



Third Session - Thirty-Sixth Legislature  
of the  
**Legislative Assembly of Manitoba**  
**DEBATES**  
**and**  
**PROCEEDINGS**

**Official Report**  
**(Hansard)**

*Published under the  
authority of  
The Honourable Louise M. Dacquay  
Speaker*



**MANITOBA LEGISLATIVE ASSEMBLY**  
**Thirty-Sixth Legislature**

<b>Member</b>	<b>Constituency</b>	<b>Political Affiliation</b>
ASHTON, Steve	Thompson	N.D.P.
BARRETT, Becky	Wellington	N.D.P.
CERILLI, Marianne	Radisson	N.D.P.
CHOMIAK, Dave	Kildonan	N.D.P.
CUMMINGS, Glen, Hon.	Ste. Rose	P.C.
DACQUAY, Louise, Hon.	Seine River	P.C.
DERKACH, Leonard, Hon.	Roblin-Russell	P.C.
DEWAR, Gregory	Selkirk	N.D.P.
DOER, Gary	Concordia	N.D.P.
DOWNEY, James, Hon.	Arthur-Virden	P.C.
DRIEDGER, Albert	Steinbach	P.C.
DYCK, Peter	Pembina	P.C.
ENNS, Harry, Hon.	Lakeside	P.C.
ERNST, Jim	Charleswood	P.C.
EVANS, Clif	Interlake	N.D.P.
EVANS, Leonard S.	Brandon East	N.D.P.
FILMON, Gary, Hon.	Tuxedo	P.C.
FINDLAY, Glen, Hon.	Springfield	P.C.
FRIESEN, Jean	Wolseley	N.D.P.
GAUDRY, Neil	St. Boniface	Lib.
GILLESHAMMER, Harold, Hon.	Minnedosa	P.C.
HELWER, Edward	Gimli	P.C.
HICKES, George	Point Douglas	N.D.P.
JENNISSEN, Gerard	Flin Flon	N.D.P.
KOWALSKI, Gary	The Maples	Lib.
LAMOUREUX, Kevin	Inkster	Lib.
LATHLIN, Oscar	The Pas	N.D.P.
LAURENDEAU, Marcel	St. Norbert	P.C.
MACKINTOSH, Gord	St. Johns	N.D.P.
MALOWAY, Jim	Elmwood	N.D.P.
MARTINDALE, Doug	Burrows	N.D.P.
McALPINE, Gerry	Sturgeon Creek	P.C.
McCRAE, James, Hon.	Brandon West	P.C.
McGIFFORD, Diane	Osborne	N.D.P.
McINTOSH, Linda, Hon.	Assiniboia	P.C.
MIHYCHUK, MaryAnn	St. James	N.D.P.
MITCHELSON, Bonnie, Hon.	River East	P.C.
NEWMAN, David, Hon.	Riel	P.C.
PALLISTER, Brian	Portage la Prairie	P.C.
PENNER, Jack	Emerson	P.C.
PITURA, Frank, Hon.	Morris	P.C.
PRAZNIK, Darren, Hon.	Lac du Bonnet	P.C.
RADCLIFFE, Mike, Hon.	River Heights	P.C.
REID, Daryl	Transcona	N.D.P.
REIMER, Jack, Hon.	Niakwa	P.C.
RENDER, Shirley	St. Vital	P.C.
ROBINSON, Eric	Rupertsland	N.D.P.
ROCAN, Denis	Gladstone	P.C.
SALE, Tim	Crescentwood	N.D.P.
SANTOS, Conrad	Broadway	N.D.P.
STEFANSON, Eric, Hon.	Kirkfield Park	P.C.
STRUTHERS, Stan	Dauphin	N.D.P.
SVEINSON, Ben	La Verendrye	P.C.
TOEWS, Vic, Hon.	Rossmere	P.C.
TWEED, Mervin	Turtle Mountain	P.C.
VODREY, Rosemary, Hon.	Fort Garry	P.C.
WOWCHUK, Rosann	Swan River	N.D.P.

## LEGISLATIVE ASSEMBLY OF MANITOBA

**Friday, March 21, 1997**

**The House met at 10 a.m.**

### **PRAYERS**

### **ROUTINE PROCEEDINGS**

### **PRESENTING PETITIONS**

#### **Gang Action Plan**

**Mr. Gord Mackintosh (St. Johns):** I beg to present the petition of Walter Gregory, Kay Gregory, Walter Kiryluk and others praying that the Legislative Assembly of Manitoba urge the Minister of Justice (Mr. Toews) to consider using this action plan, the 18-point plan, to deal with gang crime as a basis for provincial policy and organized criminal gangs.

### **READING AND RECEIVING PETITIONS**

#### **Mobile Screening Units for Mammograms**

**Madam Speaker:** I have reviewed the petition of the honourable member for Wellington (Ms. Barrett). It complies with the rules and practices of the House. Is it the will of the House to have the petition read?

**An Honourable Member:** Dispense.

**Madam Speaker:** Dispense.

*WHEREAS medical authorities have stated that breast cancer in Manitoba has reached almost epidemic proportions; and*

*WHEREAS yearly mammograms are recommended for women over 50, and perhaps younger if a woman feels she is at risk; and*

*WHEREAS while improved surgical procedures and better post-operative care do improve a woman's chances if she is diagnosed, early detection plays a vital role; and*

*WHEREAS Manitoba currently has only three centres where mammograms can be performed, those being Winnipeg, Brandon and Thompson; and*

*WHEREAS a trip to and from these centres for a mammogram can cost a woman upwards of \$500 which is a prohibitive cost for some women; and*

*WHEREAS a number of other provinces have dealt with this problem by establishing mobile screening units; and*

*WHEREAS the provincial government has promised to take action on this serious issue.*

*WHEREFORE YOUR PETITIONERS HUMBLY PRAY that the Legislative Assembly of Manitoba may be pleased to request the Minister of Health (Mr. Praznik) to consider immediately establishing a mobile screening unit for mammograms to help women across the province detect breast cancer at the earliest possible opportunity*

#### **Gang Action Plan**

**Madam Speaker:** I have reviewed the petition of the honourable member for St. Johns (Mr. Mackintosh). It complies with the rules and practices of the House. Is it the will of the House to have the petition read?

**An Honourable Member:** Dispense.

**Madam Speaker:** Pardon me?

**An Honourable Member:** Yes.

**Madam Speaker:** Yes? The Clerk will read.

**Mr. Clerk (William Remnant):** The petition of the undersigned citizens of the province of Manitoba humbly sheweth:

THAT the increase in violent crimes in Manitoba since 1990 has been more than three times as much as the Canadian average; and

THAT crime can only be effectively dealt with through both prevention and suppression; and

THAT the tough talk of the Manitoba Justice minister has not been matched with action; and

THAT Manitobans want a positive, comprehensive response to crime and gang crime that provides alternatives for youth; and

THAT the New Democratic Party has put forward an 18-point plan to deal with gang crime; and

THAT this plan is divided into elements focused on both the justice system and families, schools and communities; and

THAT this costed plan has been subject to widespread consultation and has been praised as a detailed plan to fight youth crime that is well thought through and constructive.

WHEREFORE YOUR PETITIONERS HUMBLY PRAY that the Legislative Assembly of Manitoba urge the Minister of Justice to consider using this action plan as a basis for provincial policy on organized criminal gangs.

#### **Mobile Screening Units for Mammograms**

**Madam Speaker:** I have reviewed the petition of the honourable member for Dauphin (Mr. Struthers). It complies with the rules and practices of the House. Is it the will of the House to have the petition read?

**An Honourable Member:** Yes.

**Madam Speaker:** Yes? The Clerk will read.

**Mr. Clerk (William Remnant):** The petition of the undersigned citizens of the province of Manitoba, humbly sheweth that:

WHEREAS medical authorities have stated that breast cancer in Manitoba has reached almost epidemic proportions; and

WHEREAS yearly mammograms are recommended for women over 50, and perhaps younger if a woman feels she is at risk; and

WHEREAS while improved surgical procedures and better post-operative care do improve a woman's chances if she is diagnosed, early detection plays a vital role; and

WHEREAS Manitoba currently has only three centres where mammograms can be performed, those being Winnipeg, Brandon and Thompson; and

WHEREAS a trip to and from these centres for a mammogram can cost a woman upwards of \$500 which is a prohibitive cost for some women; and

WHEREAS a number of other provinces have dealt with this problem by establishing mobile screening units; and

WHEREAS the provincial government has promised to take action on this serious issue.

WHEREFORE YOUR PETITIONERS HUMBLY PRAY that the Legislative Assembly of Manitoba may be pleased to request the Minister of Health (Mr. Praznik) to consider immediately establishing a mobile screening unit for mammograms to help women across the province detect breast cancer at the earliest possible opportunity.

\* (1005)

**Madam Speaker:** I have reviewed the petition of the honourable member for Swan River (Ms. Wowchuk), and it complies with the rules and practices of the House. Is it the will of the House to have the petition read?

**Some Honourable Members:** Yes.

**Madam Speaker:** The Clerk will read.

**Mr. Clerk:** The petition of the undersigned citizens of the province of Manitoba, humbly sheweth that:

WHEREAS medical authorities have stated that breast cancer in Manitoba has reached almost epidemic proportions; and

WHEREAS yearly mammograms are recommended for women over 50, and perhaps younger if a woman feels she is at risk; and

WHEREAS while improved surgical procedures and better post-operative care do improve a woman's

chances if she is diagnosed, early detection plays a vital role; and

WHEREAS Manitoba currently has only three centres where mammograms can be performed, those being Winnipeg, Brandon and Thompson; and

WHEREAS a trip to and from these centres for a mammogram can cost a woman upwards of \$500 which is a prohibitive cost for some women; and

WHEREAS a number of other provinces have dealt with this problem by establishing mobile screening units; and

WHEREAS the provincial government has promised to take action on this serious issue.

WHEREFORE YOUR PETITIONERS HUMBLY PRAY that the Legislative Assembly of Manitoba may be pleased to request the Minister of Health (Mr. Praznik) to consider immediately establishing a mobile screening unit for mammograms to help women across the province detect breast cancer at the earliest possible opportunity.

#### **PRESENTING REPORTS BY STANDING AND SPECIAL COMMITTEES**

##### **Standing Committee on Public Utilities and Natural Resources Second Report**

**Mr. Ben Sveinson (Vice-Chairperson of the Standing Committee on Public Utilities and Natural Resources):** Madam Speaker, I beg to present the Second Report of the Committee on Public Utilities and Natural Resources.

**An Honourable Member:** Dispense.

**Madam Speaker:** Dispense.

*Your Standing Committee on Public Utilities and Natural Resources presents the following as its Second Report.*

*Your committee met on Friday, October 25, 1996, at 10 a.m. in Room 254, Tuesday, March 18, 1997, at 10 a.m. in Room 255 and Thursday, March 20, 1997, at 10 a.m.*

*in Room 254 of the Legislative Building to consider the Annual Report for the Manitoba Hydro-Electric Board for the year ended March 31, 1996.*

*Mr. John McCallum, chairperson, and Mr. Robert Brennan, president and chief executive officer, provided such information as was requested with respect to the Annual Report for the Manitoba Hydro-Electric Board for the year ended March 31, 1996.*

*Your committee has considered the Annual Report for the Manitoba Hydro-Electric Board for the year ended March 31, 1996, and has adopted the same as presented.*

**Mr. Sveinson:** Madam Speaker, I move, seconded by the honourable member for St. Norbert (Mr. Laurendeau), that the report of the committee be received.

**Motion agreed to.**

##### **Standing Committee on Privileges and Elections First Report**

**Mr. Peter Dyck (Chairperson of the Standing Committee on Privileges and Elections):** Madam Speaker, I beg to present the First Report of the Committee on Privileges and Elections.

**An Honourable Member:** Dispense.

**Madam Speaker:** Dispense.

*Your Standing Committee on Privileges and Elections presents the following as its first report.*

*Your committee met on Thursday, March 20, 1997, at 10 a.m. in Room 255 of the Legislative Assembly to consider a review of the operation of the Children's Advocate section of The Child and Family Services Act. At that meeting, your committee elected Mr. Dyck as its Chairperson and Mr. Tweed as its Vice-Chairperson.*

*At that meeting, your committee adopted the following motions:*

##### **MOTION:**

**THAT the Standing Committee on Privileges and Elections establish a Sub-Committee in order to**

*facilitate a review of the operation of the Children's Advocate Section of the Child and Family Services Act; and,*

*THAT the Sub-Committee consist of five (5) members, namely, Messrs. DYCK, HELWER, MARTINDALE, KOWALSKI and TWEED; and,*

*THAT Mr. DYCK be designated as the Chairperson of the Sub-Committee.*

**MOTION:**

*THAT the Standing Committee on Privileges and Elections recommends to the House that the Sub-Committee established to review the operation of the Children's Advocate Section of the Child and Family Services Act be authorized to advertise this review in the local newspapers throughout the province; and,*

*THAT the advertisement should indicate that both written and oral presentations will be accepted by the Sub-Committee; and*

*THAT the deadline for submitting names for oral presentations before the Sub-Committee be April 18, 1997; and*

*THAT the deadline for submitting written presentations be April 30, 1997.*

**MOTION:**

*THAT the Standing Committee on Privileges and Elections recommends to the House that the Sub-Committee established to review the operation of the Children's Advocate Section of the Child and Family Services Act be authorized, based upon the response from the general public, to travel and/or video conference, throughout the province.*

**MOTION:**

*THAT the Sub-Committee established to review the operation of the Children's Advocate Section of the Child and Family Services Act call as its first presentor Mr. Wayne Govereau, the Children's Advocate.*

*THAT any presentations before the Sub-Committee established to review the operation of the Children's Advocate Section of the Child and Family Services Act*

*be limited to 20 minutes for presentation and 10 minutes for questions.*

**MOTION:**

*THAT the Sub-Committee established to review the operation of the Children's Advocate Section of the Child and Family Services Act submit its report on or before May 30, 1997.*

**Mr. Dyck:** I move, seconded by the honourable member for Turtle Mountain (Mr. Tweed), that the report of the committee be received.

**Motion agreed to.**

**MINISTERIAL STATEMENTS**

**1997 Flood Preparations**

**Hon. Frank Pitura (Minister of Government Services):** Madam Speaker, I have a statement for the House.

Madam Speaker, as Minister responsible for The Emergency Measures Act, I would like to take this opportunity to inform the House on the activities of the Manitoba Emergency Management Organization to prepare for potential spring flooding.

Madam Speaker, an emergency response starts at the local level with the development of an emergency plan. The communities in the flood-prone areas of the Red River Valley have such plans and have reviewed them in anticipation of spring flood activities. At the provincial level, the flood forecasts issued by Water Resources Branch are being immediately faxed to municipal offices to ensure municipalities have the latest flood information. The Manitoba Emergency Management Organization has been proactive in co-ordinating information, resources and actions of provincial and federal resources to support local authorities in their flood mitigation efforts.

\* (1010)

Manitoba Agriculture, the Canadian Wheat Board and Manitoba Pool Elevators have met and agreed on steps to ensure that grain will be moved from low-lying

areas. By March 31, about 100,000 tonnes of grain will have been moved by rail out of the Red River Valley. In addition, to provide timely information and assistance to local authorities, flood liaison offices will be set up in Melita, Niverville, Russell and Selkirk.

The Manitoba Emergency Management Organization has furnished information to municipal offices on diking operations, suppliers of sandbags, elevation databases and other information relating directly to individual communities.

Finally, Madam Speaker, MEMO has developed training courses for local officials on the cost-recovery process through disaster financial assistance. Training sessions began in Selkirk on March 18 and will continue in Winnipeg on March 21, in Morris on March 25 and in Letellier on March 26.

Madam Speaker, I will continue to provide updates to the House as new developments occur. Thank you.

**Mr. Jim Maloway (Elmwood):** Madam Speaker, I would like to thank the minister for his update on the flood situation, and I want to assure him that we on this side of the House will work with him to help get the province through a very potentially troubling time. This is potentially a very stressful time for the residents of this province and could lead to a lot of upheaval in people's lives, and could possibly lead to tremendous property losses because we are looking at potentially one of the worst floods on record.

Once again, I do feel that we will do our utmost and help the government out wherever possible. We have suggested in the past that the government approach this problem on an all-party basis. Back in the '80s we had an all-party committee dealing with the Garrison flooding question, and we would encourage the government to adopt that type of an approach to keep us informed and let us participate in the process. Thank you very much.

## TABLING OF REPORTS

**Hon. Vic Toews (Minister of Justice and Attorney General):** I am pleased to table the 1995 Annual Review of the Office of the Chief Medical Examiner.

**Hon. Glen Cummings (Minister of Natural Resources):** Madam Speaker, I am pleased to table the Five-Year Report on the Status of Forestry.

## INTRODUCTION OF GUESTS

**Madam Speaker:** Prior to Oral Questions, I would like to draw the attention of all honourable members to the Speaker's Gallery where we have with us this morning His Excellency Paul Dempsey, Ambassador of Ireland to Canada.

On behalf of all honourable members, I welcome you this morning.

\* (1015)

## ORAL QUESTION PERIOD

### Home Oxygen Supply Service Privatization—Cost Analysis

**Mr. Gary Doer (Leader of the Opposition):** Madam Speaker, my question is to the First Minister (Mr. Filmon). In dealing with the Home Oxygen Program, the government ministers across the way have put up a number of questionable answers about their rejection of the recommendation made by their own experts dealing with this program. Today we see the Minister of Health has stated that he was absolutely shocked that there was no analysis, no information, they had no idea of the cost comparisons in dealing with the decision to privatize the majority of this service which is presently being run, in terms of service, by home care staff of the Province of Manitoba.

I would like to ask the Premier: can the Premier tell the House today whether his current Minister of Health—and he has had three ministers of Health and he has had now I guess at least three deputy ministers of Health—is the Premier saying today that the Minister of Health is correct when he says there is no analysis and they have no idea of what they are doing in terms of the cost quality of this decision?

**Hon. Darren Praznik (Minister of Health):** Madam Speaker, first of all, the Leader of the Opposition makes reference to three ministers of Health, but there has certainly been more than one Health critic in the time I have been here in the House, so whatever results in

change happens on both sides. [interjection] Well, if there have only been two, I am sure a change may be due.

The fact of the matter is the Leader of the Opposition again, who is prone to exaggeration, has exaggerated the point that I made. The prime purpose for putting out this tender, as I discussed with the Free Press reporter yesterday and my new deputy minister, Mr. DeCock, also was part of that interview at one point—I point out that the plan was to go to a one-stop shopping method. Currently the equipment and the supplier of the oxygen come from two separate points. I believe there are two points of access. Under this new particular system, there is one point of access, including a toll-free line. So, Madam Speaker, the prime issue is one of service.

**Mr. Doer:** Madam Speaker, I have asked the Premier (Mr. Filmon) in the past to indicate to the people of Manitoba, to the public and to this Chamber whether they in fact have done any analysis at all in the government, in the health care department, in the Treasury Board, of the cost analysis of moving from a program that is delivered with backup from the private sector in service from a home care nonprofit service to a system that they are now embarking on.

I would like to ask the Premier today will he table any study of cost comparisons with this new proposal they are looking at and compared to the existing program in terms of client services in the home oxygen service here in Manitoba.

**Mr. Praznik:** Madam Speaker, as I have indicated, the prime purpose for this particular move was to be able to deliver better service. We would hope that there will be some efficiency. In talking with the officials in the Ministry of Health who have been part of this project for some time, one of the difficulties in getting exact numbers—and I know the Leader of the Opposition will have had that experience in his days in cabinet, and it is sort of common to all governments—is the way in which costs are allocated to various programs pose difficulty in getting a true cost analysis of any programs.

Indeed, when we came into power in 1988, the cost of space, for example, was not allocated to

departments. Benefits were not often allocated to the true cost of process. So, over our period in government, we have been working to improve those cost-accounting methods so we can get very true and accurate cost accounting for our programs. One thing for certain is, with this particular tender, it gives us over the next two years a chance to have a true evaluation of our costs of delivering this program.

**Mr. Doer:** Madam Speaker, we find, whether it is in privatization of home care last year or privatization and putting profit into any part of the health care system, that the Tories want to proceed on the basis of ideology, not on the basis of what is best for Manitobans. In fact, they hide and cover up the fact that they have studies.

I would like to table today a copy of a study conducted in the Department of Health which totally contradicts the Minister of Finance (Mr. Stefanson), the Premier (Mr. Filmon) and the Minister of Health, which analyzes the cost of proceeding from an existing system that is run by home care nonprofit staff with a backup from a private company. The cost in Manitoba is \$854 on a client year. The cost of going to the private system and the profit system that they are proceeding with in Alberta is \$3,264 a year, and a similar cost in Ontario is \$4,700 a year.

How can the Premier maintain this cover-up position that they do not have any numbers and they do not have any facts and figures when the facts and figures they have recommend against proceeding with the privatization of the oxygen home care system?

**Mr. Praznik:** Madam Speaker, I detect a really shallow analysis from the Leader of the Opposition. He quotes a cost of this program—and remember, there are two parts to it now. There is the supply of equipment which government has traditionally done through home care and the purchase of oxygen. I do not know if he has combined those figures, which is now the case, and then he quotes the prices in other provinces. Well, this is not Alberta, it is not Ontario, and in so many cases the New Democrats are just wrong.

I would like to table in the House today their press release in which they indicated and stated as a matter of fact that Rimer Alco did not have a bond in place. The

member for Crescentwood (Mr. Sale) issued this press release. He talked about integrity of the program. He says on the 18th of March that there was no bond in place, categorically. I would like to table the bond dated the 7th of March. So, Madam Speaker, they are always wrong.

\* (1020)

**Madam Speaker:** The honourable Leader of the official opposition, with a new question.

**Mr. Doer:** Yes, a new question, Madam Speaker, a new question to the Premier. He has been in charge while these studies have been conducted. He has been in charge with previous ministers of Health. He has been in charge of the existing Minister of Finance (Mr. Stefanson) who went out in the hallway yesterday and made various comments and the day before.

I would like to ask the Premier (Mr. Filmon) did he, was he—[interjection] That he did not care about quality of health care was the essence. He said that both bids were similar when in fact his own health experts said the opposite, contrary to what the Minister of Finance said in this Chamber.

I would like to ask the Premier will he table today any other study that the government has that would contradict the fact that Manitoba's existing system on a cost-quality basis is much superior to the other systems which they are moving towards, that the recommendation from their own health experts is to improve the existing system, not to privatize the existing system with the private contracts. I would like to ask the Premier today does he have any study refuting the study we have tabled in this Chamber today that comes from his own Health department recommending against this privatization.

**Mr. Praznik:** Madam Speaker, although I do not have the exact math in front of me, there are some 800 people on the program. The value of the contract over a two-year period is somewhat just over \$1.4 million. I am not the greatest at math, but that certainly does not add up to the thousands of dollars the Leader of the Opposition is proposing.

The member refers to this study. I am just getting a glance over it. It does not appear even from my quick reading that it supports the position in detail that the Leader of the Opposition is advancing.

**Mr. Doer:** Madam Speaker, the conclusion is not mine. It is the Department of Health's own committee that recommends that the existing system be improved but it not be privatized, as the government has proceeded to do. It is the government's own cost analysis between Manitoba, Alberta and Ontario, and it shows the cost per client sufficiently cheaper here in the province of Manitoba. It further goes on to say that no one company could take over or should take over and establish a monopoly.

I would like to ask the Premier why has he again gone against his health care experts and proceeded to go with the monopoly, as they proceeded to do in the government without any study to back up their position.

**Mr. Praznik:** Madam Speaker, just the cursory math from the information we have tells me that the numbers the Leader of the Opposition is using of \$3,000 in Alberta and \$4,000 in Ontario are wrong.

**An Honourable Member:** They are your numbers.

**Mr. Praznik:** Well, they may be the numbers of the department, Madam Speaker, but they have not borne out true in the contract. I mean, the contract, as we have indicated, is for some 800 Manitobans. We will work on those particular numbers.

Madam Speaker, what I find most interesting is the member here talks about not having a monopoly. For how many days in this Legislature have we heard him, the member for Crescentwood (Mr. Sale) supporting an industry, a traditional industry, taking their view because they did not win a contract, an industry, generally speaking, that has overcharged the people of Manitoba and Canada for oxygen for a number of years?

I cannot believe that I am standing here today hearing the New Democrats defending big corporate interests.

\* (1025)

**Mr. Doer:** My question is to the First Minister. His Minister of Health has stated that there is no study in the Department of Health. He is wrong. We have again tabled reports from his own Ministry of Health, from his own experts that do the comparison and make recommendations to the government. We have maintained all along and it is very, very clear that we believe in the principle of nonprofit in our health care system. That is absolutely clear throughout all of this debate.

This recommendation recommends to maintain the current system due to the cost-effectiveness of \$854 per client per year versus the \$2,400 in the private sector. I would like to know on what health care reasons and what cost-effective reasons the Premier (Mr. Filmon) rejected his own health care experts and proceeded to privatization of the Home Oxygen Program for the 800 people that rely on that program.

**Mr. Praznik:** For the third or fourth time, Madam Speaker, in just looking at this analysis, very clearly, they refer to Alberta and they refer to Ontario in the document tabled by the Leader of the Opposition.

What we have been saying in this House for the whole week, and one of the great benefits of Rimer Alco in Manitoba, is that they have brought a competitive force to the oxygen business that has brought down the cost of oxygen. All we have seen that party do across the way for this week is tear down a small Manitoba company that has done nothing, nothing but reduce the cost of oxygen in Manitoba hospitals, we would expect in our Home Care program, which frees up other dollars for patients in Manitoba because that is what this is about.

#### **Home Oxygen Supply Service Rimer Alco Contract**

**Mr. Tim Sale (Crescentwood):** Madam Speaker, Manitoba jobs are the jobs we are speaking about here, Manitobans who have provided high-quality services over many years to vulnerable people, those are who are being laid off.

More than 20 times this week the Finance minister and the Health minister said that the home oxygen committee recommended either of two companies as

satisfactory, when the final minutes, which we have tabled and they have read, unequivocally and unanimously recommended a three-year contract to one company at a cost saving.

Will the Minister of Finance finally admit what everybody else knows and what has been admitted, in fact, all over the place except here, that basically he has misled the House in regard to the committee's recommendation on both quality and cost and that the preferred bidder was VitalAire, not Rimer Alco, that Rimer Alco was not even recommended as a second choice? Will he finally confirm that?

**Hon. Eric Stefanson (Minister of Finance):** Madam Speaker, no. I will not admit to any such things, especially coming from a member who is the master of misleading this House, the member for Crescentwood. He does it time and time again. He comes with misinformation, wrong information, and he is wrong again on this one.

The committee clearly recommended there are two firms that have the quality to perform this work. Rimer Alco is one; VitalAire is the other. On the basis of a two-year contract, Rimer Alco was the lowest cost. It was on that basis that the contract was awarded.

I remind all members opposite of the importance of issues like performance bonds. Rimer Alco has a \$1.75-million performance bond and to get a performance bond, the bonding company obviously has to be assured that you can provide the service, that you can provide the quality service and that you have the financial wherewithal to do that. So to get that kind of a bond, that bonding company is also standing behind the ability of Rimer Alco.

\* (1030)

**Mr. Sale:** Will this Finance minister, who has to be able to be trusted by companies and the people of Manitoba, finally acknowledge that the date by which that bond was to be in place was Friday, October 5, 1996, not March 7, 1997, and that by allowing this company to not have a bond in place as the other bidders had to do, he basically skewed the bidding process and undercut the integrity of government tendering? He knows that is the case. Will he acknowledge it to the House?

**Mr. Stefanson:** The last person that I need any lessons on trust from is the member for Crescentwood. This company has their performance bond. It is a performance bond for \$1.75 million, in excess of the total value of the contract. Often the norm in the industry is for 50 percent of a contract.

This company has bonding in excess of the total contract requirement, and I encourage members opposite to understand what a bonding company does before they actually issue a performance bond. They go through the capabilities of the company, their ability to provide that service. Obviously, to put at risk \$1.75 million, that bonding company has an awful lot of confidence in Rimer Alco to provide the service. It is based on the combination, that the evaluation committee said they are one of two firms that have the capability and quality to do it and they are the overall lowest cost to government over that two-year period.

**Mr. Sale:** Is the Finance minister, by awarding this contract to one company, then speaking in favour of monopoly contracts, putting at risk the long-term viability of an industry, when his own committee recommended that no one company be given a monopoly precisely because once the sunk costs are paid for, any new entrant into the field is going to have a very hard time bidding competitively? He has given away a monopoly. Is that his policy?

**Mr. Stefanson:** That is an interesting question coming from the masters of monopoly across the way. I think everybody in Manitoba can acknowledge that usually competition is healthy. Usually competition drives quality in terms of services and the best price that you can get.

That is exactly the process that we have gone through here where we have gone through a request for proposal. Five firms bid on the work. This firm was deemed to be the most appropriate based on quality and cost, and that is why the contract has been awarded to Rimer Alco.

#### Community Clubs—Youth Programs Goods and Services Tax

**Ms. Marianne Cerilli (Radisson):** Madam Speaker, there has been talk lately leading into this weekend's

Liberal meeting on gangs about what the federal government can do to reduce the growth of street gangs and youth crime. One recommendation that we have is to stop charging the GST on community club programs like Park City West in my constituency which has been sent a GST bill for more than \$10,000.

I want to ask the Minister of Finance, who is also the Minister for Sport, if he has had any discussions with the federal government for them to stop charging the GST on youth programs at community clubs. If not, will he consider doing that?

**Hon. Eric Stefanson (Minister of Finance):** No, I have not, but I will certainly look into the issue and consider doing it as requested.

**Ms. Cerilli:** For the Minister of Justice: does this minister not agree that there is a case to be made for the work done in youth services, in community crime prevention of the volunteer-run community clubs across our province and that the least the Liberals could do, if they would not completely eliminate the GST as they promised—would he not agree there is a case to be made for them to at least scrap the GST on community club programs?

**Hon. Vic Toews (Minister of Justice and Attorney General):** Madam Speaker, I think my colleague from Radisson has in fact indicated that there is a case to be made, and the Minister of Finance (Mr. Stefanson) will raise that with the appropriate federal officials. I thank the member for bringing that to our attention.

**Ms. Cerilli:** Madam Speaker, for the Justice minister: since he has been invited to the Liberal by-invitation-only meeting this weekend on gangs, will he raise this issue this weekend with the ministers and the other members of the government at the meeting this weekend and end this erosion of the ability of community clubs to provide crime prevention services and programs for youth in our province?

**Mr. Toews:** Madam Speaker, I will have an opportunity to raise a number of issues with the federal Minister of Justice over the weekend, beginning in The Pas this afternoon and at the youth conference on Saturday as well as Sunday afternoon in certain discussions.

I do not have the background material on that specific issue, so I do not think I can raise it in an educated way, but I think the member has brought an interesting proposal forward. If there is merit to it, I am sure that the Minister of Finance (Mr. Stefanson) will advise the appropriate federal officials, and I would certainly want to co-operate in that respect if that in fact is feasible and an appropriate way to proceed.

#### **Home Oxygen Supply Service Rimer Alco Contract**

**Mr. Kevin Lamoureux (Inkster):** Madam Speaker, my question is for the Premier.

The office of the Provincial Auditor actually had a special audit done with respect to Woodstone Corporation, which was another recipient of Grow Bonds. One of the recommendations in it, and I cite the report specific—certain information was included in the offering memorandum that may have overstated the immediacy of the prospect of significant sales.

My question to the government is: is this in all likelihood what happened with Rimer Alco, that the same error was indeed made, and that is why special treatment was given and the contract was awarded?

**Hon. Gary Filmon (Premier):** Not to my knowledge, Madam Speaker.

#### **Grow Bonds Program Sales Estimates**

**Mr. Kevin Lamoureux (Inkster):** Madam Speaker, I would ask the Premier, because I am sure he would acknowledge the benefits of the Grow Bonds Program and its integrity is critical in terms of its long-term survival, will the Premier indicate to us today what actions he has taken to ensure that Grow Bond recipients are in fact not only legitimate but are not overestimating on their potential sales and in essence following the recommendations from the Provincial Auditor?

**Hon. Gary Filmon (Premier):** Madam Speaker, I am informed that we are following all of the recommendations from the Provincial Auditor, and I

noted in the information that the member tabled a couple of days ago that the financial position of Rimer Alco had improved in the period that was shown year upon year, I believe it was '95 to '96.

I also note that it is passing strange, as my former colleague from Morris used to say, that, at the same time as he is advocating that we do things to ensure the integrity and the strength of our Grow Bond corporations, he was advocating that we ignore the bid of the Grow Bond corporation that was the lowest bid and a qualified bidder and was able to be bonded, ignore all of that and take the work away from them and give it to a multinational corporation. Now, how would that have helped the integrity and the financial security of the corporation, Rimer Alco?

#### **Home Oxygen Supply Service Rimer Alco Contract**

**Mr. Kevin Lamoureux (Inkster):** Madam Speaker, I would respond in the sense of a question to the Premier by asking the Premier to acknowledge the fact that the real reason why Rimer Alco was given this particular contract was because it was having financial difficulties and needed to have additional sales, and this government gave it special treatment because it felt it could save, at least in part, the Grow Bonds Program.

**Hon. Gary Filmon (Premier):** Madam Speaker, that is absolutely false, and the member opposite should be ashamed to even raise that issue.

#### **Manitoba Human Rights Commission Funding**

**Mr. Gord Mackintosh (St. Johns):** Today is antiracism day, and I noticed members of the government are wearing their Stop Racism buttons. It is a good day to take stock of how well we as a province are committed to combatting the unrelenting evils of hate, racism and discrimination.

My question to the Minister of Justice is, in light of more budget cuts targeted at the Human Rights Commission of Manitoba this year, can the minister tell us what work of the commission the government finds repugnant or unworthy?

**Hon. Vic Toews (Minister of Justice and Attorney General):** Madam Speaker, I do not need any lectures from the member for St. Johns on racism. This is a government that is committed to the equality of all people here in Manitoba, but that does not prevent us from looking at our various programs from time to time to determine in fact that the services being offered or the programs or the commissions offering services to the people of Manitoba are doing so appropriately.

So I would welcome this discussion in a more full way during Estimates. I would welcome those kinds of questions and we can go through the details.

\* (1040)

**Mr. Mackintosh:** Would the minister not admit that, by cutting the Human Rights Commission's budget, the kind of move denounced by the federal Human Rights Commissioner just yesterday, for each of the last three years and including gutting the Human Rights Commission's education function last year, the government is purposely undermining the fight against hate and racism?

**Mr. Toews:** No, Madam Speaker.

#### **Manitoba Telecom Services Telephone Booth Locations**

**Mr. George Hickes (Point Douglas):** My question is to the Minister responsible for MTS or the First Minister (Mr. Filmon). MTS spokesman Guy Prokopetz was quoted in today's paper and said with respect to a phone booth on the Perimeter Highway, "We decide to remove a phone based on how much it makes."

Will the minister not agree that phone booths should also be provided on the basis of safety considerations and on public need? Is the newly privatized MTS reducing every concern about phone service to the issue of how profitable the service is, neglecting safety and other issues?

**Hon. Glen Findlay (Minister of Highways and Transportation):** Madam Speaker, I am no longer Minister responsible for the Manitoba Telephone

System. It is no longer responsible to government. It is in the private sector as a private corporation which makes its own decisions.

**Mr. Hickes:** My question is to any minister who is concerned about public safety. There are many phone booths in the inner city, particularly in the West Broadway and Point Douglas areas, and they serve a public interest in safety due to the lower level of phone ownerships and higher levels of crime. Many 911 calls are made from these phones.

Can any minister assure residents those phone booths will remain for safety reasons regardless of whether they turn a profit for MTS?

**Hon. Gary Filmon (Premier):** Madam Speaker, those are all valid concerns that the member is expressing. He should do what has been available to him in the past, which is to approach directly Manitoba Telecom Services. As well, if he is sincere about it, to appear before the Public Utilities Board, which regulates and governs the actions of the Telecom Services, whether they are in—I should say the CRTC—

**Some Honourable Members:** Oh, oh.

**Madam Speaker:** Order, please.

**Mr. Filmon:** Madam Speaker, I do not think the members opposite are terribly sincere about this. This is just a joke to them.

#### **Woodstone Technologies Ltd. Provincial Auditor's Report**

**Mr. Kevin Lamoureux (Inkster):** Madam Speaker, I would like to continue the follow-up question with respect to the Provincial Auditor's Report. There are a number of recommendations that are in this particular report, and I would ask the government if in fact they are prepared to comment or table which recommendations they have actually implemented to date.

**Hon. Leonard Derkach (Minister of Rural Development):** Madam Speaker, I would like to tell my honourable friend that we have received the Auditor's Report. Many of the recommendations that

the Auditor made within the report have already been acted on as a result of the 1994 audit that we had asked for. As a matter of fact, the Auditor acknowledges that, and indeed all of the recommendations that the Auditor makes in his recommendations will be acted upon.

#### **Grow Bonds Program Information Request**

**Mr. Kevin Lamoureux (Inkster):** Madam Speaker, can the minister provide a list of the—I understand there are approximately 20 companies that have received through Grow Bonds—companies and some sort of an overview in terms of what the government's thoughts are with respect to them, if that is an appropriate thing to ask?

**Hon. Leonard Derkach (Minister of Rural Development):** Madam Speaker, the member is correct. We have 20 companies that are operating who have received Grow Bonds in the province. We do keep in touch with these companies from time to time, but these companies have injected into our economy about \$24 million of capital investment. In addition to that, there are about 450 jobs that have been created as a result of these investments. These companies are operating in rural Manitoba employing rural people.

I would be happy to provide any further information that might be of value to the member, and I would encourage him to see me and we could certainly discuss those directly.

**Mr. Lamoureux:** Madam Speaker, I would ask the minister if in fact he could indicate whether or not there are other companies that the government would be currently concerned about with respect to their long-term viability. We know about Woodstone. Are there in fact other companies which the government is currently concerned with?

**Mr. Derkach:** Well, Madam Speaker, these are all Manitoba companies. There is an element of client confidentiality that one has to respect when you are dealing with any company and that has to be honoured. It is not a matter of us bringing in companies to this Chamber to discuss.

I have to say in a general sense that these companies have contributed significantly to the economy of this

province. They have created jobs. There has been a tremendous amount of capital investment in this province. I see this as a very positive approach in terms of giving rural Manitobans meaningful long-term jobs in our province.

#### **Odd Fellows Personal Care Home Closure**

**Mr. Conrad Santos (Broadway):** Madam Speaker, a good and just government is one that listens to and responds positively to input from the citizens, particularly the seniors in this province who are being treated unfairly by this government. We just heard from the committee of residents in Odd Fellows Personal Care Home that the home is being arbitrarily and unilaterally closed by the government. There is a letter from the committee penned by the spokesperson, Joan Anderson, to the government which I am tabling before I ask the question.

My question is to the Minister of Health. Can he explain why his government is directly and unilaterally closing the Odd Fellows Personal Care Home?

**Hon. Darren Praznik (Minister of Health):** Madam Speaker. I understand this issue goes back some time in discussions with the Odd Fellows. They have a personal care home that was designed and built many years ago for Levels 1 and 2 care. The system is moving towards 3 and 4 care. It was designed for other purposes. Time has passed on that facility. Discussions were entered into with Odd Fellows over a period of time. It is my understanding in picking up this file that the Odd Fellows were onside with the closure of that facility. In fact, I even believe there were discussions about a replacement, and they were not particularly interested in doing this. So it is a phase-out of a time-expired facility.

**Mr. Santos:** Would the minister put a human face to his government by being understanding and compassionate and listening to the cries of those people who are being ignored in their old age and in their waning years and try to cancel this decision of the government to close this home where they have developed personal friendship and where they are happy? They have signed, every one of them, petitions asking this government to cancel this decision.

**Mr. Praznik:** Let us understand very clearly what the New Democratic Party is asking us to do. They are asking us to keep—[interjection] No, when members of the opposition take their case into this Question Period, they are not, I would hope, mindless individuals who pursue every cause. They would have had to have thought about it. What the New Democratic Party is asking, after many, many questions from their Health critic about standards of care and ensuring that people have the best, they are asking the government to keep a time-old facility in operation.

When you think about it, Madam Speaker, if we accept it—and I do not want to be in any way heartless about this; I feel for those people it is a disruption, but there will never be a time when you can close a facility because there are always going to be people in that facility. You are not going to let the bed numbers come down until there is hardly anyone left in which to close it.

I know it is difficult for those people, but there is really no other way to manage this.

\* (1050)

**Mr. Santos:** Will the honourable minister explain to the people of Manitoba why these people who are in their 80s and their 90s, some of them in their hundreds, are being treated like furniture and being moved around without compassion?

**Mr. Praznik:** No one is treating our elderly people like furniture. That is an extremely offensive remark. The New Democratic Party is saying we should not replace outdated facilities with newer facilities. In this budget we are adding a lot of additional bed space in Winnipeg, modern, good bed space. We are working on replacement programs for time-dated beds. There is never a good time to do that.

While I am on my feet, the member for Crescentwood (Mr. Sale) made a statement in the House about lots of people being laid off with the change in the oxygen. I am advised there are three staff affected, two of whom are being transferred to materials distribution, one of whom refused to transfer, was not interested and is on the redeployment list.

### Tobacco Addiction Minister's Comments

**Ms. Becky Barrett (Wellington):** Madam Speaker, the United States Food and Drug Administration has said it is addictive. The entire medical community in North America has said it is addictive. The Lung Association and the Canadian Cancer Society have said it is addictive. Everyone who indulges in it knows, even if they do not want to admit it, that it is addictive. Now even an American tobacco company admits that it is addictive.

It seems as though the whole world knows tobacco is addictive except the Minister of Health (Mr. Praznik), who says he has a hard time believing it is anything more than a habit, nothing more than nail biting, for example.

I would like to ask the Minister of Health how he explains his comments and the real cut of almost 5 percent for program delivery from the Alcoholism Foundation of Manitoba in light of the virtually universal acceptance of the addictive qualities of tobacco.

**Hon. Darren Praznik (Minister of Health):** Madam Speaker, the report that the member refers to—I believe a story in the Winnipeg Sun by a young new reporter—is not correct. The only concern I expressed, that if any particular group wanted to provide a program on addiction and wanted public funding to do so, they would have to prove that they could make a contribution to the issue.

**An Honourable Member:** Got you on tape.

**Mr. Praznik:** Again the Leader of the Opposition from his seat said, we have you on tape. I heard him say it. He is wrong again. The New Democrats can never get it right or get their research right. Tobacco is addictive. I know that, I understand that. It is an addiction. The story is just not quite correct.

### Program Funding

**Ms. Becky Barrett (Wellington):** Now that the minister has publicly retracted his comments which trivialized the health, economic and social costs of

smoking, would he now provide real funds and real programming instead of cuts to the Alcoholism Foundation of Manitoba to eliminate the scourge of smoking which is reaching epidemic proportions among young people and is now the leading cause of premature death for women? Will he now put some money where his mouth is?

**Hon. Darren Praznik (Minister of Health):** Madam Speaker, I did not retract comments. I did not make them. My office talked to the Sun reporter and asked that the Sun do me the courtesy at least of doing the same in their forum, and I am still waiting for that to happen.

Madam Speaker, with respect to the issue, I give the member the same statement I gave the reporter at the time, which he did not print, was any particular program in that area—there are lots of programs out there today to help people beat the addiction of smoking and to overcome that addiction. If public funding was to go into any such group or program, that group or program would have to demonstrate that they are able to succeed in meeting that goal and that would be a prerequisite for any consideration.

Throwing money at an issue without knowing that it is going to accomplish something is not a good use of it and takes it away from other things and other programs that are successful.

**Madam Speaker:** Time for Oral Questions has expired.

#### NONPOLITICAL STATEMENTS

##### International Day for the Elimination of Racial Discrimination

**Mr. Gerry McAlpine (Sturgeon Creek):** Do I have leave to make a nonpolitical statement?

**Madam Speaker:** Does the honourable member for Sturgeon Creek have leave to make a nonpolitical statement? [agreed]

**Mr. McAlpine:** The Charter of the United Nations is based on the principles of dignity and equality inherent in all human beings, and the universal Declaration of Human Rights proclaims that all human beings are born

free and equal in dignity and rights and that everyone is entitled to all the rights and freedoms without distinction of any kind, in particular as to race, colour and national origin.

In September 1988, Madam Speaker, ministers attending the federal-provincial-territorial ministerial conference on human rights agreed to commemorate March 21 as the International Day for the Elimination of Racial Discrimination in all Canadian jurisdictions. The government of Manitoba became a signatory to this campaign. Today, March 21, 1997, marks the anniversary of the Sharpeville massacre in South Africa when peaceful demonstrators against apartheid were wounded and killed. In 1996, in memory of this tragic event, the United Nations declared March 21 the International Day for the Elimination of Racial Discrimination.

The Minister responsible for Culture, Heritage and Citizenship, my colleague and Minister responsible for Multiculturalism (Mrs. Vodrey), encourages all Manitobans to display posters, put the issues of diversity and racism on meeting agendas, discussion and nurturing of the respect to all our homes, our communities, workplaces, churches, organizations and schools, not only on this day but every day.

We must all accept this challenge without reservation and commit ourselves to demonstrating leadership to ensure that we all understand the benefits of diversity to the wellness of our province.

We as citizens of the province of Manitoba can heighten our awareness of our rights and responsibilities and promote understanding, respect and justice for all Manitobans, because we are united by shared values, rights and responsibilities and can confirm that racial discrimination is a violation of these shared values and rights. While working together to eliminate racial discrimination we can strive for true equality, justice and respect. Thank you, Madam Speaker.

**Mr. George Hickes (Point Douglas):** May I have leave to make a nonpolitical statement?

**Madam Speaker:** Does the honourable member for Point Douglas have leave? [agreed]

**Mr. Hickes:** I, too, want to say a few words on March 21 as antiracism day, and I think people around the world recognize and appreciate the efforts of our United Nations when they declared this day as antiracism day.

Madam Speaker, what we see happening today within our school systems is very encouraging to all of us, because our school systems, our teachers and parents involved in all the schools are working very hard and putting forward many very good programs to educate and hopefully benefit the individuals to have a better understanding of one another and a better appreciation to help stop racism in our province of Manitoba.

March 21 should not be the only day that individuals stand up and celebrate it. That should be done with our families, our friends, our neighbours. Any time we have a chance to speak out in public, that should be done every day of our lives, because we know that racism has no place in Manitoba or anywhere in the world. Racism hurts. Racism does not help anyone and it just puts people back. I applaud the schools. I applaud the educators. I applaud all the individuals who have worked very, very hard.

\* (1100)

Madam Speaker, to share with everyone, I would encourage all members to pick up this pamphlet that says Stop the Hatred. It is a very nice pamphlet where it gives a lot of good information and it also is very educational. It is a quiz about racism and potential of hatred. Also, on the back it is a game of snakes of ladders that we could all play with our own children and our own family members and also with a lot of friends. I am sure most of us in this House would never be considered to be racist, but it never hurts to reinforce our beliefs and our commitments to ensure that we share it with everyone we come in contact with.

Anyone who is interested in picking up a copy of this, it says here for information, help or to get more copies, call Choices Youth Line, the Canadian Human Rights Commission, the Manitoba Human Rights Commission, Winnipeg Police Services Hate Crimes Unit, United Against Racism, Western Anti-Racist Network, Anti-Racist Action. I am sure you can just pick up the phone book and you will be able to get any

of those numbers. They will be more than willing to help you and hopefully our members would get copies and send them to our schools in our areas to help them with their great education programs.

So, with those few words, I would like to say that I recognize and applaud every individual who is out there trying to do the best they can to eliminate racism in Manitoba, Canada and throughout the world. Thank you.

**Mr. Gary Kowalski (The Maples):** May I have leave to make a short nonpolitical statement?

**Madam Speaker:** Does the honourable member for The Maples have leave? [agreed]

**Mr. Kowalski:** I would like to join with the other members of this Chamber, on behalf of the Liberal members of this Chamber, in commemorating this day for elimination of racial discrimination.

As I have mentioned before in this Chamber, in my constituency, one of the strongest groups is the Unity Group working out of Maples Collegiate. Last year, the students from Maples Collegiate did a march here to the Legislative Assembly where all parties joined on the steps of the Legislature to commemorate their march and their work to eliminate racism in their school. Racism as ageism, sexism or any kind of ism means judging someone by the group that they belong to, whether it is a political group, a political party, an age group, a gender and we must stop judging people by the group they belong to and start judging them as individuals. As the students at Maples Collegiate know, they were not born with racist attitudes. Sometimes it is a learned behaviour. Hopefully, with the next generation, racism will be ended in the world. Thank you, Madam Speaker

## ORDERS OF THE DAY

### BUDGET DEBATE (Sixth Day of Debate)

**Madam Speaker:** To resume adjourned debate on the proposed motion of the honourable Minister of Finance (Mr. Stefanson) and the proposed motion of the honourable Leader of the official opposition in

amendment thereto, and the proposed motion of the honourable member for Inkster (Mr. Lamoureux) in further amendment thereto, standing in the name of the honourable member for Swan River, who has 35 minutes remaining.

**Ms. Rosann Wowchuk (Swan River):** Madam Speaker, we have heard members on this side of the House comment on this budget and describe it as a heartless and cynical budget and I must say that I have to agree, and that is the feeling of many people in my constituency.

Rather than thinking about the impact of this budget on people in Manitoba, this government is looking at this budget as how it would fit into the electoral cycle and how they can build up some surpluses in their rainy day funds that they would be able to bring a good-news budget forward during an election year. Quite frankly, that is very cynical when you think about what is happening to people in rural Manitoba and across the province as a result of the cuts to services that we have seen from this government. The only good news in this budget is breaks for business. There are no breaks for the average Manitoban in this budget.

**Hon. James Downey (Minister of Industry, Trade, and Tourism):** The average Manitoban is not in business?

**Ms. Wowchuk:** The Minister of Industry, Trade and Tourism says: is not the average Manitoban in business? The average Manitoban is not at the level where they have a million-dollar payroll, and they are going to get the break on the payroll tax.

**Mr. Downey:** You do not want anybody to get any breaks, eh?

**Ms. Wowchuk:** The minister says we do not want anybody to get any breaks. We want people to be treated fairly, and I want to see more equality across this province than we have from this government. I want to see this government offer a hand to the people who are at the bottom of the scale, rather than looking after their friends who are at the top of the scale. That is what we have from this government. They are looking after their friends; they are not looking after the average Manitoban. There are many cases that we will

see that. We see the cuts that they have made in many, many areas, and we see this government operating on a garage-sale mentality where they will sell off anything in order to ensure that they can meet their commitment to their balanced budget legislation.

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

We saw them sell off Manitoba Telephone System because they just believed that it was the right thing to do and because they wanted to meet their commitment to balanced budget legislation, and now we are starting to see the impacts of this sale. Just today, we see that pay phones are going to be closed down because they are not profitable. Well, that is the real reason for keeping Manitoba Telephone and these kinds of services within the public sector, so we can have equality amongst people. My colleague from Point Douglas raised a very good point. Does it mean that pay phones in the inner city, the only phones that people have, are going to be closed down because they are not profitable?

I have a pay phone in my constituency in the community of Baden, which is just about the only phone in that community. There are only about 20 families living in that community, but it is a very low income community, they cannot afford phones. Does that mean that this pay phone is going to be taken out because it is not profitable, and that is what this government supports, that is how this government works to bring equality to people? Does this mean that, in many remote areas where the cost of bringing services to people is very expensive, they are going to have higher telephone bills or else they are going to lose their services? That is what this government does and that is how this government works to widen the margin between the poor and the rich in this province.

This government has to recognize that there are many people who are less fortunate than members of the opposite bench, many people who are less fortunate than those of us that are on this side of the House, but we as legislators have the responsibility to ensure that we are not discriminating against people just because they are less fortunate than we are. What we have to do is ensure that we give them that opportunity to take the next step up or that their children have that opportunity

to take that next step up. But, Mr. Deputy Speaker, that is not what has happened.

When we look at what this government has done, we can see that they are completely cynical in their commitment to aboriginal people, completely cynical in their commitment to children, and completely cynical to people who are on social assistance. What they are doing is driving these people further into the ground.

Let us look at some of the statistics. There is a million dollars for Making Welfare Work, a program that was cut \$2.6 million last year, and \$8 million taken from social assistance recipients last year has not been restored. Neither has the \$10-million cut from income maintenance last year. In fact, income supplements for low income families and for seniors has been lowered by half a millions dollars. There is half a million dollars from the children's initiative and \$2.3 million from the Child Maintenance and External Agencies. Our children are our most precious resource, but what has this government done to support child care? They have taken over \$4 million out from the daycare program.

Many of the people that I represent are First Nations people. I want to share with you my concerns for how this government has been treating First Nations people. Again, they say that they care about this but they have cut many, many programs that will help First Nations people to play the role that they want in this community. We often hear members across the way say the most important thing is a job for people. But what is this government doing to help aboriginal people who are part of the highest unemployment? Their statistics on unemployment are higher than anywhere else.

\* (1110)

What have they done? They have taken money from the very programs that have helped, and over the years. It all did not happen this year but we have to look back at the record of this government and what they have done over the years for aboriginal people. Let us look at some examples. They eliminated the Northern Youth Core Jobs program in 1989. They eliminated New Careers. They ended funding to friendship centres. They ended grants to MKO and AMC. Access, which

is a very good program, was cut by \$2 million in 1994 and a further \$1.4 million in 1995. They have never, never spent the million dollars set aside for the AJI initiatives.

So you see, Mr. Deputy Speaker, it is quite discouraging to see what kind of lip service this government pays but what they actually do. That is why the words "heartless" and "cynical" are very good descriptions of this budget.

But I would like to talk about a few areas that affect my constituency more closely. One of them is the need for investment in highways, particularly after we have seen the Crow eliminated, and we are going to see a much greater shift of traffic onto roads. We have not seen the increase from this government to put money into roads. Now, I guess they have put money into the rainy day fund and perhaps in a few years time, when the election is called, we will see a big kafuffle about all the money that is going into highways. We cannot wait that long. We need those roads upgraded now. It is very important to the economy of rural Manitoba and to the economy of the North.

Some of the communities that I represent have a very serious shortage of housing. We have heard about what is happening in Shamattawa. The conditions in my communities are not nearly as serious, but they are serious, and there are long waiting lists for housing, very serious need for repairs to homes. But those programs are not there now, and we are having a lower standard of living. If the government believes in people, they should be putting money into these programs, into housing, into ensuring that people have a standard of living that is equal to other people.

By giving people the opportunity to live in a decent house, we raise the standard of living. People then have the ability to learn. Young children have a better chance as they grow up and play their role here in this province. We do not want them to have to leave the province. We want to give them the tools to play a role, whether it is in this province, whether it is to give them the tools to get into business as this government says is so important, but let us help these people. Let us not drive them further into the ground, as we are seeing from this government.

Mr. Deputy Speaker, I want to raise a couple of issues and one of them is in the area of environment. I hope that the Minister of Environment (Mr. McCrae) will listen to this. I am quite disappointed in the activities that we have seen from the Department of Environment, or lack of activity from them, and I believe part of it is lack of funding. There are not enough environmental officers in place to do the work that has to be done.

Yesterday I raised an issue with the Minister of Environment with respect to Louisiana-Pacific dumping their waste on farmland and on riverbanks without having the environmental licence. Of course, the first thing that came back was oh, well, you are against jobs. I have to tell you that is not the case at all. All of us want jobs, and I have to say that in the Swan River Valley, Louisiana-Pacific has been very important to the economy of the area.

In the last year there has been an increase. There have been problems as well. The low price they are paying the operators in the bush is a concern and many people have gone into business and lost their business, made big investments. So I think that is something that has to be addressed. I think there is a role for government to work through that maybe but whether there is role or not government has to be aware that there is a problem.

The other problem that has arisen is the fact that the government made a commitment before they signed the Louisiana-Pacific agreement that small sawmill operators would not be put out of business. I have raised this issue with the Department of Natural Resources many times, and I have asked them to find some way to work this through. The government, last year, allocated some additional permits, and those people who bought those permits are facing serious difficulties because where they have been put to cut wood, they are not able to get saw logs.

Now, again, I believe it is the government that made the mistake. They have overallocated the wood. There is not enough wood to ensure that the small sawmill operators can operate, and if there is the wood that they say there is there they have to find a way to work through this. We do not want to see small sawmill operators put out of business.

I have digressed from where I wanted to be which was on the environment and the lack of funding for environment. I found it quite amazing to read the newspaper article this morning where the Minister of Environment said, oh. Wowchuk contacted his staff to alert them of her concerns but did not tell them where the waste was being dumped. Well, pardon me, Mr. Deputy Speaker, I think that is the job of the Environment, to find out where the waste is dumped, but in actual fact what the minister said in the newspaper is not true, because in February, I believe on February 12. I called the Department of Environment, and I confirmed it with both people that I spoke to today that I told them where the sites were.

But the problem here is that the minister is trying to say I did not tell him where the sites were, but in actual fact what he should be dealing with is whether or not Louisiana-Pacific has approval to dump these wastes. That is the issue I raised with him. That is the issue he has to address. He is trying to make it seem like all of a sudden it is my responsibility to be letting the department know where the waste is being dumped. That is what we have a Department of Environment for. That is what we have a Minister of Environment for, to be in control of what is going on.

From what you can see here, it is a very weak agreement that has been signed and there are loopholes in it that allow these kinds of things to happen. I think the government has to look back at what they have done. The people are concerned because there is waste being put on riverbanks that could be pushed downstream. The minister says it has been cleaned up. In actual fact, it has not been cleaned up. The dumping is continuing in sloughs and in gullies, and they have to get control of it.

I talked to the people from Indian Birch this morning. Indian Birch is a reserve on Swan Lake. All of the water from the West Favel River, the Swan River, the Roaring River all drain into Swan Lake and then into Lake Winnipegosis. All the spawning from this lake takes place on the Roaring River and I believe on the West Favel River, so it is a real concern as to whether or not there is going to be any detrimental effect of these wood chips washing down the river. Our information is that it will be, and that is why we have

raised this issue with the minister to ensure that it is corrected.

This is not an attempt to shut down Louisiana-Pacific—one issue like this could not—but we have to look at their environmental record. The government knows their record, and they have to ensure that things are being done properly and our environment is not suffering. We always hear this government talk about sustainability. Well, this is not sustainable to put waste on riverbanks and then risk losing something else in our whole ecosystem. We cannot allow this to happen. I would urge the Minister of Environment to look at the budget he has here and look at ways that he can ensure that there are enough people in place to get a handle on these things and not let them get out of hand, as we have.

\* (1120)

The department knew about this early in February. Spring runoff is starting very soon, and it has not been addressed. I checked with the department this morning. It is not acceptable to put these wood chips into sloughs. The department should get their act together and get out to that area and stop it and be sure that it is handled properly. It is safe, I am told, to put it in bedding for livestock. That is fine as long as that bedding is not going in areas close to riverbeds; it is then going to wash downstream. Those are serious problems that the department has to address.

Mr. Deputy Speaker, I want to also touch on a couple of other areas, one of them being the Department of Agriculture. I must say that, when you look at what has been happening overall by this department over the last few years, we continue to see a reduction in their spending in agriculture. I must say that I was pleased that the department saw fit to put some money into agriculture research, and I look forward to seeing how this money will be distributed and what research is going to be done, because we most certainly must be doing more research in agriculture.

We called on the Minister of Agriculture (Mr. Enns) to put the surplus of GRIP, which I believe the Manitoba share is around \$11 million and the federal share is much higher, and I know that the minister will tell us that that money is required to go back into

general revenue. I do believe that the minister does have enough—I would hope he has enough—influence in cabinet to point out to his colleagues how important agriculture research is, particularly at this time when we are going through change because of changes to the Crow, and other things, that we must be doing more research than we are doing. We are falling way behind other provinces. Saskatchewan has taken the lead and has done some excellent work. We must ensure that we have the resources to keep scientists and other people here in this province to do research that is very relevant to our province.

Mr. Deputy Speaker, when I look at the revenues for the Department of Agriculture, I see that they anticipated \$692,000 last year which was supposed to come from the sale of elk, which did not happen, and now we anticipate there will be \$1.6-million revenue to the Department of Agriculture and, again, I understand that is going to be from the sale of elk. I want to say that I think the government has handled this whole issue of elk ranching very badly, and I think they should be going back to the drawing board and reconsidering what they are doing. When we look back at the history of what has happened in this province over the past 10 years, it is quite disgraceful. Although elk ranching was supposed to have ended, we see from records that there have been hundreds of elk being sold out of the province anyway.

**Mr. Downey:** What was your brother doing anyway? Favouring his own kind up there? How many in your backyard?

**Ms. Wowchuk:** The government really lost control of what was going on and they are now capturing elk from the wild. Had the government been really interested in elk ranching they could have—

**Mr. Downey:** I do not have any elk.

**Ms. Wowchuk:** I see the Minister of Industry, Trade and Tourism getting very sensitive about this issue, because I guess some of his friends must be very closely tied to the industry as well and got special permission to get permits, as I understand it. The actions that this government is taking, the result will be a depletion of a very important resource to this province. But this government, you see, is willing to

sell anything. They are willing to sell our telephone system to balance their budget.

They are willing to sell our elk because they think they can make money on it. I wonder what is next. Are they going to be willing to sell our bear and our deer? What next are they willing to sell? Or maybe it is Manitoba Hydro that they think they can sell next. Somewhere you have to draw the line and ensure that our natural resources are protected. We do not support this government and what they are doing. I would encourage them to go back to the drawing board. We have asked the Minister of Agriculture (Mr. Enns) and the Minister of Natural Resources (Mr. Cummings) to really review what has been going on.

Why have some people, when there was not supposed to be any elk ranching in this province, been allowed to build up so many animals and exploit our natural resources so badly? Why did they allow the sale of these animals to go on? Why did they let this happen? People were paid off and told that they would not be able to have elk, yet this government continued to issue permits to let them sell them. So I think that they have really handled this badly, and I think that it should be ended.

Now, the Minister of Industry, Trade and Tourism (Mr. Downey) keeps referring to my brother. Well, I have to tell you, Mr. Deputy Speaker, my brother was the person who was responsible for ending elk ranching in this province, but this government when they took over did not carry through.

**Mr. Downey:** He introduced it on Friday and closed it on Monday.

**Ms. Wowchuk:** They did not carry through.

**Mr. Downey:** Did not end it in Swan River, did he?

**Ms. Wowchuk:** They brought in the legislation to end it. This government, which took over, did not carry through. This government has had no control of the elk industry in this province or of wildlife for the past 10 years.

You know, there is a special investigation unit that is supposed to follow up with things in the Department of

Natural Resources. But they will follow up on bear galls—and I am glad they did because I do not think anybody should exploit the bear—but when the special investigation unit could be following up with what is happening with elk, they are told not to do their work. So what is the point of putting a special investigation unit into place?

Mr. Deputy Speaker, getting back to the budget. I think that this government has not recognized—they are more interested in bottom line and building up a rainy day fund so they can have money in place when the election is called. They should take a lesson from Saskatchewan. Saskatchewan brought in a budget, and they cared about people in their budget. But this budget cares more about business friends of government and nothing about the people at the bottom of the scale. This budget does nothing to ensure that hungry children are going to be fed. This budget and the activities of this government are not going to ensure that people in this province have the ability to communicate, because now that they have privatized telephones many people may not have telephone service.

**Some Honourable Members:** Oh, come on.

**Ms. Wowchuk:** Come on, come on. We are seeing what is happening under the privatization of Manitoba Telephones.

**Some Honourable Members:** Oh, oh.

**Mr. Deputy Speaker:** Order, please. Could I ask the honourable member to put her comments through the Chair. It will help the decorum, and we will not have to get into direct debate.

The honourable member, to continue.

**Ms. Wowchuk:** And through you I want to say how disappointed I am in what this government has done and what the impact of their sale of Manitoba Telephone is just starting to show. I know that there are many other pay phones that are not profitable that are going to be shut down as a result of this. [interjection] As they should be, the Minister of Agriculture (Mr. Enns) says.

Well, I do not agree with him. I think that we should have pay phones in communities where people cannot afford to have a phone in their home. As I indicated earlier, I have one community where the only phone they have is a pay phone, and it may not be very profitable, but it is a lifeline for that community. It is the phone they use to call the ambulance when there is a crisis, and that is what this government wants to shut down.

**An Honourable Member:** It was probably put in under our term of office.

**Ms. Wowchuk:** No, Mr. Deputy Speaker, it was not put through this government's term of office. It was under the NDP. In fact, it was when our Leader was the Minister responsible for Telephones that many of these pay phones were put in for safety in rural communities, and this government is destroying safety for people in this province.

Mr. Deputy Speaker, the other issue I want to touch on briefly is on education, and again we see the government pretend that they are raising money in education, but in actual fact they are cutting back and offloading more and more onto the taxpayers. In my constituency, one of the school divisions, it means 2.2 percent of an increase. [interjection] Ah, good question. It is more and more offloading.

This government is more interested in funding private schools, private schools that are not available to the majority. The private schools that are available to those students who have—the private schools do not have to take children with disabilities, while the public schools have to address all of those. This government is cutting back on education funding and making it more difficult for the average person to get an education and making it more difficult for people to get into university.

The other issue that I think is very important when we look at Manitoba Telephone is distance education. Distance education is very important in remote communities, and we are not seeing this government support it as they should. One of the areas that they have not supported it is in the Swan Valley School Division. Swan Valley School Division has worked very hard and has tried to get first-year distance

education into the school, but it could not get approval from this government.

\* (1130)

They worked out a special deal with Manitoba Telephone to get some service in there, but now under a private system it is less likely that we will be able to access those services and be able to offer courses to people in our community. Distance education for city members may not seem important, but rural members, I am sure, understand what it costs to send a child to university, particularly with increased tuition fees that we have right now. To have the ability to offer some additional courses right in the community is very important, but the government does not recognize that and now the change to Manitoba Telephone System will further take that ability away from our young people to get an education. So I have to say that we had expected much more from this government in this throne speech.

We had expected, because they had said and we know that the economy is doing well, they would consider putting money into services for people rather than to continue to cut back and put money into their rainy day fund. So I have to say that it is a disappointing budget. It is a heartless budget, one that does not address the concerns of people.

There is one other issue that people across rural Manitoba have been talking about an awful lot and that is the rural stress line which is also a tool of safety, but this government does not recognize safety or the importance of giving the opportunity for rural Manitobans to access services, and they refuse to put that money in. They refuse. It is a preventative health issue. It is an issue for rural Manitobans. Surely between the Minister of Health (Mr. Praznik), the Minister of Agriculture (Mr. Enns) and the Minister of Rural Development (Mr. Derkach), they could have found the money to ensure that that line would operate.

Mr. Deputy Speaker, there are many other issues that we could be addressing, but I know that my time is running out, so I would like to say that I am pleased to have had the opportunity to speak on the budget. I am disappointed in the contents of the budget, and will continue to raise issues on behalf of my constituents to

ensure that this government does recognize that there are needs out there far beyond what they have addressed in this budget.

**Mr. Gerry McAlpine (Sturgeon Creek):** Mr. Deputy Speaker, I consider it an honour to speak on a budget such as this, a budget that is staying the course and following the vision that has been set for a number of years.

Before I get into my comments about the budget and all its positiveness, I would like to recognize a couple of people that have been supportive and working with me in terms of what I am able to do in my representation of Sturgeon Creek. The representation that I am able to give to this Chamber is through the support of people in my constituency, namely, my president, Brian Le Goff, Jeff Howie, and Scott Fielding, the people that support me in helping the business community of Sturgeon Creek. In most cases, a lot of these people are small businesses that I am working with in the company of these representatives in the Sturgeon Creek constituency, and when we consider the importance of this, it is the small business community that represents 85 percent of the economy which enables us as a government to be able to do the things and to present a budget that we have been able to present here today.

On behalf of the people of Sturgeon Creek, I would like to congratulate not only the present Minister of Finance and my colleague the member for Kirkfield Park (Mr. Stefanson), but also the former member for Morris who set out the vision of this budget some years ago. I think that, as I referenced at the beginning of my remarks, Mr. Deputy Speaker, this vision has been followed, and that when we look at it over the next 30 years, it is unfortunate that it is going to take 30 years to develop and to pay down this enormous debt that has been created over a few short number of years. I know that this has been said before, but I think it warrants saying again because the my colleague the honourable member for Lakeside (Mr. Enns) has referenced in his remarks on the budget in terms of employing the—of urging the members opposite to support this budget. You know, when I listened to the remarks that this honourable member made, it makes a lot of sense because what we are doing is providing a vision, and I

think it is important that we work together on the issues that we have to in order to maintain this course.

When I referenced the fact, which has been said before, prior to 1981, Mr. Deputy Speaker, and if my memory serves me correctly, the number that I have been given in terms of what it cost to service the debt here in Manitoba was some \$79 million. This was prior to 1981 when the NDP, under the direction and leadership of Howard Pawley and member for Concordia (Mr. Doer), who was part of that government at that time, and it cost \$79 million to service the debt in this province. Now, if we were in the situation today where we had \$79 million only to have to pay that debt, the interest, we would be so far ahead in terms of this province, in terms of the health care, the education and the social safety net that we have—the three priorities that we put forth.

It is interesting to note that when Manitoba—going back to the days of Confederation in the late 1800s—through that \$79-million debt, we created an infrastructure that we have today—universities, roads, highways. All the things that we have today and up until 1981 were created by governments that only incurred a debt that cost only \$79 million to support. During six years that \$79-million cost to service that debt ballooned to \$550 million. I do not know how the NDP can sit in their places and speak to a budget as this and not remember what went on, because those members under the leadership of the honourable member for Concordia (Mr. Doer) know very well and should be telling his members what a good budget this is, because he lived through the times when the economies were generating revenues that we will probably never see in our lifetime as members of this Legislature.

They criticize a budget that has a vision and has an opportunity to correct the wrongs that they have created in six short years. I think that is really disappointing from my point of view in terms of the people who I have to represent and the people who I have to stand here for and say that we have to be responsible for the money that we have and the money that we have to spend. I talk about this as being a historic budget because this is, as we know, the first attack on the province's \$13-billion general purpose debt since the 1950s. I think that is a real mark in history when we

can start to do the things that were created and, for the most part, occurred over a period of six short years.

\* (1140)

Mr. Deputy Speaker, I think for the first time in a generation a surplus for three years running is also a real achievement in terms of a government because of the revenues that this government has had to function under over the past eight or nine years, 10 years I guess. It is getting onto 10 years. But what we had to function under that, the revenues are under 5 percent compared to what they were going through with the revenues of double digits, in excess of 15 percent, and that is really significant. Then they stand in their places and they criticize. They criticized the Minister of Health (Mr. Praznik), they criticized the Minister of Finance (Mr. Stefanson), for the vision that is being offered. I think these people on the opposite side, they are well intentioned and they are intelligent people. Why can they not support this budget as the honourable member for Lakeside (Mr. Enns) has encouraged them to do? It is not unprecedented, but they speak with dissatisfaction and criticism.

We are not living in a perfect world, but I think the Minister of Finance and all my colleagues on this side of the House are trying to do the best that we can. I have to commend my colleagues and the ministers that are responsible and all my colleagues on this side of the House for the vision that we are staying the course on, because that is what the people in Sturgeon Creek support me on, that is what the people, the business community in Sturgeon Creek, which I have a very close association with, they support me on that, and they have difficulty understanding where the opposition is coming from.

Definitely we have challenges to overcome, but we have to spend the money that we have wisely and create the efficiencies within the government to provide the support and the understanding to all people who have challenges. I think that we are never in a lifetime going to be without challenges, and I have no difficulty with challenges.

Soon after I was elected I did not recognize and realize the challenge that I was going to have to face as an elected member, because of the financial changes in

my life as an entrepreneur and a small-business person, the sacrifices that I had to make. Those challenges I was able to overcome, so I think that we have to understand in society, and it is not only today but it has been for a lifetime. I mean, even at the beginning of time challenges were there, and if we do not measure up to those challenges and take the responsibility for ourselves, then there is not going to be any growth. I think that the growth has to start from the individuals, the individuals like you and me and all members of this Legislature. If those people cannot understand that, and many of the members opposite seem to be having some difficulty with measuring up to the responsibility and communicating that to their constituents, I think that is a responsibility that they are falling short on.

I think that this budget provides them with a vision that enables them to go out and communicate to their constituents that this is the only way to go. I mean, even yesterday or the day before, when the Saskatchewan government brought down a budget, they recognized the importance of the small business community and what the small business community provides to the economy of this province and this country. I commend the government of Saskatchewan in reducing the sales tax and what it is going to do in terms of creating jobs.

The honourable member for Swan River (Ms. Wowchuk), she referenced the fact that the government there is taking the vision of supporting, or she wants to give the impression that the people, the poor people and the people that have not in the province of Saskatchewan are being looked after, but what it says here: "Saskatchewan budget trims sales tax" in the Winnipeg Free Press, Friday, March 21, when they complain about the budget or they reference the budget: "Social activists complained the budget had no money for low-income families."

See, the people across the way have to understand that, in order for the low income people to experience and appreciate wealth, they are not the ones that are going to create the wealth. It is not the governments that are going to create the wealth for the poor people. It is the small business community and the businesses that are being supported by the big corporations. I mean, there is a hierarchy in the business community in terms of creating certain levels of wealth, and it stops

from the top. It is a pyramid. It stops from the top with the big corporations who are supported by the small businesses, because if it was not for the big corporations the small businesses would be nonexistent. They would have nothing to work for. It is people who are working for these small businesses which represent 85 percent of our economy in the province of Manitoba, and probably across the whole country, that have the opportunity to work in these small businesses to earn a respectable income, to feel good about themselves, to pay taxes, to live in our communities and to do all those things. The opposition members criticize that; they want governments to provide handouts to the people.

In Question Period today, they talked about the Odd Fellows' Home in Charleswood, that it is going to be closed down. I had the same experience with the Kiwanis Courts that the honourable member for Kildonan (Mr. Chomiak) had a certain amount of experience with and a certain amount of knowledge. The same thing existed there at the Kiwanis Courts. Now, if he were to come out there on behalf of all his caucus members and see what has taken place out at the Kiwanis Courts, he would have an appreciation for what is going to have to be done for the Odd Fellows community and the seniors in that facility. None of us want to see these people uprooted. He talked about the 80- and 90- and 100-year-old people. The member for Broadway (Mr. Santos) referenced these elderly citizens, and that they were uprooted. [interjection] Yes, it was. But I would sooner have them put into a safe place than go through the construction and the demise and the frustration. I would sooner have them move to a safe place and a comfortable place rather than going through that stress, and I think that is the right thing to do.

(Madam Speaker in the Chair)

\* (1150)

So I think that it is important that the members find some reason to support, because the people in Sturgeon Creek know very well that the opposition members are forever criticizing. Frankly, the people in Sturgeon Creek, for the most part, are getting very tired of that. They are getting tired of the continual criticism and not finding good in anything as far as this government is

concerned, nothing positive, doom and gloom. I think it is unfortunate that we have an opposition that will take that course, because I think all they are doing is they are an ineffective opposition when they find nothing that they can grab a hold of and show some positive vision as this government is doing.

Madam Speaker, the NDP legacy, when they talk about tax increases during their reign in government, primarily in those six years, increased the payroll tax to 2.25 percent which crippled the small business economies of this province, increased the retail sales tax from 5 percent to 7 percent, which added another burden on not only the business community but also on the poor people because they also had to cough up more money which they did not have. It is interesting that the reference in the Saskatchewan budget that a person making \$50,000 will save something like \$200 a year as a result of reducing the sales tax in Saskatchewan from 9 percent to 7 percent, and we realize on this side of the House to some people that is a significant amount of money.

They introduced the personal net income tax and surtax which has been crippling so many people in terms of their achievements and in terms of their goals, and they increased the corporate income tax from 15 percent to 17 percent, and they increased the gasoline tax, they increased the diesel fuel tax, and they introduced land transfer tax. This total tax increase to Manitoba taxpayers during the years of '82 to '87 was approximately \$820 million.

Now what our government has done, and I quote the Scotiabank: Physical prudence does pay off and Manitoba is the better for it. CIBC Wood Gundy writes: Manitoba has delivered a budget that will live up to the high standing granted to the province by the financial markets. The Union Bank of Switzerland review said: The budget is better than we expected: this budget is full of good news. The Winnipeg Free Press recently read: The 1997 budget realizes the full potential of the competent, conventional, conservative management Manitobans have become accustomed to under Premier Gary Filmon.

I think that the honourable members across the way should take heed of what these people are saying, the leaders of the financial industry of this country and this

world. The quotable quotes by the NDP, members opposite during debate on Bill 2 with regard to the balanced budget, The Balanced Budget, Debt Repayment and Taxpayer Protection and Consequential Amendments Act, they said a number of very entertaining quotes. The member for St. Johns (Mr. Mackintosh) even said that government members were embarrassed by this legislation. The member for Flin Flon (Mr. Jennissen) referred to the balanced budget as trickery and called the legislation inflexible. A 30-year debt repayment plan is not inflexible and provisions exist in the legislation to deal with unforeseen drops in revenue. How is that inflexible?

I suspect that members opposite are fearful that if they ever made it to government, they would be forced to abandon their tax and spending policies and actually have to recognize that Manitobans cannot provide an infinite source of revenue—just like their counterparts in Saskatchewan.

Examples of how our economy has turned around. With regard to the economic growth, the Conference Board expects Manitoba's economy to grow 2.8 percent this year. The national average forecast is only 1.6 percent.

When we talk about jobs, which create the economy and which put bread and butter on the tables of not only the rich but also the poor, it brings to mind the 1993 campaign of the Liberal Party when they campaigned on their platform on jobs. When they campaigned on the matter of jobs, it is really funny today, after 1993—so that is four years and a government that has been in government for four years—

#### Point of Order

**Madam Speaker:** The honourable member for St. Boniface, on a point of order.

**Mr. Neil Gaudry (St. Boniface):** Madam Speaker, I think that if the member for Sturgeon Creek wants some information, the Minister of Finance (Mr. Stefanson) from this government and the Minister of Foreign Affairs and the minister of infrastructures are in Room 254, he could get some good information for job creation from the two ministers. Thank you very much.

**Madam Speaker:** The honourable member for St. Boniface does not have a point of order.

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**Mr. McAlpine:** Madam Speaker, you know, it is interesting that the member for St. Boniface, whom I respect for his opinion—I cannot always agree with what he is saying—but when he considers that the unemployment situation today, compared to when the Liberals took office in 1993, has increased, I can understand why he would want to make something up to enhance the position of his Liberal counterparts in Ottawa. That is really stretching the truth considerably, but in terms of Manitoba, and I do not want to be federal bashing or anything like that, but I think that people today are not stupid.

The people in Sturgeon Creek and all the constituencies that we represent in this province, they know what is going on and they know when Mr. Chretien decides that he is going to call an election fairly soon. I hope they will remember what Mr. Chretien campaigned on the last time, and the Liberal government, because jobs were the big issue, and it was an important factor in terms of our economy in this country at that time. They have failed miserably. I hope the people will remember that they have failed and that they will look to the vision that has been provided and the vision that this province is setting the way, not only to other provinces like Saskatchewan, who have followed with their budget in terms of the examples that we are setting out, but the federal government too can take some lessons from this government and this Finance minister with this budget because we are setting the way. I think that they recognize, the federal Liberals recognize that they have to do something about it more than just talk about and making promises that they cannot keep because people today understand what the real world is doing and the direction that it is going to go, and all they are looking for is some honest leadership.

\* (1200)

We have in this province, with the vision that this budget offers, been able to provide that. I mean we have walked our talk in terms of the vision that was first set out by the former Minister of Finance, the

Honourable Clayton Manness the former member for Morris, because nearly 24,000 new jobs have been created between January 1996 and January 1997 in this province. That 541,400 employment rate today is an all-time high and we recognize on this side of the House how important that is because that is what creates the economy, that is what creates the wealth in any province or any country.

We have to support those kinds of things, in addition to spending wisely and creating the efficiencies within government, and to give that message not only to the people who are working with these companies and these industries. They have to understand and I think for the most part people are subscribing and following the direction that we are going. The member for Radisson (Ms. Cerilli), she referenced in her speech to this budget, she said that they represent 58 percent. What hogwash. They represent 58 percent in this province, they speak for them, that is nothing but a bunch of hogwash. How can they, in their own clear mind, with any common sense at all, think that they represent 58 percent of this province's population, and that we as government represent 42 percent? The Liberals represent a certain percentage. I think from that aspect, when she talks about representing 58 percent of the population of this province, and that they speak as members, boy are they—

**Mr. Leonard Evans (Brandon East):** She means the opposition.

**Mr. McAlpine:** The member for Brandon East says she means the opposition. You do not represent 58 percent of the population of Manitoba. You represent 58 percent, along with the Liberals, of the popular vote. And what is 58 percent? Of what? Fifty-eight percent of what? Sixty percent or 70 percent? I do not portray to be a mathematician, and I can see that the member for Brandon East should not portray that himself either, but I think that we have to understand that for us to give messages like that to the people of Manitoba, the only people that you are discrediting are yourselves. The people out there are not that stupid I would remind the member for Brandon East. He has been in here for a long time, and I do not understand why he has not learned that. The people out there in Manitoba know what is going on, and they are supporting, for the most part, this budget. It is only the misdirection that the

opposition is giving to these people and that the media is picking up that is giving the opposition some support, putting a cloud out there because it is news that can be printed and creates reactions. That is not what people need.

People need a solid, stable, competent, visionary government which we are providing not only with this budget but in all departments of this government. The Department of Education, my colleague and neighbour constituency and personal friend—I mean these are things that—those are the commitments that the people in her constituency recognize, the dedication, and not government-bashing like the opposition is doing all the time.

We talk about creating jobs, and the member for St. Boniface (Mr. Gaudry) supported the federal counterparts when they campaigned in 1993 on creating jobs, and they were elected on that primarily, but today Manitoba's unemployment rate is among the lowest in the country at 6.7 percent. That is three full percentage points below the national average.

What has the Liberal government in Canada, Mr. Chretien and his government, achieved? They are going backwards. The member for Brandon East, you know, chirps from his seat, but he had his opportunity between 1982 and 1988 and long before that, but what did he do? What he did was he ballooned our debt that cost from \$79 million—he drove it from \$79 million to \$550 million, and he is proud of that? He talks about the Jobs Fund. Where are those jobs today, I ask the honourable member for Brandon East? Where was their vision? It was dead in 1988.

Manitoba's youth employment, Madam Speaker, has reached an all-time high. The rate is the second lowest among the provinces and almost five percentage points lower than the national average, which supports my argument again. The Liberal government campaigned in 1993, and I remind them of that. They campaigned on jobs, but they are five percentage points—they have not done what is necessary to create employment, and the opposition members do not get it yet. They do not get the message yet. It is the small business communities that create the opportunity for jobs in any economy, but, instead of supporting them, they taxed them. They taxed them to death.

Madam Speaker, agriculture in this province is probably on the verge of a real breakthrough. In 1996, farm cash receipts reached \$2.8 billion, a fifth consecutive record, and the total receipts rose 13.2 percent, double the national average and the highest level since 1979. Important expansions were announced by major employers such as J. M. Schneider and Canadian Agra Corporation, and I think that the agriculture future in this province has to be talked about and has to be given some credit for the things that we have been able to do as a government in terms of what they have contributed as far as the spending and the economy that has been created in this province. I applaud the farmers, and I applaud the agri industry in this province for what they have been able to achieve and the growth that they have been able to develop.

Another industry that has made a contribution to the spending by this Finance minister and being able to do the things that sustain the vision as far as we are concerned, the manufacturing industry is a boom sector and is responsible for creating 9,000 new jobs in this province since 1992, and that is a significant amount of jobs when you consider the population of this small province. Thousands more jobs will be created in the coming year by companies expanding in Manitoba: Isobord in Elie, Vansco, Motor Coach Industries, Palliser Furniture. Manufacturing shipments were \$673 million or 8 percent higher in 1996 than in the previous year. This is the second year, Madam Speaker, in which the value of Manitoba shipments has outpaced the national average—the second year in a row.

\* (1210)

In the investment aspect of this province, private sector investment for 1997 is forecast at 8.6 percent, once again above the national average and giving Manitoba six consecutive years of growth in private capital investment, something no other province has managed to do. Manufacturing capital investments should reach \$540.5 million in Manitoba this year. Manitoba's performance is five times the expected national gain, again a commendable achievement. What we have done to improve the business advantage since 1988 in this province is that the payroll tax exemption was increased from \$100,000 to \$1 million. That is a significant contribution to the small businesses in this province because that enables them to go out and

hire more people. That is what creates jobs. That is what creating employment is about, and I hope that the honourable members across the way will see the light some day and understand that. They have to spend some time in the business world, in the small businesses and starting small businesses.

Madam Speaker, the corporate income tax rate for small business was reduced from 10 percent to 9 percent. I see my time is running very short and I have barely begun in terms of my remarks, but I, as the member for Lakeside (Mr. Enns), would urge the honourable members to really give some serious examination to this budget and look to the direction that is being offered to all Manitobans, the direction that is being followed by many other jurisdictions, governments across this country. I would hope that they too would be able to see the light and speak favourably and support this budget, as I will. Thank you.

**Mr. Tim Sale (Crescentwood):** Madam Speaker, I am pleased to rise and make some comments on this budget.

I want to start with just a few comments about housing. It is interesting that the government talks about housing recovering sharply. When you are as low as we were, a sharp recovery of 100 percent still does not bring us within 3,000 or 4,000 of where we were in the mid-1980s. So you can have a sharp recovery from one to two—that is a hundred percent gain—but it is not a very good record in housing.

Specifically, according to the Manitoba Bureau of Statistics, the 1992 level of housing in this province was 1,800 in urban centres of 10,000 or more, and today it is 1,243. That is a drop of 33 percent over that period of time. It is interesting, the province of Newfoundland is the next province over in the columns. Newfoundland has as many starts in 1996 as we do, and you know the state of Newfoundland's economy and you know that it only has about half the number of people that we do. Yet they have the same number of housing starts, 1,238, as we do, 1,243. So I think that the housing issue is a very serious one.

I want to bring to the government's attention, the members' opposite attention, that there is an enormous

opportunity in housing in Manitoba today, particularly in the city of Winnipeg, because we do finally have interest rates that are much more reasonable than they were. They are certainly not low enough yet, particularly real interest rates are not low enough, but at least the nominal rates are down at a level where a mortgage is 6 or 6 and a half or 7 percent depending on your term. What that is doing, Madam Speaker, is making first-time home buyers able to consider purchasing homes, which they would not even have been able to think about a couple of years ago, and that is a very good thing. It is largely due to the lower dollar and lower interest rates and certainly not due at all to the policies of this government.

But, Madam Speaker, that opens up an opportunity in the older part of Winnipeg which has not been open for about 20 years. There are a great number of older homes in the core area and older three-storey apartment buildings, hundreds, in fact, of three-storey walkups that were built in the period from 1908 to 1930 when the Depression started and then virtually no apartment buildings were built during the Depression years. Now, many of those buildings are quite lovely. They have marble floors and high ceilings and beautiful moulding around the ceilings in the living rooms, often natural wood trim. They are beautiful buildings, but they are about to fall off the housing market because the people who live in them are increasingly able to afford small starter homes and the \$450- and \$500-a-month rent will carry a small mortgage on a modest house.

So, Madam Speaker, I commend to members opposite, who are concerned about housing, the opportunity to create a new sector in the city of Winnipeg, a self-help co-operative sector, which does not require much in the way of capital, does not require subsidies of the mortgage. It just requires a little expertise and a little nurturing to help new and young co-ops find an appropriate building and put together the financing to make it their home. This is a wonderful opportunity.

We have in my riding the first such co-op in Manitoba. It is called Bluestem housing co-op. It is a six-unit, small, three-story walkup, 940 square foot units. They cost \$450 a month, and that includes a payback to the co-op members of \$50 a month. So this is a very affordable way of getting stable community

co-op residents who care about their community, of taking old rental buildings which are at risk of simply being run into the ground by slum landlords, of repopulating, reinvigorating older neighbourhoods that are losing population for virtually no capital cost on the part of government.

Government is abandoning its traditional role of deep subsidy public housing because of fiscal pressures. I regret the total abandonment of that field very much, but I understand that there is such a great opportunity here that I wish government would take seriously the reinvigoration of the co-op housing model, which Manitoba has many good examples of and which without any deep subsidies at all today could protect probably in excess of 100 three-storey walkups in the older part of Winnipeg and in other urban centres. Brandon has some. Portage has some. There are fewer in the North, but Brandon, in particular, has some very old, very deteriorated buildings.

The people who live in the co-ops that have been started, particularly the one in my riding, are young. They are well educated. They are finding it difficult to get good quality jobs, but they are attached to the economy. They are stable. They have kids. They are wonderful ways of stabilizing and invigorating communities. So, rather than just trotting out statistics of housing starts, why does the government not look at innovative ways that are not capital intensive, do not require ongoing subsidies, but really require mentoring and expertise to get the co-op off the ground.

I just underline for the Minister of Agriculture (Mr. Enns), who seems to think this is not a bad idea, that he should share with his colleagues the fact the Bluestem housing co-op has not got a single nickel of public dollars in it. There is not one nickel of public funding in Bluestem. It was assisted into being with a private sector second mortgage that was at the same rate as its first mortgage so if there is an implicit subsidy, it is one or two percentage points of \$30,000, a very small cost to help stabilize a neighbourhood.

Madam Speaker, I commend to the government the opportunity to stabilize neighbourhoods, reinvigorate the co-op sector and not have to spend very much money to do that. This side of the House is so often accused of being negative and not offering ideas. I

have just offered one, and we hope that members opposite will take us up on it.

\* (1220)

Madam Speaker, I want to move now to a bit of a quick look at the overall budget as presented to us. I am referring now to page 12 of the financial review and statistics of the budget. One of the things that puzzles this side of the House is the insistence of the Finance minister and his colleagues that we have to keep racing, racing, racing to the bottom, that even having, as they claim, the lowest provincial total per capita expenditure is not good enough for them. I am referring to the table on page 13 of the financial review and statistics. It shows us approximately the same as Nova Scotia and claims in the text that we are the lowest per capita spenders of all provincial governments in Canada. I do not see any particular virtue if we are already the lowest, as they claim, in further impoverishing our public services, our health care system, our education system, our roads, our economic infrastructure. What is the particular virtue in simply seeking to be lower and lower and lower cost if the price of lower and lower and lower costs is poorer and poorer and poorer services? There is no particular virtue in simply being lowest for lowest sake.

So I ask the Finance minister (Mr. Stefanson) if there are no other criteria for his government than simply cheapest. Cheapest is not, I think we can demonstrate, always even appropriate, let alone wise. We look in the case of the Rimer Alco contract in which his own staff and his own committee recommended to him that he go with a company with expertise and recommended that if they were forced to make a choice, they would put forward only one name, and that was the name of VitalAire to do this contract. They made the point that on both price and quality VitalAire was cheaper over the term of the contract which they recommended.

Here is a government that is so preoccupied with the bottom-line cost that they will choose a two-year contract for \$4,000 in savings, and yet they will ignore all the recommendations of their own committee that says, for example, if you simply bought the oxygen concentrators that nursing homes need—they need several of them in every nursing home—through the

Home Care equipment pool instead of telling nursing homes to buy them directly, you would save 50 percent of the price per machine. Nursing homes are paying \$2,200 for the machines. The Home Care equipment pool is paying \$1,100.

Madam Speaker, the total claimed savings on the Rimer Alco contract would be made up by simply buying five machines for nursing homes next year through the Home Care equipment pool rather than through the nursing home and having them charged back to the government.

The government had a study presented to it which showed it innumerable ways of doing a better job in delivering oxygen services, of integrating the program, of serving the more than 7,000 Manitobans who have some form of respiratory distress that requires medication in their homes connected to some kind of technology. That is what oxygen therapy and respiratory therapy is. It is not just oxygen concentrators. It is nebulizers, it is the compressors that run the asthma medication machines, it is moisturizers, it is oxygen tanks. It is a wide variety of things.

The government paid a great deal of money and invested a great deal of its own time to come up with a report that told them how they could do it cheaper, smarter and provide better quality services. They threw the whole report out and went to a private company that has never delivered this service in its life in Canada. They went to a company who is prepared to bid on the service in excess of \$100,000 a year more than they are now spending to deliver that service through the home care staff and the private agencies that provide oxygen backup.

This is ideology run wild, where they will stand day after day and defend a decision that is indefensible, defend a decision to give to a failing company, a barely solvent company, the capacity to do something for more than \$100,000 more per year than we are now doing it for ourselves. [interjection] The member is concerned about these facts. The member will see, if he would ask his minister for the reports to which I refer, that every single comment is factual. He will not do his own homework. He will not take the time to

read the reports that are available to him. [interjection] He just chirps from his seat with no knowledge behind his chirping. [interjection]

Madam Speaker, I want to go on. I have always spoken the truth about this. The honourable member I would suggest that if he can put any facts on the record to the alternative that he do so, and otherwise that he should stop chirping.

I want to go on and talk about the deceptive practices of the government in regard to budgeting. For years since 1989-90 when the Provincial Auditor said to the people of Manitoba that the government did not have a deficit in 1989-90, the Auditor said very clearly, the government had a surplus of \$58 million. The government said no, no. They went into each successive year saying no, no, but starting in 1993, and I again commend to the member who is so interested in this question of honesty and integrity in finance that he read the actual statements on pages 22 and 23 of the financial report.

You will see that, starting in 1993's budget, there were two new lines added to the budget statement: Deficit Reduction Transfers—and “Deficit” was followed by “Surplus” in brackets; and Deposit to the Debt Retirement Fund, which came on just this year. Last year we had Transfers from Lottery.

So, in fact, Madam Speaker, every one of the transfers that the government now claims did not take place is actually recorded in the 10-year summary, which very few people take any time to read. I would wonder if all the members opposite have indeed taken the time to look at pages 22 and 23 and see about halfway down the page or a little less than that, Deficit (Surplus) Reduction—that is what it said in last year's budget: Transfers from, to Fiscal Stabilization. They change the words each year, so the movements in and out of the Fiscal Stabilization Fund and from Lotteries are recorded in this line.

So it is very clear that the stated deficits were not the actual deficits or surpluses for the years in which these lines had amounts in them. Now that is true right up to the 1996-97 forecast. In other words, there are nine years of factual, truthful presentation here, and then we slip into the tenth year, and the Minister of Finance's (Mr. Stefanson) bad old habits of deception and hiding information creep back into his budget.

Madam Speaker, if you look at the very first line, there is a tiny footnote which my eyes can hardly pick up. It is almost like the size of the print of Progressive Conservative on their election signs. It is just a little above the microscope size, this little tiny 2. Manitoba's collections. \$2.23 billion and a little tiny 2.

Now, down at the bottom, if you get your glasses on and read what that note 2 is all about, it says: Includes \$100 million from Fiscal Stabilization Fund. Well, there we are. Now why would they not put that number in the appropriate line under Deficit Reduction Transfers? I think there is a reason. It is because it would look so stupid that even the government would know that it was silly to have a \$100-million reduction in one line and then a \$75-million payment to debt on the other.

In other words, nothing happened here. Madam Speaker, nothing whatsoever. You took \$100 million out of your savings account and you put \$100 million against your debt. Were you any richer at the end of the day or any better off? Not a bit.

**Madam Speaker:** Order, please.

The hour being 12:30 p.m., when this matter is again before the House, the honourable member for Crescentwood (Mr. Sale) will have 24 minutes remaining.

The hour being 12:30 p.m., this House is adjourned and stands adjourned until 1:30 p.m. Monday next.

# LEGISLATIVE ASSEMBLY OF MANITOBA

Friday, March 21, 1997

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