

## LEGISLATIVE ASSEMBLY OF MANITOBA

Monday, 2 March, 1987.

Time — 1:30 p.m.

**OPENING PRAYER by Madam Speaker.**

**MADAM SPEAKER, Hon. M. Phillips:** Presenting Petitions . . . Reading and Receiving Petitions . . . Presenting Reports by Standing and Special Committees . . .

### MINISTERIAL STATEMENTS AND TABLING OF REPORTS

**MADAM SPEAKER:** The Honourable Minister of Energy and Mines.

**HON. W. PARASIUK:** Madam Speaker, I have a statement.

This government's mandate includes the effective management of our natural resources. We are committed to the orderly development of our resources to the benefit of the people of Manitoba. Our petroleum resource is an important part of our overall provincial economy.

We have, therefore, designed a program to help sustain drilling activity which has fallen off in the wake of dropping oil prices just as it has in all oil-producing provinces of Canada. As good managers, we have developed a program which will maximize the recovery of oil from currently producing wells in the province.

Within this context, Madam Speaker, it is my pleasure to announce two new programs which will assist Manitoba's petroleum industry and the further development of this very important natural resource. These new programs are designed to secure the 200 existing jobs in the petroleum industry, and will help create additional jobs. The new Manitoba Drilling Incentive Program will provide strong encouragement to operators to drill exploratory wells, while also assisting developing drilling.

Operators of new wells will qualify for a royalty tax free volume. The amount of this volume is sensitive to oil prices and will vary, depending upon the well's location, depth, producing formation and qualifying credits from previous dry holes. The program provides an operator with greater incentives at times of low oil prices and when wells are drilled in places where risks and costs are great.

The new program replaces the previous program which was in place for eight years and expired at the end of 1986. The significant improvement lies in the fact that the old program provided royalty/tax incentives according to a time period and varied according to well depth only. The new program is more sensitive to the costs and risks the operator assumes, and less restrictive in its time constraints.

The second new program this government is implementing is the Enhanced Oil Recovery Incentive Program. Enhanced oil recovery can increase the oil recovery from a group of wells by more than 100 percent and lengthen the lives of the wells. A well which

produces more oil, for a longer period of time, provides more revenue to producers and to the Province of Manitoba.

The Enhanced Oil Recovery Incentive Program is designed to offset the cost of putting an enhanced oil recovery program into place by allowing up to 60 months of reduced Crown royalty and tax rates on production from enhanced oil recovery projects.

Madam Speaker, both of these programs will be in place for five years. This means they will provide operators with long-term benefits while permitting long-term project planning.

We are also drafting amendments to legislation which will provide similar incentives to operators of wells drilled on freehold or private mineral rights in the province.

In conclusion, Madam Speaker, the past period of low oil prices has been a difficult one for the petroleum industry and the Manitobans who depend upon it. By encouraging petroleum development, the Manitoba Government is addressing pressing needs in a creative and prudent fashion. In particular, these programs bring good news to the people of Southwestern Manitoba who benefit most directly from the petroleum industry.

Thank you.

**MADAM SPEAKER:** The Honourable Member for Lakeside.

**MR. H. ENNS:** Madam Speaker, really and truly, the most appropriate thing for us to do is to offer, perhaps, a minute or two of silence in the memory of one Mr. Lewis who coined the phrase "welfare bums" when he was leader of the national New Democratic Party. He surely must be turning over in his grave at this moment at this kind of announcement.

We also have a cynical portrayal of what this government's attitude towards tax reform is all about. More giveaways to the corporate, more giveaways to business; that's the message they are sending to Mr. Wilson in Ottawa with respect to this particular announcement.

Secondly, of course, Madam Speaker, I suppose the Minister will forgive me if I express my disappointment. One would hope that when this Minister arises any time for a Ministerial Statement, it will have some bearing on the fact that perhaps he has succeeded a successful hydro sale. Because, after all, we Manitobans are committing ourselves to billions of dollars of construction. Just the carrying costs at 10 percent means \$200 million a year to Manitoba Hydro in interest payments. Hydro users are currently paying 50 cents of every dollar on their bill not to buy a single kilowatt of power, not a single kilowatt of power, or to build a single dam; simply to pay the interest charges of the debt load that Hydro now has.

So, Madam Speaker, it is of utmost seriousness that those commitments, made by this Premier, by this government, a year ago, that their action had resulted in three additional power sales, begin to bear some fruit.

Madam Speaker, the last thing that I have to say about this announcement today is to acknowledge, with some sadness, that, of course, there is virtually no drilling taking place in Manitoba. Virtually none or none at all.

Then, finally, Madam Speaker, is to remind my honourable friend who was on this side of the House when a colleague of mine, Mr. Ransom, acknowledged the reality of the oil industry, and acknowledged their need to be competitive and compatible with neighbouring jurisdictions, and what was he called, Madam Speaker, what was he called by members of that group when they were sitting here? They called him a foolish visionary. What that of course resulted in, Madam Speaker, was record petroleum production in the Province of Manitoba, the likes that this province hasn't seen since.

Madam Speaker, I cannot lay on the shoulders of this government all of the responsibility for the fact that that is not occurring today, that would not be honest, that would not be facing the reality as I know it to be in the oil industry today as well. There is difficulty in the oil industry; there is difficulty with international pricing in the oil industry, and obviously this Minister and this government is attempting to do some of the things that might improve the situation when we get a reasonable price for our product once again. To that extent, Madam Speaker, I certainly support the initiatives, the moves taken by this government, but let the record plainly show that they are now taking great satisfaction at doing those things that a Conservative Government and a Conservative Minister knew intuitively how to do it and when to do it.

**MADAM SPEAKER:** Order, order please. May I remind honourable members in terms of Ministerial Statements that both are to be brief and are not to provoke debate. Notices of Motion . . . Introduction of Bills . . .

### INTRODUCTION OF GUESTS

**MADAM SPEAKER:** Before moving to Oral Questions, may I direct honourable members to the gallery where we have 42 students of Grade 11 from the Pinawa Secondary School. These students are under the direction of Mr. Bigelow, Mr. Turner, Mrs. McLellan and Miss McCardle and the school is located in the constituency of the Honourable Member for Lac du Bonnet.

On behalf of all the members, we welcome you to the Legislature this afternoon.

### ORAL QUESTIONS

#### Workers Compensation Board - Finance Director

**MADAM SPEAKER:** The Honourable Member for St. Norbert.

**MR. G. MERCIER:** Thank you Madam Speaker. My question is to the Minister responsible for the Workers Compensation Board.

Could the Minister advise the House if he has investigated the allegations that the Finance Director

of the Workers Compensation Board has quit his position in disgust over policies of the board and the government?

**MADAM SPEAKER:** The Honourable Minister responsible for the Workers Compensation Board.

**HON. H. HARAPIAK:** Madam Speaker, the Workers Compensation Board has been under a lot of difficulties in, well, many years. I'm sure the Member for St. Norbert will recall the number of demonstrations that were present at this Legislature in the city in 1981. The Director of Finance, who is a chartered accountant, was successful in obtaining employment in a senior position with the St. Boniface Hospital and we have made some inquiries. There have been no difficulties with the Workers Compensation Board in the carrying out of his responsibilities. He only went on to the position at St. Boniface Hospital because it was a move up in his career.

#### Workers Compensation Board - deficit

**MR. G. MERCIER:** Madam Speaker, I would ask the Minister if he would ask the Review Committee, who are reviewing the Workers Compensation Board, to perhaps offer to meet in confidence with Mr. Wiebe, the Finance Director, in order that he can make his views known to the Review Committee before their final report is presented to the Legislature.

I would also ask if he could advise the House what is the total accumulated deficit to date considering that when this government took office in 1981 there was a surplus. Is it just over \$60 million now?

**HON. H. HARAPIAK:** Madam Speaker, the Member for St. Norbert makes the suggestion that the Legislative Review Committee would meet with Mr. Wiebe. I would like to advise him that they have already met with Mr. Wiebe and they are going to address all parts of the Workers Compensation Board, and once they give their report, they will be making recommendations as to what changes would be required under the Workers Compensation. So we are looking forward to receiving that report at the end of March, at which time we will be following the recommendations and moving on the recommendations that they'll be making.

**MR. G. MERCIER:** A final supplementary to the Minister, Madam Speaker.

Will the Minister undertake to table the report in this House as soon as it is received by government?

**HON. H. HARAPIAK:** Madam Speaker, as soon as the report is tabled to myself and I have had an opportunity to review it, I will be tabling it in the House.

#### Redhead, Eric - settlement

**MR. G. MERCIER:** Madam Speaker, a question to the Attorney-General.

I wonder if the Attorney-General could inform the House why he made a secret, confidential settlement

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for financial compensation with a Mr. Eric Redhead through his well-connected New Democratic party lawyer, Mr. Mayer.

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

**HON. R. PENNER:** Madam Speaker, I did no such thing and the Member for St. Norbert fully knows that. If that's going to be his style of questioning in this House, then we're indeed in for a difficult Session.

Secondly, I would point out to you, Madam Speaker, and I would have expected you to rule on it, that kind of question casts an aspersion on me as a member of this House and it's completely improper and unparliamentary. I would ask that that remark be withdrawn before I answer the question. I'm prepared to answer the question, but not with that kind of innuendo.

**MR. G. MERCIER:** I would ask the Attorney-General whether this secret, confidential agreement for financial compensation, which was not released publicly or to members of this House, did it follow the guidelines that he set and tabled in this House only last summer?

**HON. R. PENNER:** Madam Speaker, first of all, there is no secret deal. No money has flowed to the particular accused because we were still negotiating the terms of the payout to that accused.

No money has flowed; in fact, no money will flow to that particular accused for many months, and when it does - and this is some of the details we were working out - it will flow on a month-by-month basis because we thought that in the particular circumstances a lump-sum payout would be imprudent in the circumstances. So that's the only reason why there's been some delay between the time the decision was made to compensate and the payout, No. 1.

No. 2, Madam Speaker, I, in fact, assured myself, and have a letter on that basis, that the solicitor for the accused, Mr. Redhead, would not be receiving any fees out of the compensation. I have specifically directed that question - he's a Legal Aid lawyer - and the only fee that is being paid to the lawyer is the \$50 standard fee paid by Legal Aid for opening a file. That's No. 2.

No. 3, the principle which we adopted was that in circumstances where it was clear that an innocent person had been wrongfully incarcerated for a significant period of time, compensation would flow. Once we were satisfied on the basis of an independent report from the RCMP that that was the case, it was decided that compensation would flow.

The second thing was on what basis. We made it on the basis of the Criminal Injuries Compensation scheme, a relatively very small amount for the 14 months, some \$6,000 to \$7,000.00.

The third thing that I wanted to negotiate with Mr. Mayer was the terms of the payout. It was finally agreed in November, I believe, that the terms of the payout would be X number of dollars a month for 14 months, the length of time in fact that he spent in custody, but that the money would not flow for a period of time that has not yet elapsed.

**MADAM SPEAKER:** The Honourable Member for St. Norbert with a supplementary.

**MR. G. MERCIER:** Madam Speaker, if it was agreed in November, as the Attorney-General has just indicated, why did he not make this agreement public?

**HON. R. PENNER:** If the case were known then - I was checking my own files and where recorded in the paper, and the papers recorded that there was a temporary freeze on the final details - that was back in September or October - the reason why the public announcement wasn't made was simply that the money hadn't flowed. It hadn't come back to Cabinet for the final authority to flow the money.

**MR. G. MERCIER:** Has it received final Cabinet approval?

**HON. R. PENNER:** Yes, it has in principle, but in terms of the actual details of the payout, not yet.

### Sophonow - compensation

**MADAM SPEAKER:** The Honourable Member for St. Norbert with a final supplementary.

**MR. G. MERCIER:** A final question to the Attorney-General. Is he considering providing financial compensation to Mr. Sophonow?

**HON. R. PENNER:** No, I'm not.

### Cormorant Town Council - removal of powers

**MADAM SPEAKER:** The Honourable Member for River Heights.

**MRS. S. CARSTAIRS:** Thank you, Madam Speaker. My question is to the Minister of Northern Affairs.

Last November, his department took away the powers of self-government to the Cormorant Town Council under allegations of financial wrongdoings, although subsequent audit demonstrated that the council had only minor clerical errors.

My question is this: why did the department take such a serious and unprecedented decision to remove powers of self-government while performing an audit with the government serving as prosecutor, judge, jury and convicting the council of illegalities by taking away their powers before their accusations were borne out by the investigation of facts?

**MADAM SPEAKER:** The Honourable Minister of Northern Affairs.

**HON. E. HARPER:** Madam Speaker, first of all, I would advise the honourable member, I'm presently taking some advisement and taking into consideration all the details of the Cormorant situation, so in due time, when I'm fully aware of what's going on, I will advise the member.

Thank you.

**MRS. S. CARSTAIRS:** A supplementary question to the same Minister.

If the government viewed this situation so seriously as to in fact remove their powers, why did it not decide to move earlier before they went to the polls in 1986 when a deficit was already known; and why did they wait until the council was clashing with the government over the unrelated question of flooding damage?

**HON. E. HARPER:** Madam Speaker, I am taking the member's questioning as advisement and I will report and provide the information to her on that and the rest of the House.

**MRS. S. CARSTAIRS:** Madam Speaker, in that the audit has been completed for some months now, when will the Minister announce that the powers have been restored to the Cormorant Town Council? Meanwhile the Cormorant Town Council is suffering from repayment of bills which they can't meet and their credit rating is being threatened.

**HON. E. HARPER:** I will take the matter into consideration. I'll see how fast I can get briefed and how fast I will be able to respond. I will do it as quickly as I can.

Thank you.

### Sunday retail closing - public response

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

**MR. M. DOLIN:** Thank you, Madam Speaker. My question is to the Minister of Consumer and Corporate Affairs.

Regarding the legislation passed Friday on Sunday closing, I was in SuperValu and got a very significant "thumbs up" from all the workers who thanked us all for the legislation. I'm wondering what kind of feedback has the Minister been receiving from the public or from store owners. I also got the same kind of response, I might add, in a small ethnic store in the neighbourhood.

So I'm wondering, is the Minister getting a response from the community?

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

**HON. A. MACKLING:** Madam Speaker, I thank the honourable member for his question. Certainly, the response this Minister, and I'm sure that many other MLA's received, has been a very positive one. I've had workers talk to me and express their sincere appreciation for the fact that for once in history, in recent history at least, there seemed to be broad approval in this Legislature for protection of workers' rights. It was a first in Manitoba that gratified many.

Madam Speaker, I've heard also that SuperValu is displeased. They, of course, were advertising at one time that we were denying rights of people who would want to flock into stores on Sunday and shop. I question why then recently they were advertising free giveaways that were obtainable only if people went in on Sundays?

Obviously, the corporation that was defying the will of this Legislature is displeased, but the people of Manitoba generally are well pleased, Madam Speaker.

### Sunday retail closing - SuperValu counsel

**MADAM SPEAKER:** The Honourable Member for Kildonan with a supplementary.

**MR. M. DOLIN:** Thank you, Madam Speaker. A supplementary to the same Minister.

The Minister mentions protestations from SuperValu; particularly, I would assume, one Mr. Richard Good, who I understand is also an advisor to the Member for River Heights and her party. Has the Minister received any specific complaints or had consultations with Mr. Good, the lawyer for SuperValu?

**HON. A. MACKLING:** Madam Speaker, the short answer to that is no. I have not heard those representations. I hear members opposite saying it's silly, it's stupid; particularly the Member for Sturgeon Creek who nods his head in approval. Madam Speaker, I think it was remarkable that, for once at least, we had some positive cooperation, even with the Member for Sturgeon Creek on this issue. Now for him to say it's silly and stupid takes away from the positive action we took the other day.

### Railbus - testing of

**MADAM SPEAKER:** The Honourable Member for Thompson.

**MR. S. ASHTON:** Thank you, Madam Speaker. I have a question for the Minister of Highways and Transportation in regard to the testing of the Manitoba railbus.

Several months ago, the Federal Government announced that it was abandoning the test of the Manitoba-made railbus after passenger tests of only a few days. In view of the fact that the Federal Government recently announced the tests will continue with the British-made railbus for a period of several weeks, I would like to ask the Minister if there is any indication from the Federal Government that they have decided to reconsider their cancellation of the testing of the Manitoba-made railbus, a very unwise and unfair decision?

**MADAM SPEAKER:** The Honourable Minister of Highways and Transportation.

**HON. J. PLOHMAN:** Thank you, Madam Speaker.

We have not received any good news from the Federal Government on this issue, as with many other issues, Madam Speaker. The fact is that they have refused to continue any further testing of the Manitoba-built and developed railbus, and the potential for the technology that could be developed for a Manitoba company to supply jobs and opportunities for Manitobans and economic stimulation for the economy in this province have been, for all intents and purposes, at this time lost to Manitoba in favour of a British firm and a British technology that stands to benefit Eastern Canada because of the distribution rights given to a Quebec-based company.

So, Madam Speaker, the answer is no. We have not received any affirmative reply to our request, despite

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the fact that we have indicated we were prepared to put in 50 percent of the costs of development of the Manitoba technology out of the transportation subagreement. They did not agree to do it even under those circumstances, Madam Speaker.

### **Bills C-18 and C-19 - hearings to be held**

**MADAM SPEAKER:** The Honourable Member for Thompson with a supplementary.

**MR. S. ASHTON:** I have a further question, Madam Speaker, to the same Minister in regard to the proposed deregulation of the transportation industry.

I would like to ask the Minister whether he has been advised as to whether there will be an opportunity for members of the public and the Provincial Government to make representation on Bills C-18 and C-19 in regard to the deregulation of the transportation industry?

**HON. J. PLOHMAN:** Madam Speaker, this is also an area of great concern to us. The fact is that the Federal Government and the Transport Minister have continued to put off the time when they are to advise us whether there will be hearings on this bill and whether the Standing Committee on Transportation will be travelling across Canada.

The indication at this point is that they want to have this whole matter of deregulation of the transportation sector, which will have the most significant impact on transportation, on jobs, on safety, on degree of control of the transportation sector by Canadians, the greatest impact of any legislation in the last 20 years at least. They have not indicated that they want to have hearings, but that they want to have this all wrapped up by the end of March. That is of great concern to us, and we have continued to make representation to the Federal Minister to ensure that there will be an opportunity for governments as well as for Manitobans generally and Canadians generally to make representation.

They have continued to procrastinate on this issue, Madam Speaker, and we are continuing to put pressure on the Federal Government to reply in the affirmative to have hearings across Canada so that we can have that opportunity to make representation directly. We are very shortly approaching a deadline, Madam Speaker, on this issue.

### **Farmers - assistance to**

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

**MR. C. BAKER:** Thank you, Madam Speaker. My question is to the Minister of Agriculture.

Will the farmers who are not able to seed this spring be receiving any assistance under the federal payments? One-third were mailed out just prior to the end of the year and three-quarters are anticipated.

**MADAM SPEAKER:** He didn't hear that question. The Honourable Minister of Agriculture.

**HON. B. URUSKI:** Madam Speaker, certainly there are several hundred farmers at least in the Province of

Manitoba who in fact, as a result of weather conditions in the fall of '85 and, of course, were unable to either harvest their crops until '86, or because of the conditions of the land in the fall of '85, were unable to seed in '86 and may in fact not be eligible for the Special Farm Assistance Program. We have made representations to the Federal Minister in January of 1987. To this time, we have had no formal response from him to our request that they be considered, although we have received verbal assurance from the Minister responsible for the Wheat Board that those farmers will in fact be covered.

**MADAM SPEAKER:** The Honourable Member for Lac du Bonnet with a supplementary.

**MR. C. BAKER:** Madam Speaker, my concern is that there will be many farmers out there . . .

**MADAM SPEAKER:** Does the honourable member have a supplementary question?

**MR. C. BAKER:** Yes, I'm just trying to lead to my question. My concern is that there are many farmers out there who are not informed properly as to the redress they can take. I'm wondering if the Honourable Minister will assure us that he will do the proper advertising necessary so that there will be no farmers later on this summer who find that they could have received some payments from the Federal Government but, because of not knowing the rules, the guidelines, obviously were left out.

**HON. B. URUSKI:** Madam Speaker, I'm pleased that there are members in this House who are very concerned about the farmers, unlike some other honourable members who wanted an emergency debate and then didn't want to debate and adjourned the House last week.

To my colleague, the Member for Lac du Bonnet, we certainly have suggested that the appeal mechanism that has not yet been set up be made available and be made known as soon as possible so that farmers in those circumstances that we have outlined last fall yet can in fact be covered. We may have to look at some other measures, if at all possible, if the Federal Government does not deal with this question. But at this time, I have the confidence in the Minister responsible for the Wheat Board who has given me his personal assurance that they will in fact be looked after.

### **Milk - minimum price**

**MADAM SPEAKER:** The Honourable Member for Ellice.

**MR. H. SMITH:** Madam Speaker, my question is to the Minister of Agriculture.

A few weeks ago, the Member for River Heights was criticizing the government for setting a minimum price for milk, and suggested that milk was selling for a higher price in the grocery stores than Coca Cola. Could the Minister please explain to the House why we have a minimum price for milk, and explain exactly the situation so the members of the House can realize why we are, as a government, doing this?

**MADAM SPEAKER:** The Honourable Minister of Agriculture, briefly.

**HON. B. URUSKI:** Madam Speaker, the issue is a very serious one in terms of the supply of a regulated commodity to consumers, and I'm very pleased that maybe the Member for River Heights now realizes that coke is more expensive than milk and that Manitoba, because of its regulated both minimum and maximum prices, has the second-lowest milk prices in the country.

Madam Speaker, the minimum price for milk has been put into place primarily to protect a number of processors and a number of small retailers who in fact were being forced to charge much more than the sale price in order to pay for the discounting that some of the processors were offering the large retailers, namely, the SuperValu stores in Winnipeg. As a result, what you had was only those consumers who were buying from the very large retailers getting the benefit, and everyone else who did not have access to these large stores throughout rural and Northern Manitoba were paying anywhere from 6 cents to 14 cents more a litre for milk. That's why we imposed a minimum price on milk, Madam Speaker.

### **Agriculture - crisis situation**

**HON. B. URUSKI:** Madam Speaker, on Friday, the Member for Virden raised a question regarding the net incomes of farmers across Western Canada, and the comparison of income of Manitoba farmers versus those of Saskatchewan and Alberta, indicating that if you compared 1986 statistics to 1987 statistics, that Manitoba's position was that we, in fact, would have a realized net income of 21 per cent below 1986. Madam Speaker, if one was to take those simplistic figures, I would have to indicate to my honourable friend that from those statistics, based on a one-year comparison, those numbers are as they have appeared from Stats Canada. I want to indicate that to my honourable friend.

However, Madam Speaker, the statistics do not point out that, of course, Saskatchewan has come off a severe drought and the increase in net income is solely due to the gains of the deficiency payment from the Federal Government, as well as Alberta's net income will decline 29 per cent below 1986 instead of 64 per cent below 1986, all as a result of the federal payments.

Madam Speaker, what the honourable member could have done was look at statistics. For example, if you looked at periods between 1977 and 1979 to those of '87, he would find a much larger difference into the realized net farm income, Madam Speaker.

**MADAM SPEAKER:** Order, order please. May I remind Ministers that answers to questions should be brief and where there is a lot of statistical detail it can be tabled for the member's information.

**MADAM SPEAKER:** The Honourable Member for Brandon West.

**MR. J. McCRAE:** Madam Speaker, I rise to seek the leave of the House to make a couple of brief non-political statements.

**MADAM SPEAKER:** Does the honourable member have leave?

### **NON-POLITICAL STATEMENTS**

**MR. J. McCRAE:** Madam Speaker, I rise today to draw the attention of honourable members to a couple of significant achievements on the part of some curlers from Southwestern Manitoba, specifically Brandon.

On February 12, Madam Speaker, the rink of Mabel Mitchell, Mary Adams, Mildred Murray and June Clark won the Senior Manitoba Women's Championship, and we wish them well as they head to the Canadian Women's Championship at Prince George on March 15.

The other history-making achievement, Madam Speaker, was that made by the rink of Brian Fowler, Keith Kyle, Dale Wallace and Gary Poole, as they took the Labatt Tankard on February 15, which is very significant and the first time in 62 years for a Brandon rink. Madam Speaker, I think honourable members would also wish to join me in wishing that team well as it heads to the Brier in Edmonton on March 8.

### **ORDERS OF THE DAY**

**MADAM SPEAKER:** On the proposed motion of the Honourable Member for Lac du Bonnet for an address to His Honour the Lieutenant-Governor, in answer to his Speech at the opening of the Session, standing in the name of the Honourable Leader of the Opposition.

### **THRONE SPEECH DEBATE**

**MR. G. FILMON:** Thank you, Madam Speaker.

It's a pleasure for me to address the Throne Speech. Despite its many failings, I think that it's an opportunity that I look forward to every year, that we, in our democratic society, have the freedom to express our views, to criticize our governments, and to represent the views and concerns of the people of our constituencies. That is something I look forward to, that is an opportunity that I cherish, and I'm delighted to have it once again this year, Madam Speaker.

In addressing all members of the House, Madam Speaker, I want to extend best wishes to all on their return to this Legislature. I want to say to them that I hope that all of them will continue to enjoy good health and be able to represent during this Session the views of their constituents, and have the opportunity to enjoy the time not only that we spend here but with our families and with our constituents as that too is very precious and all of us should not forget that.

I want to thank the Member for Brandon West for very kindly not referring to the championship of the Brandon University Bobcats in basketball over the weekend. He has left me without having to think about the events that involved one of my sons, as a matter of fact, in that GPAC championship round.

Madam Speaker, traditionally, a Throne Speech sets forth the government's view of the condition of the province, a state-of-the-union address if you will. It then identifies the policies that the government will follow, the bills that we'll introduce, and how it intends to deal with the problems it faces in this province.

This process, I stress, is a tradition, Madam Speaker. It's a necessary part of the historical evolution of our parliamentary system. We must not forget that this

tradition also has a very pragmatic and important purpose, a function that's necessary for the coherent, logical and effective implementation of legislation and of government action that's so important to the citizens of any jurisdiction.

Unfortunately, for some, the Throne Speech is merely a political - and I use that word in a negative sense - a political document designed to avoid criticism, to avoid controversy, to be all things to all people without any commitment of action. In the case of this Throne Speech, that attitude appears to prevail.

Last Thursday, in conversation between colleagues of mine and members opposite after the Throne Speech was delivered, I was surprised at how often members opposite mentioned the fact that they thought that the speech was so cleverly put together that it didn't provide any targets for us to shoot at. They bragged that it didn't leave us, the Opposition, any opportunity for criticism. They were patting themselves on the back that their plans, their policies, their future actions were so vague, so unclear that we and the people of Manitoba wouldn't have any ammunition for criticism. They were proud that they had crafted that type of Throne Speech that had so little substance that we might just say it was smoke.

Madam Speaker, I think that reaction is tragic because those government members, who were so proud to have put together a Throne Speech that avoided any targets, missed the point completely. The purpose of the Throne Speech isn't so that it will avoid targets for the Opposition. It's to provide goals, directions and targets for the government and the people of Manitoba, an opportunity for us to know where we're going in this coming Session and in the year ahead. Unfortunately, as I'll demonstrate during the course of this afternoon, this government has such an abysmal record on meeting its goals and its targets and its objectives in previous Throne Speeches that now it's taken to simply avoiding targets in the Throne Speech. Quite simply, it's determined not to be able to be held accountable for any action in future. Madam Speaker, that's more than a tragedy; that's an abdication of responsibility.

This Throne Speech isn't as significant for what it says but rather for what it does not say. But this shouldn't come as any surprise. The millions of taxpayers' dollars that they have been spending on PR people, on public opinion polls, have at least ensured that the government says the right things. The NDP hacks and flacks have a buzzword for every occasion. Never have the words "fairness," "caring," "sharing," and "challenge" been used with such imagination, let alone such frequency. The Premier has even discovered the phrase, "leaner and meaner." Now, despite all of the fine phrases of the Premier's speech writers, the government's true agenda can be found in its actions, not in its words.

Madam Speaker, where are the government's priorities? Are they agriculture or the deficit or jobs or education or health or roads?

**A MEMBER:** None of the above.

**MR. G. FILMON:** What? Well, one thing is clear, and that is that the government has no priorities. They insist,

"be all things to all people." It goes without saying that somebody's got to be disappointed. The question is: who?

Will our farmers look back in a year's time and wonder why they're still struggling to make ends meet? Will our businessmen see the clouds of regulation and increased taxation once again dominate the economic climate for Manitoba?

The government speaks with pride in this Throne Speech that 97 percent of all of our Manitoba firms are small businesses. Where has the large enterprise gone? I think we'd better ask that and take a look.

Will our sick have to wait another month, or go across the U.S. border for medical attention that is elective? I stress elective, not in the minds of those people who need this treatment but in the minds of some bureaucrats and our Minister of Health who have their own misguided priorities.

The list of those who will be disappointed goes on but, at some point, the government's going to have to face up to the fact that they have let people down and they will continue to let people down with a Throne Speech such as we've had.

Perhaps, of course, they're counting on what they've always counted on before, that the electorate will forget. Perhaps they hope that some financial miracle's going to occur, an anonymous philanthropist. All the promises will then be able to be kept. Unfortunately, I don't think that an occurrence of that nature is very likely, and they're going to have to deal with reality. They must manage the affairs of our province with the resources and with the monies they have at their disposal.

Madam Speaker, they don't have a vision that's based on the future or the truth as it exists. What they have is a Pollyanna perspective, and Pollyanna is now starting to be spelled P-A-W-L-E-Y-A-N-N-A, a Pawleyanna perspective of how they would like it to be.

The government looks back in this Throne Speech. They look back and they tell us about past glories, very expensive past glories, I might indicate, but most of the time they're looking sideways in the Throne Speech. They expend their energies blaming others for the problems that we face here in Manitoba.

They say at one point in the Throne Speech: "We can't do this because of external developments." That's on Page 2. Then they say: "We can't do this because of the problems of inadequate equalization." That's on Page 3. Then, on Page 7, there is "... economic forces outside of our borders." Then, on Page 12, "we have declining federal support," and it goes on and on and on, always somebody else's fault. How much faith can we have in a government that is so lacking in purpose, in resolve and in initiative that their prime objective is who can we blame? Surely, the government has to at least try to do what is best for the province, at least try to provide a coherent strategy for a better Manitoba.

Now I'm the first to acknowledge that the problems that we have are serious, and that we have to have action in order to cope with them. The very fabric of our society is being stressed by powerful forces. No matter where we look, pressures are building: new demands on services, market competition, readjustment of industry as technology expands, falling world commodity and resource prices. But, surely, every other provincial government in this country is facing the same problems.

What does this government do? Throws up its hands, whines that it's someone else's problem or, if not, it's someone else's fault. It's at best childish; at worst, it's negligent. The government has, in the past, refused responsibility and, obviously, that's all we have to look forward to in the future.

For 13 of the last 17 years, Manitoba has been guided by an NDP Government. Who can they blame? How many times can they resurrect past Conservative administrations as the boogymen in Manitoba's problems? Thirteen of the last 17 years, you have been in charge. How can you say it's somebody else's fault?

They slip and they slide, Madam Speaker, through ad hoc programs, special committees, Orders-in-Council, and the people of our province are suffering all the while, but the cry is still, they're to blame, and "they're" changes depending on what argument they're making. It's somebody else's fault. Sometimes it's Alberta; sometimes it's Ottawa; sometimes it's the last Conservative administration here. It's always someone else's fault. Manitobans, Madam Speaker, are fed up, and they're starting to believe it less and less and less.

**MR. F. JOHNSTON:** It's a complete admission of how incapable you are.

**MR. G. FILMON:** So, Madam Speaker, given that this Throne Speech chose to avoid commitments and blame everyone else for the government's problems, what are the priorities that should have been in the Throne Speech that would address the urgent and pressing needs of Manitobans today?

Firstly, agriculture, No. 1. It's often referred to as our No. 1 industry because it affects the lives of tens of thousands of Manitobans, and its influence goes well beyond its proportion of the value of our gross provincial product. You've got to add to it the effect of the secondary processing, the packing plants, whether it be Burn's in Winnipeg or in Brandon, whether it be Springhill Farms at Neepawa, whether it be the sugar refinery in Fort Garry, McCain's or Campbell Soup in Portage la Prairie, Carnation Foods in Carberry, CSP Foods in Altona or Harrowby. All of those are a part of what agriculture does in this province. You've got to add to it the manufacturing industries that produce equipment, containers, buildings, materials, infrastructure for agriculture. I'm talking about Versatile; I'm talking about Macdon, Bonar Rosedale, Behlen and all of these companies and so many more. They are here because of our agriculture industry. Add to that the merchants and the lending institutions in all of our villages, in our towns, in our cities throughout the province who depend on the farm community for the purchase of their goods and services every day of the year.

There was an article on the front page of the Free Press just on Saturday that told about how our rural communities are starting to decline because of the pressure on agriculture. Because agriculture is in a crisis situation, now it's being reflected in our smaller rural communities, Madam Speaker. It said how some of the communities are losing their banks, how others are losing their pharmacies, their drugstores, how others are losing other service centres from the communities because of what's happening in agriculture.

I can tell you, Madam Speaker, that even in my own business, the business college, we knew that if the farmers were in difficulty, if their cash flow was being reduced, we could expect fewer students from rural Manitoba coming into the business college. It ripples right throughout our economy in every aspect of what we do in Manitoba. The spinoff is everywhere.

This year, farmers are in dire straits. I find it difficult that the Minister of Agriculture isn't interested in listening to this information, Madam Speaker. I now see that the Minister of Agriculture isn't in his seat, so I'll carry on.

We've talked about and debated the crisis in agriculture for several years in this Legislature. Friday, the Minister of Agriculture, who is in a different seat, acknowledged that he had received a great deal of concern. In fact, he said agriculture had reached crisis proportions in terms of the difficulty that it's facing. Yet, what action has his government taken? Have they taken any action to reduce input costs? No, no.

Take a look at the Throne Speech. What does the Throne Speech say about input costs? He says that the Federal Government should appoint a commission to study that. That's what he says should happen about input costs. Is he committed to give the farmers some temporary support because many are concerned that they might not be able to seed a crop this year; that others are in danger of not obtaining an operating line of credit this year? Has he said that he's going to give them some temporary relief? No.

His answer is The Family Farm Protection Act. That's what his answer is. And what has The Family Farm Protection Act done? It has made it more difficult and more costly for farmers to obtain credit in this province today. As a matter of fact, lending institutions have said that The Family Farm Protection Act this year will probably result in 150 farmers being put into receivership because they can't go the extra mile to provide credit for the farm community because of that Family Farm Protection Act.

That's what this Minister of Agriculture has done and that's what this Government does to help farmers. They've put in an act that puts them out of business. That's their answer.

**MR. D. ORCHARD:** Well, then they're not a problem if they're not there.

**MR. G. FILMON:** Madam Speaker, but you wouldn't know that by reading the Throne Speech because what does the Throne Speech say about agriculture? It says, "My Government is deeply concerned about the future of agriculture," but the only action that this government and this Minister will take is to blame the Federal Government, to criticize them for not putting in enough money. The Federal Government - and I don't need to in any way defend the Federal Government - but let's just be objective about it, let's just be objective about it on this particular issue. What has the Federal Government done? They've put \$1 billion into the Western Grain Support Program; they removed the taxes off gasoline; they removed the capital gains tax on the transfer of farmland. They brought in additional support for the Grain Stabilization Program and they brought in many other federal support programs.

What have other provinces done? What have other provinces done in addition to the federal support? Well, last year Saskatchewan put in \$1.64 billion, over and above federal support, into agriculture. They obviously believe that their No. 1 industry is worth saving, the people of Saskatchewan. Last year Alberta put in over \$500 million because they too believed that the family farm is worth saving. This Minister managed to put in \$36 million last year to agriculture support programs. I'm not talking about your bureaucracy, I'm not talking about your departmental expenditures; I'm talking about support programs to agriculture.

Madam Speaker, even when you lump in MACC's lending, you don't even get to \$100 million. That's what this Minister and this government's commitment is to agriculture - talk, lip service, that's what their commitment extends to.

Madam Speaker, the Premier and the Agriculture Minister agree that we can't be expected to do for our farmers what Alberta and Saskatchewan have done. Yet in the Throne Speech, the government says it's introducing two new incentive programs for the Manitoba petroleum industry. That's what it says, and the government contends that these new programs - (Interjection)- wait a second, wait a second, the Throne Speech says that they're putting in two new support programs for the petroleum industry in Manitoba and it says that the government contends that these new programs will keep Manitoba competitive with other oil producing provinces, Saskatchewan and Alberta. So if this government could do something to keep the oil industry competitive with Saskatchewan and Alberta, why can't it do something to make sure that our farmers are on equal footing with Saskatchewan and Alberta?

(Mr. Deputy Speaker, C. Santos, in the Chair.)

Instead, Mr. Deputy Speaker, they abandon the farmer in Manitoba. Mr. Deputy Speaker, if they really wanted to do something to help, if they really wanted to do something constructive, they could begin the process of removal of the burden of education tax off farm land. Why should raw farm land bear the burden of education tax? Farmers pay it on their homes, just like city people do. How can you equate farmland to income-producing property when it has not produced real income for many years and probably won't for many years to come, given the projections that lie ahead?

For the Minister of Finance, I hope that the Premier will carry this message to him, for the Minister of Finance who will say, two weeks from now in his Budget, where do the members opposite expect that the money will come from? Where will the money come from? That's his response when we say that they ought to put some money in agriculture support programs. Well I will tell them, Mr. Deputy Speaker, redirect some of your money from the Jobs Fund.

Last year there was \$80 million in that Jobs Fund account for short-term, make-work projects. We're four years out of the recession - four years out of the recession in this province. They keep telling us that the economy is healthy. If it is, then let it stand on its own two feet. Why does the government have to keep creating short-term, make-work jobs in Manitoba through the Jobs Fund, Mr. Deputy Speaker? Why does a government have to keep propping up things with

its own funds out of the Jobs Fund? Because your Jobs Fund, Mr. Deputy Speaker, is a failure, even the eyes of the supporters of this government.

Just last week we had the Manitoba Action Committee on the Status of Women tell us about the Jobs Fund. They issued a study last week and I'll just quote from it, Mr. Deputy Speaker: "The women comprise approximately 43 percent of the Manitoba labour force and their unemployment rates parallel those of men. The above figures," and they quoted figures of the Jobs Fund employment over its history in Manitoba, "The above figures show that women held less than 23 percent of all positions created by the Manitoba Jobs Fund in its first phase and 24 percent in 1984-85. The relatively small percentage of women who gained employment through the Manitoba Jobs Fund were overwhelmingly concentrated in low-paying, female job ghettos. In 1984-85 almost 60 percent of all female participants in the Manitoba Jobs Fund were employed in clerical, sales and service occupations. On average, women employed through the Manitoba Jobs Fund earned an hourly rate that was less than half that earned by their male counterparts."

Mr. Deputy Speaker, that is an acknowledgement of failure. That is an assessment of the Jobs Fund that confirms what we have been saying: short-term, make-work, low-paying jobs and no help for women. That's what the Jobs Fund has done. So, Mr. Deputy Speaker, I think we could safely take some of that \$80 million on the Jobs Fund which was allocated to the Jobs Fund last year and give it to our farmers who are in desperate straits and need this government's help to survive.

What else could be done in agriculture? The Department of Agriculture has not embarked on any strategic analysis of where our agriculture economy can go, given its strengths and its abilities in comparison to other Western Canadian provinces. Manitoba's agriculture is more diversified and it has crop and biophysical conditions that allow our farmers to produce more and varied crops than our western neighbours. Manitoba is not in the forefront of crop and agriculture diversification, and yet it should be, given its natural advantages.

But what does this Minister of Agriculture do? He ignores the farm community. He refuses to allow the Agriculture Committee to sit now, this week or next, to hear representations from farmers, from farm groups, from municipal officials, from small-town merchants, from the United Church, from so many people who have expressed concern about the desperate straits of agriculture, who have comments and concerns to share. He does not want to listen to them.

On Friday, my colleague, the Member for Virden, put forward a resolution, a motion to ask for that committee to sit, to listen to these people, to listen to them talk about the desperate straits of agriculture and the Minister refused and so did his government. They refused to allow that Agriculture Committee to sit. Shame, Mr. Deputy Speaker. Shame!

Mr. Deputy Speaker, when you consider that just a few moments ago the Minister of Agriculture acknowledged that the realized net income for the Manitoba farmer is expected to drop by 21 percent this year - he's acknowledged that - can you imagine what would happen if all the people of Winnipeg, or indeed all of the people of this province, were facing

a drop in net income this year of 21 percent? There would be social chaos. But he will allow it to happen for agriculture and he says it's not his problem to resolve.

Mr. Deputy Speaker, when we look at other priorities that aren't in the Throne Speech, what about our provincial finances? Surely they are in chaos. Can anyone over there deny it? The Premier and the Minister of Finance have been talking about it for months. They've been saying that we face drastic measures and serious problems ahead. They've been talking about the finances of this province and all of the problems we face and yet there is no acknowledgment in this Throne Speech of the financial difficulty this province faces.

Let's look at the record of the past five years: five straight deficits in the half billion dollar range. Massive Crown corporation losses - Manfor, Flyer and who can forget MTX. Interest and debt-service charges have more than doubled in the past five years. Our net debt has tripled in five years. Even in the last few months, we learned from the six-month financial statement that this year's deficit is now projected to be 98 million more than it was projected just six months earlier when the Budget was brought in. Six months after the Budget was brought in, the deficit was found to be already \$98 million higher as a result of what? As a result of overexpenditures of \$85 million - \$85 million - and then on top of that, Mr. Deputy Speaker, the Auditor said that the deficit had been understated by \$117 million in the last two fiscal years. But there is nothing in the Throne Speech to indicate that the government believes that there is a problem in our finances that must be addressed as a priority.

So what are we left to assume about the government's approach to our financial problems? Well, when he introduced our new Cabinet, our revamped Cabinet, the Premier made a few comments. Let's take a look at what he said. The headline says: "Pawley vows leaner, meaner management." The article says: "Premier Howard Pawley says his Cabinet shuffle will make government management leaner and meaner." Does that mean that he's dropped some of the deadwood from Cabinet, like the Minister without portfolio, or the Minister of Labour? No, not at all.

Mr. Deputy Speaker, the Premier began his leaner government by expanding his Cabinet. He added one more Minister with full portfolio who had been the Minister without portfolio in the last Session. Now, you know, I realize that the Minister had been doing a good job as Minister without portfolio. Mr. Deputy Speaker, he wasn't doing anything, so that's why he was doing a good job. That's better than what most of the others were doing.

Mr. Deputy Speaker, the same day that he was elevated to this new position, there was a newspaper article that said that he had taken out a \$1,000 loan from the Red Sucker Lake Indian Band in December to tide him over because he couldn't make ends meet on his salary of \$52,000 a year, plus expenses, plus one trip a week to his home residence and all of those other things that he had as a Minister of the Crown. He couldn't make ends meet. As a matter of fact, the article says, and I'll read it from the paper; it says: "The father of four said he ran a little short of funds in November when he moved from one house to another.

He said that coupled with a half month's tenant's deposit, moving expenses, Christmas and a holiday in Saskatchewan left him about \$1,500 to \$2,000 in the red." That's what it said. Does that sound like a leaner and meaner government? I guess not. But the Premier couldn't stop with just that major move.

We now have a Cabinet committee on Crown reform and the Premier said: "For many years, there has been a lack of accountability of Crown corporations vis-a-vis the government." Well, he's right on that one, and I'll tell you, the only thing I can say about that is that it wouldn't have taken most Manitobans five years to realize that. It wouldn't have taken them five years to realize that there has been a lack of accountability and learn that lesson. But finally the Premier has learned a lesson. So what has he done? He's now going to have a beefed up Crown Investments Department. He says: "That this will ensure that Manitoba would never again see another business fiasco like MTX."

Mr. Deputy Speaker, I have an interesting bit of information for the Premier, because just this month Professor Paul Thomas of the University of Manitoba has come out with an article on Manitoba's troubled Crown corporations. In it he says that Manitoba has experienced the worst disasters with Crown corporations of any province in the country despite the fact that they have more political interference and more bureaucratic supervision than anywhere else. In fact, every layer that the NDP have put in to do as the new Minister of Crown Investments has said, get their hands on the levers, hasn't really helped.

This is what he says in that article, some very interesting things. "Somewhat ironically Manitoba has in place, at least on paper, one of the most well-developed frameworks for the direction, control and accountability of Crown corporations of any of the 10 provinces, and yet the system apparently broke down. So what are they going to do? They are going to put in place more layers of bureaucracy, more committees, a beefed-up Department of Crown Corporations. That's what their answer is. Why? Because everybody assumes that the other guy is responsible for checking things out, and ultimately nobody takes the responsibility.

Here's what he says are the current checks and balances that are in the Manitoba system, have been put in by this administration. No. 1, all Crown corporations in Manitoba submit both their capital and operating budgets for Cabinet approval. No. 2, the Department of Crown Investments prepares a summary and commentary on the budgets for Cabinet. No. 3, the Economic Resources and Investments Committee of Cabinet review the three to five-year corporate plans and approve all capital spending proposals. No. 4, although not required by law, the Provincial Auditor does, in fact, audit most of the financial statements prepared by Crown corporations. Those are all the checks and balances that have been put in by this administration that are not in most other provincial jurisdictions.

So let's see if we understand how it works, Mr. Deputy Speaker. Management assumes that the board of directors is responsible. After all, they were appointed by the government. The government wanted them in place to keep a check on and to provide the kind of supervisory expertise on the corporation. So management assumes that the board of directors is responsible.

Then the board of directors assumes that the Crown Investments Department is responsible because they check up on everything. That's what it says. They have a representative at all board meetings. They even review all the management proposals and the budgets in depth.

But then of course Crown Investments assumes that the Cabinet Committee is responsible. That's the ERIC Committee. It's now going to be called Planning and Priorities. Of course, we just found out that they review the three to five-year corporate plans, and they review all capital spending proposals.

Why shouldn't Crown Investments assume that ERIC is taking responsibility. They've got all the Cabinet heavyweights in it. Sure, they had the Minister of Industry, Trade and Technology, the Minister of Energy and Mines, they had the Minister of Co-ops, they had the Minister of Finance, all the heavyweights, those who are supposed to know the best of all the things that happened. Why shouldn't they assume that they're looking after it?

Of course, the ERIC Committee assumed that the Auditor was looking after things. Why not? The Auditor did an audit on every single Crown corporation. He checked into all the things that were a problem. He made reviews of their budgets and their annual financial statements. Of course, the Auditor, he assumed that the Minister responsible was taking responsibility for it. Of course the Minister responsible, he told us that he was assuming that management was taking responsibility. So we're back to Square One, we're back to the management.

The moral is, Mr. Deputy Speaker, that everybody assumes that somebody else is taking responsibility. The more layers of bureaucracy, the more Cabinet committees you put in, the more people to pass the buck, and the more likelihood that we're going to have more disasters such as MTX and Manfor.

Of course, the real reason, Mr. Deputy Speaker, was contained in the Coopers and Lybrand report because he said they don't even know what questions to ask. There's none of them over there that have any business expertise. They can't read a financial statement. They don't know how to analyze a corporation's operations, and they don't know what questions to ask, Mr. Deputy Speaker. So much for Crown reform.

I'm sure that we all can imagine the shock and the horror that gripped the Premier when, after last year's election, he discovered that the government was unable to carry through with yet another promise. They couldn't find \$100 million for their River Renewal Program. Their answer at that time was, rather than come up with \$100 million, come up with a committee to review the riverbank renewal program.

We've seen in the Throne Speech in the past how the government builds on its experiences. The government is now going to, as well as a Cabinet committee on riverbank renewal, amend The City of Winnipeg Act to establish a riverbank authority. Now there may be some merit in that because there are many layers of different jurisdiction that are involved there. But all I say, Mr. Deputy Speaker, is I hope that the kind of situation they have built with their Crown Investments Department and their way of governing Crown corporations is not repeated in this riverbank renewal process by giving us committee after committee and layer after layer of management of a resource.

Surely, they have learned that more committees are not the answer. But so much for leaner and meaner government, one more department, two more committees, more bureaucracy, more cost to the taxpayer.

Now, Mr. Deputy Speaker, how is the government going to respond to the increased burden that this new leaner government has placed on the province's finances? Well, their answer has been over the past few months to raise every single fee, every single charge and levy that they impose on Manitobans. I don't think that the Premier is going to achieve his leaner government, but I think that he's found a meaner government that is going to tax away all of the hard-earned money of the people of Manitoba.

(Madam Speaker in the Chair.)

Why has the government been forced to take these dramatic measures? The answer can be found in the results of all of their previous actions. Since the NDP took office in 1981, Provincial Government spending has increased 72 percent. That's more than double the rate of inflation. While the combined borrowings of all other governments in this country have declined by 12 percent, Manitoba's borrowing has increased by 61 percent. That's why we're in the problems that we are.

Even with our supposedly strong economy, only Newfoundland has a higher per capita debt than that of Manitoba, and not even Newfoundland exceeds our per capita net foreign debt. In fact, not one of the economically troubled Maritime Provinces taxes its citizens as heavily as we are taxed here in Manitoba. Is this what we mean by leaner and meaner government, Madam Speaker: Autopac up from 9 percent to 30 percent, telephone rates up 11.5 percent?

But you know, here's an interesting thing about how competent our new Minister responsible for the Telephone System is. He tried to convince the media and the public that it wasn't really an 11.5 percent increase. It was only 8.5 percent increase. He said that it was 8.5 percent increase, and he further tried to convince them that the increase was not to pay the MTX losses. He said those were going to be paid out of retained earnings. In fact, the increase of 11.5 percent wasn't going to be paid for by the increased fees.

Madam Speaker, I just want to remind you that this year we're facing an increase of 5 percent in Hydro and between 9 percent and 30 percent in MPIC, and both those Crown corporations have said that the major reason for the increase is so they can replenish their retained earnings. They've been using up their retained earnings and now they want to replenish them, so they're putting through increases this year to replenish them. So it's like the oil filter commercial that says: "You can pay me now or you can pay me later." But you still have to pay for those losses, and the ratepayers will still have to pay, whether it's this year or next year. You can't fool the public. But the new Minister, he feels that it doesn't work that way. He's not going to have the public pay for the MTX losses. That's what he believes, and worse still, the Premier believes that new Minister because he appointed him there to try and communicate all these things to the public.

Madam Speaker, the normal response to these increases in rates, both by the new Minister and the

former Minister, is to tell us that we still enjoy the lowest rates in the country. Every time there's an increase in hydro rates, they tell us that; every time there's an increase in telephone rates, they tell us that. The day that increase was announced, I saw the new general manager of the Manitoba Telephone System use that old saw once again, and he added to it another statement, Madam Speaker.

He said that of course this would only be the seventh increase in our telephone rates since 1955. That struck a familiar chord because I'm not very old and I haven't been around here very long, but I can remember most of those increases, so I took a look at the figures from the Public Utilities Board, Madam Speaker. Guess what? There have indeed been seven increases between 1955 and this increase that's currently being applied for by the Telephone System, but do you know what? Only two of those increases occurred between 1955 and 1981, only two increases.

Then, since March of 1982, we have had five increases in five years. That's under this NDP management of the Crown corporations, Madam Speaker, so when they tell you that we still have the lowest rates in Canada, ask for how long. The same thing has to be said about the hydro rates. Would we have the lowest rates in the country if we weren't subsidizing by \$80 million from the taxpayer for the foreign exchange losses?

What other rates have they increased in the last few months, Madam Speaker? Workers Compensation fees up 20 percent again and then, of course, in their commitment to help seniors, which of course was in last year's Throne Speech, they cut the seniors' discount at MPIC by 50 percent.

Then of course they're raising the cottage lot rentals and the trailer lot rentals at provincial parks by 30 percent, and the list goes on and on and on. But the most disturbing part about all of these increases is that there are even more to come, according to the Decter Report. That report devotes almost no time to cost control by this administration, but it speaks volumes on increasing taxes.

The sales tax, he says, should probably go up; the payroll tax should go up; the corporation capital tax, he says, should go up; and then he starts to look at new areas of taxation, and he lists areas of taxation that are unheard of anywhere else in this country, every conceivable source, Madam Speaker. That's the only promise, I believe, that we can believe when this Premier comes forward with it.

The Minister of Finance, in his consultations throughout the province, met with groups, and at these meetings he said, "Don't tell us how to cut our spending; tell us which taxes you'd like us to raise." In the words of my colleague from Morris, he said, "Choose your own poison." He gave them a list of taxes and he said, "Which of these would you prefer to have us raise?" But he said, "Don't tell us how to save money or to cut back on expenditures; we're not interested in that."

Then, of course, we had the Minister of Health, who was musing about cutbacks in the health care system, rationing in the health care system, even forms of user fees, Madam Speaker. Now if that doesn't indicate a crisis mentality in provincial finance, I don't know what does. But the Throne Speech is silent on all of this. It doesn't say that the government is concerned about the financial chaos in which it finds itself; it doesn't

say that it's committed to take difficult measures to constrain the growth in bureaucracy or to attack the waste and mismanagement; it doesn't talk about the increased fees, the charges, the levies, the taxes. Why? Because either it wants to hide all of this from the public until it springs it on us in the Budget, or it doesn't have a plan. It doesn't have objectives, and the Budget is just two weeks away and they're still looking at ad hoc measures to fill the breach.

What about economic development? What about job creation, Madam Speaker? Where is it in the Throne Speech? The Throne Speech calls economic development our challenge. It refers to it as the challenge of economic growth, and the only solution that they have under that challenge is the Small Business Bond Program. Does that strike a familiar chord with you, Madam Speaker? It should, because I've got a new release here that's dated February 19, 1986, which says, "NDP Leader Howard Pawley has announced his intention to introduce Manitoba Small Business Bonds upon the re-election of a New Democratic Party Government."

That was February 19, 1986. Then, of course, in last year's Throne Speech we had another comment, and it said, "In this Session, members will be asked to authorize the issuance of Manitoba Small Business Bonds to help provide affordable loans to encourage the establishment of new businesses and the expansion of small businesses which have already proved successful." So we've had it promised twice before, so if it strikes a familiar chord, Madam Speaker, it's because it has been promised before and you've heard it before.

This year's Throne Speech, of course, says, "As part of my government's commitment to job creation, we will continue to strengthen our support of small business. In order to assist this vibrant and growing sector of our economy, a Small Business Bond Program will be introduced." Promises, promises, promises.

The problem is that although small business is a large generator of economic growth in Manitoba and, indeed, statistics say, right across this country - in fact, the experts tell us that half the jobs that exist in Canada or in Manitoba in 15 years from today will be in businesses that do not exist today - so they have to come from new businesses establishing and growing in Manitoba. But there are barriers in Manitoba, Madam Speaker, that hinder the ability of entrepreneurs to generate those jobs.

Their problem isn't the availability of loan capital. Interest rates are way down. In fact, they're half of where they were in 1981. Most financial institutions have plenty of money to lend to new small businesses. If money isn't the main problem, what is it? We've had that advice from the Canadian Federation of Independent Business. The Canadian Federation of Independent Business has told us time after time after time what the problem is with respect to having small businesses establish and grow in Manitoba.

It's because this NDP Government has put in place some of the greatest disincentive to small business growth and job creation that the country has ever seen.

The payroll tax takes \$120 million out of our economy, \$120 million a year from small and large business and it threatens their viability. In fact, you know, that's one thing this Throne Speech does, is that it shows that

the government understands the negative effect of withdrawing money from the economy.

On natural gas, the government states that the \$50 million it claims is being taken out of the Manitoba economy costs 1,400 jobs. By that form of accounting, the payroll tax, at \$120 million, must cost 3,500 jobs in the Manitoba economy. Finally, Madam Speaker, we have had this administration admit it.

As well, the fact that our Workers Compensation rates have increased dramatically over the past four years - well over 80 percent increase - and they're going to continue to increase at 20 percent a year for the next five years, according to our Minister responsible for the Workers Compensation rate. That's a terrible disincentive to small business.

Our labour laws are cited by the CFIB as a major disincentive. Did the government address any of these things? Of course not, Madam Speaker. The CFIB said: "Manitoba small business is drowning in a sea of red tape and regulation." As a matter of fact the government, I thought, recognized that because, as its parting gift to the former Member for Ellice, they established a task force on regulation and red tape in small business and they made the former Member for Ellice the chairman of that task force. They sent him throughout the province in 1985 to listen to the concerns of business about regulation. What have they done about it? Not a thing, Madam Speaker, not a thing. Well maybe the Premier told the truth when he made the promise of leaner government. At least in the area of job creation, we're going to get leaner government.

You know, that brings me to another topic about how little the Premier was concerned about his statements during the election campaign. I have two news releases on small business, the one that I referred to earlier about a statement he made in Neepawa on the Small Business Fund and another one that he made in Dauphin two weeks later about small business. In that one, he was promising one-stop small business centres to reduce red tape. Madam Speaker, I won't deal with these promises, but I will compare statements from these two news releases two weeks apart.

One statement on the 19th of February says: "It is estimated that small businesses in Manitoba employ over 150,000 people and are responsible for half the jobs created." Two weeks later, the Premier noted that small business in Manitoba provides employment for 150,000 people, and small businesses are now creating nearly two-thirds of all the new jobs. So in two weeks, small business went from creating half the jobs to creating two-thirds of the jobs in Manitoba. Now, Madam Speaker, that's credibility.

You know, we talked earlier on Friday about the same credibility of a Premier who issued a news release in Thompson during the election campaign that said that they had entered into \$4.3 billion worth of sales agreements with six U.S. utilities. It didn't say that they were going to enter into or they were thinking of entering, that they had entered into \$4.3 billion worth. He repeated that in the Throne Speech last year, that they had entered into all of these agreements with six American utilities to sell \$4.3 billion worth of energy and nothing, absolutely nothing, has been announced or transpired.

Madam Speaker, not only are his statements not factual, they're dishonest and they're deceptive and

they're filled with false promises. Madam Speaker, as a result of these news releases and these statements by the Premier, I understand that the Oxford Dictionary is changing the spelling of the word for "lie detector." Now it's going to be spelled, "P-A-W-L-E-Y-G-R-A-P-H." That's what's going to happen.

Madam Speaker, further, when I look at these news releases, I am beginning to think that the only statement you can really believe in these news releases is the one at the end that says: "For further information, contact Michael Balaguc."

This Throne Speech does not provide any incentive or any encouragement for economic growth, either for large enterprise or for small business. The only promise of jobs is the short-term jobs at Limestone, and it totally ignores the jobs that we've lost during the past year: 800 jobs at Canada Packers but this government doesn't care; 100 jobs at Canadian Indemnity; 60 at Richardson Greenshields.

Two hundred are going to disappear at Canadian Pacific. They met with the Premier about this, and the Premier obviously hasn't said very much about that. They're moving out much of their management function, but he's not saying anything.

We lost 75 at Rayovac. We lost jobs because of moves of head offices. We lost jobs because of Canadian Rogers Western closing down or Marshall Wells transferring functions to Edmonton or the Hudson's Bay Company transferring functions to Toronto or Inter-City Gas transferring functions to Toronto or Monarch Life moving their head office or Citadel Life or Canadian Indemnity or Tan Jay, all of those people.

Madam Speaker, we have lost major opportunities. Pratt and Whitney, 1,000 jobs involved there, this government couldn't attract them because of their labour laws, their payroll tax and their business disincentives, their negative climate to business.

What's going to happen about United Technologies, Madam Speaker? We haven't heard anything more, although last November it was said that they were interested in locating in Canada and they were considering Manitoba. It's our payroll tax; it's our skyrocketing Workers Compensation rates; it's our negative business climate. That's what is limiting our economic opportunities in Manitoba and nothing else.

Madam Speaker, it goes throughout this province. You know, when I did a tour of Northern Manitoba and I visited with a number of the mining companies - and many of the members here are familiar with them - with Inco with HBM and S, with all of those Northern mining companies, they told me, Sherritt Gordon, all of them told me about the fact that they were having great difficulty in competing on the world market because world prices were dropping of our base metals. Competition from Third World countries, and they had to compete with them despite the fact that this government was burdening them with addition after addition on their payrolls. They told me at Inco, for instance, that during the period 1981 till 1984, a very short period of time, the impositions on their payroll that were put on as a result of government levies changed dramatically.

In 1981, four items: UIC, CPP, Workers Compensation and the payroll tax - and let's acknowledge there wasn't a payroll tax in 1981, but there was the next time I'll refer to - but those four items would have represented

\$800 per employee per year in 1981. By 1984, they had reached \$2,200 per employee per year. Why? Because of massive increases in Workers Compensation and the imposition of the payroll tax.

**A MEMBER:** UIC is federal.

**MR. G. FILMON:** Federal UIC, that's right. There was a Liberal Government in those days, I recall that.

Madam Speaker, but what has happened now is that this government which is taking away massive amounts of money from these Northern mining companies is now having to give it back in the form of exploration grants to help them look for minerals there, because they have no money available to invest in exploration and development. Because this government has taken it away, now they have to put it back in the form of grants.

What as well, Madam Speaker, is happening to small businesses? Well they're taking it away from small businesses in the form of the payroll tax, massive increases in Workers Compensation, and then they're giving it back in the form of small business bonds. Well, Madam Speaker, it reminds me of the story that's being told in Chambers of Commerce throughout the province. How do you acquire a small business in Manitoba? The answer: you start with a big business and you elect an NDP Government.

What about tourism, Madam Speaker? What does the Throne Speech offer this important sector of our economy? Again, absolutely nothing. Yet we have provincial parks; we have a national park; we have sailing and swimming and camping and cross-country skiing and fishing and hunting and all of these things to offer in Manitoba. We have one of the finest arrays of golf courses spread throughout the province that would make an ideal circle route to establish tourism tours to go and play in some of the finest golf courses in this country. I mention that because the Minister of Urban Affairs says that most of his colleagues enjoy golfing. I say him quoted as saying that. So I'm saying, with any kind of commitment, the Minister of Tourism and her government could develop new ideas, new initiatives, new plans for tourism development in Manitoba, but no, absolutely not, they're bankrupt of ideas and it's not in the Throne Speech.

Madam Speaker, I find it very interesting that the Throne Speech carries a commitment to protect Manitobans from excessive natural gas prices. Now that sounds remarkably like the commitment that the Premier made last February to reduce and control retail gasoline prices in Manitoba. I'm sure that the Premier remembers that. He's not listening to me, but I'm sure that somebody will remind him of that a little later.

In fact, in February of 1986, he said that he would take action to reduce the price of gasoline to reflect the dropping world oil prices by April 2, 1986. He would give all Manitobans a major benefit of his government's clout by making sure that we got lower gasoline prices in this province. We said it was a foolish promise, Madam Speaker. We said that he didn't have the legislative authority to carry it out. We said that he couldn't force the oil companies into doing anything more than they were doing in every other province in this country. Undaunted, the Premier's great strategists

didn't want to make him look foolish, so they charged right ahead. After all, it was a solemn promise that the Premier had made during the election campaign.

So, during that campaign, they put in place a commission of inquiry. They appointed a University of Manitoba professor, Professor Gray, to be a one-person commission of inquiry. He was going to solve the Premier's embarrassing problem before April 2. But about 10 days before that deadline, the professor reported that he couldn't do it by April 2. So they were in a panic.

So what did they do? Well, all of these strategists, all of these planners, said: okay, we've got another professor set up. This one was Professor Nicolaou and he's going to study the problem. So he did. What did he do? He studied that problem at great length over one weekend and he brought in an interim report that said two things: one, it said that the price of gasoline in Manitoba had already dropped enough to reflect the change in world oil prices; and two, he still thought they should try and regulate gas prices in Manitoba. So the Cabinet said no. The Cabinet rejected that and said no, we don't intend to regulate gasoline prices in Manitoba. So, they still had a problem. The Premier didn't have the solution to his promise. He was still hanging out there looking foolish.

So what was the next thing they did? Well, two of his Ministers, the Minister of Agriculture and the Minister of Industry, Trade and Technology held a news conference and they said that they had a better idea. They had a better idea. They got it from the Clerk of the Executive Council. "Ford had a better idea." They said that they were going to set up the sale of gasoline from all of the Highways Department work yards in Manitoba. They said that this would protect Manitobans from increased prices in gasoline. Then, of course, Madam Speaker, after that news conference somebody happened to mention to them that they'd have to buy the gasoline from the same wholesale distributors as every corner gas station in this province. So the only savings they could pass along was the dealer markup and that would put all of the corner gas stations out of business and they'd have no tax revenues. So they dropped that idea, Madam Speaker.

So then, of course, they had a better idea. They still were intent on saving face for the foolish Premier, and what did they say they'd do? They said they'd bring in amendments to The Trade Practices Act, so that now, instead of having four Manitobans call for an inquiry into pricing, all they needed was a government action to say: we will have an inquiry, and that's what they did.

Well, Madam Speaker, I'll tell you, to tell you what the effect of that promise and that commitment and that legislative action was, this is what the Free Press editorial on the day the Session ended said: "The final great sham of the Session was the amendments to The Trade Practices Act which will permit the government to force the oil companies to charge exactly what they are already charging for gasoline."

Well, Madam Speaker, there was another final answer that they came up with because after all, they've got enough PR people to come up with another answer and the final answer was: well, after all, Howard frightened the oil companies into action. That's why our gasoline prices dropped because the oil companies

were afraid of the Premier. They were afraid of the Premier and so that's why our gasoline prices dropped. Well, I'll tell you how frightened they were of this Premier. They were so frightened that they dropped gasoline prices right across the country, not just in Manitoba. They were so frightened, in fact, it had such an explosive effect, that promise that he made on the oil companies, that it was like an A-bomb. You know how it is, where the explosive effect, the damage is greater a little bit farther away from the point of impact. Well, you guessed it. Gas prices dropped more in Saskatchewan and Ontario than they did in Manitoba.

Madam Speaker, the final irony of this all is the November front page news story that said that Manitoba now has the second highest retail gasoline prices in the country. So much for that promise, Madam Speaker. I would hope that the government will have more success in fulfilling its promise to lower natural gas prices than it did in its promise to lower gasoline prices. Because if the government is looking for something to begin with, it can remove its own tax on pipelines in Manitoba. That will be one way of starting that process. That will be one tangible way of reducing natural gas prices in Manitoba. Remove that tax that was imposed in the last Budget that has resulted in Manitobans paying higher natural gas prices than anywhere else in the country. At least do that because it's within your control, it's within your jurisdiction so that Manitoba consumers and our citizens can receive the same pricing benefits that other provinces receive.

The Throne Speech reminds me of a saying that I once heard. Fool me once, shame on you; fool me twice, shame on me. This government may have fooled the people in the election with their promises, but Manitobans won't be fooled again.

Madam Speaker, the government's highly paid word merchants would have you believe that there is a caring government in this province, one that aids the needy and protects the defenceless. The truth is somewhat different.

In the 1986 election campaign, the NDP announced their Families in Crisis Program. They promised at that time to address the real problems that affect the most vulnerable members of our society. They repeated that promise in last year's Throne Speech and I'll quote: "Measures will be introduced to combat the growing incidence of the abuse of vulnerable persons in our society." The NDP promised action.

Instead, we witnessed the collapse of the child welfare system with abused children being returned to the abusive environment three, four and even up to seven times. They claimed that their programs would be aimed particularly at the elderly, and now, a year later, they offer a White Paper, a White Paper to initiate a consultation process. If there really is a problem - and we on this side believe there is because last year, in fact, two years ago, in 1985, I brought in a Private Member's Resolution on elderly abuse - yet, we have had a promise, we have had a Throne Speech commitment and we have had an offer to initiate a consultation process and perhaps maybe even a White Paper. That is what they believe should be done with respect to a very serious problem of elderly abuse. How long, I ask, must the victims continue to suffer before this government will act on its words?

The government has given us many fine phrases on health care. Here's an interesting one, when you

compare Throne Speeches and commitments of this administration. Last year, the government claimed, and I quote, "Manitoba enjoys among the best quality health care system in North America."

If you can believe it, this year the Throne Speech says, "Manitoba's health care system is among the finest in the world." So in one year we've gone from the best in North America to the finest in the world. Interesting, Madam Speaker. I'm sure that Manitobans are going to rest easy tonight when they hear that from the Throne Speech, because all they've seen is that our medical school at the university is losing one speciality after another, forcing the most gifted of our medical students out of the province.

All they've seen is they've closed the obstetrics ward at Seven Oaks and Concordia. All they've seen is, last summer, 29 beds being closed at Brandon General Hospital. All they've seen is large numbers of people, ever increasing, going to the United States for CAT scans and special diagnostic treatment. All they've seen is a government that has threatened it will not pick up the operating deficits of our urban hospitals, a commitment to further cutbacks in services by the Minister of Health and people lying in stretchers in the halls at Misericordia Hospital. That's what they've seen, and yet this government says, "We've gone from the best medical care in North America to the best in the world in one year."

Madam Speaker, the Throne Speech says one thing and does another. Let's take day care now as an example. The Throne Speech offers empty phrases of self-congratulation and the government repeats what it believes to be past glories and accomplishments. They shift away any responsibility now for leadership in new initiatives to the Federal Government, just as they're doing in agriculture, just as they're doing in tax reform, just as they're doing in the Northern Development Agreement, Special ARDA and everything else. It's now the Federal Government's responsibility.

Madam Speaker, during the election campaign, this government promised Manitobans 4,000 new day care spaces over four years. The Throne Speech makes no mention of that commitment, yet last year it said, "My Ministers are committed to both an increase in day care spaces in the current year and a medium term plan for orderly expansion over a four-year period." Why did the government not congratulate itself on all of the new day care spaces it created last year? Is it because there hasn't been much growth?

More importantly, where's the plan that you promised in last year's Throne Speech and you promised in the election campaign? Where is the plan? I don't think we can believe any commitment that this government makes.

Nowhere in the Throne Speech does the government's failure to exert its leadership or to develop a plan and set objectives for the good of all Manitobans become more apparent than in its weak attempt to address the needs of the North.

I mentioned earlier some of the things about the government's abysmal job creation record in the North. Is Limestone the only thing that we can offer the people of the North, repeating that it is carrying on and it's responsible for 1,400 jobs - many of them, I might say, not being filled by Northerners. Is this short-term job creative? Because as much, Madam Speaker, as we

can say that it does have a job creation effect, even the Minister will not deny that when it is fully complete and operating it won't employ more than 50 people.

What about the hydro sales that were in not only last year's Throne Speech, but were in the campaign of last year? Have these gone down the drain? Has that \$4.3 billion worth of sales now evaporated into mid-air? Madam Speaker, we are building Limestone, based on selling only 500 megawatts out of a 1,200 megawatt plant. The ratepayers are going to have to absorb the major cost of expansion if we don't sell more energy to the Americans or to somebody else, but all of those promises have evaporated, Madam Speaker.

What initiatives has the Government put forward in this Throne Speech to improve the transportation links that are so vital to northern Manitobans? What is the government prepared to do to end the boom and bust cycle of northern Hydro construction? Are there any incentives planned to encourage more diversification of the northern economy?

The main thrust of northern development seems to be to ask the Federal Government to do more, to ask the Federal Government to cost-share, Special ARDA, Northern Development Agreement, to ask the Federal Government for more money, while all the time criticizing the support they receive. What a Jekyll and Hyde complex, Madam Speaker!

What has the Provincial Government done when it has received support from the Federal Government through the Northern Development Agreement or Special ARDA or the Limestone Training and Development Agency? What have they done with this money to try and create long-term economic development in the North, new secondary industry, new opportunities to maximize the resources of the North? They've done almost nothing, Madam Speaker. They've created short-term, low-paying service sector jobs. They've created a short-term initiative in every respect and they continue the vulnerability that's inherent in the single-industry towns of Northern Manitoba.

Madam Speaker, this government, I believe, is a member of the Canadian Association of Threatened Single-Industry Towns. I know that they've participated; I know the Minister of Energy and Mines has spoken to conferences; I know senior bureaucrats have spoken to conferences of that group. And they've been told - so has the Government House Leader, the Premier tells me - they have all spoken to that group.

Madam Speaker, when they've attended those conferences, they have been told that the North cannot continue the boom and bust cycle of dependency on single industries - mining for the most part, for hydro rates for other parts. They've been told that they have to develop cottage industries; they've been told that they must take new and innovative and creative approaches to diversify the economy in the North, but they have provided no initiative and no support for any of those thoughts.

I asked the Member for Thompson, for instance, who claims to represent the North, how long he is prepared to accept this from his government. His constituents deserve more and yet he doesn't allow for anything positive to be put in the Throne Speech for the North, other than the continuation of Limestone.

So what are the real priorities of this NDP administration? We could look at the news release on

the Throne Speech, because this news release says what the public relations people say are the priorities of this government. Here it is: protection of services, jobs and agriculture. That's what it says. Madam Speaker, I've just shown you, over the course of the last hour, that agriculture is nowhere to be seen as a priority of this administration, that job creation in terms of economic development is nowhere to be seen in this Throne Speech as a priority, so what about the protection of services?

Here I believe they're talking about health, education and social services, and maybe I can take a further quote from a news release. This one was the day after the Throne Speech and it was issued by the Minister of Finance. It says, and I quote, "We have listened to the many Manitobans who have clearly indicated their support for the maintenance of essential health, education and social services for taking the required measures to ensure the necessary funding." So he, too, is on the same theme as all of their public relations people have developed: that it's protection of services that they should be saying is their priority.

Well, Madam Speaker, let's examine that commitment compared to the government's actions, because we've already seen that the government's words are empty. For five straight years, this NDP administration has tried to tell us that it has given a priority to health, education and social spending. Is that what the facts show? Well, let's take a look.

From 1981, when the NDP regained control of the province's finances, to 1985, the Consumer Price Index in Manitoba rose by 33 percent. Economic output in Manitoba during that same period expanded by 38 percent. At the same time, the government increased its spending by 72 percent - more than twice the rate of inflation, nearly double the overall economic growth. Provincial revenues did not keep up, rising by 52 percent. That's 20 percentage points less than they were spending in terms of their growth of revenues.

As a result of all of this, Madam Speaker, the deficit skyrocketed, as it inevitably had to, over that five-year period of time. From 1981, the last year that there was a Conservative budget in this province, to 1985, the fourth year of the Pawley Government, the deficit mushroomed from under \$200 million to close to \$500 million. That's a rise of over 220 percent in that period of time. This year, the deficit, according to the latest projection in the six-month financial statement, will be \$600 million. That's an increase of 300 percent in five years.

Now, as a consequence of this massive increase in deficit, Madam Speaker, the debt service costs, the amount of interest that we pay to the bankers and to the bondholders in Zurich, that these people are on their knees to now, the amount of interest that we're paying has more than doubled as a proportion of our annual budget. It's almost tripled.

Let's look at how other categories of provincial spending have evolved under the NDP financial stewardship. Between 1981 and 1985, as a proportion of total spending, the allocations for health, education and other social programs have actually declined - declined from 58 percent to 55 percent - while those for economic development have also seen their share of the budget fall from 16 percent to 12 percent. So their priorities are not in health, education and social

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spending. Their priorities are not in Economic Development, Madam Speaker. In fact, outside of debt service, the only major category of spending that this NDP administration has seen fit to give a larger share of the fiscal pie is that of administration, which has risen from 14 percent to 17 percent. That is astounding, Madam Speaker. It's astounding. In the first term of this NDP Government, the only areas of priority, growth and expenditure were debt service costs and administration. All other areas, including health, education and social spending, have received a reduced share of the provincial pie. So again, what they say and what they do are two different things.

Madam Speaker, although I believe that the Throne Speech has ignored many of the real priorities of Manitobans and has neglected the need to address the serious concerns I spoke about, there are a few glimmers of hope in this Throne Speech, and I stress that they are a few glimmers of hope. There is, for instance, a commitment to introduce a new Mental Health Act and to enhance community mental health services. These are areas that have been the subject of public discussion, study and debate for many years. Each and every study, whether it be the Pascoe Report or many others that this government has commissioned, have pointed out to the urgent need to improve our support systems for the mentally ill and the emotionally troubled people within our society.

Last week, with the tragic death of our former colleague, Russell Doern, it highlighted a topic that isn't often talked about - suicide. Although many of us were forced to do some soul searching about the stressful environment in which we live, and the need to be able to share our problems with family and friends, and to seek counselling for the problems and anxieties that we may have, the fact is that that suicide was only a major topic of public discussion because of his status as a very high profile public figure, and tragically there have been increasing numbers of suicides in our society in Manitoba for quite some time.

In fact, there was a news commentary just last week that said last year one person in Manitoba committed suicide every 36 hours. These were teenagers who carefully planned their suicides. These were lonely, old people. They were depressed housewives; they were overwrought businessmen. Two hundred and five Manitobans committed suicide in 1986. So, Madam Speaker, there are serious problems to do with mental illness in Manitoba. There are serious concerns to do with the emotional well-being of people in Manitoba. I would hope, Madam Speaker, that this government's actions will address the concerns and the needs in this area.

As well, the Throne Speech promises a new environment act, and I'm certain that my colleagues and I, along with most Manitobans, would welcome an act which serves to protect our environment against pollution, which ensures that we, as a society, set the highest standards necessary for the long-term quality of our air, of our water, of our land in Manitoba. But the White Paper which was circulated last year by the Minister had great weaknesses and, in fact, it raised major concerns among environmentalists, among wildlife groups and among farmers, to name but a few.

We'll be watching with interest to see whether or not the government still intends to give great powers to

the bureaucracy to decide what matters require an environmental impact assessment for instance. We'll be concerned to see whether this government intends to harass farmers who require chemicals for the effective management of their resources, while at the same time allowing a major project like Limestone to be proceeded with without an environmental impact assessment.

I've said, Madam Speaker, that we must ensure that we treat our environment as though we have borrowed it from our children rather than inheriting it from our parents. So I think all of us believe that we have to set goals and safeguards to protect our environment; but I believe that those goals and safeguards ought to be set by the politicians and not by the bureaucrats.

Madam Speaker, the Throne Speech refers to amendments to The City of Winnipeg Act, and again, after many, many opportunities for public review, the Cherniack Commission, with a very extensive input from the public, an opportunity to hold public meetings throughout this city.

Now we have a White Paper in response to the Cherniack report, but we would hope that somewhere on the horizon there is a commitment to act on amendments to The City of Winnipeg Act because the city is a dynamic and a changing entity. It should have an act that reflects its changing needs in the environment in which it exists. It should have more control over land use in the planning process, and it should have more opportunity to choose the priorities of its fiscal affairs, Madam Speaker.

We believe in all of these needs on behalf of the people of the City of Winnipeg; but I fail to understand, Madam Speaker, why the Minister could not take the Cherniack Report and utilize that as the basis for proceeding. It's had plenty of public input. Why does he have to take the further step of a White Paper to now cushion that process and to now get some of his own ideas in? Why does he have to reject, for instance, the consensus view of the vast majority of Winnipeggers and the Cherniack Commission that we could have a smaller size of city council? That's been talked about and talked about and talked about, ever since the NDP brought in The City of Winnipeg Act in 1971, that we could have a smaller city council and still provide effective governance to the people of this city. Many other North American cities with larger populations are governed by smaller city councils.

Madam Speaker, there are references to changes in The Crop Insurance Act. I know that my colleague, the Member for Arthur, I know that my colleague, the Member for Virden, and other colleagues have spoken about the need for changes to The Crop Insurance Act. We don't know what is proposed in this Throne Speech, but we hope that it is something positive; that it is something in keeping with the needs of farmers; that it's something that goes along with the suggestions that have been made to the government in the past and not some other funny idea of this Minister of Agriculture that doesn't address the real needs of our farmers. There are many other acts that are just a line on a sheet of paper, Madam Speaker, and we'll await the introduction of specific proposals before we pass judgment on them.

Madam Speaker, this Throne Speech was an opportunity to send a clear message to Manitobans, to investors, to potential entrepreneurs, that our

province is a vibrant, dynamic environment in which to live, to risk capital and to grow, and this government has wasted that opportunity. Instead of clearly articulating policies and programs, they've opted for less than a standpat position. They criticized the federal Budget because they said it was a standpat Budget. Well, this is less than a standpat position in this Throne Speech. They've squandered the initiative to do something positive just as they've squandered our money over the past five years. They've forfeited the responsibility of leadership in Manitoba.

The tragedy, of course, Madam Speaker, is that we all will suffer, some more than others but we'll all feel the impact of this government and this Premier's impotence. Increased taxes will be felt immediately, but there will be other long-term consequences that will be even more significant. As short-term jobs disappear, as they must and they will, a crushing debt load will remain, a debt load that will impact programs and measures necessary for the future well-being of our province.

This government has with, I believe, malicious design, handicapped our future. They've robbed from our children in order to pay for today, to pay for their wrong-headed priorities of today. Madam Speaker, our children have been mugged of their inheritance by this administration. As the monies are diverted to pay for this folly, important social programs will, as they must, be negatively affected. Jobs simply will not materialize. There's nothing in here for the future of job creation, for the future of economic development.

Health care will erode as it has been over the past five years. It will continue because the Minister of Health has already said that he is going to give us rationing of health services. He's going to give us cutbacks of health services, and he's going to have to consider forms of user fees, Madam Speaker.

Equal opportunities for all will remain a dim light at the very end of a long tunnel, and the disadvantaged will continue to exist as second-class citizens under this NDP administration.

The other concern, of course, that we have is, as the government is always concerned about statistics that show it is No. 1 in the country, that the next plan is to move Manitoba from being the second highest taxed province in the country to the highest taxed province. That's part of their plan to be No. 1. It's a sad commentary that our one growth industry, aside from government administration and debt charges, will be in the area of taxation.

Only the naive, only the politically inept, Madam Speaker, and the socially irresponsible would continue to drain the lifeblood of this province as this administration has. Only the arrogant would believe that monies belong in the hands of government rather than the individuals who earn it.

As this Session unfolds, the people of Manitoba can only guess at the measures that the government will introduce. The Throne Speech is based on political expediency and a cynical attempt to avoid criticism. The old expression, "you can run but you can't hide," assumes a special meaning in this context. The Premier and his government are trying with enthusiasm but without success to create the illusion of action. They're hiding behind the skirts of committees and of reviews. They're not just providing misguided leadership; they're providing no leadership at all.

Madam Speaker, this void of leadership will be how history records the Throne Speech of 1987. This void will be remembered in the days and the months to come as we witness this tired government recycling its tired old platitudes. All of the media consultants, all of the script writers and the public relations specialists will not be able to generate the illusion of action.

Madam Speaker, it's reminiscent of the children's rhyme that says: "All the King's horses and all the King's men couldn't put Humpty together again." I think it's appropriate that we borrow from a children's rhyme to best describe this government's ultimate fate because it is our children who will bear the cost of their inadequacies.

This administration hasn't learned from the mistakes of the past five years. We saw it during the MTX debate, during the Manfor discussions. We saw it in the changes that this Premier made to his Cabinet in the cosmetic attempt to give the impression that he is doing something about Crown corporations. We've seen all of these changes happen, and they've all reinforced the view, the unmistakable conclusion that they have learned nothing from the past five years. Everyone is entitled to make a mistake, but only a fool continues to repeat the same mistake over and over and over again. Sadly, Madam Speaker, this administration is determined to repeat and to re-enforce their original mistakes.

Again, the challenge that this government seems to take most pride in and most seriously is how to say nothing in the most creative manner. Their wordsmiths - and there are dozens of them on the staff and their fame is becoming legendary, because I've heard people from other provinces say they have an incredible array of writers and PR people - it's amazing how skillfully they generate illusions.

For example, when you take a look at one section of the news release that was issued with this Throne Speech, here are some of the verbs that were used: "supporting," "maintaining," "improving," "continuing," "focusing," "recognizing," "streamlining," "providing," "encouraging," "ensuring," "seeking," "tabling." That's what this government is all about, all of these wonderful-sounding, action-oriented verbs. Indeed, Madam Speaker, how many different ways are there to say everything and do nothing? Madam Speaker, I obviously have an outdated notion that actions speak louder than words. I stand in awe of this government's greatest resource and Manitoba's greatest burden.

In the opening preamble of the Throne Speech, the government referred to the courage and the strength of Manitobans. Well, our people have been strong and they have been courageous. They've had to be to put up with the practices and the actions of this administration.

Our farmers are on the ropes, Madam Speaker. They're not like any other business. They can't close up shop and go east or west. They can't do that to improve their economic future. They're tied to the land and they're burdened by a government that doesn't care. Madam Speaker, they have to be strong and courageous. So have our businessmen and our businesswomen absorbed unjust and crippling taxes and still managed to provide jobs.

Once again, the government takes credit for the successes, but I contend that those successes have

been in spite of this government, not because of it. That's why our industry has flourished. The unanswerable question is: how much better would they have done if it weren't for the policies of this NDP administration?

Madam Speaker, sometimes I think we forget, as does the public, that government has no money. In the case of this government, truer words were never spoken, but government has no money of its own that it generates. It takes from the people and, in this case, it takes and it takes and then it gives a little back. This government has lost sight of their responsibilities, their solemn responsibilities to the people of the province. They believe that their only responsibility is to stay in power. It's a crude and a crass objective based on political expediency and totally lacking in ethical considerations and good judgment. After five years of out-of-control growth in the cost of government, it has no money left to address the problems of the people it serves.

The NDP's answer now seems to be to regulate where they cannot spend, to study where they are unable to regulate, to ignore what they are unable to study and to blame the feds where problems are too large to ignore. Unlike this government, Madam Speaker, we take our responsibilities very seriously. We will criticize legislation that benefits the NDP, rather than the people of Manitoba.

Now they may subscribe to the belief that what's good for government is good for the people, but we do not believe that. Madam Speaker, I will never lose faith in the courage and the strength of our people here in Manitoba. The people of Manitoba deserve a government that is equally strong and equally courageous. Such a government did not produce this Throne Speech, and so, Madam Speaker, I move, seconded by the Member for Sturgeon Creek:

THAT the motion be amended by adding to it the following words:

But this House regrets:

1. That this government has abandoned the farm community;
2. That the Throne Speech neither acknowledges the financial chaos which the government has caused in Manitoba nor offers any assurances that the government intends to address the massive deficits with other than increased taxes and fees;
3. That this government has continued to squander millions in mismanaged Crown corporations;
4. That small business continues to be discouraged by the most anti-business government in Canada;
5. That the government has deceived the public by its broken promises from both last year's Throne Speech and the 1986 election;
6. That the government has ignored the real priorities of Manitobans in favour of increased spending on administration and debt service charges;
7. That this government has thereby lost the trust and the confidence of the people of Manitoba.

**MOTION presented.**

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

**MR. M. DOLIN:** Thank you, Madam Speaker. It is a pleasure to see you in your Chair again at this Session and looking well. It is also very pleasing to me to see all the honourable members on both sides of the House here looking well, even the Member for Sturgeon Creek.

It's nice to be back. It's also interesting for me to listen to the Honourable Leader of the Opposition for the second time sitting in the House and for a few times prior to that having heard him from outside the House.

I seem to see, once again, a little difficulty in comprehension on the other side of the House in understanding exactly what a Throne Speech is and what is in a Throne Speech. My understanding is that the Throne Speech outlines the program and plans for the government. The specifics will be detailed. He noticed a few good things which I will deal with later. Basically this Throne Speech talks very clearly about jobs and protecting vital services. That is what the Throne Speech is about. The particulars are in the Throne Speech.

I get reminded a little bit listening to the Honourable Leader of the Opposition's speech, of a dog standing on its hind legs. As you look and you say, well, he doesn't do it very well, but you're sort of amazed that he does it at all.

The comprehension factor - I listened carefully for an hour and some-odd minutes trying to figure out what would the party opposite were they government do if they were sitting on this side of the House. What I was able to extract from the speech, and I was taking reasonably copious notes as long as I could bear to listen, was one, elective surgery. That was one of the early things the Leader of the Opposition pointed out. People who can't get elective surgery here at great expense, that somehow he would fly them someplace else to get it at the taxpayers' expense. That is very important. That is something from their side of the House that you can really grab onto. That's an issue.

Another thing is temporary support for the agricultural community, for farmers. I didn't hear any plan for permanent support. I didn't hear any plan for specific programs from their side of the House. I heard a lot of whining and carping and talking about the obvious crisis that every man and woman in this House is aware of, the fact that there is a crisis in agriculture. I didn't hear them say anything except temporary supports and the fact that we're not doing enough. Well, the fact is I would like to hear some day what they are going to do.

I also heard another specific thing - the Jobs Fund is a failure. I heard it last year in the Budget Estimates, the Leader of the Opposition saying the Jobs Fund should be cut; the Jobs Fund is a failure. On the other hand, he's saying, well, the Jobs Fund is a failure, why do we have, as Brian Mulroney pointed out in denying us the CF-18 Contract, why do we have the second-best job record in this country?

**A MEMBER:** Why?

**MR. M. DOLIN:** Why? Because of the Jobs Fund and the action of this government, that's why.

**A MEMBER:** Versatile.

**MR. M. DOLIN:** Yes, Versatile. Let me tell you about Versatile. That's a wonderful one, and I think Versatile was a good thing for the people of this province, especially for the workers. I think the fact that Ford picked it up will probably benefit the farmers to create a competitive situation. I also like the tough negotiating you see from the members opposite as exemplified by the Honourable Jake Epp.

(Mr. Deputy Speaker in the Chair.)

Now, Jake Epp went to Ford. Ford had just announced \$3.3 billion in profits, higher than General Motors or Chrysler, the same day of that deal, and he went to them and said: boys, we're going to give you \$45.5 million of taxpayers' money on a free-loan basis. We are going to give this to you in order to open the plant. The front page of the Globe and Mail quoted the President of Ford Motor Company. When asked about the loan, he said - and I am quoting, not verbatim, but you can check the Globe - "We were going to buy the company anyhow. We didn't need the \$45.5 million, but it was there, so we took it." God, that is hard negotiation. It was there for Ford, \$45.5 million which, interestingly enough, is about the cut we've taken in this province in transfer payments for higher education. As a matter of fact, it's a little higher.

We turned over to a company federal taxpayers' money that could have gone to this province for higher education and health care costs. You hear the Minister of Health talking about the problems he's having, that's one of the major reasons. What does the Federal Government of Jake Epp do? They turn \$45.5 million over to a company that just announced a profit of \$3.3 billion, and said they didn't need the money anyhow, but it was there so they took it. My God, if I've ever got to negotiate across a bargaining table, I want Jake Epp on the other side.

Gary Filmon, the Honourable Leader of the Opposition, the Member for Tuxedo, talks about the verbs we have used in the Throne Speech. I'd like to talk to him about some of the adjectives he uses: inept, cynical, no leadership, fools - that's a noun - crass, out of control, abandon, chaos, deceive. What does he propose as an alternative? What is he going to do? Oh no, he's going to do something. Wait, wait. One of my honourable colleagues said, nothing. That's not true. He's going to provide expensive elective surgery for people who want nose jobs, tummy tucks, to go to Rochester or to go to New York. He's going to make sure that they get taken care of.

He's also going to provide temporary support to farmers. He's also going to get rid of the Jobs Fund and he's also going to - oh, he was going to do some other things, yes. He's going to get rid of the payroll tax, high workers compensation payments and the cause of the lack of investment, the disincentives to business and UIC increases. That, he'll have to talk to his friends about. I understand they're increasing again.

He's going to remove the tax on gas that is the reason for the high unnatural gas prices which this government is now fighting before the Public Utilities Board. I'm waiting to see a submission from members opposite, because that is a public meeting, on what they feel

about the increases in gas prices and whether they are going to stand up for Manitoba. I hope that their critic will be there before the Public Utilities Board making their position on those gas prices known.

My understanding, from an Inter-City Gas executive, was that the problem is not the tax, and this is from Inter-City. The problem is Alberta setting the export price, and that we are paying. Inter-city is paying, and they claim they are having to pay the Ontario price which is three bucks, rather than \$1.75, because Alberta is forcing them. Now I think the fact is those issues - whether he's correct or whether he's incorrect, I am not an expert in that - but that will come out at the hearings. I would hope that the members opposite would have someone from the Opposition benches stating their position on the higher gas prices and not imagining that somehow it's because of the tax. I have not heard that come out of the minutes of the hearings. I have not heard that from government representatives or from ICG representatives.

Also, a little bit of misreading of economic facts, I read this in the paper the other day and I found it a little difficult to believe. The Honourable Leader of the Opposition - and he repeated it here again - so I'm wondering who's giving him his information. I'm sure it's not the Member for Morris, because the Member for Morris seems to have some understanding of economic issues. He pointed out that the increased gas rates in ICG which we pointed out would cost 1,400 jobs or the amount of money would be equivalent to 1,400 jobs. So the Leader of the Opposition equates that to the payroll tax and says since it's X amount proportionately more than that, the payroll tax would cost 3,500 jobs.

Does he not understand the difference between a tax and money going to a private company? Does he not understand the fact that, when money goes into the payroll tax, it spins off into the economy, into the Jobs Fund, into hydro, into all the things that make Manitoba grow? Can he not understand the difference? Is there nobody on those benches who can explain that to him, so he doesn't continually make a fool out of himself making statements like this? I would hope that the Member for Morris will take him aside and explain it to him, the problem that he's creating of his own credibility when he does it.

I would also like to take a minute or two to give him a little advice. I read in the newspaper recently about the polls showing the drop in the support for the Opposition Party in this province. I also read the Leader of the Opposition saying, well it's spillover from the Federal Government. It's spillover from Mulroney. Now he may or may not be right, but I would suggest to him that fedbashing is not the way to go, that he should stop his fedbashing. He should look at his own problems that he is creating here in this province.

I look at what he just said in an hour and 45 minutes. He's blaming the feds, the fact that he said he didn't like our Throne Speech. What he did like is he liked the new initiatives. He liked The Mental Health Act; he liked The Environmental Protection Act; he liked The City of Winnipeg Act, but would like a smaller city council; he likes the crop insurance proposal.

He doesn't mention The Human Rights Act, didn't mention anything about that. That's a pretty major issue. Where does he stand on that? The fact of life is the

people of this province demand something from an Opposition that makes a claim that they want to be government and have the capacity, ability and wherewithal to govern. They ask the simple question, what would you do. The response they're getting is, we would complain about what they're doing. That is not an adequate response.

My advice to the Honourable Leader of the Opposition, if he wishes to stay Honourable Leader of the Opposition - and I see there are already some people on that side of the House who are sort of looking at him a little cross-eyed sometimes and maybe with a little lust in their souls a la Jimmy Carter - that he should stop fedbashing. Stop blaming the Federal Government for the drawbacks and the shortcomings of his own leadership and what is happening on the benches on the other side of the House. The fact is, clean your own act up, provide some leadership. So if you don't like the things this government is doing, if you don't like the fact that we are emphasizing jobs and protecting services, what would you do instead? What kind of initiatives to tax the imagination of the people of Manitoba would the Leader of the Opposition provide?

Well, that speech didn't give me anything. If it didn't excite me - and I was listening much more carefully probably than the average Manitoban - it's sure not going to excite the average Manitoban that he expresses so much concern about.

The fact is - I say again - it's like a dog standing on its hind legs. He doesn't do it very well, but you're amazed that he can do it at all. Here we go again. He should be careful, because I'd like to see him remain leader. I think he's a very nice fellow. I think he's trying very hard to do a very good job. I wish he would do the job a little better and do more than just criticize, but propose alternatives that we can debate on the real issues facing the people of this province.

Let me point out one of the real issues which was noticeably absent from his speech, noticeably absent, which is probably one of the major issues facing everybody in this country, and certainly identified as the major issue for Canada by the Mulroney Government in Ottawa. That is free trade. Free trade, I heard not word one. He talks about disincentives to business; he talks about the payroll tax. I didn't notice it being a disincentive to Bombardier to getting the CF-18 contract. The payroll tax in Quebec, I understand, is 3 percent. Bombardier still got the CF-18 contract. I saw no problem. I don't see it as a disincentive for Mulroney to put a prison in his own constituency, where he can keep some of his Cabinet colleagues once the hearings are through.

I would suggest that, on free trade, I would like to quote from the Free Press, which was this Saturday. This is William Loewen, chairman of a Winnipeg payroll services firm, told the Winnipeg Chamber of Commerce: "If free trade grain traffic could shift from an east-west route to a north-south pattern, the result for Winnipeg would be disastrous. Obviously, our importance as a rail centre would disappear."

If agricultural marketing boards were to be dismantled, Winnipeg would lose importance in a large number of jobs. Manitoba service industries would be damaged if Canada negotiates a free trade industry.

He singled out the transportation industry as one important example, as I'm sure members opposite are

aware. Of the fifteen major trucking firms in Canada, nine are in Winnipeg and those nine are all at risk under the free trade proposals of opening the board. Did I hear one word from the Honourable Leader of the Opposition? I did not. Did I hear him refer to this issue? No, he did not. Did I hear him do anything and use fools, crass, out of control, chaos? He talked doom and gloom. I thought I was listening to Oral Roberts on his death watch.

What I was really listening to was the Leader of the Opposition who is not really doing his job. I am suggesting if he wants to remain as Leader of the Opposition, he'd start doing his job, because I think he's got a role to play. I believe the Opposition has a very distinct role to play and that is to propose alternatives to government policy. I don't see that happening and neither does the public. If he thinks it's because of the spillover from the Federal Government which is creating his problems, he should look at the problems he's creating for himself and not proposing alternatives to catch the imagination of Manitobans.

Just to constantly say, Throne Speech after Throne Speech reply, that you guys are bad, you're wrong, you're incompetent, you're fools, you're not this, you're not doing this, you're doing that, you're evil, you're bad, you're awful, you're the devil incarnate. Well, you know the public knows that we're not; they just elected us about six months ago. The public knows that we are responsible people trying to protect jobs and protect the livelihoods of Manitoba and the industries of Manitoba.

Now, if you think we are not doing that and if the Leader of the Opposition thinks we're not doing that, I suggest he's wrong. If he thinks that we are incorrect in the way we're going about it, he may be correct; but it's his obligation to tell the people of this province how we are incorrect and what he would do instead. He does not do that and you do not do that and the people of this province recognize that.

(Madam Speaker in the Chair.)

I will go back to some of the other comments he made. Doing a little homework might not hurt. Now, I'm not an expert, but he made the comment that farmers pay taxes on homes like city folk. Well, that was not my understanding. It is not the understanding, I think, of the Minister of Municipal Affairs and I would suggest somebody should double-check on that because my understanding - maybe I should check with some of my rural friends - is farmers do not pay taxes on their homes like city folk. Now, for him to make a statement like that, I too have sympathy with the plight of the farmers. I do not think that one should mislead the people of this province and the city people of this province to say that the farmers pay taxes just like city folk when they don't.

I also think that the Member for Morris should sit down with him and explain a little economics about the job creation loss or the problems with giving money to private industry versus giving money in a tax to government.

I would also suggest another little factor he seems to have missed. He's talking about the problems in the North and he talked about the horrible record of this government. One of the things he said about the horrible

record of this government early in his speech that we should get rid of the Minister of Northern Affairs. We should get rid of him, that's saving some money. That's really going to be a help to the North. That's really going to show northern people that we are responsible, we are helpful if we got rid of the Minister of Northern Affairs which is what he suggested. What he also said is that problems in the North - well, in 1981 when we got elected for the first time, my understanding is the population of Thompson was about 13,000. The population of Thompson, I understand now is about 15,000, an increase of 2,000 with mine jobs having dropped during that period. Now, what does this tell me about what this government has done? What it tells me is they have diversified the economy up there so they are not so dependent on mine jobs and also they have increased the number of people living in that area because there is more work up there. He should do a little checking before he makes statements about the horrors of the North.

The other checking, it's my understanding and I heard this someplace, is that Thompson has probably one of the highest per capita incomes of any city in this country. Well, the fact is I will not make a bold statement like that without checking it, but I heard that someplace and I think that may be the case. I would suggest the Leader of the Opposition, before he starts whining and carping about our inactivity in the North, check on exactly what we're doing up there and some of the initiatives because I think he might be pleased.

To be not entirely negative, I would also like to point out that I was surprised and very pleased that the Leader of the Opposition - this is the first time - did mention some of the things he supported. I think that's good opposition. I think the fact is, sure, I think he missed the boat on saying, wait, we were wrong but not suggesting alternatives, but I think he was doing his proper job by saying where he felt we were right.

He supported the new Mental Health Act and the Opposition, I would assume, will be criticizing that act with the same sympathy towards the ultimate goals that he expressed of protecting the rights of the mentally ill and providing for their services that are our goals. So maybe we will constructively be working together as Government and Opposition, where the Opposition criticizes in order to help us achieve a goal for the people of this province, rather than just criticizing.

The other one he liked was the Environmental Protection Act. We look forward to a very effective Environmental Protection Act to control polluters. We also look forward to the fact that the Leader of the Opposition has stated that he supports this in principle and will provide the constructive criticism, hopefully, to make this a better piece of legislation for the people of Manitoba.

The City of Winnipeg Act, a smaller city council he believes should happen, but otherwise he seems to be reasonably positive about the thrust of. I'm glad to hear that and I'm glad to hear he will work with us to help make the City of Winnipeg a more functioning organization. He, as a former city councillor, should realize some of the problems that the city has now; one of the major problems that people are facing is the tax system.

The other thing is the crop insurance proposal. I'm interested to hear he's supporting that. I thought from

the beginning of his speech that he was only supporting temporary aid. I tend to think when the hyperbole dies down is the fact that we are looking at a crisis in agriculture, as the members opposite have pointed out and I think we understand, is temporary solutions aren't going to solve the crisis in agriculture. I am not an agricultural expert and I don't claim to be. I think the Leader of the Opposition is not an agricultural expert, but claims to be. There's the rub and I think perhaps some of his backbench friends should give him some advice on some more permanent solutions and on some ways of doing something if the reality is that's possible.

I think one of the things that should be looked at by the Opposition - they talk about the deficit. They talk about the deficit and then I hear the cackles and babbles of the people in the backbench, the Leader of the Opposition, spend more money. Mortgage our grandchildren and our children's future. They don't say that specifically, they only refer to us doing that. It's when they spend money somehow that comes from somebody else's grandchildren. When we spend money it comes from their grandchildren. I wish that were the case, but it's not. I think the reality is as the deficit grows, it's all our grandchildren.

Now, you cannot continue to say throw money at - what was it the Member for Brandon West wanted? He wanted us to lower the cost of cosmetic and vanity licence plates. My goodness, now there's a source of revenue for this province that someone - because it's vanity, if they want to have their vanity and say that I want my name or some attribution of mine put on my licence plate that I'm willing to pay for it, we should let them pay for it. We should let them pay through the nose for it because that is vanity and you should pay for vanity. Oh no, the Member for Brandon West says we should cut the rates on that. What should we do? Well, we cut the rates on that so how do we save money to stop mortgaging the future of our grandchildren? Well, we cut the Jobs Fund. We cut \$10 million off the Jobs Fund. That will allow us to recover the money from the vanity licence plate. I love that, or we send people to New York or to Texas or to Rochester, Minnesota, for tummy tucks or jowl lifts or nose jobs as nice elective surgery that they can't get here. Gee, you know that's wonderful. Now, here's a government I would support. If you ran on vanity licence plates and tummy tucks, I think you would then sweep this province because that's what the people of this province are demanding.

The Leader of the Opposition also talks about we say everything is someone else's fault. He unfortunately missed, and he can check in Hansard, that I am suggesting to him that he stop the fedbashing when he talks about the problems of his own opposition party in catching the hearts and minds of Manitobans. When we talk about something being somebody else's fault in the way of transfer payments, for example, in the way of east-west transportation inequities that benefit the east at the expense of the west. We have facts to back it up. We have figures to back it up.

The Minister of Finance has made it very clear that these issues are real issues. The \$43 million we lost in transfer payments because of the little adjustments made by the Federal Government, started by the Federal Liberals and continued by the Federal Conservatives, have caused us a great deal of problem,

having to raise money for basic services such as higher education and health. That's a reality.

When I sit here as a Manitoban and look at \$45.5 million given to Versatile, to Ford Motor Company, who made \$3.3 billion and said we didn't need the money anyhow, I see my friends in the university coming to me and saying we don't have enough money to function, and I see people in the health care field who are concerned about the health care field, like the Minister of Health, saying, my God, what are we going to do to be able to protect the health care of the people of this province?

We're not going to do what they do in Alberta; we're not going to do what they do in Ontario or B.C. We're not going to charge fees. We're not going to put deterrent fees in but - my God! - we've got to raise the money some place. And why? One of the reasons, and not the only reason, is to cut transfer payments. We will get into this problem in the Budget.

One of the things I would like to mention about the Budget is the Leader of the Opposition doesn't like to hear the fact that we do have the lowest or near the lowest phone rates, hydro rates, insurance rates in this country and probably in North America. He doesn't like that when it's said. It makes him uncomfortable. Why does it make him uncomfortable? Because it shouldn't be true. It doesn't give him enough reality to criticize. It only allows him to use hyperbole rather than fact. The fact is, for the Leader of the Opposition, it doesn't win the hearts and minds of the people when it comes to an election.

Name calling, saying, incompetent, stupid, chaotic, foolish, does not belie the fact that we have the lowest phone rates with the increases. We have the lowest or near the lowest auto insurance rates. Would he give it back to the private sector? In 1977, when they formed the government, I did not see them racing to privatize MPIC. The public of this province told them, we like our rates the way they are. We like having low rates. We like having good coverage. We like having access. We want to keep it. We like our hydro rates being cheap and going to be cheaper.

If the harping and carping from the members opposite turned into support, we might be able to effect more sales. We might be able to promote hydro in this province to be able to make the rates cheaper. Instead of them constantly saying, we can't make money, it won't work, why not get on board and stand up for Manitoba? That's not that difficult.

I could go on and on and on, as the Leader of the Opposition did, but I won't.

**MR. E. CONNERY:** Oh come on, Marty.

**MR. M. DOLIN:** My friend, the Member for Portage, wishes me to go on. Actually, I'm getting hungry.

I think there will be many more specifics. I would just like to close with this reminder. This Throne Speech outlines - and instead of criticizing and nitpicking, if the Leader of the Opposition and members opposite wish to look at what the Throne Speech is all about, I will translate for them, simultaneous translation into the second official language which is English. I will translate it. It means jobs and protecting the vital services of the people of Manitoba. That's what this Throne Speech said.

Now the particulars of this Throne Speech, you're not going to see legislation in the Throne Speech. You know that. But what you are going to see is you are going to see a plan, which you say you didn't see. Let me explain to you what the plan is. Maybe you missed that too. The plan is to create jobs and to protect the services of the people of Manitoba and to try and do this without punishing people too severely in spite of what our friends in Ottawa have done to us to try and force us into a position to bear burdens heavier than we are able to bear. We are going to do this responsibly. We cannot, as a friend of mine would say, suck and blow at the same time. We cannot cut the deficit and hold services, but we are going to make that attempt.

The members, and I remember from the last Session, the Honourable Member for Niakwa, who said: "But we are Opposition, we can have it both ways at the same time." I suspect that the Leader of the Opposition is a little - Harry can do it.

The Member for Lakeside can do anything, I am convinced. I think the Leader of the Opposition should be very pleased that the Member for Lakeside is not covetous of his job, because the Member for Lakeside probably can have it both ways at the same time. I don't know how, and we're working on it on this side of the House to figure, how do we keep the deficit down and keep the services, but we're working on it.

We need the Opposition's help. We don't need words like chaos, foolish and all this. We need some constructive criticism. We need some suggestions. How do you spend, spend, spend, and then cut, cut, cut at the same time? How do you do that? Well, I don't know how you do that. Our Minister of Finance doesn't know how you do that. If you do know how to do it, kindly inform us. We're all ears and willing to listen, but stop telling us you can do both at the same time.

I would suggest that the people of Manitoba are getting tired of hearing you say that, and no longer believe you. I would suggest that the poll taken on March 18, 1986, which is the only poll that counts, the people of Manitoba told you that they wanted us on this side of the House and you on that side of the House because they didn't believe in those lovely papers of 40 pages long on the economy of the province and the social services of the province that you could actually do what you said you were going to do. That was to cut the deficit and improve services at the same time without telling them how you were going to do it.

**MADAM SPEAKER:** Will the honourable member please address his remarks to the Chair?

**MR. M. DOLIN:** Oh, excuse me, Madam Speaker. I was just looking that way.

Madam Speaker, in spite of the entreaties from the Honourable Member for Portage that I should continue speaking, I think at this point I'm getting hungry. I'm sure honourable members are getting hungry. I think I have made the point. I would like to repeat it for the last time.

A word of advice from a neophyte who is no expert, who is not an agriculturist - I'm probably not an expert on anything - but I can reflect somehow the feelings of my constituents, who are the largest constituency in the province, who represent all walks of life. As a

matter of fact, I have farmers in my constituency who expressed the opinion to me that, very simply, they would like to see the Opposition tell us what alternatives they present. They tell me they are pleased with the fact that this government is concerned about jobs and that this government is concerned about protecting services. They are also concerned about what they feel is an unwarranted attack by the Federal Government on the Province of Manitoba.

I don't have to go into the CF-18 here, because everybody on this side of the House with anger understands it, and everybody on that side of the House with embarrassment understands it. The fact is that the tendering system in this country has been ruined by the Mulroney Government. They don't even understand that's what they have done, Madam Speaker. The fact is, they still think they can throw some money here. They can throw some money into B.C., and that will solve the problem.

Well, their trucking bids that have had tenders recently put out with major trucking manufacturing firms in Ontario and other places have said, we're not going to bother tendering any more. The reason we're not going to bother tendering is because we no longer trust the federal tendering system. Well that's a sorry state of affairs for the business community of this country, and that is one of the reasons the popularity of the Conservative Party is falling, Madam Speaker, but not the only one.

The other one is - a word of advice passed on from my constituents to the Honourable Leader of the Opposition is very simple. Please do your job better. Don't just call us names. If we promote something and you agree with it, say so. They want to hear that kind of thing and they want to hear, if it's not good enough, how it should be made better. We're willing to listen. They want to hear you say that. They would appreciate it.

We are also and they - I'm passing this on through you, Madam Speaker, to the Honourable Leader of the Opposition - also want to know, what would he do if he were on this side of the House. There is no response. It has now been some years that they have been asking the question and, when an election comes, they don't want to be told that I will do everything. He accused us of saying we're trying to be all things to all people. Then later, he accuses us of not doing enough and not

making enough rash promises, and we don't want to spend enough money, Madam Speaker.

Unfortunately, we are realistic and pragmatic. We want to take positions and move gradually as funds are available to make this province better every day, year by year, and we are going to the best of our ability continue in that attempt. We want your assistance to provide constructive criticism to allow us to do that. That's what your job is as opposition, and that's what our job is as government.

Madam Speaker, I thank you for allowing me this time. I hope that the Opposition will continue to provide effective opposition. I hope that the Leader of the Opposition will provide an effective, constructive manner of criticism, as I think was done during the Public Utilities hearings. I think maybe they can do that kind of thing again. I think we all learned a lesson of how things can be done and how things should not be done. We can make the necessary corrections, and make the changes to benefit all the people. I hope that is forthcoming from that side of the House. I wouldn't put a great deal of money on it, but I am hoping that somehow you will heed my plea and do what I'm requesting you to do because I think it's to your benefit and the benefit of all the people of Manitoba.

Thank you very much, Madam Speaker.

**MADAM SPEAKER:** The Honourable Member for Portage la Prairie.

**MR. E. CONNERY:** Madam Speaker, I move, seconded by the Member for Riel, that we adjourn debate.

I'd also like to remind the member opposite . . .

**MOTION presented and carried.**

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

**HON. J. COWAN:** I move, seconded by the Opposition House Leader, Madam Speaker, that the House do now adjourn.

**MOTION presented and carried** and the House adjourned and stands adjourned till 1:30 tomorrow afternoon. (Tuesday)