



Sixth 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

<u>Name</u>	<u>Constituency</u>	<u>Party</u>
ASHTON, Steve	Thompson	NDP
BARRETT, Becky	Wellington	NDP
CERILLI, Marianne	Radisson	NDP
CHOMIAK, Dave	Kildonan	NDP
CUMMINGS, Glen, Hon.	Ste. Rose	P.C.
DACQUAY, Louise	Seine River	P.C.
DERKACH, Leonard, Hon.	Roblin-Russell	P.C.
DEWAR, Gregory	Selkirk	NDP
DOER, Gary	Concordia	NDP
DOWNEY, James, Hon.	Arthur-Virden	P.C.
DRIEDGER, Albert, Hon.	Steinbach	P.C.
DUCHARME, Gerald, Hon.	Riel	P.C.
EDWARDS, Paul	St. James	Lib.
ENNS, Harry, Hon.	Lakeside	P.C.
ERNST, Jim, Hon.	Charleswood	P.C.
EVANS, Clif	Interlake	NDP
EVANS, Leonard S.	Brandon East	NDP
FILMON, Gary, Hon.	Tuxedo	P.C.
FINDLAY, Glen, Hon.	Springfield	P.C.
FRIESEN, Jean	Wolseley	NDP
GAUDRY, Neil	St. Boniface	Lib.
GILLESHAMMER, Harold, Hon.	Minnedosa	P.C.
GRAY, Avis	Crescentwood	Lib.
HELWER, Edward	Gimli	P.C.
HICKES, George	Point Douglas	NDP
KOWALSKI, Gary	The Maples	Lib.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar	The Pas	NDP
LAURENDEAU, Marcel	St. Norbert	P.C.
MACKINTOSH, Gord	St. Johns	NDP
MALOWAY, Jim	Elmwood	NDP
MANNES, Clayton, Hon.	Morris	P.C.
MARTINDALE, Doug	Burrows	NDP
McALPINE, Gerry	Sturgeon Creek	P.C.
McCORMICK, Norma	Osborne	Lib.
McCRAE, James, Hon.	Brandon West	P.C.
McINTOSH, Linda, Hon.	Assiniboia	P.C.
MITCHELSON, Bonnie, Hon.	River East	P.C.
ORCHARD, Donald, Hon.	Pembina	P.C.
PALLISTER, Brian	Portage la Prairie	P.C.
PENNER, Jack	Emerson	P.C.
PLOHMAN, John	Dauphin	NDP
PRAZNIK, Darren, Hon.	Lac du Bonnet	P.C.
REID, Daryl	Transcona	NDP
REIMER, Jack	Niakwa	P.C.
RENDER, Shirley	St. Vital	P.C.
ROBINSON, Eric	Rupert's Land	NDP
ROCAN, Denis, Hon.	Gladstone	P.C.
ROSE, Bob	Turtle Mountain	P.C.
SANTOS, Conrad	Broadway	NDP
SCHELLENBERG, Harry	Rossmere	NDP
STEFANSON, Eric, Hon.	Kirkfield Park	P.C.
SVEINSON, Ben	La Verendrye	P.C.
VODREY, Rosemary, Hon.	Fort Garry	P.C.
WOWCHUK, Rosann	Swan River	NDP
<i>Vacant</i>	River Heights	

LEGISLATIVE ASSEMBLY OF MANITOBA

Friday, March 10, 1995

The House met at 10 a.m.

PRAYERS

ROUTINE PROCEEDINGS

PRESENTING PETITIONS

Communities' Public Education

Mr. Steve Ashton (Thompson): Mr. Speaker, I beg to present the petition of Jennifer Jonas, Henry Bayer, Brock Holowachuk and others requesting the Minister of Education and Training (Mr. Manness) to reconsider the funding model to ensure that Thompson and other communities in this province are able to maintain quality public education.

READING AND RECEIVING PETITIONS

Physical Education in Schools

Mr. Speaker: I have reviewed the petition of the honourable member (Mr. Lamoureux). It complies with the privileges and the practices of this House and complies with the rules. Is it the will of the House to have the petition read? No. Dispense.

The petition of the undersigned residents of the province of Manitoba humbly sheweth:

THAT in July 1994, the Minister of Education introduced an action plan entitled Renewing Education: New Directions;

THAT this report will make physical education an optional course in Grades 9 to 12;

THAT the physical education curriculum should be regularly reviewed to ensure that it meets the needs of students;

THAT the government is failing to recognize the benefits of physical education such as improved physical fitness, more active lifestyles, health

promotion, self-discipline, skill development, stress reduction, strengthened peer relationships, weight regulation, stronger bones, reduced risk of health diseases and improved self-confidence.

WHEREFORE your petitioners humbly pray that the Legislative Assembly urge the Minister responsible for Education to consider reinstating physical education as a compulsory core subject area.

Introduction of Guests

Mr. Speaker: Prior to Oral Questions, may I direct the attention of honourable members to the gallery, where we have with us this morning, from the Grant Park High School, twenty-five Grade 9 students under the direction of Mr. Ed Lenzmann. This school is located in the constituency of the honourable member for Crescentwood (Ms. Gray).

On behalf of all honourable members, I would like to welcome you here this morning.

**MINISTERIAL STATEMENTS AND
TABLING OF REPORTS**

Mr. Speaker: Is there leave to revert to Ministerial Statements and Tabling of Reports? [agreed]

Hon. Leonard Derkach (Minister of Rural Development): Mr. Speaker, I would like to table the 1993-94 Annual Report for Rural Development.

* (1005)

ORAL QUESTION PERIOD

**Budget--1996-97
Fiscal Projections**

Mr. Gary Doer (Leader of the Opposition): Mr. Speaker, the government has truly rolled the dice in this provincial election, rather

reminiscent of our previous Conservative leader, the Prime Minister, in terms of gambling with the public of Manitoba.

The government has put all the lottery money, \$386 million, into this budget this year, which is made up of the \$145 million from the Lotteries Corporation fund and \$240 million approximately from the budget.

Given the fact that the provincial government will not have this one-time-only amount of money for the '96-97 fiscal year in its fiscal projections, I would like to ask the government: What are their estimates for that fiscal year?

Hon. Eric Stefanson (Minister of Finance): Mr. Speaker, it is an interesting question from the Leader of the Opposition, because when he finally became aware that there was some money in the lottery trust account last fall, he was the first one in Manitoba wanting to rush out and spend all of it. If we followed his irresponsible advice we would not have access to those dollars to be balancing our budget one full year ahead of schedule here in Manitoba.

He can look at the budget document. The budget document shows that in 1996-97 there will be a balanced budget here in Manitoba. There is also going to be a surplus in '97-98 and 1998-99. There is responsible legislation being put forward next week to ensure that that is abided to by the government of the day right here in the House.

I encourage him to support that legislation, Mr. Speaker.

Health Care System Funding Projections

Mr. Gary Doer (Leader of the Opposition): The minister did not answer the question, but of course the Minister of Lotteries did not tell his old colleague from City Hall how much the \$30 million was going to grow when he was out having his consultation meetings.

Mr. Speaker, the spending in this year's budget of 1.9 percent is still resulting in layoffs and reductions in services in health care, layoffs in Flin Flon, layoffs in Thompson, layoffs in The Pas, reductions in staff in the Brandon Hospital, layoffs at St. Boniface, and other layoffs that are pending, put on a pre-election pause.

I would like to ask the Premier: What are the funding forecasts for the '96-97 fiscal year, which has a spending freeze, '97-98 for health care in Manitoba? Are they going to implement all those thousands of cuts that they put on hold before the budget after the election?

Hon. Gary Filmon (Premier): Mr. Speaker, I know that the Leader of the Opposition can read because I know at his annual meeting he made a promise about capital markets that was contained within the capital markets task force that this government presented. That is fine.

He should read in the budget that the only reduction in health care is \$8 million overall and it comes out of the agreement with the Manitoba Medical Association. They will take less.

Mr. Speaker, furthermore, this government spends the highest percentage of its budget on health care of any province in Canada at 33.4 percent. Furthermore, this government spends more than a half billion dollars, over \$500 million a year more on health care today than it did when that group was in office in 1987-88.

That is the difference between giving a priority to health care versus the kind of lip service that is given by New Democrats and the kind of cuts that are given by Liberals in the federal government to health care.

Mr. Doer: Mr. Speaker, this is the only government in Canada that has socialism for the Winnipeg Jets and privatization to health care across the province of Manitoba.

One would expect with all the money they paid to Connie Curran and the 101 or 102 or 103

committees that they should look at their way of having a plan in health care.

Mr. Speaker, my question is to the Premier.

The government has not included an \$87-million further cut in health, post-secondary and social services in the '96-97 budget, which they project to have a so-called balanced budget, zero deficit, losing the \$145-million, one-time-only lottery payment and losing \$87 million in terms of federal transfers to the health care system.

I would like to know from the government: What is the overall impact of the provincial government's cuts on health care that are projected for next year after the election and the additional cuts that are projected for the \$87-million shortfall which is not in this budget and not before the people of Manitoba today?

* (1010)

Hon. Eric Stefanson (Minister of Finance): Mr. Speaker, what the Leader of the Opposition is referring to are the reductions in funding from the federal government for health and post-secondary education and family services. The reduction in funding from the federal government is more than just health, it is the post-secondary education and it is the family services.

He is partly correct that in the 1996-97 year we are reflecting the reductions that were outlined last year, some \$60 million. At this point in time, we are not reflecting the \$87 million. There are a series of avenues to be pursued in terms of that allocation, Mr. Speaker. One is to go back, obviously, to the federal government.

When I met Mr. Martin this week, I indicated we want a meeting as soon as possible to discuss their priorities and how they think provinces—not only Manitoba, because when I am speaking of that issue I am not standing alone for Manitoba. That is going to be the reaction of most provinces across Canada. But one option is to

go back to the federal government.

We also are very modest in terms of our revenue growth for the next year, some 3 to 4 percent. We have the capacity to absorb more in that area. If our dollar strengthens, if interest rates improve, we have some room in that area. We are also setting aside \$48 million into a Fiscal Stabilization Fund that we can utilize, Mr. Speaker.

But in the final analysis, let me be clear that we have shown consistently our priority for health, education and family services. As the Premier mentioned, we spend the highest percentage of our budget of any provincial government for health care, and we will continue to support those three main areas.

Mr. Doer: The minister has acknowledged, Mr. Speaker, that they are not building in the \$87-million cut and the further close to \$100-million cut in the further fiscal year in their three-year projections. In other words, this one-time-only lottery payment of \$145 million is going to deal with just the next seven weeks, rather than the next three years, in terms of the province of Manitoba.

I want to table a Federal-Provincial Relations document dealing with Canada's social transfer payments and its impact on Manitoba. I would like to ask the Premier why the government did not build the impact of this budget into their own budget.

They have material now that says clearly that to achieve a \$220-million accumulated saving from the Health budget, savings equivalent to one Winnipeg hospital and all hospitals in rural Manitoba would need to be contemplated for closing.

I would like to ask the provincial government why they have not built this into their budget projections. What are they going to do about this devastation?

We have already had enough cuts in health care, Mr. Speaker.

Mr. Filmon: Mr. Speaker, first and foremost, this government does not go and close hospitals wholesale like they did in NDP Saskatchewan. Fifty-two hospitals closed by the New Democrats in Saskatchewan, 7,900 beds closed by the New Democrats in Ontario--that is their response, that is not our response.

The fact is that we believe that there is a responsibility on the part of the federal Liberals to look at priorities first and foremost. We believe that this kind of unilateral reaction, in which they say the cuts to the lowest-priority areas, in their judgment, areas of health, post-secondary education and social services, are where they ought to take place, is absolutely the worst kind of thinking that we can imagine.

We would hope that we would have the support of the Liberals here in this Legislature, because not only does it affect health and post-secondary education, but nowhere in the federal Estimates do we find that \$360 million that was supposed to be there for daycare enhancement.

Not only has that been wiped out completely, but we will have three years down the road \$220 million less in our budget to be able to provide the level of services we currently have.

Hopefully, Mr. Speaker, we will get the support of the Liberals here in this Legislature to try and support us to get the money out of that slush fund that the federal Liberals have created.

Post-Secondary Education Funding Projections

Mr. Gary Doer (Leader of the Opposition): Mr. Speaker, on the first set of questions, the Minister of Finance (Mr. Stefanson) admitted that he was ignoring these numbers, and now we have the Premier admitting that the impact is significant to the province of Manitoba over the next three years.

The government's own documents indicate that if the federal reductions are applied proportionately to health and education and social services, the province's grants to post-secondary education would have to be reduced by 17 percent or \$40 million in the first year and by another 50 percent in '96-97 for a total of 33 percent, effectively doubling the tuition levels over the next two years in the province of Manitoba.

Is this the contingency plan and the plan of the provincial government to implement these cuts in terms of the students and future of Manitobans in the post-secondary education institutions?

Hon. Gary Filmon (Premier): Mr. Speaker, absolutely not. In fact, this budget calls for a 5 percent firm cap on tuition fees for students.

Further to that, what the members of the opposition ought to look at is the fact that in the course of the last seven budgets in this province, we have done our trimming and our reductions in all areas of government spending, and we have maintained the support for health, education and social services.

That is why, as a proportion of our program spending, those three budgets have gone from 66 percent to 72 percent. That is why we spend the highest percentage of any province in Canada on health care, and that is why we have increased our spending, both as a proportion of our budget and in real dollars, in every one of those areas, health, education and family services, because we believe they are our highest priorities and we will continue to keep them as our highest priorities.

* (1015)

Mr. Doer: The Premier has not answered the question about how many beds, how many nurses are going to be cut to implement the federal-provincial budget. The Premier already has hot cuts going on right across northern

Manitoba right now. The Premier has not answered what their strategy is. Is it the recommendation from his own departmental officials to double tuition fees in the next two years?

Budget Impact on Child Poverty Rate

Mr. Gary Doer (Leader of the Opposition): I want to ask a further question, Mr. Speaker.

The government is also saying that the reductions in the Department of Family Services would be the equivalent of removing the entire daycare budget plus a 15 percent decrease across the board in income maintenance programs.

I would like to ask the Premier: What will be the impact on child poverty, which is already scandalously high under the Conservative government, if these kinds of cuts are implemented which are not built into the budget that the government presented yesterday in this House?

Hon. Gary Filmon (Premier): Mr. Speaker, it is an interesting question, because this is the government that has brought in the richest child tax credits for families living in low-income circumstances with children of any province in Canada.

That is why a family of four in low-income circumstances pays less tax in Manitoba than in any other province of Canada. That is why this particular province did that and it was voted against by the members of the New Democratic Party and the Liberals when they had a chance to support it.

Manitoba Lotteries Corporation Revenue Projections

Mr. Paul Edwards (Leader of the Second Opposition): Mr. Speaker, what has become absolutely clear, in particular after yesterday, is that this government has built its economic

agenda around rapidly rising gambling profits. In addition, the minister acknowledged just a few days ago that in excess of 90 percent of the people gambling in this province are indeed Manitobans.

What also became clear was that the conversion on the road to Reno started three years ago when they started building up that slush fund that they transferred yesterday.

My question, Mr. Speaker, for the Premier: What happens next year when the slush fund is gone? How will the government meet its financial projections for the next two years?

Is in fact, Mr. Speaker, their plan to double the revenues of gambling, which they are going to need to meet those projections?

Hon. Eric Stefanson (Minister of Finance): Mr. Speaker, at times I wonder whether the Leader of the second opposition party does any reading or does any listening.

He need look no further than the budget document that shows the amount of annual lottery revenue that will be brought into revenue each year, and it is \$220 million. That represents between 3 and 4 percent of our total revenue base here in Manitoba, not saying that it is not a reasonable amount, but it is far from the most significant revenue source that we have.

If he looks at the medium-term projections, he will see that in two years time we are going to have a surplus of \$201 million, and three years out we are going to have a surplus of some \$350 million, providing all kinds of flexibility in terms of the decisions that need to be made at that particular point in time.

I would encourage him to take the time to read the document, to listen to what is being said and to understand the issues before he stands up and asks questions.

* (1020)

Five-Year Plan

Mr. Paul Edwards (Leader of the Second Opposition): Pardon the cynicism, Mr. Speaker, of members of this Chamber and members of the public when they see that this government has consistently overpredicted growth and underpredicted the deficit. They have never been right.

Mr. Speaker, my question for the Finance minister or the Premier: If in fact they are not going to be increasingly relying on escalating gambling profits, will this government release today the five-year plan of the Lotteries Corporation, which is written, has been passed by cabinet and is sitting over there at the Lotteries Corporation office?

Will they be true to their word and release the five-year plan from the Manitoba Lotteries Corporation?

Hon. Eric Stefanson (Minister of Finance): Mr. Speaker, as usual the member is wrong again, a common pattern here in this House, because he knows again if he looks at the issues that are within our control, we have been right on target in terms of areas we control.

When you look at our expenditures, when we set our expenditure targets, we hit them. When we set our targets for our own revenues, we hit them.

The only areas where we have been off have been areas that are beyond our control. Those are transfers from Ottawa, where the extreme volatility has been.

This member as well, not unlike the Leader of the Opposition, when he finally did some review and looked at the Public Accounts and saw that there was some money in the lottery trust account, was another one who was out there saying, spend that money.

I think he said, I will spend half of it and I will apply half of it against the deficit.

Well, Manitobans told us, eliminate the deficit, stop the spiralling debt and get on with it, and that is what we are doing, Mr. Speaker.

Mr. Edwards: Mr. Speaker, the Minister of Finance says that even though they have used almost entirely gambling revenues to balance this budget, he says, oh, but we do not need them in the future.

I do not believe him on that, because they have never, ever been right about their projections of growth or deficit in this province.

My question to the minister: Will he release that five-year plan, and why not? What is he hiding?

Why will he not show Manitobans the five-year plan for the Lotteries Corporation and what his true intentions are for gambling in this province?

Mr. Stefanson: Well, Mr. Speaker, the Leader of the second opposition party says he is concerned about the future. He is going to get his chance to deal with the future.

We have a balanced budget, taxpayer protection and debt repayment legislation that we are putting before this House, and I hope he supports it. He is the one who is claiming, oh, I am supportive of balanced budget legislation, he says, but maybe once every four years. That is the kind of legislation he is talking about.

Well, if he is so concerned about the future of Manitoba and the future for our children, support the balanced budget legislation that you are going to get a chance to next week. Stand up and be counted.

**SmartHealth
Royal Bank Contract**

Mr. Dave Chomiak (Kildonan): Mr. Speaker, in December, in this Chamber and outside of this Chamber, the Minister of Health said, the Royal Bank computer deal would cost \$100 million to the public of Manitoba.

Now we find the cost could be as high as \$150 million. I hope the Minister of Finance is listening.

The last time we had a deal like this, all members of this Chamber and the province will know we paid \$4 million plus \$800,000 in expenses to the American consultant to save \$65 million. Now they say they are going to save \$200 million by spending \$150 million with that great health care institution, the Royal Bank of Canada.

Mr. Speaker, my question to the Minister of Health or the Minister of Finance: Since health expenditures and total expenditures are frozen the next three years, where is the \$150 million to pay the Royal Bank going to come from? What expenditures is the \$150 million to pay the Royal Bank for computers going to come from?

* (1025)

Hon. James McCrae (Minister of Health): Mr. Speaker, it is interesting this morning to listen to the Leader of the Opposition and then five minutes later to listen to the Health critic.

The Leader wants us to spend all kinds of money and the member for Kildonan has had an amazing conversion himself. Now he is complaining that we are not saving enough money.

In the area of health care, Mr. Speaker, you have to be extremely mindful of the requirements of the health system.

As the Premier has pointed out, at 33.4 percent, the highest level of spending in this country, we are placing our priorities where they belong, unlike what we are seeing in Ottawa and unlike what we are seeing elsewhere.

Mr. Speaker, the public health information system has been, is and will be driven by the stakeholders in the process. This is something the honourable member forgets to mention when he asks his questions.

The people involved in the multistakeholder advisory committee are representing organizations like the Assembly of Manitoba Chiefs, the Cadham Labs, the Consumers' Association of Canada, the Canadian Mental Health Association, the College of Physicians and Surgeons, emergency services, epidemiology, Healthy Public Policy programs division, Manitoba Association of Registered Nurses, the Manitoba Cancer Treatment and Research Foundation, the Manitoba Centre for Health Policy and Evaluation, and the Manitoba Medical Association.

Mr. Chomiak: Mr. Speaker, suffice to say the minister did not answer the question.

My supplementary to the same minister, perhaps the Minister of Finance, who must be just shaking in his seat thinking he has to pay \$150 million to Royal Bank: Can the minister, any minister, tell us if the \$150 million is going to come from more cuts to home care, more layoffs at hospitals, more fiascos like Connie Curran that this government has been into?

Where is the \$150 million to pay the largest expenditure ever going to come from?

Mr. McCrae: Mr. Speaker, if the cost exceeds the contract amount, the SmartHealth people will pay the overrun.

In addition, we have the Manitoba Nurses' Union, the Manitoba Pharmaceutical Association, the Manitoba Association for

Rights and Liberties, the Manitoba Society of Pharmacists, the Manitoba Society of Seniors and the Provincial Laboratory Committee.

Privacy is an extremely important matter and there is a committee to deal with that. Nothing happens without the approval of this committee. That is composed of representatives from the Consumers' Association, the Canadian Mental Health Association--

Mr. Speaker: Order, please. The honourable member for Kildonan, with your final supplementary question.

Mr. Chomiak: Mr. Speaker, I have just heard of another 65 layoffs at Seven Oaks Hospital, more layoffs in hospitals. We know more layoffs are to come. This minister reads lists instead of answering the question, which I will put for the third time.

In light of layoffs in hospitals, which we hear about again today, and in light of this government's cuts to home care and other services, where is the \$150 million they are paying to a bank to develop computers coming from, more cuts to hospitals, more cuts to home care--

Mr. Speaker: Order, please. The honourable member has put his question.

Mr. McCrae: Mr. Speaker, the honourable member should have listened to the last answer. I said, any cost overruns will be borne by SmartHealth.

In addition, on the privacy committee are the Manitoba Association of Registered Nurses, the Manitoba Pharmaceutical Association, the Manitoba Association for Rights and Liberties, the Manitoba Society of Seniors and the Provincial Laboratory Committee.

These people are all very concerned that things be done right and so are we. Nothing happens without the approval of these

committees.

* * *

Hon. James McCrae (Minister of Health): Mr. Speaker, while I am on my feet, may I respond further to a question raised yesterday by the honourable member for Kildonan?

Mr. Speaker: Was it a question taken as notice?

An Honourable Member: No.

Mr. Speaker: No, okay.

Mr. McCrae: Mr. Speaker, if the honourable member does not want to hear more about the--

Mr. Speaker: Order, please. If the question was not taken as notice--no, that is fine.

Recycling Initiatives Beverage Container Industry

Mr. Gord Mackintosh (St. Johns): My question is for the Minister of Environment.

While Winnipeg consumers are paying 2 cents on every beverage container, plus PST, plus GST, for a service they may never get and have no say on the proposed body that manages monthly revenues of \$400,000, we know that over \$1 million has been forgiven the beverage industry for their failure to meet recycling standards.

My question to the minister is: Will he now today publicly release the complete amount that was forgiven the industry and confirm the amount is now roughly \$1,007,000?

Hon. Glen Cummings (Minister of Environment): Mr. Speaker, the member puts a whole lot of misinformation on the record.

For him to indicate that there is any lack of progress in providing the recycling program to this city in particular, he should take a look. We now have 20 municipalities and cities around the province signed up. Every major city in this province, except the City of Winnipeg, now has their forms in to begin to receive funds from the program.

The City of Winnipeg is working through their system, which I would prefer had moved more quickly, but every Manitoban is going to receive free capability of recycling as a result of this program and I think he should stand up and support it.

Mr. Mackintosh: Well, Mr. Speaker, Coke and Pepsi got off while the consumers pay for a service they may never see, and nothing is free--

Mr. Speaker: Order, please. Question please.

* (1030)

Environmental Levy

Mr. Gord Mackintosh (St. Johns): My supplementary question to the minister, Mr. Speaker: Manitobans want to know, why is this government collecting provincial sales tax on top of the environmental levy?

Hon. Glen Cummings (Minister of Environment): Mr. Speaker, the member opposite seems unwilling or unable to recognize, up until the statement that he just made about the fact that services do cost--nothing is for free, I believe is what he said a moment ago. A flash of genius on his part, I would say.

An Honourable Member: Totally unexpected.

Mr. Cummings: Yes, totally unexpected.

I presume then that when the member says that nothing is for free, he would also agree that a return deposit system costs three and a half to

four cents to run. This program is the cheapest program in Canada that will provide free recycling to every resident of this city and every resident of rural Manitoba.

I truly, truly resent that that member would choose to portray that we have worked with industry to maintain recycling capability in this province in the interim when we develop what is one of the most unique and progressive recycling programs in North America when he talks about somehow, in his mind, that industry has not been paying its share. Industry is paying far in excess of anything that would have been levied in fines in this province towards the support of recycling.

If his attitude is, tax them and damn them so that they cannot function properly in this environment, then his party is going to suffer the consequences of not being able to provide recycling in this province.

Mr. Mackintosh: I still have not had any answers, Mr. Speaker.

Landfills

Government Policy

Mr. Gord Mackintosh (St. Johns): My supplementary: Given that the government refuses to take a stand against the proposed private landfill site at Rosser, following the City of Winnipeg's position that the proposal would kill any integrated waste management system and recycling for Winnipeg, is it this government's policy to expand private landfills at the same time it tries to introduce a recycling plan?

Hon. Glen Cummings (Minister of Environment): Well, Mr. Speaker, given that the last time this member confronted me on air, his comment on the recycling program was: I think this is a great program; I just do not like the way you are doing it--now he has switched gears and he wants to talk about landfills.

I am involved in continuing and ongoing discussions with the City of Winnipeg about their concerns in relation to the proposal in Rosser. We have had discussions at the Capital Region Committee about the impacts of regionalization and the concerns of people in the region, and we have also said right from the start that any concerns around safety are paramount to any issues that might be raised around landfilling.

I want to make it very clear that in the long run, before any decisions are made, we want to make sure that all aspects, protection of recycling and the enhancement of business opportunities in this province are the bottom line.

Balanced Budget Legislation Minister's Salaries

Mr. Paul Edwards (Leader of the Second Opposition): One of the interesting issues yesterday that came out of the balanced budget legislation was the proposal that if there is a deficit, cabinet ministers lose a portion of their pay and so on and so forth, 20 percent per year. On the basis laid out in that document, this cabinet would already have lost 140 percent of their salaries.

My question for the Finance minister: Will it be retroactive? Will they be paying us back?

Hon. Gary Filmon (Premier): Mr. Speaker, I thank the Leader of the Liberal Party for that question. I thought that his concern was whether or not it would apply to the bonus that he gets from the Liberal Party.

Mr. Edwards: Interesting that the Premier should raise that, because this is the first budget in nine years that raises their salaries by 10 percent as a result of the Wally Fox-Decent report. Coincidentally, Mr. Speaker, after seven years in power they wait until this year when there is an increase to bring in a potential decrease for them.

I want to ask them: Is that 20 percent before or after they have given themselves the 10 percent increase?

Some Honourable Members: Oh, oh.

Mr. Speaker: Order, please. I am sure the honourable First Minister is quite capable of answering that question.

Mr. Filmon: Mr. Speaker, I find it really interesting that the Leader of the Liberal Party would raise this sort of issue when he knows that it was an all-party committee that made the recommendations that he voted for himself and that he would somehow try and make some cheap political gain out of an issue like that. It is so typical.

It is scraping the bottom of the barrel and he can have it if he wants it. He can stay down there and get anything else he can find down there too.

Mr. Edwards: The gimmickry in this budget is indeed scraping the bottom of the barrel, Mr. Speaker, which the Premier knows a lot about.

Mr. Speaker, my question again for the Premier: Why, after seven years in power-- [interjection] That is true, the Wally Fox-Decent report, all-party, absolutely.

Why is it only this year that they decided maybe they should pay a penalty? Will the 20 percent deduction that they are setting up for themselves be before or after the increase which is in the budget?

* (1040)

Mr. Filmon: Mr. Speaker, as Manitobans know, after 20 years of running deficit budgets in this province, we have done a great deal over the past seven budgets to work towards the balanced budget. We have done it, unlike any other jurisdiction in Canada, without raising any of the major tax rates. We have done it by virtue

of making a commitment to long-term stability, to predictability--[interjection]

Mr. Speaker: Order, please. You will hear your answer.

Mr. Filmon: --and to assurances, Mr. Speaker, that we would get to the point where we could say to Manitobans, we not only are able to balance the budget, but we want to pass legislation to ensure it remains in future.

We are going to put teeth into it to ensure that there are serious penalties to those who are in government and do not meet those targets. We are, as well, putting assurances in that the taxpayers will not have their needs ignored when it comes to the level of taxes, that they will have the right in a referendum to ensure that they could stop major increases in taxes.

Those are the kinds of commitments we believe are appropriate today, appropriate to what people expect of governments.

We believe in it and that is why we brought it forward.

Mystery Lake School Division Budget

Mr. Steve Ashton (Thompson): Mr. Speaker, yesterday was the tale of two budgets. While the Minister of Finance (Mr. Stefanson) was standing in this House, the school district of Mystery Lake in Thompson was dealing with a shortfall of \$1.8 million, equivalent to a 48 percent increase in property taxes. The school district opted for a 14 percent increase in property taxes and significant cuts and layoffs that will affect everything from special needs to technical vocational training.

I would like to ask a question of the Minister of Finance. Is the 14 percent property tax increase that residents of Thompson are to be faced with not a tax? Is this the minister's future vision for education and property taxpayers in

this province?

Hon. Clayton Manness (Minister of Education and Training): Mr. Speaker, what the member is attacking is local authority and local autonomy. He is not attacking this government. He is attacking mainly the local school division and their ability or inability to deal with their budgetary matters in this year.

The provincial government has announced back in January that there will be \$760 million that will be transferred to all the school divisions in the province of Manitoba. Mystery Lake School Division is obviously a significant recipient of that.

I know that there have been assessment changes. The property tax base there is deemed to be wealthier today as it was compared to other properties over the last three years. All this fits into that decision-making process that that local school division is going to have to embrace to make their final decisions. That is the way it is with respect in the other 50 school divisions in this province.

Mr. Ashton: Mr. Speaker, I am attacking the provincial government, which has cut funding for the school district of Mystery Lake 10 percent in three years.

I tabled a petition earlier today. The clear consensus in Thompson is, we are not being treated fairly.

I want to ask a question to the Minister of Finance (Mr. Stefanson) again, because in the budget there is a budgeted increase in mining tax revenues of \$30 million.

What I would like to ask is: How can this government ignore the pleas of the community of Thompson to preserve our education system? How can it collect \$30 million extra in mining tax revenue and cut our public schools by 10 percent in three years?

Mr. Manness: Mr. Speaker, I do not know whether the member opposite is a Manitoban or a Thompsonite. I do not know what comes first.

He knows full well that tax revenues in this province belong to all the citizens of this province. He knows that we do not designate funding and expenditure cents on the basis on which it was raised, either by tax or by geographical location. He knows that.

Mainly he should know that the sensitivity of the funding formula dictates that if you have a reduction in students or indeed if you have a payment, an average salary, a teacher wage that is higher than the provincial norm, then you are going to have higher costs associated with your division.

The formula reflects that, and the school division is going to have to take those matters into account.

Mr. Speaker: Time for Oral Questions has expired.

ORDERS OF THE DAY

BUDGET DEBATE (Second Day of Debate)

Mr. Speaker: On the adjourned debate, the second day of debate, on the proposed motion of the honourable Minister of Finance (Mr. Stefanson) that this House approve in general the budgetary policy of the government, standing in the name of the honourable Leader of the official opposition.

Mr. Gary Doer (Leader of the Opposition): Mr. Speaker, the long-awaited budget is before us. The fifth budget of the second term of the second-longest term of any government in the history of Manitoba is now presented. They hung on by their fingertips and by their nails for six long months, rather than calling the election in the four-year period, to present us with this magical re-election budget for the Conservative

Party, and the people of Manitoba will not be fooled. The Conservatives still believe they are in the stage of fooling some of the people some of the time, but we believe that most Manitobans know that they cannot fool all Manitobans all the time and they will see right through the transparency of this budget.

This is in the truest sense of the word a gambling budget. It gambles and it rambles and it gambles again. This government is led by basically a riverboat gambler in terms of the province of Manitoba, Mr. Speaker, and a riverboat gambler in terms of the fortunes of this province and the future of this province. We can all stand up in this House and talk about our children, but this is a budget that gambles on our children's future. It is a government that has really become addictive to gambling in the province of Manitoba. The biggest addicts in the province of Manitoba are members opposite to the revenues that are now before them in gambling. I say it gambles because it rolls the dice for seven weeks.

You know, the member for Tuxedo (Mr. Filmon), he and his colleagues had a lot to do with where the City of Winnipeg is today and some of us do not want him to run the province into the ground the way they did when they were in control over at City Hall.

I think the language of the Premier (Mr. Filmon) is quite inappropriate. I think he can make comments about members opposite and not go into the gutter. I would ask him just to spend a little time, get a little dignity. The election campaign is not quite called. When you are ready to call it, we are ready to go, but keep on the high road, at least till you get there.

The reason why the Premier is attacking the member for Kildonan (Mr. Chomiak) is because the Premier cannot answer the questions the member for Kildonan has raised about his role as Minister of Federal-Provincial Relations on what happened at the Health Sciences Centre and why this Tory government rejected medical advice

and went on their own, Mr. Speaker. Perhaps the Premier would like to go before a public inquiry and answer the questions about why he, the member for Tuxedo, said no to the medical advice of the Health Sciences Centre, and now--

Point of Order

Hon. Gary Filmon (Premier): Mr. Speaker, the statement that the Leader of the Opposition has just put on the record is an absolute falsehood. I would ask him to withdraw that statement because I tell you on the record that what he has said is an absolute falsehood.

An Honourable Member: What is it? What statement?

Mr. Filmon: The statement that I rejected advice on the medical circumstances to which he is referring at the Health Sciences Centre. That is an absolute falsehood.

Mr. Speaker: The honourable First Minister did not have a point of order. That is clearly a dispute over the facts.

* * *

Mr. Doer: I am continuing on my speech.

All we want is an inquiry about the role of the provincial government to reject and the role of the Minister responsible for Federal-Provincial Relations on the decisions that were made. You are the Minister of Federal-Provincial Relations. This was a recommendation for interprovincial co-operation on a program. If you are embarrassed by our questions, get used to it because we are not going to stop.

If I can continue on the gambling nature of this budget--last fall when we saw the \$145 million on the third volume of the public accounts, we said, well, we think this is going to be used for a pre-election budget. We said, why was it not used in Health and why was it not

used in Education? The Minister of Finance said, oh, no, we will never use this money for a pre-election budget, oh, no, we are the people that ran the City of Winnipeg into the ground, we would never ever do that; oh, how could he say that. We said, well, maybe we are wrong, maybe the Minister of Finance--

An Honourable Member: . . . the Minister of Urban Affairs.

Mr. Doer: Well, we did a lot better at grants--we will compare our record--we will compare the taxation levels of the people living on Wellington Crescent when I was Minister of Urban Affairs and you were actually deputy mayor when we brought in a differential mill rate compared to the \$2-million tax break people are getting on Wellington Crescent that are being made up by the City of Winnipeg school divisions any day of the week. [interjection]

Well, if the Premier (Mr. Filmon) does not want to answer the question--if the Premier has nothing to worry about in a public inquiry, why does he not call one? When Wilson Parasiuk was under allegations, he called an independent public inquiry. That is all we are asking for for the children and medical staff at the Health Sciences Centre. I am sorry the Premier is so touchy about it, but I know he has had a little bit of thin skin in the past and we will just accept that.

Mr. Speaker, this government's budget is a gamble. It really does roll the dice for the next seven weeks. Their re-election efforts are more important than the long-term finances of this province. They know that. In their heart of hearts they know that.

*(1050)

We talked to a number of accountants yesterday, not all of whom are New Democrats, and all of them said they cannot believe the optimistic projections on the revenue side and they cannot believe on the other side that you put

all \$145 million on top of \$240 million into this one seven-week budget, Mr. Speaker, in terms of the Province of Manitoba and, further, why it is further a gamble. The government is freezing--this year, it has 1.9 percent increase in spending. Next year, it has a freeze on spending. The year after it has a freeze, and the year after that it has a freeze. The government will not tell us how many cuts in health care, how many cuts in education and what is the impact going to be on Manitobans to achieve this one-time only budget surplus allegedly, allegedly, in this budget and I say "allegedly" because they have been off \$200 million, \$300 million in the past, not the last year, but in previous years.

Mr. Speaker, we will not even know whether it is a balanced budget, because as the Minister of Finance (Mr. Stefanson) knows, the only thing that matters is balanced public accounts. The only thing that matters is the Auditor's report at the end of the year to say in fact whether you have done that. We had a nonbalanced budget in '88-89 that came in balanced as the Free Press editorial quite rightly pointed out today, a surplus of \$58 million. We will not know whether there is going to be a swing of \$100 million. I hope the budget is balanced. God knows, with \$145-million one-time only lottery windfall and another \$240 million, that is \$380 million. I hope, I pray, that they will be balanced because we are going to have to deal with all the cuts in health and social services after this budget.

Mr. Speaker, this budget assumes a growth in the economy, a 13 percent increase in personal income tax. I hope those numbers are correct. I hope the economy improves. I hope that this economy improves enough so that we are going to have an improvement in that kind of situation. You will note from this last Third Quarter Report that the economy is not producing extra revenue on the personal income tax side. It is actually down over budget.

Yes, you are getting more tax revenue on the retail sales tax, but do not forget that you spread

the retail sales tax--you know this we do not tax stuff. You do not count children's clothing and children's baby bottles and all these other things that you put in the budget in '93, that \$400 a family budget of 1993, but they are going through the economy. They are affecting your bottom-line numbers. Yes, the retail sales tax numbers have improved in the third quarter, but retailers that I talk to and listen to say it is more because of the spread of the sales tax than increased economic activity.

In fact, retailers we talk to say that the biggest fear on retail sales is actually VLTs. They are very worried about the impact of VLTs and many of them support our Lotteries accountability act to find out how much money is coming--[interjection] Well, if the member for Emerson (Mr. Penner) wants to support the VLT proliferation and this massive gambling, if that is his vision of the province of Manitoba, that is fine by us. Somebody wants to be a riverboat gambler, some other people want to do something about child poverty. That is probably the difference, Mr. Speaker. [interjection] Well, if they stay in the province and do not move to Vancouver, if your children do not move to Vancouver, I hope they are protected, because the only way they are going to be protected is a change in government after the next provincial election.

This one-time-only riverboat gambling of \$386 million is all being dealt--[interjection] Yes, well, we promised public hearings on--I will give you a copy of the transcript, you want to throw around that word. I stand by my words. If you read them accurately, you will know what I am saying.

Point of Order

Mr. Steve Ashton (Thompson): Mr. Speaker, some members who perhaps should know better are hurling some comments across the floor that are most definitely unparliamentary. Given the fact that one member in particular will soon be departing this Chamber, I will not mention him

by name, but I am wondering if we could have some order and perhaps if that rather senior member could show some leadership by not hurling those kinds of comments across the floor.

Mr. Speaker: On the point of order raised--

Some Honourable Members: Oh, oh.

Mr. Speaker: Order, please. I am having difficulty in hearing the remarks of the honourable Leader of the official opposition.

* * *

Mr. Doer: Mr. Speaker, the \$386 million which is all from Conservative-related expansion of gambling--which, by the way, is the largest enterprise here in Manitoba now. State-run gambling sponsored by the member for Tuxedo is now making more profits than the top three private corporations of Manitoba put together. He has really done a lot for free enterprise. The biggest state enterprise established in the history of this province is by the Conservative parties in their gambling video lottery terminals. [interjection] Well, let us deal with the Deputy Premier's comments: We started it.

Well, let us go back to the history of this. The federal government established lotteries in pre-'69, Mr. Speaker, to make up for Mayor Drapeau's--[interjection] You will not see in the Saskatchewan budget \$346 million of lotteries addiction in a budget to balance it. You will not see that, and I would welcome the member for Pembina (Mr. Orchard) to tell us really what it is. This amount of money is fuel taxes, mining taxes, land transfer taxes, tobacco taxes, oil and natural gas taxes combined, all the money we receive from corporations in income tax and capital tax combined that we presently receive in terms of this gambling revenue. This is the major economic development of this province.

When the archaeologists do a dig in 4,000 years and they find the Filmon signs and the member for Pembina's bones, Mr. Speaker, they

are going to see VLT machines and the Filmon team scattered along the landscape. That is what the archeologists are going to find. That is going to be your legacy. When they look underneath that pile of mud for all of our bones, they are going to see VLT machines, and if that is the legacy of the Conservative government for future historians, it is quite a sad, sad legacy, Mr. Speaker. I guess the one part of the federal government that the government likes is the fact that the coins will now be converted from \$1 to \$2 and, of course, you can just get those profits up just a little bit quicker in the Lotteries Corporation.

Mr. Speaker, we are absolutely disappointed with the federal Liberal budget. Cuts in health and post-secondary education and a one-time only tax--[interjection] Well, if the member for Inkster (Mr. Lamoureux) wants to support \$4.2 billion in profit and a hundred million dollars in taxes, we will take that to the people of Inkster. I am disappointed that the member for Inkster, who said along with his Leader that they would go out and fight the immigration changes by the federal government, then we see what happened was they doubled the cost of coming into Canada after he and the members went out and fought this. The people of Inkster should be ashamed of your performance in terms of representing them and getting that changed. We will note that in the election.

Mr. Speaker--[interjection] My theory about these things is none of us should be too cocky. My belief is that nobody in this room who are answerable only to the people of their constituency should get arrogant at any time because the world is full of arrogant politicians who were defeated and rightly so.

Mr. Speaker, beyond health, post-secondary education and social services there is a massive cut on jobs here in Manitoba. Our calculation is that there are 4,000 jobs lost in this federal budget to the people of Manitoba. How on the one hand can you go out and campaign on a jobs economy and how on the other hand can you cut

4,000 people off the payrolls, whether it is the Air Command in Winnipeg being transferred, the civilian population at Shilo, the reduction of the 17th Wing here in Winnipeg, reduction in the public employees in Environment, Natural Resources, weather offices, airports, agriculture research offices?

* (1100)

When we asked questions last year about Bristol and Boeing, we got all kinds of heckles from members opposite about the air military conversion program that was promised in the red book. It is a very sad story because after your heckles from the Liberal Party a lot of people got layoff notices, a lot of people in your own constituency. I think it is shameful.

Now we have railway workers who are under threat. The job security clause that is in the railway contracts is good for Manitoba. We do not want the job security clause stripped by the Liberal government so that workers in Transcona will end up more so in Edmonton. There are already too many of them, Mr. Speaker, and we do not want to lose the Weston shops because of, again, the job security attack by Doug Young and the other conservative Liberals who are down in Ottawa.

Mr. Speaker, in this budget the provincial government has neglected \$170 million of federal-provincial cuts and has neglected and gambled on the 4,000 jobs that are going to be lost out of the federal budget.

I say a plague on both their houses, one on the federal Liberals for cutting those people and cutting those programs, and a second plague on the Conservatives who have not built it into their budget projections.

It is interesting that the president of the Liberal Party said they would be targeting eight seats. No wonder you have trouble with mathematics, because seven plus eight is 15. A majority is 29. You are the only party in this

Legislature that is targeting to form half a government. [interjection]

Remember Elvis Stojko that everybody thought would stay with the silver and last night won the gold. Never ever underestimate.

Mr. Speaker, we have hundreds and hundreds of potential losses of jobs in this budget. I have mentioned 4,000 direct jobs which have not been built into this budget. The University of Ottawa in their health projections has calculated that 50,000 nurses will be required to be laid off and as a result the reductions in medicare in this budget, 50,000 nurses.

The member for Inkster (Mr. Lamoureux), if he does not understand what 50,000 means for Manitoba, that is 2,000 more nurses to be laid off in the province of Manitoba if this federal budget comes in.

I am disappointed because the most positive Liberal about this budget that did the hallelujah chorus on the immigration head tax, on the cuts in health, the cuts in education, the cuts in military, the relocation of the base from Winnipeg to Ottawa, the one who did the greatest hallelujah chorus, was it John Savage in Nova Scotia?

Was it other Premiers in Atlantic Canada? The guy who did the hallelujah chorus more than anybody else and said this budget was fair when health and education was being cut was a junior Liberal from Manitoba. I think it is shameful, Mr. Speaker. [interjection]

Speaking of Roy, speaking of Premier Romanow, another major concern--you know, a constituent of mine the other day said to me: why do the Liberals hate farmers? They seemed to hate farmers when Trudeau was in and why do they hate farmers now? I mean it is quite interesting. Why do we--

An Honourable Member: Last time I looked we had more rural seats than you have.

Mr. Doer: Since when is Inkster in rural Manitoba?

An Honourable Member: I do not believe you have any rural federal seats.

Mr. Doer: I thought we were in the provincial Legislature. You have more members living in River Heights than you have from all of rural Manitoba, Mr. Speaker. You have more people running for you from Pitblado and Hoskin than you have farmers running in this election.

(Mr. Marcel Laurendeau, Acting Speaker, in the Chair)

My constituent said: Why do Liberals hate farmers? Why do they hate western Canadian farmers? I do not have the answer to that question, because all the partisan politics aside the elimination of the Crow rate, the way it is being done it is going to be devastating. There is a slow burn going on with western Canadian producers right now. It is slow, it is quiet, it is angry and it is really concerned.

They want to be constructive. They want to be positive. They want a positive solution, Mr. Acting Speaker, but they do not have any idea of what the transition is, what the plan is and what the money is going to be. On the one hand, they are told that their agricultural products will have to change, and then you had the swine research office in Brandon being cut while the Crow rate is being eliminated. There is no plan. Ralph has no plan for western Canada and the Liberals have no plan except for elimination, elimination and elimination.

I also want to say--[interjection] That is right. It is serious because this is a billion-dollar industry. It is going to impact today on the producer, tomorrow on the rural community, the next day on a service centre like Brandon, and the day after that it is going to affect Versatile and the number of people building tractors right now. It is going to have a rippling effect on the Manitoba economy. Make no mistake about it.

How do the Liberals justify cutting a hundred percent of the Crow rate and only cutting 30 percent of the dairy subsidy in Ontario and Quebec? I suggest to you that it is more based on prerferendum politics than it is on fairness for western Canadian producers.

We are loyal Canadians and we get the boots put to us in the budget. We are loyal Canadians as western Canadian farmers, and we of course get hit.

Mr. Acting Speaker, back to the provincial budget in terms of the projections because all these federal budget cuts are not built into your projections. The cuts directly in health, post-secondary education, social services, daycare, university tuition fees, the cuts in direct jobs, the 4,000 jobs, good-paying jobs in this province being relocated in the '96-97 year or being laid off and the cuts to the Crow rate are not built into your revenue projections.

You are projecting a revenue increase comparable to this year, and this year you include the one-time only lottery grant. We all know that the one-time only lottery grant gives an extraordinary bump in a relatively good year, 1994, in terms of revenues. We all know, sitting around this Chamber, that you have used beyond optimistic projections in terms of dealing with it and not one impact to the federal budget I suggest to the members opposite. Crow rate, job cuts, health cuts, education cuts, social services cuts, not one of those factors has been built into your three-year projections. We know from past years when the Mulroney government hit us--and I remember the articles, I remember Reg Alcock criticizing Brian Mulroney for cutting more jobs out of Manitoba than other people, and we all remember those statements. In fact, I joined in with Reg Alcock about those jobs, and we know that they are going to have--[interjection] He is going to change his name. They did.

I am glad to see that the Liberal Leader is going to meet with the Prime Minister today. I

hope all these changes on Crow rate, on immigration head tax, on the social services cuts on health and post-secondary education and the reversal of the air base will be on his discussion plate, because the last time he went and met with the Prime Minister about the air base in Manitoba they did not just relocate half of the base, they closed the whole thing. I hope he does better on behalf of Manitobans.

Mr. Acting Speaker, this budget-- [interjection] I did not know that. I did not hear that. Is that the same transcript that we have about we are not going to tax children's clothing and books, from the same radio show? Maybe we will play that one too.

Mr. Acting Speaker, on with the budget. So none of these figures have been built in and that causes us considerable problems. I hope we will have a surplus this year but it is a big, big gamble. Your zero next year is a humongous gamble, as my daughter would say. You talk about children, this is a humongous gamble and it will cause us problems.

* (1110)

Mr. Acting Speaker, this government's economic performance is always below the national average. When the numbers came out again for 1994 in terms of job growth we saw that Canada grew by over 400,000 jobs. In Manitoba we have received a lot less than our share of those jobs, the lowest job creation rate in Canada. I wish it was not that way. I wish we could keep more of our kids here instead of moving to Vancouver. I wish more of our children would be staying in Manitoba instead of moving to Vancouver, and that is very, very important.

Again, the government by its own statistics is predicting that their growth rate in 1995 will again be below the national average. This is a government that consistently performs below the national average. They can use selective statistics and say how great they are, and we can

talk about--use statistics that show how they are underperforming the national average, but the bottom line is, when people go outside of this building this kind of prosperity talk that we heard in the budget is not the reality that people are talking about around their kitchen tables. It is not the reality people are feeling about their families. It is not the kind of story that people are talking about, about too many of their children going to Vancouver, Mr. Acting Speaker, too many of their children going to Vancouver. Just go around this room. It is not the story of people even in this room perhaps in terms of having their kids stay in this province and economic growth. I hope the member for Pembina does not leave us and go to another province.

Hon. Donald Orchard (Minister of Energy and Mines): My son is in Calgary.

Mr. Doer: Is he? I hope it is not because of the high tuition fees introduced by his government. I hope it is because of choice of courses and I would wish him well. I understand he did very well last year in school, and I hope your son does very well at the Calgary university.

So, again, our economic performance over the last four or five years is below the national average. The job growth is below the national average again last year. Manitoba is coming out of the recession slower than any other province. Even the government's own Third Quarter Reports on income tax returns were below what they budgeted. As I say, the retail sales tax and the lottery revenues were increased, but of course the retail sales tax was spread in the '93 budget. We are now starting to see the full year effect of the '94-95 fiscal year of those numbers.

The economic situation is serious. We have suggested for awhile, and all of us have talked about bringing investment back into this province. All of us have talked about that and that is a goal that crosses party lines, because we have all read the reports on banks lending capital to small business. Every year there is another

study about the lack of banks taking risks. They may lend some people who have a lot more money and they may not lend people who have a good idea money to get going.

I know my own spouse, when she was starting a business was refused by a number of banks, and they were making money and starting a new small business. I know we had to mortgage our house. We had to take a risk for her to start that business because banks would not take the risk. You had to take a personal risk. There are a lot of risk takers around, and there are a lot of people who have ideas that go beyond their own personal finances. If she had to start a company that was more than the small value of our house, we would have been in real trouble. So I know what it is like to take risks because we sat around the kitchen table discussing, well, are we going to lose our house or not. We think there are a lot of good ideas around this province that need capital.

I was disappointed because the member for St. James (Mr. Edwards) has rightly said that we have to bring more money into the economy, more money back to Manitoba. The member for Tuxedo (Mr. Filmon) said that. We have said that. I was disappointed in the federal budget that the 20 percent offshore investment of Registered Retirement Savings Plan was not eliminated by the federal budget. You know, if you are an American that puts down pension reserve money for an investment for your retirement, you cannot get a tax deduction. Uncle Sam does not allow you to deduct that from your income tax if it goes offshore, if it goes out of the United States. If all of us looked at the issue of--Mr. Acting Speaker, if people looked at--[interjection] No, this is a serious issue. If you look at The Globe and Mail--well, if you do not think it is serious, I do. I gave you credit for raising it before. Do not be so touchy. Wait till I take a legitimate shot.

So the Martin budget did not close this 20 percent. Why are we operating in this free trade environment allowing public tax deductions to

allow money to go offshore? Has anybody read The Globe and Mail mutual funds section last January or December where it said, we can get more than 20 percent off the country; we can get up to 36 percent out of this country? That is bad public policy in Canada. We need, as a nation, to plug that loophole and disallow any tax deduction for money that goes out of our economy, out of our jobs and out of our future.

Having said that, in Manitoba we believe that the Crocus Fund is a good idea. We supported it. We raised it initially in the mid-'80s. The government carried it through, a little bit of a stall between '88 and '90, carried it through after that, a good idea, raising lots of money. We hope some of the inconsistencies that are going on in Ontario do not lead to an elimination of a good fund here in Manitoba. I think it is a good idea. We think the government did well by introducing it. We will support it, and we have supported it in the past.

We also think, though, they have really sat back on the whole issue of pension investments here in Manitoba. It is over seven and a half years now or seven years now. The government has a reference in their budget to pensions, but we have been working on this in opposition for a number of years. We have worked with private sector unions and public sector unions and employees. We are doing a good job on the public sector side of maximizing our return.

There is no question that money managers at the Superannuation Board are doing an excellent job on the return side of it, but there is too much money leaving our province. There has to be the twin goal of having money and capital available in this province and the other goal of maximizing one's return.

I believe that many pension holders will not want to obviously gamble their future away in terms of pensions. You know Manitoba has a pension fund that is better managed than any other province in Canada. The unfunded liability, that was established by Roblin, at least

had the employees share go into it.

Quite frankly, we corrected a lot of the Crown corporation problems in the '80s. Nobody ever notices it, but a lot of the Crown corporations, the unfunded plans are in place to get us into a situation, we are about two-thirds funded, maybe less than that, but at least we are a lot further ahead than other provinces in Canada. Crown corporations--as I say I was the minister of the Telephone System and it would be very easy with some of the situations that were going on locally to just say do not put that money in the pension plan, but obviously it made a lot more sense to take the hits politically, that we obviously deserved, and make sure that that money was prudently invested to make sure the unfunded liability portion in that Crown corporation was maintained and dealt with.

* (1120)

We believe that we have to do a lot more in this area. I think there is more money in pension funds, in fact, the government's own report says that there is more money in public sector pension plans than private savings in banks here in Manitoba. I see, Mr. Acting Speaker, a vision of this province where rather than having, you know, grain handling disputes and train disputes putting farmers against workers that we have a vision of this province where money from workers pension plans is put back into the agricultural sector for value-added jobs in industry and that we start getting government workers, business, working together to bring back our money and build our future.

That is the kind of vision that we have to have because beyond the political rhetoric, we are stalled in terms of investments in this province. We can pull out all kinds of reports and get pretty happy about it, but the bottom line is we have to find a way to put more money into the agricultural sector as the government takes off from the Crow rate. What better way of marrying people who are concerned about making a living, working people and farming

people together, with ideas from farmers, money from unions together instead of the conflicts that we have seen in the past. [interjection] Well, that is what I believe in. I believe in the Tommy Douglas plan and I do not believe it is out of date.

I am glad to see that the Minister of Finance (Mr. Stefanson) in one paragraph has maintained his Icelandic roots in this budget. I wonder what his Icelandic forefathers and foremothers would say about some parts of this budget. However, we do not want to get into that. I will not raise it at Islendingadagurinn in this summer's performance.

Mr. Acting Speaker, we believe that is very important for jobs. We have to get jobs. We have to get this province moving again. We have to be more than just a truck stop from Toronto to Vancouver, and that is why we have proposed a very positive idea.

In the area of health care, we have proposed a number of positive alternatives. This government has no plan in health care. Today we found out they have gone from 101 committees in health care to 102 committees in health care. They feel it is more important to spend money on computers that they are going to buy from the Royal Bank than put money into beds, nurses and people here in Manitoba. We say that their priorities are all backwards.

We would definitely put more money or more innovation into our health care. We have talked about the children's health program. We would rather have nurses in Transcona and Teulon than nurses going to Texas as we see under the Conservative Party of Manitoba. We want innovation. We want preventative health. Our 10-point program for children's health will help deal with child poverty, will help deal with health protection and will help allow us to have a greater investment.

Mr. Acting Speaker, we have also proposed a health accountability act. This government

should pass the health accountability act, but if they do not, we will pass it when we are elected after the next provincial election.

Mr. Acting Speaker, the government is putting a small amount of money into community clinics, but the healthy community development program is cut by 17 percent or \$2 million. We are very worried at the same time the government is cutting money out of hospitals it is also cutting money out of home care again. They do not have a plan.

They have 102 umbrellas called committees, 102 political umbrellas to try to stop the rain from coming on their head, the cold rain of Manitobans' opinion of the way they are running the health care system. They have committee after committee after committee out there conflicting into each other, bumping into each other, conflicting on each other and no wonder they are spending more money on health care than any other province to pay for all these administrators and doctors on these committees. We should just cancel the committees, start talking to Manitobans and start moving forward with innovation in health care, not the 101 committees that this government has as political cover for their cuts and lack of vision here in Manitoba.

Again, they are gambling on health care on these committees. They are gambling on health care with the Manitoba Medical Association because, again, when you look long term the Manitoba Medical Association has been given more management rights by this government than any other employee group in the province of Manitoba to decide what services will be deinsured and what services will be lost to the people of Manitoba. A bad deal, Mr. Acting Speaker. Management rights for government is public rights, and these government people gave away public rights in that MMA agreement.

We need to have more involvement from our nurses at the bedside. Only 6 percent of the members of these so-called committees are

nurses and other staff, 94 percent are doctors, 94 percent are administrators, and patients and nurses play little part in this government's agenda for health care, because they have no agenda for health care.

In the area of education we see the same problems. One minister pops up and says that independent living will be a mandatory course. Another minister pops up and does not make a decision on that. A third minister pops up and cancels all that and says we are going to go on a completely different U-turn on the education system. Yes, we want an education system that builds on the basics for the future, Mr. Acting Speaker, but this government wants to go back so far in their basics, they want to go back to the basics before reading and writing here in the province of Manitoba. We want to go forward in terms of the education programs that will be necessary for innovation.

This government has given 5 percent since it has been elected to the public education system in a period of time where the inflation rate is 17 percent, 5 percent for a 17 percent inflation rate. The Premier promised in 1988 he would fund education and inflation. The Premier has broken his word on the area of education funding, over 200 percent funding for the private schools and a 5 percent increase on the other side.

Mr. Acting Speaker, this government says it has as a priority literacy, and then it cuts the reading clinicians in classes. They have task forces on literacy, they cut those people. They cut clinicians, they cut eye experts, they cut hearing experts. The waiting lists in hospitals--we are cutting those people in the education system--are huge. The cost of going to a doctor in a hospital is a lot more expensive than going to a clinician in our public education system, another reason why in the education area our Healthy Child program makes a lot of sense for the people of Manitoba.

Mr. Acting Speaker, there are 3,800 fewer people teaching in Manitoba than there were in

1990, and we hear the classroom sizes and the massive amounts of hours that are being reduced is not going to allow us to teach the future curriculums to our children. It is not going to allow us to have the kind of training so our kids can be prepared for the future by their cuts.

We also see an education system that is very narrow--back, back, back to the past in terms of education. There is no ability to deal with an education system that will have as its core objectives teaching citizenship and teaching broader goals of lifelong learning on top of preparing people for the future education. Mr. Acting Speaker, ACCESS programs have been cut, New Careers programs have been cut--closing of Winnipeg, Brandon New Careers offices.

This government has money for Bob Kozminski, but Partners with Youth Program is cut 30 percent in this budget. If it is political they will fund it. If it is useful for kids and future youth programs they will cut it. These people do not care about getting people off welfare. They do not care about people staying on welfare. They want to cut the bridges. They want to bomb the bridges that get people from dependency to independency. This government does not care about those people, and the NDP will cancel those corporate grants and put that money into getting people off of welfare.

Mr. Acting Speaker, post-secondary education again is an area where this government has no plan. One year they cut 10 percent out of the community colleges, and the next couple of years they try to backfill in terms of the investment in community colleges--no plan, no future.

Agriculture was cut by 6.1 percent. How is that going to deal with the future changes of the Crow rate?

We have already mentioned the Crow rate and its terrible impact on the economy here in Manitoba.

Why is the Executive Support program funded by \$225,000 more in this budget? Why are the executives and the briefcase carriers of the Premier not suffering through the same impact as nurses and home care workers and New Careerists here in this budget? Executive Support up a quarter million dollars to get this Premier (Mr. Filmon) re-elected.

That is the kind of orgy of patronage we have seen in the past, when they are spending millions and millions of dollars of taxpayers' money on political ads saying how great they are rather than spending money and creating real jobs. The re-election of the Conservative Party is more important than the creation of real jobs here in the province of Manitoba.

The Ministry of Industry, Trade and Tourism is one that gets one of the largest grants of any government department. Who can talk about the other priorities that this government has to their friends in Tuxedo and River Heights in terms of the kind of decisions they make?

* (1130)

Mr. Acting Speaker, this government says that there are no tax increases. Remember the \$440 that a family of four received in 1993. Since when is reducing a property tax credit and raising everybody's property taxes \$75 per family not a tax increase? These people in an Orwellian way call that a spending decrease. I know in my family it was a tax increase. I know when I buy baby bottles and children's clothing now in 1995 compared to 1990 that the sales tax has been spread over a lot wider area of goods. That is a sales tax increase by any other name. Why the duplicity, why the kind of disingenuous kind of word on this issue?

Look at the hypocrisy now when they are talking about referendum legislation. Do they include the property tax credit--\$200 million in the referendum? Do they include spreading the sales tax? No, it is the rate of the sales tax. If the Conservative government under the member

for Tuxedo is planning to spread the sales tax on all food items in Manitoba it is referendum-free.

This is just a political ploy. Why do we not have a referendum on the Winnipeg Jets? Why do we not have a referendum on Royal Bank and the \$150 million? Why do we not have a referendum on a number of things, including Connie Curran? Why do we not have referendums on items that mean something to Manitobans? [interjection]

Well, I hope you do. Four years, seven months, you should be. The situation in Manitoba is a disingenuous promise, because the government can cut property tax credits under their proposal and still be within their own legislation, and they did it before.

Property taxes have skyrocketed with downloading from this provincial government onto municipalities, onto education and a reduction in the property tax credit. They want to use the big lie technique to say we don't tax, but everybody knows that it is the Gary Filmon tax, the GFT, of downloading onto municipalities and downloading onto school boards and downloading onto property taxes. That is absolutely--

An Honourable Member: Have you talked to the municipalities, Gary? Do you ever talk to the municipalities? Have you talked to them this morning? Quite satisfied.

Mr. Doer: Mr. Acting Speaker, I bet they do not see the truck coming around the corner with your budget. It is the one that you just parked before the election. That is the truck that you hit the municipalities with for \$50 million two years ago, and you have been hitting them all along. They know what is going on. That is why they are supporting our Lotteries accountability act, because they do not trust you.

An Honourable Member: They do not want to unload the stuff that is on the back of your truck either.

Mr. Doer: The only thing on the back of your truck is the member for Pembina (Mr. Orchard) and the member for Morris (Mr. Manness) and the previous member for Springfield. The October group, they only have one member left. That is the only thing on your truck.

This is a budget--over the last six or seven years we could go through every line in this budget, we could go through every line of their multiyear forecasting--this is a government that has cut education, has cut health care, has reduced the employment opportunities for our young people, has offloaded their expenses onto municipalities, has had a massive increase of lotteries which they are gambling in one seven-week period--does not build in any contingencies for the future federal budget cuts.

This is a government that is symbolized by socialism for the Winnipeg Jets and privatization of health care. We think the people of Manitoba want a different priority, want a different perspective, want a different future, one that is fair, one that deals with child poverty, one that deals with education, health care and jobs, that does not want to gamble away our future, so therefore, I move, seconded by the honourable member for Wolseley (Ms. Friesen), that the motion be amended by deleting all the words after "House" and substituting the following:

Therefor regrets

(a) that this government fails to protect our vital health services and has continued policies that are leading to reduced levels of services across Manitoba; and

(b) that this government's education policy has set up confrontation in our education system and continues policies that have resulted in the reduction of educational opportunities for our children; and

(c) that this government, by its own admission, is satisfied with continued economic performance below the national average

resulting in the worst record of job creation in Canada in 1994; and

(d) that this government has failed to account for lost revenues in federal transfers for vital Manitoba programs of health and post-secondary education and social services; and

Therefore this government has thereby lost the confidence of this House and the people of Manitoba.

Motion presented.

The Acting Speaker (Mr. Laurendeau): The motion is in order.

Mr. Orchard: Mr. Acting Speaker, I want to especially thank my good friend and colleague the Minister of Finance (Mr. Stefanson) for the opportunity to speak to this budget speech. I thank him for the honour, No. 1, but I do have to say, with some trepidation, that this will be the last speech, without equivocation, that I will make in this House to a budget.

(Mr. Speaker in the Chair)

Now, knowing that this is the case, I want to indicate to you that over the time that you have presided over this Chamber since 1988, you have done a remarkable job with moving us through a minority government, a majority government, an almost minority government. I know that you will preside over a majority Conservative government under the Premier's leadership after the election whenever it is called.

It has been an interesting 18 years, because over the period of time, for instance, a number of young Manitobans have passed through this Chamber as Pages. I thought it was quite remarkable when the discussion about candidates for the Pembina Conservative nomination was happening that one of the Pages of 1977 is a young and successful lawyer in my constituency and were it not for family and personal obligations would have been a candidate in the

nomination. So I think it is fair to say that for many of the young people who serve as Pages in this Chamber, lasting impressions are made, and I think that is a tribute to the institution of democracy.

* (1140)

I have been here and I have come to know a lot of people over the course of the 18 years, some pretty memorable folks on this side of the House as party associates, but indeed as well in the opposition parties. I have to say that I can probably say without equivocation that some of them that I originally disagreed with we have in latter years come to understand each other's positions better and indeed agreed on quite a few things. I know this will provoke some guffaws, but from time to time I have the privilege of speaking to Sid Green. Anybody who knows Sid Green and the tenacity and the vibrancy he brought to debate in this House, it was a simple delight to watch him and then-Premier Lyon debate head to head. Those are some of the memorable parts of this. Sam Uskiw, of course, we have discussions occasionally.

My association with this government and with the Premier has been one that I will find and cherish in memory for a long, long time because this Premier has operated a government in which he vested a lot of trust in us as individual ministers to undertake responsibilities of significant importance to the people of Manitoba. I want to thank the Premier for the opportunities that he gave me in his cabinet since 1988 and prior to that in building the path where we ended up being successful in 1988 in coming to govern.

You know, as you go through life you make a lot of friends and every time and every stage in life as you pass through that--for instance, you harken back to your graduation from high school. You believe that that group of friends that you had in high school are probably the best friends you will ever have. That is true, but as you go to university you find the same number

of friends, and again when you graduate from university you believe that those are some of the best friends that you will ever have. Then when you enter a job career, as I did, you meet a number of associates in your job background, and those are a group of friends that you believe are the best friends you will ever have.

I returned to Miami to farm in 1973, and of course become a part of our community which is a small, close-knit community, and you develop a lot of friends that you did not have as a high school student in that community.

I want to tell you, Mr. Speaker, that the friends you develop in this House, not for any necessarily difference politically with the opposition parties, but you do not have the opportunity to associate as well, but the friends that you make with your party colleagues are truly incredible. Naturally, you are drawn with an affinity to those friends who come in the same year that you were elected, and I have to say that we are down to two now, my honourable friend the MLA for Steinbach (Mr. Driedger), and my honourable friend the MLA for Arthur (Mr. Downey).

I want to tell you without equivocation that since I have been here the 18 years, those are two friends who will remain with me forever, because I can tell you that in the times when there were difficulties and troubles and you were having some pretty tough straits, the one person I could always rely on for a belly laugh and to get you going was the member for Arthur (Mr. Downey). He is a gentleman and a scholar and will remain a very close friend and associate for the rest of my life, and I want to publicly acknowledge that now, along with Albert.

I single those two out because they are the last remaining class members of the election of 1977, and preceding them of course were many friends who have since retired from elected life. Of course, the member for Lakeside (Mr. Enns) is still here--very, very good friends. Then new members from the 1981 election, my benchmate

here, the member for Morris (Mr. Manness). We will remain friends for the rest of our lives. Of course, in 1986 there were a number of new MLAs that came in and I developed very good friendships with them, and then in 1990 a new group, not to mention that the Finance minister was part of that new group. Those are cherished opportunities and they are the things that make the trials and tribulations of elected life incredibly rewarding on reflection over the past 18 years, and for me especially so.

I have had a lot of people wish me well since my announcement in December, and I thank them collectively for those letters and the expressions of personal support. They come from a lot of different areas and some unexpected ones, because I go back to Highways and Transportation in 1980 and '81, and I have friends from that association, and a lot of acquaintances in opposition when we went through the MTX affair and other initiatives.

Mr. Speaker, during the Health tenure a lot of professionals in the health industry I developed a lot of respect for. I think it was mutual from the tenor of their responses to me. I thank them for that kind of support and good wishes in my decision to leave elected life.

I want to say that in Pembina constituency I have had an excellent executive, as all of us do. You do not remain elected unless you have pretty good supporters and executive.

Just Friday last we elected a new candidate. Peter George Dyck will be the next Progressive Conservative MLA from Pembina. Mr. Speaker, I can assure you that he will carry on in a very, very remarkable way representing that tremendous part of Manitoba called Pembina constituency, with the vibrant communities of Winkler and Morden who are growing very, very quickly and expanding and taking advantage of that shift in the economy, and communities like Darlingford, Manitou, La Riviere, all of them will benefit from his representation after the next election.

I particularly have to say thank you to my constituents, because I say with some pride to my executive who have helped me and to all of those who have joined together in election campaigns, in five elections, '77, '81, '86, '88 and '90, I have yet to lose a poll in any of those elections. That is a tremendous thank you to the people who carried the freight during the election campaign and supported me, because not always are you able to be there day in and day out, particularly if you have government responsibilities and cabinet responsibilities. Yet the faith in the system, the belief in the policies of this Premier, this government and the Progressive Conservative Party held true in Pembina constituency. They demonstrated that with remarkable majorities that they conferred on me, and I thank them from the bottom of my heart for that.

Mr. Speaker, above all I simply say that no one could survive 18 years through thick and thin without the kind of support that I have had from my wife of over 25 years. It is a tremendous load that all of us put on our spouses, particularly in my case. When I was elected in 1977 we only had two children, Eric and Arlene. Arlene was our youngest at a year and a half, and Onalee was born after I was elected. Janie has virtually carried that load, the family, putting kids through school, making sure they are fed and watered, I guess is the terminology, and also a tremendous load that a spouse carries in a rural constituency, because when you are not there they get the phone calls and they manage to resolve issues. In many ways it is very much a partnership in this elected life, and it just does not exist without that kind of support.

It is an interesting time too for children, because if there is one thing I have to say that is difficult for young children with people who are in elected life, particularly now because the decisions that all of us have to make, if you are in cabinet and you are committed to sustaining this province and this nation, regardless of whether you are a Progressive Conservative, a

Liberal or a New Democrat, you are faced with very, very massive decisions, and they are difficult decisions, and they will continue to be difficult decisions.

* (1150)

Regrettably, from time to time in elected life family gets drawn into that in a very meanspirited and malicious way. That is regrettable, because they are not there to defend themselves. It is only us as elected officials that should take that kind of abuse. I call it abuse because sometimes the media, in their anxiousness to have a front-page story in their 30 seconds of fame on the six o'clock news or a copyright story, forget that behind every one of us there is family, whether it be a spouse, whether it be children, whether it be in-laws, whether it be a father or a mother. All of those people hurt deeply because they do not understand the dynamic that we work in.

I do not know whether that will ever change; I suspect it will not, but it is probably the only part that I really have to say that from time to time I have not enjoyed. I think probably when I say that, maybe from time to time there might be some agreement on that in the House. All of us are guilty, and I am as guilty as anybody for bringing some of that attention to myself, because I have been from time to time exuberant in some of my comments to honourable members opposite, but I also note that from time to time my honourable friends have been pretty exuberant in their comments towards me as well. That, Sir, is the nature of this Chamber. I mean, that is what this Chamber is all about, yet it is one of the regrettable realities of elected life today that with difficult decisions your family members are often dragged into them.

Mr. Speaker, I will be supporting this budget, and I will be supporting this budget, because I want to tell you that almost 17 years ago--I was not in this chair, I was back there--but I spoke to my first budget in this Chamber. I have to acknowledge that I was elected with a fairly

narrow set of goals. I did not have the grandiose plans to make a whole, brave, new world. I mean, I did not read those books, regrettably, but from my perspective as a university graduate--I worked for a company, I was farming--I came to the conclusion in 1977 when I was approached to seek the nomination that it was time to do that, because what was happening in the '70s was governments were starting to raise taxes every budget. Governments were spending beyond their means and creating deficits all through the '70s. It was the Schreyer government in Manitoba and the Trudeau government of the day in Ottawa and all provincial governments. We were draining our future, and I saw that as a danger.

I have to acknowledge that when I spoke in 1978 to that first budget presented by the Honourable Don Craik in Premier Lyon's government, I made reference to how we could not carry on with that legacy of spending beyond our means and creating deficits, of raising taxes every day. You know, it was quite interesting to be here in that speech. There was one member in the opposition that I particularly took note of because this member in the opposition was very vociferous. If you close your eyes, Mr. Speaker, you can hear opposition members in every Legislature in Canada, regardless of political affiliation, saying the same things.

The background of the 1978 budget was we were increasing spending by 3 percent, and that had been compared to a 10 percent to 11 percent increase that the Schreyer government had been traditionally bringing in. Of course, that was viewed with such animosity by members of the opposition. One member in particular said that this was going to rend the social safety net, the social fabric of this province. It was a devastating budget. It was going to have people dying on the street, because health care was not going to be there, because welfare was not. The very support that government had a responsibility and duty to provide to people was not going to be there because of this heartless government increasing spending by only 3

percent. Mr. Speaker, that individual was one Lloyd Axworthy.

Today, Lloyd Axworthy is the federal architect who has delivered to us in this budget \$220 million of reduced federal support to health and education. This is the Lloyd Axworthy who has closed Air Command. This is the Lloyd Axworthy who has closed Shilo. This is the Lloyd Axworthy who has closed the resource office at mining, the resource office in forestry. This is the Lloyd Axworthy who has closed two-thirds of the program and the personnel at Morden research station supporting agriculture. This is the same Lloyd Axworthy who has taken all of the historic Crow benefit away from farmers in Manitoba.

Now, Mr. Speaker, this Lloyd Axworthy who decried those spending cuts in 1978 is going to rend asunder this whole social fabric of the province of Manitoba is now the architect of the first crop failure ever for Manitoba farmers in February because he has pulled away the Crow benefit.

I make that gentle reference for two reasons. The Liberal Leader is standing up everywhere he goes saying the federal budget is good and I will defend it in the next provincial election. I welcome that because Manitoba was treated more unfairly than any other province in Canada. This Liberal Leader and his group are going to defend this budget, and he is going to defend it in Pembina constituency where Dr. Walter Hoepfner the president past of the Manitoba Medical Association, the doctors union, is decrying medical cuts. He is going to go to Pembina constituency as Leader of the Liberal Party and defend a \$220-million cut by the federal government to health care. I think there is a little bit of an anomaly coming up here, Mr. Speaker, a little bit of difficulty.

Now, Mr. Speaker, I make that comparison for the second reason. In the 18 years that I have been here, my fundamental beliefs about the integrity of budgeting, deficits and taxing have

not changed. I am still against taxing citizens' businesses who pass those taxes on to citizens and consumers. I am still against running deficits. I believe we have to have financial integrity before we can ever have social justice. I have not changed, but nearly everybody else in the world has changed. Liberals are now neo-Conservatives. New Democrats in Saskatchewan are now vicious hackers and slashers of health care and other programs according to opposition members in the Saskatchewan Legislature.

Now, Mr. Speaker, I ask you simply, if I have not changed and what this party believes in has not changed and everybody else is now talking our talk, then who is right. Who deserves to have the opportunity to govern in this province? Is it people who for 18 years, as I have been here, have been on the same path of fiscal prudence as the only method to support programs by the taxpayer to help the disadvantaged, whether it be in welfare, whether it be in child care, whether it be in health care, whether it be in education? If it is not this party that believes only within fiscal integrity can you do that, then who should govern this province? Should it be newfound neoconservative Liberals?

I ask that in rhetoric purely, Mr. Speaker, because recently I read an article on a visit by the Liberal Leader to Neepawa. In that article--and I should have brought it to table it--it talks about this newfound fiscal conservatism of the Liberal Leader saying we must cut spending, we have to drop programs, the new reality is we cannot spend any more, we must cut. That is the same Liberal Leader that has voted against seven budgets in a row that managed spending, that did not increase taxes, that brought the deficit down to a surplus budget that we are going to vote on now. He is going to vote against this one too. I say to myself, is this the same person that said those things in the House, because every single Question Period as Leader and as a member when he got on he asked for more spending during those seven budgets. Now miraculously

he is saying: Golly, we have to cut, we have to reduce spending.

The question becomes, Mr. Speaker, can you believe this Liberal Leader and what he says on the election campaign, can you believe that he says we need to manage the budget when he will stand up today and he will vote against one that does? I make that analogy back to Mr. Axworthy because I think it is prudent and I think it is appropriate food for thought.

* (1200)

Of course New Democrats, anybody that believes a New Democrat, under the current leadership, can balance a budget and be fiscally responsible I am going to commence a new career of selling you bridges, used buildings and swampland in Florida, because there is not an iota, a zot, a tittle of fiscal responsibility in the New Democrats over there. Every single day in Question Period from now on, despite the new fiscal realities and bragging about Mr. Romanow in Saskatchewan, who achieved the balanced budget by bilking the taxpayers, the average Saskatchewanian, by over \$1 billion in increased taxes and cut 56 hospitals, closed them, cold turkey closed them, I do not know how this Leader of the New Democrats can go to the people of Manitoba and say, trust me, I can do a better job.

I am sorry, Mr. Speaker, in today's environment there is no alternative to governing in the province of Manitoba today, because regardless of whether you are the Liberal Party or the New Democrats the honest reality with which you must approach this coming election is facing difficult situations. Ask Bob Rae if he has had fun governing lately. Ask Mike Harcourt if he has had fun governing lately. Ask the Premier of Nova Scotia if he has had fun governing lately. Even his own party is after his hide.

Mr. Speaker, the reality of government today is difficult decisions, and those difficult

decisions no one relishes making. What is the balance of choice? I think that this government, throughout the seven and a half years that we have been here, have made some pretty wise choices, wise enough in health, in education, in management of our civil service payroll that most other provinces in Canada, whether they be Liberal or New Democrat, are emulating them. To varying degrees of speed and haste, I will admit, but they are all the same.

The Premier of Saskatchewan is implementing more drastic cuts to health care than we ever get. We will have New Democrats stand up and say health care is going to be pillaged by this government. That is wrong. That is false.

You will have Liberals stand up and say, well, maybe we are in favour, maybe we are not, of Lotteries, while in Nova Scotia, for instance, they are passing legislation for two massive and huge casinos in Halifax. I mean, what makes a Liberal in government in Nova Scotia different from a Liberal in opposition in Manitoba? Well, I guess the difference in this case is the wrong Liberal in opposition got to be the leader, because we know the member for Inkster (Mr. Lamoureux) was promising more casinos.

Of course, in terms of casinos, in which gambling is the issue, let us not forget that the Leader of the New Democrats has already promised a casino in The Pas for the native community up there, and how many more we do not know. We will never know that because he will never get a chance to give them permission, No. 1, because he will never get to be Premier in this province. He is not being exactly forthright with where he would go with Lotteries, because you have got to remember--I remember coming back to Manitoba in 1970 from Alberta where I was working, because I was one of those people that left Manitoba, you know. I got a job out of province, but I am also one of those ones that came back. Only I left during the Schreyer years and I came back during the Schreyer years, and I made sure we got rid of them in 1977.

Now, Mr. Speaker, I do not want to spend too much more time on such mundane issues as honesty and integrity to the voters of Manitoba because this Question Period yesterday and today demonstrated there is not going to be any. I mean, we heard members in the opposition today say things, pose questions based on totally undeliverable premise if they should every grace the government doors.

It is just sort of like that party that had that book--What was it? Red book. Yes, the red book. That one promised to get rid of the GST. Remember the promise to get rid of the GST? Now, the word on the street in Ottawa is that there was no mention of the GST in the latest federal budget because there is an anticipation of four provincial elections, and Paul Martin and Chretien have said maybe we will have provincial governments led by the likes of the Liberal Leader in Manitoba and we can muscle them into doing an amalgamation so we can bail out. That is the sort of political meandering and manipulation that is going on behind the scenes right now.

Mr. Speaker, I want to share just a quick little anecdote, and I hope I have some time. I have been touting the virtues of our policy change in the mining industry in northern Manitoba and in British Columbia and in Ontario. I made an overhead presentation to a group of mining executives attending a conference some three weeks ago. It was quite remarkable. I got cheers--not just an ovation, I got cheers. British Columbia is governed by New Democrats and they are not exactly banner promoters of investment in the mining industry in British Columbia.

Mr. Speaker, what was particularly kind of gratifying to me is, a young woman came up after my presentation and asked me three times for a copy of my speech. I said, you do not understand, I do not have copies of speeches. All I have is these overheads. Well, no, but I need a copy of your speech. She was so frantic and frustrated I wondered what could be the

possible problem. So I said, why do you want a copy of my speech? She said, well, my name is Shelley Lear and I am a lawyer. I am developing policy for the Campbell Liberals in B.C., and we want your speech for our policy.

I only say that, Sir, to tell you how remarkable it is to hear this Liberal Party vote against every measure for the mining industry and every other measure we have made, and their counterparts in British Columbia want my speech for their policy to defeat the New Democrats. We also know that in British Columbia their policy on health care is going to be Quality Health for Manitobans, the blueprint that I laid down. We know that, because the former Liberal Health critic from here is now a candidate for the Liberals in British Columbia and intends to use that as the framework for policy.

Even better, I was in Toronto just this past week, same presentation, and I had the Nova Scotia Minister of Mines come up to me after. He said, you know, I am now doing the kind of corporate visitation you did last year to try to attract mining to our province. He said, you know, I was in an office and they remarked to me how I was sitting in the exact same chair that I had sat in last year about this time, and the question by the Nova Scotia Mines minister was, what can we do to get you to Nova Scotia? The answer was, do what Manitoba is doing. He said, you know, I think we will.

Mr. Speaker, what I am trying to tell my honourable friends is that if we wish to support the social programs, we have to have a fiscal stability, a balanced budget, a growing economy building on the strengths of our province. That is why we put that emphasis into the mining industry, the forestry industry, agriculture, as well as building the environment for entry into the new economy of the information age, the innovation age.

I want to share with my honourable friends, and I do this with trepidation, because I know

that I never win in terms of any discussions I have had with folks that buy newsprint by the carload and ink by the tanker load, but Canada and this province face such a fundamental challenge over the next few years that this is not a time where the citizens of this country can be confounded with inaccurate reporting, and partisan reporting indeed.

I submitted a couple of examples. I remarked with a great deal of interest two weeks ago when our lead minister Mr. Axworthy acknowledged that Air Command was going to be gone from Manitoba, and I could not help but note that morning in the Winnipeg Free Press that it was buried I believe on page 14.

I recall the CF-18 controversy which was not a loss of jobs and a reduction of service and a complete elimination of a layer of the military, it was the loss of a contract to build jobs in Manitoba. You might remember the CF-18 was front page in the Winnipeg Free Press day in and day out, and day in and day out. The Winnipeg Free Press, with all due regret, Sir, does not do itself any service as a paper that used to have incredible integrity across Canada for its editorial support, for its editorial integrity to be nothing but a franking piece for the Liberal Party, because regrettably that is what it has turned into.

If you want to talk about some of the personalities on the editorial board, have you ever had a balanced article from any of them recently that you can recall? I pose that seriously, because it is a very real challenge. You cannot, Sir, all of a sudden say that the efforts of the Mulroney government under Finance Minister Wilson, under Finance Minister Mazankowski were wrong in trying to bring the deficit down and wholeheartedly endorse the efforts of the Chretien government. Either it was important today, as important as it was yesterday, or it is not important.

The reason for the support, I humbly submit, is they did not want to support a party other than

a Liberal Party. That is the very underpinning of a democracy is the freedom of the press to provide news not editorial comment and opinion. Regrettably, and I say this with trepidation because I know I will get hammered because they buy paper by the carload and ink by the barrel, but they are not providing a balance in their news reporting. That balance needs to be there so that Manitobans can make informed choices as to what their future can and should be.

* (1210)

There ought to be, if there was integrity--and I will just use one which is really a pet peeve to me. We have one of the best industries for the new economy in Manitoba in rural Manitoba expanded in Manitoba over the last few years. It is called the PMU business with Ayerst Organics in Brandon and a number of farm families who have a profitable farm operation. It is under attack by the member for Radisson (Ms. Cerilli) in the NDP and by other animal rights groups. They want to shut down that industry, Mr. Speaker. That industry is worth literally tens and hundreds of millions of dollars to the Province of Manitoba. I think it would be an appropriate job for the Winnipeg Free Press, as the lead newspaper, to say, whoa, just a minute, let us put some facts on the table, let us defend what is right in Manitoba for Manitobans.

You would never have the Guardian in London allow any group to come in and attack a fundamental industry with bad information and outright false information because of the sovereignty that those papers believe is right and appropriate, for instance, for Great Britain. We do not have that in Manitoba.

You see, the difficulty is, Mr. Speaker, politicians are not believed, and someone who is tending to be impartial should be defending that industry and many others. Regrettably, we do not have that kind of impartial analysis of the facts, because if we did, the Lotteries issue would be dealt with in terms of relative comparison across Canada. It would mention

what each opposition party had said in the past. It would revisit some of their comments, and it would provide an accurate basis on which to decide.

I humbly submit, watch that paper over the next number of weeks and see what they do on the lottery issue, not because they want to inform Manitobans, I humbly submit, but because they want to try and elect a Liberal government. The former leadership candidate of that Liberal Party was promising more casinos but, of course, you will not see that written in the paper. That will not be in there. There will not be that kind of balance in there and it will not deal with how other provinces are dealing with lotteries.

It will not deal, for instance, with the riot on the Quebec Legislature, where the independent VLT operators in Quebec were having their exclusive right to make money taken away, by what? Action of the Quebec Liberal government, bringing it under their Lotteries commission, a fight we never went through because we saw that coming. We brought it in house to avoid the outside influence, the disorganization that is accompanying it.

Now, someone has to manage these issues, because without management we know that in the Maritimes there were VLTs in corner stores, unregulated, with no security as to whether they were operating fairly, safely or honestly, There was no sense whatsoever of where the profits were going.

In Manitoba, the Auditor and everybody know where every nickel goes in our Lotteries Corporation, and it has been that way for 20 years. I think that a reasonable dissertation on the issue might do a national comparison, might point out some of the challenges, might point out the positions of parties, because you cannot just study it, Mr. Speaker. You cannot just say, well, we will think about it.

If you are using it as an election issue, state a case, but of course that would be difficult for

both opposition Leaders, because I note with a certain amount of chagrin the tenor of the questions by both of them today.

They are decrying the use of the \$145 million to bring us into a surplus budget. That fund, you might recall, Mr. Speaker, was the same fund added to the almost promised or announced extra federal transfer payments of some \$180 million last fall as we were gearing up presumably for a provincial election that was announced by the federal government. Those two funds combined amounted to about \$300 million.

The Leader of the New Democrats wanted to spend it all right then and, of course, the Liberal Leader wanted to spend half of it. Now when we have put it towards balancing the budget, creating a surplus, they are against it.

Well, I understand that, because if they had been in government it would not have been there to put against the debt and the deficit and balancing the budget. We would have been adding to our deficit or, as New Democrats and Liberals in other provinces, they would have been raising the taxes on their citizens, which we have not done for eight budgets in a row.

Mr. Speaker, I am not seeking election this time around, but I want to tell you I am going to be very much a part of this election campaign because I am proud, Sir, that in making my last speech to a budget in the Province of Manitoba that I can speak to a balanced budget the first time in over 20 years, and a government that has brought forward the issues that are important to Manitobans by increasing spending on health, education, family services and the social safety net by creating a tax environment in which investment is growing and industries are thriving in the new economy. I am proud of that.

If I can offer to my honourable friends in my closing remarks of this, my last budget address, when you are telling the people of Manitoba what you would do different in government, tell them honestly because you will not then have to suffer the embarrassment of changing your position should you ever be elected.

We, since 1986, under the leadership of this Premier (Mr. Filmon) have never had to change our direction because we had said, deficits down, manage spending and no tax increases and we are saying it again.

Our vision for Manitoba is one of growth, with strength of opportunity and of clarity. I only ask my honourable friends to be as honest and as clear with where they would develop their policies. I thank you, Mr. Speaker.

Mr. Doug Martindale (Burrows): Mr. Speaker, I move that debate be adjourned.

Mr. Speaker: Moved by, seconded by?

Mr. Martindale: Seconded by the member for Wolseley (Ms. Friesen).

Mr. Speaker: It has been moved by the honourable member for Burrows (Mr. Martindale), seconded by the honourable member for Wolseley (Ms. Friesen), that debate be adjourned. Agreed?

Some Honourable Members: Agreed.

Mr. Speaker: Agreed and so ordered.

Is it the will of the House to call it 12:30 p.m.? [agreed] The hour being 12:30 p.m., this House is now adjourned and stands adjourned until 1:30 p.m. Monday.

LEGISLATIVE ASSEMBLY OF MANITOBA

Friday, March 10, 1995

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