

THE LEGISLATIVE ASSEMBLY OF MANITOBA  
10:00 o'clock, Friday, March 14, 1975

Opening Prayer by Mr. Speaker.

INTRODUCTION OF GUESTS

MR. SPEAKER: Before we proceed, I should like to direct the attention of the honourable members to the gallery, where we have 41 students of Grade 5 standing of the Sherwood School. These students are under the direction of Mrs. Borody and Mrs. Schaan. This school is located in the constituency of the Honourable Member for Elmwood, the Minister of Public Works.

And we also have 20 students of Grade 10 and 11 standing, of the Miles MacDonnell Collegiate. These students are under the direction of Mr. Sernyk. This school is located in my own constituency of Kildonan. On behalf of all the honourable members, I welcome you here this morning.

Presenting Petitions; Reading and Receiving Petitions; Presenting Reports by Standing and Special Committees; Ministerial Statements and Tabling of Reports. The Honourable Minister of Labour.

TABLING OF REPORTS

HON. RUSSELL PAULLEY (Minister of Labour)(Transcona): Mr. Speaker, I wish to table the Annual Report of the Minimum Wage Board of Manitoba for the year ending December 31st; the Annual Report of the Department of Labour for 1974; and the Annual Report on the Manitoba Labour Managements Review Committee for 1974.

MR. SPEAKER: The Honourable Minister of Education.

HON. BEN HANUSCHAK (Minister of Education)(Burrows): Mr. Speaker, I wish to present the Annual Report of the Universities Grants Commission for the year ending March 31, 1974, and the report of the University of Brandon for the year 1973-74.

MR. SPEAKER: The Honourable Minister of Consumer and Corporate Services.

HON. IAN TURNBULL (Minister of Consumer, Corporate and Internal Services) (Osborne): Mr. Speaker, I wish to table the Annual Report for the Manitoba Telephone System for the year ending March 31, 1974 (members have already been sent copies of this report). Also I would like to table the Annual Report required under the Trade Practices Inquiry Act.

MR. SPEAKER: The Honourable Minister of Northern Affairs.

HON. RONALD McBRYDE (Minister of Northern Affairs)(The Pas): Mr. Speaker, I'd like to table the Annual Report of the Manitoba Government Air Division for the year ending March 31, 1974.

MR. SPEAKER: Any other Ministerial Statements or Reports? Notices of Motion; Introduction of Bills. The Honourable Member for St. Johns.

INTRODUCTION OF BILLS

MR. SAUL CHERNIACK, Q.C. (St. Johns) introduced Bill No. 10, an Act to incorporate Co-operative Credit Society of Manitoba Limited.

MR. CHERNIACK: Mr. Speaker, I've read the wording of this motion as it was presented I'm wondering if it shouldn't be "an Act to amend an Act to incorporate," but if it does, I trust that it will be corrected if necessary.

MR. SPEAKER: Thank you. Questions. The Honourable Leader of the Opposition.

ORAL QUESTIONS

MR. SIDNEY SPIVAK, Q.C. (Leader of the Official Opposition) (River Heights): Mr. Speaker, my question is to the Minister of Health and Social Development. I wonder if the Minister has anything new to report to the Legislature regarding contingency emergency service for six hospitals of Manitoba.

MR. SPEAKER: The Honourable Minister of Health.

HON. LAURENT L. DESJARDINS (Minister of Health and Social Development) (St. Boniface): Mr. Speaker, the meeting that I referred to yesterday is taking place right now, and I expect to have some information fairly soon.

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MR. SPIVAK: I wonder if the Minister can indicate to the House whether the government - and my question is directed to the government - has established minimum levels of emergency service that must be provided.

MR. DESJARDINS: Mr. Speaker, the Manitoba Health Services Commission is responsible for that. The government, through the Minister of Health, is responsible to see that they're on the job, and that's being done.

MR. SPIVAK: Mr. Speaker, my question is to the First Minister. I wonder if he can indicate whether the Cabinet have established a minimum level of emergency service that must be provided for the six hospitals that are now in the final negotiations with nurses and who have announced their intention to strike.

MR. SPEAKER: The Honourable First Minister.

HON. EDWARD SCHREYER (Premier)(Rossmere): Well, Mr. Speaker, I think that the Honourable the Leader of the Opposition will understand that there are always certain basic contingency plans of action. It is impossible to give any guarantee as to whether they will, in their eventuality, prove to be adequate. Further, may I add that it is not particularly helpful to speculate in advance of any possible settlement or lack of same.

MR. SPEAKER: The Honourable Member for Fort Garry.

MR. L. R. (BUD) SHERMAN (Fort Garry): Mr. Speaker, my question is to the Honourable Minister of Health and Social Development. Can the Minister advise the House whether the nurses have in fact issued a statement during the past 24 hours regarding the emergency services they're prepared to meet, including dialysis services?

MR. SPEAKER: The Honourable Minister of Health.

MR. DESJARDINS: Mr. Speaker, I've been told that the nurses have talked to the administrators of the hospital and this is the information that I'm waiting for. Presently, as I mentioned yesterday, the administrators of the different hospitals, the hospitals concerned, the members of the MHO and the Health Commission, are now meeting to sort all this out.

MR. SHERMAN: A supplementary, Mr. Speaker. Can the Minister advise the House whether he has had brought to his attention the substance of a purported letter or statement from the nurses on that subject to which I've referred, which has been given some attention on radio broadcasts this morning?

MR. SPEAKER: Order please. I wonder whether it's any real efficient way to proceed on purported information. Why do we not deal with facts? Does the Honourable Member for Fort Garry wish to rephrase his question?

MR. SHERMAN: Well, Mr. Speaker, just on that point, Sir, it is a fact that that kind of information has been reported and I'm asking the Minister if he can convey confirmation of that information and those facts, or that reporting, to this House. --(Interjections)--

Mr. Speaker, is the Minister in a position to advise the House whether in fact the nurses have issued a statement that is now available to the news media regarding their emergency services?

MR. SPEAKER: The Honourable Member from St. James.

MR. GEORGE MINAKER (St. James): Thank you, Mr. Speaker. My question is to the Honourable Minister responsible for MDC. I wonder if the Honourable Minister could advise the House the number of employees that will be laid off during the coming shutdown at ManFor Industries in The Pas.

MR. SPEAKER: The Honourable Minister of Mines.

HON. SIDNEY GREEN, Q.C. (Minister of Mines, Resources and Environmental Management)(Inkster): Mr. Speaker, I don't have the figure at my fingertips. I will get it from the honourable member and give it to him.

MR. MINAKER: Thank you, Mr. Speaker. A supplementary question - if the Honourable Minister would also in his checking out on this first question, if he would check to see how long the anticipated shutdown is scheduled for.

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

MR. HARRY E. GRAHAM (Birtle-Russell): Thank you, Mr. Speaker. My question is for the Minister of Municipal Affairs. I'd like to ask the Minister if a meeting of the Municipal Board has been scheduled for The Pas some time in the near future to discuss a trailer park, or trailer court.

MR. SPEAKER: The Honourable Attorney-General.

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HON. HOWARD PAWLEY (Attorney-General; Minister of Municipal Affairs)(Selkirk): Mr. Speaker, I would have to take that question as notice. I'll check that out and advise the honourable member.

MR. SPEAKER: The Honourable Minister for Public Insurance Corporation.

HON. BILLIE URUSKI (Minister for Manitoba Public Insurance Corporation)(St. George): Yes. Mr. Speaker, the Member from Minnedosa asked me a question last week with respect to: "I wonder if he might inform us in a round figure the amount of premium that was paid out by the corporation for co-insurance or re-insurance, and what companies would be involved," Mr. Speaker, information that has been provided to me is that the re-insurance is placed at Lloyd's and also in the North American market at terms which are negotiated each year. Within the licence year of 1974, the corporation acceded approximately one percent of its premiums earned for re-insurance.

MR. SPEAKER: The Honourable Member for Virden.

MR. MORRIS MCGREGOR (Virden): Mr. Speaker, I'd like to direct this question to the Minister of Mines, Natural Resources and Environmental Management. Does the government intend to reduce the levels of provincial taxation on oil in view of the fact that this high taxation is leading to the wholesale abandonment of wells by companies in the Virden area?

MR. SPEAKER: The Honourable Minister of Mines, Resources and Environmental Management.

MR. GREEN: Mr. Speaker, there is no intention of the government to reduce its taxation by virtue of a suggestion that there is wholesale abandonment. There is consideration being given by the government, as promised at the time that the tax was imposed, that if the Federal Government does not permit this oil to be deducted as an expense from the payment of federal taxes, that we would look at the effects of that to see whether any amelioration is forthcoming, or should be forthcoming, and that is being done.

MR. SPEAKER: The Honourable Member for Fort Rouge.

MR. LLOYD AXWORTHY (Fort Rouge): Thank you, Mr. Speaker. I'd like to ask a question of the Minister of Tourism and Recreation. Can the Minister indicate whether he is preparing to table in this House the Newsom Report that was prepared outlining a program of regional libraries for this province?

MR. SPEAKER: The Honourable Minister of Tourism and Recreation.

HON. RENE TOUPIN (Minister of Tourism, Recreation and Cultural Affairs) (Springfield): Mr. Speaker, I made reference to that during my remarks on the Speech from the Throne but I'll repeat them. I indicated that there was a copy of the Newsom Report in the Legislative Library and that I undertook to table copies for honourable members.

MR. AXWORTHY: A supplementary, Mr. Speaker. Can the Minister indicate whether the government is prepared to bring forward a plan for the establishment of a regional library system in the province this year, and are they prepared to offer some form of funding to begin that program at the present time?

MR. TOUPIN: Well, Mr. Speaker, there is a plan on the books now which is available to all organized groups in the province, municipalities, LGD's, Indian Bands and so on, and the government is willing and ready to react to this and cost share to the extent that the municipality is willing to offer the services. I can equally make available to honourable members the direction and the grant available for any given municipality in the province of Manitoba and what is available on a provincial basis by means of the Provincial Extension Library Service.

MR. AXWORTHY: I have a supplementary, Mr. Speaker. In addition to the existing program, is the government intending to implement in any part the recommendations of the Newsom Report and, if so, can the Minister indicate why the government is planning to cease funding of the regional library in Dauphin for the Parkland region?

MR. TOUPIN: Well, Mr. Speaker, part of the recommendation of Newsom, as the honourable member will realize once he reads the report, if he hasn't, are now implemented; that is, some of the services that are recommended under Newsom are now in force. Other recommendations will be announced in due course. Pertaining to Parkland itself, this was an experiment of three years. We went two years beyond that commitment and it has been decided by Cabinet to cease the experiment as of the 1st of July, 1975, and that is a decision that will not be reversed.

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MR. SPEAKER: The Honourable Member for Flin Flon.

MR. THOMAS BARROW (Flin Flon): I direct this question to the First Minister, Mr. Speaker. Is the Province of Manitoba prepared to support any northern community in its efforts to gain information regarding the polar gas route?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, I think that for the most part I would have to take that question as notice, but I can advise the Honourable Member for Flin Flon that indeed the community of Churchill, for example, has through one of its local committees or organizations attempted to gain information. The province has tried to be helpful in that respect and the province is supporting the community in terms of liaison with certain appropriate federal departments and ministers, to attempt to get more precise information. And I might add, Mr. Speaker, that in very recent days information has come to light which would indicate that the prospects of a polar gas route coming down the mainland rather than attempting a Hudson Strait crossing are very good indeed, the cost differential being in the order of one billion, 400 million dollars plus.

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

MR. EARL McKELLAR (Souris-Killarney): Mr. Speaker, I'd like to direct a question to the Minister of Tourism and Recreation. Mention was made in the Throne Speech that the Bald Heads were going to be included in the Spruce Woods Park. When is this going to take place?

MR. SPEAKER: The Honourable Minister of Tourism.

MR. TOUPIN: Well hopefully, Mr. Speaker, in the year 1975, during the summer season of 1975, a larger portion of the Bald Hills will be available to the public, under certain protections. As the honourable member is aware, there are dangers in the Bald Hills that the people have to be protected from, but this will certainly be up-graded in 1975 and available. It will be announced in due course. Hopefully during my estimates I can be more precise in regard to the services to be offered.

MR. McKELLAR: Will the Department of Tourism provide guides to conduct guided tours through the Bald Heads after you take them over?

MR. TOUPIN: It is our intention, Mr. Speaker, to have some people available for guide purposes, not necessarily to guide people through the area, but to inform the public of what's available and what is to be seen.

MR. McKELLAR: Mr. Speaker, regarding the shells that are there, like what precaution is the Provincial Government going to take to protect people?

MR. TOUPIN: Some areas, Mr. Speaker, will have to be blocked off and not accessible to the public.

MR. SPEAKER: The Honourable Member for Morris.

MR. WARNER H. JORGENSEN (Morris): Mr. Speaker, I should like to direct my question to the Minister of Health and ask him if there is any good reason why the statement that he's going to be making at 1:30 could not have been made in the House at 10:00 o'clock this morning.

MR. SPEAKER: Orders of the day. The Honourable Member for Morris.

MR. JORGENSEN: The reluctance on the part of the Minister of Health to answer any questions in this House indicates to me that . . .

MR. SPEAKER: Order please. Order please. The honourable member state his matter of privilege.

MR. JORGENSEN: . . . passing the House in making announcements. It's a well-known fact, sir, in this Chamber, and Chambers across this country, that when announcements are to be made they are made in this House when the House is sitting. The House is sitting this morning and it's sitting this afternoon. Why does the statement have to be made at 1:30 in the locked rooms of the Minister's office where he cannot be questioned?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, speaking to the point of alleged privilege, may I put this point forward, or this observation, that as a general rule and an important rule, what the Member for Morris has said is certainly the understood way of proceeding. On the other hand, I'm sure that my honourable friend will acknowledge that from time to time circumstances and issues arise in which that principle is not always followed. Would the Honourable Member

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(MR. SCHREYER cont'd) . . .for Morris, for example, let his mind drift back to 1959 when a multi-billion dollar bond conversion was announced over television, instead of the House of Commons, by the Conservative administration of that day.

MR. SPEAKER: Order please. Order please. Order please. I think we have belaboured the point enough. The Honourable Member for Roblin.

MR. JORGENSEN: As far as I'm concerned the point has not been belaboured . . .

MR. SPEAKER: The Honourable Member for Morris state his matter of privilege again.

MR. JORGENSEN: It is my matter of privilege, sir, and I ask the Minister of Health again if he can give the House some reason why that conference has to be held and that statement has got to be made at 1:30 this afternoon rather than at 10:00 o'clock in this House.

MR. SPEAKER: Orders of the day. The Honourable Member for Roblin.

MR. J. WALLY MCKENZIE (Roblin): Mr. Speaker, I have a question for the Honourable the First Minister. I wonder if the First Minister can advise the House what the cost of the changeover to the metric system is going cost the government.

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, the Honourable the Minister of Industry and Commerce is our minister co-ordinating and responsible for Manitoba's involvement, in co-operation with Canada, in the process of metrication. I couldn't put a dollar figure on it because so much of this process is to be handled by evolution or transition over a period of years and, as such, the costs directly attributable would be minimal.

MR. MCKENZIE: Mr. Speaker, can I ask the Honourable First Minister if any studies or reports have been done to indicate to the people of this province what the cost is going to be?

MR. SCHREYER: Well, Mr. Speaker, I think that the Honourable the Member for Roblin is barking up an academic tree, if I may use that expression, because all jurisdictions in Canada are committed, the die is cast, and we are proceeding.

MR. MCKENZIE: Mr. Speaker, then I'll direct my question to the Minister of Industry and Commerce and ask him if he has any studies or any figures, or any indicators of any kind, that can indicate what the cost is going to be to the people of this province.

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

HON. LEONARD S. EVANS (Minister of Industry and Commerce)(Brandon East): Mr. Speaker, the honourable member is asking an impossible question. I'd like him to suggest to us how one can conduct a study of the cost of metrication. As the First Minister has indicated, it's a process that is about to take place in a gradual way right across Canada. If he can suggest to us the basis of estimating the cost, I'd be very delighted to hear it.

MR. SPEAKER: The Honourable Member for Roblin.

MR. MCKENZIE: Mr. Speaker, to the same minister. Then, am I to assume that there's no concern by this government of the cost, that they don't know, they have no figures and no calculations?

MR. SPEAKER: The Honourable First Minister.

MR. SCHREYER: Mr. Speaker, that assumption on the part of the Honourable Member for Roblin would be completely erroneous. There is concern about the cost. We are intending to proceed in a way that is transitional and that will minimize the cost, and I say by way of final point, sir, that we would be more concerned about the cost if we did not proceed to metrication, the cost to the next generation and generations after them if we try to live in a world in isolation.

SOME MEMBERS: Hear! Hear!

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. BOB BANMAN (La Verendrye): Thank you, Mr. Speaker. I direct my question to the Minister in charge of the Manitoba Public Insurance Corporation. Has United Towing, the firm that has the contract for the towing the Autopac victims in Winnipeg, asked Autopac to extend its area of towing to include a 20-mile radius outside the perimeter?

MR. SPEAKER: The Honourable Minister for Manitoba Public Insurance Corporation.

MR. URUSKI: Mr. Speaker, I hope that we aren't going out and causing the accidents, as the honourable member is attempting to suggest in his question, but motorists who are involved in accidents are to either contact a number, which is the United Towing number, or

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(MR. URUSKI cont'd) . . . the police if they are involved in an accident, and the area that the member is referring to is an area of at least twenty miles - I believe it's twenty miles; I would have to check it out specifically. But the area around the perimeter is approximately 20 miles, a 20-mile radius, in addition to the City of Winnipeg.

MR. SPEAKER: The Honourable Member for La Verendrye.

MR. BANMAN: Mr. Speaker, for clarification then: As of now, United Towing has a contract to tow in all vehicles within the - the 20 - mile radius of the perimeter.

MR. SPEAKER: The Honourable Minister.

MR. URUSKI: Mr. Speaker, I'll take the question as notice and just make sure that I give him a proper answer on that.

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

MR. EVANS: Mr. Speaker, the other day the Honourable Member from Arthur asked the following question: "I wonder if he, the Minister, could tell the House if McKenzie Seeds in Brandon is licensed as a seed company." And I simply report that the company, A. E. McKenzie Limited, is a Manitoba company authorized under its charter to sell and deal in seeds and horticultural products.

Supplementary question: "Can the minister now tell the House who holds the licence from plant products to advertised certified seeds?" I'm not sure what he means by plant products but I can just simply say that the seed sold by A. E. McKenzie Limited is inspected and graded under the authority of the Canada Seed Act and Regulations. As I indicated previously, the company operates as a normal commercial enterprise with all the rights and privileges of an ordinary private company.

Mr. Speaker, yesterday the Honourable Member from Assiniboia asked about a brief, or a representation made and a possible study being conducted by a 10-man committee. I believe there is some misunderstanding. There was a report and a reference in the paper to a 10-man committee. The Automotive Trades Association of Manitoba did make representation to the Manitoba Energy Council, of which I am Chairman, a couple of months ago. There happened to be not only the Council members but also some staff in the room to hear the large delegation, and I believe there were about ten of us, and I think this is where the idea of a 10-man committee arose. But the staff of the Department of Industry and the staff of the Department of Consumer and Corporate Affairs, as well as the Attorney-General's department, are now in the process of analyzing the brief and some of the implications of it.

I might add that one of the basic questions, of course, is the market power of large oil companies in Canada to set prices, and it's a situation that is in many ways a federal jurisdiction. I might add, therefore, that we have been in touch with the federal Minister of Consumer and Corporate Affairs, since competition policy and restrictive trade practices are matters of federal responsibility. We are advised that the federal department does have this matter under investigation also.

#### ORDERS OF THE DAY - THRONE SPEECH DEBATE

MR. SPEAKER: On the proposed motion of the Honourable Member for Thompson. The Honourable Member for St. James. The honourable member has 25 minutes.

MR. MINAKER: Thank you, Mr. Speaker. I would like to briefly recap my comments regarding the Throne Speech and its contents that we discussed briefly last night before adjournment.

As I indicated, we are encouraged with the government in their comments that recreational options will be made available to the people of Manitoba at the Bird Lake and Long Lake areas. We are also waiting with anticipation on the revision to the City of Winnipeg Act that we now understand the government will be reviewing this year and we believe that this is long overdue.

Also, we are encouraged by the comments that there will be some development in our core area in the City of Winnipeg. As we indicated, we are always happy to see some kind of rehabilitation taking place in an area that requires such. Our concern is whether or not the people within the area have been communicated with, which has always been a very strong policy with this government, particularly with the City of Winnipeg Act, that there was to be good communications with the residents in all political matters pertaining to the effect of a community; and I would hope that the Government of Manitoba will follow this policy when they are in fact directly involved.

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(MR. MINAKER cont'd)

Also, we would hope that there will be consideration given by the government that any additional accrued recreational or education costs that might be created by this development that the government is proposing, will be part of the development costs that the province will bear, and not left to the City of Winnipeg to pick up and to carry on.

We are also happy to see that the Child Development services will be continued and will be made available for the smaller areas, and we think this is an important area that we have to continue in, and we're happy to see that the government has shown recognition to this fact and are proposing to continue this type of service.

But, Mr. Speaker, the government has failed to deal with what I think is one of the major issues facing the people of Manitoba, whether they are in urban Manitoba or rural Manitoba, and that is the escalating municipal and education costs that the people of Manitoba are presently faced with and will be faced with when they receive their tax bills this year. In our own constituency in St. James, we have talked with the school board people to find out what effect the equalization grant will have in our area, what effect the increased transportation grants will have in our area, and I can tell you, Mr. Speaker, that there will be a 13 mill increase in St. James this year for education alone.

In the last two years the costs of education in St. James has gone up 80 percent. Eighty percent in two years, the cost of education that has to be borne by the taxpayer, the home owner. And with the increased grant that is being proposed, it will look after seven percent of it - seven percent of this increased cost of education. And similarly, the municipal tax for the municipal services since the inception of Unicity will have more than doubled, and in our area alone the tax for municipal services in the past two years has gone up some 24 mills. And what does this mean to the home owner? What does it mean to that fixed income earner that we have in our various constituencies? And I have many of them in our area: senior citizens on old age pension, people who are retired, fixed income, and we have low income families as well. If you look at the average assessment of the homes in our area of around \$6,000, in 1975 the education costs for that home owner will have gone up \$144, and for the municipal mill increase in the last two years, the City of Winnipeg is looking at a 15-mill increase. That will be another \$138. So the home owner is looking at \$282 increase in taxes over a two-year period of time. This year he will be paying \$282 more than he did back in 1973.

Mr. Speaker, I suggest that the government hasn't dealt with this problem, because if we go into an area which they might consider the upper-low income, because an \$8,000 assessed home isn't an expensive home - I know my own house is assessed at somewhere around \$8,700 and I paid \$17,000 for it ten years ago and it's not a big home - but an \$8,000 assessed home will be looking at \$376 increases in taxes in St. James, \$376 for education and municipal in the past two years.

Mr. Speaker, we cannot blame the school boards for this increase because they are dealing with an uncontrollable type of budget. In our own division there's 92 percent of the budget that the school board has to deal with is uncontrollable. It's salaries, it's fixed debt charges that they cannot get out of, and heat, light, for the schools.

A MEMBER: Just like the Provincial Government.

MR. MINAKER: Mr. Speaker, what we are leading to is forcing the ownership of homes by private individuals to cease, and I would think that this is what this government probably wants, because they haven't shown any efforts to date of trying to rectify a situation that is spiralling at the rate that it is at the present time.

Mr. Speaker, the reason why I am making this point and spending some time on it is that we had the answer from the Honourable Minister of Urban Affairs yesterday that no, the government was not going to give any part of the growth taxes to any of the urban areas, and we've always heard the story that if they spend the money then they should raise the tax, they should be responsible. And I could buy that if the government took the same attitude. I looked at the Auditor's report and on Page 8 and 9 it shows the revenue increases for last year, and the national equalization revenue increased by \$33.3 million. Now, Mr. Speaker, I ask you, is that government responsible for collecting that tax? Are they responsible to put that tax out to the people of Manitoba? No. Yet, on the other hand, they can turn around to the urban governments and say, "If you're going to need the money then you can be responsible to raise the tax," yet on the other hand they'll accept \$33.3 million increase in one year.

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(MR. MINAKER cont'd)

In addition, Mr. Speaker, in that particular same page under the individual income tax, the corporation income tax, the revenue tax, the Liquor Control Commission and the corporation income tax which I mentioned, these taxes alone drew \$47.6 million last year, Mr. Speaker, in 1974, a total of \$80.9 million, and what has this government seen fit to give back? Sixteen million dollars towards an equalization rate. So, Mr. Speaker, I say that the government has failed to recognize the seriousness of the situation that we are faced with, because whether we live in rural Manitoba or urban Manitoba, the urban centres are important to Manitoba, because the farmers will go to the urban centre to do most of their commerce; they go there for their banks; they go there for their groceries. And I suggest, Mr. Speaker, that if we do not have a healthy urban area we do not have a healthy Manitoba.

Mr. Speaker, there has been no indicated date that there's any help coming. In fact, I understand that the Honourable Minister responsible for MDC in the official delegation meeting with the City of Winnipeg the other day said to the Chairman of the Finance Committee; "You're not getting any more as far as I am concerned. You can raise the taxes." And Mr. Gee said, "Can I quote you on that?" And Mr. Green, the Honourable Minister, said "Yes". And now we know the attitude of the government: No more money coming for the urban areas. Raise the taxes. And Mr. Speaker, you know what will happen? The City of Winnipeg is facing a 10 to 15 mill increase. We will become here in the City of Winnipeg the highest business-taxed city in western Canada.

And maybe our honourable members on the other side forget that cities are in competition. We're in competition with Calgary. We're in competition with Edmonton. Winnipeg's in competition with Brandon. We're all in competition, and it's so easy nowadays with the modern means of transportation and communication to just as easily fly over Winnipeg, travel through Winnipeg rather than locate here. And I suggest, Mr. Speaker, that if we want our business community to continue to compete with the rest of Canada, to provide the employment, the economy that is required for our province to survive, then we will have to look at this situation, because we cannot expect our industries to compete without the outside area having a much lower business tax in this ever-competing world that we're in today.

So, Mr. Speaker, I suggest that it would be in the interest of not just the urban areas in Manitoba, but the whole areas of Manitoba, that the government take another hard, long look at this, because their growth taxes was \$80.9 million last year - that's how much it increased; and 33.3 of it they received from the Federal Government. So I would suggest, Mr. Speaker, that this attitude and policy should be reviewed, because it is a very important and serious situation that is facing the cities, the urban areas of our province, and the home owners that want to retain ownership of their home and their land.

Mr. Speaker, the other area of concern is, to give you the attitude of this government, they will not give any of the growth taxes; they have said they are only giving the 16 million for education; yet they expect the urban areas to subsidize Autopac. The Autopac gas increase this year will cost the City of Winnipeg more than \$100,000 in increased gas costs, and if we look at that compared to other urban areas, we're looking at more than a quarter of a million dollars being charged to the cities and towns of our area, and I would think with the vehicles that we have in the government services that use gas credit cards, that do not buy gas at the central garage, in other areas of government at the federal level, that I'm sure we're far over half a million dollars in gas costs that are being paid for by the home owners and being paid for out of the income tax structure. --(Interjection)-- I would like the question afterwards, Mr. Speaker. I have always followed the policy that I prefer to ask a question of a debater after he has finished, if the Honourable Minister wouldn't mind.

Mr. Speaker, I listened with note the other night to the Honourable Minister responsible for MDC - and it's unfortunate he's not in his seat at this time - with his comments on responsibility of MDC, and making statements something to the effect that \$204 million was loaned out to companies that were previously committed to by the former administration, and led one to believe that they were not responsible for the mess that MDC is in at the present time. Yet I would like to remind the government that surely they are not suggesting that the Opposition is responsible for the Capital Supply Bill that they authorized in 1974 for \$39.9 million for the MDC Corporation; the Capital Supply Bill that the NDP Government authorized in 1973 for



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(MR. MINAKER cont'd) . . . \$39.485 million; the Supply Bill in 1972 for \$40 million plus; the Supply Bill in 1971 for \$25 million; the Supply Bill in 1970 for \$60 million and the Supply Bill in 1969 for \$50 million; a total of \$254,885,000 under this government, Mr. Speaker; Supply Bills for the MDC. And they turn around and try and tell the people of Manitoba that the former administration of the Progressive Conservative Government are responsible for signing those Supply Bills?

In the same speech, the Honourable Minister responsible for MDC said there's \$267 million outstanding to the Development Corporation. Isn't that amazing? \$255 million of it has come from their administration. Who's responsible for it? And, Mr. Speaker, the Honourable Minister responsible for MDC quoted excerpts from the Manitoba Development Corporation Act and quoted that they were committed to loans to people of last resort, but he failed to mention the object of the Act. And what are the objects of the Act? It's "to provide financial or other assistance to existing industrial enterprises or to industrial enterprises to be established, community development corporations, and " - this is a very important one on our side of the House which the government has failed to follow in their objects under this Act - and that is "to assist the Minister encouraging the owners of capital to invest funds in industrial enterprises in the province." Then, "to provide technical and business advice and guidance to persons and organizations receiving financial assistance, " and it goes on.

Then there's one section here, the last one. It says: "To emphasize and encourage the expansion and strengthening of small and medium-sized enterprises in the province. What did the Honourable Minister stand up and make a statement last year to the effect that "we are going to concentrate more on larger industries that we are committed to," and they have done that in the past year. I would suggest that the greatest percentage of the moneys that have been loaned out . . . or not loaned out, Mr. Speaker. What this government has done is turned it around from being a loaning agency to an investment corporation. Most of the money has been invested in corporations like Flyer, and Saunders, Misawa Homes, and A. E. McKenzie Seeds, and a very small portion, the lesser portion of this money has been loaned to the small-sized industries, so, Mr. Speaker, they're not even following the objects of this Act and they turn around and try and blame their mistakes - and I say mistakes.

The Throne Speech very quaintly states something to the effect that "we have learned from our experience." I would suggest, Mr. Speaker, it would be a better word if it said, "we have learned from our mistakes." Because they're there. And, Mr. Speaker, it is time that the government recognized that we can argue, we can debate who the best administrators of the Fund are, whether it's the NDP Government or whether it was the Progressive Conservative Government, but I would hope that we have learned something, that we can go through the semantics of who lost what and who's responsible for what, but the real loser is the taxpayer of Manitoba. When it's all ended, the debate, when the books are balanced, there's many millions of dollars that are lost, and I would hope that we would learn from this lesson that governments in business, owners of governments, the record shows that they have a tendency to lose money, and for this reason, Mr. Speaker, I would suggest - and we have suggested before and this side has suggested it - that the MDC Corporation be wound down as it presently is. And if there is a social and economic need for some investment in a corporation, a large one, bring it into this House as a Bill, and we'll debate the social advantages and the economic advantages for Manitoba. Because what is happening right now? Some of the major companies that we now own, or we are the major shareholders in, every time they build a product we lose money on it. And the unfortunate part is that people like Flyer, people like Saunders, the people who benefit by this subsidy is the end user, and if we're not selling the goods at a proper level to run this operation at a break-even point, then indirectly we're asking the taxpayers of Manitoba to pay for the transit system in San Francisco; in Edmonton; we're asking them to pay for the airline down in the banana belts.

So, Mr. Speaker, I suggest that the MDC should be wound down and that we deal with it through legislation through a bill in the House, also that for the smaller sized industry, let the regional development corporations that already exist in our province, let them be responsible and answer to the House, and give them a fund for disposal of the funds to these smaller areas and it will encourage the decentralization of industry throughout our province. And these people who are there, who know the industries in their areas, know what is needed, they're the people who will be able to administrate the Fund and be properly audited.

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(MR. MINAKER cont'd)

But, Mr. Speaker, we know that there is a basic difference between our two parties, and that is that we believe if something is wrong, correct it; regulate it. Produce the political climate that encourages investment. But this government, Mr. Speaker, likes to operate, not regulate. They like to be the operator. They like to own. And one can see, almost from the comments in the Throne Speech, that the government realizes they are coming down to defeat and they have to get that big wheel of socialism, keep it rolling. And what better way than to take the Manitoba Development Corporation funds and get into the loaning market in competition through the Bank Act, and loan out moneys to industries, trying to grab equity, and again trying to get involved in ownership which they have so badly operated since they have taken over and in office? I suggest, Mr. Speaker, that if we create this political climate that we will not require large MDC grants for industries. They will want to come here.

Mr. Speaker, I'd like to make comment on the mining tax policy that's been proposed. The unfortunate part when a political climate exists like it does in our province at the present time, it's not the big mining corporations that suffer the most. They can always close their doors and go elsewhere - there's the world to work in; but it's the miners, it's the steelworkers. I am sure that the people who work in the Hudson's Bay Mine in Flin Flon were looking forward to that 20 million dollar expansion. They were going to have better working conditions, more modern conditions to work under. Now they haven't got that to look forward to, Mr. Speaker. Not only that, I would think people like Dominion Bridge, who look forward to the steel contracts to provide the expansion in Flin Flon, they are no longer anticipating this contract, so they will have to lay off workers here in Winnipeg. So really, it's that small individual who has and expects the right of the government to defend him. It's the political climate that this government has created that's hurting them.

And then what does the Honourable Minister responsible for Mines and Natural Resources have to say after the comment of the 20 million dollar cutback? "Well, we have a 50-50 share arrangement and if the companies don't want to come along with it, we'll do it. Yet, on the other hand, about two months prior to that, Mr. Speaker, the First Minister made a statement that, because of the inflationary times this year, we will have to hold the line. Now who is running the government over there? Is it the Honourable Minister of Mines and Natural Resources who says, "We're going to go out and develop mines if the others won't come in," or is it the First Minister who said, "We have to hold the line. We can't go into these big capital expenditures in the coming years to control inflation."?

The other area, Mr. Speaker, is - my colleague the Honourable Member from Virden raised the question today, and I was slightly encouraged by the answer from the Honourable Minister - about double taxation; what has happened in our areas. Some of the small owners of mineral rights in the Virden area are being taxed by the Federal Government, that the incremental tax which is taken off them by the Provincial Government is income, and what happens is the Provincial Government's Act turns around and takes 42-1/2 percent of their taxable income, or their tax that they pay the Federal Government, and these type of small operators are being double-taxed by the Province of Manitoba. I would hope that this would be rectified immediately because I feel it's unfair and unjust.

Mr. Speaker, we heard the comments about CFI and I'm going to talk on that in a future debate in the House, but again, the implication is that all of the responsibility of CFI is the fault of the former administration, yet we read a press release on July 31, 1969, the Free Press: "Schreyer says companies' guarantees rule out need for government inquiry" - and it goes on about the changes that were made in the interest of the province, and more or less everything was under control. Then a little later on, I think it was the following year, the First Minister stated: "We are trying to make the best of what is a bad deal. The companies, however, are performing responsibly according to every piece of information that I've been given, and we have taken special pains to check that funds being advanced by the public lending agency are being used for their true purpose, and so we have arranged for some additional financial auditing and inspection work to be done, and we have also arranged for a second check on the adequacy of the engineering design of the plant. And I repeat" - this is what the First Minister said - "and I repeat that at this point in time there is no reason to believe that there is any irresponsible or illegal action being perpetuated by the companies. I have no complaint to make in that respect."

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(MR. MINAKER cont'd)

Now who got duped? I think we both did. And it goes back to what I had said earlier in a speech, that government involvements in ownership of companies, large commitments, the track record has shown, regardless of what administration is involved, that there is a tendency not to make money, there's a tendency to be politically embarrassed and keep putting the money of the taxpayer into a company that appears has no future. And I suggest, Mr. Speaker, that it is important that this government review the MDC area and look at the suggestions that we put forward at this time. Thank you, Mr. Speaker.

MR. SPEAKER: The Honourable Minister of Education; and Universities and Colleges.

MR. HANUSCHAK: Mr. Speaker, prior to making my contribution to the Throne Speech Debate, firstly I wish to extend my congratulations to you on the continuation of your holding of your office, the office of Speaker in the House, and wish you well during the forthcoming session. I also extend my congratulations to the Deputy Speaker and welcome our new colleagues who have appointed to the Executive Council since the last session.

The other day, Mr. Speaker, the Honourable Member for Brandon West had touched on some points and issues related to my department, followed up by the Honourable Member for Lakeside, and more recently today by the Honourable Member for St. James. Perhaps the comments made by the Honourable Member for St. James, as some of them relate to municipal affairs or urban affairs and tied in with education, those may be dealt with at some later point in time during this session, but I would like to address myself specifically to the comments made by the first two members whom I have mentioned, who I regret are not in their seats at this time.

The Honourable Member for Brandon West spoke about equalization of costs for municipal and educational services. I don't think that I need remind you, Mr. Speaker, that this is the very principle which the government had been following over the past number of years, that is to equalize the available amount of financing from government sources - and I am now speaking specifically of school divisions - to those school divisions which are least able to pay. Now while it may be correct that in 1975 something in the order of, depending on how one does his calculations, 63 percent of the costs in the Brandon School Division will be paid by way of grants, there is another factor to consider, Mr. Speaker, and that's the fact that the balanced assessment per pupil is in excess of \$11,000, which is one of the highest brackets among the divisions of the province. Let's not forget a point that I made a moment ago, Mr. Speaker. We're talking about equalization, about taking into account the ability-to-pay factor.

In 1967, the balanced assessment of the City of Brandon was \$51 million. Eight years later, in 1975, this had increased, due to growth and expansion, to \$86.5 million. If one looks at divisions with less ability to pay, that is to say, divisions which may have an assessment of less than \$5,000 per pupil, we find that this year the grant system would provide - if I could use one school division by way of example, I'll refer to Duck Mountain. In the case of Duck Mountain School Division, which has an assessment of \$4,494 per pupil, they'll be provided with 76 percent, 76 percent of the total expenditure. In the case of Lakeshore School Division, another school division with a low per pupil assessment, the per pupil assessment there is \$5,224. Lakeshore School Division will receive 79 percent of a total expenditure by way of grant --(Interjection)-- As my honourable colleague says, that's close to 80 percent, and I think that no matter from what school of arithmetic one may have graduated from, one would agree with the point that 79 percent is very close to 80 percent - extremely close.

But there's another aspect, Mr. Speaker, that ought not be overlooked, and that's the factor of property tax rebate. In 1967, Mr. Speaker, a home owner in Brandon with property assessed at \$5,500 would have paid a school tax on his property - this is a school tax - of \$120.84. In 1975 - and, you know, I did a very quick check just a few moments ago just because I wanted to make certain of my facts to see what in fact may have happened to any reassessment of real property over the past eight years, and I am advised . . . You know, the increase in the assessed value is largely due to expansion but in terms of any enhanced assessment it hasn't been all that great. But in 1975 a property owner with the same assessment, that is \$5,500, would be paying a school tax of, it's true, a little more than double what he would have been paying in 1967, of \$272. But, taking into account the \$150 rebate, his net tax would be no more than \$122, an increase from \$120.84 in 1967 to \$122 in 1975, an

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(MR. HANUSCHAK cont'd) . . . . increase of \$1.16. And that's not taking into account whatever portion of the additional \$100 credit that he may be entitled to. Now surely, Mr. Speaker, this is not an exorbitant increase.

Let's take another example. Let's move up the scale a bit, \$6,000. An owner of real property assessed at \$6,000 in 1967 would have paid a school tax of \$131.82. In 1975, \$146.76 would be the school tax payable on a real property assessed at the same level, an increase of something in the order of \$15.00.

Now, there's another factor that certainly ought not be overlooked, and that is that the Province, through the Foundation Fund, has been picking up all of the capital expenditures for school buildings. Now this is another example of equalization. All the capital expenditures approved by the Public Schools Finance Board are picked up out of provincial funds. This, Mr. Speaker, is another example of equalization, as, I am sure you could see, that this makes it possible for a division with the least ability to pay, to have school accommodation, which can be as good, as well equipped as that that could be provided by the more affluent school divisions. Not only that, Mr. Speaker, but the province, through the Foundation Program, is picking up all of the costs of debentures which were issued at any time during the last 20 years, debentures that school districts may have issued prior to the formation of unitary divisions. The costs of those debentures, any that are still outstanding, we're picking up their costs.

In the case of Brandon School Division, Mr. Speaker, which example was cited in the House, and I'm glad to see the Honourable Member from Brandon West is in his seat, in the case of Brandon School Division, the total debentures payable on behalf of the divisions is \$581,000 and, in addition, during the past year or so, no more than over the past couple of years, new buildings with an estimated total cost of \$5.8 million have been approved for the division, the cost of which is paid by the province. The interest cost, the interest. . . What's the interest on \$5.8 million? Just that alone, Mr. Speaker, amounts to a very significant portion. In the case of Brandon it would amount to a very significant portion of their operating expenditures.

So, Mr. Speaker, in terms of the province's total share of educational costs, if we can again go back to 1967 we find that the net share payable by the taxpayer on real property in that year was 40 percent, whereas in 1975 it is estimated that the net share is about 31 percent, in spite of the fact that school board expenditures have risen from \$113.4 million in 1967 to an estimated \$289 million in 1975. And, Mr. Speaker, you know, when we look at increases in school board expenditures, in fairness to everyone, in fairness to the school divisions, it must be borne in mind that there are a number of factors accounting for the increase, not the least of which, of course, is the inflation factor, but also in addition to that, expanded, enriched educational programing that may have come about over the past few years, and that has contributed to increased costs.

But, nevertheless, our government over the past six years has been cognizant of this factor, and in terms of the burden that remains, in actual dollars, the burden that remains on the taxpayer, whichever way you want to look at it, in terms of dollars, on the basis of a percentage comparison, we have done everything that we possibly could to keep it at a minimum. And, as I have indicated, where it was 40 percent 8 years ago, today it's in the order of 31 percent.

Speaking of costs of education, Mr. Speaker, I feel that at this point in time some other factors ought to be brought to the attention of the House. The point has been made that since its formulation nothing has been done to a teacher grant schedule under the Foundation Program. But, Mr. Speaker, I think just looking at what is paid by the way of teacher grants and closing our eyes to all the other grants that are paid is certainly taking, not only a narrow, but a rather distorted view of things, and looking at the province's participation in supporting the costs of education in a very distorted manner, an unrealistic manner, because in addition to the teacher grants there is the block per pupil grants of \$50.00 per pupil, which has been in effect for some time; the special class teacher grants for the occupational education classes; the student equalization grants, which recently have been increased, ranging from \$40 to \$110 per pupil; the increased transportation grants.

May I remind you once again, Mr. Speaker, as I indicated in the House a week ago today, that the increase in the transportation grants from \$175 to \$190 will in fact cover

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(MR. HANUSCHAK cont'd) . . . .85 to 100 percent of the transportation costs in over one half the school divisions in the Province of Manitoba. Demonstration funds; renovative programs; greater flexibility in the print and non-print-per-pupil grants over the old textbook grants, which handcuffed the school boards to expenditures on specific items and mainly textbooks, whereas now the school divisions have the freedom of flexibility to arrange their own priorities, to expend those funds in whatever manner they feel would be to the greatest advantage of their school system, of their students. Increase in the grants set up to establish home economics and vocational shops. The property tax relief measures which we have adopted, which I have mentioned earlier. The establishment of regional comprehensive high schools and the start-up grants that are provided them, recognizing the fact that it takes three years before a regional vocational high school - because all of them have a very large vocational component - it takes about three years to build up its enrolment to the level that it should be.

So these are some of the measures which have been taken over ever since our party became the government of the Province of Manitoba, and it is in this direction that we are continuing to move.

Now, at this point in time, as of a few months ago, I had appointed a Finance Advisory Committee, which has representation from the various groups in the province, namely the trustees, the teachers, the Association of School Superintendents, the Association of School Business Officials, to which most, if not all, of the Secretary-Treasurers of school divisions belong, who are very actively involved in the finance end of school operations, and this committee is presently working and examining a variety of alternatives for the funding of education in as equitable a manner as possible, recognizing the fact that what has been done in the past has certainly been done with a view toward bringing about a greater measure of equity, and this it has, and this committee is working with a view to making recommendations that would bring about even a greater measure of equity, Mr. Speaker. This committee will report back to me within the next few months and then, of course, it will become a matter for government to deal with and determine what course of action we will take. But I'm sure that our record shows, Mr. Speaker, that each and every year we have been very very conscious of (1) of the increasing costs over which we have no control due to inflationary pressures. We're very much aware of the school divisions' desire to enrich their educational programs and, being aware of those factors, we have kept pace with the increasing demands.

A couple of speakers, Mr. Speaker, who participated in the Throne Speech Debate, you know, expressed some concern about the action taken over the past year by my government, by my department, in response to the CORE Report with reference to the 21 credits, issue with reference to school-initiated courses and student-initiated projects, and I just would like to spend a moment or two on that very point. And really, Mr. Speaker, I don't know the source or what's brought about this lack of understanding that seems to occur.

You know, from time to time, I hear comment from Opposition members that this in some way has diluted, has watered down the content of our educational program, the quality of our educational program. But, Mr. Speaker, at the present time the total requirements for graduation are still 21 credits as they have been. In fact, some schools - this is the minimum, Mr. Speaker, this is the minimum - some school divisions are setting higher standards for their students. And, as in the past and this has been for the last 50 years, for the last 50 years the only compulsory subject in Grade 12, the only compulsory subject in Grade 12 was English. That was the only compulsory subject. None other. And this hasn't changed. That still is the only compulsory subject and a student has the liberty to choose whatever options he wishes to choose. And today, as in previous years, Mr. Speaker, in choosing the subject options that he will take, the student, with the assistance of his teachers, of the guidance counsellor, whoever else is there to assist him, will be guided by whatever admission requirements he will have to meet upon graduation, as he had to have been guided by admission requirements of post-secondary institutions 10, 15, 20, 25 years ago. If it was a student's intention to enroll in the Faculty of Medicine, then he saw to it that he took two sciences in high school because that was the requirement in his pre-medical, it would be pre-requisite to his pre-medical studies, to enroll in the Faculty of Medicine. For other faculties there was a second language requirement so he took a second language. And whatever

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(MR. HANUSCHAK cont'd) . . . it was, if there was a requirement for a certain mathematics course, that's what he took. So nothing in this particular area, Mr. Speaker, has changed over the years.

Now, there's a concern, there's a concern about the school-initiated courses and the student-initiated credits. Firstly, Mr. Speaker, I must indicate to you that whatever programs are initiated by school divisions, that they must have the approval of the curriculum branch of my department. The complete program has to be submitted to us for evaluation, and the number of credits that a student could obtain in such a manner in his three years senior high school career is limited to a maximum of three. And there is some concern about the quality and the calibre of courses of this type, but I want to come back to that in a few moments. But firstly, I wish to speak about the school-initiated courses and the student-initiated credits as they reflect upon school operating costs, because that point was raised also during the debate.

Well, Mr. Speaker, the institution of school or student-initiated programs ought not necessarily cost any additional funds. Now, the department presently is working with school personnel. In addressing itself to this problem, a series of workshops, some timetabling have been carried out in various locations in order to suggest fresh ways to provide more offerings in the same amount of time with the same staff. Furthermore, the school options have been quite successful when delivered by a teacher with experience and knowledge that lies beyond the regular program of studies. Courses in psychology, sociology, are two examples. I'll give you some more in a moment, Mr. Speaker. And insofar as student-initiated projects are concerned, if the Honourable Member for Lakeside has any fears or apprehensions that this may lead to the approval of basket weaving courses for high school credits - what we have found, what we have found over the past few months is that more often than not the students who designed a certain project for themselves attempted to bite more than they could in fact chew. And in the process of the revision of those projects we have to tell the school division, the students, now, you know you're really taking on more than you could hope to successfully complete during a period of a year, and therefore the program should be reduced somewhat.

I hope, Mr. Speaker, that as this Session continues, as the Session continues that we will have opportunity to deal with matters related to my department in greater detail. I felt that some of these points ought to be responded to during the Throne Speech debate by reason of fact that they obviously were matters of concern to some honourable members of this House, but this of course is not the - and certainly ought not be the end of the debate. And the matter of school initiated courses having been raised, if I just may take a few moments to just very quickly skim over the descriptions of the types of course that have been initiated by schools and let honourable members judge whether these can be regarded or should be regarded as, you know, the Mickey Mouse basket weaving type courses.

I note one school, not a large school, Mr. Speaker, Baldur High School - it's not one of the larger ones in the province - they have designed a course in agriculture. Certainly I would think that this a very worthwhile course. During this course the students are given an overview of the farm situation and problems relating to agriculture, gain an awareness of careers in agriculture; and as well they conduct experiments relating to crops grown in Manitoba. I would think, Mr. Speaker, that for a young boy or girl who may look to agriculture as a career that this would be a very worthwhile course to take. That's at Baldur High School. And Springfield Collegiate which is closer, sort of a semi-urban rural school in Oakbank, also a course in agriculture; involves class sessions as well as trips to various sites including local farms, being mindful of the fact that a good portion of the enrolment in Springfield Collegiate could be classified as an urban-oriented community because we know that housing has extended into that suburban area to some extent around Bird's Hill Park and all through there. So to acquaint the boys and girls from that area with what agriculture is really all about, trips to various sites, including local farms, guest speakers, representatives from universities, Federal Government and farmers, - the objective of the course is to develop an appreciation and an awareness of the values and problems involved in agriculture as a business and a lifestyle. Both of these are sort of introductory courses. They're offered at the Grade 10 level.

Well, I could go on and on. Courses in anthropology, a course in astronomy which requires, you know, a pretty fairly sophisticated knowledge of mathematics to handle a course in astronomy at the Grades 11 and 12 levels. Oh yes, here's a course being offered in

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(MR. HANUSCHAK cont'd) . . . . Killarney. Well this is a half credit course. This course is an expanded ground school training course associated with the achievement of a pilot's licence. Now I don't think one could compare that with basket weaving. And once the practical portion is accomplished, that is the practical portion that this course is designed to offer, then the graduate may continue to obtain his private pilot's licence, and if he obtains his private pilot's licence then he is awarded an additional half credit, you see. And this is what we find, this is what we find, Mr. Speaker. A course in calculus. At one time students weren't introduced to calculus until Second Year Arts. Now in Grade 12 they're offering a course in calculus to those desirous and capable of taking it.

Organic chemistry, communications, courses in computer science, dramatics, environmental studies, geography, history at Garden Valley Collegiate, a course at the Grade 12 level in Mennonite History. Topics covered include reformation, preparatory study of medieval and renaissance Europe, and of reformation leaders, events, outcomes, origins of Anna Baptists, development and spread to migration the Old and New Worlds, and so forth, --(Interjection)-- No, no basket weaving.

A history of 20th century Russia and China, Mr. Speaker. This may interest you, as you will recall a couple of years ago we had considerable debate on - there was some uneasiness about a course of political studies that was initiated in a pilot course. Here is a history of 20th century Russia and China. And the course deals with the social, economic and political conditions in free revolutionary times, the revolution, and the major phases of post-revolutionary developments in both Russia and China. And it's designed to provide background for students whose interest in science prevents them from electing the full courses in history or modern topics and is academic in scope and strategy. Because the student, as you will recall, Mr. Speaker, that the science-oriented students usually have to take two sciences in Grades 11 and 12 and hence this precludes them from . . . it's just a question of time, precludes them taking a history course. But this one is designed to fit in there.

Oh yes, this may interest you, Mr. Speaker, this history of 20th century Russia and China, where it's being offered. At Vincent Massey Collegiate in Fort Garry. --(Interjection)-- Yes, and this . . . so that is the manner in which . . . --(Interjection)--

MR. SPEAKER: The Honourable Member for Morris.

MR. JORGENSON: I wonder if he could tell the House if any of those schools offer a course in Canadian History. And I wonder also, Mr. Speaker, if the Minister is addressing his remarks to just the members of the backbench on his side or is he addressing his members through the House. We never see him turn this way at all.

MR. SPEAKER: The Honourable Minister of Education.

MR. HANUSCHAK: I did not see too much interest on that side of the House so therefore I thought there wasn't much point in continuing to speak to that side of the House. You know, it's honourable member's privilege if they feel that they have something of greater importance to deal with at this point in time. You know, who am I to say that they ought not do that but listen to me speak.

In answer to the first question put by the Honourable Member for Morris. Yes, Mr. Speaker, during the twelve years that a student spends in public school, 13 now commencing with kindergarten, Canadian History is taught for at least four of those ten years and at the senior high school level in Grade 11. So Canadian History, yes, is very much a part of the academic program in our public school system.

I would hope, Mr. Speaker, that this would allay some of the concerns and apprehensions that honourable members may have about school initiated courses. I had asked my department to provide me with this brief summary of what is being offered now and this will be expanded still further and I would want to see to it, I'll undertake to see to it that it be made available to all honourable members of the House. And I would invite honourable members to visit the schools within their constituency or any school that - well, I don't have to extend an invitation to honourable members to visit schools because if they read the Public Schools Act, any honourable member has a right to visit any school in the Province of Manitoba at any time he wishes. But nevertheless I would ask them to take the time to acquaint themselves with what the schools in the Province of Manitoba are doing in this regard.

Now I don't want to take up any more time of honourable members on this particular matter, but in the process of approval - and I'm not going to go through this because it will be

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(MR. HANUSCHAK cont'd) . . . . just boring - this would be boring members with details. But I asked my department to also give me a sample of what is provided, what type of information the Curriculum Branch receives on the basis of which it offers its approval for any course designed by a school division. And here, Mr. Speaker, I have in my - what I'm looking at is an outline for a dramatics course offered at the Grade 10 level at Margaret Barber Collegiate in The Pas; and it's quite a detailed and extensive outline defining the concepts or skills that the program is designed to develop at each level, at each stage, and the types of activities that would be undertaken to develop those concepts of skills, the materials that will be required and the objectives and the manner in which it would be evaluated. And that is the general format of all proposals that are submitted to us for our consideration.

Well, Mr. Speaker, you had indicated to me that I only have a couple of minutes left. The two points that I did want to make were - the first one related to the province's support in the area of financing education, and secondly, some of the concerns that were expressed about the direction in which the education program in general may be heading in the Province of Manitoba pursuant to the implementation of some of the recommendations of the CORE Report. And as I had indicated earlier, I'm certain that as the session progresses that there will be more opportunity to debate the operations of my department in much greater detail and depth.

MR. SPEAKER: The Honourable Member for Minnedosa.

MR. DAVID BLAKE (Minnedosa): Thank you, Mr. Speaker. I'm somewhat overwhelmed by that delivery we've had from the Minister of Education, Mr. Speaker.

I want to start off my remarks, Mr. Speaker, as is customary and offer congratulations to you, sir, on assuming your role to preside over the deliberations of the Chamber again for another year, and also to the Deputy Speaker who I sincerely say I'm most pleased to see back in his robust and energetic health again, and I congratulate you on your reappointment to the position. Also to the new ministers who have been elevated to Cabinet ranks; I offer them congratulations. And I should probably congratulate the ex-Minister of Finance, the Honourable Member for St. Johns who has retired to the backbench. I know he has retired and I'm sure he'll enjoy it. He's been in lounge clothes and ascot since the session started and I know he's going to enjoy his new leisure time.

I would also congratulate, Mr. Speaker, the mover and the seconder, those two members who have been chosen and honoured to move the adoption of the Speech from the Throne. It was mentioned by one of my colleagues that the Honourable Member for Thompson probably missed an excellent opportunity to expound the virtues of the north, but I'm sure he will do that on whatever other occasion presents itself. And the seconder, I was quite interested the way he sprang to the immediate defence of Autopac in his Speech to the Throne.

But the Speech from the Throne, Mr. Speaker, really contained very little and nothing new that I can see for my particular constituency. It did touch on child dental care and we're certainly happy to see programs like this come in. It's been pointed out this contained it in the last three speeches, but hopefully something will be coming along in this line; we know that these things are all desired by every member of the House when we can afford them and whatever priorities they might receive.

There was mention there would be more aid to education and we have heard a little more on that, although when the Minister made his statement shortly afterwards we found that the aid to the education authorities really wasn't all that great.

With the money that's being spent on education, Mr. Speaker, there's one particular area in my constituency that we're concerned with and it is education, but I suppose it's under the health field and it's the Rollingdale Retarded Workshop that my honourable colleague from Virden mentioned, and I think the Minister is probably well aware of it - the both ministers. This is certainly a worthwhile project that was undertaken. The local people have taken over a solid structure, but an old two-storey school building in Cardale, Manitoba, and with the aid of a PEP grant a couple of years ago got it renovated and liveable and it now houses some 20-odd retardates, and they're doing an excellent job. Projects like this that are so worthwhile, Mr. Speaker, they are having extreme difficulty in financing and any assistance that they receive is certainly not obtained without a great deal of coercion and desk-pounding on their behalf to extract some small funds from the government to keep a project such as this going. It would seem to me, Mr. Speaker, with the vast array of government programs today



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(MR. BLAKE cont'd) . . . . that there would be an easier way or there should be some more funds provided in a little easier fashion for such worthwhile projects as this.

Also the rail line abandonment and the road program received very little mention in the Throne Speech, Mr. Speaker, and this is of great concern to all rural constituents, particularly my area. The Highway 24 program has been under way for many years and requires some ten miles of hard surfacing yet to provide the people from Hamiota and the Oak River area with a fully paved access route out to Number 10 which takes them to Brandon or north whichever way they may go. I certainly hope that there's some consideration in the Highways Budget this year to complete that road because the Minister has received many briefs on it and we'll certainly be mentioning a little more about that in our comments when we get into the estimates of his particular department.

Just before passing over some of the preliminary remarks that I wanted to make, Mr. Speaker, I feel I should mention the Student Aid Program as it affects my constituency. I know the Minister has received many complaints on it. I was required on many occasions--(Interjection)--certainly you'll get compliments on it, it's a worthwhile program but it doesn't have to be bungled up the way it has been in the last couple of years. I receive many calls from irate mothers, fathers, even students that were frustrated more than anything probably because they didn't fully understand the program. It was just unbelievable to me when I got checking into it, the time lag that was required, and in talking to some of the senior people in the department I found that they were co-operative, they would dig files out, they would tell us how many applications they had and how many people they had working and it would seem to me that these problems are not insurmountable and possibly could have been overcome a lot sooner than we understand they are being overcome. But there certainly should be some guidelines as to what workload an individual can carry, how many applications they can screen in a day. We know that if the applications aren't completed properly that this does create problems but I'm sure there are easier ways and better ways to process them quicker and allow the student when the university or school term rolls around, allow him to know whether he is going to have his funds approved, be it bursary or grants or whatever, a student loan. Let him know what he's going to get so as he can make arrangements to use the funds that's being provided under the Student Aid Program and make satisfactory arrangements with a bank or credit union or some lending institution to gain the extra funds that will enable him to complete his course. It's pretty frustrating for him to sit around not knowing - he's into a semester maybe a month and he doesn't know whether he's going to have to leave before Christmas or whether he'll be able to stay in. I know the Minister is looking into it but I would urge him to take whatever steps that has to be taken to have this particular department function in a little more efficient and faster way or at least to eliminate the confusion and whatnot that has prevailed to date.

Mr. Speaker, as I said, there was not that much in the Throne Speech to debate so I suppose there's not any point in belabouring what was in it or wasn't in it any further and I should say probably a word about Autopac. It's been defended loudly and longly by I think every speaker that has got up on that side of the House. This would only confirm in my mind that there may be something a little wrong. You know, when things are not too well you just pound the desks and yell like hell, Mr. Speaker, and hopefully you'll confuse everyone and they won't really know what the problem is, and it would appear to me that that's what's been happening from the other side. But the blame for Autopac's problems, and we're certainly well aware that they have problems, Mr. Speaker, the blame for their problems has been thrown around, the press has been blamed, we have been blamed, everyone's responsible but the people involved in running Autopac. Now it would seem to me a bit odd, Mr. Speaker, that when every program the government brings down it results in such confusion that it's necessary to run around and explain in great detail all the various programs.

Autopac's not the only indication of this, you know. There's the A.I. program that has created nothing but absolute confusion and I'm sure the Minister of Agriculture were he in his seat would agree with me. He had another delegation again there last night until about 11:30 or 12:00 o'clock and he finally met with them. And the Land Use Program, the Minister is claiming that no one understands them, we've had the Student Aid Program and now Autopac that no one seems to understand just what the problems are. It's everyone else's fault.

But, you know, I'll tell you whose fault it is, Mr. Speaker. When the Minister issues this great epistle that was delivered unto us on January 3rd, 15 pages in length, this was the

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(MR. BLAKE cont'd) . . . . great document that was going to explain the rates for automobile insurance increases in Manitoba in no uncertain terms. There was a great series of graphs and explanations and comparisons. And lo and behold instead of getting it in December when we normally get it, we get it on January 3rd after the St. Boniface by-election is nicely tucked away. And we won't have to mention the D'Eschambault Agencies and whatnot, they were involved in that particular--(Interjection)--Right, when I'm finished, yes, be glad to. We won't mention the D'Eschambault Agencies, they were pretty prominent in that election also I understand but . . . Mr. Speaker, it wasn't very long after this document was given to us and the press were reporting on it that we were being accused of misinformation and misstatements and distorting the facts and downright lies.

Well I'm going to read something into the record, Mr. Speaker. This statement we got from the Minister of Autopac, the 15-page one that had a few inaccuracies in it also. We got it on Friday and on Monday, the 6th, I made a statement, and I want to read it into the record and I want the Minister to tell me how many inaccuracies there are or how many lies I have told in the particular statement.

"The NDP Government has again demonstrated an inability to manage or profitably maintain a venture into private business." And that's a fact. "It cannot be disputed that Autopac rates must go up for several reasons." And that's a fact. - "but the necessity for those increases should have been seen two years ago. Instead last year the provincial Crown corporation incurred a ten million dollar deficit while claiming to offer the lowest automobile insurance premiums in the country. This year the deficit may be anyone's guess." We understand it might be \$10 million again. "If last year serves as some indication, it must be substantially more than the government estimates and Manitobans therefore can undoubtedly look forward to another increase before too long. It is obvious that Autopac rates were deliberately kept down and claim settlements deliberately made generous in order to enhance the image of the NDP Government" - And that's a fact. "This irresponsibility is reflected by the fact that the government has broken every promise and commitment previously made on Autopac. - In this light several important questions must be asked: (1) Will the proposed increase of 14 to 19.5 percent" - and that was a misstatement - "adequately cover the deficit incurred both this year and last. How much of this deficit is lost due to mismanagement and lack of the proper controls which are normally exercised in private industry? Should any Crown agency be allowed to operate without proper control to the extent that it has the power to initiate increases without referring to the Legislature or to the Public Utilities Board? Who does the Minister think he's kidding when he says that the additional premium on gasoline is not subsidizing Autopac? This premium is a tax aimed at reducing Autopac's deficit and we can expect the other taxes will be required to bail out Autopac from its present dilemma. If the government does subsidize Autopac through a gasoline tax and other increases, how can the government claim that our rates are the lowest in Canada? And we quote an example. That a Winnipeg driver of a 1974 Ford Galaxy may pay a premium of \$163 but the premium remains at that level only if he doesn't put any gas in his car, doesn't incur any traffic violations and doesn't renew his registration when it expires."

Now that was the statement we made, Mr. Speaker, and I can't really see too much distortion of fact or misleading information that we gave to the press at that time. And I might say in spite of what the Minister says about the press, this was reported pretty accurately by the press and I compliment them on that, they did a good job on it. Because, you know, Mr. Speaker, the press is . . . It's unbelievable when I hear all these stories about that there can be 20 or 30 reasonably responsible journalists and editorial writers throughout the various newspapers and they can't all be wrong.

But, you know, Mr. Speaker, another particular agency, there was a meeting in my constituency a couple of days ago, or a week ago, there was somebody going around explaining the Land Use or In Search of Land Policy - the Land Lease Program that was it, some fellow named Hofford, or, I think that was the name. He works for the Manitoba Agricultural Credit Corporation I think. He stood up at that meeting of farmers, Mr. Speaker, in my constituency and his first statement was, "Now I don't want you to believe anything you've read in the papers or anything you've heard over television or the radio, because now I'm going to tell you the facts." Now it's just inconceivable that so many newspapers could be wrong in reporting all these various articles, but I guess it could happen, Mr. Speaker, because they say it's a fact and it's uttered loud and clear over there.

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A MEMBER: Socialist strategy, keep the masses confused.

MR. BLAKE: It would seem with a large operation - and while we're speaking about newspaper people, Mr. Speaker, there's a new article in the Brandon Sun today if you haven't already seen it, and he seems to agree with many other papers. So that's just one more. But the Minister in his speech the other night, and I must say, Mr. Speaker, I find it most unusual that we would have such a spirited speech delivered on Autopac when we haven't got the statement in front of us and we have no way of really assessing the situation and telling how much they've lost. But he went to great length to discredit one writer of the Winnipeg Free Press named Fred Cleverley and he's quoted on many many different articles that he has written. But the one article that he took time to read a letter into the record was a wrap-up of the year's activities which was written on January 1, 1975, just little capsule items on what had happened and down near the bottom - and I would like to know how many people read the newspaper that closely that anyone would ever notice this - little Schulzy sure must be busy picking all these things up for you fellows. But in this article, Mr. Speaker, and I'll just quote a little bit of it because . . . "as the year drew to a close, two truck operators attempted to persuade Autopac to pay them more and when they were told their demands were not negotiable discovered that Autopac had decided to do without their services. Now those two little words "were told" if they had been changed to "said", and when they said their demands were not negotiable, you know, that's really all that was there but it took about a three page letter to the managing editor of the paper complaining about this and the Minister read a reply from Mr. Cleverley into the record and loudly decried him for not publishing his reply in the newspaper.

Now the letter that was received by the Free Press was written "private and confidential" and all they did was do him the courtesy of returning it on a private and confidential basis and certainly he wouldn't publish something like that. Mr. Speaker, not only Mr. Cleverley has received the wrath of the Minister, the Manager of the Canadian Indemnity and the President of the Wawanesa Mutual Insurance Company have also been told that they are not very bright people and they don't know what they're talking about. Now there's a longer list than this, Mr. Speaker, but many of these people have earned their positions through hard work and promotion and they run some of the biggest corporations in the country and they have huge responsibilities, and I say they have earned these responsibilities with hard work and honesty and knowledge and I doubt that if someone like the Minister, Mr. Speaker, I doubt if he's really in a position to even shine their shoes. The Minister is heading--(Interjection)--Well I've been accused of being a mouthpiece for the insurance companies and I wish that were true because I'm not even hanging my hat there. I'm going to start hanging my hat over there. I'll hang my hat there, Mr. Speaker.

But my point in bringing this up, Mr. Speaker, is the fact that we're paying the Minister, the taxpayers of Manitoba, \$30,000 a year plus. He solved his inflationary problems I'll tell you, and I think they require more than long letters to the editor. There must be more important things to do in running a multi million dollar corporation like the Public Insurance Corporation of Manitoba than wasting time writing letters to the editor or running around putting out little bush fires that have been imaginarily created by some statement that's been made by himself or someone else. I think it's time for the Minister to show some leadership and take a hold of that corporation and put it on a proper basis where the people of Manitoba know exactly what's going on. Get it out into the open. Let's not play jiggery pokey with the books from motor vehicle registrations and license fees to surcharges and everything else and the surtax coming up on gasoline that he says is not a subsidy. It's absolutely ridiculous, Mr. Speaker. Let's get things out into the open and tell people what they're paying. And it's absolutely silly to go around and try and compare rates. I think it's silly to go around and try to compare rates because you confuse people more than ever. You can take some certain comparisons, and I have taken them on my car, and I know that I can insure my vehicle cheaper in Alberta than I can here.

Now the Minister's going to say that I am not getting certain coverage and I'm not getting this and I'm not getting that and I know that rates vary and it's extremely difficult to compare them, but you cannot say that Manitobans are getting the cheapest insurance rates in the country, because that's not true. And to say that is a falsehood, Mr. Speaker. So I say let's show some leadership and put this corporation on a proper basis.

MR. SPEAKER: Order please.

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MR. BLAKE: I think the first step, Mr. Speaker, would be to make that board a little more powerful and put some teeth in it where it's not influenced by cabinet decisions, which has been evident in the past. Appoint some people to that board that have some managerial and executive ability and have some knowledge in the insurance industry instead of appointing a bunch of party hacks on it. I have a great deal of respect for lawyers and their ability and probably the lawyer from Brandon West may be an extremely capable man but I doubt if he's knowledgeable in the insurance business and it looks just a little bit like he was rewarded for taking a shot at my colleague from Brandon West at the last election.

Mr. Speaker, there are so many more things that I could go into because Autopac is in such a mess and I hope that the remarks in some way will allow the Minister to take a hold of them--(Interjection)--Well we can tell by some of the letters we're getting in. In fact I got one the other day, Mr. Speaker, that was interesting. He had driven for 30 years and has never had an accident and his insurance went up about 45 percent, and he just wrote Autopac down the side of the letter and he wrote beside it, "automatic undertaking to overcharge people already cheated." That was just one observation and there are lots of them.

I say again, Mr. Speaker, that I think the time has come to take the corporation and put it on a proper basis. There's no one has said or I have never said that rates should not go up. We know rates have to go up, but to say that they're the lowest rates in the country is just not true. Certainly they are good rates and they are a lot lower than other places, but I don't think you can compare Toronto to Winnipeg or Chicago to Manitoba, I think this is ridiculous. People can say they are insured cheaper in Los Angeles but we don't know what type of insurance they have and it's just impossible to compare these rates. So I say let's get things out in the open and tell the people of Manitoba just what's happening to their public insurance corporation and if it's going to cost every driver in Manitoba another \$100 a year on his insurance fees to break even, put it on there, don't try and hide it somewhere else, get it out in the open. That's the whole point of my argument, Mr. Speaker. We've got a minister in charge of the corporation, we have no estimates, we really don't know what he's going to spend there, but let's take that corporation and turn it around and put it on a proper businesslike basis, and if that means cleaning out some of the deadwood that may be in there, all right, because I'm certainly not in a position to know who's deadwood and who isn't.

There are questions being asked, Mr. Speaker, whether the corporation is really being run on an actuarially sound basis. There are questions whether their reserves are adequate enough. And you know, there was a statement made, there have been all kinds of statements made a few years ago on the wonders and glories of public automobile insurance, but I believe it was the Minister of Municipal Affairs who at that time, Mr. Speaker, was responsible for the corporation and it looks like he may be kind of eased out of that position just before the roof fell in, and he's probably very hopeful that the election in Wolsley turns out favourably for them and they can maybe get a new Attorney-General before the Wabowden thing hits the fan, and maybe he could retire to a more sheltered position. I was a bit concerned when I hadn't seen him around for the past week. I thought maybe he and Mr. Munro were having a little holiday together. But I'm glad to see him back and smiling in his place and I'm sure we'll be hearing more from him as the session continues.

Mr. Speaker, I mentioned putting the corporation on an actuarially sound basis and I also hope that when we get into the discussion of the Autopac statement with the people involved that they will provide us with some answers on the amount of accounts that are under litigation. This was a statement made by the Minister of Municipal Affairs, that cases going to law were becoming more and more and under a public insurance scheme they were practically nil. And I doubt if that bears up. I would like to know how many more people have been hired in the legal department in the past year or two. But also we're given to understand, Mr. Speaker, that there's a - and it's a situation that should cause some concern - is the amount of accounts that have been unpaid, people taking extended coverage credit facilities and cheques bouncing and funds not being recovered and insurance is naturally not being enforced if the amounts not paid. And I understand that there is a substantial amount. Now, we don't know how many drivers might be driving without insurance, we are told that all the drivers are insured, but I don't really think that that's the case. So there's an awful lot that can be done from a PR point of view, if you will, or just an information point of view, because there's an awful lot of people confused. My colleague from Virden was a bit confused when he found out he was only

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(MR. BLAKE cont'd) . . . . going to get \$4,000 for a \$7,000 car. And if he hadn't mentioned that - I'm glad the Minister had time to go out and recover that car because it was located the day after he made the statement. That's pretty fast work and I'll commend the Minister for recovering that vehicle so rapidly.

Mr. Speaker, I know that we are going to have lots of occasions to deal with Autopac on a more detailed basis but I just want to say, Mr. Speaker, that I think it's time that the corporation was run on a business basis and not run as a political tool as it has been up to now. And that's been pretty obvious on one or two, or three occasions. Get it on an actuarially sound basis, give the people all the facts and let them know exactly what it's going to cost to run that corporation. And of course, I always have believed, Mr. Speaker, that the only way you're really going to have a true picture or get a true shake on your insurance is if you have someone else to go to. If you don't like the one you're dealing with you have some other move to obtain the same coverage and that would mean bringing competition in some force back into the industry in order to give us an opportunity to deal somewhere else if we didn't like dealing with the private government monopoly. This might even help to restructure some of the rates and possibly it might not be a bad idea to establish a rate control agency, Mr. Speaker, because naturally we want to see the lowest possible rate for the motoring public of Manitoba. I think it's time the Minister showed some leadership. He can cut out the fat, if heads have to roll in the corporation to get it functioning as a proper corporation, then let's do that and let's not spend our time writing letters to the editor and running down the press for not printing things properly and operate the insurance corporation on a proper businesslike basis. Thank you, Mr. Speaker.

. . . . continued on next page

MR. SPEAKER: The Honourable Minister for Public Insurance Corporation.

MR. URUSKI: Mr. Speaker, I hope the honourable members won't be disappointed that this is my second time to speak, but after hearing the Honourable Member from Minnedosa speak about shoeshine people . . . Mr. Speaker, as I indicated the last time I spoke, there is no one here that will shine their shoes because there's 21 fellows over there that every time Mr. Trites or Mr. whatever his name is from Canadian Indemnity, says shine my shoes, they've got 20 of them there. So there's no need . . .

Mr. Speaker, the Honourable Member from Minnedosa started and ended his comments about running this insurance corporation in a sound business manner, and he indicated that there should be a rate control agency and there should be a look at the rate factors in Manitoba. Mr. Speaker, there is a rate control agency in Conservative Alberta and if the honourable members indicate that the rate books that they publish in Alberta that I showed the honourable members earlier are just of cosmetic nature, then either that Rate Review Board in Alberta has been hoodwinked by the insurance companies, or that there is so much fat in those rates in Alberta as published in their rates, or else someone is lying, Mr. Speaker, because the insurance companies have asked for the second time in one year - in 1974 they were granted an 18 percent increase in July and they asked and received an additional 10 percent rate increase in January and February in Alberta. And he said well our rate books are just really a matter that you can look at. They're just for comparison purposes and they're just a guide. We really don't charge those rates.

Mr. Speaker, if they don't charge those rates then that Rate Review Board in Alberta is just the same as the members on the opposite side, in the pockets of the insurance industry, Mr. Speaker. They speak of setting up a corporation and operating it on an efficient business manner, Mr. Speaker. I'd like to quote from a document, Mr. Speaker, not of this government but from the government in Quebec, a Liberal government. A Liberal government. It's called the Report of the Committee of Inquiry on Automobile Insurance, Mr. Speaker, which was established, I think in 1971, and made its final report in 1974. What do they say, Mr. Speaker, about the costs of administration and the sound business management that is operated by the insurance industry in Quebec, Mr. Speaker, which really is evident of the entire insurance industry in Canada? They indicated that in Quebec, Mr. Speaker, that the administrative costs when you include a profit and adjusters, that their costs are approximately 40.8 percent of the insurance dollar. In other words, almost 41 cents of the insurance dollar goes to the administering of that efficient businesslike operation. And when they compare that to the Manitoba scheme, Mr. Speaker, what did they show? 19.4 percent as the administrative costs, Mr. Speaker. Mr. Speaker, when you talk about deadwood, there must be so much deadwood floating they can't even cross the swamps that they have in those private organizations. Mr. Speaker, what does the Gauvin Report indicate about the private insurance system? And I quote from Page 227 of the Gauvin Report; "But it does show clearly that the cost of the Quebec system is excessive and through their premiums those insured in Quebec are supporting a most inefficient insurance system."

Mr. Speaker, they talk about running a corporation on an efficient system, Mr. Speaker, let them read that report then they will know who is efficient and who isn't. They want to know what their premium increases are, Mr. Speaker. They want to bring in competition. Mr. Speaker, I venture to say that the news articles in the Free Press when the Minister from Quebec the Honourable Mr. Tetley was in Manitoba - the headlines were that "Quebec doesn't want the type of system that Manitoba has." Mr. Speaker, I can say that they were very impressed but I don't think they have the stamina to do what we have done in Manitoba, Mr. Speaker. They have indicated that they may setup a Crown corporation to go into competition. But I can tell the motorists of Quebec that what will happen is that the creaming system that the insurance industry is so apt to do because the Crown has always had to take the facilities, has had to take the bad risks, they will just cream the insurance risks and then they would say "Ho Ho, the Crown can't operate anything efficiently. Can't you see they've got all the bad risks and they're losing money." Of course that would happen. Doesn't anybody think that happened in the case of Manitoba prior to Autopac, Mr. Speaker. What happened? Motorists had to be in the Unsatisfied Judgment Fund because they could not receive insurance, Mr. Speaker. And that's exactly what would happen in Quebec. --(Interjection)-- They didn't have the guts there either, Mr. Speaker. Even in Louisiana.

## THE THRONE SPEECH DEBATE

(MR. URUSKI cont'd)

Mr. Speaker, the honourable members want to know what the premium increases were and I will tell them and the press knew about it. We have indicated in the fiscal year ending October 31st, 1975 - I will tell you because it seems you haven't read or you're not prone to reading what has been given to you - that the premium increases are approximately \$16 million, Mr. Speaker. And they're made up of increasing the premiums on the vehicles and the rate restructuring of approximately \$10 to \$11, the increase in insurance premiums on driver's license of \$5, which will be approximately \$2 million; the gasoline increase of two cents per gallon which will be coming in sometime in the spring, which will be approximately \$7 million, Mr. Speaker. In the neighbourhood of \$15 to \$16 million if you want to know what the premium increases are and were and how they have been derived at, Mr. Speaker.

Mr. Speaker, the honourable member indicated that all of a sudden this year the premium increases were being hidden after the St. Boniface by-election. I think the honourable member should check his records and ascertain the dates that we announced the premium increases last year. He will know, he will know, Mr. Speaker, that the premium increases I think were announced a week later this year than they were last year and last year they were announced approximately just prior to the Christmas festive season, Mr. Speaker. They don't seem to want to listen Mr. Speaker.

The honourable member goes on and keeps saying that we should put the corporation on an actuarially sound basis. Mr. Speaker, I wish the member would give some advice to the private insurance industry in the rest of Canada because Mr. Speaker, for five years in a row they have shown an underwriting deficit. Over half a billion dollars they have indicated, Mr. Speaker. They must be in a sound actuarial position, Mr. Speaker, when they showed a \$150 million deficit last year and they are already stating, and I will quote from their own magazine, Mr. Speaker, from the Canadian Underwriter in February 1975: "Some insurers have elected to withdraw from certain areas rather than accept governmental orders to write all business offered to them." Just listen to that kind of a statement. "In addition, it is anticipated that final results of 1974 financial statement will reveal an over-all underwriting loss of \$250 million or more," Mr. Speaker. Oh, they are on sound actuarial basis, Mr. Speaker.

Mr. Speaker, I will be like the Member from Minnedosa, I will answer questions after I'm through, Mr. Speaker. Mr. Speaker, that is the same comparison as the honourable members from the opposite side and the insurance executives have indicated that we just used the rate books that I'm showing here from Alberta, just for cosmetic purposes. That's just for rate comparison, Mr. Speaker. What a bunch of nonsense, Mr. Speaker.

Mr. Speaker, they have indicated that the gasoline insurance premium will be a subsidy.

Mr. Speaker, why don't they check back as to what the gasoline tax in Manitoba was prior to 1974. Prior to '69, Mr. Speaker. Mr. Speaker, what was it? The insurance industry today uses the experience of driving and the amount of miles one motorist drives to rate his risk, Mr. Speaker. If you have all-purpose rating and if you drive less than 10 miles to work you have one premium. If your work is more than 10 miles from your home you have another premium. If you drive less than 10,000 miles a year you have one premium. If you drive more than 10,000 miles a year you have another premium, Mr. Speaker. They use mileage as a basis of insurance rating. Gasoline premium is the same method, Mr. Speaker. You drive more . . . Mr. Speaker.

Mr. Speaker, even the Liberal Member from Assiniboia has indicated that we should not use the gasoline premium to utilize that for insurance. And I will quote one of his colleagues who is renowned, who was the Justice Minister of Canada, Mr. Speaker, while he was a Professor in a Saskatchewan University, Mr. Speaker, what he stated about insurance premiums. And that is the Honourable Otto Lang, Mr. Speaker; he is a renowned Liberal. And what did he say, Mr. Speaker? A much more fundamental change in thinking would be required to impose the cost of increasing risks more exactly upon those who are responsible for them. An obvious improvement would be to base a part of that premium load upon mileage travel, although to do this with complete exactness is impossible. However, making gasoline tax part of the premium income of SCIO would be a substantial improvement over the present situation, Mr. Speaker. --(Interjection)--

Mr. Speaker, The Honourable member indicates how about removing total premiums?

## THE THRONE SPEECH DEBATE

(MR. URUSKI cont'd) . . . As a matter of philosophy, Mr. Speaker, if the member is proposing that, I agree with him fully. If we could in Manitoba have indicated or regulated the premiums wholly on gasoline tax, Mr. Speaker, that would be the most efficient and economical and exact way of administering the scheme, Mr. Speaker, and I agree. And less costly, Mr. Speaker, in administration.

A MEMBER: Good idea, Steve

MR. URUSKI: And I am hopeful now that the Honourable Member from Assiniboia will change his position about subsidies and he will agree that the insurance premium is a fair and equitable way of financing an insurance scheme based on motoring experience.

Not only that, Mr. Speaker, the trucking industry, gravel and sand haulers have indicated to me, Mr. Speaker, that they would want our corporation, or the Manitoba Public Insurance Corporation to finance more of their premiums on gasoline. Why? Mr. Speaker, during February the time of renewal they are not working, or many of them are not working, they're on down time. They cannot afford to pay 800 or 900, or as it is in Alberta, on sand and gravel, Mr. Speaker, or Ontario. Let's look at what the premiums are - or in Alberta. If you had an accident in a previous year in sunny Alberta . . .

MR. SPEAKER: Order please.

MR. URUSKI: . . . for sand and gravel, gross vehicle weight of 48,000 pounds, \$1,459 premium, Mr. Speaker, for a sand and gravel truck. In Ontario it's slightly lower. It's only \$1,200, Mr. Speaker. Those are '74 premiums. That they could --(Interjection)-- Mr. Speaker, how much in Manitoba? In Winnipeg, Mr. Speaker, \$651, that's \$431 for the premium and a gasoline premium based on 50,000 miles of \$220, total premium of \$651.00. And I will give the worst picture, Mr. Speaker. I will add a 50 percent surcharge for the fleet owners on their basic insurance of \$200. That will make it \$851 of our worst record as compared to \$1,459 in Alberta, Mr. Speaker. Our worst record.

Mr. Speaker, the truckers have indicated that during their down time they are not in a position to earn their income and if they were driving and paying their insurance as they were working, because when they are working they are driving, and they will be paying their premiums as they are driving, then their premiums are related to their income that they are earning, and it's based directly to their exposure on the road and the money that they will pay, Mr. Speaker. What more equitable way to pay their insurance premium than pay-as-you-drive, Mr. Speaker. Thank you very much

MR. SPEAKER: The Honourable Member for Roblin.

MR. McKENZIE: Mr. Speaker, I suggest before this session is over we'll have that Minister climbing trees for Autopac. Mr. Speaker, I suspect he won't be sleeping, he won't be eating and he's just going to have one terrible year ahead of him. Because, Mr. Speaker, how can you defend the indefensible?

Mr. Speaker, may I on behalf of the people of Roblin constituency welcome you back into your Chair. We wish you every success in your endeavours, and I'm sure that the debates in the House will be conducted with the usual decor of which you are very capable of heading.

I offer my congratulations and the best wishes of the people of Roblin constituency to the new members that are sitting on the Treasury benches, and I wonder if we're going to get any better accounting services from them than we're getting from this Minister of Autopac. But nevertheless I wish them well. I would also congratulate the mover and the seconder of the motion, Mr. Speaker, who espoused the problems of their constituency and their philosophies and thoughts very capably and a very interesting way.

Mr. Speaker, I think that before I do get into my address that I should like to stand up and congratulate the women of Manitoba and the women of Canada, who this year are celebrating International Women's Year. I think this is a great thing and it shows, as in the political arena and in the public that the women are finally getting their full recognition and their equal rights as members of the Legislature.

Mr. Speaker, over the years we are one of the lucky political parties who have happened to have ladies in our caucus, and I remember when I first came into the Legislature we were graced with two of the fairer sex in our group and then at a later occasion another lady joined our group, and that's a tragedy which the Socialists have never been able to overcome, Mr. Speaker. They've never been able to elect people of the fairer sex. --(Interjection)-- So, with



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(MR. McKENZIE cont'd) . . . those few words, Mr. Speaker, I do, I think it's a tremendous asset to the ladies to be recognized as the International Women's Year and their knowledge of the economic problems of our country, our social problems, our cultural problems, our educational problems, and the politics are becoming more and more understood. I was so pleased to notice in last night's paper where the Prime Minister of this country was watching with this lady that's taking over the Conservative Party in Britain, Mrs. Thatcher, I thought that was a very fine gesture on the Prime Minister's part and it was a newsworthy item.

Mr. Speaker, my remarks will be rather lengthy and in some detail today but I may have to throw away the script and deal with that Minister over there that just spoke . . . But I shall leave that go till after lunch, Mr. Speaker.

I first of all express to you, Mr. Speaker, and to the Members of this Legislature the main concerns that are being expressed to me by the people who reside in my constituency. The number one concern is the inflationary factor. The number two concern is the cost of living in this province today. The number three concern are some of the serious labour problems that we're facing in this country which will likely bring our economy to its knees unless somebody's got the guts to stand up and meet the problem. The fourth priority, Mr. Speaker, that concerns my people is Autopac. The fifth concern is the way our educational system is being handled in this province today; and the last concern is the future of Manitoba with this government.

A MEMBER: Last concern . . .

MR. McKENZIE: Mr. Speaker --(Laughter & Applause)-- They're in a very jovial mood over there today, Mr. Speaker. They won't be so jovial when I'm finished with my speech.

Mr. Speaker, the future of Manitoba, if that is the future of Manitoba that's supposed to be in this Speech from the Throne, then I ask the men of the Treasury Benches and the Premier to take it back in the office and rewrite it. There is no future for Manitoba if that's where this government is going, if that's the intent of this government and this is where the future policies are to guide us in a most difficult time in our lives.

And, Mr. Speaker, I will ask, I've heard the Premier last night and I've heard several of the members over there speak on the inflationary factor, and I have yet, Mr. Speaker, to hear one man on the Treasury Bench to stand up and recognize that the cost of government spending and the way that governments are wasting tax dollars today, is the number one problem of inflation in this country and that they're going to do something about it.

Mr. Speaker, I listened to the First Minister last night and I searched all through his remarks for one indication, some little piddly piece of indication that would give me some hope for the people in my constituency that this government is going to do something about inflation. He blamed all the other jurisdictions across this country, he blamed the Federal Government, he blamed the American Government. That's fine, let the blame go there, but I ask you, the First Minister of this province, and you that sit on the Treasury Benches, what are you going to do about it? Where have we got some evidence in this document that inflation is recognized by the Treasury Bench over there and that they're going to attack it? It's not there, Mr. Speaker. There is no evidence there. And the First Minister last night --(Interjection)-- Well, I'm not worried about Robarts.

But, Mr. Speaker, I'm most concerned that the Canadian economy and the economy of Manitoba has receded to a level of zero growth. That's the indicators that's coming out of the Department of Statistics today. And the disconcerting type of news that's coming out as was followed by the information that was in that statistical report is that inflation is still on the rise and it's now running at around roughly 12 to 13 percent. Still on the rise. That's not a very bright future, Mr. Speaker, for me to project for my grandchildren who are going to have to pick up the load when I'm no longer a taxpayer in this province. Not only the children that my wife and I raised but the ones that I'm most concerned about are these young people today of this province. Are they going to be saddled with that type of inflationary factor, with these huge tremendous spending programs that governments are giving us today and nobody's going to stand up and say we're going to try and do something about it. Well, Mr. Speaker, I don't know. For months I've heard this talk of inflation that's on the radio in the morning, it's in the newspapers every day, it's on television at night, but yet have I heard any evidence from any of you on those Treasury Benches, or the First Minister, that

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(MR. McKENZIE cont'd) . . . you're going to do anything about it.

Well, Mr. Speaker, I've listened to some of these economic wizards, or these club-house know-it-alls that you find around this province and nobody that I heard has given me any indication that the inflationary factor is going to be attacked. And surely with all the expertise and all the knowledge and the people that we have in this province, is there no way that one group who are in charge of spending tax dollars today is going to get together and say we're going to try and fight inflation. We've got some idea of doing it or trying it this way? Mr. Speaker, those remarks were not in the First Minister's eulogy last night when he replied.

Some people, Mr. Speaker - I hear some of the Socialists, they blame these corrupt welfare bums, that they are the ones - that's behind the whole theme. And the theory goes that if some corporation was to pay their full and fair share of the tax burden instead of making these outlandish statements of . . . and that the matter would be brought under control.

But, Mr. Speaker, it is a very serious matter and I think it's time that the government of this province stood up, recognized the seriousness of it, recognized that it's going to be here for a long time and put some policies in the Speech from the Throne that you're going to do something about it.

Mr. Speaker, let's move on to the cost-of-living index. I hope, Mr. Speaker, before very long we will have an address by the Minister of Consumer Affairs, who will give us some idea of what he has done, what his department has done to try and hopefully resolve the problems of the cost of living in this province today. Mr. Speaker, I'm sure he will likely in all due faith give us about as much information on that matter as he has since he's accepted that portfolio in the Government of this Province.

MR. SPEAKER: The hour being 12:30, I'm now leaving the Chair to return at 2:30.