

First Session - Thirty-Fifth Legislature

of the

**Legislative Assembly of Manitoba** 

# DEBATES and PROCEEDINGS (HANSARD)

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# MANITOBA LEGISLATIVE ASSEMBLY Thirty-Fifth Legislature

# Members, Constituencies and Political Affiliation

## LEGISLATIVE ASSEMBLY OF MANITOBA

## Monday, October 22, 1990

The House met at 8 p.m.

## THRONE SPEECH DEBATE

**Mr. Speaker:** Continuing debate on the proposed motion of the Honourable Member for Fort Garry (Mrs. Vodrey), the Honourable First Minister.

Hon. Gary Filmon (Premier): Thank you very much, Mr. Speaker. May I begin by saying that it is always a great thrill to be able to stand in my place and address another throne speech. This is 11 years that I have been in the Legislature now and it seems like only yesterday that I stood here for the first time, like many of the new Members, knees knocking a little, looking up in awe and anticipation around the Chamber and trying to relate to my new surroundings. I get that same feeling of privilege, that same feeling of awe no matter how often I stand in this House and hope that I always will, so that I always recognize how important the role is that each of us plays in this Legislature.

I would like to begin, Sir, by offering you my sincere congratulations on your return to the high office that you hold here in this Legislature in presiding over the Chamber as you have for the past two and a half years. I know that you have done so with a fairness and an evenhanded approach that is a great credit to the Chair you occupy and certainly I think makes it easier on all of us to perform our responsibilities in the Legislature.

I would like to congratulate the Deputy Speaker (Mrs. Dacquay) on her assumption of her responsibilities in this House, taking on again a very important role in the Legislature, keeping peace and order and good Government going in this Legislature; not always easy. Mr. Speaker, I am glad that things have not changed too dramatically from the last Legislature. We still have the sense of humour; we still have the good-natured cheap shotting across the House.

I want to, of course, thank and congratulate our Table officers who perform such an important role and function in the Legislature again in serving our needs in a very effective way and, of course, I want to welcome back and congratulate the Leaders of the two opposition Parties for their efforts in the election campaign. I know that, despite results, it is an immense responsibility, it is an immense challenge and commitment that they must put forward and I congratulate both of them on the campaigns that they ran.

I want to, of course, welcome two new Cabinet Ministers on our side of the House, the Minister of Labour (Mr. Praznik), the Minister of Family Services (Mr. Gilleshammer), for having taken on added responsibilities and, judging by their first week or so in the House, performing them effectively and well, Mr. Speaker.

## \* (2005)

I want to welcome sincerely all the new Members of the Legislature, on both sides of the House. There has been a rather major turnover in the membership in this House. I think more than a third of those in this Legislature are new to the Chamber and I congratulate them, I welcome them. I hope that they enjoy their experience as much as I have here in this Chamber and particularly-I am not wanting to be chauvinistic-but I particularly want to welcome the new Members, the women who have been elected to the Legislature. We have the largest number of women sitting in the history of this Chamber, 11 women, five on our side. I am very proud of each and every one of them, delighted to have their talents and their skills added to the membership of this Legislature. I know they have many, many fine contributions to make in the future.

At 11 Members, I think we are almost at 20 percent of the Legislature. That is not nearly enough in terms of representation, but I believe it is close to if not the highest proportion of women represented in any Legislature in the country. I believe that it is a step in the right direction. I know that all three of the major Parties will keep working on attracting the calibre and capability of women that is represented here and more will be here in the future.

Mr. Speaker, this Government begins its new mandate as Canada and the world enter a new era in the relationships between Governments and the people. Here in Canada the debate surrounding the Meech Lake Accord has given a clear focus to the public's growing disenchantment with their politicians. On the world stage we have seen other major, major developments significant in nature----the fall of the Berlin Wall and the reunification of Germany.

I cannot help but thinking back. It is one of those things that I think you will be able to recall in history just as last year—it was two years ago—many of us were recalling where we were on the 25th anniversary of the assassination of John F. Kennedy, where we were that particular day. It was a remarkable thing. I think virtually everybody in North American society remembers precisely where they were at that very time and hour.

I will always remember the circumstances surrounding my first learning about the fall of the Berlin Wall. I was in Ottawa at the First Ministers Conference, and that particular day was a rather acrimonious day for debate and discussion in Ottawa. I recall the exchange that I had with the Prime Minister. He was not exactly pleased with some of the remarks I made. He made the comment that Howard Pawley at least was a statesman.

Mr. Speaker, later on in the discussion Clyde Wells and he had a very sharp exchange and some of the comments that Clyde made offended Robert Bourassa, and he left the meeting in a huff. To say the least, it was not a very good atmosphere. It was a very acrimonious and bitter kind of divisive group of people who then met at 4:15 p.m. that afternoon for lunch. We had worked right though from nine in the morning in open session until 4:15 when we went up for a private luncheon.

As we sat around and sort of contemplated what we thought was very, very terrible circumstances in terms of relations and the future of the country, we were told that the Berlin Wall had just come down. Immediately, I think everybody looked around at each other and perhaps a little inward, and realized how small our problems seemed to be in comparison to that major, major event that had happened in Berlin, how those people who had not seen freedom for several generations now were free and having the great prospect of all those changes in their life and the future, compared to our debates, a very rich, enormously gifted and well-prepared country in so many ways that we were sort of arguing amongst family about how we might share this enormous wealth and good fortune that we had in this country.

We have seen the collapse of the Iron Curtain and free citizens in eastern Europe flooding the streets that once echoed with the rumbling of Russian tanks.

When ultimately a few months after the Berlin Wall collapsed, we had the advent of freedom in Romania, the first time in how many decades. I paused to reflect at that time what my late father, since he had been born and raised in Romania, what he would have thought of that event, because throughout his lifetime here in Canada, when we talked about eastern Europe, when we talked about the prospect of his returning if only for a visit in later life to see what changes had taken place in his homeland and so on, he repeated to me over and over again, no, never. I will never leave this country. I will never go back there, even for a visit. I wondered what he would have thought with Ceausescu having been overthrown and that country opening up.

Even in the Soviet Union itself, we have seen increasing liberalization, freedom of expression. I know that Leaders of the opposition Parties have probably, like myself, had the very fascinating experience over the past eight or nine months of having visits from delegations of people from eastern bloc countries, the Ukraine, U.S.S.R., Poland, Czechoslovakia, coming here to Manitoba. Firstly, because of our rich heritage of people from those countries, the slavic countries, that area of Europe, so therefore they direct people to people relations that have spurred many of those delegations to come and visit us here. Partially as well, because they know of Winnipeg and Manitoba because of the Canadian Wheat Board, the Canadian Grains Commission being sort of the business end of the bread basket of Canada and those relations that they have had by virtue of wheat purchases, grain purchases, all those kinds of things over the years---coming here, though, and wanting to talk about of all things, politics.

Mr. Speaker, this August in fact we had two people from Poland. A special adviser to Lech Walesa was here. We wanted to talk about the economy and about different things. He was fascinated by the political process, because he was here of course in the midst of our election campaign. I later found out why he was so fascinated when they called their own election very shortly thereafter, but just sitting down and having discussions with some of these people on the most elementary basis, where we were talking about democracy as a form

\* (2010)

of Government, and they were still talking about capitalism versus communism, not relating economic systems to political systems.

It just struck me as to how much they want to learn and how much they need to learn in order to, in effect, make good use of this freedom that they now have for the first time in so many decades and so many generations. I thought that it in some ways was incongruous with the Eastern Bloc opening up, with people for the first time ever getting their freedom, their opportunity to exercise rights that had been repressed and denied throughout their lives and hearing people in this Chamber, in this particular Throne Speech Debate calling back to the old dead economists and talking about Marxism as being the way—you know calling upon Karl Marx for the way in which we ought to be looking for changes in this society here in Manitoba.

Going back to those, sort of failed and discredited ways of economic activity, and they were posing that as the saviour for our economy in the future. I thought it was terribly incongruous to say the least. I could be less polite but I am attempting to stay on the high road tonight.

## \* (2015)

Mr. Speaker, the opening up of the Eastern Bloc has demonstrated to us the abject failure of those policies, those socialist policies. Not only economically did they fail, we have had discussions with people now coming to us from the U.S.S.R. and talking about the difference between how things operate here versus how things operate there. One person who I think said it as clearly and as succinctly as any said to me, you know we have the technology, we have the engineering and the scientific and all of that knowledge, but nothing works. They talked about comparisons between the mining industry here and how side by side our mining industry is so much more productive. They have, as I say, the same science, the same technology available to them but ours is so productive and theirs simply does not work.

The same thing is true with respect to our agriculture and that is probably one of the foremost comparisons where we, here in Canada, have taken off one of the most bountiful crops in our history and have the big problem of trying to sell it now -(interjection)- sorry, I said bountiful. I did not say valuable, sorry.

Mr. Speaker, I said bountiful. I am speaking a little

too far from the mike. We have one of the most bountiful crops of our history, have harvested it and harvested it efficiently. They have a very bountiful crop in the U.S.S.R. but much of it is still lying in fields or rotting away because they do not have a system of harvest or of handling, of transportation or anything that works properly. It is a tragedy, an absolute tragedy. As an economic system, it is a total failure.

Here is another one. We have of course had a window on the Eastern Bloc for the first time throughout our, I guess, most of our lifetimes, but, Mr. Speaker, that window has shown us now that because—one of the Members opposite referred to what was done in environmental terms and blamed big corporations for environmental degradation, and in fact one of the things we are learning is how terribly the environment has been abused in the Eastern Bloc countries.

My principal secretary was over in Krakow and said that you could hardly keep your eyes open, they watered so badly from the tremendous air pollution that exists in Krakow for instance. That is true in so many ways of the air and water and other pollution in those countries. Here we have people on the other side of the House, new idealogues having been elected suggesting to us that somehow we look for the answers in Karl Marx, that we look for the answers in the socialist way of life. It is a tragedy, it is a tragedy.

Of course many of the horrible examples of repression remain. The people continue over there to strive for something better and with more reason for hope than ever before. What we are seeing throughout the globe and within our own country is a rebirth of individual commitment and individual action. The generation that took to the streets in the 1960s is reaching a new maturity in the 1990s.

The '70s and the '80s, well, Mr. Speaker, the me decade is not a Conservative decade. The me decade -(interjection)- no way, no way—

### Some Honourable Members: Oh, oh!

Mr. Speaker: Order, please. The Honourable First Minister.

**Mr. Filmon:** Mr. Speaker, the '70s and '80s have been a sobering experience for people throughout the world. We have seen growing degrees of cynicism and alienation with Governments and with politicians that might have been brought about in part by politicians themselves.

### \* (2020)

Now we have a big job to do, each and every one of us in this Chamber, to restore trust and confidence to our elected representatives by virtue of the examples that we set and the undertakings and responsibilities that we take on as Members of this Legislature.

You know, Mr. Speaker, over the last two decades, voters have been overwhelmed by the spend-now, pay-later style of political campaigning. Election after election, politicians promised more than we could afford, and then ran deficits to pay for those promises. The NDP Members opposite should remember those days well. Now, so too must the taxpayers of Manitoba. For five years in a row, the NDP ran deficits of \$500 million a year. They doubled our entire provincial debt in just seven years. That took place during the longest period of economic expansion since the Second World War.

The Leader of the Opposition says hear, hear, that they ran up those \$500 million deficits and doubled our debt during the longest period of economic expansion since the Second World War. In other words they had the richest economic times nationally at their disposal and they squandered it all provincially, Mr. Speaker, with \$500 million annual deficits, and doubled the provincial debt in a period of less than seven years. Now of course, all of us are paying the price. We are now spending over \$500 million every single year to pay the interest on the debt that was rung up by the free-spending ways of the NDP.

The budget the year before they took Government, the 1981-82 budget that was the last one passed by Sterling Lyon, had \$114 million in annual interest costs. That was driven up, over a period of six and one half years, to over \$550 million annual interest costs under that NDP administration and their philosophies. We need that \$550 million for programs. We need that money for health care, for education, for vital services to families. All those sorts of things that are so important to us, we do not have that money for, because we are spending it on interest on the debt that was left for us as a legacy by the Howard Pawley Government of the NDP, and all of the people sitting there are smiling and agreeing with all of the philosophies and moves that he made.

There is no money to pay for all these vital

services that they as Members opposite are demanding day after day in Question Period. No, the taxes that we are paying today, are paying for the programs that ended years ago under Howard Pawley and the NDP, Mr. Speaker. Do you remember, all of you around this House, many of you do, those short-term, make-work jobs that were created? Sending people out to cut grass and spray boulevards, and do all kinds of things. Painting signs.

I remember the Leader of the Opposition when he was then the President of MGEA regaling me with stories about their priorities. Telling me about how the NDP jobs-fund program, its biggest thrust was paying people to make signs and put them up. You know those green and white signs that sprung up like mushrooms across the province; that was the biggest job-creating aspect of that program, he said. Of course, those signs eventually disappeared from the horizon but the debt remains. And who appeared as the saviour of the NDP, and now clutches those programs and those philosophies to his bosom? The Leader of the Opposition.

Mr. Speaker, we just cannot keep doing that to ourselves. We cannot keep borrowing from tomorrow to pay for the programs of today. Most Manitobans recognize these ideas as common sense, but the Leader of the Opposition (Mr. Doer) disagrees. He believes that these ideas that we are talking about, living within your means, trying to spend only those things that you can afford and not leaving a legacy of debt and destruction to future generations, he now believes that those are bad ideas.

He believes that these ideas represent some sort of outdated and reactionary philosophy, yet the NDP stands accused of those same charges by some of their own Members. For instance, in 1983 the federal NDP research director, James Laxer, produced a report on the NDP's economic policy. Of course the only reason that I am quoting this is because this NDP Opposition is advocating exactly those same policies.

They have learned nothing from the bad old ways of the '80s, from James Laxer's critical analysis of where they stand on economic issues. They have learned nothing, they keep repeating and repeating and repeating the same old song. -(interjection)-The Leader of the Opposition (Mr. Doer) is not enjoying this, Mr. Speaker, because he remembers full well what he used to say about the NDP when he was president of MGEA. Now it is so difficult, you know, to swallow those words and to have to sit there and pump up your troops and tell them that yes, what Howard did was really good, guys.

## \* (2025)

Here is what Laxer said in that report in 1983 and I will quote: The NDP's analysis of economic and social evolution remains locked in the 1950s and the 1960s where it had its origins. He goes on to say, the touchstone of NDP economic thought has been the encouragement of consumption rather than production. In an era in which the nation's productive system is rapidly disintegrating the message is very dated. The Party's economic analysis and programs suffer from very real inadequacies, he said, Mr. Speaker. It is now so seriously out of keeping with the reality of the 1980s that it has become a serious impediment, a barrier to appropriate action rather than a guide to it.

If it was out of touch with the needs of the '80s, it is even farther out of touch with the needs of the 1990s. They did not listen to their own research director, James Laxer, and they did not listen to the people of Manitoba who gave them the most stunning defeat in the province's recent history in 1988. They just keep going back to all of the failed discredited policies as their new way of thinking for the 1990s. -(interjection)- The Member for Thompson (Mr. Ashton) says that is why they did so well in Ontario. We will see how well they do after the next election.

Right now, a matter of weeks after the election of that NDP Government in Ontario, they are now saying that their balance sheet for the Province of Ontario, instead of showing a slight surplus this year, is going to show a \$2.5 billion deficit. That is overnight, Mr. Speaker, as they get their hands on the levers of power and begin to spend the money freely as they did here in this province throughout the '80s, they are going to have a \$2.5 billion deficit. That is their commitment to good Government in the Province of Ontario.

Mr. Speaker, there are a lot of new faces over on the other side of the House, but there are an awful lot of old ideas being spouted day after day after day. In fact, the speeches sound like a greatest hits of the '60s and '70s being played for us in this Chamber. That is what we are hearing.

Mr. Speaker, I guess the greatest shock I got when I listened to the new speeches on that side of

the House was from the Member for Radisson (Ms. Cerilli). When I listened to that rhetoric I cannot say as I have ever heard rhetoric like that before. That comes from someone who has sat on city council with Joe Zuken because even Joe would not have had the courage to spout those lines, believe me. I have got news for the Member for Radisson. Taking the initiative to risk your own time, your energy, your savings in a business does not automatically lead to greed and irresponsibility as she said. It does not mean that you will start exploiting workers and exploiting the environment. I have already talked about the effects of socialist Government on the environment in eastern Europe.

\* (2030)

Heaven save us from those who learn their economics from discredited textbooks, instead of the reality of meeting payrolls. The Member for Radisson talks -(interjection)-

### Mr. Speaker: Order, please. Order.

**Mr. Filmon:** Mr. Speaker, the Member for Radisson (Ms. Cerilli) talked about meeting the challenges of the '90s and then quoted from Karl Marx.

Mr. Speaker, this is the 1990s, not the 1890s. Marx is dead, eastern Europe is free and the debate in the Soviet Union is not about whether or not to adopt a market-oriented economy, it is how quickly will it happen, how quickly will it happen.

Mr. Speaker, do the NDP really believe in the things that the Member for Radisson is saying, or is it just that in the words of James Laxer it fitted neatly with the short-term concerns of the industrial unions that the party was counting on as its key base of support. -(interjection)- The Member for Osborne (Mr. Alcock) is feeling ignored in the second row. Some of the new New Democratic Members remind me of the old saying that is often attributed to socialists who say: Sure it works in practice, but how will it work in theory?

Mr. Speaker, Manitobans are not ideologues, they do not like to have their politicians tied to the ideas of dead economists. -(interjection)-

I do not know what the Member for Brandon East (Mr. Leonard Evans) is doing here. It is not even Friday morning, but he wants to talk about Government auto insurance. The difference is knowing how to run the corporation. The difference is three straight years of increases at or below inflation versus two years of increases of 45 percent. That is the difference between Government-run auto insurance our way versus your way.

Mr. Speaker, I will even tell him about McKenzie Seeds that has had record profits under this administration, and lost money under that. I will even tell him about decentralizing jobs, over a hundred to Brandon, when he talked about it and did not do a thing about it. That is action.

I am having difficulty staying on my topic. Would you ask the Member for Brandon East (Mr. Leonard Evans) to calm down a little, please?

Some Honourable Members: Oh, oh!

**Mr. Speaker:** Order. Order, please. The Honourable First Minister has the floor, and I am having great difficulty hearing his remarks.

Mr. Filmon: Mr. Speaker, the Member for Brandon East just raised another issue that he wants me to inform his new Members on, to make sure that they are aware of all of the sins and transgressions of the former administration. He wants me to talk about MTX. For the first time, we have the Order-in-Council creating MTX. It was signed by that Member for Brandon East as the Minister Responsible for Manitoba Tel and Muriel Smith. Those are the two-Mr. Speaker, just for the benefit of the new Members of the New Democratic Caucus, MTX lost \$27 million on the sands of Saudi Arabia under decisions made by the former NDP administration. Just as ManOil lost \$12 million in something like four years of operation in oil and gas exploration.

As I have said on many forums, only the NDP would invest in oil in Manitoba and telephones in Saudi Arabia. -(interjection)- Mr. Speaker, I have lots of new material, but the Member keeps raising old issues that have to be addressed, in his mind. Manitobans are not ideologues. They are looking for results, not theories, and so is our Government. We are committed to finding the best solution to any problem we face, regardless of its source. That is a big part of the new era of politics as I see it. People have rejected dogmatic and hindbound ideologies. -(interjection)-

Mr. Speaker, the only ideologues I hear from over and over again are the Members opposite, who keep repeating over and over and over again the failed and discredited policies of the '60s and '70s. They are the ideologues that we are looking at. That is the ideology that is hindbound that we hear over and over again. The people want us to honestly address the problems facing their communities in co-operation with their Government. They want to bring the full resources of their communities to bear on any possible solutions. We have to take a long-term approach in decision making in Government. It is a lesson that we have learned all through the mistakes of the previous administration in the environment and in Government finances. We have to recognize that decisions we make today may have ramifications that echo on for years and years to come.

Our Party has taken an approach to Government that recognizes that responsibility, an approach that I highlighted on the day our first Cabinet was sworn in, and I am just going to repeat a statement that I quoted on that particular day: Society is indeed a contract. It's a partnership in all science, a partnership in all art, a partnership in every virtue and in all perfection. As the ends of such a partnership cannot be obtained in many generations it becomes a partnership, not only between those who are living, but between those who are living, those who are dead, and those who are yet to be born. Those words were first spoken by Edmund Burke, but they find echoes in the approach that must guide us today.

\* (2040)

I will quote another quotation, Mr. Speaker, on exactly the same subject by a more modern-day thinker: Humanity has the ability to make development sustainable, to ensure that it meets the needs of the present without compromising the ability of future generations to meet their own needs. Those are the words of Madam Groharlam Brundtland in the World Commission on Environment and Economy.

The Brundtland Commission -(interjection)- The Members are starting to respond, Mr. Speaker. I am not sure I got that from the Member for Wellington (Ms. Barrett).

What I am saying is that good policy, good approach to Government, does not depend on ideology. It depends on keeping in touch with people, with their needs, their concerns, their principles, their priorities. That is the basis of good Government. It is not just Conservative philosophy, it is not just NDP or Liberal philosophy, it is good Government philosophy. That is exactly what was intended when the concept of sustainable development was first developed. The Brundtland Commission recognized that our environment, our economy, and our society are all interconnected. Each affects the others very directly.

The Leader of the Opposition (Mr. Doer) says that social programs are an investment in our people and in our future, and he is right. He will have no quarrel with me or with any Member on this side of the House in that respect.

Indeed, I suspect the Leader of the Opposition will find that university students, foster parents, day-care workers and nurses, all wish that he had come to that conclusion when he was a Cabinet Minister, Mr. Speaker. He could have proven those good intentions with real actions. Instead, we hear empty, political rhetoric that flies in the face of the record of his administration, the previous NDP administration of which he was a part.

Regrettably, he has not informed many of his new Members of his caucus of the abysmal failure of the NDP during the Pawley years of the 1980s, of those skeletons that remain in the closet that are not so far hidden, Mr. Speaker, because they are known to people who had to live, who had to be tormented, through those years of NDP administration in this province, the policies of the 1980s, what they meant to all those people.

We have been told time and time and time again as we meet with groups in the community that all they got was rhetoric, all they got was good intentions, but nowhere did they get the kind of commitment, particularly financial commitment, that they required in order to do their work properly.

Mr. Speaker, I had that precise discussion with university students who came to this Legislature about two weeks ago. Students who were coming to complain about what they perceived to be lack of funding from our administration to the universities.

When I told them that in our years in Government we had given increases in funding to the universities at least at the level of inflation, that three of the four years preceding our ascension to Government the NDP had given funding at between 2 and 3 percent to the universities for three of the previous four years, they were shocked, because they were being told that the NDP were their friends.

The NDP were out on the steps, the new Member for Kildonan (Mr. Chomiak) exhorting them to go in and see the Premier, and then they walked out sheepishly saying, yes, the NDP are to blame, because they found out what the facts were. Three of the four years prior to our taking Government, the NDP increases had been less than 3 percent. We had given three straight years of increases at or above inflation. In fact, the increase that we gave in 1989 at over 6 percent was the largest increase in six years that the universities had been given.

We had been giving special funding to the universities to take care of all sorts of miscellaneous capital needs: \$10.5 million to rebuild the steam tunnels at the University of Manitoba; several million dollars to the Faculty of Dentistry to upgrade its equipment, so that it would not lose its accreditation; funding, I believe, for heating to Brandon University, special miscellaneous funding to Brandon University for their steam plant. Again, because throughout the '80s, they had been starved of funds almost entirely for miscellaneous capital by the NDP.

We had exactly the same situation when we had to finally resolve the major shortfalls in funding to the foster parents in the fall of 1988. Foster parents were getting abysmally low levels of support, Mr. Speaker. We raised them to among the highest in the country, if not the highest, perhaps the second highest level in the country, over a period of three years. You know what they said to us after we met with them? All we got from the NDP was a bill of rights and a lot of rhetoric. We finally got some funding from a Government.

So those Members on the other side who want to ask questions about social services and the funding for social services, we will keep repeating chapter and verse to you, we will keep repeating to you all of the things that your Leader is afraid to tell you about how woefully inadequate NDP policies were for social services in this province. Day-care workers, the same thing. Day-care workers were given an Act and no funding. They were left at those abysmally low levels by the Member for St. Johns (Ms. Wasylycia-Leis) and all of her colleagues in Cabinet, who held their hands, who told them they were sorry that they could not do more but they really appreciated their work, and they really supported them, but they gave them no money-no money. They have been given the largest increases in the decade in the '80s under our administration; that is what they have been given in terms of their salaries.

Mr. Speaker, I know that many of those Members opposite have not had any personal experience from the actions of the Pawley administration. They really do not know what havoc they wreaked on this province. I am going to just take a little bit of time to tell them about it, because I know that their Leader is too embarrassed to tell them about it. All the things that he used to tell me when he was president of MGEA, I know he is not sharing with you; I know that.

He probably has not told his Members opposite that we had to act immediately when we took office to double the budget of the Child Protection Centre, because it had been starved for funds under the NDP and was in danger of closing down. He probably has not told the Member for Wellington (Ms. Barrett), and I hope that you will read this in Hansard, that we had to intervene to keep River House open, a residential substance-abuse treatment centre that the NDP were planning to allow to close. They probably have not told her that.

## \* (2050)

She probably does not know that we have expanded our network of crisis shelters for abused women, from just three shelters serving the entire province under the NDP to 11 shelters today. Her leader probably has not told her that we had to provide funding for a new Osborne House because it was about to shut down under the circumstances it was left under the NDP, that we had to double the core funding for wife-abuse shelters and increase their operating funds by 47 percent in just two and a half years to make up for the woefully inadequate funding levels that were left there under the NDP—that despite all of their rhetoric of concern for spousal abuse.

Talk is cheap, Mr. Speaker, but commitments do not come easy, and they do not come at all from the NDP. The Leader of the Opposition (Mr. Doer) probably has not taken the time to explain that the capital budget freeze that was imposed by the NDP on health-care capital spending created havoc in the health care system: meant that we were suffering from acute bed shortage, meant that we could not do anything about the municipal hospitals, meant that personal-care homes were in dire need throughout this province because the NDP had frozen capital spending in health care.

Mr. Speaker, the Member for Concordia (Mr. Doer) wants to talk about Deer Lodge Centre. There, a hospital that was created by federal funds totally—the NDP did not have to do a thing with it and there they did not even have a plan for using it, did not even have a plan for using it.

Our health, education and social services are not threatened by the motives of Members on this side of the House. We became involved in politics to help people and that is what we will do every minute that we sit in this Legislature.

Mr. Speaker, I have forgotten one other note lest the Members on the other side, the new Members are not aware of it. The only administration in the history of this province that presided over the permanent closure of hospital beds in Manitoba was the NDP under Howard Pawley.

An Honourable Member: Shame, shame.

**Mr. Filmon:** Shame is right, Mr. Speaker. Shame is right. That is why we had to bring in the most ambitious capital health-care spending program in the history of this province this spring, some \$246 million of spending to make up for the years of neglect for the freeze that was put on by the NDP.

Mr. Speaker, we will act wherever it is warranted. Not for ideology, but where there are real people needs in this province, whether they be in health care, whether they be in education, whether they be in social services.

We brought in the toughest laws for drinking and driving anywhere in this country and this province because we believed that the time had come to deal with that serious problem, the carnage on the highways. The destruction of humankind on our highways had to stop and so we brought it in.

I met last week with a group of people, signed a proclamation for them. It is a group against pornography, and I repeated to them our commitment to bring in a system for the classification of videos in this province to ensure that our young people are protected from explicit, sexual and violent videos. Those are the kinds of actions we are prepared to take when we see a need to take action. We do not just talk about good intentions, we act on them, Mr. Speaker.

We are on the verge of a fiscal precipice in this province, the very real threat to our ability to provide the services that we enjoy today. There is the danger of economic decline that is caused by a recession, a recession that is being predicted by many people across the country.

Mr. Speaker, we want to talk about Conservative Governments—let us talk about Liberal Governments. Let us talk about them because the Member for St. James (Mr. Edwards) wants to talk about how well Liberal Governments are doing in this country in coping with difficult economic times. I will read him from the exact clipping. I do not have it right in front of me, but when I do it will tell him that the Government of Newfoundland is now projecting a deficit that is over \$100 million higher than that which they projected in their budget just about five months ago. They, in order to keep it at just \$100 million higher, are going to make their cuts in areas that they think are the first areas that should be cut. Number one is health care. They are looking at health care cuts of between \$20 million and \$40 million, direct cuts to health care.

Those are the priorities of a Liberal administration and how they cope with difficult economic times. So we do not need any lessons from the Member for St. James (Mr. Edwards) about Liberal economic policy. We know what a failure it is.

We are faced with some difficult challenges in this province today. As a result of national economic circumstances, our challenge is the danger of an economic decline right across this country, and indeed, again I say to you that the New Democrats have no better answer.

I was watching television on the weekend, seeing communities in which they were closing down in one factory, 1,800 jobs in Ontario, a small community. That is a huge percentage of their total population. It was not because of free trade, it was because of high interest rates, a high dollar, and now an NDP Government, three strikes and you are out. High interest rates, high dollar and an NDP Government, three strikes and you are out.

### Some Honourable Members: Oh, oh!

#### Mr. Speaker: Order. Order, please.

**Mr. Filmon:** Mr. Speaker, Manitoba is at a crossroads. Most of the last two decades, our province has been led by Governments with a spend now, pay later philosophy. The costs have been absolutely staggering. We have a \$10 billion debt in this province. That is \$10,000 for every man, woman and child. Before we could spend a single dollar on health care or education last year we had to spend \$551 million of interest to pay for the last two decades of NDP mismanagement.

If we had not had to spend that money to service our public debt we would have had a \$400 million surplus in last year's budget. Just imagine the impact a \$400 million tax cut could have had on our economy. No more 2 percent tax on net income, no more payroll tax, no more capital tax; we could have wiped them all out if we did not have to pay the interest on the debt of Howard Pawley, primarily. That is where it is, Howard Pawley, that legacy.

We cannot change the past, but we can make choices about the kind of future we want. Mr. Speaker, life is about choices. The NDP made ill-considered, inappropriate choices that put us in dire straits. Now we must make difficult choices to get us out of those circumstances. Manitoba is perched upon a fiscal precipice. If we do not keep spending down and the deficit under control, we will not be able to keep taxes where they are, let alone lower them.

Mr. Filmon: If we do not keep taxes down, we will not be able to foster the economic growth that we need to create new jobs and the new revenues that we need to maintain our social infrastructure. If spending rises beyond what we can sustain with no more than the current tax load we will be in real danger of beginning an accelerating economic decline, as higher taxes force more economic activity out of this province, thus cutting our revenues forcing yet higher taxes and further economic decline. That of course is the path that we were on under the NDP, and if you listen to them in Question Period it is exactly the same path they want to take us down again, Mr. Speaker. It is exactly what Bob Rae is doing in Ontario: two and a half billion dollar deficit and I think that is understated, and he is going to drive it up and up and up to the point that their tax rates which are already close to being uncompetitive will go higher and higher and higher. Yes indeed, I saw all those people there on election night standing in the crowd: Michael Decter, the gurus of economic theory, Michael Mendelson was there as well, Marc Eliesen; we have the new wave of economic thinkers who are going to -(interjection)-

## \* (2100)

Mr. Speaker, I do not want to burden future Governments and future generations with the cost of programs we are not willing to pay for today. In the past the NDP have attacked me for taking a business-like approach to Government, "talking too much like a businessman" you have said, that is what you have said. I make no apology for that, because that is why we are on this side and they are in second place, because they did not take a business-like approach to Government when they were there, Mr. Speaker.

Government needs sound management. It is the biggest enterprise in our province, directly employing over 18,000 people in this province and spending \$4.7 billion a year. We are committed to keeping the deficit under control. We are committed to keeping taxes down; and that means that we have to control spending. But we cannot stop there, we must do more. We have to strengthen our economy as well, Mr. Speaker.

We must have a strong economy if we want a strong Manitoba, and that is no simple challenge. A strong economy will lower the costs of our social programs, increase Government revenues. Only then will we be able to continue the program of tax cuts that we began two years ago, and let us face facts. We live in a country that has centralized economic activity as a matter of Government policy for entire history. From the national policy right through to the national energy policy the West has been treated as a source of raw materials and a market for finished goods for central Canada, and those days must end. The question is how.

Some people say that we must redefine our political structure if we want fairness in our country. They look to Senate reform as the answer for the West and they are right, to a degree. Others say that we must restructure our economic system, wrest control of investment capital from central Canada and create national economic policies that look beyond Toronto, and they are right about that as well. But the answer to how we make Manitoba strong lies first within ourselves, in the attitudes that we bring to the problem-solving process.

We cannot have people in this Legislature who blindly accept as fate that Manitoba is destined to be a have-not province. We are better than that, Mr. Speaker. We are better than that. We have the resources, we have the people, all we need is Members in this Legislature who dare to appeal to the best in the people of this province, instead of working to bring out the worst in this province.

We need to unleash the individual potential that has made many Manitobans, and many Manitoba alumni, world competitive and world class. The Province of Manitoba is a massive enterprise; it is a million people strong, 1.1 million almost.

An Honourable Member: And growing.

Mr. Filmon: Yes, yes, it is, indeed. Yes, it is. We will

quote the stats for you any time you want to see them, junior.

Mr. Speaker, we have an annual budget of over \$4.7 billion; we are stewards of a \$20 billion annual economy. We must know exactly where we are going if there is any hope of us getting there. We will make Manitoba strong, one step at a time, and the first step starts with a view that excellence of a national or international scope can originate anywhere in this country. We now have the technology to make that happen. We have always had the talent and the educational capacity here; what has to change is our attitudes. We have to answer the old questions in a new way. No, you do not have to make a trade off between career and lifestyle; yes, you can have a fulfilling career and still enjoy a sense of community. No, you do not have to move to central Canada to increase the scope of the work that you are doing here; yes, you can do all that from here.

If it is leadership in developing community-based solutions for social programs, we can do it here. If it is world-class expertise in manufacturing technology, we can do it from here. If it is international calibre medical research, we can do it from here. If it is a Defence Department contract that should be decided on the basis of the best quality at the best price, yes, we can do it here, Mr. Speaker.

With this attitude as a foundation we must come to grips with some inescapable realities. The first of those is that the private sector creates the wealth that governments spend. That means that Government must build partnerships throughout the community to engage the full capacity of every Manitoban to make a contribution to our province as a whole.

Second, we must recognize that not only does the Government fail to create economic growth on its own, governments often act in ways to inhibit the creation of economic growth. Governments embarking upon economic renewal must first put their own house in order.

Third, we must take advantage of new economic realities based on new technologies. The old economic hierarchy of local, provincial, regional, national, continental and international simply does not hold true any more. The good news is that there are a great many opportunities available to us on a global basis. The bad news is that the so-called national policies designed to support the golden triangle, have disastrous effects on the economic diversification efforts of those of us in the rest of Canada.

All of this boils down to one conclusion. We cannot afford to wait for someone else to come along to get our province moving forward once again. It is time for us to take control of our own destiny. We cannot wait for Ottawa. We have been waiting 120 years for Ottawa to help the West, and we are still waiting. We have the capacity here in Manitoba to add new work to existing work and new skills to our present skills, and it is time that we did just that.

Government cannot create competitive industries, only companies can do that. However, the Government's role of transmitting and amplifying competitive forces is a very powerful one. Our program for economic renewal is based on addressing the fundamental concerns that each of us examines ourselves before we risk money in a new venture. First, there has to be a positive economic climate. Manitoba is becoming a good place in which to do business. We have cut personal taxes, we cut the payroll tax, and we will do more if we are given the opportunity. Already we are seeing results. This year investment is expected to increase at twice the rate of the rest of Canada.

Mr. Speaker, private capital investment, according to the Investment Dealers' Association of Canada, is expected to increase in Manitoba at twice the national average, for the information of the economist from Brandon East.

\* (2110)

Business investment, according to the Investment Dealers' Association of Canada, rose in Manitoba, 17.5 percent in 1989. In 1990 it is projected to be 8 percent, well above the national average.

## Some Honourable Members: Oh, oh!

### Mr. Speaker: Order, please. Order.

**Mr. Filmon:** In addition to this large increase in private capital investment growth, the rate of growth of our economy as a whole is expected to be double the national average this year. Last year it was around 5 percent, which was the second highest in the country. This year it is expected to be double the national average.

The Leader of the Opposition (Mr. Doer) likes to quote his own statistics to change reality but, Mr. Speaker, these are factual, these are straight out of Statistics Canada.

Mr. Speaker, the Member opposite likes to talk about manufacturing employment. Well, it is true that the high dollar, high interest rate policies of the federal Government are hurting manufacturing throughout Canada, no question about it. You just have to look at the stories from Ontario where they have lost tens of thousands of jobs, and the reality is that those circumstances occurred when the NDP were here in Manitoba. Between 1981 and 1987, 10,000 manufacturing jobs were lost under the NDP in Manitoba. That is serious, and that is a direct reflection of the policies, the failed policies of the Member for Brandon East (Mr. Leonard Evans) who was advising Howard Pawley at that time on his economic policy.

Mr. Speaker, but let us compare, because we do not have sectoral employment numbers yet for the year, manufacturing shipments to see how we compare with the rest of the country. So far this year manufacturing shipments have declined by \$1.4 billion in Quebec, 3.2 percent decline; in Ontario manufacturing shipments have declined \$2.8 billion, 3.1 percent for that same period; in Manitoba we have experienced an increase of almost 1 percent in our manufacturing shipments compared to major declines in Ontario and Quebec.

Mr. Speaker, in economic growth, in private capital investment, in manufacturing shipments, in retail sales we are growing above the national average in all categories, but those are not things that are talked about by the opposition Members in their selective use of statistics. Again, I repeat, for the edification of the Member for Thompson (Mr. Ashton), there are 25,000 more people employed in this province today than were employed in 1988, in April, when we took Government.

He ought to know that the community that he represents, Inco has been very, very prosperous, has done very, very well, Mr. Speaker. No thanks to NDP policies, no thanks whatsoever. But it is not enough to have a sound business climate, you also have to have the money to invest and we are going to be creating a task force to look for new ways to re-establish a vigorous capital market here in Winnipeg, part of our endeavour to take control of our own destiny.

The best way to attract new business to Manitoba is to grow our own. That has been demonstrated and

proven time after time. While we have the people, the resources and the location to support an abundance of new business, we have been missing a key ingredient in the past, a local source of investment funding. For too many years we have had to go cap in hand to the banks and the capital pools of central Canada. In the midst of the election campaign. I was in one high tech enterprise that is in the new centre on Ellice Avenue, the manufacturing centre, Ubitrex, and you know that they were actually told by the major banks in Toronto, because they had to go there to get the kind of capital funding they were looking for, for expansion, that it would be made available to them without question if they would move to Toronto, but that while they were in Manitoba that the banks would not give them the capital to expand. That is outrageous, to be frank with you, it is absolutely outrageous. They got funding from the Vision Capital Fund, the new fund that we established in the last budget and that has enabled them to do their expansion here and remain here. The same thing was true of Heli-Fab. Heli-Fab was another example of precisely that kind of thing. Good opportunity for expansion of their manufacturing and yet capital unavailable through the traditional capital sources of the major banks headquartered in the Golden Triangle and insensitive to the needs of small business for expansion in Manitoba.

That is why we put that Vision Capital plan in our budget of 1989 so that our early-stage and mid-size businesses can have access to local sources of venture and growth capital. The Business Start Loan Guarantee Program, the Hydro bonds, programs of this nature are examples of the fact that Manitobans do want to invest in Manitoba in opportunities that they see for growth for their own province. We want to do more: we want to strengthen and expand Manitoba's capital market. We want to reduce our reliance on Bay Street. We want to bring decisions that affect Manitoba's economy back to Manitoba and we want to give Manitobans an opportunity to put their investment dollars to work right here in Manitoba.

That is why we are establishing the Task Force on Capital Market Formation, because we want to find out what are the things we can be doing. We want that task force to look at some options, enhancing the role and the scope of the Winnipeg Commodity Exchange and the Winnipeg Stock Exchange through better regulation and tighter controls. We want to examine the prospect for a western Canada stock exchange that would flow investment raised in the Prairies to the entrepreneurs of Manitoba, Saskatchewan and Alberta. We want to develop models to provide a forum or a mechanism to promote pooling of business expertise and joint venturing of risk by established business leaders.

We want to identify means by which the Government can encourage the development of an ethical venture fund such as a sustainable world growth fund. We envisage this kind of sustainable growth fund tapping the sustainable development expertise that we are developing here in Manitoba and investing in projects both in Manitoba and around the world that meet strict sustainable development criteria.

We want to propose means by which small- and medium-sized local companies will be encouraged to take advantage of local financial and capital expertise developed as a result of all these initiatives. We think that is a key part of looking at future economic growth.

We of course need a skilled work force to run the machines and to operate the businesses that we are going to create as a result of all these initiatives. We are implementing the Work Force 2000 Plan to strengthen our training and our retraining program. A key element of our Government's vision for economic strength is to ensure that Manitobans have the skills that they need to compete in the marketplace of the 1990s. We recognize the importance of a well-trained and a well-educated work force. We are also aware that our labour market is hampered by certain problems that may impede the province's future competitiveness. One such problem is the skills gap, a mismatch between the supply of labour and the demand for it. Despite the existence of a number of skills-training programs, businesses frequently identify a shortage of skilled labour as a major problem to economic growth.

## \* (2120)

Our Government has already taken several initial steps towards improving that situation. We began by the preparation of a high school strategy that contains a blueprint for future development of high school curriculum, of student assessment, of evaluation and reporting over the next decade. We also recognize the need for a different form of community college governments to make our colleges more adaptive and responsive to the needs of the students, business and industry, Mr. Speaker. -(interjection)- There you are, you see. Talk about hidebound ideology. There we have it in spades. It does not matter if the community colleges will be more effective, more responsive, and better train their people to meet the needs of the marketplace. The opposition NDP are opposed to it because the unions are opposed to it, Mr. Speaker, and they are absolutely hidebound. Shocking, Mr. Speaker.

In addition, we formed the Skills Training Advisory Committee to serve as a basis for the development of a human resource strategy for Manitoba. As a result, our Government has formed a development strategy that is based on that committee's recommendations. There are three components to the strategy: one, the Workforce 2000 Plan; second, revitalizing apprenticeship; and third, the creation of a native forum.

The Workforce 2000 Plan will ensure our young people have the skills that they need to be competitive with the rest of the world in the 21st Century. The first component of this plan deals with training advisory and brokerage services.

These initiatives are designed to help private sector firms, particularly small- and medium-sized firms, assess their human resource needs and develop strategies based on those assessments.

The cornerstone of our initiative to improve brokerage services will be known as the Skills Bank Inventory. It is a computerized inventory of training suppliers, programs and services. It will provide information that may be accessed in person or through a toll-free training line.

The second component deals with private sector training initiatives. Cost-shared financial incentives will be used in order to encourage private business to increase its investment in training. These incentives will be part of training proposal contracts negotiated with individual firms and will encourage work base training of new and existing full-time employees. The emphasis will be on high demand occupations, with additional incentives available to encourage career advancement for women, and the employment and training of members of employment equity groups. Employers will be able to recoup a percentage of direct training and development costs, while wage assistance will also be available to small and medium-sized firms for new permanent employees.

The third component deals with industry-wide planning and training. It will see Government join with industry to assess skill and training needs in order to facilitate industry-driven human resource planning. This aspect of the program includes three sets of initiatives: training agreements, program planning initiatives, and trades, technicians and technologists updating.

The fourth component focuses on province-wide special courses. Because technological change and innovation has drawn attention to deficiencies in basic skills and knowledge in the workforce, special curricula will be developed to address knowledge deficiencies in both employees and trainers.

In developing the second component of our strategy, we look to long-established and well-respected training programs of apprenticeships. The whole intent of our new initiatives is to revitalize the current program and increase the flexibility of the entire system.

In order to achieve these goals, we will take several steps. We will improve curriculum quality through strong trade advisory committees. We will change delivery methods to accommodate the needs of workers and employers, and we will develop a high school apprenticeship pilot program. We will develop a plan to recruit new apprentices. This represents a significant opportunity for our young people and speaks directly to my Government's vision to prepare our children for opportunities and challenges of this new and exciting decade ahead.

The third component of our strategy deals with particular challenges faced by a growing number of Native youth entering our work force. Government and industry must work together with Native leaders to ensure that Manitoba's Native peoples have every opportunity to fully participate in Manitoba's economy. Our Government will establish a forum to consider community-based needs and possible responses.

Finally, of course, we have to have a market in which to sell the goods that we produce. We are developing an import replacement program, fighting for inter-provincial free trade and promoting Manitoba products throughout the world.

I am particularly excited about the prospects of import replacement as a program of opportunity for

job creation and growth in this province, an opportunity to create markets for new products right here in Manitoba. Several of the medium-sized firms that we visited during the recent election campaign, including Heli-Fab, have had almost all of their growth through manufacturing of products for which there was an already established market here in Manitoba, and which were being imported from producers outside this province, but which we had both the technology and the manufacturing capability to produce in this province. With a little bit of financial support and a little bit of encouragement to transfer technologies, these people are taking on a very large market opportunity.

In fact, the Winnipeg 2000 report said import replacement can be the source of 80 percent of our industrial growth in the 1990s, Mr. Speaker. Eighty percent of our industrial growth. Those are the kinds of opportunities we want to pursue. That is why we are consulting with a business association such as the Canadian Federation of Independent Business, the Chambers of Commerce, the Winnipeg Business Development Corporation, Winnipeg 2000.

We want to establish an import profile and a registry of Manitoba industrial capabilities, and match those areas that have an opportunity for success. So there is no magic when it comes to economic growth. It comes from working hard and that is exactly what we on this side of the House are going to do. We live in a province that is blessed with abundant resources, a strategic geographic location and gifted and resourceful people.

Unfortunately, throughout most of the '70s and most of the '80s, we lacked a Government that knew how to bring those elements together. Well now we do have a Government that will do that, Mr. Speaker, and we will with the mandate that we have been entrusted with by the people of Manitoba. This throne speech that was read last week has two goals. To lay out the challenges before our province, and to put those challenges into perspective.

For those who are new, and make criticisms such as saying that there were no detailed plans, well I say that there never are in throne speeches. Throne speeches are for the broad perspective, the big picture, giving the sense of direction for the province and its future. The immediate challenge is clear. We must keep Government spending under control if we are to keep taxes down and our economy moving forward.

In the day-to-day world of Question Period, that seems like a daunting task, yet we are blessed in this province when we look around the world and we compare our challenges to those before the Soviet Union, China or South Africa, Manitobans have not been passed by in the global movement towards more personal involvement and more openness in Government. In fact, for us it began in 1983 during the Pawley Government's aborted attempts to amend our Constitution. It was reinforced again by the Meech Lake debate. Manitobans share this Government's concern over high taxes. They recognize the need to give priority to economic development and job creation, so that we can secure and build upon the quality of life that we enjoy today.

We have some difficult challenges ahead, but they are not insurmountable. Let me close by repeating an important challenge that is contained in the throne speech. I will quote directly. "How will we measure up when our children and their children look back upon this era and compare what we did with our tremendous good fortune compared to those who have started with so much less."

Mr. Speaker, we want to be able to answer that question in a very positive way. The approach that is outlined in this throne speech will help us to do the best job possible and I am very proud of the throne speech that was read by the Lieutenant-Governor and it has undoubtedly the support of every single Member of this Legislature because we believe that it does provide us with a blueprint to meet the challenges of the 1990s and beyond. Thank you very much.

**Mr. Speaker:** Is the House ready for the question? The question on the motion of the Honourable Member for Fort Garry (Mrs. Vodrey), that is the motion for an Address in Reply to the Speech from the Throne. Is it the pleasure of the House to adopt the motion? Agreed? No? All those in favour of the motion will please say, aye. All those opposed will please say, nay. In my opinion the Ayes have it.

Hon. Clayton Manness (Government House Leader): Mr. Speaker, I move, seconded by the Minister of Justice (Mr. McCrae), that the House do adjourn.

Motion agreed to, and the House adjourned and stands adjourned until 1:30 p.m. tomorrow (Tuesday).

# Legislative Assembly of Manitoba

Monday, October 22, 1990

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# ORDERS OF THE DAY

Throne Speech Debate Filmon

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