

LEGISLATIVE ASSEMBLY OF MANITOBA

Tuesday, June 6, 1989.

The House met at 1:30 p.m.

PRAYERS

ROUTINE PROCEEDINGS

READING AND RECEIVING PETITIONS

Mr. Speaker: Order, please. The Honourable Member for Fort Rouge (Mr. Carr), his petition was presented to the House on June 2. According to our Rule 81(9), reading and receiving of petitions shall occur on the day following presentation.

I recognize that the Honourable Member did not proceed yesterday in order to assist presentation of the Budget Address.

Does the Honourable Member have leave for his petition to be read and received today? (Agreed)

I have reviewed the petition as it conforms to the privileges and practices of the House and complies with the rules. Is it the will of the House to have the petition read? Dispense?

Mr. Speaker: Order, please. The Honourable Opposition Government House Leader.

Mr. Reg Alcock (Opposition House Leader): Mr. Speaker, there was an agreement that the petition would not be read yesterday because of the timing of the Finance Minister's (Mr. Manness) speech. We would like to have the petition read, if possible.

Mr. Speaker: Do Honourable Members want to have it read? (Agreed)

Mr. Clerk (William Remnant): The petition of the undersigned of the Province of Manitoba, humbly sheweth:

That until 1987 Canada enjoyed pharmaceutical drug prices among the lowest in the world which resulted from competition between manufacturers; but amendments to the Patent Act initiated certain measures which reduced competition and increased drug prices at rates considerably above inflation, contrary to federal Government assurances.

That high users of pharmaceutical drugs such as seniors, the disabled and persons with chronic health difficulties are often among the poorest Manitobans, and will therefore experience hardship as drug price increases outpace income growth.

Wherefore your petitioners humbly pray that the Legislature of the Province of Manitoba may be pleased to respond to unjustified drug price escalations by intervening in the court challenge by the Manitoba Society of Seniors and support their claim that federal Bill C-22 is unconstitutional.

MINISTERIAL STATEMENTS AND TABLING OF REPORTS

Hon. Glen Cummings (Minister of Environment): Mr. Speaker, I would like to table the Annual Report of the Manitoba Environmental Council for the period ending March 31, 1988.

Hon. Harold Neufeld (Minister of Energy and Mines): Mr. Speaker, it gives me a great deal of pleasure to table the Annual Report for the Manitoba Mineral Resources Ltd. for the year ended December 31, 1988.

* (1335)

INTRODUCTION OF BILLS

BILL NO. 21—THE UNFAIR BUSINESS PRACTICES ACT

Mr. Jim Maloway (Elmwood) introduced, by leave, Bill No. 21, The Unfair Business Practices Act; Loi sur les pratiques commerciales déloyales.

BILL NO. 22—THE CONSUMER PROTECTION AMENDMENT ACT

Mr. Jim Maloway (Elmwood) introduced, by leave, Bill No. 22, The Consumer Protection Amendment Act; Loi modifiant la Loi sur la protection du consommateur.

BILL NO. 23—THE CONSUMER PROTECTION AMENDMENT ACT (2)

Mr. Jim Maloway (Elmwood) introduced, by leave, Bill No. 23, The Consumer Protection Amendment Act (2); Loi no. 2 modifiant la Loi sur la protection du consommateur.

BILL NO. 24—THE BUSINESS NAMES REGISTRATION AMENDMENT ACT

Mr. Jim Maloway (Elmwood) introduced, by leave, Bill No. 24, The Business Names Registration Amendment Act; Loi modifiant la Loi sur l'enregistrement des noms commerciaux.

INTRODUCTION OF GUESTS

Mr. Speaker: Prior to oral questions, may I direct Honourable Members' attention to the gallery where we have, from the Nellie McClung Collegiate, thirty Grade 11 students under the direction of Betty Mueller. This school is located in the constituency of the Honourable Minister of Health (Mr. Orchard).

On behalf of all Honourable Members, we welcome you here this afternoon.

ORAL QUESTION PERIOD

**Budget
Tax Reduction**

Mr. Reg Alcock (Osborne): Mr. Speaker, I have a question for the Minister of Finance (Mr. Manness). I would like to begin, I think, by congratulating the Minister of Finance on his most creative Budget documents. I had no idea he was such an accomplished writer of fiction.

Mr. Speaker, this Budget is somewhat -(Interjection)-reminiscent

* (1340)

Mr. Speaker: Order, please; order, please. The Honourable Member for Osborne.

Mr. Alcock: Thank you, Mr. Speaker. This Budget reminds me of the '88 Wilson Budget, which promised all sorts of wonderful things on the tax side, only to take them away as soon as they got past their election.

Perhaps the Minister of Finance (Mr. Manness) could tell us why Manitobans will not receive the benefit of this tax reduction effective July 1 of this year.

Hon. Clayton Manness (Minister of Finance): I thank the Member for the question, his first question in this Session in the area of finance.

Let me say, Mr. Speaker, the Member talks about fiction. I do not know what straw man he is trying to build. The numbers were all presented clearly in an open fashion for all to see yesterday.

Let me also say that the people in Thompson and Brandon, many of whom I addressed today, are just delighted with the Budget. So if the Member opposite is not, I guess then he will have to tell them why.

Specific to the question, if we had made the final decision with respect to some of the budgetary plans to reduce personal taxes, if we had made those decisions, I would say, two months sooner, we then would have had the opportunity to have notified Ottawa. Ottawa then could have sent new deduction bulletins to all employers, and indeed Manitobans could have received that type of immediate tax relief, starting with July and the July payroll. That would have taken though a decision to have been made roughly, I believe, in the middle of March. Time did not allow us to provide for that reduction on July 1.

Mr. Alcock: Perhaps, Mr. Speaker, I could begin by correcting both the Member for Concordia (Mr. Doer) and the Minister of Finance (Mr. Manness). According to the system, you have to notify the federal Government by April 15. That is what is required but, if the Minister of Finance requests it from the federal Minister of Finance, permission can be waived and there is still time to do it, to have those tax tables printed and out, to bring that into pay, to reduce the source deductions effective July 1.- (Interjection)- I spent the morning on the phone with them.

Will the Minister of Finance make a call to the federal Minister of Finance and attempt to bring this into pay July 1?

Mr. Manness: The new student across the way of taxation measures maybe can tell me his source, because I have been very close to this one. I have appealed to my officials as to when the last dates were in effect, and I was told as recently as a month ago that the final deadline had been passed. So if the Member for Osborne has information that is in conflict with that, if he can tell me the source and if he can assure me that there is some way that the federal Government can run off new source deduction tables and that they can be in the hands of employers in Manitoba by the middle of June, as is required, as I am told, if he can assure me how that is, I will look into it very closely and, if it can be done, it will be done.

Mr. Alcock: Mr. Speaker, I am prepared to do that. In fact, I am prepared to meet with the Minister of Finance (Mr. Manness) right after Question Period. I will go through the information I have and go through the agreement and point out how it can be done. I think if he is willing to do that, it would be terrific. It would be a wonderful thing both for the economy here and for the people of Manitoba.

* (1345)

Some Honourable Members: Hear, hear!

Surplus

Mr. Speaker: The Honourable Member for Osborne, with a final supplementary question.

Mr. Reg Alcock (Osborne): Perhaps, Mr. Speaker, given the success of my first question, I could move on to a second question at this point.

An Honourable Member: Do not push your luck.

Mr. Alcock: I am doing okay so far.

If the Minister of Finance (Mr. Manness) had not played with the accounting, Manitoba would have had a \$48 million surplus last year. Can the Minister tell us when he became aware that he would have a surplus this year?

Mr. Speaker: Would the Honourable Member for Osborne (Mr. Alcock) kindly rephrase his question? The Honourable Member's question is out of order. Would you kindly rephrase your question?

Mr. Alcock: Mr. Speaker, I am a little surprised that the Minister of Finance (Mr. Manness) does not want to tell us that.

Mr. Speaker: Order, please. The Honourable Minister of Northern and Native Affairs (Mr. Downey).

Hon. James Downey (Minister of Northern Affairs): Mr. Speaker, on a point of order.

Mr. Speaker: On a point of order.

Mr. Downey: I heard your direction very clearly asking the Member to rephrase his question as it was out of order. We would appreciate it if he would do that.

Mr. Speaker: I have asked the Honourable Member for Osborne (Mr. Alcock) and I believe the Honourable Member for Osborne is going to rephrase his question.

Order, please; order, please. The Honourable Member for Osborne is going to be putting his question now. The Honourable Member for Osborne.

Mr. Alcock: Mr. Speaker, with a credit to the Finance Critic from the NDP (Mr. Leonard Evans). How long has the Minister of Finance (Mr. Manness) known that there would be a surplus?

Hon. Clayton Manness (Minister of Finance): I have not made a Fourth Quarterly Report to the people of Manitoba. That will be done probably in the beginning of July.

It became evident to the Government shortly after or moving into, I should say, the fourth quarter, before we reported the third quarter standing that there were some significant changes occurring on both sides, revenue side, on expenditure side. I might also point out at that point in time we could put no great confidence into some of the estimates of additional revenue. So as I stand here, the Third Quarterly Report was the status of the fiscal affairs of the province at that point in time.

Mr. Alcock: This is the Third Quarter Report, Mr. Speaker, with the \$124 million deficit that became a \$48 million surplus that is now \$152 million deficit. This is the clean and open Budget that the Minister has projected.

Health Care Funding

Mr. Reg Alcock (Osborne): Knowing there would be such a surplus, how does the Minister justify not moving on needed services, allowing the waiting time for surgery to double, allowing Klinik to go unbuilt? Why has the Minister not moved earlier on these needs?

Hon. Clayton Manness (Minister of Finance): The global numbers are there, \$99 million more directed towards Health, a 7 percent increase in the Health portfolio alone. Which way does the Liberal Party want it?

* (1350)

This year the Leader of the Liberal Party (Mrs. Carstairs) or the MLA for River Heights said that the Tories have done nothing to control Government spending. Last year Members opposite wanted us to commit additional hundreds of millions of dollars to Government spending. Last year we brought down a Budget of which the Members Opposite passed by way of resolution, by way of vote in this House. We stayed within the Budget. We were demanded to by the laws

of the Legislature. What is the Member asking for? Please be consistent. Is he wanting more spending or less?

Mr. Alcock: Mr. Speaker, I would start with a little more openness in the financial statements. A 6.5 increase in expenditure has all of a sudden become a 4.5.

An Honourable Member: Do you have a question?

Mr. Alcock: Yes, I do have a question right now.

Klinik Community Health Centre New Facilities

Mr. Reg Alcock (Osborne): Is the Minister of Finance (Mr. Manness) proposing to move on the construction of Klinik this year?

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, that question will be fully addressed by the Minister of Health (Mr. Orchard) during the consideration of his Estimates.

The Member wants to talk about—if he wants to talk about some of the circumstances that we found ourselves in towards the end of the fiscal year, I have laid them out fully within the Budget presentation. I indicated that if we had followed the strict accounting of the province, there would have been a \$48 million surplus. I have said that openly.

I have also given the reasons why it is that for long-term stable planning, it is wise to set some of that money aside and to provide it in a savings account fund.—(Interjection)—Members opposite can call it a “slush fund.” They can go tell Manitobans whatever they want, but let them deny Manitobans a tax cut, because that is ultimately what they are saying.

Health Care Underspending

Mr. Gary Doer (Leader of the Second Opposition): Mr. Speaker, my question is to the Minister of Finance (Mr. Manness). In the Third Quarter Report we were shocked to see that the money we had allocated in this Legislature had been underspent in a number of the critical and crucial human services in this province, and particularly in the Department of Health we saw numbers approaching the \$10 million figure.

I would ask the Minister of Health (Mr. Orchard), in the light of the fact that the Government has not gone forward with the Klinik, the Government is underfunding nurses, the Government is underfunding many other health care facilities, how much money in the so-called Fiscal Stabilization Fund is represented by underspending in Health and underspending that was authorized in this Legislature?

Hon. Clayton Manness (Minister of Finance): If the Member, the Leader of the NDP (Mr. Doer), is asking specifically what the lapse factor is for the former fiscal year, that full accounting will be provided in the Fourth Quarter. I can indicate to him though that it certainly was in excess of the \$30 million that we had plugged into last year's Budget.

Mr. Doer: The Minister did not answer the question.

Budget Fiscal Stabilization Fund

Mr. Gary Doer (Leader of the Second Opposition): I asked how much of that money has gone into the—how much in underspending in Health, how much in underspending in Community Services which is now Family Services, how much in underspending in other departments, that was part of the Third Quarter Report, has gone in this Fiscal Stabilization Fund?

Therefore, Mr. Speaker, my question to the Minister, is he going to take this money that is needed for vital services last year and continue to perpetuate a situation where underfunding for nurses, underfunding for Clinic, underfunding for the Municipal Hospitals, underfunding for Dauphin hospitals, underfunding for northern facilities, underfunding for child care centres and day care centres is going to take place because of this so-called "rainy-day" fund? It is raining for those people in those services. They need the money today.

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, firstly, the fact that we had to commit \$500 million to interest, public debt, is not the responsibility of this Government. The Member knows fully well why \$500 million, in not only last year's Budget but this year's Budget, is directed towards interest payments.

With respect to many of the important social programs and services questioned and to their level of funding, let me make the Members aware that Members of this House supported the Budget last year. They supported it by way of all the votes within all of the departments of Government. So that was their way of candidly supporting the levels of expenditure within all the areas of programming.

* (1355)

Now the Members are claiming we did not spend it. That is not true. Most of the saving, most of the contribution to the lapse factor, which will be detailed in greater display come July, once we put before the people of Manitoba the Fourth Quarterly Report, will show that most of the saving on the expenditure side came as a result of not the requirement within the public debt within the interest area, mainly because of the strength of the Canadian dollar, mainly because of the fact that we swapped into North American currencies in so many of our foreign exposed issues.

Mr. Doer: The Minister has still not answered the question. He is making the point in this House that the money we approved in the Estimates is indeed the money that they spent. Well, that is not true. In the Third Quarter Report, there is great underspending in health and there are a number of vital human health services that this Minister has not delivered on and put into this so-called "rainy-day" fund.

My question to the Finance Minister (Mr. Manness), given the fact that Winnipeg has now got an unemployment rate one-half a percent off of St. John's, Newfoundland, does he not think it is starting to rain now on the economy of Manitoba? Why is he putting so much money away in a sock instead of getting the economy going today?

Mr. Manness: Mr. Speaker, seeing that the Leader of the NDP is also debating my last response, let me remind him that in the fourth quarter much of this spending was caught up and indeed the budgetary amount that was given support by Members in this Legislature was fully expended in almost all of those areas. That will be reported fully within the Fourth Quarterly Report.

If the Member is trying to take issue with some of the unemployment statistics, let me remind him that this Government has a different philosophy than his, and that is not to wrap ourselves in the green Jobs Fund signs and try and buy employment-unemployment statistics. We believe that it is much more important to provide Manitobans with disposable income through tax breaks so that they will go out and purchase and help the economy.

Secondly, we believe that through payroll tax deductions—pardon me, the exemption within the payroll tax—that businesses will go out and employ more people and purchase more services.

Thirdly, let me also say that the \$30 million that we are contributing to the venture capital fund called the Vision Capital Fund of Manitoba, to be administered and to be judged as to where it should go by the private sector, is also a commitment to economic development in this province. Those are our approaches, Mr. Speaker.

Mr. Doer: The Minister still has not answered my questions on health.

Job Creation

Mr. Gary Doer (Leader of the Second Opposition): Mr. Speaker, my question to the Minister of Finance (Mr. Manness) is this. Yes, we do have a different vision of the economy. Yes, we support the tax breaks, and we said so publicly, but we believe the Government should also be active with the people to create jobs, unlike the Sterling Lyon-Gary Filmon kind of regime while letting the unemployment rate continue to go up.

My question to the Minister of Finance (Mr. Manness) is, what is he going to do for the Ogilvie workers, the Molson workers, the Lipton workers, the Marr's Marina workers, and the hundreds of others that have been unemployed since this Government took office?

Hon. Clayton Manness (Minister of Finance): The Member knows we have a different philosophy when it comes to job creation. The difference is, ours is working.

Within the manufacturing sector, there have been 5,000 or 6,000 additional jobs created over the year. Ultimately, when job creation grows under our Government it is not bought by way of a Jobs Fund. It is long run, it is stable, and it is provided by the private sector. That is the difference in the philosophy that creates differences. As far as the Liberals, I do not know what philosophy they believe in, Mr. Speaker.

Mr. Alcock: Mr. Speaker, unemployment is up and 9,500 people have moved out of the province and their policies are working.- (Interjection)- I am ready.

Budget Multiyear Forecast

Mr. Reg Alcock (Osborne): In January, Mr. Speaker, in a meeting of the Public Accounts Committee, the Minister of Finance (Mr. Manness), when questioned about multiyear Budgets, said, "I can tell all Members that we are actively including another year forecast in some detail, closely associated with that for '89-90. I have not backed off one bit. As I indicated, the Budget that will come forward will have a forecast of expenditures, of revenues and ultimately deficit for the year 1991." Where is that forecast, Mr. Minister?

Hon. Clayton Manness (Minister of Finance): That is shown, I believe, on page 20. In my read text, it is page 35. In the real Budget, it is towards the second last page.

Mr. Speaker: The Honourable Member for Osborne (Mr. Alcock), with a supplementary question.

Mr. Alcock: Yes, Mr Speaker, it says expenditure just over five billion, 5 percent in revenue, maybe, but that is it. It is less than one paragraph. That is not a detailed—that is not what the Minister promised us. The departments have been working on multiyear Budgets. He has that information. Why has he not presented that this year, as he promised?

Mr. Manness: I indicated to the Members of that committee, as I have to other people, that I would present global figures of estimates of expenditures and revenues. I have honoured that commitment. If the Member wants to begin to debate the 1990-91 Budget, maybe then his Party will support the '89-90 Budget.

Mr. Alcock: This Minister and the Auditor made the case that we need those multiyear projections. If this is the Minister's idea of multiyear projections, then he is a long way off the mark that he set for himself.

* (1400)

Deficit Reduction

Mr. Reg Alcock (Osborne): Now, Mr. Speaker, perhaps the Minister could tell us something very simple. What will the cost be to finance the deficit created to give him his \$200 million slush fund?

Hon. Clayton Manness (Minister of Finance): Nothing at all. The money that we have borrowed, much of it at this point in time, as the Member I am sure would realize, is long-term money. We do not have the ability really to buy our way out of it, something like a fixed mortgage, so I do not know what the Member is saying. What surplus we have now is earning more interest because you have inverted yield curves. It is earning more money than the cost of borrowing of some of our long-term debts.

Universities Grants Commission Child Care Degree Program

Mrs. Iva Yeo (Sturgeon Creek): The Manitoba Child Care Association and the committee advocating graduate education in child studies were sorely disappointed at the decision of the Universities Grants Commission to deny targeting funds for this new program planned for the University of Manitoba.

At this time, more educators, more researchers to study the changing child care needs in a changing society are needed. With funding targeted specifically towards the Faculty of Management in yesterday's Budget, can the Minister of Education (Mr. Derkach) tell the House why this essential program already prepared with almost a full quota of applicants, why this Child Care Worker III program was not specifically targeted for funds?

Hon. Leonard Derkach (Minister of Education and Training): Mr. Speaker, first of all, the Faculty of Management Program has received the attention of the Government because of the proposals that were presented both to the Government and to the Universities Grants Commission. Certainly that will, if it is approved and when it is approved, be done through the appropriate channels and in the appropriate way.

With regard to the support to universities, it is very evident that 7 percent to the universities was a fairly generous sum this year as has been indicated by the universities themselves. It is not for me, as Minister, to demand that certain programs be offered by the universities. That is up to the university. We give the funding through the Universities Grants Commission who in turn allocate it to the universities and the universities, as autonomous bodies, then determine how and where they are going to spend their monies. Certainly it is up to them to set their priorities.

Mrs. Yeo: The precedence has been set in the past where the Government has targeted specific programs for the Universities Grants Commission.

Child Care Training Programs

Mrs. Iva Yeo (Sturgeon Creek): Will the Minister of Education (Mr. Derkach) signify what measures his department will take to ensure that qualified teachers for the various child care worker programs and administrators for the day care centres in Manitoba are available to the public?

Hon. Leonard Derkach (Minister of Education and Training): Certainly we do want to have qualified people in charge of our day care centres and in charge of the children that are at the day care centres. For that reason, there has been mention in the Throne Speech that we intend to do something about the fact that we need more spaces for training in our institutions for those kinds of workers, and that will happen.

Mr. Speaker, I must tell you though in terms of providing a specific program at the university is not

for me to dictate. It is up to the university to decide upon. There is a Child Care Studies Program at the Faculty of Human Ecology. My department right now, through the Universities Grants Commission, is discussing the matter with the faculty and with the president of the university to see whether or not that program will continue for the coming year.

Child Care Workers Legislative Requirements

Mrs. Iva Yeo (Sturgeon Creek): Could the Minister of Family Services (Mrs. Oleson) explain how her department plans to meet the legislative requirements for trained child care workers in the province?

Hon. Charlotte Oleson (Minister of Family Services): As indicated in the Budget yesterday, there is money being allocated to day care through the Department of Education for training at community colleges for day care workers.

Budget Fiscal Stabilization Fund

Mr. Leonard Evans (Brandon East): Yesterday the Minister of Finance (Mr. Manness) in his Budget Address introduced us to a novel, he would say, concept—a Fiscal Stabilization Fund, which I would suggest is a result of magical bookkeeping wherein we put some revenue dollars aside. I think we should really call it “Manness’ money magic” because it is nothing more or less than an item of unspent revenue.

Would the Minister of Finance confirm that a summary type of financial statement prepared, similar to the summary type of financial statements prepared last year would, in effect, really wash out this fund as such? That is, a full accountability statement would recognize these dollars as simply unspent revenue. Will the Minister confirm that?

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, the question is in order, the way it was posed?

Mr. Speaker: The Honourable Minister of Finance.

Mr. Manness: There is some essence of correctness to the Member’s question. That is why we are seeking support of this Legislature by way of Bill to set up the account, the savings account. We have said, by way of the release of the budgetary document yesterday, that we are doing this in an open fashion, that we are going to seek the support of the Legislature for the concept of a savings fund. If the Members wish to deny it, then obviously it would have to be consolidated within the books of the province.

Mr. Leonard Evans: Mr. Speaker, we have now found that the existence of this fund will depend on the will of this Legislature.

Payroll Tax Reduction

Mr. Leonard Evans (Brandon East): On another item, the payroll tax was reduced by a mere 10 percent. I say a mere 10 percent when you think of all the election rhetoric from the other side about how they were going to abolish the payroll tax. We still have a payroll tax, a health and education levy of \$180 million. Will this Minister acknowledge that this—we know that this tax has had no negative impact on unemployment, we know that. There is no evidence. The Premier (Mr. Filmon) can laugh—

Mr. Speaker: Order, please.

Mr. Leonard Evans: —but he has no evidence to prove that whatsoever.

Mr. Speaker: Order, please.

Mr. Leonard Evans: Mr. Speaker, will the Minister acknowledge that this tax is far too important, too vital, to the province’s revenues to be abolished and that therefore it will remain as a tax vehicle of this Government?

An Honourable Member: Hear, hear!

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, what is obvious to me is that the Finance Critics of the Opposition Parties are having difficulty finding something to attack in this Budget. That is the first thing that is obvious.

This Party, over a series of years, upwards of five now as a matter of fact, has made a commitment to the people of Manitoba to abolish the payroll tax. We are well-embarked on that path. We have now moved up that level to \$600,000.00. We removed from the whole number of employers who are paying this tax, roughly 95 percent or more of the total employer number within the province, and we will continue. Yes, there is a cost implication. Yes, that cost implication will continue to grow in magnitude as we continue to move along the process, but that is a commitment this Government has made.

Some Honourable Members: Hear, hear!

* (1410)

Economic Development

Mr. Speaker: The Honourable Member for Brandon East (Mr. Leonard Evans), with a final supplementary question.

Mr. Leonard Evans (Brandon East): Mr. Speaker, we are very disappointed that there is really no acknowledgement of the serious economic slowdown in this province, the exodus of people, the erosion of our industrial economy, the lack of jobs.

Where in this Budget can we find any economic plan, any economic strategy, to address the very, very serious

lack of employment opportunities in this province? Where can he show us that there are going to be more jobs? Where can he show us that unemployment is going to be lower? In fact, they are not going to be lower, he has already suggested that unemployment is going to be higher.

Mr. Speaker: Order, please. The Honourable Minister of Finance.

Hon. Clayton Manness (Minister of Finance): Mr. Speaker, I will repeat what I said before, we have a different philosophy with respect to economic development. Rather than Government buy jobs, we are going to leave disposable income in the hands and in the pockets of Manitobans. That is the essence of our economic development plan.

Let me tell the Honourable Member that in Thompson and in The Pas there are no homes for sale. Things are booming—there are other parts of this province. The province as a whole has the third lowest rate of unemployment in this country. Let me also indicate that the forecast for economic growth in 1989 is above the national average. This province is well-positioned. It has good Government and it is well-positioned for the decade of the '90s.

Hydro-Electric Resources Development

Mr. Herold Driedger (Niakwa): Jake Epp, the federal Minister of Energy, has warned that Canada will face an energy shortfall by the mid-1990s and that therefore Ottawa has absolutely no choice but to subsidize energy mega projects.

Yesterday in this House, we find that almost one-half of this Government's windfall revenues has come from a booming northern Manitoba mining economy, and yet there is absolutely nothing in the Budget that even hints that any of this money is going to be returned to the people and the region from which it came. Does this mean that the Government expects to get help from Ottawa to assist us in this Northern Energy Development?

So my question for the Minister of Energy and Mines is this, has he obtained a commitment from his Ottawa cousins in support of the further development of a renewable hydro-electric energy resources, and if not, why not?

Hon. Harold Neufeld (Minister of Energy and Mines): Mr. Speaker, the construction of hydro-electric generation on the Nelson River and elsewhere in the North has always been the function of the Manitoba Hydro and the Manitoba Government. We have never asked for any help from the federal Government with the exception of some loan interest reduction for the Bi-pole line.

There is no reason at all, Mr. Speaker, why we should ask for help for the construction of generation in northern Manitoba at this point in time, when we have not yet made a decision as to whether or not we are going to build another generating plant in the 1990s.

Fossil Fuel Products Exploration

Mr. Speaker: The Honourable Member for Niakwa, with a supplementary question.

Mr. Herold Driedger (Niakwa): In the same breath, Mr. Speaker, the same Minister references the fact that we have to reduce our need for fossil fuels. The Minister of Energy is aware that the geology of the Hudson Bay Basin is favourable for fossil fuel deposits and since the federal Minister wishes to extend these, have his Tory friends committed funds for further exploration in this important area of Manitoba as part of their energy security strategy for Canada?

Hon. Harold Neufeld (Minister of Energy and Mines): Mr. Speaker, we are continuing our exploration in northern Manitoba. We, together with the industry, are continuing. It is the Manitoba Government's intention to balance the taxes and the job creation so that will continue into the future for the benefit of the northern communities.

Hydro Development Northeast Line Status

Mr. Speaker: The Honourable Member for Niakwa, with a final supplementary question.

Mr. Herold Driedger (Niakwa): Well, -(Interjection)-

Mr. Speaker: I believe that is a false alarm.

Mr. Herold Driedger: Taking into account the phone call, what is the status of the hydro transmission line of the Northeast Power Project, which figured so prominently in the 1988 Throne Speech, but was conspicuous by its absence in the 1989 Address and was absolutely not mentioned, not at all in neither the '88 nor the '89 Budget statements?

Hon. Harold Neufeld (Minister of Energy and Mines): Well, Mr. Speaker, the northeast hydro line is under discussion and when we have something to report to this House we will do so.

Government Documents Security

Hon. Albert Driedger (Minister of Government Services): Mr. Speaker, I took certain questions as notice by the Leader of the Opposition (Mrs. Carstairs) yesterday, and I want to thank her for turning over the instruction book that had been turned over to her office. I want to indicate that because of the questions that she raised that we have done a full investigation in terms of all the activities, all incidents that have happened security-wise over a period of time, including this one, and that this book was lost through human error. But as a result, the moment it happened, preventative measures were taken. When management discovered the loss, security access codes to the two buildings that it could have affected were immediately

changed. As a result of that, we have also looked at prevention of similar incidents for the future. We are taking various precautionary measures to make sure that security is going to be the No. 1 concern that we have. We are going to be coding all these things that are on these reference books we have so that they will not be available any more.

Rafferty-Alameda Dam Project Environmental Impact Study

Mr. Harry Harapiak (The Pas): My question is for the Minister of Natural Resources (Mr. Enns) who, unlike his predecessor last year, acknowledged that more research was needed on the effects of the Rafferty-Alameda project on Manitoba water quality and quantity.

Mr. Speaker, I would like to table in this House an Executive Summary of the Environment Canada Report on Rafferty-Alameda, along with the Adverse Environmental Impacts Caused by the Altered Flow, detailing damage to Manitoba along with other jurisdictions.

In view of the fact that the Environment Canada Report says Manitoba fish habitat would be severely affected along with damage to the water quality and quantity and it also affected the plant species in Manitoba, will this Minister now demand of his federal colleagues that they proceed with Stage 2 of their environmental assessment review process, which would establish an independent review panel, and conduct an independent review with full public hearings into the proposed project?

Hon. Harry Enns (Minister of Natural Resources): I thank the Honourable Member for the question.

Mr. Speaker, I indicate to the Honourable Member and to Members of the House that the document the Honourable Member referred to is a summary. It does indicate that perhaps not all of the implications of the project have been investigated to the extent that the proponents ought to have in the first instance, and tends to support the position that the Government has today, and has had in the past, for a full environment impact study to be held. The position will be detailed and placed before the federal panel group that is studying this at the first public hearings to be held here in Manitoba.

Endangered Species

Mr. Harry Harapiak (The Pas): Mr. Speaker, considering that the Minister has recently tabled in this Legislature The Endangered Species Act, will the Minister agree that the statement in the summary of the report, detailing adverse effects of rare and endangered species in this province, make the continued suspension of the project necessary until alternative methods have been established for the endangered species which will be affected?

Hon. Harry Enns (Minister of Natural Resources): I am going to do my very best to ensure that all

Manitobans, including certainly my Opposition Critics, have at their disposal the information required to make appropriate judgments on this matter from time to time, but it is not my intention nor do I think we have the capacity to conduct an environmental impact study here in this Chamber.

It is for precisely those reasons that we support the federal Government's initiative at this instance in reviewing the matter by way of the summary initial studies that are now under way which, I am pleased to indicate, at our insistence will include public hearings here in Manitoba. At least two are scheduled, I believe three: Melita, Souris, and Brandon. Coming out of those hearings, the kind of recommendations I would hope, and certainly it will be the position of the department and this Government to call for that kind of complete environmental impact study that I believe this project deserves.

Mr. Speaker: The time for oral questions has expired.

* (1420)

NON-POLITICAL STATEMENTS

Hon. Bonnie Mitchelson (Minister of Culture, Heritage and Recreation): Might I have leave, Mr. Speaker, to make a non-political statement?

Mr. Speaker: Does the Honourable Minister have leave to make a non-political statement? (Agreed)

Mrs. Mitchelson: I just want to indicate that this morning I had the opportunity to participate in the opening ceremonies at the Winnipeg International Children's Festival at Kildonan Park. I do know that critics from both Opposition Parties were there also to participate in this morning's events and activities.

The Winnipeg International Children's Festival offers the best children's entertainment in the world, Mr. Speaker. Canada and Manitoba lead the field in promoting and producing this type of learning and entertainment experience. This festival also makes a vital contribution to our province's cultural life. The experiences that our young people gain at this festival will stay with them for the rest of their lives.

My congratulations go to the board of directors, to the staff, and to the many volunteers of the Winnipeg International Children's Festival for their commitment and hard work in assuring the future of Manitoba's vigorous and unique culture.

I would like to encourage all of my colleagues here in the Legislature to participate in the next week's events. Take your children or, if your children are too old, take your grandchildren along and go see what our city has to offer to Manitobans.

Thank you.

Mr. William Chornopyski (Burrows): May I have leave to make a non-political statement?

Mr. Speaker: Does the Honourable Member for Burrows have leave to make a non-political statement? (Agreed)

Mr. Chornopyski: Mr. Speaker, 45 years ago today thousands of Canadian men and women fought and gave their lives to preserve peace, freedom and democracy on the beaches of Normandy under the umbrella of hundreds of aircraft, warships. Thousands of Canadians participated in this event.

We should never forget those brave men and women who gave their youth for the preservation of democracy. We shall never forget those who gave their lives but we should also not forget the many thousands of veterans who are still with us today. I would ask all Members of the Manitoba Legislature to join with me in recognizing all those veterans who gave their youth for our tomorrow. Thank you.

Hon. Harry Enns (Minister of Natural Resources): Mr. Speaker, if I may just make a brief non-political statement along the same lines.

Mr. Speaker: Does the Honourable Minister have leave to make a non-political statement? (Agreed)

Mr. Enns: Simply to associate the Government with the thoughtful reminder that the Honourable Member has just given this Chamber, perhaps appropriately so, that we are reminded of those freedoms that men and women fought and died for at the time that he referred to on the beaches of Normandy.

When we see that 40, 45 and 50 years later, people around the world are still fighting for those kinds of freedoms and democracies today and are paying with their lives with them today, as we were reminded yesterday by acknowledging the events in Beijing, China, that we do take time to honour those who have kept this country as free as it is today. I am delighted and I am proud to associate the benches of the Government with the comments just made by Honourable Members.

Mr. Speaker: Does the Honourable Member for Interlake (Mr. Uruski) have leave to make a non-political statement? (Agreed)

Mr. Bill Uruski (Interlake): Mr. Speaker, on behalf of the New Democratic Party, I would like to as well associate our group with the comments made by the Honourable Member for Burrows (Mr. Chornopyski) and the Minister of Natural Resources (Mr. Enns) in recognizing those of our forefathers who in fact were the thrust of the Canadian Forces in attempting to assist in preserving freedom and democracy in the world.

Clearly, it is a very clear reminder to us that the struggles that occurred several decades ago continue in many parts of our universe. The grim reminder that we are faced with now in China should remind us as legislators that demonstrations, for whatever cause, by our citizens should be recognized as a true freedom of democracy, that we should never be prepared to bear arms against our citizens. Governments are to serve the people and not to control the people. We want to share the comments of the Member for Burrows (Mr. Chornopyski) and participate in this.

SPEAKER'S RULING

Mr. Speaker: I have a ruling for the House.

On May 29, 1989, I took under advisement a point of order raised by the Honourable Minister of Finance (Mr. Manness) concerning the words "window dressing," spoken by the Honourable Member for Flin Flon (Mr. Storie) in relation to the attendance in Portage la Prairie of certain Ministers of the Crown.

I have reviewed Hansard and am of the opinion that those words do not constitute impugning or imputing of motives.

Therefore, I am ruling that there is no point of order.

ORDERS OF THE DAY BUDGET DEBATE

Mr. Speaker: On the proposed motion of the Honourable Minister of Finance (Mr. Manness) that this House approve, in general, the budgetary policy of the Government, standing in the name of the Honourable Leader of the Official Opposition (Mrs. Carstairs). The Honourable Leader of the Official Opposition.

Mrs. Sharon Carstairs (Leader of the Opposition): Thank you, Mr. Speaker. Unlike the opening remarks a few minutes ago of the Minister of Finance (Mr. Manness), I can assure him that there is no difficulty on this side of the House in attacking his Budget. We have more than ample information to prove to the citizens of this province that he has not taken into consideration many of their needs.

Before I do that, I would like to make some comments about some of the speeches given in reply to the Speech from the Throne. There seemed to be in that Speech from the Throne an inordinate use of the word "arrogance" and an awful lot of the times it seems to have referred to me.

Mr. Speaker, I want to talk a little bit about arrogance in this Chamber today, just a little bit, see how I define arrogance, because I think it is quite different from the way many in this Chamber on the other side and to my left define the word "arrogance." For example, I find it arrogant for the Member for Churchill (Mr. Cowan) to think that a non-confidence motion that shows concern about employment opportunities is arrogant. I find it difficult that the Member for Churchill would find a non-confidence motion that showed concern for the violation of Native Treaty rights in this province would be considered arrogant. I find it is very difficult that he would think the need to protect the environment would be considered an arrogant statement, and I certainly think that it is the height of arrogance for the Health Critic to think that concerns raised about health care would be considered arrogant.

* (1430)

I believe real arrogance is when some Members feel they have to kick other Members under the table in this Chamber in order to get their attention. That, to me, is arrogance. I think the treatment of the former

Speaker, when he sat in this Chamber, was arrogance. I think, for example, arrogance can be best expressed when the Premier (Mr. Filmon), who was then the Leader of the Opposition, refused to second the Speaker's nomination after the election in March of 1986. I consider that real arrogance.

I consider arrogance when a Premier, not having given a newly elected majority Government the opportunity to govern for even two months, introduces a non-confidence motion. Yes, I think that is arrogance. On that particular occasion, their House Leader stood up and said—and it was Mr. Mercier—I do not speak for the Member for River Heights. Well, he certainly did not speak up for the Member for River Heights, because I was prepared to give that Government of the Day a chance, and did not vote on their original Speech from the Throne or voted against them. I abstained in their original Speech from the Throne and I gave them a year. The following year, yes, I did vote against them because after a year of a new mandate they had not shown themselves fit to govern this province, and that is exactly what we did this year. That, Mr. Speaker, is the job of the Opposition. It is not arrogance.

I do not think it is arrogance when I refer to one vote being cast as an expression of my conscience. You know, I do not tell anyone in my political Party how to vote. Maybe that is unusual for a political Leader. Maybe others do that. Maybe they twist arms and they jerk people around and say, you will vote this way or you will not vote that way. I do not do that. I have no intentions of ever doing that. So, when I say I am going into the ballot box and I am going to cast my vote as my conscience tells me to cast it, and that I will not put pressure on anyone else, no, Mr. Speaker, I do not consider that arrogance. I consider that the height of democratic freedom.

Some Honourable Members: Hear, hear!

Mrs. Carstairs: Mr. Speaker, the Member for St. John's (Ms. Wasylycia-Leis) of course talked about it being an orgy of power. She really got carried away—an orgy of power. One of her reasons for why she thought it was an orgy of power or one of the explanations she gave was that because she could not see any difference, you see, between the Liberals and the Tories. Well, she must have because she voted with the Tories. She certainly did not vote with the Liberals so she obviously was able in her own mind to differentiate between the two political statements.

She also made an allusion to the fact that day care policies do not differ between the Tories and the Liberals. Let me tell you that they do differ, and they do differ because the first criteria of this Party is non-profit day care, but I will not deny a garment worker a day care space working on shift work when the only space available is in a private day care. No, I will not deny that. If they had met those needs in this society, then there would not be any need to support the private day care system. It was their failure to address shift workers, the lowest paid on average in this nation, that made it necessary to do that.

Mr. Speaker, I was shocked when I listened the other day to the Premier's (Mr. Filmon) speech in closing the

debate on the Speech from the Throne. The Premier (Mr. Filmon) made no mention in this speech, of almost an hour in length, of health care, education, employment services. It was totally focused on business. That, regrettably, is again what we saw yesterday—no people focus. They like to talk about the fact that they are good businesspeople, good managers, but their actions over the last year simply do not verify that. They have not shown themselves to be good business people nor have they shown themselves to be totally open with the public.

Let us take the announcement of Manfor. With great fanfare, they said they were going to make \$132 million, but underneath that \$132 million, of course, was the fact they were only going to get \$42 million in cash. Of that \$42 million in cash, \$32 million was going to be immediately paid back to Manfor. So now we are down to \$10 million, but we discovered there was \$12.5 million, of course, in the Manfor books so, in fact, we discovered that Repap had actually been given \$2.5 million to take this company off the Government's hands. Now, of course, we have learned that the Government has agreed to clean up the spills at a cost of some \$3 million to \$5 million, so Repap actually was given \$8 million to take over Manfor. It is hard to find the profit of \$132 million in that particular deal.

(Mr. Deputy Speaker, William Chornopyski, in the Chair.)

Now, of course, we look at the Ladco deal. We know that Section 7.1, in essence, says that if there is no money to be made in the first five years, well, that is too bad. Ladco will make the 100 percent in the next period of time until they have made \$6.9 million. Regrettably, of course, the Government will not get its pay back until after Ladco has made a killing.

Then, of course, I listened with some amusement to CBC the other day. Paul Thomas was speaking about the operations at the Manitoba Telephone System, and I heard a statement made about fax machines that I really thought could only have been made under the previous administration. The Budget plan and the plan for having fax machines at MTS, according to the chairperson, is that we are not going to market them. We are just going to have them there. They are going to sit and collect dust, Mr. Deputy Speaker, because they are not going to tell the public about it. Maybe that is because, of course, when they did tell the public about the Commodore 64s and they managed to lose a lot of money on advertising, they had to give them away to all the senior executives. So now, of course, we have to contemplate whether all the senior executives of MTS are now going to get their at-home personal fax machine.

If that is an example of good management, it is no wonder the Budget is not reflective and more reflective of the need for good management in the Province of Manitoba.

La question n'est pas a savoir s'agit-il, d'un budget plein de bonnes nouvelles. La réponse est évidemment, oui. La question véritable est a savoir si vous aviez des revenus supplémentaires et vous en avez sûrement. Les avez vous dépensés sagement? La réponse est non.

(Translation)

The question is not did they have a good news budget. The answer to that is obvious. They certainly did. The real question that must be asked is, having had windfall revenues—and they certainly had those, Mr. Deputy Speaker—did they spend them wisely? The answer to that is a resounding no.

The question is not did you give an accounting to the people of Manitoba. The question is did you present to the people of this province the most open and honest set of books? Again, I must regret to say, Mr. Deputy Speaker, the answer is no. They have deliberately played the shell game. Now you have the money and now you do not.

Let us look first at the good news, the tax cut to Manitobans. This Government had millions of dollars. Even the Finance Minister admitted that it did not come from their good management. These revenues came from mining taxes and equalization payments. Indeed, our thanks should go to Thompson for its wonderful mining resource nickel and to Ontario for its overheated economy which created our equalization payments, but not to this Government.

Hopefully, our resource wealth will continue. There are good indications that the nickel market will remain firm and Inco is reporting an even better year for 1989.

* (1440)

However, Ontario is not. So revenues from equalization payments will plummet. My colleagues in the Liberal Caucus support the tax deduction. We recommended it all of last year. Putting money into the hands of the taxpayer stimulates the economy, particularly when targeted to lower income earners. The improvements in the Child Tax Credit should do just that. However, in order to stimulate the economy, it must happen now, and because of their sloppy management, taxpayers cannot get their money for 1989 until next spring. Why were they unable to get that change to take place on July 1, 1989?

Our information from Tax Canada is that indeed, while the federal Government would prefer to have that request in by April 15, they will in fact accept that recommendation any time up to and including the 30th of June.

Families need that money now. The economy needs the money now. Retail stores require that money now. When Kostyra introduced his mugging of the taxpayer in 1987, he ensured that we began paying those new taxes on July 1. They have had no difficulty in imposing the tobacco and gasoline taxes quickly, thereby taking money from the consuming taxpayer. Why can you not return the tax money just as quickly? The explanation that the federal Government needs to be informed sooner simply does not wash with the information we were given this morning. They have been working on this Budget, according to the Premier (Mr. Filmon) and verified by the Finance Minister (Mr. Manness), since the second week in January. It has been obvious since last fall that windfall revenues were coming your way and that the people of this province should be the beneficiary.

Mr. Deputy Speaker, I believe there is a political motivation to their announcement. The polls do not show that an election called by their Government now would be to their advantage. Therefore, it is "dangle the carrot" time. Tell them, the people of this province, that they will get a tax cut but do not give it to them until next year in real dollars, because then they will remember you during the election campaign. A good scenario perhaps, Mr. Finance Minister (Mr. Manness), however, the public has become pretty jaundiced about Tory Finance Ministers who say one thing during the fall—remember the fall of 1988—and deliver quite another thing in the spring.

Michael Wilson has taught all Canadians not to trust Finance Ministers. Deliver on your promises now if you expect to have any credibility. Why should you and, of all people, your federal Government cousins get the benefit of interest payments on Manitoba taxpayers' money, probably some \$6 million to \$8 million? Let the Manitoba taxpayers earn their own interest on money in their own hands and in their own pockets.

Mr. Deputy Speaker, let me now turn to the numbers game. "Watch the shell," the shell says to the watching crowd, particularly the most gullible, "now you see the deficit, now you do not." On Monday, March 7, 1988, the then Opposition Finance Critic, now our Finance Minister (Mr. Manness), rose in this House on a matter of privilege. He said on this most important matter: "For the past six sitting days the Opposition has been documenting distortions and misrepresentation of the information provided within the 1988 Budget. In doing so," he stated, "we have called into question the credibility of the Government, the Premier and the Minister of Finance."

Well, Mr. Deputy Speaker, I agreed with him. However, he took a bit of a nose-dive, in my opinion, when he introduced exactly the same Budget some five months later. However, he hit the floor yesterday with his own presentation of figures. We do not have a deficit. We have a surplus of \$48 million. Why will not the Finance Minister (Mr. Manness) admit to this clearly in his documentation and show the books as they really are?

Once again, a political explanation can be found. It looks like good Tory management to see a deficit gradually declining from \$299 million to \$152 million, to \$137 million, a nice slow, downward curve. That kind of curve looks good on election pamphlets of the future. The real picture of a \$299 million deficit, then a \$48 million surplus, only to descend to another deficit of \$137 million, looks irregular and not, therefore, as glitzy for the Ron Telpners of this world. Perhaps it is not the stuff of campaign brochures, but it is truthful.

Why is this Finance Minister (Mr. Manness) prepared to pay interest on a deficit that we do not have yet, and what is to be the cost? Is it ethical to manipulate the taxpayers' hard-earned money for political benefit? No, Mr. Deputy Speaker, it is not, and the public no longer trusts those who betray them in this fashion.

This is not the only area where the Finance Minister's (Mr. Manness) credibility must be called into question. He announces with great fanfare that he has kept spending to 4.5 percent. Yet he announced spending

increases of 9.1 for Family Services, over 7 percent for Health, 7 percent for Education, 8.2 percent for Justice. These departments account for 64 percent of the Budget. This one sent us scurrying to the books because this sleight of hand was simply not possible. The explanation was simple, spending Budget to Budget was up 4.5 percent. However, the actual spending numbers which were available to Government show an increase of 6.5 percent. Therefore, when trying to paint the Government fiscally responsible the lower figure was used. However, when trying to show how generous the Government was the higher figure was used.

Mr. Deputy Speaker, this may be good short-term politics but that image will be short lived because my Members will be telling the public from one end of this province to another that yes, once again, the people have been deceived.

Mr. Deputy Speaker, let us examine the departments in order to show this Government's faithfulness or lack of faithfulness to their announced vision in both the Speech from the Throne in 1988 and 1989. Last year we will remember that they targeted seniors. I see the former Minister, last year it was the biggest joke of the Session, with a Minister who said publicly he would rather be on a beach in Florida. Do we see any improvement, any new direction? No; it is with regret that I must report to you that we did not. The salaries went up \$17,300 but the other expenditures went down 10,000, for a grand increase of \$7,300 and not a single initiative announced. What a sham at the time of aging population growth.

Mr. Deputy Speaker, the number of our citizens over 75 and over 85 are doubling and tripling over the decades that lie ahead. It is essential that strategies be put in place now. Regrettably, it will not happen from the Ministers across the way because they are prepared to pay lip-service only to the needs of our aging citizens. Some of them do not even do that. They actually announce they do not need anything, as did the previous Minister in this department.

Despite promises to the contrary the 55-Plus Program, an income supplement program for those getting on in years did not show the 4.1 percent increase forecast but was limited to an increase of 1 percent Budget to Budget. Perhaps the Government believes the numbers of eligible recipients will be down. However, they need only to look at the layoffs of older people in this city and throughout our province, and they will quickly realize that there are many over 55 who will become unemployed or will be forced to accept low-paying jobs in order to find any form of employment.

Mr. Deputy Speaker, this Government touts its programs in rural Manitoba. They speak about rural decentralization, about a water strategy, about help to the farmers but what are the facts? Yes, once again they have provided an education tax reduction program but farmers do not always want to feel they are getting handouts and special treatment. They want fairness and equity and they want a property tax system that is properly reformed and recognizes their needs in an automatic right and not as something touted out each and every year.

I quote from this Budget: "This year our Government expects to proceed with reform." I stress the word

expects. Why do they not finally use the word commit? Why do they not do it?

* (1450)

There is a \$19 million cut in Agriculture. They, as we, are hopeful that last year's drought will not be repeated. However, surely some of that money could have remained in Agriculture with additional funds for research in new technologies, if not elsewhere. The only mention of diversification is the vague hope expressed that: "The federal Government will be a full and active partner in a vital program to further development and diversification." This is the same federal Government that has decided to do its best to destroy the community of Portage la Prairie and surrounding areas.

Mr. Deputy Speaker, rural economic development corporations were slashed by 7.5 percent. Once again, rural Manitobans will be hardest hit by the increase in gasoline tax. We await the targeting of this money to roads, and we hope they will particularly be targeted to those much needed maintenance projects in rural Manitoba. The bottom line is that rural Manitobans must travel more and the burden is disproportionate and not shared by all of the driving public.

What is their often-touted water strategy? Mr. Deputy Speaker, the Throne Speech said and I quote: "My Government has produced a comprehensive land and water strategy which has now been widely discussed within the province and will be implemented later this year." We have to wonder how it can be implemented when there is a 6.4 percent reduction in water resources funding.

The Water Commission sees a decrease, that is right, a decrease of \$150,000 and water resources, the area of natural resources which plans the use and management of water resources, is cut by one-half million. How are we to address much-needed water strategies with a cut of \$650,000.00?

Even in the area of Rural Development under the title, "Manitoba Water Services Board" we see an increase of only 27 percent or a 1 percent increase. There are no funds to enhance a water strategy despite the commitment in the Throne Speech. It is simply more flimflam and more empty rhetoric.

Tourism, Mr. Deputy Speaker, is an important part of rural life and it is an important issue to them as well as to urban Manitobans. The Throne Speech again said: "The potential for increases in tourism," but it is hard to bring about increases when you cut the Budget by 5.3 percent.

Literacy was to be a big thrust of this Government when they came to power last year. They established a task force headed by a defeated Tory candidate and spent 300,000 and this year they budgeted another 70,000 for the task force.

Surely this was the year we were to see some reforms. This was the year when those, who are illiterate, were to be helped to become literate. They are certainly not found in the education budget. Illiteracy is found and it is noted over and over and over again in the greatest

numbers in the Inner City. Did we see any new dollars in Inner City education to target those young children who do not learn within the school system adequately? Yes, Inner City education got a magnificent increase of 1 percent, \$1900 for additional salaries. I am afraid that is not going to help one school age child become more literate.

Let us look now at the Department of Health. The total increase in health expenditures, budget to budget, is 6.8 percent, a growth of 2.7 percent over an inflation rate of 4.1. This growth rate is token when it is realized that the new programs promised in the Throne Speech, the Breast Screening Program and the Women's Health Directorate, must all come from these funds.

In addition, the Government promised to address cultural barriers to health care, to improve the Cancer Research and Treatment Foundation at the St. Boniface Hospital, to make the Health Sciences Centre Surgical Program a world class program, to increase resources for AIDS outreach education and prevention and all of this is going to be accomplished within the narrow margin of growth? It is simply not possible, Mr. Deputy Speaker. It is a legacy of broken dreams fueled by broken promises.

The Health budget discloses no innovation. The Health Advisory Network is budgeted for another year at \$500,000.00. This reflects no change in its funding but suggests with deep regret that it will be another year of status quo from this particular network.

The Breast Cancer Screening Program, we are assuming, will come from Maternal and Child Health, which has experienced a \$160,000 increase. But Dr. Patricia Mirwaldt, chair of the Health Professional Education Committee of the Canadian Cancer Foundation, estimated it will cost approximately \$2 million to screen women 50 to 69 years of age every two years. This age group was the one recommended for screening by a group sponsored by Health and Welfare Canada, the Canadian Cancer Society and the National Cancer Institute of Canada. The \$160,000 increase to the basic Maternal and Child Program is wholly inadequate to even begin any effective breast cancer screening program.

This Government has touted its commitment to health promotion, which it appears will become the responsibility of external agencies, and salaries in this program have decreased by 1 percent. Program funds remain unchanged, but funds to external agencies are increased to \$512,000.00. Health promotion is an important function of this Government, and the delegation of this responsibility to external agencies may signal this Government's position on health promotion. Let someone else do it.

Mr. Deputy Speaker, we were shocked, considering that they still try to pay lip-service to the aged within our society, that hearing conservation has been reduced by almost one percentage point. Hearing conservation is absolutely essential to the well-being of many seniors within our society.

While continuing care funding has increased overall, there is no increase in services for home care, social

workers and public health. The increase in funds available for external agencies is 4.1 percent. Can we expect that programs such as the Sister Clermont Health Plan will be funded out of this line? It is doubtful in that the funding just meets the rate of inflation and does not provide any additional funding for programs not covered last year. This Government focused on the environment as the cornerstone of its Throne Speech. Yet the Environmental Health Program has seen only a 4.4 percent increase for cost-of-living adjustments to salary.

There is no evidence of new directions by this Government. Clearly, their commitment to environment and health concerns is window dressing at best. This area should provide medical public health input to departments and agencies in the delivery of environmental health services, for example, medical expertise in the assessment of health hazards and the development of preventive measures. Is this not part of their environmental package? Does sustainable development not also include the people, Mr. Deputy Speaker?

Community health operations, regional services consists of department field resources in 10 regions for the delivery of community health programs encompassing health promotion, communicable disease control, maternal and child health, hearing conservation, continuing care, community mental health, support services to seniors and northern primary care. This is where the community network is, Mr. Deputy Speaker.

Well, we know from the commitment of their Government that they do not believe in community health care delivery, Mr. Deputy Speaker, because inflation is 4.1 percent and they have given community health care 2.5 percent. That means services have to be cut, Mr. Deputy Speaker.

This is supposed to be the new thrust for delivery of medical services. We do not know where this Minister is coming from.

* (1500)

This Government has repeatedly stated its commitment to mental health services. The Member for Kildonan (Mr. Cheema) continually rose on his feet in the last Session and asked this Minister to address the mental health needs of Manitobans. I have to report to the Member that despite his very fine questions, despite his prodding of the Minister, the Minister still does not understand the needs of mental health in the Province of Manitoba. Again, well below the rate of inflation, a mere 2 percent increase.

Program support is down by half a percentage in mental health promotion. It is reduced almost 4 percentage points in mental health clinical. Support goes up to 2 percent for the provincial psychiatrist but rehabilitation gets only 1.5 percent, and mental health services has to scrape by with 1.2 percent.

Financial support to both the mental health centres at Brandon and Selkirk have been seriously eroded with only 2.1 percent going to Brandon and 1.6 percent to Selkirk. While we would like to see those figures

down, because people are being serviced in the community, that simply is not happening. They are still trying to cope with the same patient loads at those centres, because the Minister has not taken the initiative to build the community placements that they require.

The Alcoholism Foundation of Manitoba has received a 1.5 percent increase. This Government is on the record as being very angry with drunken drivers. While we are not in full agreement with the legislation that they are proposing, we agree society needs to be angry with drunken drivers, but surely we also deserve to ensure that those people get treatment. If you are going to ensure that they do not drive on the roads, and with that I can concur done in a legal way, then surely we must be able to get them into treatment centres so that they can improve the quality of their lives. We have not made a commitment to that. Our commitment is only in the judicial way, not in the treatment way.

The Finance Minister (Mr. Manness) boasts of a \$54 million increase to hospital funding which represents a 7.2 percent increase. However, when an inflation rate of 4.1 percent is considered in addition to funding in part of the St. Boniface Cancer Research and Treatment Fund Foundation to make it a world class facility, as promised in the Throne Speech, where are all the other monies going to come from? They have also promised to fund the Health Sciences Centre back up to its world leading surgical education and services. How can these funds be stretched to cover all of these commitments from this Minister?

Will waiting lists for cardiac surgery be reduced? No, they will not. Will access to rehabilitation services be speeded up? No, they will not. Will elective surgery lists be shortened? No, they will not. Will physiotherapy or speech therapy be more readily available? No, they will not. Will this token increase, stretched as it is, enable hospitals to make the transition to ambulatory care or out-patient programs or to establish surgical day care units? No, as these innovations require some up-front costs and hospitals no longer have any elasticity. There is no flexibility in hospital budgets anymore. They have been strained to their breaking point and indeed many have gone beyond their breaking point. Can the increase of 6.9 percent to personal care homes shorten waiting lists for seniors? No, it will not happen.

The medical program for doctors shows an increase of 3 percent and that is the best indication, I am afraid, of this Government's lack of foresight. It has done nothing to encourage physicians to remain in this province. This nominal increase does not offer any hope of that situation changing.

Mr. Deputy Speaker, the City of Winnipeg, I know well-loved by the Deputy Speaker, received short shrift from this Government. It appears to be a new fact of life in Toryland, if you do not vote with us, expect to be mistreated. Their federal cousins have displayed their petulance in their treatment of Manitoba and Prince Edward Island. Now it is their turn with regard to the City of Winnipeg.

There is no leadership displayed by this Government regarding the protection and enhancement of the city's rivers. The financial assistance to the City of Winnipeg

is down in real terms. Even if one excludes the Special Education Transfer Grant, all other increases are below inflation. The city will have no choice but to turn to its property taxpayers once again. We all recognize all Parties have said in this House that property taxes are unfair and inequitable, but this Budget leaves the City of Winnipeg with no other choice.

Mr. Deputy Speaker, it is the North which has in large part been responsible for our windfall monies. Without the viability of our mining sector, Manitoba would be hard pressed. But do we bequeath any of our new riches to the North? No. We rape them, but we pay no reparations. There is nothing in this Budget to suggest that we have a northern development strategy, despite the promise made in the Throne Speech over a year ago. There are no job creation programs targeted to the North. There are no economic development programs. Like always in Toryland, there is a belief that the private sector will produce the jobs.

Well, Mr. Deputy Speaker, there are no job guarantees in the Repap sale, only the hope, and no built-in guarantees that even if jobs open up they will go to Northerners or Natives. Why is our Northern Affairs budget down? Are they to receive no benefits from their wealth?

Mr. Deputy Speaker, what of Churchill? Has this Government abandoned ship like their federal cousins and completely deserted that community in the North on our sea, on our coastline? Well, it would appear so when one looks at the Budget.

What of job creation, Mr. Deputy Speaker? There is not a single job creation program. Indeed, there are cuts to programs which deliver training and ensure our young people's success in the marketplace. Job Training for Tomorrow has been cut by \$3 million, and the Human Resources Opportunity Program has been given a mere 1 percent increase. Skills Development has been cut by \$200,000.00. Youth programs and employment services have been cut. Even workplace and worker's services have been decreased.

There are new venture funds available, Mr. Deputy Speaker, and we do not oppose such funds because there is a real need in this province to help business adjust to the Free Trade Agreement, but nowhere are any of these funds or loan guarantees tied to a single job. All too often these funds do not enhance employment opportunities, and employment and the creation of employment should be the thrust of these programs.

Mr. Deputy Speaker, I want to turn for a moment to the issue that this Government prides itself on—the environment. They talk about it a lot. I stated in my speech in reply to the Speech from the Throne that actions speak louder than words. The Premier did not like that. He promised us lots of action. Well, you know, it is not good enough to talk about sustainable development while our resources are abused, and that is what happens in this Budget.

Perhaps it was the Minister's late entry into Cabinet but, Mr. Deputy Speaker, Natural Resources has been stripped. Forestry has had a million dollar reduction,

with silviculture alone seeing a \$360,000 cut. The Government should know better than to put all its faith into the private sector when it comes to resource preservation. Yet this is exactly what they have done. The fisheries see no increase, neither does wildlife, and fur management sees a decrease. Now would have been a good time with extra revenues to establish a trap exchange program, as in the Territories, in order to adopt trapping practices more acceptable to the marketplace, but we did not see them. Obviously, to this Government, sustainable development does not include enhancement. Enhancement is essential if there is to be a sustainable future.

* (1510)

It is essential that I now speak of the poor, the vulnerable and those under stress in our society. Since I entered this House, I have decried the lack of support for residential care and licensing. I addressed it in my 1986 reply and again year after year. How can we ensure that our personal care homes, our group homes, our residential treatment centres are properly run if we do not have ongoing inspections and licensing?

A couple of years ago, I actually used the example that had been proven to me, that they notify these homes when they are going to go and do an inspection. If I am a private operator and I am running a personal care home and I am given three days' warning by the Government, I can tell you that I would certainly put in an extra shift of cleaners and I would go out and buy a bunch of plants to fancy the place up. We have to have that kind of inspection processing taking place without warning so that we can see the conditions in which those people live not at "inspection time" but on a day-to-day basis.

We have had documented for us in the news media story after story about some of these conditions. The previous Government would wait until an emergency hit the front pages and then they would swoop down like avenging angels and close the home, only to reopen it several days later because the residents had no place to go. They did that twice, in my recollection alone. A constant monitoring is required to ensure physical facilities are adequate. Staff checks are necessary so that clients get appropriate care. Monitoring of programs is essential, but nothing in this Budget would indicate any improvement in this bleak picture.

The Minister stated last year that there were few increases in money and services to the mentally-handicapped in her last year's Budget because she needed the time to re-organize and re-evaluate the directions of her department, but there are still no additional funds. It only proves the department is still mired in inaction with no leadership from the Minister.

We see \$6 million additional monies for day care but they cannot find the \$120,000 for training of day care workers at Level III. Where are the management skills this Government likes to tout when they cannot even put the horse before the cart? How are you to add spaces when you do not have trained workers, or is quality of care of no importance to this Government?

We have asked repeatedly for this Government to tell us if they are willing to suspend the standards. No,

they are not willing to suspend the standards. They are not willing to change the regulations. They are just going to violate the regulations day after day after day.

Why are there 3.8 percent in reductions to general purpose grants to agencies like the Manitoba League for the Physically Handicapped, the Canadian Council of the Blind, the Canadian Council on Social Development, the Volunteer Centre of Winnipeg, the old Grace Hospital? In almost every case, these budgets fund volunteers. They cost the Government nothing, a volunteer. A volunteer provides services unlike none other because they do it from the heart, yet these agencies that run these volunteers are going to be cut by this particular Government.

This Tory Budget may be good news for some Manitobans, but it is bad news for poor Manitobans. Funds within Agriculture, Family Services, Housing, and Justice, to name but a few, have seen actual cuts or increases less than the rate of inflation. The programs that have been cut are programs which would have provided services to the poor.

This Government told us in this Throne Speech that agriculture is the backbone of the Manitoba economy. Unfortunately, the individual farmer does not have this Government's support. Last year, Manitoba farmers suffered great losses due to the severe drought and massive crop failure. This crisis was imposed on a community which is already suffering great hardship.

Between 1977 and 1988, Canadian farm debt rose from \$10.3 billion to approximately \$21 billion. Between 1978 and 1988, 3,681 farmers went bankrupt in Canada, almost one per day. The threat to our farmers continues.

This year, we are again experiencing some drought conditions. Fortunately, we are grateful and thankful for rain today, but drought conditions do prevail. What financial commitment has this Government made? None. Where are the drought-proofing programs that were promised so there would not be another year like last year?

Hard on their luck farmers have relied on programs such as the special Farm Assistance Program which is used to reduce interest rates. Now, at a time when those rates are high and farmers are in need, this Government has seen fit to reduce this program by 20 percent.

The allowance for doubtful accounts has also been reduced by \$4 million, a 37.9 percent reduction. To add insult to injury, this Government, which has promised to eliminate the education tax on farm lands, has reduced the tax by a mere 10 percent, a reduction of approximately \$136 per farmer.

Why does this Government, which last year had a \$48 million surplus, not come to the aid of Manitoba farmers? Where are the initiatives to diversify the farm economy so farmers will not be relegated to the lines of poverty?

Mr. Deputy Speaker, where are the programs for the poor family? The Child Income Support Program, which provides financial supplements for low-income Manitobans supporting children, has been cut by

\$200,000.00. Considering most single parent families are headed by women and live below the poverty line, cuts in this area will severely affect this group.

Youth employment services have been cut by \$28,000.00. Youth are the future of Manitoba and, without adequate employment services and programs, this important human resource will not be able to recognize its full potential.

The most drastic cut has been to northern employment support services which has had its budget decreased by \$112,000.00. Unemployment is a serious and chronic problem in the North, which will be compounded by service cuts. Although the First Minister's (Mr. Filmon) Government has repeatedly committed itself to the North, severe reductions to employment services do not support such a commitment.

Some Honourable Members: Oh, oh!

Mr. Deputy Speaker: Order, please; order, please.

Mrs. Carstairs: Thank you, Mr. Deputy Speaker. Financing for special programs in immigration services and human resources opportunity programs have received increases below the inflation rate. The disadvantaged need every opportunity and support to assist them in gaining employment. Lack of commitment to these programs means lack of commitment to the people these programs are designed to assist.

What gave grave concern to this caucus is a housing budget—a housing budget which does not address the needs of the poor at all. The housing is an essential element for the well-being of all Manitobans and it is unfortunate that there are many in our province who cannot afford to provide themselves with a comfortable standard of living with respect to living accommodations.

What is even more unfortunate is that this Government is turning its back on those disadvantaged Manitobans most in need of housing assistance. In fact, Mr. Deputy Speaker, the Conservative Government is targeting its cost-cutting measures at those least able to sustain this loss. The housing budget shows no real growth for 1989-90. In fact, it will be well below the rate of inflation for 1989. In real terms there will be less assistance, not more, for Manitobans most in need of help.

Mr. Deputy Speaker, grants and subsidies within the housing budget will decrease under this Tory Budget by 10 percent—a 10 percent decrease while at the same time they create a \$200 million slush fund for a rainy day. They are blind and deaf to the needs of Manitobans living in poverty all around us. For these people, Mr. Deputy Speaker, it is already a rainy day.

What is the cost of the so-called "good news" in this so-called "good news Budget?" If you look closely you will find that the cost is cutbacks to programs for low rental housing, cutbacks to subsidies to low income homeowners who require assistance to preserve their homes. The cost will be borne by low income and elderly Manitobans. They must cope with the vicious attacks

in the federal Budget brought done by this Government's Ottawa cousins, and now they must cope with new attacks by the local version of the Ottawa raiders.

These programs are cutback by 10 percent, Mr. Deputy Speaker, while this Government jumps headfirst into risky, speculative, joint venture development deals. It cuts back on housing assistance for the poor by 10 percent. While the Minister of Housing (Mr. Ducharme) is cutting upscale development deals with his well-heeled Tory friends, he is also cutting spending on housing assistance for the poor by 10 percent.

Legal Aid which assists Manitobans in poverty to gain access to a legal system they could not otherwise afford has been increased less than the rate of inflation. This department is already aware that the increasing cost of office supplies alone will erode any increase to Legal Aid. The increase to this important program is one of the lowest within the Department of Justice, a clean signal of this Government's priorities.

Mr. Deputy Speaker, this Government has been the beneficiary of great good fortune at a time when individual Manitobans have not been so lucky. Unemployment rates in Manitoba are higher than the national average for the first time in decades. Weekly we seem to hear of layoffs at another plant in Manitoba. We need to look to the future, Mr. Deputy Speaker. We need directions for the future. Yesterday there was sunshine but today there is rain.

An Honourable Member: Hear, hear!

Mr. Deputy Speaker: Order, please. Order.

* (1520)

Mrs. Carstairs: There are more storm clouds on the horizon and let us take a look at those storm cloud figures, the ones that the Minister of Finance (Mr. Manness) chose not to mention yesterday.

Our population is declining, as is our employed labour force, and average weekly earnings are rising less than the rate of inflation. Manitoba's overall position has weakened relative to the rest of Canada. Housing starts are down 52.5 percent at a time when this Government is entering the housing development business with Ladco. Building permits are down \$74 million this year alone.

Mr. Deputy Speaker, it does not end there. Both personal and corporate bankruptcies are up in the Province of Manitoba, retail sales are down, interest rates are up and inflation is up. The province is receiving larger equalization payments from the federal Government because our economy is faring so badly and this economic downturn must be stopped.

Manitobans need to be assured that there will be sunshine in their future. There can be no such assurances from a Government that proposes a slush fund for which it promises no accountability.

Funds are needed now to provide jobs and retraining programs. While our economy adapts to free trade and

a changing world marketplace, adjustments to labour training are essential. Education of our youth must receive top priority. Health care delivery to meet the needs of our aging population is a must. This Budget has done nothing to give Manitobans confidence in the future, to give them hope for a vibrant economy. We hope this Government will soon wake up to the fact that overflowing Government coffers provide an opportunity to make all Manitobans prosper, not only today but tomorrow as well.

We have many questions to ask of this Government. We want answers about their budgetary practices. We want answers about spending lines in department after department. We began to ask those questions today and we will continue to ask them day after day until the Budget is passed, if the Budget is passed. We will continue to ask them during the Estimate process first and foremost. We want this Government to get tax breaks for consumers now, not next year. They have yet to give us an adequate explanation for their sloppiness in this matter. You have not gained our support on this Budget yet. Be more forthcoming, Mr. Finance Minister, be more honest and we may support this flawed document. Should that happen, I am informing this Government now that they are in a rough road in Estimates because we believe your spending priorities are misguided. You appear not to care about the poor, the vulnerable, the unemployed, and we challenge you over the next week to prove that we are wrong.

Some Honourable Members: Hear, hear!

Mr. Deputy Speaker: Order, please; order, please. The Honourable Minister of Health.

Hon. Donald Orchard (Minister of Health): Mr. Deputy Speaker, let me congratulate you on your elevation to the Chair of Deputy Speaker (Mr. Chornopyski) in this House.

I have participated in a lot of Budget Debates but it is going to be a difficult job for me to follow the last two minutes of in-House cacophony that we just heard engaged in here, and the complete disarray of that Liberal Party that was so ready to govern just two-and-a-half short weeks ago. I mean, this is absolutely incredible. On the one hand nothing is right in the Budget, but on the other hand we sort of like this, and on the third hand we may ask some questions and then we are going to make up our mind whether we are going to support the Budget or whether we are going to vote against it, but we really do not know what we are going to do because we are confused.

* (1530)

I have never seen such a display of immaturity in an Official Opposition Party in all my life. You cannot make up your minds on such a fundamental issue to Manitobans as to whether you want children of families, families that we all support to have tax breaks. You cannot make up your mind as to whether farmers ought to have more education tax relief on their farm land. You cannot, as an Official Opposition Party deeming

yourselves ready to govern, make up your mind on whether you wish to have businesses further exempted from the payroll tax. As a Party almost ready to govern, you cannot make up your mind on whether you want the personal income tax rate to fall 2 percentage points in the Province of Manitoba.

It is absolutely incredible what we have just seen displayed by this group in Opposition who three short weeks ago, all of us would recall, stated with such arrogance they were ready to govern. What a shameful display for the people of Manitoba to watch.

I listened with a great deal of intent to the Leader of the Opposition's (Mrs. Carstairs) comments. She took 10 minutes on her Budget speech address before she finally mentioned the Budget. She spent the first seven minutes trying to defend her arrogance as Leader of the Liberal Party by saying my arrogance is no more than the arrogance of others before me. That is not a very good excuse because this was the Leader of the Official Opposition who came to this House saying, I am not going to be like every other Opposition politician. I am going to be different, I am going to set a new standard in this House. She got in and started defending her arrogance as being no more arrogant than anyone else.

Mr. Deputy Speaker, I simply want to point out to you, I have been an elected Member of this Legislature for 12 years. It would be scary should some of my honourable friends in the Liberal Party ever achieve that record. Many of them will not because many of them are not even going to retain their nominations should we have an election. That will be assured by the Party hierarchy and the backroom boys. I have never heard a Leader of the Opposition or the Leader of any political Party treat the Members of their caucus with such arrogance. I have never heard such disdain expressed by any Leader of a political Party in this House for the membership of their caucus as I have heard from the Member for River Heights (Mrs. Carstairs) describing her caucus. I have never heard a Leader of a political Party in the 12 years I have been in this House say, it gets a little tiring having to repeat things three and four times before some of my Members of the caucus catch on. That is why she has attached to her an aura of arrogance.

I have never heard a Leader of a political Party in this House describe her caucus as an adult day care centre. I have never heard that. I have never heard any Leader of a political Party in the 12 years I have been elected to this House saying this, and I will quote directly from the Winnipeg Free Press: "The Liberal Party ought to know that Sharon Carstairs does what Sharon Carstairs thinks is best for Sharon Carstairs and maybe that is good for the Liberal Party as well."

One of the interesting things that we are all challenged with in this House, as elected representatives, is to attempt to achieve the greater good for the people of Manitoba. Whether you are in Government as we are today or in Opposition as I have been in my 12 years in this House, we all have one overriding goal that we believe we are here to do what is the best for the people of Manitoba. I have not detected that to be something that imbues and drives the Leader of the

Opposition. That statement that I just quoted forgot the most important component of any elected official in this Legislature and that is the people.

There was no mention of doing what is good for the people of Manitoba. There was a condescending reference, Mr. Deputy Speaker, to hopefully what she did would be good for the Liberal Party, as if the Liberal Party is the only thing that matters in the Province of Manitoba. The Liberal Party is becoming less and less relevant to the people of Manitoba as we see the kind of confused approach to responsible Opposition that we just witnessed this afternoon. It is an incredible display.

I want to just close off on this message of arrogance that the Liberal Leader (Mrs. Carstairs) decided she was going to defend herself against. I have never heard such arrogance as what I heard when she put on the record this afternoon, put on the record this afternoon, Mr. Deputy Speaker, that the management of personal care homes in this province are given two or three days notice, and they hire an additional cleaning staff shift to clean up the home so their inspection will be all right.

I want to tell you, Mr. Deputy Speaker, that is the most arrogant and insulting statement ever made by an elected official in this House, saying, in effect, that the management and the staff of Holy Family Nursing Home, Tache Nursing Home, Middlechurch Nursing Home, Tabor Nursing Home in my constituency, Meadowood Manor and on and on and on, only clean up and provide adequate living conditions for those vulnerable seniors that are in their care and nurture when they are forewarned of an inspection by the Department of Health, if that is not the most disgusting display of arrogance that I have ever heard.

I know that my honourable friend, the Liberal Health Critic (Mr. Cheema) in the level of integrity that he has tried to bring to this House will disassociate himself from those comments of his Leader, because he knows they are not true. Mr. Deputy Speaker, I and others on this side of the House know that is not true because many of us have dropped into personal care homes in our constituencies unannounced, and have found them to be cared and cleaned and the residents cared for in the finest of tradition. That kind of arrogance, that they only do that when an inspector is coming, demonstrates the most fundamental lack of understanding and absolute arrogance that I have ever heard in this House. Besides that, Mr. Deputy Speaker, it is the most demeaning put down of the workers and the staff and the management of those nursing care homes to say they care no more for those residents in those personal care homes than the statement she just made. That is disgraceful.

I ought to have gotten up on a point of privilege on behalf of those management staff, nurses, LPNs and other support staff in the personal care homes and demanded an immediate retraction. I know that my honourable friend, the Liberal Health Critic (Mr. Cheema) is here and is listening. He will take that message back to his Leader and we will receive an apology to all the personal care home management and staff in this province tomorrow, because nothing less is deserved, Mr. Deputy Speaker.

That is what my honourable friend, the Member for Churchill (Mr. Cowan), my honourable friend, the MLA for St. Johns (Ms. Wasylcia-Leis) and growing numbers of Manitobans have referred to as the arrogance of the Liberal Leader. That exemplified it in spades. I am shocked, shamed and dismayed that an intelligent person who deems to have the ability to be Premier of this province would cast such aspersions on caring staff in Manitoba.

I think this House ought to thank one individual. One individual about 14 months ago, stood in his place and defeated the then-Government. That individual was Mr. Jim Walding. Mr. Deputy Speaker, what that triggered was an election in the Province of Manitoba which resulted in the return of a minority Progressive Conservative Government under the premiership of the MLA for Tuxedo (Mr. Filmon), and a new direction in the Province of Manitoba.

* (1540)

Now, Mr. Deputy Speaker, without that, what circumstance might we be in today? Our honourable friends in the Liberal Opposition, and we have not heard from the New Democrats yet, are flip-flopping on this issue of the Budget. They may support it, they may not, they are going to question us some more, they are going to make up their mind, they are going to—we do not know what they are going to do. We simply do not know what they are going to do.

Certainly, we would know from past experience what a Liberal Government might have done faced with the circumstances that this Minister of Finance (Mr. Manness) was faced with, because we have seen that experience, not in this province for many, many years. The last Liberal Government in this province was a quite fiscally responsible Government. The last experience we have that would mean anything to Canadians is the Liberal administration in Ottawa where they took buoyant economic times and they developed spending programs that the country could not afford. They drove the deficit to higher and higher levels so, as a result, the federal Budget commits fully one-third of its tax revenues to interest on accumulated debt over the Trudeau years under a Liberal administration.

We know that the New Democrats, in the six-and-a-half years that they were Government under Howard Pawley's leadership, took relatively buoyant economic times and drove the deficit to the greatest levels it has ever been driven in the history of the province, with an ensuing substantial commitment by the taxpayers of Manitoba to interest payments. So we know what the record of the two political Parties in Opposition would be, faced with unusually buoyant revenues over the past fiscal year.

It is fortunate that Jim Walding gave the people of Manitoba an opportunity to change Governments and to change attitude and to change approach in Government, because what you saw yesterday in the tabling of this Budget is a Budget that demonstrates responsibility towards the taxpayer, demonstrates leadership in the financial affairs of this province, a Budget that demonstrates that we believe in offering

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incentive to Manitobans to do better by saying to Manitobans, you shall have tax breaks so that you can keep more of your hard-earned resource in your wallet, in your bank account, so that you make decisions on how it ought to be spent, not Government. It demonstrates long-range planning by this Finance Minister.

Mr. Deputy Speaker, above all, it demonstrates a vision for the future, a future that we believe is bright and is good for Manitobans, and for our youth in Manitoba. None of us on this side of the House in the Progressive Conservative Caucus will escape to Toronto and describe Manitoba as a have-not province. That is a statement that we want to solely leave with the Liberal Party and its Leader, because we do not believe that. We believe that this province has opportunity for our youth and has the ability to be a better place to live, to work, to play, to raise your families, to educate them, and to provide them a career path in this province. That is what we believe in, and we always have believed in that.

That Budget tabled yesterday demonstrates the steps we believe are prudent and appropriate to take to achieve those longer-term goals for the citizens of Manitoba and future generations of Manitobans. I realize that my honourable friends will say we are not doing this or that or the other thing, or that we should have done this or we should have done that. That is fine, that is Opposition's right. That is Opposition's obligation, quite frankly, but clearly the contrast is there between two styles of Government, as the Minister of Finance (Mr. Manness) has indicated in a number of questions.

We are not wrapping ourselves in job creation signs from the Manitoba Jobs Fund, those nice green signs that proliferated around the province, proliferated around the province while the deficit was going through the roof and the associated interest costs were substantial to the people of Manitoba.

We have chosen the very common-sense route that you and I as individuals, our spouses, our children, our neighbours and our friends, the people of Manitoba, know best what to do with their own income. That is what we have always believed in, in the Progressive Conservative Party. That contrasts, I will admit, very sharply with the New Democrats, because they believe that Government holds and controls all the answers for the citizens of this province and that only the New Democrats can take the money from individuals and develop programs to spend it that theoretically help all Manitoba. That failed, Mr. Deputy Speaker. That failed miserably and it has failed every time it has been tried in any democratic jurisdiction that I am aware of. That is why 80 percent of Manitobans said no to the New Democrats and continue to say no to the New Democrats, because they do not believe that is the style of Government.

What is on the line later next week when we vote on this Budget is what the Liberal Party of Manitoba stands for, because they did not tell us today when their Leader addressed the Budget. We do not know whether they believe that individual Manitobans ought to exercise more choice in how they spend their income.

We do not know whether the Liberal Party of Manitoba supports Manitoba families receiving tax relief so they have more money in their pocket to make the decisions they want to make in the economy of Manitoba, whether it be investment decisions, purchase decisions, job creation decisions. We do not know where the Liberal Party stands on this.

It is fundamental to know because the people of Manitoba want to know. Are you in favour of individual choice in this province? Do you support private enterprise? Do you support the free enterprise system that built this nation and the free world or are you into the New Democratic philosophy that only Government rightfully can make decisions, the same kind of Government decisions that have often caused enormous harm in various parts of the world, witness many events across the world that are unhappy events for the citizens when Governments have made unilateral decisions?

Mr. Deputy Speaker, I look forward to seeing where the Liberal Party stands in terms of the individual and the family in Manitoba and the initiative this Budget has taken to put more decision-making capability in their hands, to recognize the work and the contribution that individuals make to this province, and the right that they have not to be taxed at the highest rate of any province in Canada.

(The Acting Speaker, Ms. Avis Gray, in the Chair.)

I look forward to the Liberal Party's response when it comes to the vote, I believe, on Wednesday of next week. It will be an important watershed for the people of Manitoba to try and understand further what the Liberal Party really does stand for in Manitoba.

One thing I also did was I listened very carefully to my honourable friend, the Liberal Leader (Mrs. Carstairs). I listened to her in the Throne Speech as well as today in the Budget Address. She identified what she believes and obviously I think—maybe this is not so obvious, but I think she speaks on behalf of her Party in these issues, identified a number of what she considers to be difficulties in the health care system.

* (1550)

But you know, one thing that was missing, Madam Acting Speaker, is that there were no solutions proffered. There were no answers that the Liberal Party would undertake. You know why? Last year when they started offering their answers—in a scant six-week period, was it?—they asked for \$700 million of additional spending. That begs the logical question, where does the money come from? You cannot use the \$200 million fund because that is not enough. You cannot have lower personal taxes as all of you claim to support, although we do not know because we do not know whether you are going to vote for the Budget or vote against the Budget. We have got no answers from the Liberal Party, no answers at all. We have the identification of what they perceive to be problems, but no identification of solutions.

It is sort of interesting to hear what the Finance Critic, the MLA for Osborne (Mr. Alcock), had indicated quite recently, apparently in communication to his

constituents. It was his January letter about how gravely disappointed he was and the Liberal Party were over the performance of the Government. The MLA for Osborne (Mr. Alcock) indicates in this letter that they have not moved to curb the increases in Government spending. I would say that the interpretation of that ought to be that the MLA for Osborne wanted spending cuts.

Normally, when one communicates with their constituents, they do enunciate Party policy as to what the Party would do in Government. Possibly the MLA for Osborne might in the next series of questions, should he try them this Session again, offer some preamble suggestions as to where these increases in Government spending ought to be cut. I think that is only fair because he said that to his constituents, but is he going to say a different thing on television in the House than he does to his constituents? We do not know because we do not even know how the Liberal Party is going to vote on this Budget.

I want to deal with my honourable friend, the Leader of the Opposition's (Mrs. Carstairs) news release on the Budget. Normally, we have been used to this feisty Leader of the Liberal Party leaping from her seat on any issue, storming out the doors to meet the press and tell them what she thinks, except for yesterday. I saw for the second time in the short history that we have had an Official Liberal Opposition sort of the lifetime of the Liberal Party in Manitoba flash before their eyes as a drowning man or woman or person, as happened when they see the death knell of their political future.

The first time was in the extremely grey look on the face of the MLA for Fort Rouge (Mr. Carr) when his only issue, his singular obsession of Meech Lake, was removed and all of a sudden he did not have questions nor answers. I saw it again yesterday in the face of the Liberal Leader (Mrs. Carstairs) as she went greyer and greyer and greyer, as every single fulfillment of obligation to the people of Manitoba was met by this Budget. The normally feisty answer-for-everything Leader of the Liberal Party (Mrs. Carstairs) who leaps from her seat to meet the media took 45 minutes to do what? To consult with her caucus for one of the first times ever before she made the statement on behalf of them.

(Mr. Deputy Speaker in the Chair.)

An Honourable Member: Not true, not true.

Mr. Orchard: Then I assume, because we have had two people from the Liberal Caucus say our Leader does not do that, that she must have caucused with the caucus the statement she made about looking after an adult day care centre. If that was caucused and a position of the Liberal Leader, who are the adult day care recipients in your caucus who agreed to that statement because you caucus what she says?

When did you caucus the statement that Sharon Carstairs does what Sharon Carstairs thinks is good for Sharon Carstairs? When was that caucused? Or are we into this unfortunate circumstance where they

do not always caucus what their Leader says? The silence from the Liberal ranks is ominous, Mr. Deputy Speaker.

There were a number of issues that have been addressed by my honourable friend, the Leader of the Opposition, in terms of health care. I want to tell my honourable friends, I look forward to the presentation of Estimates in Health. I look forward to the ensuing debate, particularly with the Liberal Party in this Legislature.

I hope we take somewhat more time this year than the 30 minutes we took last year to spend \$1.2 billion in the Manitoba Health Services Commission. I hope that the Liberal Party genuinely tries to investigate the issues, because I want to tell my honourable friends, I want to tell my honourable friend, the Liberal Health Critic, when I was the Opposition Critic—and being the Opposition Critic for the Department of Health is a very politically opportune one for any Member of the Opposition, because you can take at any particular time and find an individual Manitoban who may not be well served or served as well as they believe they should be, or even appropriately served by the health care system, because the health care system is such a large one. It touches every man, woman and child's life in the Province of Manitoba. You could almost, on a daily basis, bring some sort of difficulty to the floor of the Legislature.

Mr. Deputy Speaker, I operated on somewhat of a different vein when I was Opposition Health Critic. My honourable friend, the current Liberal Health Critic, prides himself on asking more questions than I did as Opposition Health Critic. That may well be. I have not taken the time to count them, because I am not interested in the number of questions. I am interested in the issues, and I always was when I was Opposition Critic.

I want to deal with some of the issues because I tended to raise issues, Mr. Deputy Speaker, that I sincerely believed as Government we could resolve. I was not going to place false expectations in front of the people of Manitoba that we had the instant overnight cure for the health care system. I did not have it as an Opposition Critic. The Progressive Conservative Party does not have it as a political Party.

That is not a confession of frailty. That is an admission of reality, and that reality extends to each and every Member in this House, from the New Democratic Party Opposition who had the stewardship of the health care system for six-and-a-half years and brought about some changes, but not enough. It certainly applies to my honourable friends in the Liberal Party because when you stand up and you ask the question, as my honourable friend the Liberal Health Critic did yesterday, we raised this issue last week, what have you done to resolve it in one week's time?

Mr. Deputy Speaker, if he is asking that question on behalf of the Liberal Party to leave the impression that he, hence the Liberal Party and Government, can resolve health care issues in one week, he is not telling the truth to the people of Manitoba and that is as bluntly as I can put it. He does not increase his credibility in

the health care community or in this House by making those kinds of statements.

I have not made the health care system or the portfolio of Health a politicized portfolio, and I have been very deliberate about that. On the very major initiatives, I have tried to bring in expertise right across the entire political spectrum, because no one political Party, no one individual, no one professional group has all of the answers on health care and the challenges facing the system, not only in this province but across Canada.

* (1600)

You do not resolve the issues in the health care system by politicizing and that is not being done under my stewardship as Minister of Health and that is why, Mr. Deputy Speaker, we have achieved results. When I was in Opposition I made the proposal to the then Minister of Health on mental health reform and I made that proposal because I genuinely and honestly believed it could be done.

Mr. Deputy Speaker, within our first year in office and my first year as Minister of Health, we commenced those mental health reforms and changes. We announced less than a month ago in Dauphin the establishment of the first Regional Mental Health Council to bring in citizen input into the reform of the mental health system, something that has been talked about, discussed, advocated by a number of people but done by this Government; not because, Mr. Deputy Speaker, I believed it was the correct political thing to do, it was the correct policy thing to do and that is why I pointed it out when I was Opposition Critic because I believed we could do it when we were Government and we have started that process.

Mr. Deputy Speaker, I heard last Session from the Member for Selkirk (Mrs. Charles) numerous questions about ambulance funding and she even, from time to time, read back to me a very good question that I posed in the House. It was a substantive question that she quoted from me that made sense to what she was attempting to get at. Well, have we had one question from the Member for Selkirk on ambulance funding? —(Interjection)— Oh, I heard a voice from the couch saying "wait for it."

I am going to wait for it because I criticized the level of funding that we were providing as a Government to ambulance services in the province as an Opposition Critic, and my colleagues in Government allowed me to announce an enhanced funding program that meets more appropriately the needs of the ambulance service in Manitoba.

It was not done, Mr. Deputy Speaker, because it was politically appropriate to do, it was good policy. That is why we did it. The support was needed, and it brings us up now to an average support equivalent to the average of other provinces across Canada. Last year I recall a number of questions this time of the year about Pharmacare refunds and, Mr. Deputy Speaker, I even recall one from yourself concerned about some of the citizens in your area, and rightfully so, because last year the turn-around time that was there on May 9 when I became the Minister of Health was unacceptably too long.

Well, Mr. Deputy Speaker, I have not had any questions from Opposition and I have had very few inquiries as to the status of refunds this year. You know why? Because at the Manitoba Health Services Commission this year, starting on January 1, they used the vacant positions they had in the system of the Manitoba Health Services Commission to hire term staff to speed the process of refunds so that now in less than three weeks, I believe is the last figure I have, applications for Pharmacare refunds are processed.

Did we hear anything from the Opposition Members about that? Did we even hear a slight acknowledgement that that is better management and better program delivery by the people? No. Not one thing, just the usual complaint without any offering of solutions to the problem. If you are going to criticize the health care system and find fault with it, please have the decency, the courtesy and the honesty to suggest a solution, what the Liberal solution would be.

Mr. Deputy Speaker, we have had our honourable friends in the Opposition Liberal Party criticize speech therapy, that there are not enough speech therapists in the Province of Manitoba, and I agree. I have never disagreed and we have the same problem in occupational therapy and physiotherapy.

The Liberal solution is, pour more money at it. As my honourable friend, the Leader of the Second Opposition Party says, back up the Brinks truck. That may be part of the solution in the longer run because I want to tell you what steps I have taken as Minister of Health in the first year to help resolve that problem, again without any acknowledgement by my honourable friends in the Liberal Party, because good news to the Liberal Opposition is bad news, and they do not want to talk about it.

Now, Mr. Deputy Speaker, I made an arrangement with the Health Sciences Centre that cost some \$214,000, in which they were able to put four more people on staff. Let me just indicate to my honourable friends what that has done, because that announcement was November 1, wherein an extra \$214,000—pardon me, it was not \$214,000, it was \$205,000—but it funded four new positions and equipment in the Department of Communications Disorders at the Health Sciences Centre.

Mr. Deputy Speaker, when that announcement was made the waiting list for assessment was one-year long. Now I am pleased to say, on behalf of those children who are being served, it is now down to two months.

Some Honourable Members: Hear, Hear!

Mr. Orchard: We just heard not a half-hour ago the Leader of the Liberal Party (Mrs. Carstairs) saying the waiting lists are growing. Why did she not say that this waiting list is down to two months? Is it because she did not know or she does not want to tell the people of Manitoba that some programs are being addressed in a forthright and deliberate manner to resolve the problem, because that is what has happened.

In addition to that, Mr. Deputy Speaker, two other things have happened in terms of the therapies,

rehabilitative therapies. Dr. Bill MacDiarmid has been given the task of reviewing the training requirements in the rehabilitative therapies and will be reporting to Government, probably in July, as to what Government's reasoned response should be to that shortage of trained personnel, and we intend to react on that.

I want to thank my honourable friend, the Minister of Education (Mr. Derkach), because in terms of taking some interim steps until we have the report from Dr. MacDiarmid, my honourable friend the Minister of Education has made a significant increase available through the Universities Grants Commission to the Rehabilitative Faculty of Medicine in an attempt to start immediately the process, this fall, of additional recruitment. Have we heard the official Opposition say that this is good? Of course not. Of course not, because they are negative Nellies over there, that do not want to admit that there are positive changes taking place.

Now, Mr. Deputy Speaker, I want to deal with some other issues—and I notice that my light is flashing.

Mr. Deputy Speaker: The Honourable Member's time has expired.

Mr. Orchard: Well, possibly my honourable friends in the Opposition might grant me leave for another few seconds.

Some Honourable Members: Leave.

Mr. Orchard: Thank you.

Mr. Deputy Speaker: Two minutes.

Mr. Orchard: Mr. Deputy Speaker, I would love to return to my old style but the shallowness of questioning from both Opposition Parties have not provoked me yet this Session.

* (1610)

I want to tell my honourable friends in the Opposition that one of the fundamental and key necessities of rebuilding the strengths of this province was taken yesterday by the Minister of Finance (Mr. Manness) in restoring fiscal responsibility, management credibility throughout Government, incentive and acknowledgement of personal reward to individual Manitobans through tax breaks, acknowledgment to the small business section of Manitoba that the payroll tax will be off their backs, and an attitude of openness and co-operation and desire to have this province grow, as this citizenry of this province can make it grow, in co-operation with Government policies that will make Manitobans work for the better future of this province, for every man, woman and child and for future generations yet unborn, and for the children of this province the opportunity to stay, remain and raise their family and work in this province in dignity and in pride.

That is what this Budget is about. It is a restoration of pride and confidence in this province as no other political Party can restore that pride and confidence. I urge my honourable friends in the Liberal Party to support this Budget and show you at least have some

understanding of pride and confidence in Manitobans. Thank you.

Mr. Bill Uruski (Interlake): Mr. Deputy Speaker, I am very pleased to participate this afternoon in the debate on the Budget. I guess the first comment that I would like to make to Members of the House is, it is very clear from where I sit that minority Governments can do good work if they are sensitive, and clearly I have to say that a minority Government situation in this province is working. In fact, it is producing some of the kind of benefits to Manitoba families that a Government that has been seized with additional revenues, mind you, has very little to do with management, but seized with substantial increases in revenues from transfer payments and increased taxes and, of course, a shortsightedness in terms of increased revenues from the sale of Crown corporations, and be able to then say, well, this is as a result of good management.

It is not, Mr. Deputy Speaker. So I am pleased to take part this afternoon in this debate, but I have to tell you, this afternoon was the most interesting in this House that I have seen for a long time with my Opposition colleagues from the Liberal Party. What do we do? I mean, really, what do we do? We said that this was an insensitive Government, they were not worth governing, and we produced a non-confidence motion on the Throne Speech, voted against this. We lambasted the NDP as sticking with the Conservatives and now, when there is a Budget that brings in some of the NDP election promises, what do we do? What do we do? My goodness, we are in a tizzy. We are going to examine it. We do not like it, but we cannot vote against it. We are going to see what happens in the next day or so.

(Mr. Speaker in the Chair.)

Who is going to move the motion of non-confidence, Mr. Speaker? Who is going to move it? Is it going to be the Finance Critic (Mr. Alcock) of the Liberal Party? Are they going to move a motion of non-confidence? Are they going to vote against tax cuts to families? It will be very interesting to see what they will tell Manitobans now, as has been the case over the last number of weeks and months of the Liberals who claim to be the Government-in-waiting.

But, Mr. Speaker, the Conservatives have nothing to crow about. In this Budget those free enterprise, philosophical Conservatives have had to admit that the Health and Education Levy will remain, or at least more than 80 percent will remain, because you cannot chop off \$200 million of revenues and still balance your books. You have \$200 million. Why did you not chop it off?

What they have to admit is that 5 percent or thereabouts of the businesses will be paying more than 80 percent of the health and education levy, and they need the money. About 30 percent of those revenues are coming from whom—none other than the federal Government.

Mr. Speaker, philosophically they are at least admitting that, look, we need that kind of revenue, and even though we can say now that we have raised the exemption for 95 percent of our businesses, let us not

forget that there are still \$180 million coming in. The bulk of those revenues are coming into the province and, I venture to say, those will remain. Even though they pledge tax cuts for businesses, those revenues will remain.

I want to say that this Budget from a Conservative Government is really a slap in the face to rural Manitoba. If I was a Conservative backbencher from rural Manitoba, the Member for Gimli (Mr. Helwer), the Member for Minnedosa (Mr. Gilleshammer), the Member for Lac du Bonnet (Mr. Praznik), the Member for La Verendrye (Mr. Pankratz), I would be squirming and I would be growling. The Member for Swan River (Mr. Burrell), in the back rooms, what are you going to tell your constituents when there is no money for sewer and water when your budget on sewer and water has been reduced from \$8.6 million to \$6 million, a 20 percent cut in sewer and water support for rural communities? What are you going to tell your constituents? Do you know what you will tell them? Ladies and gentlemen, we have put back the \$30 million in the federal-provincial agreement that we had in the Budget last year. We put it in again this year, and we do not know whether it is coming. That is what you are going to tell them.

We hope and pray that our federal Party will bring about that agreement, but it will not happen. Mr. Speaker, it will not happen. Seven out of the 11 federal-provincial agreements have expired. Where is this new era of co-operation? You have not renewed one agreement.

Hon. Harry Enns (Minister of Natural Resources): Just a phone call away.

Mr. Uruski: We heard the bell ringing today, to the Minister of Natural Resources (Mr. Enns). He chirps from his seat, says just a phone call away. We heard the bell ringing. Everybody was asleep at the switch, so there is no federal funding. They are cutting back on the funding for rural Manitoba as well.

I was kind of a bit critical of the Minister of Agriculture (Mr. Findlay) on the \$18 million Drought Relief Program last year. We will see when the figures come out what the actual expenditures were. It is in the Budget, but couched in very fine terms, because they did not spend the money. I quote from the Budget, "Last year over \$17 million was provided for emergency drought relief and drought-proofing measures." The drought-proofing measures had nothing to do with the Drought Relief Program. How much of that \$17 million was for drought proofing? The Budget for drought relief was \$18 million, so how much was not spent?

* (1620)

The Minister of Agriculture (Mr. Findlay) has a bit of explaining to do to the farm community in terms of the non-expenditures in that whole area. There is not one new initiative in this Budget for rural Manitoba, not one. There is not one new initiative. The Budget includes \$1 million for a federal-provincial soil conservation agreement. That was part and parcel of the Agri-Food Agreement that was in place. That was there, not one new initiative.

The changes in school tax rebate going from 25 percent to 35 percent is of course not a new initiative. Quite frankly I have not seen any resolution to or lessening of the money going to offshore interests, to the land speculators who purchased more than a half-a-million acres of Manitoba farm land, who last year got more than \$2 million in tax benefits from the Conservatives, supported by the Liberals, whose Budget now will increase to about \$2.25 million to \$2.5 million in tax giveaways for the land speculators. They have not plugged that loophole so how can they say that they are providing this amount to farmers when those who have to lease the land are going to pay increased rents because of better grain prices but in fact the money is flowing out of the province? How do they explain that to the farm community that they are giving away \$2.5 million to those who bought Manitoba farm land in the late '70s and early '80s, who have no interest in farming?

The Budget makes commentary, quite interesting reading in dealing with rural development and agriculture. One of the Government's priorities is a southern development initiative focusing on rural Manitoba. In this endeavour the Province hopes the federal Government will be a full and active partner in a vital program of further rural development and diversification.

Remember 1988, if there was a Conservative Government in this province, federal-provincial co-operation would be at its best, that all we had to do was pick up the phone and our problems would be solved. What are we doing now? We are on our hands and knees and we are begging the federal Government to help us out of our dilemma, to please cough up with that \$30 million in sewer and water, to renew those seven federal-provincial agreements for this province so that we can go on and at least continue some of the economic development initiatives that have now ended. Now we are pleading and now we are bleeding in this province, there is no money.

We hope the federal Government will be a full and active partner. It is not worth the paper it is written on because the door has been closed on you and you know it. The federal Prime Minister, your Prime Minister, has closed the door on you, shut the door on you, on Portage La Prairie, shut the door on you on seven of the 11 federal-provincial agreements, shut the door on you on all economic initiatives because not only are they not renewing the agreements, they are cutting back on the agreements that affect Manitoba, the existing agreements.

As announced by the federal Budget, the four ERDA agreements still in place are going to see their funding cut by the Tories from \$39.9 million last year to \$3 million in the year next. So this co-operation and those federal cousins of yours—I think you had better get the message across that you are not going to take it. For Manitoba's sake, we have to have a much more vocal Government. You cannot sit here day after day and take away between \$1,000 and \$2,000 of income from the farm community, and sit idly by and be silent. The Minister of Finance (Mr. Manness) cannot go on in his Budget and say, we hope that the federal

Government will be a full partner when in fact they are cutting your throat.

Mr. Speaker, it is interesting to see the Conservatives now at least admitting that they are moving away from The Energy Rate Stabilization Act, the kind of double accounting, the kind of creative bookkeeping that Conservatives really are known for because, while they have moved away from the Rate Stabilization Fund after our initiative, where the rest of the taxpayers of this province had to subsidize Hydro.- (Interjection)- Well, here we will see another Bill of creative accounting coming into this Budget -(Interjection)- oh, absolutely.

It is interesting, and maybe the Minister of Finance will explain this, on page 13, he is now going to be charging all the Crown corporations a one-eighth of 1 percent service fee for borrowing. Here is a Government who said, we are opposed to a tax on mortgages by the federal Government. What effectively is he saying in this Budget?

Mr. Speaker, I want to tell the Minister of Finance (Mr. Manness) I am not opposed to this, but for a Minister of Finance to say that he is opposed to charging a tax on mortgages, we are saying to Manitoba that we are effectively taxing the mortgages on Hydro, on Telephones, on all the borrowings. Are you going to provide that one-eighth of 1 percent to MPIC, because they are a net provider of funds to the province. Are you going to allow an increased rate for MPIC to gain so that our rates can be kept lower by this move, because they will be providing you about \$300 million a year in revenues.

I am anxious to hear what the Minister of Finance will say to that kind of revenue. Why not provide the motorists of Manitoba that one-eighth of 1 percent which you will be capitalizing on? Three hundred million dollars is not peanuts in terms of motorists' revenue, so what will he do in those cases? It will be interesting to note from his comments when he closes debate.

Mr. Speaker, there is one thing that is very clear, that the Conservatives cannot take any credit in terms of management for the financial position of the province today.- (Interjection)- Well, Mr. Speaker, primarily—and I want to read from his own Budget and I quote on page 2: "The Fiscal Stabilization Fund"—

An Honourable Member: Oh, oh!

Mr. Speaker: Order, please; order, please. The Honourable Minister will have ample opportunity to get his remarks on the record. The Honourable Member for Interlake.

Mr. Uruski: I enjoy the comments of the Minister of Natural Resources (Mr. Enns). The fact of the matter is, Mr. Speaker, they are riding on the very difficult decisions that the NDP had to make.

An Honourable Member: Why did you make them?

Mr. Uruski: Pardon me?

An Honourable Member: Why did you make them?

Mr. Uruski: All of a sudden, then we were broke and today we are rich. I mean, that is the Minister of Finance (Mr. Manness).

* (1630)

Mr. Speaker, in his own Budget, he says: "In 1988/89, there was exceptional growth in Manitoba's revenue, primarily from tax increases imposed by the former administration, mining taxes and equalization payments. A significant part of the latter pertained to prior-years adjustments." The whole sentence says: "The Current Manitoba Situation." I read right from the top. Even the Minister of Finance (Mr. Manness) cannot remember what he said in this House. I mean that is his own document.

What he is really admitting to, Mr. Speaker, that it is a windfall. At least he is candid enough in his Budget, in a subtle way, to admit that, that it was a windfall. It has nothing to do with good management. The management and the difficult decisions were made by us and we were kicked out, we were. I would not be sitting here if we were not kicked out of office, of course. Now I hear chuckles and smiles from the Conservative Party. The fact of the matter is that it has nothing to do with good management. It has to do with political timing and a Judas in our caucus. That is what it had to do with. It is as simple as that. Perhaps the Conservatives can chuckle but you know it will be as difficult for them as anyone in a minority situation.

I want to make several comments with respect to the proposed, what do they call it, the Fiscal Stabilization Fund. This is creative accounting of the nth degree. It is the creative accounting of the nth degree. The Provincial Auditor would not allow them to do this unless they had an okay of the Legislature that there had to be a specific Bill to do this. He would not allow you to do that because under normal accounting procedures, what has the Provincial Auditor been doing over the years? He has been saying to Government, get rid of those funds. Get rid of all those little funds that you have had because they show the money in and show the money out.

So what do we see here? We see creative accounting. Why did the Minister of Finance (Mr. Manness) not reduce the debt, to say to Manitobans we are now in a position that we have no deficit and it is clear, we have no deficit. Even prior to this, I recall in the Seventies when the Province of Manitoba split up its accounting from current borrowings, current expenditures and capital expenditures.

The capital expenditures—and that was a big debate in this House that the Conservatives said, you should not show, set them separately. The fact of the matter is you are going to continue to borrow as long as all your interest charges on that capital borrowing are shown in your current account and you balance that budget. Why should the capital account be shown as a deficit when your revenues match the kind of interest payments that you are going to have to make on that capital account? But no, to show that the deficit of the province was even worse at the time for their political purposes. When they were elected in 1977 they

combined capital expenditures and the current expenditures to balloon the deficit and fool Manitobans as to the extent of deficit that there was at the time.

Now we have this Minister of Finance (Mr. Manness) setting up a separate fund, but he knows he cannot do it without having legislation because his fund will not meet the general accounting principles that the Provincial Auditor would not accept.

Hon. Clayton Manness (Minister of Finance): I have not even talked to him.

Mr. Uruski: The Minister of Finance says he has not even talked to him. That fund will haunt the Minister of Finance, I want to tell him, it will you because today we have thousands of Manitoba family farmers who are in financial difficulty. We have the board costs of the Manitoba Mediation Board going up and the financial support for farmers in difficulty going down in the Minister of Agriculture's (Mr. Findlay) estimates. Why can you not use some of that funding to help those families? Why cannot this Budget be used to provide support at a time when the farm community is not out of the woods? Interest rates are at an all-time high and we had the Liberal solution previous in -(Interjection)- the Minister of Finance (Mr. Manness) could have brought in—I mean the money is there now. If he is saying the money is there now, then use it. Bring in Supplementary Estimates to the agriculture community, boost the budget of the Minister of Rural Development in Water Services, add to the Loan Guarantee Program.- (Interjection)-

Ah, now we hear the true conservatism coming out. You know why—because they are taking the rural supporters for granted. That is the true Conservative philosophy, let us cut back. Let us cut back to the farm community. Let us cut back to the farm community because effectively if you look at every program that is there in agriculture, it is a cutback. It is a cutback.

Let us match what you have spent. We have not seen what you have spent last year because you made the comparison the year before of what was spent and what was in the Budget for that 50 percent increase. That one I will not forget because that was as close to fabrication in terms of making comparative comparisons, creative comparisons as there ever could be. It is creative, it was very creative.

Now we have the Conservatives cutting back, creating a Fiscal Stabilization Fund. I have to say that the Government of the Day should really use that money. It is a surplus, put it on the books, not create what I would call, I guess, the best thing could be is—I mean it has been called a slush fund.

An Honourable Member: What do you call it as?

Mr. Uruski: Would I call it a slush fund? No, I would not call it a slush fund. No, no, I would not, but I call it creative accounting. I call it creative accounting in terms of what you are doing. Of all the arguments that you have made in this House about creative accounting and projections, you should be blushing, to the Minister of Finance. He should be embarrassed, totally

embarrassed, by what he has presented in this Budget. Clearly, he should be embarrassed by the way he is attempting to keep the books in this Legislature.

I spoke about the Manitoba Mediation Board and I talked about the cost of the board going up and the support of the farmers is going down. Right in the Estimates of the Minister of Agriculture, the cost of the board is going up some 35 percent—going from \$500,000 and some to \$750,000—but yet the support to farmers is being cut by 20 percent, the actual support to the farm community is being cut by 20 percent in terms of what that board deals with. So when they say no, they are not cutting back to farmers, the farm community, those in financial difficulty, those 3,000 to 4,000 farmers in financial difficulty who really are unable to speak for themselves are being shafted by this Government.

(The Acting Speaker, Mrs. Gwen Charles, in the Chair.)

When there is a Budget of the magnitude that they have got, they could be doing far more for those farmers. When they speak about rural development and the Regional Development Corporation doing an adequate job for rural development, what are they doing? They are cutting their grants, they are cutting their support. Ask the Minister of Rural Development (Mr. Penner), why are they cutting the grants to the Regional Development Corporations? Why are they cutting the grants for sewer and water knowing for the second year in a row that they are putting in the \$30 million that they put in last year, they are going to put in again, that there will not be an agreement? They should know by now that there will not be an agreement. I hope that the Member for Lac du Bonnet (Mr. Praznik) can say that the key Minister, the one who he worked for as a special assistant, has the agreement in his back pocket and will have an agreement and it is "go" in 30 days from now. Call me a liar, call me an alarmist. Call me an alarmist. I venture to say there is no agreement and all of this puffiness in terms of the Budget of capital expenditures is all that it is. It is puffiness, nothing more than that.

I am very pleased for some of the items in the Budget.

* (1640)

An Honourable Member: I am sure you are.

Mr. Uruski: I am, I mean they were our commitments in the election campaign. I thank you for reading them.- (Interjection)- Yes, yes, I have to say to the Minister of Agriculture (Mr. Findlay), yes, I have to say to the Minister of Agriculture. He has acceded to the pressures of the federal Government and has made the payment. I thank him for that and I say that, I say that sincerely. I do not believe that Manitoba should have had to put that money up. I will not change my opinion on that because I believe if the federal Government was prepared to increase benefits for Alberta farmers in an irrigation area, then there is no excuse for them not paying for the increased summer fallow for Manitoba farmers in the '85-'86 crop year. I say to the Minister of Agriculture (Mr. Findlay) I want, on behalf of Interlake and eastern Manitoba farmers, I thank them for living

up to that commitment. I do not know what the payment will be, I know it is budgeted for \$440,000.00.

I have to tell him that the Estimates at the time were not \$440 million. They were between \$1 million and \$2 million as to the acreage that was covered by the wetness of the previous year. Those were the estimates within our own department. So maybe people have forgotten or whatever, maybe many will not apply but clearly the \$400,000 could be as high as 40 percent or as low as 20 percent of the estimates that were given to myself during the period of time that the actual disaster occurred from the year before.

We will see how that will happen. The Minister has not made the announcement. I expect he will want to spell out the

An Honourable Member: It is out already.

Mr. Uruski: It is out already? I have not seen the—how much is it? -(Interjection)- thousand in total for an acreage payment of how much? -(Interjection)- I have not seen the announcement and I thank the Minister for providing that information.

I wanted to as well make a number of comments again on the Liberal Opposition in terms of the mediation board and their support or non-support of it. I remember during the election they were going to get rid of the Manitoba Mediation Board. They were going to use the \$350,000—I think the budget at that time was \$350,000—to use that money for loan guarantees. That would have provided \$3 million of loan guarantees and by that time we had provided \$100 million of loan guarantees. That was the Liberal policy of the day.

The Tories, while they have increased the budget of the board, they are certainly not providing the support to farmers that they require. They have nothing to crow about in this whole area. As well, I just recently read in the Interlake Spectator, I guess a news release from the Liberal communications critic lambasting the application of CNCP Telecommunications to compete in interprovincial long distance services.

I find no fault in their position as saying that will have an indirect impact on especially rural and northern subscribers because there is no doubt that none of these, what I would call this “creaming” would go towards the provision of services to rural and remote communities. I find it ludicrous for the Liberal Critic on the one hand to state his opposition to this plan while on the other hand his Leader in this House is opposed to MTS selling fax machines in which the profits, I would assume—and there will be profits if it is a highly competitive market and there is a markup there, because they do not make the fax machines—the profits from those will help keep the rates down. Why would you on one hand say no to the Telephone System increasing its revenue from the sale of fax machines and on the other hand lambaste CNCP for wanting to compete in the long distance telephone rates?

At least, be consistent. I agree with you on the long-distance rates, fully agree with you, I want to say to

that. But do not come in this House and say the Telephone System should not gain additional revenues by the sale of fax machines or any other area that is fully competitive.

Mr. John Angus (St. Norbert): You have a captive market. It is unfair.

Mr. Uruski: Madam Acting Speaker, the Member for St. Norbert (Mr. Angus) indicates that it is unfair competition. What is unfair about it?

(Mr. Speaker in the Chair.)

Mr. Angus: They have to get a telephone line from them so they know they will get the business.

Mr. Uruski: Mr. Speaker, the Member says that they get the telephone line. When the business is competitive, the entrepreneur does not have handcuffs on his arm by the Telephone System, saying you have got to buy from us. There is nothing there. I buy where the price is right. I buy where I think the service is right. If the Telephone System will provide the service and at good cost, I will evaluate it. There is nothing wrong with that, but do not come in this House and say that it is a captive market because it is not a captive market, it is untrue. I find some of the Liberal statements in this House very much unrealistic in terms of that Party being ready to govern.

It will be interesting to see what happens in the next number of weeks. I venture to say that the Conservatives, other than the creative accounting that they are using on the Fiscal Stabilization Fund, the Budget in terms of assistance to families will be welcomed. But we will want to examine in detail the kind of cuts in expenditures, and I have listed some of them.

I believe that the present Government, since they have been sitting silently by, will have to do more to offset the negative impact of the federal Budget on rural families, that they will be pressed into action and they should be prepared to look at—they cannot go out and say, like the Premier (Mr. Filmon) did several weeks ago, our major initiative is rural development and we are there to support rural Manitoba on the one hand, and then go ahead and cut back expenditures and leave two of his Ministers totally exposed.

How can the Minister of Rural Development (Mr. Penner) stand idly by and see his water services budget be cut, his capital budget go from eight-point-some million dollars to \$6.8 million when there are probably now between \$70 million and \$80 million worth of requests in his office. They cannot meet the requests. What are they going to do with Portage la Prairie? What are they going to do with Brandon? What are they going to do with Dauphin? Those communities alone could use \$30 million to \$40 million. What are they going to do with Selkirk in terms of the water supply and the requests that are there from those communities? For the second year in a row, they have put money into the Budget hoping that there will be an agreement, Mr. Speaker.

* (1650)

There is no doubt that our Party and I will be supporting this Budget. It is clear to say that the Conservatives have, you could call it, eaten a little crow on this Budget. They have been sensitive enough to bring in some of the pledges that we made, even though they campaigned enough. They have eaten crow on the Health and Education Levy because clearly they recognize they cannot do away with \$180 million of revenue, so they are doing what I would call fairly prudent but philosophically hard to swallow for them, very hard to swallow. The one area we will want to have a lot of debate on is on the Bill with the creative accounting the Minister of Finance (Mr. Manness) will bring into this province. Thank you for this opportunity, Mr. Speaker.

Mr. Richard Kozak (Transcona): I am pleased to stand to address this Government's economic plan for its second year in office. We carry a serious responsibility today in that all three Parties now accept the Liberal Party's assertion that our province and our nation are rapidly approaching an economic slowdown of major proportions.

First, Mr. Speaker, I would like to take a moment to greet you personally and to assure you of my continued best efforts to co-operate with you in your role of ensuring orderly debate in this House.

An Honourable Member: Hear, hear!

Mr. Kozak: I would also like to greet our new Deputy Speaker, the Honourable Member for Burrows (Mr. Chornopyski) and to offer him the same assurance of my co-operation. The Member for Burrows has a long and distinguished record of caring public service to the people of North Winnipeg, and all Honourable Members, I am sure, will join me in my expression of the highest esteem and affection for him.

Transcona has a record of distinguished representation in this House. A year ago I spoke of some of my predecessors as Member for Transcona, especially the late Dr. Murdoch MacKay, who deserves lasting recognition by my community and my Party.

Today I would like to recognize that, although I am the Member for Transcona, I am not the only Member from Transcona. I would like to greet the Member for Charleswood (Mr. Ernst) in particular who has our heartfelt sympathies in his recent bereavement, as well as the Members for Radisson (Mr. Patterson), Springfield (Mr. Roch) and Brandon East (Mr. Leonard Evans). Among the five of us, Mr. Speaker, you may be well assured that Transcona's interests will be thoroughly represented.

I referred a few moments ago to ominous economic forecasts for late 1989 and 1990. After seven years of economic recovery, it should surprise no one among us that the consensus among economic forecasters has turned pessimistic and now ranges from predictions of a shallow recession to predictions of a deep and severe recession.

I refer Honourable Members' attention to my Budget response of August 10, 1988, in which I berated this

very Government for its complacency and timidity in the face of ominous storm clouds on the economic horizon.

Let me review some of the concerns I first expressed last August 10, and continued in ever greater detail to express until December 5 of the same year. On August 10, I cited the Fraser Institute, which I thought would strike a responsive chord in the Conservative Government. The Fraser Institute which, regardless of its politics, Mr. Speaker, one must view as a reputable research establishment told us that while the average Canadian's family income has been up more than seven times since 1961, the same families' taxes have gone up more than 15 times. My constituents do not have to tell me that this is a threat. I know it is. Every one of us in this House knows it is. The question is what we do about it so that the next 40 years can be a period of prosperity for Manitobans rather than a period of lean economic performance.

We had reason for optimism last year that we would make a start toward building 40 years of prosperity. The election, after all, turfed out the old and brought in a new House, which is comprised of three Parties, none of which have a majority in this House, which must work together if we intend to produce benefits for the people of Manitoba.

Mr. Speaker, at that time, I went on to cite certain disturbing economic developments that demanded greater economic stimulation by this Government than provided by their 1988 Budget.

The Minister of Finance (Mr. Manness) at that time predicted that we could expect economic growth in Manitoba of less than 2 percent, hardly inspiring given stellar economic performance in recent years. Unfortunately, the Budget last year somewhat glibly went on to assert that the prospects for 1989 were better. Very little substantiation was provided for this point of view, but this point of view was used to create a sense that it will be all right, that we have time to solve our problems, that what is not done today can be done tomorrow.

Complacency is a fatal flaw, Mr. Speaker, we all know it, and a fatal flaw in last year's Budget presented by this Government. The Budget introduced a 6.7 percent growth in spending for the fiscal year 1988-89. As we know, this growth in spending was well above projected growth in the economy for the year. This increase in spending was a sign that in the Government's view everything would be all right in terms of streamlining the delivery of Government services, producing savings, getting our house in order. We have yet another year with their line of reasoning.

There was in fact no reason to assume that we would quickly bounce back from the slowdown the Minister of Finance (Mr. Manness) expected last year. The economic statistics that we got from across Canada and from our trading partners in Europe, North America and Asia suggested that the complacency of this Government was not widely shared, and that there were indeed a number of storm clouds on the horizon. I will not belabour these storm clouds. My relation of them last year represents history at this point. But rather on a selective basis, I will point out a few of them.

Inflation, which we thought had been wrestled to the ground, was now back up to 4.7 percent in the United States and, surprise, the Government of the United States, the Reagan Government, intended to fight this inflation with higher interest rates.

* (1700)

The Federal Reserve Board in the U.S. announced a one-half percentage point rise in the discount rate, which is a key signal rate for the purposes of bankers and borrowers alike. The U.S. in fact was a good place to start, because this economy is particularly deeply in debt, and was last year. In fact, with foreign debts in excess of \$500 billion, the U.S. economy is the world's largest debtor economy. However, we could not limit ourselves to consideration of the U.S. foreign debt. Domestic debt at the end of 1987 was fully 178 percent of the Gross National Product of the U.S. I hate to point out alarmist comparisons, but this level of domestic debt in the U.S. economy was the highest since the early 1930s.

We know that the U.S. is deeply in debt. They are our major trading partner. If their economy grows, we thrive. If their economy quivers, we get severely ill. They predict not only that the debt situation that they labour under will continue, Mr. Speaker, but that their Budget deficit, the federal Government's Budget deficit, is likely to turn around and resume its rise in 1989.

The savings rate of American citizens is at a historic low and growth is being kept under way primarily due to continuation of a credit binge that will create long-term harm to the friendly economy to the south, and due to foreign buying of U.S. real estate. Dependence on a credit binge and on capital flight creates a situation that I would call a precarious situation in our major trading partner to the south, particularly because the trade balance of that major trading partner is still a negative figure of \$140 billion annually.

Who will lead economic growth in the Western World? Certainly not Europe, where the growth rate has declined to 1 percent and where the principal Governments on the continent refuse to stimulate their economies because of their fear of inflation. Certainly not Japan, because Japanese exports have been shrinking due to the high value of the yen. Industrial capacity is actually being dismantled to accommodate the decline in exports and, despite increased consumer spending, the outlook is for decreased growth in the Japanese economy.

(Mr. Deputy Speaker in the Chair.)

Without wanting to appear an alarmist, Mr. Deputy Speaker, I point out that there is no engine of economic growth on the horizon in the Western World. How does this relate to Canada and specifically Manitoba? The Conference Board of Canada has recently persisted in revising downward its outlook for economic activity in our country. How is Manitoba to escape this? I hope at some point the Minister of Finance (Mr. Manness) will elucidate this matter. Perhaps he will respond to the invitation that I extended to him in 1988 to indicate to us if he has access to information that we in the Opposition do not have access to.

The Minister of Finance's 1988 Budget was not divinely inspired. Yesterday, he admitted to this House that growth in Manitoba in the last fiscal year came in below 1 percent. Manitobans deserve better. The Minister of Finance cannot berate me today for a somewhat patronizing attitude. The fact is I warned the Minister repeatedly until December 5 of last year that he was insufficiently attentive to Manitoba's need for economic stimulation. By that time, I was thoroughly exasperated and announced to this House that the Liberal Opposition takes little comfort in having consistently and correctly urged this Government to stimulate Manitoba's weakening economy, particularly by boosting consumer confidence and encouraging Manitobans to invest in their home province.

We are resigned to the fact that the Government continues to reject our call for a gradual reduction in the 2 percent flat tax on net income and for a Manitoba stock savings plan. We believe the Government is genuinely unaware that Manitoba's economy is weakening and that they are genuinely unaware of the urgency of countercyclical economic measures. That, Mr. Deputy Speaker, I repeat is a paraphrase of comments I made last December. I do not find those remarks too divergent from reality today.

Mr. Deputy Speaker, the blinders this Government wore throughout 1988 condemned Manitobans to a growth rate below 1 percent, and I make no apology for informing this Government that it is very difficult for me to express confidence in their ability to optimize Manitoba's economic growth. Already we hear that the economic stimulation the Government promises in its 1989 Budget will come into effect, in whole or in part, as late as April 1990. Manitobans deserve better, Mr. Deputy Speaker.

Failing immediate action on tax cuts in the face of an oncoming recession, I have looked with some desperation for other forms of economic stimulation in this Budget. I find it absolutely deplorable, Mr. Deputy Speaker, that this Government has drastically cut its commitment to economic and resource development by 3 percent, or 7 percent after inflation, from \$590.4 million last year to \$577.6 million this year.

Mr. Deputy Speaker, I for one will not tolerate a Government that has a single-minded emphasis on deficit reduction and is apparently willing to tolerate the human suffering of a recession. Where is their sense of balance? Instead, they choose to go underground with a \$200 million Fiscal Stabilization Fund. Keynesian economists such as myself could applaud such a fund if we felt it constituted a cushion to minimize the impact of the upcoming recession.

But in our tradition of Parliamentary democracy, we reject a scheme that by-passes legislative controls. Leaving decisions in the hands of the Tory Cabinet, quite frankly, poses too great a risk that the fund will be used for political purposes. Should we be surprised? Of course not. Three weeks ago, on May 16, the Minister responsible for Lotteries (Mrs. Mitchelson) similarly went underground with some \$55 million in Lotteries revenues which in future will be dispensed by Cabinet behind closed doors.

Do all of the programs crammed into the Lotteries system have secure funding for the term of this

Government? Will the Minister announce standard application procedures for Lotteries money and standard approval criteria to bring the appearance of integrity to backroom decisions? Will the Minister agree to make public every application for Lotteries funds and the reasons for approval or rejection for scrutiny by this House by Estimates Debate? I hope no Honourable Member will hold his breath for forthright answers to these questions from the Government, although I would suggest that programs in the Tory's good books can expect to do just fine.

I would like to raise one other matter that illustrates this Government's inclination to go underground on budgetary matters, Mr. Deputy Speaker. On January 26 of this year, I urged the Minister of Finance (Mr. Manness) in a meeting of the Public Accounts Committee to come clean with the people of Manitoba on the monstrous financial matter known as unfunded pension liabilities. On January 26, I urged the Minister to consider that over a period of some years through agreements with direct and indirect employees of the provincial Government regarding pension benefits, the Government has undertaken a financial liability related to these benefits and payable in future years which at this point of time has reached the amount of approximately \$1.1 billion, Mr. Deputy Speaker.

* (1710)

I note with some dismay that despite the fact that successive auditor's reports, Governments and Oppositions have recognized the growing magnitude of this financial obligation of the Province of Manitoba, very little progress has been made since 1986 when the Government first undertook to produce an actuarial evaluation of its obligations and did so.

I believe that our grasp of this matter in the period from 1986 to early 1989 has advanced very little, if at all. I regret that and my caucus regrets that. I suspect we are not the only ones who regret it because we are now talking about an obligation on the part of the taxpayers amounting to in excess of \$1 billion—\$1,000 for every man, woman, and child in this province. This obligation threatens the ability of the province to provide services to its people, threatens the ability of the province, if untended, to service its debt obligations, and also must question our determination to understand the fiscal obligation that we face.

Most Manitobans, I would venture to say, are completely unaware of this \$1 million obligation that they, in the final analysis, bear responsibility to pay. We have to be up front about it. I feel strongly that the Minister's approach, consultation with other provinces to develop a co-ordinated strategy for dealing with the problem, is perhaps not as speedy an approach as I myself would favour. However, I feel his approach is a start.

In real terms, however, very little has been accomplished in the three years since 1986 when this problem first wound up on our table. Clearly, the debt of this province is over \$1 billion higher than reported in the Public Accounts that were put before us some months ago and that are recognized in this Budget.

Clearly, this indebtedness is growing by an amount in excess of \$100 million a year.

The Minister of Finance (Mr. Manness), I should say, Mr. Deputy Speaker, replied courteously to the points that I brought up in Public Accounts Committee in January but without substance. On March 26, having received no satisfaction, I placed a motion before the Public Accounts Committee urging the Minister to comply with the accounting standards issued by the Canadian Institute of Chartered Accountants regarding unfunded pension liabilities.

Again, Mr. Deputy Speaker, the Government went underground and no meeting of the Public Accounts Committee has been called since March 26. What of this Government's complicity on routine matters of economic importance? All Members have applauded this Government's issue of Manitoba Hydro Savings Bonds as an alternative to exposing Manitobans to foreign exchange risks by borrowing abroad, but the Minister of Finance (Mr. Manness) has admitted that the distribution costs of the new issue are in the millions of dollars, and we find the Minister at fault for amortizing these—

Mr. Deputy Speaker: What is your point of order?

Mr. Manness: Mr. Deputy Speaker, I challenge the Member to show where in the record I said the distribution costs associated with the HydroBonds rating was millions of dollars. I have never, ever indicated that on the record.

Mr. Deputy Speaker: A dispute of the facts is not a point of order. The Honourable Member for Transcona has the floor.

An Honourable Member: Tell us where you found it.

Mr. Kozak: I am under no obligation to entertain questions, but I believe that at the point when the sales of this issue had reached approximately \$80 million, the Minister indicated costs approaching approximately \$850,000.00. My numbers may be slightly off but, allowing for increased commissions due to the great public interest in this issue, which gratifies us, due to the increase in commissions, there is no doubt in my mind and I do not think the Minister would care to debate that in effect the distribution costs will be in the millions of dollars.

If I may go on, Mr. Deputy Speaker, with your permission. Related to these distribution costs, we find the Minister at fault for amortizing these costs expensively over the term of a three-year issue, rather than a seven- to 10-year issue, which would have considerably reduced the per year real cost of this issue.

First prize though, Mr. Deputy Speaker, is reserved for the Minister responsible for Lotteries (Mrs. Mitchelson) and her plan for a year-round casino at the Fort Garry Hotel. The Minister claims that the casino will solve major problems in health care funding, land and water conservation, and recreation funding. She has not bothered to inform Manitobans that her casino will add only one-tenth of 1 percent to provincial

revenues, and that her rosy predictions of windfall revenues are evidence of a surrealistic imagination.

But the Minister did not stop there. She promised to eliminate the sleaze factor that had plagued the casino at the Convention Centre since its inception, Mr. Deputy Speaker, as if the casino at the Convention Centre had been intended from the outset to be a sleazy operation.

Mr. Deputy Speaker, the Minister wanted us to believe that the new casino would be suitable for a family night out. We all know that the sleaze factor will make this impossible and the Minister quickly retreated. She now wants us to believe that the casino will be designed to appeal to aristocratic characters from 19th Century Russian novels. If we admit that these characters will not respond to the Minister's invitation to rise from their graves, we must face the fact that European-style casinos are inhospitable to North American tastes and fail unless they rely on glitz and sleaze to draw customers. The Lotteries Minister should come clean and announce to Manitobans what sleaze threshold she finds acceptable.

Mr. Deputy Speaker, we are looking at a continuing record of substandard and indeed surrealistic imagination and management by this Government and there is no reason to expect an economic turnaround. We want some fast answers.

And what of Portage la Prairie, Mr. Deputy Speaker? I always welcome comments from his seat from the Honourable Member for Portage la Prairie (Mr. Connery), who has my regard with many of the suggestions he makes to me. Does this Budget offer any support to a community that has been cut off at the knees by the federal Tories? If Transcona had been decimated by any Government, I would not tolerate it for a moment. The Minister of Finance (Mr. Manness) refuses to extend hope to the beleaguered community of Portage la Prairie. If people who vote for them and trust them get the shaft, Mr. Deputy Speaker, can this Government's statements have credibility with anyone? Not me, Mr. Deputy Speaker. Thank you for your indulgence.

Mr. Deputy Speaker: The Honourable Member for Lac du Bonnet (Mr. Praznik) has the floor.

* (1720)

Mr. Darren Praznik (Lac du Bonnet): Mr. Deputy Speaker, I appreciate the opportunity to participate in this Budget Debate which I see as developing into probably one of the most interesting debates in years in this Legislature as we see the Official Opposition squirm trying to decide as to what they are going to do on the Budget.

Mr. Deputy Speaker, before I begin the meat of my address, so to speak, I would like to make a few comments about the speech of the Honourable Member for the Interlake (Mr. Uruski). I was glad to see that that Member thanked the Minister of Agriculture (Mr. Findlay) for the '85-86 excess summer fallow program. That was a program that is welcomed, indeed welcomed

by the producers of the Interlake Region and of the part of eastern Manitoba effected by heavy rains in the Fall of '85 who were not able to harvest their crops and had to summer fallow larger than normal amounts of their land and were then ineligible for the '86 special grains payment.

It is a program, Mr. Deputy Speaker, that is long overdue. It is one that our producers were not able to get because that same Member, the Member for the Interlake when he was Minister of Agriculture, was involved in a squabble with Ottawa refusing to participate in that program, and one can make the argument certainly that it was not a provincial responsibility. But that did not put any dollars into the hands of the producers in the R.M. of Brokenhead, in the LGD of Alexander, in the R.M. of St. Clements or any of the other Interlake municipalities that were effected.

Those producers, Mr. Deputy Speaker, are very pleased that this Government accepted that responsibility, came up with the dollars and have finally, finally corrected a long overdue problem that should have been handled by the Member for the Interlake (Mr. Uruski) when he was Minister of Agriculture. I thank our current Minister of Agriculture (Mr. Findlay), the Member for Virden, for that program. It is one that is indeed the righting of a wrong and I am glad to see that it has finally occurred.

Mr. Deputy Speaker, as I mentioned at the beginning of my remarks, this is perhaps one of the most fascinating debates that this Legislature has seen for many years or perhaps will see in many years to come. That is because the Official Opposition is caught in a tremendous dilemma. Just a few short days ago their Leader, the Member for River Heights (Mrs. Carstairs), came before this House and moved a motion of non-confidence against this administration on the basis of the Throne Speech.

Mr. Deputy Speaker, the Leader of the Opposition spoke about all the failings, all the things that were undone, how terrible it was and that her team was now ready to govern and she moved that motion of non-confidence and the Members of the New Democratic Party seeing, as we did, just how frivolous that was voted against it, as did we, to defeat that motion of confidence.

Now this administration has brought in probably one of the best Budgets that this province has seen in many, many years, Mr. Deputy Speaker, and it is one, as the Minister of Finance (Mr. Manness) has indicated, is not entirely due to the doings of this Government. We have received above average revenues from the mining sector; we have received above average, far above average federal transfer payments, but there are elements of it that are due very clearly to good managerial practices.

The Minister of Finance (Mr. Manness) has converted much of our foreign debt into North American debt and saved us on interest payments, Mr. Deputy Speaker, and he has said that in this House in answer to questions today that a large portion of the savings of this province is due to that maneuver. That was an opportunity that

was open to the previous Minister of Finance and one that was not taken.

So certainly there are elements that this Government happened to find there, but they took full advantage of those opportunities to deliver probably one of the best Budgets this province has had in many, many years.

I think for Manitobans, as they heard about the Budget last night, there was a tremendous sigh of relief. After a federal Budget that has dipped again into their pockets, after rising expectations that a provincial Government, that all Governments require more money, our provincial administration was able to put a few dollars back into their pockets, into the pockets of Manitoba families.

That is very, very significant because that is the first tax break that I can remember in my short years as a taxpayer, and I am sure for many Members opposite, they would have to stretch, go back deep into their memories to remember any Government, federal or provincial, that had any tax relief in their Budget. So that is very significant.

Mr. Deputy Speaker, I think that another element of this Budget is highly, highly important to the way provincial Governments deal with their Budgets and deal with large unexpected increases in revenue, and that is the establishment of the Manitoba savings account for lack of a better term.

On a personal note, if there was one reason, Mr. Deputy Speaker, or one of the reasons that I am here today as a Progressive Conservative, that has to do with that philosophy of being financially responsible.

Some years ago, in fact in 1981, when I was Premier of the Manitoba Youth Parliament, the opening of the Session, it was shortly after the election of the former Premier, Mr. Pawley to that particular office, I had the opportunity of sitting in the loge to the Speaker's left, between the newly elected Member from Morris, now our Minister of Finance (Mr. Manness), and the newly elected Premier, Mr. Pawley.

Those were in the days where I had come from a Liberal family and was sort of drifting and developing in my political philosophy, and I sat between the Member for Morris and the then Premier Pawley. I listened to them as they engaged in a discussion about how Government should use its economic power to stimulate the economy in times of downturns, and how they should deal with the province's finances.

Mr. Pawley made the statement, and I can remember it like it was yesterday, that Government had a responsibility when times were bad, when we are in recession, to spend more to stimulate economic activity. The Member for Morris, Mr. Manness, did not disagree with that, but he said to him, when do you put away the dollars to be able to do that, and Mr. Pawley had no answer. In fact, when Mr. Manness said to Mr. Pawley, what about those good years when revenue was high and when you were in power, why were you not putting away money then? He turned and said, well, they were tough years. Well, they were not. In fact, tougher years came, and their kitty was dry to be able to do that kind of stimulation in the economy.

Mr. Deputy Speaker, I was very impressed with the Member for Morris (Mr. Manness), and it was at that time that I started to become far more interested in the Conservative Party and I spent time with Mr. Manness, and today sit here as a Progressive Conservative MLA and very proud of it.

When the Minister of Finance announced the savings account, I recall that particular incident in this Chamber in 1981, and I am very proud to be part of the Government that has finally brought that type of management to this province.

Mr. Deputy Speaker, it would be very easy to take those surplus funds and spend them, it would be very easy, but next year or the year after if we have a recession, as many in the Opposition are predicting, where will we find the kind of dollars we will need to ensure that we do not have a skyrocketing deficit and that Government is able to maintain essential services and perhaps do some programming to stimulate economic activity? Where will that fund be? We will have that fund because of the foresight of our Minister of Finance (Mr. Manness).

* (1730)

I find it very ironic that Members of the Official Opposition, the Liberal Party, are here saying today, oh, this Government is terrible. They are cooking the books. They are using creative accounting because they are showing a deficit when they really have a surplus.

Mr. Deputy Speaker, just think about that for a moment. I remember the days when Oppositions would criticize a Government because they showed a lower deficit than the province actually had. That is an understandable argument, but to be standing up saying we should really be showing a surplus, all that the Members opposite are admitting is this Government has been able to do something that no Government in this province has done for 20 years, and that is turn a surplus.

If you want to argue it on that basis, I will argue it with you too because I am very proud of the fact that we have done as well as we have. So it seems very ironic that Members opposite would be standing up here criticizing the Government for not showing that we had a surplus. All that proves is we have been able to do a lot better job than probably any of them expected we would be able to do.

The dilemma which the Official Opposition faces—and we have seen it today when the Leader of the Opposition (Mrs. Carstairs) who, as I have indicated just a few short days ago, was here moving motions of non-confidence, indicated that they might support the Budget, not quite sure. I am sure that every Member of that caucus today is wrestling with the dilemma as to what their Party should do.

Do they want to be the Party that votes against the first tax break to Manitoba taxpayers in recent memory? Do they want to be on record as the Party that voted against a drop in the personal income tax rate? Mr. Deputy Speaker, I am sure Members of the New Democratic Party, as well as Members of this side of

the House, when the time is right and the people of Manitoba want an election would love to be able to go to the doors and remind the voters about that negative vote.

Yet, on the other side of the dilemma, if the Members opposite, the Liberal Party, vote for this Budget, what happens to their great argument of a week and a-half ago when they had to bring down the Government? What happens to that argument?

Well, Mr. Deputy Speaker, Members in the New Democratic Party made the argument in their speech, and yet the Members of the Liberal Party, oh, no, it is a terrible Government, they are not meeting any needs of the people. We have to have a motion of non-confidence, we are ready to govern.

What has changed so dramatically between a week and a-half ago and today? What has changed is the public can see very clearly, the people of Manitoba, that this administration is doing a good job in governing the affairs of this province. Members of the Liberal Party are, I am sure, starting to hear that in their constituencies and from the voters of Manitoba.- (Interjection)-

The Member for Ellice (Ms. Gray) talks about a specific issue. There will always be specific issues and there will always be issues that are yet unresolved. There will always be more demands on a provincial Treasury than there are dollars to fulfill them. That is a reality of politics that is there no matter who occupies the Government benches.

(Mr. Speaker in the Chair.)

Mr. Speaker, we all know that is a reality of Government, but generally the questions that the public ask is how are affairs overall being governed, and I think the people of Manitoba are quite content with minority Government and quite content with this Party on this side of the House and the actions of this Government, particularly after the Budget that was introduced yesterday.

We look at the numbers and I think they are very telling as to what our province is spending on vital services. I would like to break them down for a moment on a cost-per-person basis. That is simple enough to do, given that Manitoba has about a million people. We are now spending \$1,557 for every man, woman and child in this province on Health; \$857 for every man, woman and child on Education and Training; \$491 per man, woman and child in this House on Family Services; \$384 for assistance to local Governments and taxpayers; \$578 per man, woman and child in this province for economic and resource development; and \$397 for justice administration and other Government functions, for a total of \$4,264 per man, woman and child.

Mr. Speaker, when you look at those kinds of numbers, one realizes that we as taxpayers are spending a great deal of our resources on those vital services, and that is important. When Members opposite point to areas perhaps we should be spending a little bit more, then I would ask them, where should we be taking it from or should we be doing away with the decrease

in personal income tax or the increase in the child tax credit? Where are their alternatives? Where are they? We have not heard them. We have not heard them at all. Our colleagues in the New Democratic Party have again pointed it out as well. Where are the options? They are not there. They have not been there and we certainly do not see any indication that they are coming.

Mr. Speaker, after a year of minority Government, if this Budget proves one thing, it is that this Party here has done a good job and is doing a good job and that the Liberal Party opposite is not the political messiah of the province that they promised it would be. They have no new ideas or no new options and would probably, if they were put on this side of the House, flounder from day to day, problem to problem, issue to issue, without a plan, without a sense of direction. I would hazard to guess that if the Member for Osborne (Mr. Alcock) were the Minister of Finance (Mr. Manness) that \$150 million plus that is now in a surplus account would have been spent and long forgotten a year or two later—gone, not there for a rainy day.

A week and a-half ago when the Leader of the Opposition (Mrs. Carstairs) spoke on the Speech from the Throne, when she said it was essential for Manitobans to bring down the Government, that the House had lost confidence in the administration, I had the opportunity of speaking on that same debate. In the speech the Leader of the Opposition delivered in this House on the Throne Speech Debate, there was a particular paragraph that I pointed out as probably the only insight in that speech about the realities of the province.

If I may quote again, as I did in the Throne Speech Debate, the Leader of the Opposition said “. . . that the Government has reallocated and redirected funds but has not limited its own expenditures. Our province will see tough economic times ahead which will require appropriate management. The Tories have demonstrated an inability to make the tough decisions necessary to prepare us for those tough economic times ahead.” That is what the savings account is about. That is what keeping our provincial spending to one of the lowest increases in the country is about. This Budget does exactly what the Leader of the Opposition, in that little glimpse of reality in her speech, said a provincial Government should be doing.- (Interjection)-

The Member for Niakwa (Mr. Herold Driedger) says, no, no, no. One can only assume that the Member for Niakwa then is saying to this House that we should not put away some money in a savings account for a rainy day, that we should spend it all, that we should have no control over our expenditures. If there is a recession in a year or two from now, then he will have the opportunity to say, well we have not managed well. Mr. Speaker, I am sure the Member for Niakwa and his own family maintains a savings account there to be dipped into on a rainy day.

The principle is very clear. In fact, if one even reads the news reports today, the comments of the Minister of Finance (Mr. Manness) that our province is able to invest that surplus and get a greater return than on some of the debt that we are carrying so we are in essence making money on that money -(Interjection)-

dollars ahead, we have the dollars there to survive some recession should it come. I am sure at that point Manitobans will be even more thankful that our Minister of Finance has had the foresight required to sock that money away for a rainy day.

* (1740)

Mr. Speaker, it is interesting. I am looking to further speeches by the Members opposite. In fact, one would say that the Liberal Members of this House have been so quiet on this issue, one would think they are not even here, but we know better than that. It will be interesting to hear the speeches of the Members opposite as to how they handle this Budget. I expect they will find little areas, little specific concerns, perhaps some special interest groups who have a proposal or a position that they want to put forth.

They will argue about those or why that need is not met, but I doubt if the Official Opposition will take on the Budget as a whole and its general direction. If they do, I wonder how willing they would be to go to the polls on this Budget as the issue. I do not think that is going to happen, and they know it is not going to happen because the vast majority of the Members of this House have more sense than that.

We heard during the Throne Speech Debate that seven or eight of the Liberal Members across the way breathed a great sigh of relief when the New Democrats voted down their motion of non-confidence because they did not want to go to the polls. Political posturing, clearly political posturing. Mr. Speaker, political posturing, the same kind that they accuse the other Parties of doing all the time that they were so different, they were so pure, they are doing over and over again, and now they are trapped because they are either going to have to get up in this House and vote against tax cuts.- (Interjection)- the Member for Niakwa (Mr. Herold Driedger), if his Leader says vote, I am sure he will jump to vote, will vote against the first tax cuts that this province has seen in years, or they may come in and vote for the Budget. They may do that. The Leader of the Opposition (Mrs. Carstairs) hinted at that today because they realize it is a good Budget. There will go their argument of eight days ago that this Government had lost the confidence of the Legislature, or I suspect they will do what Liberals are famous for doing. They will sit on the fence and abstain.

An Honourable Member: You were a Liberal once, were you not?

Mr. Praznik: Yes, I was a Liberal once but I matured. I grew up and I realized some of the realities of life that my friends in the Liberal Party have not realized.

An Honourable Member: Inscribe that sermon on the road to Damascus.

Mr. Praznik: That is it. Mr. Speaker, although there are many in the Liberal Party who I consider to be friends, I say today the kind of performance that the Member for Osborne (Mr. Alcock) as critic, leaves a great deal to be desired because there was so little

that Member could take aim at, that he just withered on the vine.

I say sincerely I felt for the Member for Transcona (Mr. Kozak) because the Member for Transcona, who had tried very well to be the Finance Critic of the Liberal Party, who had made some reasoned arguments, sometimes we disagreed with his facts, was removed from that position so that the big name gun, the Member for Osborne (Mr. Alcock) would be there to blast away at Clayton Manness (Minister of Finance). We saw the big blast today and I will tell you it was not one that knocked anyone over.

We see Members from opposite coming over to join us. It really is unfortunate that in a minority Government Members opposite have taken the position some weeks ago on the Throne Speech that have put them in that dilemma. One of the realities they now face unlike Oppositions in a majority Government, who have the luxury of voting against anything they want for the sake of doing it because Governments will not be defeated. The people of Manitoba look upon all of us in this House as having some share in the responsibility for good Government.

Members of the New Democratic Party have recognized that and want to be willing participants in the actions of this Legislature. I can tell you, as a backbencher on the Government side, it is exciting being a minority Government because you have a lot of opportunities, more opportunities to participate in decision-making and functions simply because of numbers than one would do in a big majority, so it is an exciting time to be a legislator. The Members in the Liberal Party have not come to that understanding.

So I think we will look with great interest to see what they do. I am sure they were huddled this afternoon in the back rooms of the Liberal Party trying to decide whether they should vote against tax cuts, vote against provincial savings accounts or vote for it and appear hypocritical which they would be, or do nothing. I would suspect that they will do nothing. I suspect they will abstain and do nothing on this to weasel out of that dilemma. It is a dilemma of their making, a dilemma of their making.

So we will all on this side of the House look with great interest as this debate develops. The Leader of the Opposition (Mrs. Carstairs) is reported to have said earlier in the day that they would be voting against it. Now in the House she is saying they have not made up their mind. I hear comments from the Member for Niakwa (Mr. Herold Driedger) to indicate, maybe they are going to vote against it and they are wrestling with that dilemma.

In fact, Mr. Speaker, the actions of the Liberal Opposition remind me of the old saying of the old politician who said: "Some of my friends are in support of this; some of my friends are agin' it; and me, I always stand by my friends." That is a truer Liberal statement than one can imagine. I think we see it being played out in this House and we will see it played out in this House over the next few days.

So ultimately, maybe by us chiding them on this side or sticking them a little bit and poking a little fun, maybe

we will push them into voting against this Budget, voting against tax cuts for Manitobans, voting against fiscal responsibility, maybe they will do that, maybe they will do that.

Mr. Speaker, it will be very interesting. I am sure the Member for Lakeside (Mr. Enns) would agree that very few times in the history of this Assembly has such a dilemma faced an Official Opposition—

An Honourable Member: But such an opportunity.

Mr. Praznik: —but such an opportunity to show they can rise above their own error and support what is now almost universal, except in this province as the sunshine Budget, a good Budget.

Mr. Speaker, perhaps my remarks and the comments of other Members, such as the Member for Lakeside, are not directed at the right people. Perhaps the Liberal Members of Caucus are not the right people to be talking to. Perhaps they should be directed specifically at their Leader, because for a Party in which all these decisions are supposedly discussed in caucus, we have on record time and time again comments about the adult day care centre, comments from the Leader of the Opposition, "Sharon Carstairs does what Sharon Carstairs thinks is best for Sharon Carstairs," Mr. Speaker. Comments, no agricultural policy, on and on, a clear indication to this House that Members of the Liberal Party really are just there to support their Leader on whose coattails we carried into power, without any real input into the operation of their Party. That is sad because the Liberal Party I knew many years ago was one that was far more open, where Members had far more involvement than is evident today.

* (1750)

It is going to be interesting to see if the seven or eight Members who did not want to vote against the Throne Speech, did not want the motion of confidence, if they are going to be able to assert their will in that caucus over the next few days. It is going to be very interesting to see what kind of comments the Member for Osborne (Mr. Alcock), their critic, has to make on the Budget. It is going to be very interesting to see the arguments they are going to be able to muster should they choose to vote against it. It is going to be a tremendous, tremendous debate.

As I move to conclude my remarks today, and I must admit it is somewhat difficult to continue to participate in this debate for a long period of time because it is so clear the document the Minister of Finance put before this House is a well-directed document. It has done better than, I think, any other individual could have done as Finance Minister. The Opposition comments are so weak about it. It is hard even to muster arguments against them because they are so blatantly weak.

If I may, just for a moment, on a couple of particular matters relating to the finances of this province that I think are important to make, and one I have indicated already is the Interlake, Eastern Manitoba Excess Summer Fallow Program. That is very welcome. The

other of course is the increase to 35 percent in the reduction of education levy on farm land, a very significant and important event. I would urge the Minister of Rural Development (Mr. Penner) to continue to move forward at the pace that the Government began a year ago to bring about assessment reform and the general removal of that levy from agricultural land.

Mr. Speaker, it is a difficult issue, a complex one. There are many aspects to it that take a great deal of work. I know that work is under way now, and I would urge the Ministers to continue on that basis. We from agricultural ridings are very happy to have received that boost from 25 percent to 35 percent. It makes the bridge a little bit wider as we move to that kind of reform and it is very, very welcome in the agricultural community.

I would hope that problem is going to be able to be resolved within a reasonable time period. I know that one municipality in my constituency that has pushed very hard towards that kind of reform, the Rural Municipality of Lac du Bonnet is certainly there pressing for it and looking for those kinds of changes. I know Ministers have met with that municipality and satisfied them of the kind of efforts that are being made, so I would like to congratulate them on that ground.

The third point I would like to make, and I would not like to underestimate or have any Member of this House underestimate the importance of having the right investment climate in a province. Within my own constituency of Lac du Bonnet, as I have indicated in the Throne Speech Debate, Abitibi-Price will be investing some \$26 million over the next two years in a new wood room, in a new roller press, to produce paper for the Free Press. They will be investing some \$26 million of private money.

I am pleased that later on this month myself and the Minister of Agriculture (Mr. Findlay) will be part of an opening of a \$1.3 million United Grain Growers elevator in Beausejour, a state-of-the-art facility, there with private investment. I am pleased as well that a private individual will be investing this year a half million dollars in a ski resort, Murray Hill near Stead, with a further million to follow over the next two years.

Mr. Speaker, these are all signs that Manitobans are prepared to invest their dollars, are prepared to function in this economy, to function in our province, to create jobs and create dollars that provide the taxes that we spend here as legislators, because the climate is becoming a good one to invest those dollars. That is there despite the partisan politics, despite the bickering back and forth between Members, besides trying to position oneself with the media.

The realities of those kinds of investments are there and they are growing. We all know that North America, potentially could be facing the world, facing a recession in the next few years. Now is the time, as the Leader of the Opposition (Mrs. Carstairs) advised in the Throne Speech, to prepare our economy and our provincial finances to meet that. That is what this Budget does and does so very well. It also, I think most importantly, gives back to the taxpayers of Manitoba some dollars in their pocket that they can spend and, perhaps more

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importantly, gives to them a sense that if we do get our provincial finances under control that further tax reductions are possible. The public is cynical that is even possible. I think we have proven that it is possible, it is being done. More can come if we are prepared to manage well and if we have some luck as we have experienced this year.

Mr. Speaker, I would just like to conclude my remarks. I would indicate I intend to conclude today so that the Leader of the New Democratic Party (Mr. Doer) will be able to rise first off tomorrow in this Chamber to participate in this debate. I think that the editorial in the Winnipeg Sun summarizes this provincial Budget best. In describing some of the tax reduction measures that were made in the Budget, it says that these measures, and I quote, "makes it a little nicer to be a citizen of this fine province this morning." I shall read it again for the benefit of the Members opposite, that this Budget and I now quote, "makes it a little nicer to be a citizen of this fine province this morning."

An Honourable Member: Hear, hear!

Mr. Praznik: Mr. Speaker, on this side of the House, we look at the Liberal Opposition opposite. We look with great interest to see if they are going to vote against this document in a few days. We look with great interest to how they handle this political dilemma that their Leader has put them into.

Mr. Speaker, thank you for this opportunity. I conclude now and indicate that if I have any time remaining, I shall not use it. Thank you.

Mr. Speaker: Is it the will of the House to call it six o'clock? (Agreed) The hour being 6 p.m., this House is now adjourned and stands adjourned until 1:30 p.m. tomorrow (Wednesday). When this matter is again before the House, it will remain open.