

## LEGISLATIVE ASSEMBLY OF MANITOBA

Thursday, 11 June, 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 Government Services.

**HON. H. HARAPIAK:** Madam Speaker, I would like to table the Review Committee Report of the Workers Compensation Board, and I would like to tell the Legislature that the printed copy should be available by the 20th of June, at which time everyone will have a copy of it.

**MADAM SPEAKER:** Notices of Motion . . . Introduction of Bills . . .

### INTRODUCTION OF GUESTS

**MADAM SPEAKER:** Before moving to Oral Questions, may I direct the attention of honourable members to the gallery, where we have 41 students from Grades 4 and 5 from the Norquay School, under the direction of Mr. Sookarm. The school is located in the constituency of the Honourable Minister of Culture, Heritage and Recreation.

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

Also may I direct the attention of honourable members to the Speaker's gallery, where we have with us this afternoon, His Excellency, Israel Gur-Ariah, Ambassador of Israel.

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

### ORAL QUESTIONS

#### King Commission Report - cost of implementing recommendation

**MADAM SPEAKER:** The Honourable Leader of the Opposition.

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

The Minister responsible for the Workers Compensation Board has just tabled the Report of the King Commission. Madam Speaker, that Commission has made 178 recommendations. I wonder if the Minister has an estimate of the cost of implementing those 178 recommendations.

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

**HON. H. HARAPIAK:** Madam Speaker, I'm sure the Leader of the Opposition will recall that question was asked in the House the other day, and I told the Opposition members at that time that, no, we do not have an estimate of the cost of the implementation of the 178 recommendations. I said at that time there was a report that needed to be looked at in total; you couldn't take one recommendation out in isolation and act on it. I think it's a report that requires further analysis, and once we have had an opportunity to analyze the entire report, then we will be coming forward with what the costs are in connection, but we should make it quite clear that our only concern is for the injured workers, the system that is being delivered to them. That is a principle we are concerned about, that injured workers and their families and their children get the benefits that are required to them under The Workers Compensation Act.

#### Workers Compensation Board - reason for deficit increase

**MR. G. FILMON:** Madam Speaker, astonishingly the King Commission Report indicates that the unfunded liability, as the Minister likes to refer to it, or the deficit of the board may be understated by as much as \$100 million.

Does the Minister have any explanation as to why that unfunded liability is so much higher than what the board's annual report indicated?

**HON. H. HARAPIAK:** Madam Speaker, it is quite clear that if the Leader of the Opposition had taken a little more initiative when he was a member of the government in 1981, and increased rates in the late Seventies when every other Workers Compensation system across the country was increasing their assessment, we would not be in the position we are right now, and it should make it quite clear that we are not in a present operation . . .

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MADAM SPEAKER:** Order please, order please.

I presume the Honourable Leader of the Opposition wants to hear the answer.

**HON. H. HARAPIAK:** Obviously the Member for Pembina feels terrible of what his role was in the operations of the government at that time. But under the operations of the Workers Compensation that is operating it right now, our unfunded liability, supported by actuarial reports, supported by auditors, is \$84 million. We can lead to a lot of speculations and can say, if this was implemented, or if the pensions were indexed automatically, it would lead to \$90 million; we had that information. If the pensions were indexed, then it would lead to additional dollars but, at this time, the operation of the board, as it is going right now, our unfunded liability is \$84 million.

### **Workers Compensation Board - what other initiatives**

**MR. G. FILMON:** Well, Madam Speaker, further to the Minister.

Given that under the previous operation of the Workers Compensation Board under a Conservative administration, following similar principles to those that were followed under the Schreyer administration, the board had achieved a surplus position of \$36 million, yet, after the initiatives of this administration, they are now between . . .

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

**MR. G. FILMON:** . . . \$150 million and \$200 million in deficit or unfunded liability position, what other initiatives is this administration and this Minister going to bring in to make it even worse?

**HON. H. HARAPIAK:** Madam Speaker, there is a government currently operating that follows the principle that the Leader of the Opposition is speaking of, and that is bottom line dollars. The Workers Compensation in British Columbia is operating under similar guidelines that the Leader of the Opposition's government followed, and they right now have a surplus. We could have a surplus, as well, if we cut out the services to injured workers, to the widows and the children of the injured workers. If we cut out the services to them, we cut out rehabilitation, we could have a surplus very shortly.

**MR. G. FILMON:** Madam Speaker, it's interesting that this Minister disagrees with former Premier Schreyer's policies in Workers Compensation.

### **King Commission recommendations - new pool of workers**

**MR. G. FILMON:** Madam Speaker, my further question to this Minister.

The King Commission Report has recommended the inclusion of independent contractors, self-insurers, and a whole host of new employees in the white collar area, and many other areas, under the Workers Compensation system in Manitoba, will this Minister be carrying through that recommendation to include this new pool of workers for greater revenues for this failing board?

**HON. H. HARAPIAK:** Madam Speaker, if the Leader of the Opposition would care to check, he would find that many other jurisdictions in Canada of Workers Compensation, those people are presently in the system. But we are not going to be taking one recommendation and separate it from the total. As I said before, it's a total package. We will be having an opportunity to analyze all of the recommendations put forward by the review committee and, once we have had an opportunity to analyze it, then we will be acting on the entire package. We will not be taking one recommendation out of isolation and dealing with it separately.

### **King Commission recommendations - what additional revenues if all groups included**

**MR. G. FILMON:** Madam Speaker, what additional revenues would it produce for the board to include all these additional classes and groups of workers under the Workers Compensation system?

**HON. H. HARAPIAK:** Madam Speaker, the review committee had 20 months to come up with a report, I have had the report for approximately three weeks. I have not had an opportunity to analyze it, as the Leader of the Opposition has raised the question previously; there's no financial implication attached to the report, so once we have had an opportunity to analyze it and cost it, then we will tell you what revenue will be coming in by putting these people as part of the Workers Compensation Board.

### **MTS - tabling of business plan re cellular telephones**

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

**MR. D. ORCHARD:** Thank you, Madam Speaker. Madam Speaker my question is for the Minister of Crown Investments.

Given that approximately a year ago the Manitoba Telephone System, under his predecessor, spent approximately \$1.5 million to purchase equipment necessary for the delivery of cellular telephone service in the Province of Manitoba; and given that since this Minister has taken over he has not allowed that system to be implemented, even though we have spent the \$1.5 million, pending the development by the Telephone System of a business plan to justify their entry into cellular telephones, can the Minister of Crown Investments indicate when the business plan for cellular telephones will be available and tabled to the House?

**MADAM SPEAKER:** The Honourable Minister responsible for MTS.

**HON. G. DOER:** Madam Speaker, as I indicated at the committee hearing, we are proceeding with a cellular telephone in competition with Cantel. We have proceeded on a policy way with the various authorities that are necessary, such as, Order-in-Council. We are meeting presently with Cantel, and we hope to have an agreement in place where the tariff consideration is filed before the Public Utilities Board shortly for both the telephone system and Cantel, and have it starting at the same time as we've indicated previously in this House.

We do not believe, Madam Speaker, that the rules that existed in Ontario, established by the Ministries of Communications, under Francis Fox, and carried on by Marcel Masse, were fair for a situation to have Cantel have a six-months headstart; I've said that before in this House. But we believe we can reach an agreement with Cantel and proceed with cellular telephones and we have a business plan in place, in fact, the board

of directors of the Telephone System is meeting again Tuesday afternoon, and we are proceeding, as I indicated, not only in this House, in that committee, but also at a meeting with the Electronics Association of Manitoba last week.

And further, Madam Speaker, not only are we proceeding with the cellular telephone, in terms of interconnect onto the Telephone System with the private and the public system, but also, Madam Speaker, the situation where private radios have not been allowed to connect onto the Telephone System, we are proceeding with that as well. What we ask from the Public Utilities Board is a fair tariff for connecting onto the public electronic highway.

### Inter-City Gas - tabling of business plan

**MR. D. ORCHARD:** Madam Speaker, I believe I detected in the Minister's answer that he now has the business plan, and I presume that he will be tabling that.

Given that the business plan is now in place and was a prerequisite of this Minister of Crown Investments for the introduction of cellular telephones in the Province of Manitoba, will this Minister of Crown Investments now table for this House the business plan by which this government, not investing \$1.5 million, but maybe investing \$150 million into the nationalization of Inter-City Gas, that obviously must exist?

**HON. G. DOER:** I didn't state that I would be tabling a business plan. It would obviously not make any sense at all, Madam Speaker, to table a business plan dealing with the operation of the Telephone System in a competitive environment so the competitor, Cantel, could xerox it and pass it on in terms of their considerations.

You were implying that I was going to table the business plan in this House. I did state that we had a couple of principles involved in the development of cellular telephone. One was that the public system and the private system, if they were going to compete, they would compete at the same time; and the second consideration is that the Public Utilities Board establish a fair tariff so that the investment of the public in the public Telephone System is paid back, in terms of the connection from the private company; the third consideration obviously is that we don't have a situation where the private company is able to bypass the public telephone system, erode long distance revenues, long distance revenues that are necessary to keep the quality of our service and the lowest prices in the country that we now enjoy.

**MR. D. ORCHARD:** Given that the takeover of ICG will establish a monopoly service, will the Minister table the business plan that obviously he, as Minister of Crown Investments responsible for the direction of Crown corporations in this province, must have for this government to enter into \$150 million business in the Province of Manitoba, when this Minister refused cellular telephone on a \$1.5 million investment. Where is the business plan; when will he table it?

**HON. G. DOER:** Madam Speaker, as my colleague indicated yesterday, Crown Investments have been

involved with the lead department, Department of Energy and Mines, the Minister of Energy and Mines have been involved in the evaluation of the issues before us, Madam Speaker. Crown Investments is aware that the Province of Manitoba, through the Public Insurance Corporation, the Manitoba Telephone System, Manitoba Hydro, have the lowest rates in Canada; and Crown Investments is aware that the action taken by the Minister of Energy and Mines is the first step to have lower gas prices in this province.

**MR. D. ORCHARD:** Madam Speaker, my question is for the Premier.

Is the Premier telling the people of Manitoba that he is proposing, in this headlong rush to take over ICG, that he's doing it without a business plan that he can table in this House to demonstrate the alleged figures that he has put on the market? Is there no business plan for this \$150 million takeover with taxpayers' money?

**MADAM SPEAKER:** The Honourable First Minister.

**HON. H. PAWLEY:** In order to be as generous as I can be to the Member for Pembina, I believe he wasn't here yesterday when this matter was dealt with, otherwise, he would not be asking this question again.

**MADAM SPEAKER:** May I remind the Honourable First Minister that he's not to refer to the absence or presence of any member.

**HON. H. PAWLEY:** Well, I was trying to be generous to the member.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MADAM SPEAKER:** The Honourable the First Minister.

**HON. H. PAWLEY:** I was trying to allow, in a generous way, for the honourable member obviously missing the answer that the Minister of Energy provided yesterday, and I apologize for referring to his absence, but I was trying to find reasons for the honourable member's obvious lack of knowledge as to what took place yesterday.

**MR. D. ORCHARD:** Madam Speaker, I was here yesterday through the entire rage and ranting of the Minister of Energy and Mines, and I detected nowhere in his answer that there was a business plan.

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

**MR. D. ORCHARD:** Madam Speaker, my question to the Premier is: Since he has made the announcement of this venture into nationalizing the gas distribution system, is this First Minister saying that he's proceeding with \$150 million investment of taxpayer money without a business plan being available to himself? Is that what the Minister is saying?

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

**HON. W. PARASIUK:** Madam Speaker, yesterday I pointed out that this government brought in an overall policy that has within it a very well-planned approach.

**A MEMBER:** It's also a business plan.

**HON. W. PARASIUK:** That's right, and we have done the homework with respect to the contracts; we have done the homework with respect to the long-term nature of the contracts, the prices; we've done homework with respect to purchase of reserves; we have done homework with respect to what's a fair price for the Inter-City Gas natural gas distribution system, Madam Speaker. We've put the entire package together and this package, Madam Speaker, will save residential families \$150 per year, small businesses \$1,600 per year. That is a plan that the NDP Government has. Madam Speaker, in this situation where Manitobans are being overcharged for natural gas, what's the plan of the Conservatives?

### **Long-term contracts for gas - with suppliers or brokers**

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

**MR. C. MANNESS:** Madam Speaker, on the same issue, and I direct my question to the Premier.

The Minister of Energy and Mines says that this has all been planned out and it's all been analyzed and organized. Madam Speaker, the Premier has also been on record as saying that the government has entered into long-term agreements for the purchase of gas over a number of years, locked in by long-term contracts at a some dollar per thousand cubic feet lower than exists in today's market price.

My question to the First Minister, can he indicate whether these long-term contracts have been entered into with suppliers or brokers?

**HON. W. PARASIUK:** The Member for Morris may not realize it, but the contracts that have been entered into in the past are with a broker. Western Gas Marketing Board acts as a broker for a number of producers in Alberta and elsewhere. We have, in fact, entered into contracts with brokers, and these contracts are verified by the producers. There are a great number of producers backing these contracts, Madam Speaker. They are long term; they are for a very, very good price, Madam Speaker; they are secured; they are indemnified and we have put those contracts before the National Energy Board to ask for transmission approval before. We're following all the procedures and those contracts are following the normal course before the National Energy Board and we are following everything appropriately, just as other people who directly purchased gas are doing. Madam Speaker, when that is included all that will be made public. Let me tell the members opposite that we are undertaking this, putting the consumer of Manitoba No. 1.

### **Inter-City Gas - tabling of signed contracts**

**MR. C. MANNESS:** Madam Speaker, given the fact that there is nothing out of the normal with respect

to the assigning the long-term contracts for the supply of natural gas to the Province of Manitoba; and given, secondly, that they have been filed, the contracts have been filed with the National Energy Board; and thirdly, given I take it that they have no effect, no impact, on negotiations with Inter-City Gas, can the Minister stand in his place and tell us why we should not be also public to those signed contracts? Why can he not lay them before the House today?

**HON. W. PARASIUK:** Madam Speaker, I'm not the one who set the rules nationally as to what is done with gas price contracts. There are a number of gas price contracts signed between Canadians and Americans that are not made public, unlike electricity where, under the electricity regime for exports, those contracts are made public and the prices are made public.

The whole system with respect to natural gas is one where it is all kept confidential, for reasons of commercial confidentiality, not by our desire. That's the entire system that operates, Madam Speaker, and that is what exists. We are playing by the rules that have been established by Ottawa and by the producing provinces, Madam Speaker, and we want to make sure that we do play within those rules so that people don't come back to us saying, well, you did go outside the rules and, therefore, your applications may be put in some doubt.

I would hope that members on the other side would be working with us in a cooperative manner to ensure that those transmission rights are provided so that Manitobans can know that they can get lower priced gas, fairer priced gas. That should be the objective of everyone in this Legislature, Madam Speaker, not having the Conservatives try and pick holes and be opposed to it.

### **Rule changes re allowing tabling of contracts**

**MR. C. MANNESS:** Madam Speaker, this government has shown its desire at other times to break rules; we've seen it on many occasions.

Madam Speaker, can the Minister of Energy tell us, specifically, what the rules are? More importantly, can he tell us, because this government, on many other occasions, has shown a great desire to share information with the public, at least pretend to.

Madam Speaker, would the Minister of Energy stand in his place and tell us what rules have to change to allow the government to lay before us the signed contracts; and, furthermore, can he tell us whether they are now making representation to the Federal Government and the National Energy Board to change those rules so we can be party to the contracts?

**HON. W. PARASIUK:** I have made representation in the past saying that we should have a system whereby we know exactly who is paying what for what contracts right across this country, and especially for Canadian natural gas flowing into the United States. I'm surprised that the Member for Morris would be raising questions like this which would, in fact, possibly put our commercial confidentiality at risk. Madam Speaker, it's common knowledge that TransCanada Pipelines, which

does not file their contracts on a public basis, met with the Conservative Caucus yesterday to lobby that, Madam Speaker, and I would hope that the Member for Lakeside is not acting on behalf of TransCanada Pipelines, but rather is standing up for Manitobans.

### Inter-City Gas - length of contract

**MR. C. MANNES:** Madam Speaker, a final supplementary.

The Conservative Party of Manitoba is not standing here making unsubstantiated claims. The consumers are going to save \$150 a year in heating costs. A final question to the Minister of Energy and Mines: Can he tell us the length of the term of the contract that we have entered into for the supply of natural gas?

**HON. W. PARASIUK:** Madam Speaker, when I asked TransCanada Pipelines for contract offers, they indicated that they weren't prepared to lower prices at all for Manitobans, and we could expect no decrease in prices, and those are the people that they have been dealing with. They should have met with the consumers, Madam Speaker.

The package of contracts we have, and they are packaged, go up to 15 years and there is a package of contracts within them that allows Manitoba, if it purchases gas reserves, to phase in those reserves to guarantee that we have low priced gas possibly beyond 15 years, and that's been part of an overall plan, part of a planned approach, part of an approach that we have spent a lot of time and a lot of work on.

Madam Speaker, we find that basically the points that we have made with respect to excessive and discriminatory pricing have been proven to be correct. The analysis we did in finding out that Canadian gas is being shipped into the United States at \$1.80 has, indeed, been correct, even though we were told that wasn't the case. Madam Speaker, our package of contracts, which raises up to 15 years, is up before the National Energy Board and they will deal with it.

### Burns Meats expansion - guarantee of employment

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

**MR. M. DOLIN:** Thank you, Madam Speaker. My question is to the Minister of Industry, Trade and Technology.

Yesterday there was an announcement of a \$25 million expansion of Burns Meats in Winnipeg and Brandon, of which \$3 million is going to be a conditional loan by the Province of Manitoba. I'd like the Minister to respond on whether or not some of those conditions include the guarantees of increased employment by Burns.

**MADAM SPEAKER:** The Honourable Minister of Industry, Trade and Technology.

**HON. V. SCHROEDER:** Thank you, Madam Speaker.

Yes, I'm very pleased to advise the member and the House that, indeed, the agreement between the

Province of Manitoba and Burns provides for 200 new jobs between now and the termination, in the early 1990's, of the agreement.

Notwithstanding the nonsense spouted by the Member for Sturgeon Creek, the agreement with respect to the hiring of laid-off Canada Packers workers, is contained in the Manitoba agreement with Burns, not in the federal agreement with Burns.

There are, of course, separate agreements. The Manitoba agreement requires that anytime there is an opening at Burns, over the next number of years, during the term of this agreement, there will be at least 72 hours notice to the agency dealing now with laid-off Canada Packers workers, after which there will be another several days of notice and time given to any worker who's been notified during that time, to get in contact with Burns in order to be interviewed for the new job.

We're very pleased with that end of the package.

### Canada Packers laid-off workers - length of agreement re openings at Burns

**MR. M. DOLIN:** A supplementary, Madam Speaker.

The laid-off Canada Packers workers - how long will this arrangement for them to get openings, as Burns continues this development, stay in place?

**HON. V. SCHROEDER:** That condition will apply until June 1, 1993. As well, under the terms of the agreement, there will be a minimum of 850 jobs from the date of acceptance of the agreement. Madam Speaker, this is the Manitoba agreement.

The Member for Sturgeon Creek can find the federal agreement, and I would challenge him page-for-page, clause-for-clause, to show that the Manitoba agreement is not as good an agreement as the federal agreement. In fact, ours is the one that guarantees the minimum jobs; ours is the one that guarantees the 200 new jobs; ours is the one that guarantees that Canada Packers workers are going to have an opportunity to be working at Burns, not the federal agreement. We're proud of that.

### Burns Meats - division of employment between Brandon and Winnipeg

**MR. M. DOLIN:** A final supplementary, Madam Speaker.

I'm wondering if the Minister can advise the House what the division of employment will be between Brandon and Winnipeg.

**HON. V. SCHROEDER:** I will have to take that part of the question as notice. I don't have the exact amount, in terms of employment. There's approximately \$2.7 million in upgrading in Brandon, including coolers, freezers, block-ready operations in rendering facilities, which will be overall completed by 1991.

I'm sorry, I do have the information here, yes. There's about 140 full-time new jobs, that's in addition to the 850 jobs currently existing at Burns, that's at Winnipeg; in addition to that, there will be 60 new full-time jobs created in Brandon, which also, of course, will allow for the laid-off Canada Packers workers to have first opportunity.

So, overall, Madam Speaker, it really does strengthen the packing and meat processing industry in Manitoba. We're very delighted to see this expansion by Burns. We're pleased that we've finally been able to make the announcement public, after some very interesting false starts over the weekend.

### **The Workers Compensation Act - rewriting of**

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

**MRS. S. CARSTAIRS:** Thank you, Madam Speaker. My question is to the Minister responsible for the Workers Compensation Board.

I can understand the Minister's earlier statement that he wants to deal with this very hefty document as a package, but there are three obvious and distinct areas that need immediate promises for reform.

Will the Minister assure both employers and employees that The Workers' Compensation Act will be rewritten as soon as possible, in order that it is understandable to both of those parties?

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

**HON. H. HARAPIAK:** Madam Speaker, as a layperson, and as a person who was at one time an injured worker, and now is the Minister responsible, that's one area I can tell you that we will be rewriting the act so that it is understood by the average injured worker.

### **Workers Compensation Board - initiate training program in human relations**

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

The second glaring difficulty in the report was that there seems to be a total inadequacy of human relations training of the staff at the Workers Compensation Board. Will the Minister require that the Workers Compensation Board immediately begin a program of training in human relations, so the workers working for the WCB can, in fact, deal with injured workers and employers in appropriate fashion?

**HON. H. HARAPIAK:** Madam Speaker, we have had discussions with the Workers Compensation Board and the importance of proper human relations practices, and that area of the Workers Compensation Board we will be addressing very shortly.

### **Workers Compensation Board - new rehabilitation philosophy**

**MRS. S. CARSTAIRS:** Madam Speaker, a final supplementary to the Minister.

The third area of glaring inadequacy was in rehabilitation. Will the Minister indicate today a commitment to a new rehabilitation philosophy based on assessment and skills training and not merely on job search?

**HON. H. HARAPIAK:** Madam Speaker, very clearly the area of rehabilitation is the key to the whole Workers Compensation, that there's a commitment to the area of vocational rehabilitation by industry, by government, by the injured workers, and there's a will to make it work, then that is the one area that is going to be very key in making this whole Workers Compensation one of the best in the country. So there's got to be a commitment on all persons involved in Workers Compensation.

But, as to the cost of it and all that, we will be working in the area of rehabilitation and studying it, we'll see what the recommendation are going to be meaning to the present system.

We're proud of the gains we have made. I think, in 1981, when we formed government, there was no rehabilitation being delivered to the workers. There's been a lot of improvement made in the area of rehabilitation, but there's very clearly a need for more rehabilitation and we will be moving in that direction and we will make a report of analyses very shortly.

### **Special Farm School Tax Assistance Program - length of program**

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

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

The Minister of Agriculture had a news conference this morning to announce some details on the School Tax Assistance Program, Madam Speaker. We're glad the Minister has finally made this announcement, although very little detail was contained in his announcement.

The program relief, Madam Speaker, is long overdue. It's a program that we've been after as a party and as an Opposition for some time. I'd like to ask the Minister: Is this program a one-year program, or is it permanently in place to recognize this inequity over a long period of time?

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

**HON. B. URUSKI:** Madam Speaker, I thank the honourable member for the question, and I wish to advise that I will be asking the Clerk to distribute copies of the details of the program. There are a number of questions and answers, an application form and, as well, a guideline booklet for municipal administrators who will be handling the owner/operator portion of the Special Farm School Tax Assistance Program.

Madam Speaker, it's very clear that Manitobans and Manitoba farmers will be the beneficiaries of this program, and the cumulative effect of the assistance provided by the Minister of Finance in the Budget exceed the amount of money provided for assistance through the regular Property Tax Credit Program; and this special program exceeds the provincial portion of the school tax payable by Manitoba farmers on farmland. The assistance cumulatively provided to Manitoba farmers will be in the neighbourhood of \$27 million, Madam Speaker.

**MR. G. FINDLAY:** Madam Speaker, I would like to ask the Minister, over what period of time is he giving us this figure?

**HON. B. URUSKI:** Madam Speaker, Manitobans certainly will, as they have shown confidence in this government, and will continue to show confidence in this government, the kind of assistance that, in consultation with farmers and farm groups, will continue to be provided as our budget in agriculture has risen from \$35 million when we came into office to over \$85 million this year.

Madam Speaker, the honourable member seems to want to put things in his context and he wants to answer the question that he poses. Madam Speaker, the program that has been announced in the Budget is for this year, it is a one-year program. - (Interjection)- Well, of course, it is, Madam Speaker. My colleagues are reviewing the entire assessment structure, funding to education and, if those changes bring about changes, then there will be changes in this program, Madam Speaker, but clearly the confidence shown by Manitobans to this government will continue the kind of assistance that we provided this year.

**MADAM SPEAKER:** Order please, order please.

### **Special Farm School Tax Assistance Program - do hobby farmers qualify**

**MR. G. FINDLAY:** Given that we believe that part-time farmers should receive benefit because they try to start their farm or maintain their farm during these tough economic times, Madam Speaker, but I would like to ask the Minister, of hobby farmers - people who earn their major income as doctors, lawyers, government workers - do these hobby farmers qualify for the program also?

**HON. B. URUSKI:** Madam Speaker, one has to determine what the honourable member's definition of a hobby farmer is. Madam Speaker, I would venture to say that people who are "hobby farmers" in his statement would be farming small acreages of either a quarter section or less, would in fact not qualify for assistance because, generally, the property tax credit, the \$325 that all property owners receive, will eat up the education tax on their property and they won't qualify. If, in fact, they have holdings larger than the quarter section, generally speaking those would be part-time farmers, and if their school taxes exceed the \$325 annual, they would qualify for some assistance. It depends on the honourable member's definition of who he calls hobby farmers.

### **Swan River housing project - was contract tendered**

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

**HON. M. HEMPHILL:** I took as notice a question from the Member for Gladstone about concrete steps and whether or not there was a tender. The contract in Swan River was for 14 units of family housing. The contract was publicly tendered, Madam Speaker, as appeared in the Winnipeg Free Press, Winnipeg Sun, Brandon Sun, Dauphin Herald, Swan River Report, Swan River Star and Time.

During November general contractors from across the province were allowed to bid on the job and the contract was awarded to Minish Constructionok, a local contractor from Swan River, Madam Speaker. However, government contracts are stipulated fixed-price contracts, Madam Speaker. The general contractor acquires materials, such as, concrete steps from wherever he decides to subcontract them from. Why they chose to buy from Winnipeg, I don't know. I understand that he also has a concrete industry himself and could have probably provided them himself. So the contract is awarded to a general contractor, who then has the authority to decide to whom to subcontract.

**MADAM SPEAKER:** Does the Honourable Member for Virden have another question? I was under the impression he had asked three, but if I was mistaken I'll recognize him once more.

### **Special Farm School Tax Assistance Program - amount to be paid out**

**MR. G. FINDLAY:** Thank you, Madam Speaker. My final supplementary to the Minister of Agriculture is that he has a \$500 ceiling on what farmers can qualify in this program, plus other restrictions.

Madam Speaker, I'd like to ask the Minister if he has determined if the entire \$12 million will be paid out with these restrictions. If it won't, will he raise that ceiling so that the entire \$12 million is actually paid out as a benefit to Manitoba farmers?

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

**HON. B. URUSKI:** Madam Speaker, we expect that the entire amount, in fact, will be paid out.

**MADAM SPEAKER:** The time for Oral Questions has expired.

### **COMMITTEE CHANGES**

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

**MR. A. DRIEDGER:** Madam Speaker, I have committee changes. On the Committee of Municipal Affairs: Brown for Kovnats, and Pankratz for Downey.

### **TABLING OF DOCUMENT**

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

**HON. B. URUSKI:** Madam Speaker, I would like to provide for all honourable members and table the information that I indicated that I was going to ask the Clerk to distribute. I'd like to table a copy of the information for all honourable members on the special farm school taxes.

**MADAM SPEAKER:** Does the Honourable Minister have leave to table his documents? (Agreed)

## COMMITTEE CHANGE

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

**MR. M. DOLIN:** Thank you, I move, seconded by the Member for Elmwood, that composition of the Standing Committee on Municipal Affairs be amended as follows: Hon. J. Storie for H. Smith.

## ORDERS OF THE DAY

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

**HON. J. COWAN:** Madam Speaker, I believe there is an inclination on the part of members to forego Private Members' Hour, by leave.

**MADAM SPEAKER:** Is leave granted? (Agreed)

**HON. J. COWAN:** Madam Speaker, there have been some discussions with members opposite. Has it been agreed to call Bill No. 43, which stands in the name of the Member for Inkster, on page 3 of the Order Paper, as the order of business today? (Agreed)

## ADJOURNED DEBATE ON SECOND READING

### BILL NO. 43 - THE INTERIM APPROPRIATION ACT, 1987 (2)

**MADAM SPEAKER:** Second Reading then, Bill No. 43. The Honourable Member for Inkster, I believe, has 16 minutes remaining.

**MR. D. SCOTT:** Is that all, Madam Speaker? Thank you very much, Madam Speaker.

Madam Speaker, yesterday afternoon I had the opportunity to review some of the comments that were introduced into the Chamber by the Member for Morris, from his address to us yesterday afternoon.

It is with a great deal of pleasure that I rise in my place, once again today, to speak in defence of this Interim Appropriation Bill, and in defence, in general, of the budgetary policy of the province in defending the various tax measures that were brought forward this year. I believe it is with a great deal of honesty that this province, and this government, this Minister of Finance, is presenting to the people of Manitoba a realistic, Madam Speaker, addressing of the financial situation of what the province is in, in relation to the other provinces across the country.

There's a great deal of consistency across the country. One good sign is that due to significant tax increases by the provinces of Alberta and British Columbia, and soon to be expected from Saskatchewan, the taxation rates by province across the country will become much more - or start at least to become more similar, rather than having the diversity and the essential unfairness of comparisons of taxation between Canadians residing in different provinces.

Madam Speaker, today one of the things I wanted to key in on is the points of taxation, in particular, that

have been raised by the provinces to our immediate west, if I could start with the Province of Alberta.

The Province of Alberta has this year increased their basic personal income tax. On top of the basic increase that they brought in, they have further increased their level of taxation on personal income tax with an 8 percent surtax on any provincial income taxes in Alberta paid in excess of \$3,500, as well as a whole new tax somewhat similar to what we brought in in Manitoba this year, although I don't believe quite as progressive, because it's not brought in, from what I understand, as early on the tax forms, but a new flat tax to be levied in that province as well.

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

Beyond that, perhaps the biggest shock for most Albertans was that the province has finally come to its smarts again, and reintroduced fuel taxes for vehicles. For many years, I guess it must be 12 or 13 years now, the Province of Alberta has been without any kind of fuel taxes and when one is making interprovincial comparisons, one saw no revenues at all coming from that component in the Province of Alberta. With the reintroduction of fuel taxes in Alberta, still perhaps at a somewhat lower level than the rest of the country, but at least they do not have that anomaly any further. Certainly it was an unpopular measure within that province, but that government, in biting the bullet, has decided that it can no longer live in a world where all their revenues, or a major portion of their revenues, are going to flow in not from provincial taxes levied but through the Heritage Fund.

This year with the Heritage Fund, not only have they increased taxes in the province to the tune of about \$1 billion, something the Member for Morris yesterday erroneously charged as being ripping that money out of the economy. The money won't be ripped out of the Alberta economy, rather it will be recycled within it.

They also increased health care premiums, probably the most regressive element in taxation in Canada for those provinces that still have health care premiums. There's no progressivity in that whatsoever. The individual families or individuals who are single have to pay the full impact of those levies, and, Mr. Deputy Speaker, the levies that they charge are very, very substantial. For individuals in Alberta, I believe it's some \$432 a year that a family has to pay out for health care premiums.

Here, in Manitoba, of course, those health care premiums are included in our general revenues that the province raises. We don't have a regressive form of taxation like that.

So, in summing up in Alberta, not only did they increase personal income taxes, they also increased corporation income taxes of up to 4 percentage points; 5 percentage points for manufacturing and processing industries, something that the members opposite would absolutely go snakey over if any other government was to do that in this country. They would be referring to it constantly. I think it's probably a responsible move by the Government of Alberta in raising those levies to become more competitive and more equal as they are across the rest of the country.

In the Province of British Columbia, Mr. Deputy Speaker, this year they also raised the personal income

tax. They raised the small business tax by 3 percent, from 8 percent to 11 percent. They also extended the corporation capital tax, as well as increasing health care premiums. And now in British Columbia health care premiums levied on a family are presently \$504.00.

So, Mr. Deputy Speaker, let us not, as the members opposite would like us to, believe that we live in some kind of an island, that the other sister provinces, both east and west of us, are not in similar situations and are not responsibly raising revenues in their jurisdictions as we are in our jurisdiction.

One of the things that is difficult for members opposite - and I guess being in opposition and being in for such a long time, you get used to the role of being a constant complainer, of being able to be on all sides of all issues.

We're nearing a completion of our Estimates process here in this Chamber and in the committee room and how many times have we had request from members opposite to spend more money on the programs that we provide? At the same time they decry any increases in taxation, they decry the level of the deficit - and yet when they get into election campaign, they forget about that all together and say it's not a problem; they say it's not a problem at all. Not a problem.

The Member for Sturgeon Creek, I'm sure he's most comfortable with their last election campaign when the Tories went about the province promising to spend hundreds of millions of dollars of additional expenditures, massive tax reductions, even getting into promising reductions in such things as the rates charged by our Crown corporations providing public services, trying to buy the public's votes with their own money. It didn't happen then, and it won't happen in the future either.

The Province of Saskatchewan, everybody here is fully conversant with the situation that province finds itself in today. After six years of Conservative administration, the Member for Sturgeon Creek says look what they've done to the farmers. What are they going to do to the farmers now when they have lost in their deficit this year, going from the previous years' total of half a billion dollars, rising this year over doubling to over \$1.2 billion.

What are the farmers of the Province of Saskatchewan, when they're in dire straights now, because of a collapse of the international grain market, how are they going to benefit from the Province of Saskatchewan running that kind of a horrendous deficit? Because they are now - before they even bring in the Legislature - they're already increasing taxes. They're doing it by press release. They're starting to cut programs, they're laying people off. They've publicly stated they have a goal of reducing the public service by some 25 percent in the next couple of years.

If you want to talk to some scared public servants, I suggest you go across the boarder of Saskatchewan and ask them what they feel the government is both up to and what they feel about their prospects. Or ask any person in Saskatchewan what the prospects of their province is right now when revenue growth potential is at its lowest ebb in years. And yet the obligations due to the debts that the Government of Saskatchewan has just squandered money in things like their jacuzzi program - well known - their housing improvement program, which didn't have income limits on it; which didn't have project limits on it; anybody

could use the funds; it was just, again, buying people's votes with their own money.

And unfortunately now the people of Saskatchewan are going to wake up to the idea as the people of Manitoba did in the last election when they had the Tories running around the province promising hundreds of millions of dollars of new programs and another hundred or so million worth of tax expenditures and telling them, don't worry about the deficit.

The Tories can no longer have it out of both sides of their mouths, Mr. Deputy Speaker, and the public will certainly keep them very, very much under the microscope. They have to be kept under the microscope. You almost need a microscope to count the people that come out to these public forums they're having around the province. It's interesting. I saw another advertisement today just like the one from Springfield the other day. Now the Member for Roblin-Russell.

It's interesting. They have a big picture of the local member and then dollar signs all around the advertisement. Now I don't know who their copy-set person was, but I'm not sure what they're trying to imply to the people of Manitoba - that the Tories are going to spend all the money? Come hear us and we'll tell you how we're going to spend more money.

I'm not sure what the message is they're trying to get out but they certainly aren't drawing people out to the meetings. They certainly aren't drawing anybody out to the meetings of any significance, and when you take out the MLA's who in some instances have made up half the delegations or half the numbers at the meetings, it's a pretty sparse representation. I don't even know if they're getting their executives at their local constituencies bothering to come out to these farcical meetings which the Brandon Sun called too little, too late.

But let us take another quick look at the Province of Alberta and some of the things they are doing in Alberta along with massive tax increases which, once again, I say were responsible tax increases that the Government of Alberta brought in, even though it did not do it in anywhere near as equitable fashion as we have here in Manitoba, but that itself is defined and one doesn't have to look very hard for the rationale behind that when you look at the Conservative philosophy of taxation versus that of we social democrats.

Before they started their budget process - in fact, in January, the Government of Alberta started sending out messages. Not that funds were going to be frozen but that they were actually going to be reduced to the core programs offered in that province. The Education Minister in Alberta on January 9, through a press release, indicated that Education would get a 3 percent decrease in the Province of Alberta. A 3 percent decrease in their per-pupil foundation grants for basic education. Basic education. And this is what Mrs. Betkowski said in this press release - and I quote: "This government recognizes" - speaking of the Government of Alberta, of course - "the importance of education and the fact that Albertans place a high priority on education for young people. However, our financial situation is such that we simply cannot continue to live beyond our means. With a provincial deficit of approximately 3 billion dollars we have no choice but

to look carefully at all our expenditures and to try and make reasonable reductions. This is a sharp contrast", she said, "to the planning scenarios of reductions of 5 to 10 percent."

So she's telling people, we're cutting you by 3 percent in education as opposed to us here in Manitoba with increases in education, increases in health care. There, they're saying: You should be happy only being reduced by 3 percent, because we really wanted to cut you by 5 to 10 percent, at the same time, responsibly, once again, raising taxes to try and put the provincial budget on better feet.

What I'm somewhat concerned about is what the Tories in their desperation both federally and provincially as well, with their falling fortunes, what they're turning to as one can see with a letter that's just been sent out to Canadians by the Hon. Bill Jarvis. He is a Tory member - I believe he's from Alberta, is he not? - sending out what could almost be hate propaganda, almost be considered that by some people, and sending it out trying to raise funds.

He says: "I want you to help me establish an early warning system to protect and defend Canada from NDP controls, to strengthen the Progressive Conservative Party of Canada." That is a sort of hate-mongering, of fear-mongering that the Conservative Party is going to stoop to, that not only are they going to be 20 percent in the polls nationally - they are going to be falling much below that level.

Because the Canadian electorate know what the New Democrats and their predecessors, the CCF have done in this country. They know the responsible governments they have given Saskatchewan and Manitoba. They know the responsible opposition they have provided in the Government of Canada, in the Province of British Columbia, in most other provinces - in Alberta in particular, with Grant Notley for years and years as the sole member for such a . . . trying to take on as a one-member opposition in that province how difficult it was.

So, in closing, Mr. Deputy Speaker, I ask the members in their debate today, to present us with reason, to present us with fair arguments. Give us criticism but

**MR. DEPUTY SPEAKER:** The member's time has expired.

The Honourable Member for Pembina.

**MR. D. ORCHARD:** Thank you, Mr. Deputy Speaker.

I want to speak as we debate the Interim Supply Bill and I want to point out to my honourable friends in government who believe they are doing such a wonderful job in government, I want to point out some of the realities of what is happening in Manitoba, particularly in rural Manitoba which I represent, and particularly in terms of some of the industries in rural Manitoba - both the manufacturing industries and indeed the farm supply industries, and of course the farm industry itself.

This government believes they are doing a wonderful job. We pose questions on a consistent basis in this House to try to determine answers to policy, answers to various problems facing Manitobans. With the exception of one set of questions I posed yesterday

to the Minister of Health about the takeover of the \$250 million pension fund at MHO for hospital workers paid for by those workers in the member facilities, we have not gotten more than a handful of straightforward answers from any member of this government since this Session started.

Now my honourable friends opposite believe that that is a slick way to answer the questions and that they are getting away with murder but what they don't realize is that that television camera which is in this Chamber for question period, broadcasting question period live, is showing them in their true role to anyone who tunes in question period on the television station, either live or later on in the day when it is re-run.

Manitobans in growing numbers are recognizing that these people never, never answer a question directly - and that they are more interested in providing slick and devious subterfuge rather than getting into dealing with the issues.

Like just a simple question today, Mr. Deputy Speaker, to the super Minister of Crown Investments. This is the Minister that took over the troubled Telephone System and he took it over from a very incompetent Minister, probably the most incompetent Minister in the Treasury Bench - that being the Minister for St. James, now the Minister of Labour - and Mr. Deputy Speaker, we've been asking ourselves on this side of the House, how many mistakes do you have to make as a Minister in this government before the Premier will show some leadership, some courage, and remove you from the Treasury Bench?

We see the Minister of Labour, the man responsible for \$27 million dollars of loss in the Telephone System in Saudi Arabia, now bringing forward a bill, a labour bill, on final offer selection which will be withdrawn by this government.

Now, obviously, this Minister shouldn't serve in Cabinet, but he will - because no one gets bumped, no matter how incompetent, how out of touch they are with the Manitoba people from the Pawley administration's Cabinet, no one gets dropped. Now you know that troubles Manitobans, because Manitobans now recognize that this spending spree, this spending binge, that the Member for Rossmere was on as Finance Minister for over four years, the man who ran up the \$2 billion deficit for the Province of Manitoba has now been retired appropriately from his responsibility as Minister of Finance and has become the \$2 billion embarrassment to the people of Manitoba and to the Pawley administration.

Mr. Deputy Speaker, one would think that after driving the people of Manitoba \$2 billion into debt, the honourable thing for any Premier to do would be to give that individual no Cabinet responsibilities. But no, no, he's still in there attempting to prove some semblance of competence where none exists. Daily in question period, the people of Manitoba watch this group in government not answer questions important to the average Manitoban that this Pawley administration claims they so dearly represent.

Can you imagine, Mr. Deputy Speaker, today, the Minister of Crown Investments, the man in charge of all the Crown corporations, the man who took over the Telephone System from the discredited Member for St. James, this new Minister of Telephones did not allow the Telephone System to go ahead with cellular

telephone service in the Province of Manitoba? Why? Was it because they didn't have the equipment in place? No, Mr. Deputy Speaker, that's not the answer because the Telephone System had invested somewhere in the neighbourhood of \$1.5 million without a business plan under the guise and the direction and the business acumen of the Member for St. James when he was the Minister responsible.

Well, this new Minister came on - this new super Minister of Crown Investments came on - and he said no way, nothing happens on cellular telephones until we have a business plan. No service will be introduced. That capital equipment that's already spent will sit there until we have a business plan.

The Telephone System came up with a business plan. For a \$1.5 million investment, they came up with a business plan. Now he won't table that because it's a competitive enterprise he claims. Well, I want to tell you that is so much sounding the same as his predecessor, the Member for St. James, who would give us no information on the operation in Saudi Arabia because it would jeopardize competitive business operations. While he was withholding that information - the Member for St. James, as Minister responsible - from myself over a three-year period, because of the competitive nature of their business in Saudi Arabia, the Telephone System squandered and lost \$27 million.

Now, this new Minister, the Member for Concordia, the new Minister of Crown Investments, the super Minister, says, well, we can't give you a business plan because it'll jeopardize our competitive business sector. It's the same answer that we got for three years from an incompetent Minister who was forced to resign as Telephones Minister. They say they're putting a brand new face and image on the control of Crown corporations. It's the same old gang with the same old answers, with the same old tricks. No answers and no responsibility for the Crown corporations.

Now, Mr. Deputy Speaker, I find it, and I think the people of Manitoba will find it extremely bizarre that this new super Minister of Crown corps, responsible for the Telephone System, will not allow a \$1.5 million venture on cellular telephones to go ahead in the Telephone System because there is no business plan. Yet the same Minister of Crown Investments, the Premier and the Minister of Energy and Mines will not table a business plan by which this government is going to investment maybe \$150 million, maybe more, maybe less, we don't know, but \$150 million into the takeover of Inter-City Gas using taxpayer money. They don't have a business plan for that. I find that absolutely incredible to believe. The level of incompetence still exists and is growing over there.

I simply ask my honourable friends over there: What are you hiding from the people of Manitoba in that you will not table the business plan by which you are alleging these savings to the people of Manitoba by you as the NDP Government, the nationalizing government of the Province of Manitoba, taking over the gas company? What are you afraid of telling the people of Manitoba by tabling that business plan?

Well, you know why it won't be tabled, Mr. Deputy Speaker, because no business plan exists. They have not done even a rudimentary business plan on this takeover. They haven't so much as written out a few figures on the back of a cigarette package.

**A MEMBER:** Oh, they might have done that.

**MR. D. ORCHARD:** No. My colleagues say they might have written out a little business plan and done some calculations on the back of a cigarette package. No, they haven't even done that, Mr. Deputy Speaker.

And we are being asked to approve legislation and allow this government to go ahead with the takeover of Inter-City Gas when they won't have a business plan they can table to show the people of Manitoba that they're telling the truth about the benefit to Manitobans? I mean, if this is such a great deal for the people of Manitoba, and I was sitting in that incompetent government, I would be pleased to table a business plan showing these great savings.

But you know what they're afraid of? No. 1, the business plan doesn't exist, it's never been worked up; but, No. 2, if it ever was to be tabled, it would be shot so full of holes so quickly that their grandiose claims would be proven to be more falsehoods emanating from the mouths of incompetent NDP Cabinet Ministers. That's why they will not see a business plan tabled.

You know, Mr. Deputy Speaker, we'll debate the bill on the ICG takeover and we'll debate it shortly. But you know what I suspect? I suspect that the shareholders, the senior management in Inter-City Gas, are laughing up their sleeves right now. Here they are as a company in the Province of Manitoba with a monopoly - a profitable monopoly. They are facing a business climate in this province which is the worst in Canada; the tax regime is amongst the highest in Canada. Those shareholders and senior executives in the Inter-City Gas Corporation probably were contemplating seriously getting out of the Province of Manitoba because this is an antagonistic government.

Now this government comes along and nationalizes them, pays them whatever they demand for the corporation, and they laugh all the way to the bank. They don't have to seek a buyer. They simply go to this group of incompetent NDP Cabinet Ministers and allow them to be expropriated. I mean expropriated using the taxpayers' cheque book without a business plan to get out of a province with the worst business environment in Canada and take that money and invest it in the Albertas, the Saskatchewan, the Ontarios, where business is welcome.

You know, Mr. Deputy Speaker, I simply pose the question: How many other businesses are out there in the Province of Manitoba that are just waiting to be nationalized by this socialist government? They are lining up. They would love to have this government nationalize them so they could take their money, turn the business over to the government, get out of here and go to some province where they are welcome, where their job creation is welcome, where their investment is welcome, because this government has demonstrated it's anti-business, it's anti-professional, it's anti-risk taker and it hates anybody who earns more than \$20,000 a year. Those are the "evil rich people" who they have to take to the cleaners in this budget and that's exactly who's paying.

That's who's paying the 2 percent surtax; that's who's paying the 10 percent increase in Hydro; that's who's paying the extra sales tax; and if those 20,000 wage-earner Manitobans want to save some money on their

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electric bill, which has gone up by 10 percent, by buying insulation or triple pane windows for their house, this group of caring, sharing and loving New Democratic Cabinet Ministers are taxing them 7 percent on those energy saving devices. I mean so much for the Minister of Community Services' version of sharing, caring and loving each other. We'll love them as long as we can pick their pockets and tax them to death - that's sharing and caring in the Minister of Community Services' best, best way.

Mr. Deputy Speaker, I didn't mean to get off on a description of the total ineptness of this government in handling Crown corporations. I want to talk about a very serious matter concerning rural Manitoba. Not that the squandering of tax dollars and Crown corporations isn't a serious matter, and it isn't going to be fixed by the super Minister of Crown Investments, because he doesn't even have a business plan for the gas company takeover. This Minister does not even have a business plan for Inter-City Gas. No business plan for Inter-City Gas from the super Minister of Crown Investments.

Mr. Deputy Speaker, in a momentary lapse of my normal parliamentary dignity, some two weeks ago, when we were questioning the super Minister of Crown Investments, when he couldn't answer any questions, when he didn't know what he was doing, when he didn't know what his department was doing, I nicknamed him the "super dud" - not the super Minister. I apologize to him for that slip of my normal parliamentary courtesy that I display to him.

But, Mr. Deputy Speaker, in rural Manitoba right now, the farm community, the supply industry that is supplying fertilizer, chemical, machinery parts, new machinery, used machinery to the farm community is hurting. We have seen a record number of closures of farm machinery dealerships in this province and, as in the AIDS crisis, we are only seeing unfortunately the tip of the iceberg in these closings.

Go to Swan River and you will see the largest equipment dealer in the valley has just closed its door. That, Mr. Deputy Speaker, was before the Budget came down, before the implication of this Budget on those kinds of businesses. Mr. Deputy Speaker, that equipment firm was doing quite well, thank you very much, in 1981 when we were in government. But five years later, after a New Democratic Party Government in this province, under the present Premier and leadership, that business is now defunct. It's gone. It has gone broke because this government has ruined the economy of Manitoba outside of the City of Winnipeg. Absolutely ruined it and devastated it.

Mr. Deputy Speaker, my honourable friend, the Member for Swan River, sits over there and laughs about those statements. I don't suspect he would be laughing in front of a meeting of those employees of that machinery dealership, laughing at them at their loss of jobs. I don't think he would be and I don't even think the Minister of Crown Investments, who doesn't get out of Winnipeg very often, would laugh at those same employees who have lost their job because of the economic climate created by an NDP Government for five years in rural Manitoba.

Mr. Deputy Speaker, why are farmers in trouble? Farmers are in trouble because this government has failed to support the public education system. And they

have driven taxes, education taxes, up an inordinate amount that farmers are finding that education tax is the straw that breaks the camel's back.

Do you know, Mr. Deputy Speaker - (Interjection) - oh, well - to the Minister of Crown Investments - I'll get to the prices in a few seconds if you would just close your mouth and be a little patient. I'll get to that.

But, Mr. Deputy Speaker, I have gone through my farm books at home because I still actively farm. And, Mr. Deputy Speaker, do you know that the only area that has not decreased in terms of my expenses, my input costs, over the last four years is education taxes, which is provincial; hydro rates, which is provincial; telephone rates, which is provincial.

Do you know what, Mr. Deputy Speaker? Those evil, multinational, money-grubbing, horrendous giant oil companies have lowered their prices so my fuel costs are cut by a full 35 percent. Do you know that those same horrendous multinational fertilizer companies have dropped the price of fertilizer so it's down by 25 percent over the last three years? Do you know that those same horrible chemical companies, multinational, have dropped their chemical prices?

Those oil giants, those chemical giants, those fertilizer giants that have been responsible for all of the evils in our capitalistic society - according to New Democrats - those evil multinationals have lowered the price of my inputs on my farm so I could afford to carry on. But who has raised the prices to me? It's these caring, sharing New Democrats that have been in government for five years.

I'll reiterate again: sales taxes is up; property taxes are up because of education and lack of support of not only the school system but the municipalities; the telephone costs are up because of the incompetence of a successive group of telephone Ministers; hydro rates are up because of the removal of the hydro-rate freeze; my cost of insuring my farm vehicles is up because of the incompetence of the Member for Gimli as Minister responsible for MPIC - the man who gave us \$58 million of loss in a publicly-owned monopolistic Crown corporation. Can you imagine the incompetence of that Minister to lose \$58 million in a monopoly Crown corporation where there is no competition? Think of what they'll do with the gas company, Mr. Deputy Speaker. They had a monopoly in the Telephone System and they dropped \$27 million with their incompetence. Think what they'll do with the gas company!

Mr. Deputy Speaker, how many more examples do I need to go through before it becomes clear to these people who call themselves government that they are the reason farmers are going broke in rural Manitoba?

The Federal Government, through income support programs, has poured billions of dollars into the Province of Manitoba, and I will be the first one to stand up and say that some of those programs are not sufficient, the billion dollar Special Grains Fund is not sufficient. I'll readily admit that and I will offer that as a criticism to the Federal Government. But my Lord! Mr. Deputy Speaker, it is gigantically forward compared to the steps backwards of the New Democratic Party and their Minister of Agriculture who have done nothing to support the farm community and the agricultural community of rural Manitoba.

Mr. Deputy Speaker, I just want to go through before the Minister of Agriculture takes leave, because I know

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he's a busy man; but this Minister promised us in the Budget a tax relief to farmers in the form of a \$500 education tax relief to farmers in rural Manitoba, and he made some pretty wild and exotic claims in that Budget, aided and abetted by the Finance Minister.

Well, Mr. Deputy Speaker, we finally have that program in front of us, and I'm pleased that he at least brought it out before the municipal meetings, because when this program hits the municipal meetings, I dare say all hell will break loose among the municipal councillors.

Now my honourable friend, the Minister of Municipal Affairs, sort of chortles from his seat. I expect that from him because he doesn't know what goes on in the municipal associations of Manitoba. This man doesn't know what goes on in a monopoly Crown corporation he runs. Why would we expect him to know what's going on in his department?

Mr. Deputy Speaker, we've been posing the question to the Minister of Agriculture and the Minister of Municipal Affairs: If you rent land in addition to what you own, will you receive \$500 of education tax credit on that rented land? Well, we never got an answer. We asked the question: If you are a landowner in the Province of Manitoba and you have that farm land rented out to your son, and you were relying on the land rental for your retirement income, will you receive the \$500 tax credit? The Minister never gave us an answer. He was afraid to. But now he has, because, Mr. Deputy Speaker, this Minister has misled the people, the farming community in Manitoba on this issue. Mr. Deputy Speaker, this Minister will now find that this is the last straw to destroy any semblance of credibility he had amongst the farm community.

**MR. DEPUTY SPEAKER:** The Minister of Agriculture on a point of order.

**HON. B. URUSKI:** Mr. Deputy Speaker, I ask the Honourable Member for Pembina to withdraw that comment. When he raised that question with me, I told him that the principal objective of the program was to deal with owner-operators. To impute a motive that I misled someone, Mr. Deputy Speaker, I ask him to withdraw that remark.

**MR. D. ORCHARD:** Was that a point of order, Mr. Deputy Speaker?

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. DEPUTY SPEAKER:** It is a rule in this House that members cannot impute motives on other members.

**MR. D. ORCHARD:** Mr. Deputy Speaker, I did not impute any motive. I simply stated the bare facts of which this Minister has done - the bare facts. Because, Mr. Deputy Speaker, when the Budget was introduced by the Minister of Finance, and in subsequent questioning, there were a number of grandiose claims made by this Minister and the Finance Minister. First of all, the \$12 million would be expended. Secondly, that farmers . . .

**MR. DEPUTY SPEAKER:** On the same point of order.

**HON. B. URUSKI:** Mr. Deputy Speaker, I have been accused of misleading this House and the farmers of

Manitoba. Mr. Deputy Speaker, I have not misled anyone, and I ask the honourable member to withdraw those comments.

**MR. D. ORCHARD:** Mr. Deputy Speaker, when this government made the claims in the Budget and this Minister tried to answer questions, he was attempting to tell the people of Manitoba, the farm community, that there were these benefits for them. Those benefits don't exist, Mr. Deputy Speaker. They simply don't exist because this Minister did not deal in a truthful fashion with this program.

**HON. B. URUSKI:** Mr. Deputy Speaker, I ask the member to withdraw the comments of "misleading." He may wish to debate a difference of facts, but when he accuses someone of deliberately misleading this House, Mr. Deputy Speaker, he knows that those comments are unparliamentary. I ask him, as a member of this House, to withdraw those comments.

**MR. D. ORCHARD:** Mr. Deputy Speaker, with all due respect to the Minister of Agriculture, maybe he did deliberately mislead the people of Manitoba, but I didn't accuse him of that. I said he was "misleading" them, not deliberately, because maybe he didn't know he was doing it. But now he, himself, says he was "deliberately misleading" them. I'm not withdrawing something I did not say.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. DEPUTY SPEAKER:** Order please.

According to the Rules of the House, there is a distinction between "mislead" and "deliberately mislead." If it is "deliberately misleading," that will be unparliamentary and should be withdrawn. If it is just "mislead," it may or may not be parliamentary, depending on the context.

On the same point of order.

**MR. M. DOLIN:** Thank you, Mr. Deputy Speaker.

I would suggest that it was my hearing very clearly that the Honourable Member for Pembina did accuse the Minister of Agriculture of misleading, that he did imply it was deliberate. I would suggest, Mr. Deputy Speaker, that you review Hansard to see what was actually said and make an appropriate ruling once Hansard has been reviewed.

I am certainly of the very distinct opinion that the Member for Pembina has broken the rules and should withdraw and apologize.

**MR. D. ORCHARD:** May I continue with my . . .

**MR. DEPUTY SPEAKER:** In the absence of the word, "deliberately," I rule that the word "misleading" is not necessarily unparliamentary.

The Member for Pembina.

**MR. D. ORCHARD:** Mr. Deputy Speaker, I deeply regret that this Minister of Agriculture indicated that he was deliberately misleading. I never made that accusation of him, but he put in on the record himself. And, Mr. Deputy Speaker, that is exactly the problem we have

with this Minister of Agriculture. The farm community no longer trusts him as a representative of the New Democratic Government. And when they see the details of this \$500 education tax refund program, they will find out that once again, wrong information, wrong impressions were left by this government.

Mr. Deputy Speaker, I in no way can say - because you would rule me out of order - that their initial presentation was designed to deliberately mislead the people of Manitoba. I can't say that. But I want to assure you, Mr. Deputy Speaker, that is the impression that's left in the farm community of Manitoba.

And I will give you any number of examples of why this program is a farce and a sham. First of all, I do not believe you will spend your \$12 million, and secondly, in the second line underneath that, you mentioned that this will provide over \$27 million of tax relief. Well, what they fail to say is where the other \$15 million comes from is the property tax credit. I mean what kind of double-speak, newspeak, double-talk are we getting from this group?

What it is, Mr. Deputy Speaker, this kind of manipulation of the facts is designed to do nothing but appeal to the City of Winnipeg and give the impression that there is something being done by this group in the New Democratic Party for rural Manitoba and the farm community, because most people in the City of Winnipeg agree that the farm crisis is serious enough that governments should act.

And so people in the City of Winnipeg actually believe you may be doing something for the farm community, but let me assure you, you're not. You talk about the amount of tax relief this will provide, it is minuscule. And you know where the maximum tax relief will be provided to farmers? It'll be to farmers in New Democratic Party constituencies. The farmers south of No. 1 Highway, who farm in excess of four quarter sections of land, which is not a large farm by today's standards, will receive the minimum benefit from this. They are paying the maximum school taxes, and they receive the minimum benefit.

In my municipality - and it's not unique, because it covers a whole group of municipalities in South Central Manitoba - the education tax is \$500 per quarter section. Now we have farmers, to have an economic unit, must own and/or rent a minimum of six quarter sections. And what does this government do to help them in Southern Manitoba? Gives them the rebate on one-sixth of their land base, and if they're larger farmers, some farmers - oh, horror of horror - are large - they're big farms, and bigness is hated by the New Democratic Party, they might have 10 or 12 quarter sections of land, they are paying \$5,000 to \$7,000 of education tax, but because they're in Tory constituencies south of No. 1 Highway, they get \$500 tax relief, the same tax relief that will be given to a two quarter section farmer in the north end of the Member for Swan River's constituency.

And that is fairness and equity NDP style. If it happens to benefit your constituent, you do it. If it can be at the disadvantage of anybody in southern Manitoba, you do it. You pillage Southern Manitoba for the benefit of your ridings in the City of Winnipeg. That's what we call a caring, open, sharing government.

I want to tell you that there are many disillusioned Manitobans out there that say the only thing you care

about is supporting your union friends - the Bruno Zimmers, the Bernie Christophes. I mean, you even bring in legislation that you shouldn't have called An Act to amend The Labour Relations Act; you should have called it the Bernie Christophe Relief Bill, because that's what the final offer arbitration is all about. That's a bill to bail out Bernie Christophe. The only problem is, these boys and girls in the government have underestimated the power of the unions and they're going to withdraw that bill. They're going to withdraw that Bernie Christophe relief bill.

Mr. Deputy Speaker, you know, my honourable friends over there are operating in a mental vacuum. They've always operated in a business vacuum because not one of them has ever risked a dollar in investment in business.- (Interjection)- With all due respect to the Minister of Natural Resources, I suspect he might fit into that category called hobby farmer because I believe he was principal of a high school in the Swan River Valley. Well, if he's proud of being a hobby farmer, so are many doctors and other professionals who are hobby farmers. I say, absolutely great, but don't tell me that you're entertaining - you're all of a sudden a businessman.

**MR. DEPUTY SPEAKER:** The Minister of Natural Resources.

**HON. L. HARAPIAK:** I would just like to have the record show clearly that I was a school principal and very proud of it. I gave up a solid career in education to pursue farming on a full-time basis in the spring of 1981 and undertook the same kind of risks in agriculture as some of the members opposite did.

**MR. D. ORCHARD:** Mr. Deputy Speaker, just to make the record completely complete, that was the year that the honourable member ran and was defeated in the election. Then, to reinforce, the next time that he withdrew from his profession of teaching was the time when he got appointed as chairman of Autopac, MPIIC - chairman of the board for \$40,000 a year to pay his election expenses while he resigned as a teacher. He was on the government dole then; he's on the government dole now; he never has been a businessman; he never will be.

**HON. L. HARAPIAK:** Mr. Deputy Speaker, I think it should be pointed out for the record that the Member for Pembina is totally incorrect in the statements that he has put on the record. I did serve in my capacity as a chairman of the Manitoba Agricultural Credit Corporation, and for a period of six months, I served, just prior to the election of 1986, as chairman of the Manitoba Public Insurance Corporation.

**MR. DEPUTY SPEAKER:** A dispute as to a statement of facts is not a point of order.

The Member for Pembina.

**MR. D. ORCHARD:** Mr. Deputy Speaker, the more this man talks, the more he gives us targets. MACC, under his chairmanship, was a disaster and it's a disaster today. It's tougher than any lending institution, any evil bank or any evil credit union and that's part of the

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legacy of having him as chairman of MACC. Mr. Deputy Speaker, he mentions that for six months he was on the dole from the New Democratic Party as chairman of MPIC while they were covering up \$36 million of reinsurance losses from the people of Manitoba prior to the election. Is he proud of that cover-up as chairman of the board? Now, obviously he is, Mr. Deputy Speaker - obviously he is.

So, you know, I welcome more points of order from the Member for Swan River. He's a delight to get on the record as to how he's helped this government cover up, shred documents, whatever, Mr. Deputy Speaker.

Mr. Deputy Speaker, the NDP don't appreciate what they have done in this Budget to Manitoba business, to the farm community and to those businesses in rural Manitoba supplying the farm community.

Mr. Deputy Speaker, one might ask what does something as infinitesimal as the payroll tax do to a farm machinery dealership in the Swan River Valley? Well, Mr. Deputy Speaker, many businesses and I know if the Member for Swan River wanted to be a little bit forthright with the House, he would be able to tell us of businesses in the Swan River Valley that have told him that with a 50 percent increase in the payroll tax they will be laying off some workers. He would be able to tell us that if he was forthright with the discussions he's had with the business community. If he can't tell us, then he's not in touch with them, because that is what is happening in the Province of Manitoba.

Businesses in rural Manitoba that depend on agriculture can no longer afford to pay that payroll tax which is a tax on salaries. Before any profit, before any employee is paid, this tax must be paid. By the fact that it's been increased by 50 percent, people are laid off and it contributed to the closing of businesses in rural Manitoba as did the hydro rate increase, as did the sales tax increase.

Mr. Deputy Speaker, we now have another incompetent Minister, unfortunately a brother of the Member for Swan River, now in charge of the Workers Compensation Board, where we find out through the King Report that the deficit in the Workers Compensation Board is not \$84 million, it is \$184 million.

Now, Mr. Deputy Speaker, let us put that in perspective. In 1981 - well, I'll go back even further; I'll go back to 1977. In 1977, we formed government and we took over operations of the Workers Compensation Board and we didn't significantly change basic policies over there, but we did do a review, we did offer additional benefits in WCB from 1977 to 1981. We in fact, Mr. Deputy Speaker, improved upon the system we inherited from the Schreyer Government. Now we improved upon it from 1977 to '81, but in 1981, that system, the WCB system, had a surplus of \$35 million to \$36 million.- (Interjection)-

Well, you know, Mr. Deputy Speaker, the Member for Thompson is chirping from a seat beside the incompetent Minister: what about the workers? Well, what about those workers under Schreyer? We improved the benefit package to them. Are you saying that the Schreyer administration, an administration with the Member for Brandon East, the Member for St. Boniface, the Premier and others in it, were pillaging the workers at that time?

**MR. DEPUTY SPEAKER:** Order please, order please.

The member's time has expired.

**MR. D. ORCHARD:** Including the time deducted for the points of order, the phony points of order?

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. DEPUTY SPEAKER:** I seek the advice of the Clerk because there is a distinction between question period where we deduct the time used and this is not question period, this is debate.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**MR. DEPUTY SPEAKER:** It is the practice of this House that it's only in question period that we deduct the time spent for points of order.

The Member for Arthur.

**MR. J. DOWNEY:** Thank you, Mr. Deputy Speaker.

I would, first of all, in my speech recommend to you, Sir, that you look back at what has happened in previous times, because it is my understanding that there is additional time allowed for the speaker if he's been interrupted on a point of order, Mr. Deputy Speaker. I would advise or suggest that you take a look at what has happened. I would hate to think that a member's time would be deprived because of the trivia of interjection of the Minister of Agriculture or any member of the government.

Mr. Deputy Speaker, I rise to speak today on Interim Supply at a time in our provincial history which I think is an extremely important time, particularly when we're dealing with the request of this government for the massive amount of taxpayers' money that it is asking for.

Mr. Deputy Speaker, we have seen a massive increase in demands put on the taxpayers by the Government of Manitoba, by the New Democratic Party. In fact, Mr. Deputy Speaker, when one looks at the record, in 1981, every individual in the Province of Manitoba was carrying a provincial debt share of some \$4,000.00. Just a period of six years later, that share of provincial debt had gone up to \$9,500.00.

We still have, Mr. Deputy Speaker, unfortunately, an NDP Government in office and probably will have for three more years, unless they screw up their courage and go to the people on such an important issue as delving them deeper into debt with the setting up of another Crown corporation.

Look at that, Mr. Deputy Speaker, what will happen by the year 1995? They more than doubled the debt in the last six years. I believe by 1995, Mr. Deputy Speaker, that's eight years - let's come back to 1993, let's add six on to 1987 - another six years, at the rate that this government is going, let's take a look at the debt that will be carried by each Manitoban at that particular time.

Because my colleague, the critic of the Department of Finance - and I hope the Minister of Finance is listening because this is the trend that we're going - that my colleague, the Deputy Minister of Finance has indicated -(Interjection)- the deputy critic has indicated - I don't know what the Minister of Finance finds so humorous about it . . .

**HON. E. KOSTYRA:** It's his promotion. You just made him Deputy Minister of Finance.

**MR. J. DOWNEY:** Well, Mr. Deputy Speaker, with the greatest of respect for the current Deputy Minister, we wouldn't do that badly with this member as well.

Mr. Deputy Speaker, I say this, and I hope that the members of government listen, and my colleagues listen: Where are we going to be at in 1993 with the per capita debt that's on the backs of each taxpayer in the Province of Manitoba?

**A MEMBER:** Where are we going to be?

**MR. J. DOWNEY:** Where are we going to be? My colleague has asked the Minister of Finance to lay before the public what his plan is for five years, where is he headed. We aren't headed to reduce the deficit with the actions that this government is taking. We aren't putting anything in place, Mr. Deputy Speaker, that would expand the tax base to generate more revenue from. We are just continually seeing the heaping on of the backs of taxpayers, continuing to use the tax system that's there, and increasing that tax on those individuals.

We're not broadening the base; we're doing nothing to get new sources of revenue other than using those same taxpayers. Let's use the numbers that we have, \$4,000 per capita in 1981; by 1993, using the same multiplier effect - and it's much greater when you get into the larger numbers - we will have a doubling again of the \$9,500 per capita. Can you imagine that every Manitoban, by 1993, will have a \$20,000 per capita provincial debt on their shoulders?

I would like them to stand up and tell me that I'm wrong.- (Interjection)- Well, the Minister of Health, who is the biggest hypocrite in the whole place, I'm surprised he hasn't switched over to sit with the Liberal member of the House now, to go back to where he came from when he was in here, because it was his decision to join the socialists that has put us into this debt.- (Interjection)-

Mr. Deputy Speaker, the point is - and I hope the Member for Inkster will sit down and seriously consider the legacy that he's leaving to his children and to his constituents' children, by 1993. Does he disagree with me that there will be a \$20,000 per capita debt on the shoulder of each Manitoban at the rate we're going by 1993? And is he proud to leave that kind of debt or give that kind of debt? He says it won't be. Well, tell me, Mr. Deputy Speaker, how it will be?

Mr. Deputy Speaker, the Minister of Finance is asking for \$1.7 billion, or approximately, in this bill. Well, he'll get it. The bill will pass and they think it's just a matter of putting in time, that they have to listen to us and we'll just pass it anyway. Well, it will pass, but I'll tell you, Mr. Deputy Speaker, there are some other issues that are out there before the public than what we're debating today. And it's some of the ill-conceived legislation that the Attorney-General is forcing the Minister of Health to vote on. It's some of the ill-conceived legislation that the Attorney-General is forcing the Members for The Pas and Swan River to vote on. Their priorities, Mr. Deputy Speaker, are not financial at all. Yes, they're forcing.

My colleague from St. Norbert yesterday truly indicated - he gave an excellent speech as to how they were being forced into voting or giving up their rights to support the wishes of the Attorney-General. That's precisely where it's at, and I think, Mr. Deputy Speaker, they should come to their senses.

Mr. Deputy Speaker, the government is talking about buying or expropriating Inter-City Gas. Not expropriating, a friendly takeover. Well, my colleague from Pembina put it very well. He said, I'm surprised that there weren't hundreds more businesses lined up the next day to sell to the province with the business climate that's here. Who wouldn't want to be taken over by the government with the environment that they have created and the tax load that they put on every individual? I'm sure there would be a line-up of companies that would give in to this government rather than be continually raped of their tax money as this government have been raping them. The Minister of Finance is the biggest culprit in the province as far as that's concerned.

Mr. Deputy Speaker, let's just stop one minute and look at some of the record, and this is why the public are phoning in, this is why the public are contacting us. The public isn't against lower gas prices for their homes. One would be foolish to think that any politician would stand up and say that we're for not having lower gas prices. The Member for Lac du Bonnet is a smart enough politician to know that. Nobody would be against lowering gas prices for consumers, but Mr. Deputy Speaker, the problem is there hasn't been one bit of assurance given from this government that that in fact will happen. It is all a dream. It's a dream of the Minister of Energy and Mines, the Premier, that all at once they see what appears to be a popular political issue to run and get favour with the electorate because it's going to lower their gas prices.

Well, I talked to a colleague of mine earlier today and I'm going to recommend to the constituencies of this province that there's a comparison that should be made. There's a direct comparison that should be made. Anybody that uses gas in their houses should compare their last few years' gas bills to see how much increases they've had in their gas prices. They should also take their hydro bill; they should also take their telephone bill; they should also take their Autopac and their public insurance bill and compare the increases that have taken place.

I would recommend that every taxpayer in the province do that, that they say my hydro has gone up, since the Tories were in, X dollars. -(Interjection)- The comparison is for the Member for Inkster who has a hard time catching on. We're seeing what in fact the Crown corporation, Hydro, has done.- (Interjection)- Mr. Deputy Speaker, the Member for Inkster is trying to deflect what I'm saying. What I'm saying is compare your utility bills, those controlled by the Crown corps. and those controlled by the Inter-City Gas. The member says it's a false comparison because there's a surplus of gas.

Mr. Deputy Speaker, I'm of the understanding we've had a surplus of hydro. We've had a surplus of hydro, and what's happened to our hydro bills? Have they stayed constant? No, Mr. Deputy Speaker, they've gone up too. And if he'd stop and listen once, he may learn something.

**A MEMBER:** You're comparing apples and oranges.

**MR. J. DOWNEY:** Mr. Deputy Speaker, I'm not comparing apples and oranges. I'm telling him, compare the Crown corporation utilities and the rate of increases to the private sector utility services. That's all I'm asking him to do.

I'm saying Hydro have a surplus, natural gas was in surplus, so it's a fair comparison.- (Interjection)- Well, he wants to be so thick-headed and not pay attention. That's fine; that's why the province is in the state that it's in. But I'm not going to waste my time with a lightweight like that, Mr. Deputy Speaker. I'm going to continue on with my comments.

Let's look at the record of the province in the handling of Crown corporations. The Member for Lac du Bonnet, I'm sure would agree that there's been a tremendous amount of loss in most of the Crown corporations. Manitoba Telephone System, look at the ManOil, Manfor, Flyer Bus, MPIC, Communities Economic Development Fund.

Every time we turn around, Mr. Deputy Speaker, the public are having to pick up the mismanagement and the loss of money in crown corporations. That, Mr. Deputy Speaker, is why the public are so nervous and concerned about again, another public takeover. It's not cause they don't want lower gas prices, everybody wants lower gas prices, Mr. Deputy Speaker, that's a fair and laudable objective. But, Mr. Deputy Speaker, nobody is proving to them that it can be done. The Minister of Mines and Energy loves to keep the cards close to his chest, he goes out and he says, we've got long term contractual agreements. Yes, but they're at the National Energy Board, and we can't do anything that might upset that. The rules say that we can't disclose it. Very convenient, Mr. Deputy Speaker. Very convenient.

I tell you, they'll have a tough time with the record that they have selling to the public of Manitoba another Crown corporation.

**MR. M. DOLIN:** No problem.

**MR. J. DOWNEY:** Well, the Member for Kildonan says "no problem." I would suggest, Mr. Deputy Speaker, the honourable thing for the Premier to do if he's sure he's on the right path - he didn't tell the people of Manitoba last March that he was going to nationalize or take over a gas company and set up another Crown corporation. The public didn't know at that time of the massive losses in all the other Crowns. Maybe he should put it to the public. Maybe he should call an election and see if he has the mandate to proceed.

**A MEMBER:** What about Mulroney and free trade. . .

**MR. J. DOWNEY:** Well, Mr. Deputy Speaker, I'll tell you if we'd had a little tighter controls on free trade a few years ago, the Member for Kildonan wouldn't have been here. I think if we'd had a tighter border policy we wouldn't have had -(Interjection)- That's right; that's the other thing. We got him free; we didn't even have to trade anything to get him.- (Interjection)- At least mine didn't come out of some jungle someplace. No reflection on anyone else, I just told him where mine didn't come from.

Mr. Deputy Speaker, I'm dealing with a matter that I think is so important to the public and that is the taxpayers being asked again to foot another bill, another experiment by the socialists and I think that it would only be incumbent upon them to go to the public and get a mandate to do it. I don't see there's anything wrong. Look what's happening in Western Canada with some of the new party developments.

**A MEMBER:** . . . happening in England today.

**MR. J. DOWNEY:** Yes, they get extremely upset, Mr. Deputy Speaker, of governments not paying close enough attention to the electorate. Well, I say there's one way that they could get the message from the electorate and to find out how popular they are in the polls because they continue to say that they're really popular with the people. Let's find out how popular they are and see if they have a mandate. I would have no trouble, Mr. Deputy Speaker, in going to the people on an issue such as this and putting our position forward.

I want to, as well, talk briefly about how the public feels on government in business because, again, there are no assurances that what they say will happen, will happen. The Premier's credibility, when it comes to dealing with the gasoline prices in the Province of Manitoba is a good example.

They were promised, they were told during the election of 1986 that there would be in fact a lower gas price implemented by the Premier of the province. He made a lot to do about it, Mr. Deputy Speaker, as they're making a lot to do about the prices of gas for the homes right now. But what happened with the price of gasoline for your automobile? How much did it go down, Mr. Deputy Speaker? How much responsibility did this Premier have in making it go down? No. 1, it didn't go down, because he wasn't able to make it go down. He failed in that effort, Mr. Deputy Speaker, as I am sure that the same path is going to be struck on the path that he's on now, only this time the taxpayers will have the opportunity to put in massive amounts of money to support their ideology and their approach to trying to do it.

Mr. Deputy Speaker, how many Canadians remember what Petro-Canada was going to do for the consumers of gasoline and oil products in this country? Petro-Canada was Pierre Elliott Trudeau's national dream to lower fuel prices or to make sure that nobody was ripped off. Who has pulled into a Petro-Canada station that has bought cheaper gasoline than they'd buy at any of the other ones?

**A MEMBER:** Why did they expand it?

**MR. J. DOWNEY:** Why did they expand it? Because it was an ill-conceived policy decision of government. They bought Petro-Canada and Petrofina for the purposes of an ideology not to lower prices.- (Interjection)- The Conservatives, to my knowledge, did not add to it. In fact, I remember a policy of Joe Clark was to sell it. If I remember correctly, it was his policy to sell it.- (Interjection)- Well, probably they added to it. The only ones that I know added to it was again the Liberals when they bought their friends out of Petrofina.

How do we know how many friends of the government are involved in any of this deal? How do we know, Mr. Deputy Speaker, how many colleagues, how many friends or businesses of colleagues in this House aren't involved in some way in what's going on right now? How do we know that?

Mr. Deputy Speaker, I don't think the public have been sold that the sole answer to lower prices is through Crown corporations. I'm not opposed to Crown corporations. Goodness sakes, the Progressive Conservative Party, it's very clear on the record as to what they've done as far as Crown corporations are concerned. The Manitoba Telephone System, no trouble; Progressive Conservatives set up the Manitoba Telephone System. Who set up the Manitoba Agricultural Credit Corporation? Progressive Conservative Party under the Duff Roblin Government. Who set up the Manitoba Crop Insurance? The Progressive Conservative Party under the Manitoba, Duff Roblin. Yes, Mr. Deputy Speaker, who set up all those Crown corporations? It was Progressive Conservatives that set up a lot of Crown corporations.

I make no apologies, Mr. Deputy Speaker, for being involved in a party when it comes to the best interests of the taxpayers. I'm not opposed to that. But I'll tell you, Mr. Deputy Speaker, we didn't have the horrendous debt on the taxpayers that these people have imposed on them, and yet, shove more onto them. We were in a lot better financial condition, as taxpayers and the province was, at that time. Yes, Mr. Deputy Speaker, we were in a lot better financial condition.

We didn't do it for the thought of trying to help the party politically, as is the objective of these people. These people stand and say it's their objective to help who? Yes, the average Manitoba. Who do they think they're taxing every time they increase taxes? The average Manitoban, that's who's paying. Everyone is sharing their misery equally, that's really what their policy is . . .

**A MEMBER:** That's socialism.

**MR. J. DOWNEY:** That's socialism. Everyone shares their debt and misery equally; that's what their socialist policies are.

Mr. Deputy Speaker, let us look at the whole question of contractual agreements. They're trying to sell the public - they're trying to sell Manitobans that we're going into the United States and selling hydro at a fixed basis, at a fixed rate, and if that's going to give us the assurance that we're going to recover money to pay for Limestone and the Hydro projects, that's a contractual agreement. Now they're saying, and we bide by that - we build by it and we bide by it, and everybody expects the United States, forever and a day, to pay their money into the Hydro coffers.

What happens, Mr. Deputy Speaker, if all at once Alberta or Ontario or Quebec go to that same area and say: Look, we've got a bunch of extra hydro; we'll sell it to you for at least \$1 per thousand kilowatts or 1,000 per unit less than what you can get it from Manitoba. Do you know what they'll do? They'll say: Well, look, if we haven't got the distribution system, we'll buy it or we'll set it up; we'll break the contract with Manitoba because they're charging us too much.

We'll go to Quebec or to another province - B.C. or to Alberta or Saskatchewan or wherever they can buy the energy - Ontario, and we will buy it cheaper. Yet they say, oh, I'm sure that there wouldn't be one of them would agree that that was right.

But that's what they're telling now they're doing when they go to Alberta to buy gas - that they're going to now say, look, we're going to break a contractual agreement; we're going to resign another agreement that's going to buy it for a lower price.

What we want to see in this Assembly, Mr. Deputy Speaker, is the proof that we're going to have a long-term gas supply, a long-term gas supply for the people of Manitoba.- (Interjection)- The Member for The Pas says, we've got it.

I can tell you, Mr. Deputy Speaker, until they table it in the House we have to say they haven't got it. We cannot believe anything this government do or say. The MTS and MTX affair was one good example to see the massive cover-up and the lack of information to the public.

We have now seen the Public Insurance Corporation shredding of documents - the Minister. We've now seen massive losses and continual cover-ups. Who in the devil would believe, Mr. Deputy Speaker, that they have anything that's in the best interests of the people of Manitoba until they lay it before us and show us in writing? Certainly not the electorate, I can tell you that, Mr. Deputy Speaker.

Mr. Deputy Speaker, I want to, as well, indicate another area where this government have failed with the use of taxpayers' money. I touched on it briefly this morning, and that's dealing with the Manitoba Beef Commission. Mr. Deputy Speaker, the Manitoba Beef Commission has lost or is in deficit by some \$27 million-plus. Canada Packers have closed; the beef herd has reduced by thousands of numbers. Mr. Deputy Speaker, the program failed.

Now, because the program failed and we don't have the numbers to go to slaughter, we have to have a special program, a special grant, both from the Federal and Provincial Government to help Burns rebuild their plants or redo their plants. I tell you, Mr. Deputy Speaker, they're not doing it on the strength of cattle numbers or business; they're doing it on the strength of again another government handout. That's what's encouraging Burns to do it.

If Burns were asked the question, Mr. Deputy Speaker, are you investing, increasing your expansions in Manitoba because of: No. 1, the increase in beef herds or the number of livestock to kill, or the fact that both Federal and Provincial Governments are laying money on the table, I can bet you what the answer would be, Mr. Deputy Speaker. It's because there's a handout of government grants for them to do it, not because the numbers are there, Mr. Deputy Speaker, but because there's government money on the table.

I have one other area that I want to touch on, Mr. Deputy Speaker. I think it's extremely important about what kind of government and what kind of people we really have. We have, Mr. Deputy Speaker, the situation in this province, in the City of Winnipeg, where 600,000 or 700,000 people depend on a long-time pure water supply. We have had for years water coming out of Shoal Lake and it's been pure, good water.

But what's happened in the last while, Mr. Deputy Speaker, and where has the government been? The

Premier won't even stand up and defend the 600-and-some people when it comes to maintaining a pure, long-term water supply.- (Interjection)- Yes, 600,000 people in the City of Winnipeg getting their water out of Shoal Lake.

The Premier won't even stand up and respond to it; he says it seems to be somebody else's problem - the Federal Government or the Minister of Environment. He's ready to stand up and spend \$100-and-some million. The water intake is in Manitoba, Mr. Deputy Speaker. -(Interjection)- Shoal Lake is in Ontario and the natural gas is in Alberta.

The Member for Kildonan says the water is in Ontario and so is the natural gas in Alberta. We've already got the infrastructure to bring the water out of Alberta. There's no charge to it. It's clear, pure water. You stepped into that one pretty good, Mr. Kildonan. The water comes from Ontario, the gas comes from Alberta. -(Interjection)- No, the gas is coming from Kildonan, that's right.

Mr. Deputy Speaker, the 600-and-some thousand people have had, and will continue to need that renewable resource water. The Premier won't even stand up and speak on it. I say, Mr. Deputy Speaker, why haven't the government taken action? Why haven't the government taken action on behalf of the 600-and-some thousand people, to guarantee that that water supply stays at the state that it's at and that nobody has a cottage development? Why don't they, as my leader has indicated a while ago, why don't they develop a land exchange for the Native community that are now living there, in fact, have moved in several years after the water was taken for the City of Winnipeg? Why don't they move in and suggest to the Federal Government that we want to have that guarantee forever for the people of the City of Winnipeg, clear, pure water? Why don't they do a land exchange and move that Native community to another location, because we were taking water from there before they were there.

The people of Winnipeg were taking water many years before they moved onto that site, so it's not a matter of taking away their rights. I have some severe concerns again for the taxpayers of the City of Winnipeg. Why should they spend one nickel to treat the water? It's not right that they should have to spend any money to treat the water. Why don't we do what is proper and right, and put that into a long-term permanent water reservoir for the purpose only of the City of Winnipeg, nothing else. It wouldn't cost the city taxpayers any money.

It shouldn't upset those people who want to develop too much, because if they get a fair land exchange and a fair property exchange, it shouldn't hurt them because what they're after is development. Give them an equal development site or better. Be fair with them, but don't, don't, Mr. Deputy Speaker, allow 600,000 or 700,000 people to have their clear, pure potable water supply held up for blackmail; don't allow that, Mr. Deputy Speaker. Defend, stand up for the people of Winnipeg with their water supply and don't force them to spend one nickel to do so.

Mr. Deputy Speaker, if this government, if this government truly cared about the interests of the people of Manitoba, they would do exactly that. But you know what they care about, No. 1, Mr. Deputy Speaker? That

is their political image of having to take on in some big way another jurisdiction like Alberta, take on a private corporation to take it over because they're leaving the appearance that they're ripping off the users of gas, while in fact, Mr. Deputy Speaker, the biggest ripper off in this whole business is the hydro.- (Interjection)- Yes, that's right, ripper off, that's the "Minister of Tax"; I mean the Minister of Finance. I think that would be an appropriate amendment to this act, Mr. Deputy Speaker, of this Interim Supply bill, would be to rename the Minister of Finance, the "Minister of Tax Grab." That would be a more appropriate name for him.- (Interjection)- That's right, Tax Grab and Deficit, an appropriate amendment.

But I'm serious, Mr. Deputy Speaker, I think the public is fed up with the losses of their money. They're fed up with them not standing up on matters of essential services that in most cases doesn't cost near the amount of money that this group of people are prepared to spend.

I say, Mr. Deputy Speaker, if we continue on with the path that we're on, there will be very little flexibility for any government. In fact, there is very little flexibility right now. The Minister of Finance knows that. He has very little flexibility. In fact, it would be interesting for him to, in this debate, tell us where he is going to raise the money to buy Inter-City Gas. Where is he going to raise the money? Is he going to go again to the international money market? Is he going to go to the Lotteries Fund? Where is he going to go to raise the money? We know who is going to pay for it. It's not going to be all the users; it's going to be carried by all the taxpayers.

They're hanging a carrot out to the rural members, saying wouldn't you like to have gas in your community? Wouldn't it be nice to expand it? Well, yes, I think it certainly would be. We would all love to see natural gas at low prices. Again, we haven't got any guarantee of that. If they wanted the company to do that right today, I'm sure that the company would if they gave them a tax break or a tax incentive to do it. Yes, Mr. Deputy Speaker, I think that it could be done; it could be accomplished without having government ownership.

Mr. Deputy Speaker, I don't want anyone to leave this Assembly today thinking that I'm not for lower gas prices for the consumers of gas. Yes, I am. But what I want to come from his government before the action is taken, to again burden the taxpayers with the kind of debt that they are going to be burdened with to do it, I want the assurance that we have long-term gas supplies lined up and in contractual arrangements that are tabled in this Legislative Assembly. I want to make sure, Mr. Deputy Speaker, that we aren't imposing on the taxpayers the kind of fiasco that we've seen with all the other Crown corporations, whether it's the Public Insurance Corporation, whether it's Manitoba Telephone System, whether it's the Flyer Bus, whether it's ManOil, whether it's all that whole realm of massive losses, probably in excess of \$200 million to \$500 million in losses incurred by this incompetent administration from Crown corporations.

I'm not talking about the annual deficits that are incurring at \$500 million, not reducing that deficit with the tax grab that's in place, but closing hospital beds. You see, that's their answer. You cut back on essential services because you say what do you want us to do,

spend more money? We say, no. So they take out hospital beds. They take out RCMP service. They take out all those essential services, Mr. Deputy Speaker, that the people of this province were promised wouldn't happen in 1981 in 1986.

Mr. Deputy Speaker, enough is enough. That's why I conclude my remarks today by saying that the Premier doesn't have the mandate to move again on another massive expenditure, that we don't know what we're going to get back for it other than possibly just more taxation. We have no idea, Mr. Deputy Speaker, of where we're going. This has been thought up in the last few weeks and months. It hasn't been properly aired and now, in the dying days, or what some people think are the dying days of the Legislature, they're going to ram it through.

Well, I can assure you, Mr. Deputy Speaker, it's not the dying days of the Legislature. With the heavy legislation and the proposals that they're laying before us, we're going to be here for some time, making them justify publicly just precisely where they're going. I say that the public cannot afford to have another \$9,500 foisted on their backs in the next six years, putting them well into the range of \$20,000 per taxpayer on their back, or per individual. It's too much, Mr. Deputy Speaker, to expect them to withstand it and I think you will have a taxpayer revolt and this government can be the ones to thank for it.

Thank you, Mr. Deputy Speaker.

**MR. DEPUTY SPEAKER:** The Minister of Education.

**HON. J. STORIE:** Thank you, Mr. Deputy Speaker.

I had not intended to address any remarks to this particular bill at this point, but having had the fortune or misfortune of being in the Chamber when the Member for Pembina spoke, and the Member for Arthur, I felt somewhat obligated to put some remarks on the record to dispel some of the myths that are continually expostulated by members opposite.

The irony, I suppose, of the situation, Mr. Deputy Speaker, is that the issues that the Member for Arthur has raised, in particular, are important ones and no one should dissuade themselves from being concerned about the size of the deficit, the nature of the deficit, in terms of its systemic origins. I think we all should be concerned about it. The fact of the matter is that the Premier has announced and the Minister of Finance, through his consultation meetings, has indicated quite clearly that it is a matter of concern to the people of Manitoba and the province.

Mr. Deputy Speaker, the fact of the matter is that the latest Budget did assault the deficit. The fact of the matter is that . . .

**SOME HONOURABLE MEMBERS:** Oh, oh!

**HON. J. STORIE:** Mr. Deputy Speaker, "Chuckles," as he is affectionately known, the Member for Sturgeon Creek, can, I suppose, comment from his seat all he will. The fact of the matter is that if you consider the anticipated deficit, and we will have confirmation very shortly for 1986, and compare it to the deficit projections in the Budget tabled on March 16, it will indicate that the reduction in deficit is far more

significant than any effort of the Conservative administration who told us that it was no problem, that, yes, they in fact could handle it. We have made a significant reduction and, Mr. Deputy Speaker, the Member for Sturgeon Creek from his seat is talking about the efforts that his government made when he was a member in 1977 to 1981.

The fact of the matter is, Mr. Deputy Speaker, when that government left in 1981, in disrepute, because they had not lived up to any of their commitments to young people, to commitment of jobs, or to lowering the deficit - in fact, in 1980-81, we had the highest deficit in the history of this province and they're still blaming the previous government and they're not even in government.

But, Mr. Deputy Speaker, let's not lose sight of the important question and that is, how do we manage the deficit? Mr. Deputy Speaker, the Minister of Finance in his Budget of March 16 did acknowledge the problem, did address it, through the Budget measures, at the same time taking extreme care not to cut the foundation out of the social programs that have been established and that Manitobans want and expect.

Mr. Deputy Speaker, I had a chance to have a brief chat with the Member for Morris some time ago. I guess the difficult issues that all politicians are facing, all governments are facing in terms of raising revenue to meet the expectation of the people of Manitoba and the many interest groups in our community with respect to services and we both acknowledged that I suppose Manitobans are not unlike politicians, they want it both ways. They recognize that the deficit is a problem, that taxation is a problem, but they also say without reservation that they want Manitoba to maintain its essential services. They want Manitoba to have a quality education system. They want us to have a health care system which is second to none.

Mr. Deputy Speaker, the challenge of being in government in 1987 is to address the issue of repriorization, of selectivity, when it comes to services and the delivery of services and the elimination of services and make sure that, in doing that, you maintain the trust with the people, that you maintain those essential services, and that, at the same time, you allow yourself the flexibility in a cooperative way to reduce and hold constant those services which are of a lower property.

Mr. Deputy Speaker, the Member for Sturgeon Creek and the Member for Pembina ask, why are the hospitals beds being closed? The Minister of Health has addressed that question at length. The members on that side both know that the hospital boards who have the responsibility of maintaining some semblance of order in their own budgeting, Mr. Deputy Speaker, the Manitoba Health Services Commission has in fact reviewed those issues on a number -(Interjection)- of occasions.

Mr. Deputy Speaker, is the member rising on a point of order?

**MR. D. ORCHARD:** I am indeed rising on a point of order.

**MR. DEPUTY SPEAKER:** Would the Member for Pembina state his point of order?

**MR. D. ORCHARD:** Mr. Deputy Speaker, my honourable friend is saying that boards of hospitals are making the decision to close beds and that it has nothing to do with the Minister of Health and the inadequate funding of the Government of Manitoba. Mr. Deputy Speaker, my point of order, quite clearly, no hospital board in the Province of Manitoba would close beds if they were adequately funded. This government has cut back funding to hospitals, increased taxes to hospitals in the payroll tax, hydro rates and that is why hospital beds are closing.

**MR. DEPUTY SPEAKER:** Order please. Disagreement as to substantive matters is not a point of order.

**HON. J. STORIE:** I would comment, but even the Member for Pembina, even he knows what he is saying is a pile of crap.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**HON. J. STORIE:** Mr. Deputy Speaker, all of the 200,000 students know exactly to what I refer and they know that, in connection with the Member for Pembina's remarks, that they were accurate remarks.

Mr. Deputy Speaker, I don't want to digress too far, but I heard a certain amount of vitriol from members opposite. There's a certain bitterness in their remarks and I think we all can understand that. There have been some poll results released today which are not flattering to the efforts of members opposite in the last little while, and here's the Leader of the Opposition, you know, the Pee Wee Herman of the Conservative Party, trying to put a brave face on what are dismal results.

**MR. D. ORCHARD:** Mr. Deputy Speaker, on a point of order.

**MR. DEPUTY SPEAKER:** The Member for Pembina on a point of order.

**MR. D. ORCHARD:** Yes, Mr. Deputy Speaker, I'm rising on a point of order.

Mr. Deputy Speaker, the speaker, the Member for Flin Flon, is attempting to say that the poll is a disastrous poll, and I simply want to tell the Member for Flin Flon that now 28 percent of Manitobans believe this government is doing a bad job; less than 15 percent believe they're doing a good job. There aren't that many card-carrying civil servants around to allow that good job opinion to be there.

**MR. DEPUTY SPEAKER:** Disagreement of the facts is not a point of order.

Our rules state that when a member is speaking, no member shall interrupt, except to raise a point of order or a matter of privilege.

**MR. D. ORCHARD:** Mr. Deputy Speaker, on a point of order.

**MR. DEPUTY SPEAKER:** The member is rising on a point of order. The member will please state his point of order.

**MR. D. ORCHARD:** Mr. Deputy Speaker, when I was speaking earlier on this afternoon, you accepted some

phony points of order from members opposite and that time was not deducted from my 40-minute allotment in time. So, Mr. Deputy Speaker, I trust that soon the Minister of Education's time will be up.

**MR. DEPUTY SPEAKER:** The Minister of Education.

**HON. J. STORIE:** I have no intention of speaking my full 40 minutes unless I'm provoked, and I have been provoked unduly by the Member for Pembina, and I promise to avoid any digression from the remainder of my remarks.

Mr. Deputy Speaker, I think I was talking about the fact that the Budget also made it very clear to Manitobans that despite the fact there were going to be tax increases, despite the fact that we were going to approach the reduction in deficit in a rational and long-term fashion, that there would be no reduction in services to Manitobans, that the essential services which Manitobans felt were important would be maintained, and we have done that. That doesn't mean - for the Member for Pembina or for the Member for Arthur - that the Provincial Government is going to continue to do all of the things that it previously did.

(Madam Speaker in the Chair.)

The Member for Arthur raised the issue of police services, a very, very difficult issue. Madam Speaker, I have never, in my limited time in this Chamber, since 1981, encountered a group, encountered an individual, a municipality, a city, who willingly gave up services which they currently had at their disposal, without feeling they had been done some hardship.

But, Madam Speaker, we live in different times, and if we are going to, in fact, do as members opposite will us to do, and we want to do, and that is approach the deficit problem, that is going to have to be a matter of course over the next few years.

What is critical is that in that exercise you do not attack the essentials for those people who require them.

**MR. D. ORCHARD:** Then why are you? What's more essential than hospital beds?

**HON. J. STORIE:** The fact is that you don't take away the support services for our seniors, that you don't, Madam Speaker, eliminate services which are essential to our young people, whether they be educational services or other support services.

Madam Speaker, the Member for Pembina continues to chirp from his seat about cutbacks in health care services. Madam Speaker, the Member for Pembina knows that this province increased funding to health care by some \$118 million this year. The Member for Pembina should know that this government increased the funding to education some \$41 million. Madam Speaker, I ask the Member for Pembina to compare the records of this government since 1981, on education and health, the fundamental issues that are important to Manitobans, with any other province in the country.

Madam Speaker, I'm not certain why this debate is being maintained in the style that it is. I don't believe I've heard any consistent approach from members on that side. It seems that they're not prepared to speak on the issues that are important to Manitoba. It seems

that they're not prepared to talk about the natural gas issue, or they're not prepared to talk about the Human Rights Code, and they're not prepared to talk about all kinds of other issues. It seems that they want to waste time today, for some particular reason, but that's fair. Sometimes we have to have these exchanges of view.

So, Madam Speaker, I want to talk about the Member for Arthur's comments about Crown corporations. Crown corporations are important to Manitobans, and the Member for Arthur makes the point that in fact it is not just this side that believes that; that in fact when the Conservatives were truly progressive - and that's a fond memory only now - the Conservatives did introduce legislation to protect the interests of consumers in Manitoba and the nationalization of hydro is an example of that.

So, Madam Speaker, I think what we want to do is not lose sight of the ultimate goal of many of those exercises, particularly those Crown corporations that provide monopoly services to the Province of Manitoba. No one in this Chamber, despite the ups and downs of Manitoba Hydro, Manitoba Telephone, Manitoba Public Insurance Corporation, can deny - none of them can deny the fact that this province, because of the existence of those public corporations, enjoy the lowest rates for those services across Canada and probably around the world. None.

The Member for Sturgeon Creek in his inimitable style says, "And going up." There is no doubt that the costs of those services increase. They increased when the members opposite were in government, they've increased since their inception; that is a fact of life. The fact remains that they - for Manitobans - are the lowest cost services of their kind.

Madam Speaker, members opposite are going to have an extremely difficult job if they're going to convince the public, given the experience of Manitoba Hydro, Manitoba Telephone, MPIC, that the Manitoba Natural Gas Corporation, Consumers Gas Corporation, isn't going to provide Manitobans with the lowest cost natural gas in the country, because it will. They're on the wrong side of this issue and they don't know how to get off of it. And that might be very uncomfortable for him and for the Member for Arthur or any other member on that side of the House to say that where are the facts?

Madam Speaker, the Minister of Energy and Mines has laid the facts on their table. He is on the public record as saying that we have in fact confirmed long-term sales. Madam Speaker, he is on the record as confirming the details. I have no doubt that over the course of the next few weeks that further details will be announced and the proof will, as the Minister of Energy and Mines suggested, be in the pudding, and that will be when Manitobans start to experience, in the delivery of this service, the lowest prices in Canada - or nearly the lowest prices in Canada.

So, Madam Speaker, the overall perspective on Crown corporations is positive. They, like any other set of corporations, have their ups and downs and their managers and the people who work for those corporations make mistakes as do the managers of any other corporations. I am personally familiar with a major mining company in this province, and I know, as members opposite know, that they have made

mistakes, as has IT and T, as has any major international company. Mistakes are made. That doesn't deny the fact that for Manitobans those public corporations were a good investment, provide good service at a low cost.

I have no doubt that the Consumers Gas Corporation will likewise provide a valuable service, but, Madam Speaker, all of our Crowns don't have the same kind of history. They weren't developed out of the same rationale; they aren't all monopolies in their field. Madam Speaker, the members opposite have to take their share of blame or credit for the fact that Manitoba has a stable of Crown corporations. Madam Speaker, members opposite know that Manfor exists as a Crown corporation today not because of the actions of the New Democratic Party Government but because of a whole series of circumstances beginning in the mid-1960's. And I'm not going to stand here and deny . . .

**A MEMBER:** Which Mr. Schreyer took care of.

**HON. J. STORIE:** The member's going to say Mr. Schreyer took care of it.

The fact of the matter is that there was an existing investment on the part of Manitoba, an existing liability, and, yes, Manitoba Forestry Resources Incorporated did come about as the result of actions of the NDP Government. But it was predated by many years of activities, many commitments on the part of the province, and Madam Speaker, it's there as a result of the actions of many actors over a long period of time.

The same is true, Madam Speaker, of Flyer, which received support from the previous Conservative Government in one form or another and eventually evolved into a Crown corporation.

Madam Speaker, both of those are good examples of governments getting involved in Crown corporations. Madam Speaker, both of those examples are evidence, I believe, of good intentions of government. But, Madam Speaker, the fact of the matter is - and I've seen some literature distributed by members opposite and it's totally inaccurate, wildly inaccurate, if not the next best thing to bald face lies. Madam Speaker, just the latest piece of information is a piece of information that says last year Manfor lost \$31 million.

If the Member for Riel will refute this, if the Member for Riel is listening and cares to refute this, in a publication -(Interjection)- I know you don't want to learn anything.

Madam Speaker, information that members opposite produce suggested that Manfor lost \$31 million last year. That is absolutely inaccurate, false information. False information. Wrong. Madam Speaker, the information that they provided on MPIC is also wildly inaccurate. Madam Speaker, it's an unfortunate attempt, I think, on the part of members opposite to discredit Crown corporations.

This government, Madam Speaker, has taken a different approach to the existence, the continuance of Crown corporations. This government had the guts, Madam Speaker, to suspend the operations of a Crown corporation, Flyer, which, in our opinion, after many attempts at maintaining the operations, concluded that it was not a viable operation as it was currently constituted, and we decided to end that and to work

a deal with another corporation to see it continue as a viable operation in Manitoba.

We have indicated, Madam Speaker, that we intend to work with private sector investors to secure a long-term future for Manfor. So we do not have any ideological commitment to commercial Crowns. However, Madam Speaker, we are not opposed to the development of Crown corporations that serve the interests of Manitobans, and the bill that was introduced by the Minister of Energy and Mines is going to serve those interests. So, never mind, members opposite can have their day and attempt to make a case for the problems that exist from time to time in any corporation. The fact of the matter is that the history of those corporations is good and despite the failings, despite the problems, still deliver the lowest cost services in Canada. No one can dispute that.

Madam Speaker, the fact of the matter is that the members opposite are currently on the horns of a dilemma because many, many of their urban members know that the potential for saving for their consumers in their constituencies is significant, and let them not get themselves so far out on a limb that come next election, when Manitobans recognize that once again Crown corporations can serve the interest of the public, that they were on the wrong side once again.

Madam Speaker, we all have lessons to learn and no one on this side has claimed any omnipotence. When it comes to making decisions, we make mistakes. But, Madam Speaker, we on this side have confirmed our belief in the utility of Crown corporations in serving the interests of the public and we're not insensitive to the fact that because they're public corporations, they are very much more accountable in the eyes of the public and that when we find problems, we have to address them.

But, Madam Speaker, whether we're talking about the Manitoba Telephone or the Manitoba Public Insurance Corporation, when those problems have come up, we have addressed them. So, Madam Speaker, we're not particularly concerned about the machinations of members opposite. The record speaks for itself, the public supports our Crown corporations and they appreciate the fact that they provide the lowest cost service of any comparable company or corporation across the country.

Madam Speaker, I conclude by saying I hope that the members opposite also get an opportunity to speak, because I think it is therapeutic for them to get their frustration out at this moment of crisis for the Conservative Party.

Thank you, Madam Speaker.

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

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

**A MEMBER:** You shouldn't have too much trouble matching that, I'll tell you.

**MR. G. CUMMINGS:** Well, after listening to the Minister of Education, I have to admit that I feel a little bit - as he said, he felt encouraged - I must say that I feel inspired to speak out about the concerns that I have

regarding the financing of this Budget and the financing of this government which is being run, it seems to me, simply on the strength of bluster and bluff on the whole program of expenditures and the programs that we see being put before the people of this province, and the costs -(Interjection)- that are being . . .

**MADAM SPEAKER:** Order please.

If honourable members want to have private conversations, could they please do elsewhere so the Honourable Member for Ste. Rose can be heard?

The Honourable Member for Ste. Rose.

**MR. G. CUMMINGS:** Thank you, Madam Speaker. I appreciate you bringing my fellow members into line.

Madam Speaker, when I look across at a government that purports to put itself forward as being able to manage yet another Crown corporation, given their record that we have seen in this last two years and the record that they've had since they were elected in 1981, I have to tell you that I cannot in any way balance that with the kind of correspondence that I've been receiving.

I would like to read into the record some comments from a constituent of mine, comments that are a very sad and sorry tale, that is a commentary on the future that we see coming for this province, given the continued management of this government. It is written by a young professional, Madam Speaker, a young man who had great goals and ambitions and who appeared to be building a very profitable business in this province, but after he saw the direction that this government is headed and the direction this province is being taken, he chose to make a move while he was still young, while his family roots were not too deep so that they could not be pulled up, and these are his comments.

He said: "This senseless behaviour by this government leaves me with no option but to relocate in a province with a future and with some direction. What incentive is there for young professionals or business people to locate in the Province of Manitoba? In order to stimulate the economy in Manitoba, we are going to have to encourage business instead of deterring people from staying in this province. I feel sorry for the future generations who will have to assume the burden of a skyrocketing deficit." Madam Speaker, he goes on to say, "We are moving in June to Alberta where they can manage their deficit properly."

Madam Speaker, that's only a symptom of the problems that this government is leading us into. I cannot, for the life of me, believe that the members over there truly feel that they have a grasp on the direction they are taking this province. There are obviously some radical thinkers who believe that the more the government controls the economy and the more they control the businesses and the services in this province, the better it will be. The better it will be for whom? For the bureaucrats, for the Civil Service, for those Ministers who would seek more authority and power within their departments.

That letter from that constituent, Madam Speaker, leads me to feel that we are indeed in troubled times and we do not have the leadership to deal with it. When I look at the areas of expenditure that our government is being asked to deal with, the problems of people in

this province, the areas that are the closest to my constituency and to my concerns, being the critic for Highways, I look at the fact that we've turned the Highways Department into a revenue department, and with increased costs and reduced expenditures we are not seeing the maintenance of that important infrastructure in this province. We've seen disastrous decisions made in the Highway Department dealing with programs that do not have long-term benefits.

But that is only part of the problem, Madam Speaker. I come from a rural constituency and I look at the Department of Agriculture and frankly, I am embarrassed and I think the Minister of Agriculture must be embarrassed. Well, obviously he left the Chamber here a few minutes ago in embarrassment. -(Interjection)- Pardon me? I will have to point out that he was unable to maintain the heat that was put on him and the embarrassment that he was caused to be suffered at the hands of the Member for Pembina. But he keeps trying to get it right, Madam Speaker. -(Interjection)-

We look at the programs that have been introduced at the Department of Agriculture and what do we see? We see the mediation boards that were supposed to be a fantastic panacea to those farmers in dire straits in Manitoba. There was \$6 million attached a year ago to that program. Has that program been expended? Has it even been put in place? No. We look at the young farmer Farm Start Program - \$6 million attached there. Has it been expended? I don't believe that it has.

We look at the Agricultural Credit Corporation. An arm of this government, an arm of the Department of Agriculture, whereby this government could intervene if they truly had the best interests of the long-term economy of this province at heart. They could intervene through the vehicle of MACC. In fact, as earlier members alluded to, the publicity that Agriculture has received from this government, talking about the amount of money it was putting into agriculture, but they have in fact put up a smoke screen. They have tried to show to the majority of the voters in this province who live within the concrete curtain of Winnipeg, that they are by appearances doing something for agriculture. But MACC, with its \$29 million worth of additional borrowing authority for refinancing of farmers in this province, is not costing this government one red cent.

They have not had to go to the coffers of this province to support the agricultural economy in this province for one red cent for that program. The administration costs no doubt are there, but those who would be administering this program are on staff of MACC and the Department of Agriculture at the present time.

Madam Speaker, it's a sham. I cannot help but feel depressed when I think about the direction that this province is being led by this government. I have to tell you that when the Minister of Agriculture puts forward that he has increased his support to stabilization programs of this province.

And we look at the Manitoba Beef Income Stabilization Program, we know that almost every dollar that has been put into that program, except for the initial CED money - the carrot that attracted those farmers who were financially pressed into this program - every other dollar other than that will be paid back. So we have an insurance program.

At the same time this Minister did a beautiful job of stonewalling the desires of those farmers in the sugar beet industry who wanted to become part of a tripartite program. Eventually a program was signed, at great risk to the operations of the farmers involved because of the timing that was involved.

He talks about the support of this department. No, thank you. If that's support, we don't need any more of it, Madam Speaker. In fact when I look at the Department of Agriculture I can only conclude that the two Ministers to whom I feel the most involved, the Minister of Agriculture and the Minister of Highways, both of them unfortunately have been unable to maintain their departments in the face of their fellow Cabinet Ministers who feel that there are other priorities that they want to deal with.

And when we're faced with expenditures such as this Minister of Finance is asking us to approve, I really have to wonder if the people of Manitoba have been shown. Believe me, Madam Speaker, we have tried, but I will try once again to show the people of Manitoba what a farce, what a sham, and what a clear jiggery pokery operation we have when it comes to trying to tell the people of this province where our dollars are being spent.

I touched on the MACC program, and the Minister denies every opportunity he has, that I know anything about reading an amortization sheet. Well he can laugh all he likes about my intelligence, but I've paid more money to farm debt, or farm financiers, I would dare say in this province and in this country, than he has and I know a bottom line of a balance sheet. And when I look at programs where you have a debt of over \$90,000 and a term left of at least 13 to 14 years, and an interest rate of 14 percent, and the best that this refinancing program can do for that young farmer is \$340 a year - it's no wonder that rural Manitoba has no support for this government.

We can lose millions, millions in Workers Comp., we can lose money in MTS, we can lose money in our publicly owned insurance corporation, but we can't dare lose a million in Manitoba's single most important industry and that is agriculture.

The Minister of Agriculture has not represented his community in the way that it needs to be represented with the problems that are facing our industry today. The Minister will come back of course and say well that's a selective reading, that it depends on the terms. That's fine. He says this is not a grant, this is a refinancing opportunity for young farmers. But if he wants young farmers to refinance and use this program, then he has to make the program so that the majority of people can take advantage of it.

Because I do not have access to the books, I cannot predict the numbers accurately, but from the letters that I have received, from the phone calls that I have received and knowing that the average loan in this province to MACC is probably \$50,000; I would suggest that half of the clients - or more than half - will not be able to take advantage of this program. And the reason they will not be able to take advantage of this program is because the Minister of Agriculture has not been able to convince his caucus colleagues and his Cabinet colleagues that agriculture is of sufficient importance. The question will be raised: Do we have to have more dollars put into agriculture?

The members on this side criticize the deficit and then we say, well, what about some of these programs that aren't sufficiently funded. Well, it seems to me, Madam Speaker, that in reorganizing and refinancing long-term debt that those young farmers who have dealt with the Provincial Government are having problems dealing with, the very least the Minister could have done without costing the taxpayers of this province any more is to have brought in a program that would have allowed them the option to refinance on longer terms, whereby they could have had the increased costs to their pockets at the other end of the loan, not at the front end. That's what the majority of these options that are being offered under that program are going to do. It's money up front. It will be additional cost today for future savings and, if you've got the money today to generate those savings, then why in the world would you want to put it into a program such as that because you would not be stressed as a farmer? You would have the money in your pocket.

Madam Speaker, the infrastructure of rural Manitoba has not been given its just consideration in the eyes of this government either. And I take particular umbrage at the Minister of Highways coming to my home town last summer to open the Main Street Program, along with the former Minister who was responsible for that, and taking great glee at pointing down at me and saying, but the Conservatives were against this program. He said that when we were there to open the Main Street Program, and congratulate the town fathers on how the program had gone well in the Town of Neepawa.

**MR. A. DRIEDGER:** That is not class.

**MR. G. CUMMINGS:** Well, I didn't expect class. But at the very least, I would have thought that I would have expected some honesty.

Madam Speaker, the Main Street Program cleaned up a lot of areas in the province that needed to be cleaned up, but it did not address the ongoing problem that rural Manitoba has with the infrastructure in this province, the infrastructure in the municipalities. I suppose it would be improper for me again to mention some of the Ministers who aren't here, but I wish that they would consider the fact that the infrastructure in rural Manitoba needs some long-term planning. When we look at the way this government has structured its debt load, when we look at the way that they have planned the economic future of this province, I fear for the planning that will go into the program that may or may not be developed to protect and to repair the infrastructure that we need in rural Manitoba.

The Main Street Program didn't do it. The Community Places Program didn't do it. The community program that we just went through - and the name of it eludes me - the Community Places Program replaced the Community Assets Program. Both of these programs, along with the Main Street Program, lent themselves very, very easily to political interference.- (Interjection)- The Minister responsible for Environment says that we are experts. I would really wonder how he can possibly say that out of anything other than ignorance, when you consider the fact that we have only been, on this side of the House, represented in government for the last 15 years, a mere four years.

Well, the Minister is a little bit disappointed - I think embarrassed - that we would talk about the fact that funds that are sorely needed in the towns and the communities across this province can be funnelled in a political manner. You know, the Minister responsible for the Community Places Project took great umbrage with members on this side asking if the grants were politically directed. I had a fair number of people approach me and say, will you speak to the Minister, will you speak to the department, because we understand - in fact we were given the clear implication - that these programs would only be approved if they received the impetus from the members representing that area.

Whether it is an area that I represent or whether it is an area represented by the government, if the criteria for the expenditure of funds becomes whether or not an area is politically sensitive, then we are clearly going to have to continue to face a situation where we question the credibility and the intention of the fiscal management of the Government of the Day. We cannot sit idly by, Madam Speaker, and allow the members of this government to play with the lives of the people across our constituencies. That, Madam Speaker, is intimidation of the worst kind. It is intimidation that we are going to have to continue to speak out against.

I missed an opportunity early in this House to talk about what was done to an Indian reservation in my constituency. The former Deputy Minister came to the Indian reserve just prior to the election - accidental, I'm sure, but it was shortly before the election - and he promised that .25 million would be made available for a skating rink. Well they certainly need that recreational district, they need that skating rink. We have an example in that community of where the Metis community of Bacon Ridge and the reserve community of Ebb and Flow have a good relationship and a great deal of cooperation between them, and this was a joint project.

But somehow, they had the understanding that this would come under Community Places or maybe it was another program, but the Deputy Minister was in and out and he forgot to sign anything. So what happened? They're still without a project, and they're still without any guarantee that they'll ever get one.

Now I don't mind being beaten fair and square at a poll but I truly resent having people, who deserve to be treated better than that, treated in that kind of a manner by a government that would clearly use the taxpayers' dollars to intimidate the people of this province, and that's what these politically oriented programs are doing. If anybody over there has the gall to ask why I would be concerned about those kinds of programs when we're talking about the finances of this province, it's because I can no longer tolerate the number of phone calls that I get from people saying, what is the government doing.

I'm thinking about starting a business. Is there a government grant? I want to build an arena. Will the province give us a grant? It's all so helter skelter; it's all so politically tainted. The time has come for us to speak out on this side and point a finger at the absolutely incredible gall of a government that would treat people, particularly the people of Indian and Metis decent, in that kind of a manner.

What facts do I have to back up that statement? Well, I find it cute that the turnout at the poll is 102

percent of the listed voters. We're pretty lucky to get a turnout of - I got a small number, you might say. Well, it was probably about 2 percent, and that's, as I say, perfectly obvious about the blatant political skulduggery that goes on. We are asked to approve the finances of a Minister of Finance, and that's the way they want to spend the money. I think it's time that these Ministers were called to heel for this kind of action.

**A MEMBER:** No, they've got the super Minister; he's going to do that.

**MR. G. CUMMINGS:** Well, his responsibilities seem to be pretty vague because, every time we ask a question on the new gas deal, the junior Minister stands up and answers the question, rather than the super Minister.

(Mr. Deputy Speaker in the Chair.)

Mr. Deputy Speaker, I alluded to the problems that the municipalities were having in financing the infrastructure. I happened to notice an article that was circulated today, and I haven't had time to read it in its entirety, but there are some interesting comments that are made. Of course, Manitoba is not included in the commentary, because it talks about equalization. That was a pet topic around here last year. It's not mentioned too often this Session, but it seems to be that everything that's wrong is blamed on the Federal Government so I would assume that is based on equalization. Equalization between the provinces and the Federal Government has long been a bone of contention. I wonder about equalization between the province and the municipalities, between the province and the school boards.

Mr. Deputy Speaker, I come from a farm and we use those quaint statements in order to illustrate our point, you know, the story about what is good for the gander is good for the goose. But it seems to me that this province has long ago relinquished any semblance of responsibility towards long-term planning on how they will deal with the municipalities. They've bound themselves into the tight girdle in the Department of Education. It does not allow them to realize that the holding of expenditures in the manner that they have to the low-cost divisions is creating greater and greater inequities. One of those inequities, one of those glaring examples, lies within my constituency in the school division of Beautiful Plains.

It seems to me, if we want to talk about responsible fiscal management, we should encourage our departments, we should encourage the other jurisdictions that are under us to responsibly manage their resources and not punish them when they have an economical operation and wish to expend funds in an area that they have not expended in the past. All of a sudden, they find themselves penalized because their record has been one of careful spending, and they cannot get out of that strait-jacket, whereby those who have been much less careful with their dollars can receive much more generous funding. That is a system that this government, this Minister of Education, has been unwilling to face and face the problems that are inherent in it.

Obviously, we've got to be careful with the expenditures that go into education, into municipalities,

into agriculture, into all facets of the management of this government. But let's not demonstrate the philosophy that, the more you spend, the more you get. That clearly demonstrates the problems that we are in today when we have that kind of an attitude.

There are, in this article, three different models of how equalization between municipalities and provincial governments can be handled. Manitoba is not mentioned. They do not have a clearly defined system on how they would have equalization between the municipalities.

The Minister of Highways, in his responsibility to the Local Government Districts, sees equalization as cutting the funding to the LGD's. Putting forward the cutting of funds to the LGD's in the situation that the LGD's and the municipalities find themselves in today has got to be a very serious misrepresentation of the problems of those areas of our province that are underneath local government.

They're under local government authority because they can't afford to be municipalities. They now need some clear guidance. Will they become municipalities or will they become partially funded LGD's? Again, we need some long-term planning, Mr. Deputy Speaker. Possibly, they'll be second-class citizens. We haven't had a demonstration of the direction that we will be going in this province.

Mr. Deputy Speaker, I want to wrap up by making a couple of predictions. I don't believe that this government and these Ministers will be able to get their deficit and their expenditures under control. I don't believe that either they'll be able to or that they will want to. We've seen a clear demonstration of the philosophy that has taken charge on the government side, that expenditures, in order to suave the concerns of every pressure group that comes before the government, give them a few bucks, pat them on the head, let's not have controversy, and our deficit continues to grow.

Mr. Deputy Speaker, when Limestone comes on stream, I believe we will see a \$3,000 per capita increase in the deficit of this province. That would be a 25 percent increase, an increase, as far as I'm concerned, that we are unable to deal with; but I predict, Mr. Deputy Speaker, that if the economy starts to drag in the next couple of years after Limestone starts to slow down, then they'll jump into Conawapa, because that's the next government spending program that would have a major impact on the economic activity in this province, not to mention that growth of the cost of handling the debt, because they have now spent this province into a position where, if they balance the income with the expenditures and hold back on the deficit, the economy will slow down so dramatically that they won't be able to keep it there. They are unwilling and unable to face the reality of the deficit and grappling with that deficit, and for the Minister of Education to say that the deficit is going to be controlled is something like telling a starving dog not to slather on the dish.

Mr. Deputy Speaker, the fiscal will has not been demonstrated by this government, the fiscal responsibility has not been demonstrated, and I believe that we are headed for fiscal purgatory unless somebody takes control of the fiscal management of this government and this province.

To demonstrate the direction that this province is headed, between 1978 and 1985, inflation rose by 33

percent while spending in this province rose by 72 percent, and they certainly can't say that the expenditures were blown out of the water during the Lyon years. A tremendous amount of that expenditure was developed since this government was elected. Expenditures are simply not keeping up with revenues. At the same time as we have seen expenditures growing by that tremendous rate, we have seen revenues only grow by 52 percent, so obviously the deficit that we have is a direct result of that.

Mr. Deputy Speaker, I'm concerned about the future of fiscal management. We're being asked to approve here today expenditures of a massive amount of money which we on this side believe is not being wisely spent. And I hope that the Minister of Finance will not take lightly the comments that are coming from this side. We are genuinely concerned, and we believe that the Province of Manitoba deserves better fiscal management, deserves better fiscal leadership, and I want to see the Minister of Finance take control of some of the loose canons that he's got on the front bench with him and redirect the financing of this province so that we can again turn over to the children and the grandchildren of the people of this province a province that is strong fiscally, that has a great future, so that we don't get anymore of the kinds of letters that I introduced my speech with.

**MR. DEPUTY SPEAKER:** The Honourable Minister of Industry, Trade and Technology.

**HON. V. SCHROEDER:** Thank you, Mr. Deputy Speaker.

We would really like to be able to take the advice of the Opposition. There's so much difficulty in doing so because there's so much nonsense that we would just get ourselves into a great deal of problems.

Now the member ends his speech, as he begins, referring to this letter he received. The letter says he wants to go somewhere where they have less of a deficit, and he picks Alberta. He picks Alberta, Mr. Deputy Speaker.- (Interjection)- He says there's a difference between the deficit and management of the deficit from his seat now. He says that it's okay to have a deficit of what - around \$2.6 million in Alberta - admittedly with a population of about twice as large as Manitoba's, but somehow, if there is a quarter of that in Manitoba, that it's outrageous and out of step.

He takes these kinds of individual arguments, and there may well be individual Manitobans who feel that way - I don't deny that - it is pretty obvious that there are a lot more Albertans who feel that way getting out of Alberta, because if you look at the latest population statistics as an example, for January of '87 - which is the latest I've got - it shows Alberta's population having dropped by about 2,000 from six months previous.

I hear occasionally the Member for Portage la Prairie chirping on those kinds of statistics, and what he ought to look at is the overall increase from 1981 to 1987 of pretty close to 15,000 people in Manitoba. But what he refers to is the interprovincial migration and he never looks back to those good old days that the member just speaking referred to - the wonderful Lyon years when things were so wonderful in Manitoba, and we had fewer people left in Manitoba when he got out of office than we had here the day he came into office.

We had wild numbers in terms of people leaving the province, fleeing that government, and that's why we are on this side. That's why. They remember the kinds of policies that government followed.

Mr. Deputy Speaker, we hear these people talk about equalization. They have the gall to stand up and talk about equalization, ignoring totally the fact that we have a tax sharing agreement with the municipalities, and I was, quite frankly, expecting new statistics when he mentioned equalization. I expected we would hear the Opposition announce that we were going to get equalization and EPF together, the payments for health and education that would at least total in real terms as much as we received last year from the Federal Government.

They know, obviously, that that will not happen. They know there's a reduction. They have never suggested - as might be logical - that we pass on the same proportional increases or decreases to the municipalities that we get from the Federal Government. Maybe that's the way we should treat our municipalities.

He mentions moving to another Tory province where we see the kinds of responses to difficult times that we've seen in the last few months. Before that constituent of the honourable member gets to Alberta, he's going to have to pass through Saskatchewan. In Saskatchewan, the government, day by day, is demonstrating that it will ride out this recession on the backs of the women and children and unemployed and people who are in difficult straits in Saskatchewan.

They will not have a community response that deals fairly with difficult times. What kind of programs are going ahead? You can still install your jacuzzi with a nice fat government subsidy in the Province of Saskatchewan. But if you're one of those women being battered - and there's more of that happening all the time as the Federal Government is discovering - you'll find that doors are slamming shut on those women. That is the kind of priority in Saskatchewan where they're shutting those places down.

The children in the schools have been told: Forget about the dental plan that you've had for these many years. The hundreds of dental practitioners, therapists, working in the schools with the kids of Saskatchewan have been told today to go home, you're fired. You're no longer needed in this province. We're going to make sure the rich have their jacuzzis with government-subsidized loans, but the kids in the schools can forget about their dental plan in the schools. You can go to the dentist down the street.

That is the response based on individual greed rather than community need taking place in the Province of Saskatchewan - Tory Saskatchewan. That is the kind of response that members opposite seem to philosophically grab at. That's the kind of thing they would love to see. That's the kind of thing that will not happen in the Province of Manitoba.

(Madam Speaker in the Chair.)

And at the same time, Madam Speaker, the member has the gall to stand up here and tell us to pour more money into agriculture, to pour more money into highways, to pour more money into the municipalities, to pour more money into education into this province. More money, reduce taxes and reduce the deficit - and

we're supposed to listen to that kind of advice, Madam Speaker?

**MADAM SPEAKER:** The Honourable Member for Ste. Rose on a point of order.

**MR. G. CUMMINGS:** Well, I'm pleased to see that the Minister is watching what's going on in Saskatchewan. I hope that he heard enough in my remarks about the agricultural economy in Manitoba, and all I asked him to do is spend the money that he had.

**MADAM SPEAKER:** Does the honourable member have a point of order?

I haven't got the citation handy, but I'd like to remind all members that they're not to interrupt another speaker unless it's on a point of order.

**HON. V. SCHROEDER:** Madam Speaker, the member abused our intelligence during his speech and is now abusing my time and I, quite frankly, resent that, and of course the rules . . .

He and members opposite have so much time to meet with TransCanada Pipelines to discuss the terrible event of some of the money that TransCanada Pipelines is taking away unfairly from Manitobans, working out strategy, working out questions to come to question period with, instead of talking with consumers and business people in Manitoba about what the best interests of Manitobans is.

The behaviour of the Opposition in terms of ICG is just absolutely shameful. Not a single question during this whole Session, Madam Speaker, about ICG and the rip-offs. The government had given notice back in November of 1986 about the fact that with the deregulated world of natural gas, knowing that we're going to get hit when prices go up, we expect to get the advantage of low market prices, we went to the Public Utilities Board. The Public Utilities Board held a month of hearings. We proved our case to the Public Utilities Board which said it was unable to act and asked us to do what was necessary to protect Manitobans. Not a single question on behalf of the thousands of Manitoba consumers by that bunch opposite.

What do they care if the Manitoba consumer is getting ripped off by \$50 million a year by a private corporation, a set of private corporations, \$50 million a year, but they spend day after day after day after day on MTX, which over a period of six years or so - and by mistake and it shouldn't have happened - lost us \$30 million. Thirty million dollars over that period of time over a circumstance which the Member for Pembina certainly was very instrumental in getting us involved in, but notwithstanding that, Madam Speaker, \$50 million a year over that same period would be in the range of \$300 million, ten times the size of impact on the Manitoba economy.

But what do they focus on? Not one question on the rip-off from that private utility and as soon as we indicate that we're going to do something to protect Manitoba consumers, whom do they go to? Do they go to the Society of Seniors, do they go to the Consumers' Association, do they go to those people who are going to benefit from lower prices? No. They go to

TransCanada Pipelines and listen to TransCanada Pipelines grievance about the fact that it's not fair that they shouldn't continue to be able to unfairly charge the consumers of Manitoba above world price at the same time they're shipping natural gas through Manitoba, through Canadian provinces, into the United States for less than two-thirds of the price they charge the Manitoba consumer.

The same company that says, no problem, we can cut a deal with an industry in Manitoba, says to the tenants, to the homeowners, to the small business people in Manitoba, no, we're going to force you to pay not world price, not what you can get on the marketplace, but what we, as the single monopoly carrier and going to charge and you'll be happy doing it. And we said, not on your life.

And we haven't heard, Madam Speaker, anything other than criticism of what we're doing with respect to ICG. We've had suggestions, innuendo, that we're going to somehow lose a court case.

In Alberta we hear the former Premier on radio now saying, for pete's sake, don't sue. All the time I was Premier, Mr. Lougheed says, we made sure we didn't get ourselves into a position where we were in the courts trying to defend our position on interprovincial trade. And the hypocrisy of suggesting that they believe in free trade and saying when it comes to free trade within Canada, there will be no free trade is beyond belief, the notion that it's okay to sell their gas to the United States, to families in the United States for less than two-thirds of what they're going to charge families in Manitoba, and somehow say that that's fair and not have their cronies here in Manitoba stand up for Manitoba.

It seems as though they've heard the slogan "Stand up for Manitoba" but they're misinterpreting it. Our MLA's seem to think it's either "Lie down for Manitoba," the Tories, or "Stand up for Alberta," one or the other, one or the other.

We haven't heard them in all this time that consumers were being gouged by TCPL's outrageous rates, gouged by those rates, we haven't heard them in the House saying, why are you doing this to small business in Manitoba? Why are you doing this to homeowners in Manitoba? Why don't you stop this? Not a word. Not a single word from the Opposition.-(Interjection)- Not even now. No, that's not a concern of theirs.

Madam Speaker, I am looking forward to the fight on this issue. I expect that it will last a period of time. I know that my constituents and constituents in rural Manitoba will back a government that stands up for Manitoba.

The Energy critic for the Conservatives, before we went into this suggested that we should have, of course, a gas company owned by the people of Manitoba. He wanted services extended and shouldn't that happen? Of course it should happen. He was well aware that it wasn't happening under the old system. But as soon as we took our steps, made them public, what did they do? They turned tail and ran and they said no more of this, absolutely not. No, we're going to stand up, not for Manitoba, we'll stand up for Alberta; we'll stand up for TCPL. That's whom they're standing up for.

I am, as I say, Madam Speaker, very, very much looking forward to the fight that will take place, given the stand the Opposition has taken. I heard a reference

by the Member for Gladstone a few minutes ago during my speech, talking about - what about Hydro? Well what about Hydro and what about Telephones? What about Autopac? All of those utilities are in the field of providing a monopoly service, a natural monopoly service to Manitobans and all run by the Government of Manitoba, all having the lowest structural rates in North America. That is not a bad record. That's not a bad thing for us to make comment on. That's not a bad touchstone in terms of principle for where we go in the future with this particular activity.

Madam Speaker, what does that mean for Manitoba? What that means for Manitoba is more jobs. It means \$50 million staying in Manitoba, rather than going to Alberta and other parts of the country into the pockets of the shareholders of TCPL and the various companies involved - \$50 million our consumers can use to purchase goods in our stores, our businesses can use to expand their businesses.

Madam Speaker, that's why, given what we've been doing over the last five or six - five years now, improving this economy - that's why our job growth rate is so much better, not because of ICG, of course, but because of all the other moves we've made, the Jobs Fund, the development agreements and so on, the general economic climate we have produced. This is just one more piece of our economic climate, producing costs that are lower for Manitobans - Manitoba consumers and Manitoba businesses.

That is why we have had a much stronger rate of job creation in Manitoba than there is any of the other Western Provinces over the period 1982 to 1987. Much stronger rate of job creation. In fact, on a per capita basis, our rate of job creation is roughly three times the rate in Alberta, much stronger than that particular province the honourable member suggested somebody should go to.

Madam Speaker, this kind of economic program that we're embarking on, have embarked on, will continue to keep us on a line of strong, economic growth, as compared to what is happening in the neighbouring Province of Saskatchewan with the jacuzzis and with the \$1.5 billion deficit in one year, which the Member for Pembina and the Member for Sturgeon Creek would love to talk about, government-subsidized jacuzzi's in Saskatchewan - private greed, but, when it comes to community need, no siree, shutting down homes for women, the dental technicians, fired them, 300 people today. It's not only those 300 jobs. If they were in office, what choice would they make? Would they make the choice of the jacuzzi, or would they make the choice of the kids' dental program? We know what choice we would make here on this side. We've made our choice, we've made our choices on this side.

They talk about deficits in Manitoba and ignore totally the surrounding deficits of their Tory friend provinces. When the Tories came to office in Saskatchewan, there was a surplus. They brought that up to \$1.5 billion or roughly that in one year of deficit. We had, when we came into office, .25 billion. That was the largest deficit incidentally in the history of Manitoba was what was left us by this skinflint government. After four years of deficit reduction, what did they give us? Acute protracted restraint which caused people to flee this province, caused us the worst economic position than we had ever had before in the history of the province.

And that bunch is going to tell us how to run things? Absolute nonsense and drive!

It seems to me, Madam Speaker, that the only time I ever hear the Member for Sturgeon Creek speak up is when there's a member on this side of the House standing up and making a speech. He will not ask questions about Unisys; he will not ask questions about Burns; he will not ask questions about the 7,000 new jobs in this province over the last year; he will not ask questions about the strength in our economy. All he will do is sit there and moan and groan, and tell us that he didn't sign contracts, put some money up front to a consultant. Then we show him a half a dozen, and he says, oh well, they're different than your contracts because I signed these contracts. Then he comes along, when I talk in answer to a member asking questions about the Burns Agreement and pointing out what is happening with respect to Burns, he mumbles from his seat, it's the Federal Government, it's Leo Duguay, it's Leo Duguay.

I challenge the member to produce a document that indicates anything about Leo Duguay having anything to do with any of those negotiations. I point out, Madam Speaker, that it was the NDP Government, the New Democratic Party Government that stated to Burns - not the Conservative Mulroney Government, not a chance - the NDP Government, which said to Burns, yes, we're prepared to work on this, but it must be on the understanding that the first choice for jobs goes to laid-off Canada Packers workers - not some guy by the name of Leo Duguay, not some guy by the name of Brian Mulroney - the New Democratic Party of Manitoba.

It was the New Democratic Party Government of Manitoba who also put into the agreement, negotiated into the agreement, the requirement that there would be a minimum of 850 jobs during the course of this agreement, full-time 850 jobs and, as well, that there would be 200 new jobs in addition to that - 1,050 jobs by 1993. These brilliant defenders of workers and farmers asked not a question, absolute silence, not any interest on the part of the members who represent hog producers, not any interest on the - and talk about interest of people representing hog producers - not a single question about the difficulties at Springhill.

Could you imagine how much fun they've had over a dumb loan to King Choy Foods which blew what, \$100,000, how many pages and pages of questions they have had in terms of . . .

**A MEMBER:** King Choy was ours.

**HON. V. SCHROEDER:** No, King Choy was not yours. King Choy was an NDP loan, and it was a bad loan. But how many questions about that, not a single question about Springhill, not a single question about the interests of your constituents who were interested, who were calling my office and asking what's going on, nothing from their elected representatives. They go to union meetings 100 miles from home, but they don't come to this House and ask questions about management at Springhill when there's a problem because their federal cousins are the ones who get asked. Because their federal cousins are the ones, and they don't want to talk at all about anything where their federal people were involved.

But during these speeches, Madam Speaker, I think the thing that is the funniest is to listen to the cries of the brilliant members, such as the Member for Pembina, talking about how we need more money in highways, we need more money in agriculture, we need more money in health. You're closing health care beds, he says. You're closing it as though - but what does he look at in terms of the overall picture, Madam Speaker?

Brandon, we keep hearing about Brandon, they're closing 40 hospital beds.

**A MEMBER:** 49.

**HON. V. SCHROEDER:** Do they mention - make it 50. Do they mention the fact that you now have a line-up that is not as long for elective surgery as before the overall implementation of the change? No, that wouldn't sound so good. The implementation is of a plan which is a better medical service than what we had before, no chintzy little trimming on bacon, no chintzy little trimming on cleaning the place up, that sort of thing. We make fundamental changes that help for the patients. We provide more care for the patients and, at the same time, we save money. We work hard to do it, but we do it, and that's one of the differences.

There they are. They complain about all these areas where they say we should spend more money. Let's add another 50 beds to Brandon, let's add some more beds to Victoria, let's add some more beds all over the place, spend tens of millions of dollars, and then they come up and they say where are the savings. They say well, let's make some savings. Let's eliminate the public relations person in the Premier's office.

That washes until you start telling Manitobans that, if you shut down the Premier's office, turned off the lights, shut down the telephones, fired everybody involved, there would be a \$2.50 a year saving on costs per Manitoban, as compared to a \$1,200 per Manitoban cost of the health care system. Let's not pretend that the solutions are that simple.

That's why my constituents chuckle when these people run around to their budget meeting and say, oh, we don't like this. We don't like the NDP tax policies. They're taxing you too much. They've got too much of a deficit, and they're not spending enough.

We say to them, wouldn't it be interesting, Madam Speaker, if this brave bunch of people who are asking for a five-year projection on revenue and expenditure from the government were to produce a budget for the year 1987-88, knowing what the revenues are that we're getting per tax, knowing the proportion of revenue per tax point we're getting, knowing how much the expenditures are we're putting out, knowing what our deficit is. Why don't they put out an alternative Budget for 1987-88 for the Province of Manitoba, giving us what they want for Highways, giving us what they want for Agriculture, giving us what they want for the beds they say they don't want closed, giving us what they want in tax decreases, eliminating the health and education levy, eliminating the sales tax increase - all those kinds of things? Madam Speaker, then we're talking about some reality.

When they are reduced, Madam Speaker, to getting away from those issues of what they would do, what they do at the meeting is get into personalities. You

know, I want to tell those members through you, Madam Speaker, that some of the people they talk to at those meetings come back to us, and some of the things that are said at those meetings are quite incredible. In fact, I would welcome those members back to my riding to say the kinds of things that were said there. That's the kind of thing that helps us. That's the kind of thing that the talk is on in the restaurants about these jerks that were down there, trying to convince them of some absolute nonsense. That's not going to get them anywhere.

We have the brilliant Member for Pembina, who was tearing apart our Budget in front of all of 11 people in Gimli. They'd heard the guy before. It was pretty obvious they'd heard the guy before. That's why they weren't going to spend 2 cents on gasoline to come to a meeting to hear the Member for Pembina. - (Interjection)- well, Madam Speaker, somebody says, for 2 cents you can have him, if he's worth it.

Madam Speaker, I'm looking forward to the next several weeks of debate over ICG, over the bills that we're bringing before this Legislature. I think we're providing good solid government which the Opposition is unable properly to focus against.

I know that the Opposition is in a bit of a state of shock today, having expected the usual poll in the middle of the legislative Session to show that they would be ahead of the government by a few points, as the NDP federally is, of course, ahead of the Mulroney government. They manage, in fact, to be losing ground during their time. You know, the legislative Session time is traditionally the time the Opposition gains ground. This is probably the first Opposition in Manitoba history to be able to reverse that historical trend and set up a legislative Session where the government gains ground and the Opposition loses ground.

Madam Speaker, I think that's a tremendous game plan of theirs.

**SOME HONOURABLE MEMBERS:** Oh, oh!

**HON. V. SCHROEDER:** Madam Speaker, that's not bad. We've gone up from being about one or two points ahead - in fact, on election day, we were pretty well even, now we're five points up. Not only that, Madam Speaker, the Member for Sturgeon Creek thinks this a victory for the Conservatives. He thinks they're doing real good being five points down on us. I suppose because they can't count is a good reason why they ought to stay on that side. That's why they should stay on that side.

**A MEMBER:** It's a victory for them to stay on that side.

**HON. V. SCHROEDER:** I would say it's a victory for them to be able to stay here. That sounds good to me.

Madam Speaker, back just briefly to the equalization and EPF issue which was raised earlier. In all sincerity, I would hope that, at this time, as we're discussing this bill, members opposite give serious consideration to those transfers and what's been happening and ask whether it would be fair for us to pass on similar savings, similar increases and decreases to the municipalities, to the school divisions which we're not doing, Madam

Speaker. That's something that I think -(Interjection)- Well, I hear somebody saying, don't just squander it.

I would suggest to the honourable member that is exactly what the Member for Pembina is suggesting we do. He is suggesting that we add on to hospital beds, forgetting about waiting lists going down. He says, just add on anyway because it's been done historically. Forget about the new programs you've introduced that are making the system work better. Spend more money because we spent more money last year. That's what the member is saying, Madam Speaker, and just looking up into that direction, I see that our railroad builder is probably busy building the railroad with which he's going to railroad his federal companions into giving some help to the West. I'm not sure whether it's a two-track policy now or a one-track policy, but I certainly hope he lets us know when he's finished the railroad which will help his friends railroad the Federal Government into being fair to the west, Madam Speaker.

Madam Speaker, I hear the Member Sturgeon Creek asking what railroad I'm talking about. I'm talking about, just to be very specific, the Member for Springfield who is quoted in the Western Report as saying that he wants to railroad the Federal Government into providing assistance to the West and I certainly hope that he gets - well, I know with a Federal NDP Government we wouldn't have to do that. We would have a government that would be fair to the West. I know that the Member for Morris said the other day, Madam Speaker, and I read it over in Hansard, I was kind of shocked, he said, that because of Lloyd Axworthy, Manitoba had gotten more than its share of federal largesse during the Liberal years.

Madam Speaker, not one single Tory suggested that to Manitoba voters during the 1984 election campaign. If that was their view, they were elected under false pretences. If their view was to go down to Ottawa and cut back on what Manitoba gets out of Confederation, they should have told us before they went to Ottawa and did precisely that - did precisely that with respect to equalization, with respect to EPF, with respect to purchasing.

The Member for Morris would suggest to you, Madam Speaker, that 3.9 percent of federal procurement, which is what we were getting in the final Liberal years, was too much for Manitoba, even though we have 4.2 percent of the population of the country. The federal Member for Provencher, Mr. Epp, agreed with that perspective - I'm sorry, disagreed with it, because he said that 3.9 percent was not enough in 1984. Now we're down to just over 3 percent and we haven't heard a single -(Interjection)- I'm sorry, around 2.5 percent - word from this great bunch of Opposition critics, not a single word suggesting that that's not fair.

When it comes to public investment, the Member for Morris should get his facts right in terms of our proportion of Canada, because if he's saying that we got more than other parts of the West, as a population proportion of federal investments, then I would say he might be right. But what I am saying, as well, is that we did not receive our population proportion . . .

**A MEMBER:** On procurement.

**HON. V. SCHROEDER:** Not only on procurement, but also on investment. If he's saying because the West

overall was losing out more than most parts of Canada, Manitoba should somehow partake and take much less than the average, because other parts of the West were taking less than the average, I disagree with that. That reminds me a little bit of the new space program where there are suggestions that the Prairies should get somewhere in the range of 10 percent of the overall expenditure, that's a public number.

We're saying that that's not fair, and we're not disputing the fact that in some instances Saskatchewan is slated to get up to 7 percent. We're not saying let's take away Saskatchewan's portion and give some of that to Manitoba. We're saying let's take some of Ontario's portion - leave Saskatchewan with 7 percent, they've got enough problems - but let's have some of Quebec's and Ontario's portion come to Manitoba and we don't ask for 7 percent overall or anything like that. We ask for an attempt at 4.2 percent, recognizing that we have to demonstrate ability in order to get that.

**A MEMBER:** But then you've got a payroll tax.

**HON. V. SCHROEDER:** Well, Madam Speaker, if there's that kind of a tax that worries the member, then I'm sure he will agree that there will be no investment in Quebec, which is a higher one than Manitoba's, and of course they're slated to get about 45 percent of the work. If the member were consistent, he would be standing up publicly and saying that he would oppose that.-(Interjection)-

Madam Speaker, were you going to say something?

**MADAM SPEAKER:** I was going to say that the Honourable Minister's time has expired.

**HON. V. SCHROEDER:** Thank you.

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

**MR. E. CONNERY:** Thank you, Madam Speaker.

When we started this afternoon, Madam Speaker, and the Member for Inkster got up to speak, I got out my notepaper to make some - almost like a comment on the highlights of his speech. Madam Speaker, I can assure you that I didn't make any notes, because there was nothing much of any value in what he had to say.

When we talk about the Minister of Education, he got up, he didn't talk an awful lot, but, Madam Speaker, he sure showed that he's not a very good role model as Minister of Education in the language that he was using. Madam Speaker, he said that we, on this side of the House, are on the horns of a dilemma and, yes, we are. We're on the horns of a dilemma as to where this province is going to be with another three years of NDP Government. We won't have much of a province to work with when we take power after the next provincial election.

But, Madam Speaker, I wondered why this Provincial Government - when I was listening to the Member for Rossmere - spent so much money on the stone quarry at the Town of Stonewall. Madam Speaker, I'm convinced that that's the Minister's summer residence.

Madam Speaker, this Minister talks about all of the good things that this government does, but it was that

Minister, I think, more so than the Minister of Agriculture, who was a drawback to settling the sugar beet tripartite agreement. That Minister was, day in and day out, stopping the signing of an agreement so that the Manitoba sugar beet growers could get on the field and get in their crop.

And what happened, Madam Speaker, was that that agreement was delayed to the point where the sugar beet growers were late getting their crop in, the land was dry and there was a long delay in the germination of that crop. Madam Speaker, the losses in the yield of the sugar beet crop this year will probably be as much as the loss they'll lose in the ten years. So, Madam Speaker, the Member for Rossmere did a very great disservice.

But, Madam Speaker, he talks about the greed and so forth instead of the need in Saskatchewan. He sits beside a member of this Legislature who took more money out of the pockets of the government than anybody else has ever thought possible and would ever have the conscience to do. So when he talks about other people, he wants to be a little sure of the members on his side because they've got a lot of cleaning up to do.

Madam Speaker, that member says, and he's the Minister of Industry Trade and Technology, he says that we should be listening to the business people. Madam Speaker, neither he nor the Minister of Business Development Tourism go to the conventions so that they can have an idea of what goes on when we discuss business. The business community would be pleased to have an ear to this government but unfortunately the government is not prepared to listen to them because they wouldn't want to have to do something that made some common sense in the way of business development.

Madam Speaker, that Minister has not encouraged his government to pass or proclaim The Freedom of Information Bill. They don't want people to know what's going on.

In job creation, this Minister talks about job creation, but, Madam Speaker, we don't see the job creation in the areas where we should have job creation. We only see it in the public sector.

Giving a little bit of an example, Madam Speaker, of the intelligence of the Member for Rossmere, he said, oh, the sugar beet growers and their 28,000 acres, they could grow other crops. Why are they worried about sugar beets? Well, Madam Speaker, he's been in this House, he's been listening to the dilemma of the agricultural producers who don't have a market for their crop, there is not another crop for those 28,000 acres that there's a market for. And that Minister should know that but obviously he doesn't listen and so he says he doesn't care about those 28,000 acres.

Vegetable growing is a good business and I'm very pleased to be in it. There's not very many government subsidies involved - especially from this government. If we lived in Alberta there would be lots of government subsidies to help the industry but this government doesn't - and we don't particularly need a whole lot of government subsidies.

Madam Speaker, I don't think that if I went out and hand picked the government, the members on the government side, that we could have come up with a more incompetent group to run this province. Madam

Speaker, they don't have a clue as to what business is. They have no business sense. There's none of them over there and the Member for Elmwood would say, oh, I've got an Autopac business. Well, he didn't even start it himself, he took over another person's business. There's nobody on that side that is in business. The Minister of Health at one point, I would say that he has some business sense. He's been in business. He has a little bit of an idea.

But you pull that out of it and look around and who over there has created a job? Who has taken a gamble on investing money? The Member for Rossmere takes great delight when he mentions onions because he knows, Madam Speaker, that we invested heavily in an onion plant. Because of the currency, the Dutch currency versus the Canadian, it wasn't viable so we shut it down. No bankruptcy. We took the loss. That Minister does not understand so he wouldn't understand why the foreign debt load is such a concern to members on this side.

But, Madam Speaker, they take great pride in saying that they got re-elected and they're the choice of the people, but if they had been honest with the people of Manitoba and if they had done the things, showed the reports that they were supposed to, then they would not have been re-elected.

What do you call holding back the Third Quarterly Financial Report the longest that it's ever been, till we got through the election? Then they showed us, and it was a horrendous report. That's why they did it. That is honesty in government?

Manfor, they changed the Manfor year-end so that it wouldn't show up until after the election. MTS Annual Report, the latest that it ever has come out, after the election, that's when the MTX fiasco was waived in the annual report. Did we see that before the election? Did the people of Manitoba have an opportunity to know what was going on in this province? No, Madam Speaker, the members on that side did not tell the people of Manitoba the true facts of life. What about Workmen's Compensation? We see it now.

**A MEMBER:** Workers.

**MR. E. CONNERY:** Workers Compensation, okay, Workers Compensation. What do we find in it? Oh, they come up with a revelation that maybe there's a total of \$84 million in debt.

**A MEMBER:** Can we have a ruling from you, what is it? Is it Workmen's or Workers?

**MR. E. CONNERY:** Workwomen's, I don't care.

**A MEMBER:** Workperson.

**MR. E. CONNERY:** Workers, that's fine.

But they've hid all of these things, Madam Speaker, and we think they did the people of Manitoba a tremendous disservice. You know, the Minister of Finance was, his background - and I'm not going to knock him because he hasn't got a degree in finance or a degree from some university, because there's a lot of people who have a lot of intelligence who haven't gone to university, but we've also just seen a person

who did go to university and didn't show an awful lot of intelligence. So going to university is no sign of intelligence within a person.

But, Madam Speaker, the Minister of Finance was a union person, and all he knew, when he ran short of money, you raised the union dues. The Minister now in this province is running short of money, what is he doing? He's raising the dues, he's raising the costs to be a Manitoban, through the horrendous tax grab that he put on the people of Manitoba.

**HON. L. DESJARDINS:** It's either that or steal it!

**MR. E. CONNERY:** Well, the Minister of Health says then steal it. I think they've done enough of that to the people of Manitoba. The people of Manitoba have just been robbed blind.

Madam Speaker, the debt that this government has incurred and when you look back over the years, over the last 10 years and you see the annual debts by year, you see very low debts in the Sterling Lyon years that they condemn. As soon as they took over, the debt has gone out of all proportion. Madam Speaker, there's no sign of that debt changing.

**A MEMBER:** So is the Gross Provincial Product.

**MR. E. CONNERY:** We'll go through some statistics which will show that the Gross Provincial Product is not keeping up with your ludicrous spending. This is the reason. If you would read the reports, if you could read the reports, first of all, then try to make some sense of them, you might be an awful lot better member, but I think you have to first learn how to read a report. That's the trouble with the members on that side, you don't know what you're supposed to do, and you . . .

**A MEMBER:** Vast experience and education.

**MR. E. CONNERY:** Yeah, you could use yours. I got my degree in the school of hard knocks and hard work and common sense.

**A MEMBER:** Well, I got mine in a school we actually learned something in.

**MR. E. CONNERY:** So, Madam Speaker, the debt, and one of the main concerns that I ran for this Legislature was to see what we could do with the debt of this province. Because it's the debt of this province that's going to bankrupt our future generations. When I look at my grandchildren - and a few of us are privileged in this House to have grandchildren - to see what the future is for them, there's not a very good future.

The fastest increasing expense in this government is interest costs. The fastest increasing expense is interest costs; interest costs on borrowed money that this government does not know how to spend properly and does not know how to cut expenditures.

Madam Speaker, they talk very gleefully here about their unemployment rate, their ranking within the Province of Manitoba. Madam Speaker, we've always been third or second all the way back. You can go back into the Schreyer days; we were always second or third. And, Madam Speaker, we were always within the 2

percent to 2.5 percent lower than the Federal Government, or the government overall - the federal overall. There has been no change. They haven't done anything. The only difference is that when we were in power the unemployment rates were down around the 5 and 6 percent. Now, when they're in, even though they're still second, the unemployment rate is away up. It's not as low as it was when we were in power.

So talk about being second, but there's still a lot more people unemployed. Take a look at the figures going back into the Lyon days. Thirty-one thousand I think was the maximum that we ever had unemployed in this province. Hey, that would be a very good number for this government because I think their best is 41,000 people unemployed.

So we're talking about all these good numbers but those people out there in this province that are unemployed, those 40,000 aren't all that happy. Also we can take a look at the welfare rates. The welfare rates are away up, Madam Speaker, we can go back into our time and I think it was about one-third of what this government has on welfare.

So why, why are all these people on welfare in this great province of ours? I don't know if those people are counted in the unemployment figures. It would be an awful lot better.

We sent out a little note and it really has caught the attention of Manitobans and the NDP government is very embarrassed about the figures on here. They're trying to alibi it and say: Oh, it's not that bad and everything else. Madam Speaker, it is.

We get comments back, written back on here and I'll tell you, we should delete the name so you wouldn't be able to go after them and read what people are saying about this government. It is not very nice. It is pretty derogatory: The largest tax-grab of all times. And, you know, they say over on that side they are reducing the deficit. This shows the intelligence. They have increased taxes and fees over \$400 million to have about a \$75 million reduction in deficit. And they say they are reducing the deficit. Well, even a junior grader would know that that's a bunch of - (Interjection)- well, as the others say, it is billy-bunk. It is bunk.- (Interjection)-

Madam Speaker, about a 20 percent increase was about the round figure that this government increased taxes on the people of Manitoba. When has anybody ever perceived that an increase to that magnitude would ever happen in this province? What is going to happen when the first paycheques come out after the 1st of July, when 2 percent off their paycheque is taken? You are going to see a hue and cry because people are going to find out now - bang - what it is. Then we'll see how the people accept. They haven't got the whole crunch yet. They've got the 1 percent increase in sales tax, 7 percent, some of it, on take-out food, some of the people, the so-called lower-on-the-pay-scale that you people say you're working and supporting, having to pay 7 percent on take-out food.

Madam Speaker, the land transfer tax is going to hurt businesses coming into Manitoba. If you're going to have to pay a high land transfer tax to buy a plant in Manitoba - if you could go to Saskatchewan or Alberta, why would you come to Manitoba? You've got to have a specific reason.- (Interjection)- That's right, it is stable with you guys. It's stable poor, and it will always be that.

The member talks about the out-migration during the Lyon years. Alberta was a boom. There was a good reason people went. My youngest son went to Alberta and worked for a couple of years. There was big money, there was good work there and they were doing well. A lot of people went to grab the gravy. And I don't blame them, and I say, great to them.

Then they come back. Now what are they doing? Now they're going to Ontario - from Manitoba. We saw 1,000 in '85. Now we see 3,000 in '86. It's starting to pick up. This is net migration of people between provinces. Now, if there's more babies being born, naturally the population is going to increase. Anybody, including the Member for Rossmere, should know that; unfortunately he doesn't.

Madam Speaker, the payroll tax - the Minister of Business Development and Tourism last year in Brandon said, yes, this payroll tax is a detriment to business. We're going to have review the payroll tax and they did and they put it up 50 percent. Now, that is an intelligent move on the part of a government who wants business in this province.

What's going to happen with those that hydro is a large cost for - 9.7 percent increase? We had a 4.7 percent once-only increase but it's once-only forever. It's not going to come off with this government. We did have really low hydro rates and this was a good reason for people to come to Manitoba. But at the rate that this government is putting up the cost of hydro in this province, we're going to lose one of the major advantages that we have and low hydro is a real incentive for business to come to Manitoba.

Telephone rates up 11.5 percent. The lowest in Canada but the way we're going they are not going to be the lowest in Canada. We'll just watch and see. Autopac premiums. We see them going up. Workers Compensation up 20 percent. But what is the loss in Workers Comp. compared to other provinces?

So, Madam Speaker, when we look at all of these things we see one of the largest tax grabs of all time. Not only a tax grab, it was a vicious, you could almost say rape and pillage of this country when they put in that sort of a tax on the people. Madam Speaker, it was disgusting to see them do this and to try and destroy a good province.

Then we talked about how did some of it happen and we looked at some of the costs to this province. The Minister of Education was not happy with the figures on Manfor, the \$31 million, that it wasn't accurate. Madam Speaker, he's right. The \$31 million is not an accurate figure for the cost of Manfor. We have to put another 10 percent interest on the money the province has invested in Manfor, which is now well over \$250 million, so we're looking at an additional, at least, \$25 million loss annually before there is any profit. So, they can say they've got small profits, they've got to take the cost to the citizens of Manitoba because we borrowed that money, we have to pay for it.

Madam Speaker, we could go through the others. They've been repeated time and again and we all know that Flyer could have been sold five years, six years sooner at a saving or not a loss to the people of Manitoba of \$100 million but, Madam Speaker, these incompetents didn't think that that was a good idea so they kept it around and we lost a whole lot of money.

Now we're going to go in and buy a gas company. Well, Madam Speaker, there's nobody on this side of

the House who wouldn't like to see lower and lower gas prices but we don't think that this government will ever achieve that. If there are lower gas prices to be had, then legislation or other ways is the means of doing it. Government should not be involved in business. Government should be the facilitator. Government should work with business to develop business, not be in business. Even D.L. Campbell knew that, way back in the old days when somebody said, would you do this for us and he said no. Governments are the worst people to do anything for business.- (Interjection)-

Yes, Madam Speaker, the Minister of Education knows the former Premier very well and sat with that member and realizes the intelligence. He was a very intelligent and very gracious gentleman and I think all of the people recognize it. The only thing was he really was a Tory because his policies were about as conservative as you could get. Even though they ran under the Liberal banner, I respect his thoughts.

But, Madam Speaker, we are going to buy a gas distribution system but how can we take for fact comments or statements made by the Ministers? We were told before the election that there were sales of hydro to the United States, that they were in fact a contract. Madam Speaker, we found out that there was not a complete contract for all of the sales that were reported.

So, Madam Speaker, when members opposite make statements, when Ministers get up and make statements, we have to take a very jaded look at the facts that they say because, later on down the road, there is a little bit of a "whoops" and there are not quite the same facts there. So we are very concerned.

When they talk about this gas deal, we take a look at their past history with the other things that they've done and we know that there is not much hope of it making money even though it's a monopoly. But what has gone up more in the last few years, the cost of gas or the cost of hydro? I would wonder. I think we should do a review. There are some people who are saying their gas bills went up marginally while their hydro bills went up fairly dramatically.

So, you know, when we look at what the government is going to do, what they're running, it's rising very quickly. They're going to waste a very good resource that we have which is cheap hydro electricity.

Madam Speaker, we went through in our Business Development -(Interjection)- If I had to think of one good thing I would probably go through till six o'clock, but it would take a lot of work to find out one good thing about the those guys across, and the women - well, there are no women there now - but the members opposite, it would take a long time to think up something.

**A MEMBER:** What about Seniors' Day on Monday?

**MR. E. CONNERY:** Yes, we're very happy that this year, Madam Speaker, the member mentioned Seniors' Day. It took a lot of bugging on my part to get them to tell us in advance when the day was going to be instead of finding out about three days before, because, Madam Speaker, I'm having two bus loads, coming in from Portage la Prairie, of seniors. A few came last year and we'll have two bus loads and they're delighted to come. I know they'll have a good time.

But we just wish, Madam Speaker, that if the government had of been a little more honest and forthright with us last year, I could have had two full buses here and, because this information was hidden from us, many Portage seniors did not get to make Seniors' Day. So the members can be proud of their record. That's fine, but it's on the record.

Madam Speaker, we talk about business and the need that business is going to be the engine and the super Minister mentioned the engine that's going to fuel this economy. Business is the engine that's going to pay for the social programs that we're going to have.

But, Madam Speaker, our business is not doing well. I said certain sectors, and we can look at them, the stats are there. In agriculture, employment is down; the primary industry, employment is down; in the manufacturing, employment is down. In the five years that the members opposite have been in power, we lost 11,000 manufacturing jobs. But what does that relate to?

We could then take a look at our foreign trade deficit, and mostly with the United States, is that our trade deficit has increased, especially in the manufactured goods, the finished manufactured goods. The Minister of IT and T should know a little bit of these stats, but he doesn't; that we have a deficit of \$1.6 billion in end products coming into Canada, into Manitoba, from other countries, mainly the United States - \$1.6 billion. How many jobs would that create if we displaced one-third or one-half of that 1.6? -(Interjection)- It would, it would make a tremendous job. Depending on the items, depending on the manpower, we could recreate the 11,000 jobs and get your unemployment numbers down to where they were when we were in power and that would be an accomplishment.

So, Madam Speaker, the industry in Manitoba, in going to the Manufacturers' Association one-day annual conference, and I didn't see any members opposite there and we had a good day and I learned a lot from them. I got a feel from them, but neither of the two Ministers were there, but they say they know what's going on, but really don't.

The Minister of Business Development said she couldn't go to Hecla because she wasn't paired. Yes, Madam Speaker, that was true. She wasn't officially paired; but the Minister talked to me in this House and I told her that I was going up on the Sunday night and I'd be staying right through the convention, and if I changed my mind, I would let her know in advance; and that unofficially she was paired. She had all the right to go. So you can say what you like. The Minister could have been there, and then uses the excuse in telling groups the reason she wasn't there was because she wasn't paired. Now that . . .

**HON. L. DESJARDINS:** . . . pairing with somebody else, and they'll say you paired with them.

**MR. E. CONNERY:** No sir, no sir. Madam Speaker, they will never, ever be able to prove that on myself, because a statement made will stay and we don't play games. It takes a crook to catch a crook, and people that would do the very same thing are the first to suspect other people of doing it. So because they would do it, they think other people would.

Madam Speaker, an area that I think we should take a look at, and it's tourism. Tourism, the Minister says, could be the second-best industry in Manitoba, ahead of agriculture. Well at the rate that the Minister is doing with tourism, the only way that it would get ahead of agriculture is if the Minister of Agriculture fumbles the ball worse than her in running her department, because they're both in real trouble. The Minister of Agriculture, with the Member for Rossmere supporting him, do everything detrimental to this industry.

So, Madam Speaker, not having a pavilion at Expo was a blunder that this government made. They did it in a political sense; it was a political decision. They thought it would look good just before an election to say, they're going to save this \$6 million. But, Madam Speaker, this saving of \$6 million could cost us hundreds of millions down the road. Not having a booth at Expo was a tragedy, and we will pay that price. We were the only province this -(Interjection)- You know, Madam Speaker, the faces of the "Three Stooges" keep on changing from seat to seat over there.

Madam Speaker, Manitoba was the only province in Canada to have a decline in foreign visitors last year; 12 consecutive months, we had a decline. Hopefully, Madam Speaker, with Rendezvous Canada and with the Meeting Planners International being here in the last six weeks, Manitoba maybe will get a little bit of a boost from it. At least, those people coming here will help the Minister for a couple of months in numbers, and of course it's numbers that she needs. But hopefully, it'll result in a lot more, because I think Rendezvous Canada is a good way to have our province exposed to people from around the world.

Madam Speaker, for the Minister to say that tourism is one of our major industries, it makes me wonder why, in the last two Budget speeches and last two Throne Speeches, tourism wasn't even mentioned - not a mention. The only place it showed was, when it was in Business Development and Tourism, once the name "tourism" was mentioned. Nothing to do with programs was ever mentioned in those Budgets or the Throne Speech.

Madam Speaker, we can go back to 1981, and we can take a look at some of the promises that the NDP Government made. The one promise that stands out in my mind is ManOil and Hydro and, because of ManOil and Hydro, individuals, farmers and businesses would not lose their assets because of high interest rates, that this would save them. Madam Speaker, ManOil has been a millstone around our neck. Not only did we put in something like \$6 million or \$7 million into it, it lost . . .

**MR. D. ORCHARD:** The Minister of . . . is going into another public corporation.

**MR. E. CONNERY:** Yes, but they got a good track record of losing money. So with the Minister going into gas, it's bound to lose money, and the Minister - well, I won't say it.

Madam Speaker, we could look at all of the election promises that this government has made, but I've looked at them more from the business side. We looked at the \$50 million small business bonds that were announced in the 1986 Budget. We don't see any

indication of it coming on stream. The Minister keeps on saying, "Soon." Well, I don't know what "soon" is but in the election promise the Minister said upon us being re-elected, we will do these things.

Madam Speaker, in this last Budget Speech - before we go into that - also the First Minister in the election said that the RDCs, the Regional Development Corporations would become one stop shopping centres for business in rural Manitoba. He was really playing to the people of rural Manitoba and he had quite a lengthy release on all the great things that were going to come out of it.

And the Minister of Business Development assured me in Estimates this week that no, nothing had been done towards making it one stop shopping centres. I guess we'll see it maybe, just prior to the next election where we'll get a whole bunch more of these fake promises, fake things.

But this year again, the Minister announced a small business growth fund, a small business growth fund of \$1.25 million. Madam Speaker, there is no program announced but the Member for Swan River is out telling people, that yes, there is a program. Telling them to phone the Winnipeg Business Development Corporation.

Madam Speaker, is this the sort of thing that we have from members opposite? That they go out announcing programs that aren't, maybe not even on the drawing board yet. It was announced in a Budget. But before you can start selling it you've got to have a plan. And of course, I guess the difficulty that is taking so long is that members opposite are poor at planning. They don't understand what has to be done so it's taking them just a little bit longer.

**A MEMBER:** Six o'clock?

**MR. E. CONNERY:** No.

Madam Speaker, this year the Minister of Finance went around to the towns and villages in Manitoba and he would meet with groups, usually the Chambers of Commerce, and he would lay out a piece of paper for them and it showed what increase would generate what revenues and he said to them, okay, pick your poison. Where do you want us to tax you? And so they took a look at it. But then somebody would say to the Minister, but what do you think about cutting some of the expenses? No, we don't cut expenses, we don't understand that. Just where would you want to increase the taxation?

So, Madam Speaker, we got a government that doesn't understand cutting. We're in the prime. If we have the economy that we're supposed to have, that the members opposite tell us, we should be putting money in the bank for when some tough times come. But these guys don't understand cost cutting, and they never will. They will continue to spend money.

Madam Speaker, they have 100 million now in riverbank and riverbank clean-up. Madam Speaker, if it's quality of water, I can see some money being spent on it. But before we go into riverbank clean-up, we'd better do an awful lot more other things that this province needs. We see the closing of hospitals beds. My gosh, if you close hospital beds and then start cleaning up riverbanks, you're going to get yourselves in an awful lot of trouble. There are roads that we need, Madam Speaker. There's a lot of areas that we could cut. We could cut a lot of programs, we could cut a lot of expenses without increasing, while it's reducing the deficit and still do some of the important things like highway construction.

Madam Speaker, the three stooges don't understand finance over there so they laugh. And it's tragic that they would laugh when we have the sort of problems that we do.

**A MEMBER:** Name them, name them.

**MR. E. CONNERY:** No, they keep on changing, they jump around.

Madam Speaker, I have a list of things to read, I'm not going to start it before six. If the members would, can we call it six for tonight and not lose my spot? - (Interjection)- Okay.

It looks like the members don't want to grant leave, Madam Speaker, so I'll continue with my speech. No problem, I'll continue with my . . .

**A MEMBER:** I would grant it. Six o'clock.

**MADAM SPEAKER:** Is it the will of the House to call it six o'clock? (Agreed)

The honourable member then will have six minutes remaining.

The hour being 6:00 p.m. then, the House is now adjourned and stands adjourned until 10:00 a.m. tomorrow. (Friday)