR. USKIW:** Mr. Speaker, on that point of order, I would like to point out that the Minister indicated some change in procedure without telling us what it was and certainly we should know what the procedure is.

**MR. DOWNEY:** Mr. Speaker, I'm not quite clear on the procedure. I believe it will be as it has been in other years. There has been a delay, as I have said, because of the federal announcement in calculating what we have to pay as a province. I do not anticipate any different mail-out procedure or any calculation procedure other than that of normal years. If there's anything any different, I can assure them I will check into it with the department and notify them in the House.

**MR. SPEAKER:** The Honourable Meer for The Pas.

**MR. RONALD McBRYDE:** Mr. Speaker, I would like to address a question to the Minister of Health and Social Development. I was asking the Minister previously if he could provide the House with the welfare statistics and I wonder if the Minister would take a look at the statistics and see if he could tell the House the number of unemployed employables in the various regions of Manitoba for the last month period.

**MR. SPEAKER:** The Honourable Minister of Health.

**MR. SHERMAN:** I'll take that question as notice, Mr. Speaker.

**MR. McBRYDE:** Yes, Mr. Speaker, I wonder if the Minister could reassure us while he's doing that that more senior citizens on partial benefits or limited benefits won't be cut off because we're asking for statistics that show the rate of welfare payments. After I asked the question last time, a number of senior citizens were cut off. I wonder if he could just reassure the House that that won't happen as a result of the questions about the welfare rates.

**MR. SHERMAN:** Mr. Speaker, I don't accept the premise of that question. I will take the honourable member's question as notice as I said.

**MR. SPEAKER:** The Honourable Member for Rupertsland.

**MR. HARVEY BOSTROM:** Mr. Speaker, my question is to the Minister of Tourism. I wonder if the Minister can confirm that his department or himself has given approval in principle to a developer, a private developer, to put a number of cottage lots or condominium units in a location on the north shore of the Lac du Bonnet area.

**MR. SPEAKER:** The Honourable Minister of Tourism.

**MR. BANMAN:** Mr. Speaker, I have discussed and met with the particular individuals once or twice. I have indicated to them that we would be interested in looking at a proposal and that the department would be interested in developing that particular site with them. Up to date I am advised by my department officials that there have been some talks with the local government district of Alexander; there have also been talks with various departments.

I am also informed by the department that there have been no permits issued or that none of the development has gone ahead. The proposed development is on land which belongs to the Renewable Resources Branch. It has not been transferred to the Parklands Branch and that there are a series of meetings that will have to be gone through that the local government district of Alexander would also have to be involved and that until all the public meetings dealing with the Bird River sector plan are carried out, no further submissions or undertakings can be taken. In other words, until there is a plan that is passed by the different authorities and 27 different government agencies and it is taken by myself to Cabinet, there will be nothing happening out there.

**MR. BOSTROM:** Thank you, Mr. Speaker. In keeping with the principle of local autonomy, can the

Minister give us an assurance that the local government district will need to give their approval to this kind of a plan or proposal before the government will go ahead with it?

**MR. BANMAN:** Mr. Speaker, I understand that at a meeting with the local government district no serious objections were raised but comments were withheld until the public meetings to discuss the Bird River sector plan have been held. I understand that to date the local government district would have to apply and go ahead and approve the subdivision before anything can happen so that we would have to see from them first of all.

**MR. SPEAKER:** The Honourable Member for Kildonan.

**MR. PETER FOX:** Mr. Speaker, can the Minister of Labour inform the House when the Citizens' Committee on Workplace Health and Safety met last and when it will meet again?

**MR. SPEAKER:** The Honourable Minister of Labour.

**HON. NORMA L. PRICE (Assiniboia):** Mr. Speaker, I believe they met about a month ago. They were in my office to see me. Their requirement is that they meet approximately once a year to discuss any facets of the Workplace Safety that the Minister should so request. They had been meeting every week, or a couple of times a week, since last September and I told them that it was unnecessary, that when we had something specific to discuss I would advise them.

**MR. SPEAKER:** The Honourable Member for Transcona.

**MR. WILSON PARASIUK:** Thank you, Mr. Speaker. My question is to the Minister responsible for the Manitoba Housing and Renewal Corporation. Since the province has cancelled the public housing program, does the Minister have any plans for the provision of lower priced housing for low income and senior citizens through non-profit programs?

**MR. SPEAKER:** The Honourable Minister responsible for Housing.

**HON. J. FRANK JOHNSTON (Sturgeon Creek):** Mr. Speaker, as usual, the Member for Transcona starts out inaccurately by saying that we have completely cancelled all programs. To answer his question regarding the non-profit programs, the Federal Government has just announced last week in the House — I should say the Minister announced in the House last week the new non-profit program and we are in the same position as we were in last week — that we have told the officials of CMHC here as soon as they have all of the regulations and data available in Winnipeg, our officials will be sitting down to talk with them, to work out arrangements and to go ahead with the new non-profit program that the Federal Government has come out with.

**MR. PARASIUK:** In light of the very positive attitude by the Minister responsible for Housing, can he confirm that the province then will be providing \$1 million to the City of Winnipeg Non-Profit Housing Corporation as seed money which was already committed by the Province of Manitoba to that entity?

**MR. JOHNSTON:** Mr. Speaker, the \$1 million seed money that the honourable member refers to, the promise was made last year just before an election, to the City of Winnipeg. It was made without any reference or recommendation from the Manitoba Housing Revewal Corporation. It was just done without any thought at all, unless any other honourable member over there can produce some documents to say that there was, and the million dollars is still there and MHRC will be dealing with the city and other interested people, as to the best ways to use that money.

**MR. SPEAKER:** The Honourable Member for Transcona.

**MR. PARASIUK:** A supplementary. I think if he would check his files he will find that there were meetings between the City of Winnipeg representatives . . .

**MR. SPEAKER:** Order please. Order please. May the member address himself to the question.

**MR. PARASIUK:** Yes. Can the Minister confirm that there were meetings between City of Winnipeg officials and politicians and MHRC officials and Ministers of the Crown, regarding the establishment of a non-profit housing corporation entailing a request of \$1 million and that the commitment was made on the basis of those analyses done by the City of Winnipeg staff and politicians, as a result of a Task Force that met for about six months on this subject? Can he confirm that those meetings

actually took place before he tells the House they didn't?

**MR. JOHNSTON:** Mr. Speaker, I can confirm that there were meetings held between politicians, the City of Winnipeg and the government. I can confirm that the MHRC did not recommend that that policy be gone ahead with.

I can also confirm that the city had something like 28 meetings since the money was alleged to go to them and the representative from MHRC was invited to one.

**MR. SPEAKER:** The Honourable Member for Brandon East.

**MR. LEONARD S. EVANS:** Mr. Speaker, I'd like to address a question to the Minister of Consumer Affairs. Inasmuch that it is estimated that milk processors in Manitoba made \$3.2 million profit in 1977 amounting to 16.3 percent return to shareholders, and inasmuch as Lucerne Safeway Limited is not asking for a price increase this year, can the Minister advise the House whether he has yet looked into the matter of enabling consumer groups to have access to financial information on individual companies so that such groups can adequately present a case against an increase in the price of milk at this time?

**MR. SPEAKER:** The Honourable Minister of Consumer and Corporate Affairs.

**HON. EDWARD MCGILL (Brandon West):** Mr. Speaker, I believe the Member for Brandon East asked a question similar to that and I agreed that we would look into the situation to determine if there was any impediment in the regulations that would deny consumer groups specific rights that they were otherwise entitled to under the law.

Mr. Speaker, my department is still undertaking that survey. We hope to have a report for the member in due course, and when that report is available I assure him it will be delivered to him in the House.

**MR. EVANS:** Would the Honourable Minister also take under advisement the matter of bringing in legislation to amend that particular Act, The Milk Control Board Act, so that such information might be made available to specific groups, if it is found that such information cannot be made available, which I think is the case, the reading of the Act would indicate that?

**MR. MCGILL:** Well, Mr. Speaker, the matter of what amendments will be recommended by my department will be determined by the department in the light of the experience which it gains in doing this review and other reviews. But we accept the member's suggestion, but only as a suggestion.

**MR. EVANS:** I wonder if I could ask a separate question, Mr. Speaker.

**MR. SPEAKER:** One.

**MR. EVANS:** One. I'd like to ask the Honourable, the Minister of Industry and Commerce whether the Government of Manitoba intends to present a position paper at the early, I believe, forthcoming hearings of the Canadian Transport Commission with regard to air service to Brandon. Is the Government of Manitoba particularly going to support the Lakers Airline's application?

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

**MR. BANMAN:** Mr. Speaker, I have spoken to representatives from Great Lakes who have put in their bid. In the last series of meetings I understand that there was some modifications that had to be carried out by Great Lakes in their application. I understand that the Air Canada intervention, as far as that particular proposal is concerned, there is not concern as previously expressed by Air Canada and that they will not be fighting that particular proposal. So we will be watching the situation very closely with the hope that we can get that air service into Brandon from Toronto, Dryden and then into Brandon.

#### ORDER FOR RETURN NO. 53

**MR. SPEAKER:** The Honourable Member for Wolseley.

**MR. ROBERT G. WILSON:** Mr. Speaker, I'd like to ask a question of the Minister of Highways in charge of Public Works. I wonder if he intends to continue the policy of ordering 10,000 special



booklets for new government buildings as in the case of the Woodsworth Building.

**MR. SPEAKER:** The Honourable Minister of Public Works.

**HON. HARRY J. ENNS (Lakeside):** Well, Mr. Speaker, in response to the Honourable Member for Wolseley, the answer would have to be no.

**MR. SPEAKER:** The Honourable Member for Wolseley, a supplementary.

**MR. WILSON:** A supplementary question. Could the Minister either get me the cost or possibly an estimate of the cost to the taxpayers of this particular Wood

**MR. JORGENSON:** We'll take it as an Order for Return. sworth Building booklet?

**MR. ENNS:** Mr. Speaker, I will accept that as an Order for Return, but if my memory serves me correctly, it was in the neighborhood of somewhat in excess of \$10,000.00.

### ORAL QUESTIONS 8 (Cont'd)

**MR. SPEAKER:** The Honourable Member for Selkirk.

**MR. PAWLEY:** Mr. Speaker, my question is to the Minister of Consumer Affairs. Is the Minister or his department considering adding any other centres to that of Winnipeg and Brandon, as centres in which decontrols in respect to rents, would not commence as of September 30th, 1978?

**MR. SPEAKER:** The Honourable Minister of Consumer Affairs.

**MR. MCGILL:** No, Mr. Speaker, not at this time.

**MR. PAWLEY:** Is the Minister satisfied that the other smaller urban centres in Manitoba do not fall into the same category insofar as rental pressures are concerned, as Brandon and the City of Winnipeg?

**MR. MCGILL:** Mr. Speaker, the research which was done prior to the announcements of the policy of this government in respect to the control of rents following the end of the present Rent Control Program, was evolved from research and investigation that was carried out.

It was our finding that while there were some areas of the province where there were fairly tight tenant markets for rental accommodation, the major areas of concern were in the larger urban areas — that is Winnipeg and Brandon. As a result of further experience there may be some pockets which will show up as having some special problems. But at the moment, Mr. Speaker, we're concerned primarily with the two larger urban areas.

**MR. PAWLEY:** Mr. Speaker, is the Honourable Minister prepared to table those studies that he made reference to, the documents pertaining to research in various centres?

**MR. SPEAKER:** The Honourable Minister.

**MR. MCGILL:** Well, Mr. Speaker, the member is now referring to documents. I said that we did some investigations of this and this would have taken place over the period of the time of the present Rent Control Program and just prior to the announcements that were made on the future programs.

But these are matters which I believe would properly be dealt with in consideration of the Estimates of the department.

**MR. SPEAKER:** The Honourable Member for Burrows.

**MR. BEN HANUSCHAK:** Mr. Speaker, I wish to direct my question to the Honourable Minister of Tourism, Recreation and Cultural Affairs. Would the Minister confirm that his department does not accept subscriptions to Manitoba Moods, because he put a hold on its publication pending his negotiations of the sale of the magazine to a private publisher and would the Minister accept my \$3.00 at this time for an annual subscription, and assure the subscribers and the people of Manitoba that they will receive the prescribed number of issues, published by the Manitoba Government?

**MR. SPEAKER:** The Honourable Minister of Tourism.

**MR. BANMAN:** Mr. Speaker, reviewing the cost of The Moods, I have been informed by my staff that it costs somewhat in excess over the last three years of close to a quarter of a million dollars worth of public subsidy. We are presently looking at winding that particular publication down, and we will be asking for proposals from people in the private sector for the printing of that. We felt that by putting out other publications, I'll send the member one from over here. This type of publication highlights the different regions in the province at a much lesser cost, as well as being able to distribute many more of them. We hope to accomplish a better impact than we could with the particular publication The Manitoba Moods.

**MR. SPEAKER:** The Honourable Member for Burrows.

**MR. HANUSCHAK:** Yes, a supplementary, Mr. Speaker. Would the Honourable Minister undertake to correct the publication which he has just shown the House because he will note that there's an inaccuracy in it, it still features the Lord Selkirk in one of the photographs contained within it?

**MR. BANMAN:** Well, Mr. Speaker, the last information that I have is that particular boat is still parked there and I think the picture just shows that particular boat is tied up there, and it's still there if the member wants to see it.

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

**MR. DESJARDINS:** Mr. Speaker, my question is to the Minister of Health. Last week while the Minister was being questioned on the Health Sciences Centre policy on linen changes he brought me into the picture by saying that the policy was the same that had been initiated in June of last year. And then he was asked if this question of restraint had been tightened since the election of this new government, and he assured us that this wasn't the case. Now, Mr. Speaker, does the Minister have any correspondence that he cared to table, stating that fact from the President of the Health Sciences Centre?

**MR. SPEAKER:** The Honourable Minister of Health.

**MR. SHERMAN:** No, Mr. Speaker, I don't have any correspondence. The information that I gave to the House was information that was given to me by the administration of the Health Sciences Centre verbally.

**MR. DESJARDINS:** Then will he confirm that this was the policy in June then? Is he ready to confirm that? Is he satisfied that the information was factual, only verbal information?

**MR. SHERMAN:** Well, Mr. Speaker, what I attempted to advise the House, honourable members on all sides of the House and would reiterate, is that the administration of the Health Sciences Centre advised me that as of June, 1977, not related to any government program, but related to an internal economy program, instituted by the Health Sciences Centre themselves, that a certain schedule was set up and there's been no change since that time.

**MR. DESJARDINS:** Does my honourable friend care to know that this was not the policy then. Mr. Speaker, I know now you point out the privilege that was always brought in although I haven't made any question. . .

**MR. SPEAKER:** Order please, order please. Has the Honourable Member got a question to ask?

**MR. DESJARDINS:** Yes, I have a question.

**MR. SPEAKER:** Proceed.

**MR. DESJARDINS:** If my honourable friend has a copy of the Free Press of August 20, 1977, and last time I looked, August came after June, and, Mr. Speaker, at the time the person in charge of the budget of the Health Sciences Centre when questioned about this, made the following statement that, "Meanwhile cost-saving techniques . . ."

**MR. SPEAKER:** Order please, order please. Will the Member for St. Boniface please ask his question? The Honourable Minister of Health.

**MR. SHERMAN:** Mr. Speaker, I care. I was attempting to answer a question that was put to me

by the Honourable the Leader of the Opposition, and the answer that I gave was based on information given to me by the administration of the Health Sciences Centre.

**MR. SPEAKER:** The Honourable Member for Inkster.

**MR. GREEN:** Mr. Speaker, I'd like to direct a question to the Honourable Minister of Labour. Would the Honourable Minister of Labour tell us whether she is considering bringing forward legislation incorporating the Manitoba Federation of Labour as a public association, requiring a certain amount of each employees wages to be submitted in dues to this association, with the possibility of opting out, and giving the association the power to pass regulations enforceable by fine or imprisonment, getting the information from employers, employees and other organizations in this society?

**MR. SPEAKER:** The Honourable Minister of Labour.

**MRS. PRICE:** No, Mr. Speaker.

**MR. SPEAKER:** The Honourable Minister of Finance.

**MR. CRAIK:** Mr. Speaker, there was a question last week from the Member for Selkirk. The question from the Member for Selkirk dealt with the Mineral Acreage Tax Act in a particular company. I wanted to inform the Member for Selkirk that the company in question was billed on May 1 for the full amount of their unpaid taxes on the mineral acreage tax, plus accrued interest compounded from the time of first non-payment at the annual rate of 9 percent.

### ORDERS OF THE DAY

**MR. SPEAKER:** The Honourable Government House Leader.

**MR. JORGENSON:** Mr. Speaker, I move, seconded by the Minister of Consumer and Corporate Affairs that Mr. Speaker, do now leave the Chair and the House resolve itself into a Committee to consider the supply to be granted to Her Majesty.

**MOTION presented.**

### MATTER OF GRIEVANCE

**MR. SPEAKER:** The Honourable Member for Elmwood.

**MR. RUSSELL DOERN:** Mr. Speaker, I rise on a matter of grievance. Mr. Speaker, the last time I spoke on a grievance in the Manitoba Legislature was ten years ago and I never found it necessary in that time to rise on any matter, but I do so today because of serious charges and allegations made by the Member for Wolseley on three points, all false. No. 1, that my office in the Woodsworth Building cost \$41,500.00. No. 2, that the plumbing fixtures in that facility cost \$4,365.00. No. 3, that the fixtures in that washroom, the faucets for example were gold.

Mr. Speaker, anyone who knows the Member for Wolseley automatically dismisses him, and I've spoken to a number of people in the last few days about these charges, people who are familiar with him and his background, and they simply dismiss out-of-hand what he says, and shake their head. But most people don't know him, and the press saw fit to report and feature these mistruths, and some readers were willing to believe them. Mr. Speaker, I believe when you put a statement, or someone puts a statement, the issue is, consider the source. Consider the source of those statements. The Member for Wolseley is a muckraker, who specializes in the low-blow and the stab in the back rather than the clean, hard punch. And, he's a man with nothing to loose. He has no reputation. He has no credibility, and he has no career. Last week on the Peter Warren Show, I twice called him a liar and, Mr. Speaker, he took it as a compliment. Mr. Speaker, even bailiffs blush at the mention of his name.

Mr. . Speaker, the Woodsworth Building was built . . .

**MR. SPEAKER:** Order please. May I caution the member about using explicit language directed against a particular member of the Chamber. I suggest to the member that the language he is using is bordering very closely on being unparliamentary.

**MR. DOERN:** Mr. Speaker, I am dealing with falsehoods, and I will demonstrate that in about one minute. The Woodsworth Building cost \$10-¼ million and it had one of the lowest square-foot costs

of construction of any building ever built by a government in this province. There were some small pockets of empty space in that building a few years ago. But I would like to set the record straight for once and for all about my ministerial suite.

The first statement made by the Member for Wolseley was that my office cost \$41,500. I would like to make clear the following terms, when we're talking about this matter. A ministerial suite, when correctly used, refers to a complex of offices found throughout this building in which a Minister sits with his staff, usually an executive assistant and a couple of secretaries, and opposite is a Deputy Minister with his administrative assistant and his secretaries. That is the correct terminology for a ministerial suite. A Minister's office — I hope the Minister of Public Works stays, because I think he should learn something about this too — he's very quick to make comments of which he knows nothing, and then to correct them a few days later and I would like him to hear. A Minister's office can be described in one of two ways, either the room in which the Minister sits, or the Minister's section of the ministerial suite, which includes the Minister, his assistant, and his secretaries. Similarly, one could refer to the Deputy Minister's office as either the Deputy Minister's office, or the Deputy Minister's office and his staff. Then there are executive assistant offices, administrative assistant offices, and general offices.

Mr. Speaker, the area that we are talking about in the Woodsworth Building was designed for seven people. It contained my own office, my executive assistant, the offices of two secretaries and my deputy's secretary, my deputy's office and his administrative assistant's office; that was the number of people we are talking about. There were five offices and a storage room. And Mr. Speaker, this total area of space was some 1,620 square feet. If you compare that office to the offices in this building, you will see that it was small by comparison, that there are ministerial suites in this building 2,000 square feet, 2,200 square feet, 2,400 square feet and perhaps even more. So it was anywhere from 20 percent to 50 percent — let's say 20 percent to 30 percent as an example — smaller than offices in this particular building. It was smaller than the office that I had in this particular building when we moved into the Woodsworth Building. And I explain for the edification of members opposite that that space, when it was renovated, was completely empty; it was raw, unfinished, new space in a building. There were no walls, there were no doors, there was no carpeting, there was no furniture, there were no plumbing connections, and there may have been some electrical connections. Basically it was like a completely empty space, without even a wall.

And when it was built, and I now quote from the memorandum that the Minister of Public Works had which he gave to the Member for Wolseley, which the Member for Wolseley then gave on to the radio host, Peter Warren — and I quote from that memo, and I am prepared to accept the information contained in that memo, because on a general scrutiny the facts seem to be correct, and the following figures are given: "\$30,000 construction costs; \$10,900 for furniture and furnishings." Given, Mr. Speaker, that there was empty space, completely empty — only a ceiling and a floor and outer walls, and nothing else — that figure is in line for modern construction costs.

The original Order-in-Council which the Member for Wolseley put a year ago, and which he is very happy to mix up and switch around and falsify figures for, asked for the following: the location and the total square footage of the office of the Minister of Public Works. The answer was: the location is on the 15th floor of the Woodsworth Building; the second answer, that the total square footage of the office of the Minister of Public Works is 433 square feet. The second question, on the cost of furnishing the Minister's new office; the answer: \$2,774.00. Those were the correct answers to those questions. The information was then given to the member and he made no further comment from that time up until the present.

Then there were some refinements that came in, Mr. Speaker, that the Member for Wolseley thinks are important. We took some of our furniture with us, existing furniture. Mr. Speaker, when the furniture from my office was placed in the Minister for Labour's office, I don't know whether the Minister of Labour is going to issue a statement now saying, "I have acquired office assets worth the following — plus, I would like you to add in the original furniture worth so much, plus I would like you to add in the original construction costs of so much, and then extrapolate it into 1978 dollars, and come up with a figure." I assume that it is in order to put down existing furniture and to add the additional costs that a Minister added to his particular facility. And if you were to take the offices in this building and take the original cost of them, the furniture and the construction costs, I would hazard a guess that the average office in this building in 1978 dollars would be in the order of \$100,000, because of the nature of the building, because of the fine furniture, and because of the fact that they are considerably larger in terms of square foot cost.

Then the member made a big point of the fact that this was additional furniture that should

have been added. Mr. Speaker, if things should have been added, then things should have been subtracted, because when I ordered three chairs for that office, three chairs were removed, so I assume if you're going to add then you should also subtract. And these marvellous curtains which were put in my office one week before the election, I don't know what value you would impute to them. When they were delivered, I said, "Are these for me or are these for the next Minister?" Because for a year I was in that office, there were no curtains or drapery of any kind; this was put in at the very end.

A wall unit, Mr. Speaker, built by Public Works, replaced a built-in bookcase and storage space that I had in my office in this building. A carpet that I had was a good-quality wool carpet that will last two or three or four times what an average non-wool carpet will last.

Mr. Speaker, the press saw my office many times and so did other people. I recall when I first moved in there, people coming in and looking around, it was quite obvious what they were doing, Mr. Speaker; they were curious. They wanted to know whether there was a big story here. They looked very carefully and not one of those people — not one — from the first moment that they went in until the Member for Wolseley made these great revelations the other day, did anyone ever write a story about this posh office? Because it wasn't posh.

Mr. Speaker, I moved into that building for three particular reasons — three personal reasons. One is because I am very fond of the Woodsworth Building. I am associated with it. It was a building that I took some pride and pleasure in helping construct. Secondly, it had a great view. The offices in that building on all the four corners, on all the four floors, have excellent views of the Legislature on one side and of the rest of the city on another. And third, our government took the view that a Minister could move out of this building.

The former Minister of Health liked to be in Lakeview Square and he had an office there. I had an office in the Woodsworth Building. In Ottawa, many Ministers have offices outside of the building, and in Ontario and other provinces they have offices outside of the main Legislative Building.

Mr. Speaker, a second falsehood put by the Member for Wolseley was that the plumbing fixtures cost \$4,365.00. You know, the problem here is that when you give information to somebody, who either doesn't know anything about construction or can't read or will deliberately distort, you get a false figure and a false impression. There is a line in this memorandum and it is that there was a charge for the Ministerial suite, including the Deputy Minister's office, for plumbing fixtures and rough-in. That's what he didn't read — plumbing fixtures and rough-in \$4,365.00.

Mr. Speaker, consider the following: A piece of space with a concrete floor and an office for seven people, a washroom at one end and a washroom at the other. That washroom contains a toilet and a sink, in both cases, and you have to put piping in to connect that office with a central plumbing stack. You have to go through the floor. There has to be labour, there has to be piping laid and the hook-ups. If you were to put plumbing in your house and you had none in — put in all the plumbing for two washrooms — it would cost you several thousand dollars and that's what this cost, \$4,365 for two washrooms with two toilets, two sinks, piping and labour.

And the third falsehood, Mr. Speaker, is the fact, this great invention of the Member for Wolseley, that the washroom had gold fixtures. Well, what it had, Mr. Speaker, was a white toilet and it had a sink with two faucets that were chrome-plated — the same kind of sink that you would find in anybody's house. And then the Member for Wolseley is quoted on this preposterous allegation, believed at least momentarily by the press, and they run to the Minister of Public Works.

Well, now we get, Mr. Speaker, the old game. We saw it today; that was a terrific example and a terrific coincidence. The Bob and Harry Show, like Bob and Ray. They feed each other lines; one guy is the straight man and the other is the comic. —(Interjection)— Naturally. I'm told he has some more hot information just given to him by the Minister.

So the press runs. At least the reporter for the Tribune runs from the Member for Wolseley and runs to the Minister of Public Works and says as follows: "Tell me, did he really have gold faucets in the washroom?" And the Minister of Public Works, spontaneous as ever, ever the joker, ever the card, said, "Oh no, no, no, he didn't have gold faucets but I believe they were painted yellow." Just a little whopper, Mr. Speaker, a little funny. Just a little whopper — painted those little silver-coloured taps yellow so it looked gold.

Well, you know Mr. Speaker, that's what we expect from the Minister of Public Works. I'll give him this, I'll give him this, in the last analysis, in the bottom line, he has a sense of humour. I'll give him that.

But nevertheless, Mr. Speaker, there are times when he makes statements that may be meant in jest that are not recorded in jest, and that's where the trouble arises.

**MR. ENNS:** The cost was \$41,500.00.

**MR. DOERN:** So I say, Mr. Speaker, that that was typical. —(Interjection)— We're now getting a typical. Here it is; let's hear it, Harry. Let's hear it. There is a typical outburst from the Minister of Public Works. Hamming it up, phoney comment and joking around.

Mr. Speaker, if anyone wants evidence about this, let them call my staff and let them question them, or call in the Public Works' staff and question them. Or bring in the requisitions and let's look at the colour and the breakdown, and the content of these marvellous expensive faucets.

**MR. ENNS:** I've got news for you, Russ. On October 24th that became my staff, not your staff any longer.

**MR. DOERN:** Mr. Speaker, the game we're now seeing is this. The Minister of Public Works gives data to the Member for Wolseley and the Member for Wolseley delivers it, but with a twist. That's the game we're into. And we're going to see a lot of phoney questions and a lot of phoney answers. And then the Minister, you know, he gave an answer on booklets. Well, I would like to see the requisition on the printing, because my recollection is that that booklet cost nowhere what the Minister just said. A surprise question, Mr. Speaker. The Minister of Public Works is a fount of knowledge; he has stored in his brain millions of facts from the Public Works portfolio. Just ask him a question and he says . . . You know, it's like Karnac the Great getting the envelope; he will give you the answer. And I believe that that answer today was phoney. I believe it was exaggerated and I believe it was incorrect. And I'll be interested in seeing just what the dollar figures were, because I know what happens. First, the phoney question, then the phoney answer and then, later on, Page 38, under the tire ad, a correction. That's the way it goes.

So, you know, Mr. Speaker, what do we have? We have the Member for Wolseley, who is either the willing dupe or the hatchet-man, and he is going to work and mine the old thing that we've heard of, these Tory horror stories that they are going to deliver.

You know, Mr. Speaker, I say that that is a sign of bad government. I say that it is an attempt to draw fire away from themselves by smearing the previous government. They are a rotten government. They are not doing very well. They are attempting to cover up their own bungling and incompetence, and this is how they are going to do it. And the dictum, Mr. Speaker, is this: Find the skeletons. Find the skeletons and, if you can't find any, plant a few and then discover them. That's the way we are going to operate and that's the way some of the people on that side have been operating. I'm not going to say all, because there are people on that side I have respect for and there are people who have integrity, but there are a few who don't have any integrity, Mr. Speaker.

And we have seen some examples of that in this session. We have seen all sorts of fabrications and exaggerations about the deficit, this horrendous deficit that we talked about. Then it turned out that that was what the civil servants proposed; it wasn't what we proposed, it was what they proposed. So there was a little correction there. And then the Minister of Public Works, well, his latest was the yellow faucets. Then before then it was the provincial garage with the six gas pumps. It was going to be pumping gas to all the people in the neighbourhood, putting free enterprisers out of business. Just a complete, you know, ridiculous comment.

Then a year ago we had his Russian art caper about how all this horrendous stuff, all this Commie art flooding into Manitoba, and he almost stopped probably one of the most major cultural events ever to come to this province, just on a silly whim. And then he said, later on, "Oh, yes, yes," quite seriously ' though at the same time he was making this great anti-Communist speech, you remember, he wasn't going to lick the boots of the secretary of the Communist Party. At the same time his wife was having a little holiday in the Soviet Union.

**MR. ENNS:** Don't you bring my wife into this debate.

**MR. DOERN:** I'll try not to because she's a fine lady so I'll try not to. But there was something that didn't make sense there, Mr. Speaker. This great communist attack and, at the same time, his family is in the Soviet Union looking at the sites' probably at the Hermitage. Shows good taste on their part.

Then we have the First Minister and it's unfortunate he isn't here today because I would like to debate a few points with him but you know he's been having problems from the beginning, Mr. Speaker, and only recently, a week ago, I could hardly believe my ears . . . We were sitting in Public

Works and I made the following comment in a routine way, I said that there were problems with the Norquay Building. It's easy for members opposite to go running around saying they don't like this about something we built and they don't like that but when we say something about what they did, they say, "Oh, well, that's ancient history, what are you bringing it up for?" But I mentioned that the Norquay Building had some flaws. For instance, it has inadequate elevators. For instance the layout is very kind of dull and inefficient. The architects call it rabbit warrens. I made this comment, I said, "The Norquay Building was built by the Conservative Government." The First Minister leaped up and said, "No, it wasn't." I said, "Were you there in 1959-1960?" He said, "Yes." He said, "We didn't build that building, the Liberals did."

Mr. Speaker, that's on the record of debate as to what he said and I tell you that what he was possibly saying was that the Campbell government one weekend in 1958, on a Friday night, said to an architectural firm, "Hey, we've got to do something; we've been in office for ten years and we never did anything." So they said, "Could you give us a plan for a building?" The architect sweated and worked and slaved three days, day and night, and laboured and brought forth a sketch and then from that sketch the Campbell government said, "We're going to build a building." A huge roar from the population. And then, shortly after that, the Conservatives defeated them. Now the Conservatives took that rough sketch and some preliminary plans, changed them all around, added three stories, told the architects to develop all the working drawings which were nowhere near completion or started on, and built that building 100 percent from start to finish. That's the statement I made. I said to the First Minister, "You built the Norquay Building." His answer, "No we didn't." Well, Mr. Speaker, how are you going to debate with people like that?

I went up to the Woodsworth Building on Friday after these great revelations came out and looked at the office space that I occupied. I wanted to see what they had done to that, Mr. Speaker. It was completely demolished, washrooms and all, everything obliterated — \$30,000 worth of construction thrown out the window. They took the walls and the doors and all the furniture and they stripped the washrooms completely, sealed them off and now they're going to renovate the space. You know, in a way, Mr. Speaker, that was a complete waste of money and a bad decision on the part of the Minister. He didn't have to demolish that office. He could have assigned it and re-assigned it to other people but he chose to wipe it out, re-assign the furniture, knock down the walls and fix it up for his present seat-mate, the Attorney-General's department, for some Personal Properties Registry. They're going up there.

Mr. Speaker, I simply say this: That these kind of tactics that are being used by the Member for Wolseley who has a pretty rotten track record, in this Chamber, in City Council and outside of this Chamber in his personal and professional life. I will strike out personal life, I will say in his professional life as a bailiff. His tactics, Mr. Speaker, are the kind of thing that make people wonder about getting into political life or getting out of political life because these are tactics of the gutter. When I think of his constituency — he represents Wolseley, a constituency which has a pretty honourable tradition in this Legislature and had some outstanding representatives: Duff Roblin who represented that riding for a number of years; Izzy Asper who represented that riding for a number of years and other people, Mr. Speaker, who tried and failed — Charlie Huband who tried for a nomination and didn't make it and Murdoch MacKay who tried for this seat and didn't make it.

So, Mr. Speaker, I say this. The Member for Wolseley is a muckraker and I say, Mr. Speaker, that someone should dig into his background and it will take more, it will take more than a pad and some paper. It will take more than a tape recorder or a T.V. camera. They're going to have to be properly dressed for the occasion: rubber boots, rubber apron, rubber gloves and a shovel because that is going to be the kind of story, a very grimy and slimy story that they are going to uncover.

Mr. Speaker, the Member for Wolseley made three false statements which I have tried and believe have corrected as being completely untrue and I say, in conclusion, that he is not a person to be believed.

**MR. SPEAKER:** The Honourable Member for Wolseley.

**MR. WILSON:** Thank you, Mr. Speaker. I can't help but rise based on the fact that as a member of the Public Accounts Committee, I was told one of my duties was to examine the expenses of the former government and to see if money spent was in the best interest of the constituents of Wolseley and the taxpayers of Manitoba. Much to my surprise, the so-called left-wing movement in the province turned out to be a series of high livers in disguise, waving the flag of socialism

and at the same time enjoying the affluent benefits of a ministerial position.

The story that appeared in the paper was only the tip of an iceberg pertaining to expenses of a number of members opposite. However, I dealt with that particular office based on the fact that it seemed to me that I had to ask myself the question: Why was it necessary because when that government was in office there was an office in this building for the Minister of Public Works. Why was it necessary for that Minister to move? Were his surroundings demeaning? Was there a certain amount of jealousy amongst the former treasury bench and the government? Why was it necessary for that minister to order these specialized items? His automobile was even different than other members of the ministry, to the best of my knowledge, and it indicates on Page 196 that this Minister received \$36,445.76 plus an automobile, plus certain benefits of being a member of the government.

So with that type of an income, it would seem to me that the gentleman should have been happy but no, he proceeded to attend upon this \$10 million building and after the opening of the building he ordered a new government policy, he printed a special booklet as in the memory of James Shaver Woodsworth. But at the last page, there was a single page with the Minister's picture. I did not have any prompting to ask that question today because I did it on the spur of the moment and because I was apprised of the fact that the Minister himself had ordered 10,900 copies at a total cost of \$4,551.65 or 42 cents apiece.

**MR. DOERN:** You said \$10,000.00.

**MR. WILSON:** I think that bears out the fact that the Minister of Public Works and I were not a particular television team. I think it was based on the fact that the question was an honest question. I did not give him the information ahead of time, and so therefore he had no way of knowing what the answer could be. He was guessing at it. But, I still think that when I obtained the information — and I would like to deal with the articles in the paper — the Member for Elmwood is annoyed at the news media for printing this article; I'm annoyed at the news media because it didn't go far enough. They didn't even have the courtesy to ask me, "What was the real waste of the former Minister of Public Works, pertaining to his office?" And I would have given them the today figure, the true figure, today's, and never mind him trying to wriggle off the hook and say it only cost \$30,000.00. Because the member walked in there and looked at that panoramic view of the Legislative Buildings, and he says, "This is for me; this makes me equal to the First Minister; it makes me even, on a stage all by myself." He's up in this penthouse with all his trappings, and he even blocks off the other side. So you've got to consider, not only did he hoard this side of the penthouse area, he blocked off the other area and left it sitting vacant during his tenure of office.

And this gentleman, this Member for Elmwood, had two bathrooms. Not one; two. Apparently he had a particular helper, or person on staff, and so therefore he had to construct two bathrooms.

**MR. DOERN:** One was the Deputy Minister's.

**MR. WILSON:** Well, then, the Member for Elmwood is shouting from his seat, and I can say to him, I'll ask him the question: why was his secretary, as beautiful as she was, given the promotion from a secretarial salary of \$12,000 a year to \$17,000 a year? What made this secretary worth \$5,000 more than the average secretarial person in the pool, and causing a lot of particular problems within the Civil Service as to why a particular secretary is worth more money in one particular Ministry's office than it is in the other. I am very pleased to say that Laura is now getting an average \$12,000-plus secretarial salary; no longer is she receiving the \$17,000.00. And I don't know what position she held, because again, I am not a member of the Treasury bench, I am a person on Public Accounts investigating taxpayers' money.

And so, therefore, we ask the question, why did this Minister have to move in the first place? Why did he have to take this entourage to the penthouse floor of the Woodsworth Building? Why did he have to put this book together to glorify Mr. Woodsworth, and probably make it a policy of his government to put out 10,000 copies of every building that he hoped to be able to build? And he certainly was responsible —(Interjection)— Well, he was great for putting his picture in these booklets. But, more so than that, his interest in the arts was paramount, to such an extent that he ordered —\$169,350 was the art budget — true, he only expended approximately \$138,000, but, we then begin to look and dig a little further and we find out from April 1, 1977 to October 1, 1977, Art Works and Paintings, paid out in Public Accounts was \$68,884.18. And even after the election was called, when most people wanted to impress upon their constituents how frugal and



how they tightened the belt, this Minister, after the election was called, had payments of \$25,961.50. He wasn't about to impress the hard-working, dedicated and very capable — well, working people, lunch-pail people — you seem to have a preoccupation with the arts, and so therefore, you were a boon to the artists in the province, but you may not have been a boon to your responsibility to watch the purse in a time when the former Member for Rossmere and the former Premier of the province was seeking restraint. I remember criticizing the now Member for St. Boniface for his grandiose plans in some of his areas in his Health Department, and for that I apologize, because it's obvious the Member for Elmwood, from the record that's indicated upon the examination, certainly wasn't involved in any restraint program.

And it's true, I asked for an order for return, the cost of furnishing the Minister's new office and the answer I got, which was playing somewhat with the truth, was \$2,774.00. I saw one of the tables that he sent out for refinishing — is that not a charge? Is that beautiful oak table not a charge to that office? Is a specially built cabinet that is now in the Minister of Labour's office, is that special expensive wool carpet that was supposed to last four times the length of any other carpet, that now, the member himself has admitted, has been demolished, and we can't — at least, I haven't been able to find out where this expensive carpet has gone to. I'm going to look — I believe it's at 1700 Portage Avenue — but, you have to add the cost of that Minister's decision to move into the Woodsworth Building, and the cost then, when a sensible government came to power, to put that building and that office back to its use. Part of the Civil Service can have the Minister of Public Works move back into the Legislative buildings where people could interview him and seek information from him; but no, the now Member for Elmwood stands up on a grievance against me for doing my job on Public Works and Public Accounts, to turn around and look at some of the expenditures.

The Member for Elmwood stood up the other day and was trying to hold a Tag Day for the architects and engineers in this province, and it was very amusing, because when I started to investigate Public Accounts I found that under his stewardship, when he was the Minister of Public Works, I could only find \$996,000; namely, a million dollars, paid out in salaries in his department. And I said, well, what are all these particular individuals doing, if they're all members of the Civil Service, part of his salary? Then I started to add up the cost of hiring outside, tendering out, and I got \$705,557.83 to a series of architects in this town. So I asked myself, "What did our architectural staff, the in-house staff do, when the Member for Elmwood was the Minister of Public Works?" I know one designed a particular building here on Broadway and Osborne, which my dear friends in the Legion movement and myself fought so bitterly to stop him from building. It was built for the hippie days, but those days are over, and now that building sits there as a particular example of questionable decisions that that Minister made.

But let's go on, and even in this book, the Minister is so proud of the fact that his building that he put together, the ex-Minister, he's got a building here — and I must talk about the height. He passed a special legislation to deal with the height. And we on City Council at that time fought bitterly because he was setting an example, but that was typical of his arrogance and cavalier attitude, that he turned around and did not believe that he should have to uphold the bylaws of the City of Winnipeg, — 196 feet — and also, historically, Broadway Avenue — you can go back into the Archives and see beautiful pictures of that 12-foot caveat set back from the sidewalk to see every building set back by our forefathers, but now, the Member for Elmwood, the ex-Minister, had to put a square building and twist it on an angle so that it protruded six feet into that particular caveat, so for all time, the possible widening and the beautification of Broadway is ruined by the placing of that structure, both too high and both too wide, and sticking out into the street and the caveat. So, I give those as examples as why this Minister has a lot of nerve standing up on a grievance.

I have to talk again about that office, because it would seem to me that the trappings of which he surrounded himself, the special mirrors in the bathroom, and the fixtures — and I don't care whether they were yellow, or stainless steel, whatever — I suggest that they were above and beyond the normal ministerial type of bathroom fixtures.

I would also like to talk to you about how, if the First Minister, the former Premier of this province, could have controlled the Minister of Public Works, we may not have had these particular signage, \$10,000 exit signs in this building. And then there's that famous Osborne Bridge that this particular Minister held up for two years. It cost over a million dollars in construction inflationary increases — I don't even know the figure, but I think originally the figure was \$1.3 million for that bridge, and the cost came in, by the time he cut the ribbon, at over \$3 million.

And then there was that land-locked piece of property over there at 10 Osborne Street, that the owner couldn't sell for \$27,000 the year before, but he somehow or other, through pressure of civil servants, and possibly the former Minister, was able to sell to the City of Winnipeg, their partner, for \$85,000.00. B&B Enterprises Limited. Isn't that interesting? And when you go and look at the offices of the company, you wonder, what position did that family hold with the former government, to get \$85,000 for a piece of land-locked property? And to make an excuse for that redundant, useless property that they didn't need, he took a piece of the old bridge and painted it yellow. And I will say yellow, because I don't want to be mistaken and say that it's gold. And that's the kind of waste that that Minister engaged in, and so now, under our government, I have pleaded with the Minister, and I believe someone on his staff has put park benches in there, and we're going to be able to justify that \$85,000 piece of moose pasture that that Minister turned around and authorized.

**MR. SPEAKER:** The Honourable Member for Elmwood on a point of privilege.

**MR. DOERN:** On a point of privilege. The member has made two statements which are completely inaccurate; he attributes them to me. I do not believe I had anything, at any time, to do with the acquisition of the property that he spoke of, by the bridge. Secondly, that work there is a City of Winnipeg sculpture, or something — it has nothing to do with the Province of Manitoba.

**MR. SPEAKER:** Order please. May I suggest to the honourable member, if he is prepared to listen, that a member in the House is allowed to make statements that he so desires, that the point of privilege that a member can raise is only a point of privilege regarding the House, and he has the opportunity to rebut in argument, but a member is allowed to make statements in the House; unless they are absolutely unparliamentary they cannot be challenged.

The Honourable Member for Wolseley.

**MR. WILSON:** Thank you, Mr. Speaker, because I sit here and my blood begins to boil when I think of the thousands of dollars that I could have saved if I could have put a lasso around that Minister and stopped his spending. And he's absolutely correct, the City of Winnipeg is the final one that does the expropriating; he's absolutely correct when the City of Winnipeg builds the bridge, but he doesn't know who pulls the purse strings of the City of Winnipeg. Who, when he was the Public Works Minister, even told the former Mayor and members of our particular City Council that if they didn't adhere and start to listen to some of his suggestions, he may create a Minister of Winnipeg, or something along those lines, and he proved it by building the Memorial Park washroom, by building the Woodsworth Building 196 feet, by building a penthouse for himself, and by delaying the construction of the Osborne Street bridge for over a year. And I'll tell you, his staff and himself said it was because he wanted to save the trees; I dare anyone to go out and look at those seven trees, they're still standing and they're still alive, and if you figure out the cost of delaying the construction of that particular bridge because of the life of those seven trees, those trees cost \$200,000 apiece, and I hope they last forever.

I simply say that this particular member has a duty, and no one has ever lost money electing me to this House, because I'll come up with savings that will prove that that particular Minister — if Thrifty Bob could have controlled him on the bridge, could have controlled him on his penthouse suite, we wouldn't have had these particular problems. And that's the thing that really annoys me — it's called phony socialism. When the former Member for Burrows wouldn't give \$4,000 to a consortium of Winnipeg businessmen to go on a promotional trip, but spends \$4,700 himself on expenses, this is the kind of phony socialism that I talk about. And I say that I stick by my guns, that there were three particular charges that the member has stood up to say that are false, and I read the information on information given to myself; the memo is an inter-department memo from Mr. Sims to a gentleman in the government. It says: "The total cost of the Ministerial suite is \$41,550.16."

Now, if the Minister says that is a falsehood and an exaggeration, then why doesn't he include the art gallery. As you proceeded down to his penthouse suite the walls were lined with art treasures. —(Interjection)—Well, all right, nonsense? Then if they weren't art treasures, you had no business spending \$169,000 of taxpayers' money.

I think the time is fast arriving when the Public Accounts committee may be forced to call this

Minister before them to explain the value of these art works and to see if we really got a bargain. And we should possibly ask him to explain why he left the legislation buildings in the first place, when he had an office here, to go over to the Woodsworth Building as if he was above and beyond and separate from the Treasury Bench and his fellow members in the New Democratic Party.

**A MEMBER:** Fifteen floors above them.

**MR. WILSON:** Fifteen floors above. Maybe he wanted to be up there so he could see his constituents of Elmwood, because he did in all fairness to himself, pick the corner that faced his constituency, off in the distance.

So I'll close in saying, that I emphatically deny that the information that I gave to Mr. Warren was false, or to any member of the media. My shortcoming may have been that I don't have the \$50 and \$100 words of some of the lawyers in this Chamber, but I will say that I did —(Interjection)— I've had nothing but compliments from people for the way I handled myself because Mr. Warren, trying to urge me to sue the Member for Elmwood. . . I have no intentions of making the lawyers of this province rich.

And every time he turns around and attacks our honourable profession, the credit industry and the thing is that the bailiff industry and the particular credit industry has nothing to be ashamed of. We are in matters of dispute all the time. I see nothing wrong with myself spending a great deal of time in court; I see nothing wrong with being in a business that is dealing with dispute; it has nothing to do with my personal character. What I do for a living is what I chose to do.

I chose to go into political life because I saw some of the shortcomings of the socialist government that was then in power. I can't sit idly by on Public Accounts, examining the expenditures of the former government, without relating some of these horror stories; without saying, "Whoa, wait a second." Maybe we can turn around and just, by preventing members of my own government from establishing penthouse offices — maybe if they know there's a watchdog here that they won't go off and buy \$169,000 worth of art works; and maybe they won't delay the construction of new bridges because of the possible life and death of seven trees.

And with, Mr. Speaker, I close and say, I stand by my comments that I made and they're here in the record of Hansard, everything that I've said and I refuse to withdraw them.

**MR. SPEAKER:** On the proposed motion of the Honourable Government House Leader, seconded by the Honourable Minister of Consumer Affairs, that the House resolve itself into a Committee to consider of the Supply to be granted to Her Majesty.

**QUESTION put, MOTION carried** and the House resolved itself into a Committee of Supply, with the Honourable Member for Radisson in the Chair.

### SUPPLY — EDUCATION

**MR. CHAIRMAN, Mr. Abe Kovnats:** I would direct the honourable members to Page 28, Department of Education, Resolution 47. We are on (b)(1) Salaries, \$487,700.00. (b)(1)—pass; (2)—pass; (3)—pass — the Honourable Member for Burrows.

**MR. HANUSCHAK:** Before we pass (3), you may recall that last Thursday I had asked the Honourable Minister to indicate the net amount, as it were, of the \$4.3 million that will be available to students for Student Assistance; after taking into account the deferred bursary portion of which there was a million for the first year, and a further \$1.3 million — which is about \$2.3 million — which leaves about \$2 million at the disposal of the students.

Now, in order to obtain a clearer picture of the level of Student Aid for this fiscal year as compared with last year, perhaps if the Honourable Minister instead of talking in terms of net costs to the province, which I believe is what we're talking about here because there is the attempt being made to make maximum, in fact to make full use of student loan money and then whatever additional costs there are, the province picks that up.

So whichever way the Minister wants to deal with it, either talk in terms of the full level of Student Aid and also the number of recipients that he anticipates as compared with last year and the average level of Student Aid that he anticipates for the forthcoming year as compared with last year, perhaps that may give us some indication or a better basis upon which we could make a comparison between the Student Aid Program which existed during the fiscal year, 1977-78 and the one proposed for the year 1978-79.

I think, Mr. Chairman, that the point also has to be made and stressed, that despite the Minister's comments over the last couple of days, that there have been certain improvements made in the

**Student Aid Program** — the Honourable Minister indicated that in fact the total figure shown in the Estimates Book is \$14,000 higher than last year — well, that's \$14,000 as compared with \$4 million or an actual total level of Student Aid bursary and loan, it's far in excess of that. So the \$14,000 really isn't all that significant an increase, Mr. Chairman. But that point is neither here nor there.

My main concern is, that even with the increase at the upper level of need by \$400, I think that the fact still remains — and the Honourable Minister could check with the schedule that he follows which indicates the bursary loan mix — he will find that well over 50 percent of the students, well over 50 percent, will be receiving less bursary money and more loan money than they had previously.

In fact, No. 1, the entry level has been increased to \$750 from the previous \$300.00. So, whereas in the past —(Interjection)— I'm sorry, from \$450 to \$750, an increase of \$300, yes. So, whereas in the past, those having a level of need between \$450 and \$750, they were eligible for a bursary loan mix, now it'll be straight loan. And, Mr. Chairman, you know, the difference of \$300 a year, but if you multiply that by four or five years, the average lifetime or the average period of time that a student spends at university, it does end up as being quite a sizable sum.

And so it continues, and so it continues, and I believe that the average level of Student Aid must be somewhere around \$2,000 a year. I think that last year, the 50th percentile was at somewhere around \$1,900 or so, so it's probably a bit higher than that, but around \$2,000.00. Well, even at that level, Mr. Chairman, you will find that the bursary-loan mix is the reverse of what it used to be; that up until this year the change in the regulations announced by the Minister, the student would have received more bursary money, less loan money, now it's going to be reversed. He will end up owing more and receiving less by way of grant.

So I wanted to express that concern, Mr. Chairman, about the effect of the change in the Minister's regulations with respect to Student Aid, No. 1; and

No. 2, if he would perhaps give us the total level of Student Aid other words, how many dollars by way of bursary money and loan money will there be at the disposal of the students for the forthcoming academic year? And indicate that, the number of projected applicants and the average level of Student Aid that he anticipates and that he used for the basis of calculating his Estimates?

**MR. CHAIRMAN:** The Honourable Minister of Education.

**HON. KEITH A COSENS (Gimli):** Yes, Mr. Chairman, the Member for Burrows has reiterated his concern. I would reiterate my confidence based on the research and past experience of the people working in this particular branch, that we will very adequately be able to meet the needs in this area in the coming year.

There are several reasons, of course, that cause us to believe this. One of them, a certain drop in the number of applications that we're seeing from year to year — I believe it was a 10 percent drop last year — we have every reason to believe that this pattern will probably be maintained. A phasing out of the Medical-Dental Bursary Program. Of course, the change in the mix is also another factor, Mr. Chairman, and I have some trouble understanding why the Member for Burrows is disturbed by this, because what he is really speaking against is the idea that the people at the higher levels of need should receive more assistance; and those at the lower levels will receive less bursary assistance. They will still receive assistance in the way of loans, of course, but he is somehow suggesting that those at the higher level of need, the married student with children, in particular, somehow are being rewarded to the detriment of others. I think the real concern here is with these people at the higher level and the needs.

He's asked for the average award. I understand that this was some \$1,750 last year and is expected to be somewhere in the neighborhood of \$1,900 this year. I believe he mentioned \$1,900 last year, \$1,750 is the figure, Mr. Chairman, for last year and it's expected to go up around \$1,900 this year. The total amount available is some \$13.8 million, Mr. Chairman, \$9.5 million in loan, the balance in bursaries. We are very confident that this sum of money will certainly meet the needs of the people who apply to the Student Aid office in this coming year.

**MR. HANUSCHAK:** I believe the Honourable Minister said that last year's average level of aid was \$1,750 and it's projected to be about \$1,900 for the forthcoming fiscal year. I would like to know whether the Honourable Minister has taken into account the inflation factor — he probably has and that would likely increase the level of aid by some 7, 8 or 9 percent which would no doubt result in something in the order of \$150.00. But, has he taken into account the increase in tuition fees because I would suspect, Mr. Chairman, that that too will have a bearing upon the Student

Aid Program by increasing the amount of student aid money that he'll have to make available.

My other question, Mr. Chairman, is: taking last year's average level of aid at \$1,750, what was the bursary loan mix in that figure and what will it be at the average figure for the forthcoming year of \$1,900.00?

**MR. COSENS:** Mr. Chairman, it will take me a minute to get that particular formula for the Member for Burrows but I can tell him that the inflation factor is taken into consideration in the type of factors that are considered in the total amount for Student Aid. I think it's some 10.4 percent of an index that's taken into consideration and, of course, we've also considered the tuition fee increase in the particular computations that go into arriving at the final figure for student aid for the year.

The figures for 1977-78 for some \$1,750 would be bursary \$1,060 and for 1978-79, the bursary portion of the \$1,900 will be some \$950.00.

**MR. CHAIRMAN:** The Member for Winnipeg Centre.

**MR. J. R. (Bud) BOYCE:** Mr. Chairman, through you to the Minister, perhaps the Minister can take note and respond to it when we're speaking on his Salary, but he made a remark that the applications had decreased by 10 percent for Student Aid. Perhaps when he's addressing himself to the generalities under his Salary, he could comment on what he sees as a causal factor in this. I noticed in the paper recently that in Ontario with the declining enrollment at post-secondary school education facilities, that they are reducing their entrance requirements. For example, they used to have a 75 percent average requirement in Grade 13 for admission to some of the schools. I'm advised that this has been reduced from 75 percent to 70 percent. Some schools are going down to 60 percent from 64 percent as an admission requirement; it's more in a general problem but specifically in the declining enrollment. When the Minister is addressing himself to the generalities, perhaps he could comment on whether he sees the problem of . . . well, for lack of a better word at the moment and because of my cold, I suppose, does he foresee ambulance-chasing type of things, that when the enrollments are going down, many of the people coming out from the universities with, for example, Psych and Soc. majors and minors, that the utility of these degrees as far as being keys to employment is not fulfilling that need. Perhaps the Minister could be prepared to include in his general comments when we get on his Salary, the reason for the declining application for Student Aid and some of the other things that I have referred to, Mr. Chairman.

**MR. DOWNEY:** Mr. Chairman, there are always a number of factors that affect the type of situation that the Member for Winnipeg Centre refers to. Perhaps the biggest factor is one that he has mentioned and of course that is the fact that enrollments are now levelling off and in fact in some areas are decreasing. From the literature that I have read on this particular subject, this seems to be having a similar effect across the country. I believe it is again reflected in the types of student aid applications that are being received and, in particular, in the number that are being received.

Also, I believe there is another factor, Mr. Chairman, and as I mentioned, there are a whole host of factors but we are now seeing a certain type of senior high school student who spends a great deal of his part-time involved in work. I believe the figure is something between 60 percent and 70 percent of our senior high school students have part-time jobs and many of them have these part-time jobs in order to help finance their first year or two at university. This, in itself, is having, I believe, some effect on and is I would suggest is another factor that is affecting this dip in applications that we are experiencing. Of course, as I mentioned, that's only two or three of the factors. There are many others. It would be interesting to be able to do a type of survey that would indicate if, in fact, there are other rather severe and serious factors that are not coming to light.

**MR. BOYCE:** Well, Mr. Speaker, I don't want to be out of order but it's hard to divorce this from other areas of the Minister's Estimates. For example, when we're talking of student aid, we're talking about public funds and in the public interest that moneys be allocated to assist people to get an education so there has to be a public need. On this side of the House, I'm considered to the right, for example, in this particular regard because I'd lend anybody anything but I'd give them precious little as far as student aid is concerned. But nevertheless, does the Minister foresee that the policy of assisting people to go to university for whatever they decide to go to university to pursue, will have to change and that there has to be a public need? For example, if somebody wanted to become an ophthalmologist and agree to, by some form of a contract, to serve outside of the City of Winnipeg where we have no ophthalmologists, so that the need of the public can be served by assistance

whether it's bursaries or loans or any other program. But to continue in assisting people to go to university, does the Minister foresee other criteria than that of need being used in determining just exactly who will go and to what level they will be supported by the public?

**MR. COSENS:** Mr. Chairman, I think that a statistic that the Member for Winnipeg Centre would be interested in is the fact that some 60 percent of student aid money goes to non-university students; in other words, into the community college area, into secondary student bursaries and other than university aid. We have a tendency so often to look on student aid as something that only affects university students; in fact it also services a large number of other students in a various number of educational pursuits.

**MR. BOYCE:** I appreciate the Minister sharing that information. That is an additional 10 percent shift but nevertheless my questions still are apropos in this regard in that I was thinking of university when I posed the questions, this is true. But nevertheless, if we need, for example, from Red River Community College a certain number of people with certain skills, I guess I'm asking him a more general question, of the balancing of manpower needs against the support level of post-secondary education.

**MR. COSENS:** Mr. Chairman, I would only suggest to the Member for Winnipeg Centre that in achieving the type of balance that he is looking at that there are probably much better ways of doing it, the ways that have been practised in other jurisdictions and so on, than using student aid as the method of supposedly achieving that particular end. I don't think it would be an effective method of achieving something that he suggests, perhaps a quota system or something along this particular line.

**MR. BOYCE:** I would much prefer that the Minister let me use my own words rather than put words in my mouth. I wasn't suggesting that they use this necessarily as a tool but nevertheless, in all means that are used to support people with public funds I think has to be balanced against the public wheel, if you will.

**MR. CHAIRMAN:** The Honourable Member for Burrows.

**MR. HANUSCHAK:** Mr. Chairman, before we move into Private Members' Hour, if I could just leave one question with the Minister. Being mindful of his response of last week when he said that the cost to the province over the deferred bursaries is \$2.3 million . . .

**MR. CHAIRMAN:** Order please. In accordance with Rule 19, Section 2, I am interrupting the proceedings for Private Members' Hour and will return at the call of the Chair.

### PRIVATE MEMBERS' HOUR

#### RESOLUTION NO. 2 — EMPLOYMENT PROGRAMS

**MR. SPEAKER:** We're now in Private Members' Hour. The first item is the Resolutions. On the Proposed Resolution of the Honourable Member for Brandon East, the Honourable Member for St. James has 10 minutes left.

**MR. GEORGE MINAKER:** Mr. Speaker, I was almost completed on Friday when the time arrived to adjourn and I will be very brief. I wanted to point out again that I will be supporting the resolution with some reservation in the fact that all of us, I am sure, want to increase the employment and decrease the unemployment conditions that exist, but it's our firm belief that just by spending public money and spendingspending it particularly on construction projects that we are really looking at a short-term approach to a long-term problem and that the general economy of the country has to be turned around and it won't be just done by building public buildings.

The other point that I wanted to draw to the attention of the Legislature is the fact — and I think it was amplified today during the grievance debate or speech — that by building public buildings, you have to fill them with furniture. The former Honourable Minister of Public Works has the idea that because you happen to have two chairs and you buy another two and put them in their place that there should be credits allowed for that and they shouldn't be considered expenses. Well, if I were to run my business that way, I wouldn't last very long in business I'll tell you. So, I think we have to consider — it's mandatory that we consider — that every time we build a public facility we are committed to an ongoing expenditure that will mean ongoing tax burdens to our people and will not necessarily mean an increase in productivity of the individuals who make up our economy; in fact it will in turn really take from the economy. Mr. Speaker, I hope that our

Minister of Public Works, as he has indicated, is going to support this with reservation, will give some consideration to some of the points drawn forward during the Debate, and that I will be supporting the resolution when it's called for the vote.

**MR. SPEAKER:** The Honourable Minister of Mines.

**MR. RANSOM:** Mr. Speaker, I have no difficulty in agreeing with the strict interpretation of the resolution that the Honourable Member for Brandon East places before us. The resolution that asks us to consider the feasibility of additional funding of capital works programs and employment programs. I would wish, however, to briefly raise two points that are of particular concern to me and I think would be particularly important in considering the feasibility of this additional funding.

The first of those points, Mr. Speaker, has to do with the ability of the province, with the ability of the taxpayers to pay the bill. And, secondly, it has to do with the effect that such programs have upon the attitudes of people. With respect to the first point on the ability to pay, Mr. Speaker, in previously addressing the House during the Budget Debate I challenged the honourable members opposite at that time to indicate to me and to this House, and to the people of Manitoba, how they would see that people in the future would somehow be better able to pay the bills that we're incurring today, than we are able to pay them ourselves today. And the Honourable Member for Brandon East who moves this resolution was one of the honourable members who on one occasion almost, almost, Mr. Speaker, got to the point where he was going to tell us how this might be done because he accused the Minister of Finance of being ignorant of the principles of deficit financing and I thought that perhaps then, during the course of some debate, I would hear the honourable member tell us just why it is that we should expect that the youth of today should be shouldering the burden. He has to pay these bills sometime in the future. Now that particular challenge has not been answered, Mr. Speaker, and I would suggest that this resolution would provide a particularly good opportunity for the members opposite to tell the people of Manitoba, to give the people of Manitoba and this House, an explanation of these principles of deficit financing of which our Finance Minister is in terms of the Member for Brandon East, is ignorant.

The second matter of attitudes, Mr. Speaker. I think this is an important consideration in that make-work programs tend to create, what I consider to be an unjustifiable reliance upon government, that somehow people through these programs, their confidence in the ability of government to be able to deal with any problem, seems to be enhanced. I think that we've witnessed a transition from some of the earlier make-work programs of a few years ago, where I believe that people recognized those programs for what they were. They said, here's a program that the government is coming forward with. It's designed to help people that are in particularly difficult circumstances. We recognize that perhaps the work is not that important, but the concept is good in helping people.

Well, then it seems to move along the spectrum to where people then believe that the job that is being done is really no longer a make-work job, but it's the sort of a job that is productive and that should provide a living wage then, that somehow they are starting to lose sight of the fact that these were make-work jobs to begin with. I'm concerned that perhaps as this sort of belief develops, that we may even come to the point where we completely overlook the make-work aspect of it, and perhaps even arrive at the two-and-a-half to one type of philosophy that has been espoused by the Honourable Leader of the Opposition.

And just as an indication, Mr. Speaker, of how that sort of reasoning leads to a distortion of the true economic situation, I referred during the Throne Speech Debate, I believe it was, to having heard an economic expert from Brandon University on the radio one morning, and he seemed to leave the impression that somehow it was unfortunate the government was laying off employees because for every employee in the government, they somehow would support another employee outside of the government. And he left the definite impression that the logical conclusion of his reasoning was that everybody could be employed by the government. Now, I found it rather difficult to believe that he would really put that forward and maybe my interpretation was not correct, Mr. Speaker.

But then rather recently, there's been an editorial in the April 13th issue of The Manitoba Co-Operator, and that editorial was entitled "On Restraint". I would just like to read one paragraph of this particular editorial, Mr. Speaker, and I quote, "Similarly there has been in some quarters an outright denunciation of the proposed attrition in our top-heavy provincial bureaucracy and of the report of the Task Force on Provincial Government reorganization. There has been an outcry in many circles over the proposed slimming down of the number of civil servants, despite the fact

that about 75,000 of Manitoba's 250,000 member labour force is directly or indirectly employed by government. Some one-step view economists have even argued that the Provincial Government, rather than cutting back on civil service should be employing more people. The argument goes that an employed person, no matter how he is employed, will stimulate the economy by spending. If that is true, why do we not just put everybody on the government payroll and there would be no unemployment? It's a simple solution but the problem is that it just does not work."

I suggest, Mr. Speaker, that the reason that it does not work is that there's a very very simple common-sense anchor point for economics which says that there's no such thing as a free lunch. And that's the sort of thing that people tend to lose sight of as we get further and further into make-work types of employment. I submit that you simply cannot indefinitely disregard declining productivity and escalating energy costs. And, as we do that, Mr. Speaker, then that contributes to the type of financial economic situation that we see with the Federal Government, for instance, where in 1960/61, their total spending was something like \$6,682.0 million, in 1977-78 the spending is approximately \$44,450.0 million. Between 1960-61 and 1977-78 the accumulated deficit of \$32,728.0 million and while that sort of spending was going on, Mr. Speaker, while that type of deficit being was accumulated, we managed somehow to reach record levels of unemployment.

Now, I have no question, no hesitation in acknowledging, Mr. Speaker, that unemployment is indeed one of the great challenges that faces the country and faces this province today. I suggest that the inference in the resolution put forward by the Honourable Member for Brandon East is not the type of thing that has long-term feasibility. Now, it is being done, of course, in the short term and I naturally believe it has some short-term application if we don't lose sight of some of the factors that I referred to previously. But it must inevitably fail in the long-run if we continue to ignore reality and I would liken it to the pitch of the snake-oil salesman, to somehow try and tell the people of Manitoba that their salvation lies with this type of method of spending.

Now, Mr. Speaker, I can support the resolution in the strict sense because it simply asks for consideration or the desirability of funding of this sort of programs, that it provides the vehicle for some discussion of this important topic. I remain convinced that the long-term solution to the unemployment problem must be based upon a better understanding of the importance of productivity and a better understanding of the role of energy in our economic structure. I believe that there is now some hope across the country, that governments realize the futility of immense government growth and intervention.

If I may close with two short quotations from the communique which arose out of the First Ministers' Conference in February. Mr. Speaker, I believe these quotations indicate that the general atmosphere of, the general attitudes of government across the country perhaps is changing. And, one of these conclusions from the conference, Mr. Speaker, was, and I quote, "First Ministers see an expanding private sector as the major impetus for growth in the Canadian economy." Then they go on to list some medium term objectives. One of those, Mr. Speaker, and I quote again, "The governments agreed that the expansion of jobs should come to the largest extent possible from business investment in the private sector, the development of new sources of energy and from a more rapid growth of exports than imports. The increased level of investment necessary, be largely financed from abundant Canadian savings".

Mr. Speaker, I submit that these are some extremely important considerations, which must be considered within the purview of the resolution put forward by the Honourable Member for Brandon East, and I would again issue a challenge to the honourable members opposite to respond to the challenge which I put forward in the Budget Debate, and again now, in terms of how they believe that the citizens, the youth of today, in particular, will somehow be in a better position to pay off the deficits that we are incurring today than we are, in fact, able to pay them ourselves.

**MR. SPEAKER:** The Honourable Member for Transcona.

**MR. PASIUK:** I wasn't sure whether I was going to speak on this resolution then I have been listening to some of the members opposite, and I'm not really sure where they stand on it. Some members opposite have said that they would support the resolution because it is geared towards reducing unemployment in the province. Other members opposite have put forward some questions as to whether, in fact, this resolution is a proper way to go. I would like to try and deal with some of their observations that they've made in this respect.

I'm still not certain, Mr. Speaker, whether in fact the members opposite are, in fact, in favour of this resolution I certainly don't think that they contest that we do have a serious unemployment problem in Canada, or that we have a serious unemployment problem in Manitoba, an unemployment



problem that I think, is in fact getting worse and an unemployment problem which doesn't really provide too much hope, too much substantive hope for a lot of people in this province who are unemployed or under-employed when they are working a four or three-day work week. And these people see nothing in the government's actions to date that will, in fact, provide any substantive hope for them, that is, will provide any jobs.

We do have 17,000 young people who are unemployed. Those people must get very frustrated. They look upon the experience of the Federal Government, which in fact utilized the number of tax breaks last year in the Budget in the hope that this somehow would stimulate the economy, and they've been waiting and watching and they have found that the performance hasn't been good at all. They look at the admission by Mr. Andras, the head of the Treasury Board in the Federal Government, who stated that the indirect stimulation measures undertaken by the Federal Government last year didn't work, that really what's needed in order to get the economy going again is direct action by the government and the provisions of direct jobs, which is what this resolution proposes.

Now, some of the members opposite have said that they agree with this resolution. I would wish that they would practise what they preach, then, because, surely when we do have unemployment, when we have unused capacity in the economy to produce goods and services for people — goods and services that we need — then surely it would make sense to proceed to utilize this unused capacity in our society to provide senior citizens' housing and to provide nursing care, to provide personal care home suites. This was a promise by the present government. They promised it while they were in opposition. This was a program that was in place under the New Democratic Party administration, and the Conservative Party said they would not stop those programs, indeed they would accelerate them.

So they did indicate to the public of Manitoba that those projects and those programs were useful; they were worthwhile; they were needed. And the point is that surely now is the time to get them on the road. We have an increasingly aging population — if you look at it in demographic terms — and we find that the services to these people are being cut back and yet we are having more people coming on to retirement, and in later years of retirement, where they are in need of personal care homes; where they are in need of home care; where they are in need of senior citizens housing. And surely this can be seen as a social investment for Manitoba, both for today and for future Manitobans. So it's important for this government to get off their hands and not just say that they are in agreement with these proposals in general terms, but to proceed and do them.

I have asked members opposite — some of the Ministers responsible — whether in fact the freeze on personal care homes would be lifted, and the Minister of Health says, "No, not now." Well when? This is the construction season and 49.7 percent of the construction industry is unemployed. Not because they are on strike, which in fact says something about the intelligence of the members opposite, because, frankly, if they would be able to determine the difference between people on strike and people unemployed, then they would be able to comment rashly on the argument. Now, if they want to comment rationally on the argument I think they should do some homework on it; I think they should do some homework on it. 49.7 percent of the construction industry is unemployed; that is they are seeking work and they cannot get work.

We have a number of people who do not have a place to live right now, and they are in their seventies and they are in their eighties. And why can't we build it? Why can't we build nursing homes? Because of financial restraint? We can build highways because of financial restraint. We can give money away in tax breaks even though we have financial restraint, but we can't build nursing homes.

Now, you know the previous speaker talked about hearing a CBC commentator. I heard one the other day, too, he was talking about days past. You know, they have this little segment talking about what took place a few years ago and they were talking about the statements of the Treasurer of the Manitoba Government in 1932. It was a throwback to the days that we talk about — the days that this government seems to be emulating — I wasn't quite certain, I thought, well, maybe the speaker is talking about today because what he quoted the Treasurer of Manitoba as saying in 1932 was that we have to cut back on government spending because revenues are under-expenditures. So in order to deal with this problem, which was caused because there was a worldwide recession, we, in Manitoba, are going to do our part by cutting back on the provision of services to people. And that's exactly what's happening today, we have a recession. It is a worldwide recession and it's brought about in part by the increase in the price of energy, as the member previously indicated. But in that worldwide recession we should not, surely, stick our heads

in the sand like ostriches and say that we will do those things that were done in 1932 in Manitoba, in Canada and in other parts of the world to transform a recession into a depression.

And you know what took place was that some smart people in the '30s actually started building some public assets. They said, "We will invest socially for the people of Manitoba and the people of Canada." And they did certain things. They built hospitals. They built the Auditorium and if people say, "That is not a wise social investment. It didn't serve Manitoba well." It served it very, very well. We had the Winnipeg Disposal Plant, I hear, which obviously was needed. We have certain things today that are needed: Nursing homes, senior citizens' homes, the McGregor-Sherbrook Overpass. We could do a number of those things, and we would also reduce the level of unemployment. We would get money circulating in the economy again. We would have people with some money in their pocket going out and buying goods and services from the private sector, because the problem is the private sector isn't operating at full capacity right now. So if you would put in some tax reductions, that won't get the economy going again for the private sector — not the type of private sector that we have in Manitoba. The private sector in Manitoba relies on a very strong buoyant consumer demand, and it gets this consumer demand if there is money circulating within the economy, and that has not been happening in Manitoba.

I still haven't received a good answer as to why we couldn't have more nursing homes. I can't understand why we can't have any senior citizens' housing. I ask Ministers opposite, I say that we have cancelled the Public Housing Program and the Minister of Housing gets up and says, "No, we haven't cancelled the Housing Program; we just haven't announced any projects for the calendar year 1978."

Well, as far as I can tell, that means that from January 1st, 1978, to today the program hasn't been operating. So, basically, from that period of time it was cancelled. And you need lead time in order to get some of these projects off the ground. So I can appreciate the members opposite saying, "Yes, we have some concern about unemployment. We agree with the general principle of this resolution." But I can't understand why they won't act because in certain areas they have shown that they can act, but I can't understand why they can't act to provide needed goods and services to people of Manitoba, while, at the same time, reducing the level of unemployment.

The Member for Souris-Killarney says, "Well, we can't do that, because we will, somehow, put ourselves in debt." Somehow the public cannot go in debt. And all he ever talks about is debt. He never talks about the creation of assets with this debt. When in fact you build a hospital, that is not an ephemeral thing, it will not fall apart in a year. When you build nursing homes they will not fall apart in a year; they will continue to exist. Or a school; that will continue to exist.

And the member opposite says, "Well, why should we ask young people to pay for a school or a hospital?" Well, I would like to tell the member that those young people who will in the future have to pay for a part of the school or the hospital, will in fact be utilizing the school or the hospital, so, why not build it?

You know, I am quite surprised; I am quite surprised that the member opposite really hasn't looked at what might be called the economy of a country, because the economy of a country is somewhat different than looking at the financial statements of a family budget or of a firm. I think there has been something in economics called the Keynesian Revolution, and people have talked about its pros and cons since that time. But surely most reputable economists today will argue that there is a need, in times of high unemployment, to prime the pump of the economy with needed investment. And the investment right now isn't needed in the private sector, because I indicated — and I think the First Minister opposite has indicated — that at present manufacturing plants in Canada are operating at 80 percent capacity, which means that they have 20 percent unused capacity. You don't need more investment in that manufacturing sector, because they can expand by 20 percent quite easily.

But right now, as far as I can tell, our nursing home capacity is 100 percent. We need more nursing homes. We need many more nursing homes and our hospital capacity is probably at 110 percent. Because what has been happening has been that elderly people, especially, who are patients, I think are being shoved out of the hospitals prematurely. I've had far too many complaints from constituents who are being told that home care awaits them, because last year there was a good home care program and so it's in place this year. So that if a particular case — and I'd like to recount that if someone goes into the hospital with a throat problem, has an eye cataract operation, falls out of bed, breaks his hip and in six weeks is released prematurely, against that person's will, but told, "Go home because you will have home care service." And that person doesn't get the home care service.

**MR. SPEAKER:** Order please, the honourable member has five minutes.

**MR. PARASIUK:** Thank you. Then that surely shows that that hospital, if it keeps doing that, is really operating at about 110 percent capacity and somehow we have got to turn that around. Somehow, surely, it is important for society today not to be selfish, as the Member for Souris, I think, says it should be, but to say, "Look, we will be utilizing those assets in the future, so we should pay our fair share of them today."

And you know, if you look at the private sector, I know of no private company that develops assets on a pay-as-you-go basis. I have not seen one yet. I wonder how many members in this Assembly have mortgages. I would think that a large number of them have mortgages. You have a mortgage do you? Fine, now, and you will try and pay it because you will amortize the payments and on the basis of your yearly payment, you will determine whether you can in fact afford that or not. But the members opposite don't talk about debt in terms of yearly obligation. They talk about it in gross terms and they say, "Wow, this year, as of today, we have this big debt." What you have is the amortization of that debt, which is required for this year.

So if, in fact, you are trying to use, I think, the myth of this huge debt which somehow can't be handled by our economy — if you use that myth as an excuse for not providing goods and services, which are needed by the people of Manitoba — then you are really doing a horrible disservice to the people of Manitoba because you are fooling them. You are telling them you cannot afford to provide something which they need, when indeed we can afford to provide it. We can afford to provide it because we will be using a lot of slackness in our economy; we will be taking people who are unemployed and we will be putting them to work building things that are needed — needed by the people of Manitoba. And, in so doing, we will generate a circulation of money within the economy and our revenues will go up, so that our tax revenues will be better next year.

It may sound a bit perverse, but in order to get out of a recession, you have to spend your way out of a recession. And that's been the historical, factual experience that members opposite just don't want to pay any attention to. Now the member opposite, from his seat, says, "How does one get into a recession?" I think that the Member for Souris probably has put his finger on some of the problems, but he starts talking about the fact that the energy costs in the world increased fourfold in a very short period of time, and people have not gone through the adjustments necessary yet in order to take that into account. And in some respects, we certainly are spending far beyond our means. And somehow, people like to say that the public sector only, in some respects, is spending beyond its means.

Now, what it is, is a question of priorities, surely, and I agree with people who say that we should look at the variety and range of public spending and determine what is the highest priority, and I am arguing that nursing homes are the highest priority. I'm not arguing that giving extra money to some of the private office builders, so that they may build some extra office space in Winnipeg right now, when we have an excess capacity of office space, is of the highest priority; I don't want to spur that type of construction; I want to spur construction for needed goods and services. And I think this resolution makes a lot of sense; it's been proved historically correct; we've had no explanation from members opposite as to why they are holding back on the construction of needed facilities for elderly people. And it's that area, it is in their treatment of the elderly that I think that this government, which is receiving a lot of damning from the public, will be damned the most, and damned historically.

**MR. SPEAKER:** The Honourable Member for Selkirk.

**MR. PAWLEY:** Mr. Speaker, I wish first to commend the Member for Brandon East for bringing to the attention of the Legislature, the question of unemployment, and permitting us to focus in on the very obvious and blatant weaknesses that exist on the part of the government party today in Manitoba in coping with that problem which steadily has worsened, certainly, during their short term so far in office.

The philosophy of the Conservative Party in Manitoba is basically one which suggests that business can best cure its own problems, that what is good for business is, of necessity, good for the province, and it is also a philosophy which is based upon the theme that the least government is the best government. And as my colleague from Transcona pointed out, that this attitude and philosophy to government, a passive philosophy towards government, certainly relates back to the attitude that was prevalent at the beginning of the Depression era, which can be summed up certainly under the leadership of Hoover and Bennett in the United States and Canada respectively. Therefore, it should come as no surprise to any, after the election of the Lyon government in Manitoba, that one of the first announcements by the new First Minister was to the effect that they, referring to the unemployed, can draw upon unemployment insurance. Unemployment insurance was the answer that was provided by the First Minister of this province, to the unemployment situation, shortly after

his election as First Minister of this province. That was the originality of his thinking as to how he was going to direct his efforts and energies in coping with unemployment.

And of course, that is consistent with the philosophy of right-wing Conservative governments wherever they exist in the world today. Representing the particular economic elite, which they do, the strategy is to depress wages, and what better way is there to depress wages than if you have a surplus of labour, if you have an unemployment situation within your midst. So that there is certainly, if not deliberate, there is obviously a lack of concern about the unemployment situation, and has such been historic on the part of Conservative governments, whether they be in Manitoba, or in Canada, or elsewhere through the world, there is a lack of concern stressed insofar as unemployment is concerned.

Certainly the very beginnings of welfare, Mr. Speaker, originated with the attitude that welfare can pick up the pieces. Let there be unemployment, welfare can pick up the pieces. And you know, the Conservative party has attempted to tab the New Democratic Party and parties of the democratic left, as being the parties of welfare. But capitalism brought about the very beginnings, Mr. Speaker, of the welfare system and the payment of welfare and doles, brought about the very need for the payment of welfare that exists today. And if there is a welfare-oriented party, Mr. Speaker, it is the Conservative Party, because they basically have no answer to the jobless situation within our midst except as the First Minister said, "Let unemployment insurance take care of the problem," or in other words, let there be handouts; let there be a payment of welfare.

The Conservative Party basically therefore, I fear, Mr. Speaker, neglects to introduce a program, a strategy, to deal with unemployment.

There has been recently a Task Force established in Newfoundland by the Newfoundland Labour Council, which has unfolded a number of interesting facts about the effects of unemployment in our midst. The effect upon the rate of crime. It can be established, Mr. Speaker, that the rate of crime increases proportionately to any increase in unemployment figures in our midst. It can be shown, Mr. Speaker, that even the increase in alcoholism within society increases with the degree of increase in unemployment. Health is also often directly affected by the fact that a man or a woman goes without a job.

Unfortunately, Mr. Speaker, that the Conservative Party, however, really doesn't so often concern itself with the unemployment situation. Their attitude would be, for instance, that if you are under 20 years of age, that is really not a situation to be too concerned about insofar as being unemployed is concerned. If there is one that is already employed in the household, then really, that is not too much of a problem to be concerned with. If you are over 65 and you wish to continue to work, that is again a problem, unfortunately, that by way of Conservative philosophy, is not one to concentrate too much on as a matter of priority within society. Mr. Speaker, the philosophy of the Conservative Party is directly in contradiction to the philosophy espoused by social democrats, democratic socialists the world over, in that, rather than support the view that by adding by way of tax concessions or grants to those in our society that hold economic power, that in some way there will be a trickle down of those funds to the consuming public. That basically is the philosophy of the Conservative Party, as has been witnessed by the \$25 million, \$30 million by way of tax concessions. That position is in direct contradiction to the position of, for example, the New Democratic Party in the Province of Manitoba, whose direction and philosophy is based upon the position that consumer purchasing power must be stimulated, and if the purchaser is given the funds in order to purchase with, then in fact we stimulate the economy and the indirect result of that is the creation of jobs within our society. In other words, it's a distribution of funds, funds being made available to consumers at large, rather than depending upon the trickle down theory, which is basically the philosophy and approach of the Conservative Party and its counterparts, not only in Manitoba but elsewhere.

And, Mr. Speaker, there is so much that ought to be done, in dire need of being done in our society, if we did have in Manitoba a government which was based upon activism in generating job creation rather than a government which was passive. For instance, in the field of housing; I don't know what other members and their constituencies find, but I find that there is no slackening in the demand for housing accommodation. Certainly, in my constituency, Mr. Speaker, I find that even though rent controls will be removed as of September 30, in the particular area that I represent there is a lack of rental accommodation; the demand is growing for more and more rental accommodation, yet very little, if anything, is being done by the way of construction of further public housing in our midst. Certainly there is much more to be done by way of senior citizen housing, much more that can be done by way of worthy municipal and local government projects, much that can be done by way of construction in hospital and personal care homes. How much is it costing us by way of unused manpower capacity in our midst, day by day and week by week, while we

could employ men and women in the construction of needed health care facilities in this province? Certainly delay is creating further costs to the public treasury insofar as providing needed health care facilities that are now overdue in our midst. Certainly during periods of rising unemployment it is the public institution work that should be undertaken.

So, Mr. Speaker, I would like to say in summation that what is needed by the present government in Manitoba is leadership in the creation of jobs; our young people in this province are looking to this party, to this government for leadership. Many of them voted, Mr. Speaker, for this government and party because of the attraction that it presented to young people during the October election, that by the election of a Conservative government there would suddenly be creation of many more jobs in the Province of Manitoba. They are now disappointed; they are disappointed. Mr. Speaker, there are those in our disadvantaged communities and groups that are without employment; there is so much to be done by way of preparing those with limited skills in our province, so that they can undertake worthwhile job projects, but unfortunately, again, we have a Provincial Government that is not demonstrating, I fear, a concern for trying to teach those that are in need of skills so that they can take their rightful place within society by contributing to society in a meaningful way. In other words, Mr. Speaker, what we need now is an active approach, not a passive approach, a positive approach to generate and create jobs so that there will be an overall general benefit to the community at large. Thank you.

**MR. SPEAKER:** The Honourable Member for Roblin.

**MR. McKENZIE:** Mr. Speaker, I have a few comments I'd like to offer in reply to the resolution which the Honourable Member for Brandon East has put before the Legislature, and certainly it's a very timely and excellent resolution for us to be debating at this particular time. And I basically wouldn't have got involved in the debate had it not been for the comments of the Honourable Member for Transcona, who said that we can spend our way out of a recession — spend our way out of a recession and he left it there, high and dry. Now, I don't know whether he meant spending hard-earned tax dollars, or we take these dollars, wherever we're going to get them from — the wealthy corporations, or do we just go into the Treasury and start printing money, which the Feds have tried or where are we going to get all this money, so that we can spend our way out of this recession?

Mr. Speaker, I don't think that anybody today denies the seriousness of the problems that are spelled out in the resolution, across Canada the million or more unemployed, the high rate of inflation, the enormous spending of hard-earned tax dollars by the Government of Canada and the low productivity of our forces, our business and our goods and services that we spread abroad to compete in other world markets?

I was listening very intently the other day to an economist who suggested, Mr. Speaker, that this recession that we're in to the depths of now likely started in the days of the great Lester Pearson, the former Prime Minister of this country, who one day in his wisdom as Prime Minister the government of that day decided to give a certain group of longshoremen an enormous salary increase to get them to go back to work — and if my figures are reasonably close — somebody tells me that it was in the neighbourhood of 50 percent to 60 percent of the salary increase that was granted to the longshoremen of those days and they went back to work.

From that day to this, Mr. Speaker, we see a government in Canada today, the Federal Government, who likely with their deficit financing and the moneys that they have borrowed will likely spend well over \$60 billion or maybe very close to \$70 billion, the highest spending program that Canada has ever seen. Yet on the other hand, in replying to the Honourable Member for Transcona, who thinks somehow by that, which is the highest spending program that we've ever seen in government in this country, that is going to solve the problem. It has not solved the problem of the million or more people that are still unemployed in this great country of ours today. They are still there, even as we sit here today, trying to solve or assist the Government of the Day and the government in this province to solve this problem. So I say to my honourable friend for Transcona, certainly that is a possibility, the spending and the continued spending are a way out of recession, but the Government of Canada hasn't proved by spending the dollars they're spending that the recession is any better. I suggest that the members opposite in their days of government raised the expenditures of this province considerably from the time that it was when I came in here in 1966, and while they maybe haven't made the problem any worse, it still hasn't solved the problem, Mr. Speaker, to the best of my knowledge.

So I wonder, does the Member for Transcona want us to go out and borrow more money, create more deficits and spend more dollars in the hope that it will resolve this problem? I daresay I don't think it will. I'm wondering if we were to increase wages and build up the salaries of the employees,

will that solve the problem that we're facing in Canada today? I doubt it, I doubt it very much. Shall we continue with the old plans that have been going on at the federal level and listen to the economists that have been guiding the Government of Canada and guiding the people of this province and other jurisdictions with their various plans? I daresay it's maybe time that we took a look at another way because that system has not worked.

Forty-nine percent of the construction workers in Manitoba, one of the honourable members mentioned a while ago, are unemployed today. Now why would that be? I hear the members opposite saying there's lots of room for housing, there's lots of room for senior citizens' housing, why is there no other way to create housing in this province except by government dollars? Why aren't the investors, these people that have money to invest in other jurisdictions and across the border, why are they not investing dollars to create jobs for the 49 percent of these people that are not working today? Or have people got so indoctrinated, brainwashed in this province that they say there's only one way you can build housing for senior citizens and for our nursing home patients and that's by government dollars and government dollars only.

I suggest, Mr. Speaker, that there has to be another way because that vacuum somehow seems to have dried up. Certainly, we can vote sums of money here tomorrow to build more nursing homes, to build more housing. Is that going to solve the problems of unemployment for a longterm policy? Is it going to solve the problems of inflation? Is it going to bring under control the high government spending which most economists across the country today are saying is one of the root problems of inflation; or if we build more housing, is that going to clear up the productivity problems that we seem to have encountered?

So, Mr. Speaker, I say that I don't think that Manitoba can do this alone. I think that the matter is very very serious. I think that the First Ministers and Ministers of the Crown have to start another plan. I like the comments of the Minister of Mines who earlier mentioned some of the sentiments of those Ministers who attended the last parliamentary conference. At least they're looking at another way, another approach to these serious problems rather than continuing on this sort of blindless course that we've been following by just extracting these tax dollars from the citizens and spending them and spending them and continuing to borrow, is going to solve the problem.

So I say, Mr. Speaker, that inflation is one of the real roots of our problem and until we can attack that at the level provincially and federally and delve into it and find other ways and means than we have established at the present time. We maybe should take another look at the possibility that by building more nursing homes will solve that problem; or building more senior citizens homes, will that solve the inflationary problem? Or building more government buildings, will that solve the problems of inflation? Or borrow more money like the Honourable Member for Transcona said, to retard the recession. —(Interjection)— I wonder. The solutions that I have, Mr. Chairman, are: (1) I think that the results of the last election in this province is an indicator of what the people think about it — to cut government spending is the No. 1 priority. It was on our election campaign literature; the people accepted that and when I go back to my constituency on weekends, they're patting us on the back for what we are doing. While we're not maybe cutting it at the moment, we're certainly trying to bring it under control and give a dollar's worth of value for a buck.

The second thing that we must take a look at, Mr. Speaker, is the productivity of the goods and services that we are offering this province today. I suggest, Mr. Speaker, that the productivity of our province today, we are out of line, we are out of whack, especially with our neighbours to the south. You and I don't have to be told, we've heard that in the debates continually, time and time again, we don't have to go very far to find another nation that has better productivity and can deliver goods and services much cheaper than we can.

The other thing that we have to do is stop telling the man on the street, our society, that socialism or high government spending of tax dollars or high spending programs are going to solve these problems. They are not going to solve them, Mr. Speaker, we've had them now for almost a decade and the problem continues to get worse instead of being solved. So I say, Mr. Speaker, I like the resolution; I can support many parts of it. I congratulate the honourable member for bringing it forth. I say today, if he had added on the bottom that we need a hard-nosed labour force, we need high productivity, we need lower taxes and we want business and a government that will work hand-in-hand, then we'll solve a lot of problems in this province. Thank you, Mr. Speaker.

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

**MR. ADAM:** Mr. Speaker, this is too good a resolution to let drop. I wonder if we'd call it 5:30 and pick it up next time.

**MR. SPEAKER:** The Honourable Meer will have 20 minutes when this next appears on the Order Paper.

The hour being 5:30, I am now leaving the Chair and the House will resume at 8 o'clock in Committee of Supply.